STATEMENT OF MR. KURT DELBENE ASSISTANT SECRETARY FOR INFORMATION AND TECHNOLOGY AND CHIEF INFORMATION OFFICER OFFICE OF INFORMATION AND TECHNOLOGY (OIT) DEPARTMENT OF VETERANS AFFAIRS (VA) BEFORE THE COMMITTEE ON VETERANS' AFFAIRS SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION U.S. HOUSE OF REPRESENTATIVES

"MODERNIZING VA: LESSONS LEARNED IN THE 118TH CONGRESS"

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Chairman Rosendale, Ranking Member Cherfilus-McCormick, and Distinguished Members of the Subcommittee, thank you for the opportunity to testify on the critical role the VA Office of Information and Technology (OIT) plays and share the strides we have made in our mission to build a world-class information technology (IT) organization to support the critical work of the Department of Veterans Affairs. I am accompanied by two of my executive directors from OIT: Ms. Cherri Waters, Health Portfolio, and Mr. Rob Orifici, Benefits and Memorial Services Portfolio.

Over the past three years, OIT has been driving a significant transition from a traditional IT approach to a modern one patterned after high-tech product development practices. This approach aligns with our responsibilities in delivering a broad range of products and services to our stakeholders and Veterans. While we have made much progress, much work remains to be done, and the ongoing support of Congress will be essential for advancing this transformation.

Improving Strategic Alignment

Driven by our vision-led approach and clear execution roadmaps, OIT sets a reliability standard of at least 99.9% uptime across all critical systems and services, ensuring operational excellence through rigorous coding and change management practices and by designing resilient systems. We have also made significant steps towards creating a flatter organizational structure. By eliminating excess management layers, OIT has empowered teams to take ownership of their work, ensuring that responsibilities are clear and aligned with mission priorities. This transformation not only fosters a more agile environment but also allows for more efficient and effective resource allocation and improves our responsiveness to the needs of stakeholders, thereby improving the overall Veteran experience.

Additionally, OIT has enhanced focus and transparency in its spending by developing a clear "1-N" list of prioritized IT investments, which details spending at a granular level. This aligns with the objective of the Federal Information Technology Acquisition Reform Act (FITARA) to improve the management and oversight of IT resources. These efforts enhance the overall effectiveness of IT investments across VA, eliminating unnecessary spending and ensuring that every dollar spent is ultimately benefiting Veterans through improved services and support systems.

Technical Accomplishments

In the past three years, we have made significant technical strides in our major IT programs and projects, greatly enhancing the services we provide to Veterans through focused efforts in cybersecurity, claims processing, digital experiences, electronic health records, financial management, and educational benefits.

The most critical technical priority is cybersecurity. Threat actors' approaches are constantly evolving in sophistication. This increases the need to assess and work to reduce the overall cyber risks for VA. We have refocused the team from an organization that merely executes cybersecurity as a policy and compliance exercise to one that is risk-based, assessing and developing plans to mitigate the greatest technical risks. We have embraced a Zero Trust strategy, a security framework that assumes no user or system is inherently trustworthy and requires strict verification for access to resources. This strategy enables OIT to prioritize and focus our efforts on the places of greatest vulnerability. Through this focus, we have made significant progress on key Zero Trust initiatives, achieving over 95% enforcement of multi-factor authentication, encryption at rest, and encryption in-transit.

The Veterans Benefits Management System (VBMS) has been a cornerstone of our efforts supporting streamlined claims processing for Veterans. In the past three years, VA achieved a remarkable reduction in claim processing times through the use of automated decision support tools. Both automation and targeted capability improvements in VBMS have made it easier and more efficient for claims processors to do their jobs. In 2024 alone, VBMS supported VA staff in processing 90% of claims within established timelines, showcasing our commitment to creating a user-centric platform that empowers Veterans. We have also made significant progress in our modernization of VBMS, incrementally migrating functionality to a new platform, while still regularly accomplishing our 99.9% uptime goal.

In our efforts to improve the Veteran digital experience, OIT has successfully launched the VA health and benefits mobile app, which has been downloaded 2.4 million times and is actively used by 1 million Veterans each month. We also support millions of monthly visits to VA.gov, our modern, seamless, and user-friendly experience. With that platform in place, we have been actively consolidating, integrating, and sharing data across VA to improve interoperability and accessibility, ensuring Veterans and customers receive the same information regardless of how or where they interact with VA.

The Electronic Health Record Modernization (EHRM) initiative has undergone a thorough reset since early 2023, focusing on integrating user feedback into system design. VA's efforts have led to improved functionality, system stability, and user satisfaction among health care providers, and we are planning to restart deployment efforts in 2025. The reset period has allowed us to refine VA's incremental approach, ensuring that our electronic health record system is not only reliable but also innovatively meets the needs of our Veterans and VA staff.

The rollout of the Integrated Financial and Acquisition Management System (iFAMS) under Financial Management Business Transformation (FMBT) has been a significant

achievement for OIT during this administration. This initiative has modernized financial management processes across VA, enhancing our ability to manage resources effectively. iFAMS streamlines operations and improves financial reporting capabilities, allowing us to allocate resources more efficiently and effectively to serve Veterans. iFAMS demonstrates high system reliability, accomplishing high uptime, so that financial operations are not impacted. As of November 2024, we successfully completed multiple phases of this initiative, resulting in a more agile financial management system that supports timely decision-making.

Our work on the Digital GI Bill has resulted in technical advancements that ensure timely and accurate delivery of payments and benefits information for enrolled Veterans. By modernizing this platform throughout 2022 and into 2024, we are enabling more efficient delivery of education benefits, providing near real-time eligibility and benefit information, and allowing for first contact resolution. We also successfully completed another major deployment of DGIB capabilities in late November 2024and have two additional major deployments scheduled during this fiscal year, which will culminate in enabling VA to retire one of its two remaining mainframes. This initiative exemplifies our commitment to innovation and reliability in delivering essential services.

In addition to these large programs which have received a great deal of attention, there are other successes across the organization too numerous to list, including the delivery of a new patient scheduling system, a new call center customer engagement system, a new identity management system, enhancements to our networking and telecommunications capability, and improvements in the resiliency of all our 100 most-critical IT systems. At the same time, we have improved our already high end-user satisfaction across over the 650,000 end-user workstations. For the fourth year in a row, the Office of Management and Budget and General Services Administration ranked VA #1 for overall IT Customer Satisfaction within its employee-size peer group. All this is made possible through a rigorous engineering approach that we have embraced over the past several years.

Challenges and Opportunities

While we celebrate these successes, challenges lie ahead as we continue our modernization efforts. Much remains to be done as we continue our journey toward a Zero Trust security framework. One of the primary hurdles in our Zero Trust framework is enhancing the technical skills of our workforce, which is vital for adapting to evolving cybersecurity threats and ensuring effective implementation of new technologies. Doing so depends on our ability to enhance the value proposition of a cybersecurity career at VA. VA must be a place where people can become experts in cybersecurity and be paid commensurately for this industry-valued expertise.

OIT must also navigate the complexities of modernizing two critical systems: supply chain modernization and Human Resources (HR) modernization. Supply chain modernization is an important effort as it directly impacts our ability to provide quality care to Veterans by ensuring that medical facilities are adequately stocked with necessary supplies. Our efforts in modernizing VA's Supply Chain Management system have made slow progress, and direction changes have necessitated adjustments in strategy. With these changes, we are committed to leveraging a more deliberate, incremental approach to

improve supply chain operations and its underlying technology rather than a "big bang" solution. OIT is in full alignment with VA's supply chain governance board who set standardizing the Department's current supply chain ecosystem as a key priority.

Likewise, we recognize that HR modernization needs sustained investment beyond what is being achieved through the current Human Resources Information System (HR SMART) implementation alone. The Enterprise Human Capital Management (ECHM) modernization effort represents an opportunity for VA to streamline enterprise-wide HR operations and business processes. By standardizing HR service delivery through advanced information technology, ECHM modernization aims to enhance the employee and user experience while ensuring information transparency. This effort will transform VA's HR ecosystem into a modern, intuitive, and integrated user experience. Some of ECHM's goals are to enable back-end process automation, integration, and interoperability, allowing VA to better forecast future staffing requirements and more accurately report data to key stakeholders. Additionally, the new HR solution aims to improve our response to customer needs without requiring intensive developer support, ultimately leading to a more efficient and effective HR system.

Continued investment in OIT's major initiatives is essential for building on the progress we have made of the past 3 years. In my testimonies throughout 2024, I have highlighted how strategic investments will enable us to enhance our technological capabilities and support ongoing modernization efforts at VA. These initiatives are essential to ensuring that we deliver reliable services to Veterans, while mitigating risks associated with abrupt system overhauls. Addressing these challenges is crucial for fulfilling our mission to provide secure and effective IT services that support Veteran care.

Above all, we in OIT must continue to hone our craft, focusing on the art of being driven by a clear vision, developing comprehensive roadmaps to deliver on that vision, being relentlessly focused on operational excellence, and being invested in our people – our greatest asset. We have made great strides, but the work must continue into, and beyond, the next administration.

Conclusion

Chairman Rosendale, Ranking Member Cherfilus-McCormick, and Members of the Subcommittee, thank you for the opportunity to present this testimony. As we look ahead to 2025, OIT remains dedicated to its mission and looks forward to our continued work with you to support our Nation's Veterans. Our journey to become the best IT organization in the Federal Government continues, and I would like to extend my deepest appreciation to this subcommittee for your oversight, attention, and unwavering support. Your commitment ensures that we can continue innovating and improving the services that our Veterans so rightfully deserve. I look forward to your questions.