Summary – Volume I

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Executive Summary

I. INTRODUCTION

The President's vision for the Department of Veterans Affairs (VA) is to transform VA into a 21st Century organization. This transformation demands that we approach Veterans' care as a lifetime initiative, from the day the oath is taken until the day they are laid to rest.

VA's budget request for 2011, and for advance appropriations for medical care in 2012, provides the resources critical to achieving the President's vision. The budget will help ensure that Veterans—our clients—receive timely access to the highest quality benefits and services we can provide and which they earned through their sacrifice and service to our Nation.

VA's 2011 budget also focuses on three concerns that are of critical importance to our Veterans—easier access to benefits and services; reducing the disability claims backlog and the wait before Veterans receive earned benefits; and ending the downward spiral that results in Veterans' homelessness.

The Department's resource level for 2011 is $125 billion. This includes almost $60.3 billion in discretionary resources and nearly $64.7 billion in mandatory funding. Our discretionary budget request represents an increase of $9.4 billion, or nearly 20 percent over the 2009 enacted level.

II. Strategy and Approach

The President's budget request for 2011 provides the Department of Veterans Affairs (VA) with resources needed to become a 21st Century organization.

The Department's new strategic framework is people-centric, results-driven, and forward-looking. The path we will follow to achieve the President's vision for VA will be presented in our new strategic plan, which is currently in the final stages of review. The strategic goals we have established in our plan will:

- Improve the quality and accessibility of health care, benefits, and memorial services while optimizing value.

- Increase Veteran client satisfaction with health, education, training, counseling, financial, and burial benefits and services.
- Protect people and assets continuously and in time of crisis.
- Improve internal customer satisfaction with management systems and support services to achieve mission performance and make VA an employer of choice by investing in human capital.

The strategies in the plan will guide the VA workforce to ensure the Department remains focused on producing the outcomes Veterans expect and have earned through their service to our country.

As part of this plan, VA will employ an integrated corporate model with central coordination of common management infrastructure, including those for human resources, financial management, acquisitions, performance measurement, and IT. A strong corporate model will enable decentralized provision of services at VA by medical and benefits professionals in the field while providing integrated policy and coordination through a central office. This allocation of decision rights and responsibilities will result in improved quality and access to services for Veterans and their families.

III. High Priority Performance Goals

The President has established six high priority performance goals for the Department. These goals are an integral part of the 2011 budget request.

Reducing the Claims Backlog

The VA is requesting an unprecedented increase for staffing in the Veterans Benefits Administration (VBA) to address a dramatic increase in disability claims. The volume of compensation and pension rating-related claims has been steadily increasing. In 2009, for the first time, VA received over one million claims during the course of a single year, which was 75% higher than the number of claims received in 2000. Original disability compensation claims with eight or more claimed issues increased nearly 200% between 2001 and 2009.

While the volume and complexity of claims has increased, so too has the productivity. In 2009, the number of claims processed was 977,219, an increase of 8.6 percent over the 2008 level. The average time to process a rating-related claim fell from 179 to 161 days in 2009, an improvement of 11 percent.

The progress made in 2009 is a step in the right direction, but it is not nearly enough. The goal for the VA is to reduce the average time to process a claim to no more than 125 days. Reaching this goal will become even more challenging

because of additional claims VA expects to receive related to exposure to Agent Orange. Adding Parkinson's disease, ischemic heart disease, and B-cell leukemias to the list of presumptive disabilities will have a substantial impact on the claims workload. VA estimates the number of claims received to increase from 1,013,712 in 2009 to 1,318,753 in 2011 (a 30 percent increase).

The 2011 budget is based on a three-pronged approach involving improved business processes, expanded technology, and hiring staff to bridge the gap until full implementation of our long-range plan is achieved. The largest increase in VA's 2011 budget request, in percentage terms, is directed to VBA. The budget request for VBA is $2.149 billion, an increase of $460 million, or 27 percent, over the 2010 enacted level. In addition, the budget also includes $145.3 million in information technology funds to support the ongoing development of the paperless claims processing system.

Eliminating Veteran Homelessness

VA's homeless-specific programs provide a continuum of care for homeless Veterans that provide treatment, rehabilitation and supportive services in addressing health, mental health and psychosocial issues. VA also offers a full range of support necessary to end the cycle of homelessness by providing education, jobs, and health care, in addition to housing. With the requested resources in the 2011 budget, VA will increase the number and variety of housing options available to homeless Veterans and those at risk with permanent, transitional, contracted, community-operated, and VA-operated housing.

Homelessness is primarily a health care issue, heavily burdened with depression and substance abuse. VA's budget includes $4.2 billion in 2011 to prevent and reduce homelessness among Veterans—over $3.4 billion for core medical services and $799 million for specific homeless programs and expanded medical programs. The total investment in 2011 to reduce the cycle of homelessness is $294 million.

Automating the GI Bill Benefits System

In August 2009, the new Post-9/11 GI Bill program was launched. VA received more than 397,000 original and 219,000 supplemental applications since the inception of this program. VA has established a comprehensive strategy to develop an end-to-end IT solution that utilizes rules-based, industry standard technologies to modernize the delivery of education benefits. The automated solution for the new Post-9/11 GI Bill education program will be implemented by December 2010.

The 2011 budget provides $44.1 million to complete the automated solution for processing claims from the Post-9/11 GI Bill program and to begin the development and implementation of electronic systems to process claims associated with other education programs.

Establishing a Virtual Lifetime Electronic Record

In April 2009, the President charged VA and the Department of Defense with building a fully interoperable electronic records system that will provide each member of our armed forces a Virtual Lifetime Electronic Record (VLER). This virtual record will enhance the timely delivery of high-quality benefits and services by capturing key information needed about their history from the day they put on the uniform, through their time as Veterans, until the day they are laid to rest.

VA has $52 million in IT funds in 2011 to continue the development and implementation of this Presidential priority.

Improving Mental Health Care

VA's budget provides about $5.2 billion for mental health, an increase of $410 million, or 8.5 percent, over the 2010 enacted level. VA will expand inpatient, residential, and outpatient mental health programs with an emphasis on integrating mental health services with primary and specialty care.

VA will continue to be proactive in screening for Post-Traumatic Stress Disorder (PTSD) and intervening early in order to prevent chronic problems that could lead to more complex disorders and functional problems. VA will also expand its screening program for other mental health conditions, most notably traumatic brain injury (TBI), depression, and substance use disorders. The Department will enhance its suicide prevention advertising campaign to raise awareness among Veterans and their families of the services available to them.

Deploying a Veterans Relationship Management System

This system will allow Veterans to access comprehensive online information anytime and anywhere via a single consistent entry point. The budget provides $51.6 million for this project, which will also provide Veterans with the ability to access VA through multiple methods; complete multiple business processes within VA without having to re-enter identifying information; and seamlessly access VA across multiple lines of business.

IV. Other Key Focus Areas

Expanding health care eligibility. Using resources provided by Congress in 2009, VA began a gradual expansion of health care eligibility for non-disabled Veterans earning modest incomes (Priority 8 Veterans). The 2011 budget continues this gradual expansion, which will enable over 500,000 Veterans to enroll for VA medical care by 2013. The 2011 budget ensures this will be done while maintaining both the timeliness and quality of VA health care.

Meeting the needs of women Veterans. VA will respond to the needs of a growing number of women Veterans coming to VA for health care, particularly through enhanced primary care. This effort includes full-time Women Veterans Program Managers serving at all VA medical facilities. These program managers are advisors to, and advocates for, women Veterans to help ensure their care is provided with the appropriate level of privacy and sensitivity.

Expanding care for Veterans in rural areas. The Department is expanding several projects that will improve access to care for Veterans in rural and highly rural areas, including use of mobile clinics, outreach clinics, and home-based primary care. VA will also continue to expand its telehealth program.

Expanding Access to Burial in a VA National Cemetery. This budget reflects the implementation of a new policy that lowers the Veteran population threshold for establishing new national cemeteries from 170,000 to 80,000 Veterans living within 75 miles of a cemetery. This will provide additional access to about 500,000 veterans.

Improving Acquisitions Processes and Operations. This budget includes $23.6 million for a new Presidential initiative for improving acquisition management and contracting practices across the Federal government. This initiative will provide VA the resources to increase the size of the acquisition workforce and improve its training programs. In addition, VA will develop an annual acquisition human capital plan that will be used in the planning process beginning in 2012.

Investing in training and career development. This budget will help ensure that VA's workforce will remain leaders and standard-setters in their fields. The Department will continue to grow and retain a skilled, motivated, and client-oriented workforce. Training and development (including a leader development program), communications and team building, and continuous learning will all be components of reaching this objective.

Overview of the 2011 Funding Level

- Provides $125 billion for high-quality health care, benefits, and memorial service to our country's veterans.
  - $60.3 billion in discretionary funding to include medical care collections primarily for medical programs to provide high-quality health care for our veterans and research for conditions and diseases that affect these veterans.
  - $64.7 billion for mandatory entitlement programs in benefits for our veterans and their beneficiaries.
  - $11 billion above the current 2010 enacted level.

Budget Authority by Account

Budget Authority (dollars in thousands)				
BA/Fund Account	2009 Actual	2010 Current Estimate	2011 Request	Increase (+) Decrease (-)
Federal funds:				
Benefit programs:				
Disability Compensation				
Mandatory Benefits	$39,121,618	$43,332,155	$48,652,044	5,319,889
Total Disability Compensation	39,121,618	43,332,155	48,652,044	5,319,889
Burial Mandatory Benefits	175,472	207,091	181,874	-25,217
Pensions Mandatory Benefits	4,208,819	4,383,871	4,658,316	274,445
Subtotal, Compensation and Pension	**43,505,909**	**47,923,117**	**53,492,234**	**5,569,117**
Education Mandatory Benefits	3,401,477	7,931,137	9,618,407	1,687,270
Vocational rehabilitation and employment Mandatory Benefits	731,467	774,221	821,838	47,617
Vocational rehabilitation loan subsidy (non-add)	61	29	48	19
Subtotal, Readjustment Benefits	**4,132,944**	**8,705,358**	**10,440,245**	**1,734,887**
Insurance Mandatory Benefits	48,072	49,288	62,589	13,301
Housing Mandatory Benefits	326,981	825,504	19,078	-806,426
Non-Appropriated Accounts				
Vocational Rehabilitation Upward Reestimate	812	179	0	-179
Native American Veteran Housing	1,229	1,454	0	-1,454
Housing Benefit Program fund Liquidating	-7,930	-8,955	-8,027	928
Trust Funds	1,121,889	1,163,888	1,115,676	-48,212
General Post Fund	36,365	37,092	37,833	741
Proprietary receipts	-1,372,124	-741,403	-475,600	265,803
Intragovernmental transactions	-1,303	-1,318	-1,271	47
Total Benefits Mandatory	**47,792,844**	**57,954,204**	**64,682,757**	**6,728,553**
Medical Research and Support	510,000	581,000	590,000	9,000
Medical programs:				
Medical services	30,745,513	34,692,500	37,136,000	2,443,500
Medical care collection fund	2,766,908	3,026,000	3,355,000	329,000
Total Medical services with collections	**33,512,421**	**37,718,500**	**40,491,000**	**2,772,500**
Medical Support and Compliance	4,405,500	4,930,000	5,307,000	377,000
Medical facilities	6,029,000	4,859,000	5,740,000	881,000
VA/DoD Health Care Sharing Incentive Fund	34,000	30,000	0	-30,000
Total Medical Care	**43,980,921**	**47,537,500**	**51,538,000**	**4,000,500**
Total medical programs	**44,490,921**	**48,118,500**	**52,128,000**	**4,009,500**
National Cemeteries Administration	280,000	250,000	250,504	504
Department Administration:				
General administration	335,772	397,500	463,197	65,697
Credit Reform - General Counsel (non-add)	*5,160*	*5,304*	*5,374*	*70*
VBA-GOE	1,618,395	1,689,207	2,148,776	459,569
Credit Reform - VBA (non-add)	117,849	125,285	137,011	11,726
Subtotal, GOE	**1,954,167**	**2,086,707**	**2,611,973**	**525,266**
Filipino Veterans Equity CompensationFund	198,000	0	0	0
Office of Inspector General	88,818	109,000	109,367	367
Construction Major	923,382	1,194,000	1,151,036	-42,964
Construction Minor	741,534	703,000	467,700	-235,300
Grants for State Extended Care	325,000	100,000	85,000	-15,000
Grants for State Cemeteries	42,000	46,000	46,000	0
Credit Reform	158,237	166,103	164,738	-1,365
Information Technology	2,798,182	3,307,000	3,307,000	0
Total Departmental Administration	**7,229,320**	**7,711,810**	**7,942,814**	**231,004**
Total Budget Authority	**$99,793,085**	**$114,034,514**	**$125,004,075**	**10,969,561**
Total Mandatory	**$47,792,844**	**$57,954,204**	**$64,682,757**	**6,728,553**
Total Discretionary without MCCF	**$49,233,333**	**$53,054,310**	**$56,966,318**	**3,912,008**
Total Discretionary with MCCF and other receipts	**$52,000,241**	**$56,080,310**	**$60,321,318**	**4,241,008**

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Key Performance Measures

Key Measures by Organization	Past Fiscal Year Results				Fiscal Year Targets			Strategic Target
	2006	2007	2008	2009	2010 (Final)	2011 (Request)	2012 (Adv. Approp. (Request)	
Veterans Health Administration								
Percent of patients rating VA health care service as very good or excellent: (The survey instrument used in the past has been discontinued. VHA has moved to a nationally standardized tool, a family of surveys known as Consumer Assessment of Health Care Plans and Systems (CAHPS). FY 2009 was a re-baseline year to determine both annual and strategic targets. The results are not comparable to prior years.)								
Inpatient	78%	78%	79%	63% (Baseline)	TBD	TBD	TBD	TBD
Outpatient	78%	78%	78%	57% (Baseline)	TBD	TBD	TBD	TBD
Percent of primary care appointments completed within 30 days of the desired date	96%	97%	99%	99%	98%	99%	99%	99%
Percent of specialty care appointments completed within 30 days of the desired date	94%	95%	98%	98%	95%	96%	97%	99%
Percent of new patient appointments completed within 30 days of the appointment create date	N/Av	N/Av	89%	93%	93%	94%	94%	95%
Clinical Practice Guidelines Index III The 2006, 2007, and 2008 results are CPGI II. The 2009 result and 2010, 2011, and 2012 targets are CPGI III.	83%	83%	84%	91%	86%	88%	90%	90%
Prevention Index IV The 2006, 2007, and 2008 results are PI III. The 2009 result and 2010, 2011, and 2012 targets are PI IV.	88%	88%	88%	89%	89%	90%	91%	90%
Non-institutional, long-term care average daily census (ADC)	43,325	41,022	54,053	72,315	93,935	114,484	116,198	109,184
Progress towards development of one new treatment for post-traumatic stress disorder (PTSD) (One milestone to be achieved over 1 year)	47%	67%	80%	80%	94%	100%	N/Ap	100%

Key Measures by Organization	Past Fiscal Year Results				Fiscal Year Targets		Strategic Target
	2006	2007	2008	2009	2010 (Final)	2011 (Request)	
Veterans Benefits Administration							
National accuracy rate - compensation entitlement claims	88%	88%	86%	84%	90%	90%	98%
Compensation and Pension disability rating claims - average days to complete (Supports High Priority Goal)	177	183	179	161	165	190	125
Rehabilitation Rate (General)	73%	73%	76%	74%	76%	77%	80%
Average days to complete original Education claims (Supports High Priority Goal)	40	32	19	26	24	19	10
Average days to complete supplemental Education claims	20	13	9	13	10	9	7
Pension maintenance claims - average days to complete	92	104	119	101	82	80	60
National accuracy rate - pension maintenance claims	88%	91%	93%	95%	95%	95%	98%
Rate of high client satisfaction ratings on services delivered (Insurance)	96%	96%	95%	96%	95%	95%	95%
Default Resolution Rate (1) Corrected	N/Av	N/Av	N/Av	(1) 65.1%	71.0%	73.0%	75.0%
National Cemetery Administration							
Percent of Veterans served by a burial option within a reasonable distance (75 miles) of their residence	80.2%	83.4%	84.2%	87.4%	87.8%	90.5%	94.0%
Percent of respondents who rate the quality of service provided by the national cemeteries as excellent	94%	94%	94%	95%	98%	98%	100%
Percent of graves in national cemeteries marked within 60 days of interment	95%	94%	93%	95%	95%	95%	95%
Percent of applications for headstones and markers that are processed within 20 days for the graves of Veterans who are not buried in national cemeteries	62%	38%	95%	93%	90%	90%	90%
Percent of respondents who rate national cemetery appearance as excellent	97%	97%	98%	98%	99%	99%	100%

Mission

Our Mission: *What We are Here to Do*

To fulfill President Lincoln's promise – "To care for him who shall have borne the battle, and for his widow, and his orphan"– by serving and honoring the men and women who are America's Veterans.

President Lincoln's immortal words – delivered in his Second Inaugural Address more than 140 years ago – describe better than any others the mission of the Department of Veterans Affairs. We care for Veterans and their families – men and women who have responded when their Nation needed help. Our mission is clear-cut, direct, and historically significant. It is a mission that every employee is proud to fulfill.

VA fulfills these words by providing world-class benefits and services to the millions of men and women who have served this country with honor in the military. President Lincoln's words guide the efforts of approximately 270,000 VA employees who are committed to providing the best medical care, benefits, social support, and lasting memorials to Veterans and their dependents in recognition of Veterans' service to this Nation.

Our Programs: *What We Do*

Veterans Health Administration

Providing Medical Care

VA operates the largest direct health care delivery system in America. In this context, VA meets the health care needs of America's Veterans by providing a broad range of primary care, specialized care, and related medical and social support services. VA focuses on providing health care services that are uniquely related to Veterans' health or special needs. VA is also the Nation's largest provider of health care education and training for medical residents and other health care trainees. These education and training programs are designed to help ensure an adequate supply of clinical care providers for Veterans and the Nation. ***Web***: http://www1.va.gov/health/index.asp

Conducting Veteran-Centered Research -

VA advances medical research and development in ways that support Veterans' needs by pursuing medical research in areas that most directly address the diseases and conditions that affect Veterans.

Shared VA medical research findings contribute to the public good by improving the Nation's overall knowledge of disease and disability. ***Web***: http://www.research.va.gov

Veterans Benefits Administration

Delivering Compensation Benefits

The Compensation program provides monthly payments and ancillary benefits to Veterans in accordance with rates specified by law, in recognition of the average potential loss of earning capacity caused by a disability or disease incurred in or aggravated during active military service.

This program also provides monthly payments, as specified by law, to surviving spouses, dependent children, and dependent parents in recognition of the economic loss caused by the Veteran's death during active military service or, subsequent to discharge from military service, as a result of a service-connected disability.
Web: www.vba.va.gov/bln/21/compensation/

Providing Pension Benefits

Pension benefits are monthly payments, specified by law, provided to Veterans with nonservice-connected disabilities who served in a time of war. Veterans must meet specific income limitations and must be permanently and totally disabled or must have reached the age of 65. This program also provides monthly payments, as specified by law, to income-eligible surviving spouses and dependent children of deceased wartime Veterans who die as a result of a disability unrelated to military service.
Web: www.vba.va.gov/bln/21/pension/

Providing Educational Opportunities

VA's education programs provide eligible Veterans, servicemembers, reservists, survivors, and dependents the opportunity to achieve their educational or vocational goals. Education programs also assist the armed forces in their recruitment and retention efforts, and help Veterans in their readjustment to civilian life.

These benefits serve to enhance the Nation's competitiveness through the development of a better educated and more productive workforce. VA administers a number of education programs, including the Montgomery GI Bill and the Post-9/11 GI Bill, a new education program which provides financial support to individuals with at least 90 days of aggregate service on or after September 11, 2001, or individuals discharged with a service-connected disability after 30 days. ***Web***: www.gibill.va.gov

Delivering Vocational Rehabilitation and Employment Services

The Vocational Rehabilitation and Employment program focuses on providing individualized services to Veterans with service-connected disabilities to assist them to achieve functional independence in daily activities, become employable, and obtain and maintain suitable employment. ***Web***: http://www.vba.va.gov/bln/vre/index.htm

Promoting Home Ownership

VA's Loan Guaranty program helps eligible Veterans, active duty personnel, surviving spouses, and members of the Reserves and National Guard in purchasing homes. VA also assists these borrowers in retaining their homes through joint servicing efforts with VA-guaranteed loan servicers via foreclosure avoidance services. In addition, VA offers grants to Veterans and servicemembers who have specific service-connected disabilities for the purpose of constructing an adapted dwelling or modifying an existing one to meet their special needs.

The Loan Guaranty program also provides direct loans to Native American Veterans living on Federal trust land and offers some loans to the public when buying homes owned by VA as a result of foreclosure. ***Web***: http://www.homeloans.va.gov

Meeting Insurance Needs

VA's Insurance program provides servicemembers and their families with universally available life insurance (automatically issued to all servicemembers and their families without underwriting), as well as traumatic injury protection insurance for servicemembers. The program also provides the option for the continuation of insurance coverage after a servicemember's separation from service.

The program continues to provide life insurance coverage to WWII and Korean War-era Veterans, and to Veterans who have lost or impaired insurability resulting from military service and therefore cannot obtain commercial insurance at standard (healthy) rates. In total, the program insures 7.1 million Veterans, servicemembers, and their families.

Insurance coverage is made available in reasonable amounts and at premium rates comparable to those offered by commercial companies. The program ensures a competitive, secure rate of return on investments held on behalf of the insured. ***Web***: http://www.insurance.va.gov

National Cemetery Administration

Delivering Burial Services to Veterans

Primarily through the National Cemetery Administration (NCA), VA honors Veterans with final resting places in national shrine cemeteries and with lasting tributes that commemorate their service to our Nation. ***Web***: http://www.cem.va.gov

Staff Offices

The Department's staff offices are critical to VA's ability to deliver services to Veterans in a cost-effective manner. These offices provide a variety of services including information technology, human resources management, financial management, acquisition, and facilities management.

New Staff Offices

Office of Survivors Assistance

Mandated by Public Law 110-389, Title II, Section 222, Oct 10, 2008, the Office of Survivors Assistance (OSA) was established to serve as a resource regarding all benefits and services furnished by the Department to survivors and dependents of deceased Veterans. OSA is the primary advisor to the Secretary and Deputy Secretary on all matters related to policies, programs, legislative issues, and other initiatives affecting survivors.

Office of Acquisition, Logistics and Construction

In October 2008 the Office of Acquisition, Logistics, and Construction (OALC) was established to transform and modernize VA's business practices and processes. OALC is the result of the consolidation of the Office of Construction & Facilities Management and the Office of Acquisition and Logistics. OALC is responsible for acquisition, logistics, major construction, and real property functions, and the new structure is designed to improve customer service, strengthen accountability, and streamline business operations.

Population of American Veterans

Veterans Population

On September 30, 2009, there were an estimated 23.1 million living Veterans, with 23 million of them in the U.S. and Puerto Rico. There were an estimated 35.2 million dependents (spouses and dependent children) of living Veterans in the U.S. and Puerto Rico. There were over 530,000 survivors of deceased Veterans receiving VA survivor benefits in the U.S. and Puerto Rico. Thus, nearly 58.7 million people, or 18.9 percent of the total estimated resident population of the U.S. and Puerto Rico (311.6 million), were recipients, or potential recipients, of Veterans' benefits from the Federal Government.

The pie chart represents the estimated number (in millions) in the resident population of the U.S. and Puerto Rico classified as living Veterans, dependents of living Veterans and survivors of Veterans receiving VA survivor benefits, and others (the remainder of the resident population) as of September 30, 2009.

Estimated Population (in Millions) of Living Veterans, Dependents of Living Veterans, Survivors of Veterans Receiving VA Survivor Benefits, and Others U.S. and Puerto Rico, September 30, 2009

Estimated Number and Median Age of Veterans by Period of Service*, September 30, 2009

9/30/2009	Median Age	Veterans in millions
World War II (WWII)	85.2	2.3
Pre-KC Peacetime	79.8	0.1
Korean Conflict (KC)	78	2.6
Between KC & VNE	71.1	2.3
Vietnam Era (VNE)	62.2	7.7
Between GW & VNE	49.1	3.4
Gulf War (GW)	38.5	5.5

*** Veterans are included in all wartime periods in which they served. Therefore, period categories do NOT add to total veteran population.**

Estimates & Projections of the Veterans Population

Estimates and Projections of the Veteran Population of the United States, Puerto Rico, US Island Ares, and Foreign Countries

September 30, 2005 -- September 30, 2020

Veteran populations projected as of September 30, 2006.

Period	9/30/2005	9/30/2006	9/30/2007	9/30/2008	9/30/2009	9/30/2010	9/30/2011	9/30/2012	9/30/2013	9/30/2014	9/30/2020
All Veterans[1]	24,521,247	24,179,183	23,816,018	23,442,489	23,066,965	22,658,145	22,234,242	21,806,449	21,376,954	20,956,685	18,641,197
Wartime Veterans[1]	18,273,842	18,017,235	17,739,441	17,455,916	17,175,123	16,854,420	16,502,019	16,122,098	15,708,283	15,279,794	12,847,863
Gulf War[2][3]	4,367,288	4,681,950	4,965,953	5,238,587	5,506,541	5,725,472	5,902,009	6,038,900	6,128,506	6,188,943	6,355,704
GW Only	4,004,257	4,315,432	4,602,025	4,878,090	5,149,904	5,373,105	5,554,364	5,696,334	5,791,378	5,857,625	6,067,544
GW,VNE Only	356,435	360,134	357,772	354,578	350,965	346,951	342,493	337,688	332,530	327,007	285,624
GW,VNE,KC Only	5,763	5,586	5,397	5,199	4,993	4,779	4,558	4,329	4,094	3,852	2,332
GW,VNE, KC,WWII Only	833	798	760	720	679	637	594	549	504	459	203
Vietnam Era[2]	8,079,674	7,988,534	7,884,366	7,772,607	7,653,326	7,526,219	7,390,961	7,247,414	7,095,397	6,934,788	5,791,628
VNE Only	7,373,084	7,297,299	7,214,528	7,125,139	7,028,704	6,924,814	6,813,095	6,693,208	6,564,875	6,427,884	5,420,027
VNE,KC Only	232,388	222,881	213,104	203,010	192,617	181,948	171,036	159,926	148,670	137,328	71,997
VNE,KC,WWII Only	111,171	101,836	92,804	83,961	75,368	67,089	59,185	51,714	44,725	38,258	11,445
Korean Conflict[2]	3,290,379	3,126,283	2,960,719	2,792,200	2,621,236	2,448,464	2,274,663	2,100,735	1,927,700	1,756,677	841,769
KC Only	2,681,413	2,559,279	2,434,739	2,306,732	2,175,549	2,041,606	1,905,461	1,767,804	1,629,459	1,491,370	730,618
KC,WWII Only	258,811	235,903	213,914	192,578	172,029	152,404	133,828	116,413	100,249	85,410	25,174
WWII[2]	3,620,503	3,256,624	2,911,876	2,583,169	2,272,391	1,981,216	1,711,011	1,462,809	1,237,278	1,034,727	269,721
WWII Only	3,249,688	2,918,087	2,604,397	2,305,909	2,024,314	1,761,085	1,517,404	1,294,133	1,091,800	910,601	232,899
Peacetime Veterans[4]	6,247,405	6,161,948	6,076,577	5,986,574	5,891,842	5,803,725	5,732,223	5,684,351	5,668,671	5,676,890	5,793,334
Post GW(3)	0	0	0	0	0	11,401	44,213	105,423	203,528	330,151	1,241,768
Between GW & VNE	3,460,616	3,451,763	3,443,105	3,433,541	3,422,976	3,411,312	3,398,441	3,384,251	3,368,622	3,351,422	3,206,846
Between KC & VNE	2,615,279	2,550,997	2,485,695	2,416,354	2,342,968	2,265,573	2,184,251	2,099,126	2,010,362	1,918,151	1,311,460
Pre-KC	171,510	159,188	147,777	136,678	125,897	115,440	105,318	95,551	86,160	77,166	33,259

Detail may not add to totals or subtotals due to rounding.

(1) Veterans serving in more than one period of service are counted only once in the total.

(2) This sum includes Veterans who served in multiple periods.

(3) Purely for the purpose of allocating Veterans to period of service, the Gulf War is assumed to end on September 30, 2009 in these estimates and projections.

(4) Veterans who served both in wartime and peacetime are only counted as serving in wartime.

(5) These data differ slightly from published Census data because they include 17 year-old Veterans and Veterans in foreign countries, neither of which are included in the published Census.

(6) US Island Areas is composed of Virgin Islands, Guam, American Samoa, and the Northern Marianas.

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Medical Programs

Overview

- Provides $51.5 billion in 2011 to strengthen the quality of health care provided to our Nation's Veterans.
- Provides $54.3 billion for 2012 for the three medical care appropriations: Medical Services, Medical Support and Compliance, and Medical Facilities. This includes $50.6 billion in advance appropriations and $3.7 billion in MCCF. This request for advance appropriations will provide reliable and timely resources to VA medical facilities to support the uninterrupted delivery of health care for Veterans.
- Increases funding for health care in 2011 by $4.0 billion over the 2010 level.
- Provides health care to 6.1 million patients in 2011 and 6.2 million in 2012.
  - Includes 439,271 Operation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF) Veterans (7.2% of all patients) in 2011.
  - Includes 496,005 OEF/OIF Veterans (7.9% of all patients) in 2012.
- Continues the expansion of health care eligibility for VA health care to non-disabled Veterans earning modest incomes. The expansion, which began in 2009, will enable over 500,000 new enrollees by 2013.

- Provides VA's portion of funding, in consonance with the Department of Defense (DoD), to operate the first totally integrated federal health care facility in the country. The Captain James A. Lovell Federal Health Care Center (FHCC) located in North Chicago, Illinois, will care for all eligible VA and DoD beneficiaries. The FHCC will receive a total of $367.5 million for its operations:
  - VA will contribute $235.4 million.
  - DoD will contribute $132.1 million.
- Expands and improves access to health care and plans to eliminate homelessness among our Veterans in 5 years by funding in 2011:
  - $5.2 billion to continue our effort to improve access to mental health services across the country including increases for post-traumatic stress disorder, substance use disorder, and suicide prevention.
  - $2.6 billion to meet the needs of 439,271 Veterans with service in OEF/OIF.
  - $2 billion to support the rising demand for prosthetics to improve Veterans' quality of life through new and innovative technology.
  - $799.2 million for specific programs to assist homeless Veterans as VA continues to implement its comprehensive plan to reduce homelessness. This plan includes:
    - $217.6 million for the Homeless Grants and Per Diem program and liaisons to assist community-based organizations with services for homeless Veterans.
    - $151.1 million for the Housing and Urban Development (HUD)-VA Supportive Housing program to provide case management services to Veterans who receive HUD Section 8 rental assistance vouchers.
    - $302.4 million to continue VA's extensive outreach efforts to homeless Veterans in the community; the continued activation of the new homeless domiciliary residential rehabilitation and treatment programs; and supportive services for low income Veterans.
  - $537.5 million for spinal cord injury (SCI) continuum of care at VA's 24 regional spinal cord injury centers. VA has the largest single network of SCI care in the nation that provides a full range of care for our Veterans.

- $250 million for rural health initiatives to continue providing access and quality care to Veterans in rural areas with initiatives such as: mobile clinics, expanding fee-basis care, operating Rural Health Resource Centers, accelerating telemedicine deployment, and exploring collaborations with other federal and community providers.

- $260.9 million for screening and treatment of traumatic brain injury (TBI) to provide the highest quality care for our Veterans with TBI and polytrauma through VA's TBI and polytrauma system of care.

- $179 million for readjustment counseling and outreach services provided through our 300 Vet Centers to meet the needs of our Veterans. In 2011, there will be 70 mobile Vet Centers that provide outreach at active-duty, National Guard, and Reserve activities nationally. This is an increase of 20 mobile Vet Centers over the 2010 level of 50 mobile Vet Centers to increase our outreach efforts.

- $217.6 million to enhance primary care for women Veterans—one of VA's top priorities. VA will have 144 full-time Women Veterans Program Managers serving at VA medical facilities to help ensure care is provided with the appropriate level of privacy and sensitivity.

Summary of the Health Care Budget 2011 Funding and 2012 Advance Appropriations Request

	2009	2010	2011	2012
Full-Time Equivalents	235,619	243,562	244,845	243,645

- Provides $51.5 billion for health care services, long-term care, other health care programs, and initiatives in 2011 and requests $54.3 billion in 2012 for advance appropriations.
- **Health Care Services** 2011 funding of $43.2 billion and 2012 advance appropriations request of $45.2 billion.
  - Acute care funding is to treat inpatients requiring acute care for general medical ailments and surgery; provide ambulatory outpatient care to deliver community-based health care to our eligible Veterans; and deliver pharmacy services to provide these Veterans with medication. **2011: $34.6 billion; 2012: $35.9 billion.**
  - Mental health services funding to improve access to mental health services across the country. **2011: $5.2 billion; 2012: $5.6 billion.**
  - Prosthetics funding to purchase and repair prosthetics and sensory aids such as hearing aids, pacemakers, artificial hip and knee joints, and ocular lenses. **2011: $2.0 billion; 2012: $2.2 billion.**
  - Rehabilitative care of $744 million and dental care funding of $678 million to provide these services to our Veterans. **2011: $1.4 billion; 2012: $1.5 billion.**

- **Long-Term Care** 2011 funding of $6.8 billion and 2012 advance appropriations of $7.6 billion.
  - Non-institutional care funding of $1.5 billion includes increases for programs like home-based primary care (an increase of $90.1 million) and care coordination/home telehealth (an increase of $41.8 million). The VA Tele-Health and Home Care Model will help Veterans gain better access to and use of VA services by enhancing the ability to deliver care in the Veteran's home. **2011: $1.5 billion; 2012: $1.7 billion.**
  - VA community living centers (formerly VA nursing homes) care funding of $3.7 billion for 10,880 average daily census (ADC), an additional 86 ADC. **2011: $3.7 billion; 2012: $4.0 billion.**
  - Community nursing home care funding of $692 million for 7,818 ADC, an additional 820 ADC. **2011: $692.1 million; 2012: $751.8 million.**
  - State nursing home care funding of $869 million for 19,588 ADC, an increase of 280 ADC. **2011: $868.7 million; 2012: $1.0 billion.**
- **Other Health Care Programs** funding for various other health care services such as the Civilian Health and Medical Program of the Department of Veterans Affairs, readjustment counseling, and non-veterans. **2011: $1.4 billion; 2012: $1.5 billion.**
- **Homeless Initiative** funding of $294 million which is a portion of the total funding of $800.5 million for specific programs to assist homeless Veterans as VA continues to implement its comprehensive plan to reduce homelessness.
- **Legislative Proposals** are being proposed that are designed to expand health care benefits for the Nation's Veterans and their caregivers. **2011: $58.2 million; 2012: $74.8 million.** These proposals will:
  - Enhance VA's homeless programs to continue its effort to combat homelessness among our Nation's Veterans.
  - Provide health care and other services, such as travel expenses and training, to eligible caregivers who are caring for our Veterans.
  - Provide care for the newborns of our women Veterans who receive maternity care at VA.

Medical Patient Case Load

- Supports an increase in 2011 of almost 169,000, or 2.9 percent, unique patients over the 2010 estimate.
  - Priority 1-6 patients. In 2011, there are nearly 4 million patients, an increase over 2010 of 2.4 percent, or 94,741 new patients. We devote 84 percent of our health care resources to meet the needs of these Veterans.
  - Priority 7-8 patients. In 2011, there are 1.6 million patients, 62,681 more Priority 7 and 8 patients, or 4.2 percent more patients.
- Increases outpatient visits from 78.6 million in 2010 to 82.8 million in 2011, an increase of 4.2 million, or 5.3 percent.
- Increases inpatients treated from 905,905 in 2010 to 937,216 in 2011, an increase of 31,311, or 3.5 percent.

Quality of Care for Our Veterans—Resources Support Secretary's Health Care Priorities

- Provide easier access to benefits and services and ending homelessness among our Veterans as we transform VA into a 21st Century organization.
- Achieve the following two high-priority performance goals through activities undertaken by the Veterans Health Administration:
  - Reduce the homeless Veteran population to 59,000 by June 2012 on the way to eliminate Veteran homelessness
  - Improve the quality, access, and value of mental health care provided to Veterans by December 2011
- Continue to improve the quality and safety of health care:
  - Improve our performance on the clinical practice guidelines index, which focuses on high-prevalence and high-risk diseases that have a significant impact on Veterans' overall health status. Performance is expected to improve to 88 percent in 2011, or a 2 percentage point rise over the level we expect to achieve in 2010.
  - Improve our performance on the prevention index aimed at primary prevention and early detection with immunizations and screenings. Performance is expected to improve by 1 percentage point above the estimated 2010 level, reaching 90 percent in 2011.
- Provide timely and appropriate access to health care by implementing best practices that enable the following:
  - Completing 99 percent of primary care appointments within 30 days of the desired date, an increase of 1 percent over the 2010 level of 98 percent.
  - Completing 96 percent of specialist appointments within 30 days of the desired date, an increase of 1 percent over the 2010 level of 95 percent.
  - Evaluating 96 percent of mental health patients less than 15 days following their first mental health encounter. We will maintain the same level as in 2010. These evaluations support the mental health care high-priority performance goal.
  - Screening 97 percent of eligible patients screened at required intervals for post-traumatic stress disorder, an increase of 1 percent over the 2010 level of 96 percent. These screenings support the mental health care high-priority performance goal.

Medical Care Collections Fund (MCCF)

- VA estimates collections of $3.4 billion, representing over 8.0 percent of the available resources in 2011 and an increase of $329.0 million, or a 10.9 percent increase, over the 2010 estimate.
  - Of the $329.0 million increase in collections for 2011, $209.0 million is for additional third-party insurance collections; $20.0 million is for increased first-party other co-payments; and $100.0 million is for increased pharmacy co-payments.
- For the advance appropriations, VA estimates collections of $3.7 billion, representing almost 9.3 percent of the available resources in 2012 and an increase of $324.0 million, or a 9.7 percent increase, over the 2011 estimate.
  - Of the $324.0 million increase in collections for 2012, $288.0 million is for additional third-party insurance collections; $20.0 million is for increased first-party other co-payments; $17.0 million is for increased pharmacy co-payments; and a slight decrease of $1 million in parking fees.
- This fund supplements our appropriations by collecting co-payments from veterans for pharmacy co-payments, and first-party other co-payments which includes inpatient and outpatient co-payments, and nursing home co-payments. VA also collects third-party insurance payments.

Medical and Prosthetic Research

	2009	2010	2011
Full-Time Equivalents	3,226	3,345	3,345

- VA is anticipating $1.9 billion in total resources for Medical and Prosthetic Research in 2011.
- The direct Medical and Prosthetic Research appropriation request is $590 million, an increase of $9 million over the prior year.
- Other Federal and Other Non-Federal resources are estimated to be $710 million in 2011, equal to the prior year.
- Total projects for Research are anticipated to be 2,350.
- Medical Research obligations are expected to be $630 million in 2011.

Selected Research and Development Program Funding (dollars in thousands)			
Description	2009 Actual	2010 Estimate	2011 Estimate
OEF/OIF			
Pain	$11,096	$11,538	$12,286
Post Deployment Mental Health	$36,132	$39,672	$40,558
Sensory Loss	$20,607	$21,742	$23,456
Spinal Cord Injury	$27,191	$28,532	$31,305
Traumatic Brain Injury and Other Neurotrauma	$14,553	$15,411	$15,917
Prosthetics	$12,616	$15,895	$17,278
Women's Health	$10,673	$11,744	$12,097
Gulf War Veterans Illness	$21,839	$24,879	$25,265

VA R&D has had significant success developing research leading to clinical achievements that improve the health and quality of life for Veterans and the Nation. The table above highlights research investments in some key areas.

21st Century Medicine

VA research transforms medicine by uniquely engaging Veterans both as clinical patients and as research volunteers. Through technology, advancements, and information, research helps transform VA's health care into a leading example of medicine in the 21st Century.

Rural Health / Access / Telemedicine

One of the critical missions of VA research is to identify system-wide gaps in care to Veterans. This includes assessing specific barriers to care for vulnerable populations, including rural Veterans.

Current studies address new telemedicine and telehealth initiatives, community based outpatient clinics (CBOCs), collaborative care models, access for OEF/OIF Veterans, and access to specialized care such as VA rehabilitation services.

Genomic & Personalized Medicine

Using information on a patient's genetic make-up, care can be tailored to more effectively provide a precise level of care. VA expects to continue investigating whether genetic influences in disease and/or responses to medications can be used to further advance personalized care.

Veterans Benefits Administration

Overview

Summary of 2011 Budget Request

This budget request will allow the Veterans Benefits Administration (VBA) to administer and improve a comprehensive program of benefits and services for Veterans, continue to take significant steps toward transforming VBA into a 21st Century Organization and honor our committment to be advocates for our nation's Veterans. Our transformation objectives are to advocate for Veterans, provide Veterans with a high quality VA experience, provide benefits faster, improve quality and services and increase productivity.

The number of disability compensation and pension claims is expected to increase from 1,013,712 in 2009 to 1,318,753 in 2011 (a 30 percent increase). As such, the largest increase in VA's discretionary budget request, in percentage terms, is directed to VBA. In 2011, VBA's discretionary appropriations will increase by 27 percent.

This budget supports VBA's commitment to Veterans and their family members to provide Veterans benefits sooner. This will be accomplished through a combination of improved business processes, expanded technology and hiring additional staff. VA will also explore policy and procedural improvements and contracted service support to address the increasing volume of disability claims.

Of the $69.7 billion in total obligations, 96 percent is for mandatory Veterans Benefits payments.

- Seventy percent of the total represents costs associated with Compensation while seven percent is for the Pension programs
- Fourteen percent of the total funds the Education Program
- Four percent represents the Insurance Program
- One percent is a combined total for the Vocational Rehabilitation & Employment (VR&E) Program and the Housing Program

Four percent will fund the discretionary costs associated with administering all benefit programs

Higlights of VBA Mandatory Benefits Budget Request

Note: 2010 total includes $13,377M for new presumptions for Agent Orange exposure. These funds have been requested as a supplemental appropriation.

- Total 2011 benefit appropriation request is $64.0 billion, a decrease of $7.4 billion, or 10.4 percent from the 2010 level. Discounting retroactive payments associated with the Agent Orange presumptives in 2010, there is an increase over the 2010 level of $4.9 billion or 8.2 percent
- An estimated 3.8 million Veterans and survivors will receive Compensation, and over 503,000 will receive Pension benefits in 2011
- Almost 830,000 Veterans, reservists, and dependents will receive Readjustment Benefits in 2011, including over 751,000 receiving education benefits and over 78,000 receiving VR&E payments
- Almost 6.9 million servicemembers, Veterans, and family members will be insured under VA life insurance programs in 2011
- An estimated 240,000 servicemembers and Veterans will receive VA-guaranteed housing loans in 2011, with a face value of $54 billion

Highlights of the VBA Discretionary Budget Request

Note: 2009 excludes funding for the American Recovery and Reinvestment Act (ARRA).

With a workforce that is correctly sized and balanced, VBA will be positioned to meet the needs of our Veterans while also ensuring the sound stewardship of taxpayer funds. The 2011 request includes:

- $2,149 million in appropriations, for a total of $2,506 million in obligations for administrative expenses, and 21,248 FTE in 2011 representing a 27% increase over the 2010 enacted appropriation level

- Increased FTE by more than 4,000 FTE in 2011 to support additional claims as a result of Agent Orange presumptives and retain temporary positions for 1,696 FTE hired in 2009 and 2010 with American Recovery and Reinvestment Act funds to expedite claims processing

- Continued funding for the Veterans Benefits Management System (VBMS) Initiative (formerly Paperless Initiative). This initiative will integrate VBA's core business applications and modernized payment system, VETSNET, as well as existing and planned infrastructure

Innovative Technology Improvements

VA has begun a number of innovative technology improvements designed to improve services to Veterans and enhance their VA experience. They will assist

VBA to fulfill our responsibilities as Veterans' advocates to process Veterans benefit claims quicker and reduce our pending inventory. There are three key and interdependent technology initiatives, each providing a unique service:

Veterans Benefits Management System

The Veterans Benefits Management System (VBMS) will replace the current paper-centric claims environment with capabilities to process claims electronically from any location. It begins with compensation claims processing and there are three parts: the Virtual Regional Office, three iterative pilots, and the nationwide deployment. It is a holistic solution that integrates a Business Transformation Strategy (BTS) to address process, people and organizational structure factors, and an information technology solution to provide a 21st century paperless claims processing system. The VBMS information technology solution has a corresponding investment that is reflected in the VA IT Systems Appropriation.

Veterans Relationship Managment

The Veterans Relationship Management Program (VRM) will provide enhanced access for Veterans to both their personal information and VA data via the telephone and the internet. VA will expand self-service capabilities in a secure, user-centric and industry norm manner.

The program is designed to improve the speed, accuracy, and efficiency in which information is exchanged between veterans and the VA, regardless of the communications method (phone, web, email, social media). This focus will include modernization of voice telephony, unification of public contact representative desktops, implementation of Identity and Access Management (IAM), development of cross VA knowledge management systems, implementation of customer relationship management systems (CRM), and integrating self-service capabilities with multiple communication channels.

Virtual Lifetime Electronic Record (VLER)

The VLER initiative is an interagency federal initiative that will ultimately contain administrative and medical information from the day an individual enters military service, throughout their military career and after they leave the military (including private sector providers who care for Veterans and their beneficiaries). VLER streamlines VA's use of data and information.

Meeting Veterans' Needs

- Continue to find new ways to increase the number of Veterans' Disability Compensation and Pensions adjudicated, with an expected determination

on more than 1.2 million claims in 2011, an increase of 16% over 2010 and 24% over 2009.

- Meet the demands of the significant increase in Education workload resulting from the Post-9/11 GI Bill and fulfill our commitment to Veterans' education by improving Education original claims processing timeliness by nearly 21 percent in 2011
- Meet the demands of the estimated 10 percent increase in Vocational Rehabilitation and Employment workload in 2011 and improve the rehabilitation rate to 77 percent from 74 percent in 2009
- Meet the demands of the increase in workload for the Housing program by increasing FTE dedicated to processing Specially Adapted Housing (SAH) claims; improve the default resolution rate to 73 percent in 2011 from 65 percent in 2009
- Continue to provide world-class insurance service by obligating a projected $2.6 billion to servicemembers, Veterans, and their beneficiaries in the form of insurance death benefits, policy loans, and traumatic injury protection payments; maintain the rate of high client satisfaction ratings on services delivered at 95 percent in 2011

General Operating Expenses

Overview

- The General Operating Expenses program is comprised of two activities: the Veterans Benefits Administration and General Administration.
    - VBA operates a network of 57 regional offices and other specialized centers that assist Veterans with all matters pertaining to non-medical benefits.
    - General Administration account provides funding for the Office of the Secretary, six Assistant Secretaries and three Department-level staff offices. These offices provide policy guidance, oversight and technical expertise to the Department in fulfilling the Nation's commitment to provide Veterans with the best possible service.

Summary of the GOE Budget Request

Full Time Equivalents	2009	2010	2011
Gen. Ad.	2,591	3,037	3,297
VBA	17,123	19,497	21,248
GOE	19,714	22,534	24,545

* Table reflects both direct and reimbursable FTE

Highlights of the 2011 GOE Request

In 2011 VA is requesting $2.612 billion and 24,545 FTE in direct appropriations for the GOE account. This consists of $2.149 billion and 21,248 FTE for the Veterans Benefits Administration (VBA) and $463 million and 3,297 FTE for the General Administration account. The General Administration amount includes $24 million requested for VA's acquisitions workforce as part of a government-wide initiative. Please see the Veterans Benefits section of the Summary Volume for highlights of the VBA GOE request. The table at the end of this section summarizes the resource level by staff office for the General Administration account. Highlights include:

- In 2011, $10.8 million and 94 FTE are requested to support all operations within the Office of the Secretary, which includes: the Center for Minority Veterans, the Center for Women Veterans, the Center for Faith Based and Neighborhood Partnerships, the Office of Survivors Assistance, the Office of Employment Discrimination Complaint Adjudication (OEDCA) and the immediate Office of the Secretary. The Office of Secretary provides executive leadership to all programs to transform VA into a 21st century organization to ensure Veterans are cared for over a life time, from the day the oath is taken to the day they are laid to rest.

- A total of $75.2 million in budget authority and 557 FTE are requested for the Board of Veterans' Appeals (BVA) to address an increasing number of appeals of original claims decisions, reverse the trend of a growing backlog, and reduce case disposition time. The request will also allow BVA to contract for hearing transcription services and access electronic research materials essential for accurate decision writing.

- In 2011, $91.0 million and 764 FTE are requested for the Office of General Counsel. This level will allow General Counsel to support 34 additional FTE to address an expanding legal workload, including an increasing number of cases before the United States Court of Appeals for Veterans Claims and to improve the timeliness of publishing regulations for VA's legislative and regulatory programs.

- A total of $48.6 million and 295 FTE are requested for the Office of Management in 2011. The 2011 budget will support several transformation initiatives designed to improve business practices, enhance financial oversight, and strengthen internal controls and transparency within the Department. These initiatives include audits of the Non-VA Care (Fee) program, enhancing VA's Green Management program and efforts to improve the tracking of construction projects.

- In 2011, $76.2 million in budget authority and 736 FTE are requested for the Office of Human Resources and Administration. When combined with $380.4 million in reimbursements, these funds will continue to support the VA's Human Capital Investment Plan initiatives begun in 2010, such as Leadership Development, Mission Critical Training, Program-Based Training for entry and mid-level employees, the H.R. Academy and Workforce Planning. Reimbursements will also support the Office of Resolution Management, the VA Learning University, the Office of Administration, and the Offices of Human Resources Management and Labor Management. Details of these initiatives can be found in the Human Resources and Administration chapter in Volume 3.

- A total of $28.8 million and 103 FTE are requested for the Office of Policy and Planning (OP&P) in 2011. The 2011 budget will allow for: expanded coverage of the Corporate Analysis and Evaluation Service to allow VA to better anticipate demands for its services and conduct long range planning and allow for increased VA/DoD Collaboration efforts. In addition, OP&P will partner with other VA organizations on new VA-wide initiatives to maximize economies and efficiencies across the Department. These initiatives include: the Business Intelligence Program Management Office, corporate predictive modeling, interagency data mining, as well as other strategic planning transformation efforts.

- A total of $22.1 million and 102 FTE are requested for the Office Operations, Security, and Preparedness in 2011 for a variety of mission critical activities including: continued refinement and development of the VA's continuity programs through crisis management exercises, evaluation and training; a program office for the Personnel Security and Suitability Program; improving the protection of the Department's physical infrastructure to ensure the provision of safe and secure environments for care and service; expanded oversight and inspection of VA Police Operations at VA facilities throughout the country; a program office for HSPD-12 implementation and compliance; and increased requirements for VA Special Access Programs.

- In 2011, $23.7 million and 82 FTE are requested for the Office of Public and Intergovernmental Affairs. The budget request will provide for additional outreach, funding to enhance VA's partnership with Tribal Governments and to establish an Office of New Media intended to educate and empower Veterans and their families. In addition, the budget includes funding for grants to the U.S. Paralympics, inc. and local partners to help plan and

implement VA's paralympic program and for subsistence payments to Veterans and service members participating in the program.

- A total of $7.2 million and 50 are requested for the Office of Congressional and Legislative Affairs in 2011. The request will provide funding for an additional 8 FTE that will allow VA to address an increasing workload, become proactive in advancing congressional communications and legislative outreach, and improving the image of VA.

- A total of $79.6 million and 514 FTE are requested for the Office of Acquisition, Logistics, and Construction (OALC) in 2011. This includes $23.6 million for a new Administration initiative to improve contracting and acquisitions across government. In addition, the budget request will transform OALC into an enterprise-wide facilities management system by: increasing the role of project management at the regional and local levels; integrating facilities management functions to maximize life-cycle performance; expanding facility assessment and planning capability; leveraging technical expertise for minor design, construction and leasing; and increasing VA's return on investment .

General Administration
($ in thousands)

	2009 Actual		2010 Current		2011 Request	
	BA	FTE	BA	FTE	BA	FTE
Office of the Secretary	7,146	73	9,270	94	10,808	94
Board of Veterans' Appeals	68,582	525	73,273	552	75,198	557
Office of General Counsel	74,343	718	80,778	730	91,049	764
Office of Management	37,546	250	43,956	292	48,557	295
Office of Human Resources & Administration	61,901	505	68,590	715	76,177	736
Office of Policy & Planning	14,602	62	26,015	93	28,783	103
Office of Operations, Security & Preparedness	12,025	66	16,746	95	22,091	102
Office of Public and Intergovernmental Affairs	10,005	68	22,079	75	23,705	82
Office of Congressional & Legislative Affairs	4,379	33	6,065	42	7,247	50
Office of Aquisition, Logistics and Construction	45,243	291	50,728	349	79,582	514
Total Budget Authority	**$335,772**	**2,591**	**$397,500**	**3,037**	**$463,197**	**3,297**

National Cemetery Administration

Overview

Highlights of the 2011 Request

Discretionary

- 46.1% of the total National Cemetery Administration's (NCA) budget is for the operation and maintenance of VA's national cemeteries.
- 27.7% of the NCA budget is for the construction and renovation of VA's national cemeteries and facilities.
- 8.5% of the total resources under NCA are available for grants to states for state cemeteries.

Mandatory

- 6.4% is available for Graveliners and Outer Burial Receptacles.
- 11.3% of the total NCA budget is for Headstones and Markers.

Summary of the NCA Operations and Maintenance Budget Request

The National Cemetery Administration requests $250.5 million in budget authority and 1,686 FTE for operations and maintenance in 2011. This is an increase of $0.5 million over the 2010 Enacted Budget level.

	2009	2010	2011
Full-Time Equivalents	1,622	1,672	1,686

The 2011 NCA Operations and Maintenance request includes:

- $1.1 million and 14 FTE to support increased interment activities.
- $3.2 million for 2011 pay raises, inflation and increased employee benefit costs.
- A total of $ 36.9 million for NCA to continue its commitment to maintain our national cemeteries as national shrines. Projects will raise, realign, and clean headstones and markers and repair turf in the burial sections.
- $3.0 million for projects that will provide renewable energy at NCA facilities.

Cemetery Workload

- NCA continues to experience growth in cemetery workload.
- In 2011, NCA projects that interments will increase by 3.8% over 2010.
- Cemetery maintenance workload will also continue to increase in 2011 over 2010.
- NCA projects that the number of gravesites maintained will increase by 81,000 (2.6%) and the number of developed acres maintained will increase by 374 (4.6%).

Accomplishments

- In 2010, NCA will begin interment operations in the Philadelphia, PA area at the final of the six additional national cemeteries mandated by Public Law 108-109, National Cemetery Expansion Act, 2003.
- With the opening of this cemetery, the total number of VA national cemeteries will be 131.
- As a result of recent expansion, the percentage of Veterans served by a burial option within 75 miles of their residence has increased steadily.

Results

The budget request will support the following results in 2011:

- 90.5% of America's Veterans will be served by a burial option within 75 miles of their residence, an increase of 2.7% from 2010.

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
% Served	73.9%	75.2%	75.3%	77.1%	80.2%	83.4%	84.2%	87.4%	87.8%	90.5%

- 98% surveyed will rate the quality of service of NCA as excellent.
- 95% of graves in national cemeteries will be marked within 60 days of interment.
- 90% of applications for headstones and markers will be processed within 20 days for the graves of Veterans who are not buried in national cemeteries.
- 99% will rate national cemetery appearance as excellent.

Construction Programs

Overview of 2011 Request

The pie chart below reflects appropriations for all Construction Programs.

Construction, Major Projects

- New budget authority of $1,151,036,000 is requested for the 2011 Construction, Major, appropriation.

  - The Construction, Major Projects appropriation provides for constructing, altering, extending, and improving any VA facility, including planning, architectural and engineering services, assessments, and site acquisition, where the estimated cost of a project is greater than $10,000,000; or where funds for a project were made available in a previous appropriation under this heading.

  - The major construction request is for 5 medical facility projects: Alameda, CA; Denver, CO; New Orleans, LA; Omaha, NE; and Palo Alto, CA.

- The construction request also fully funds the gravesite expansion of two National Cemeteries (Indiantown Gap, PA and Tahoma, WA) and one Columbarium Expansion at Los Angeles, CA.

- Additionally funds are provided for advance planning activities, to improve facility security, to reimburse Treasury's judgment fund, to obtain facilities from Department of Defense resulting from the Base Realignment and Closure process, to support salaries and expenses of resident engineer staff, to fund land acquisitions for National Cemeteries, and to support other construction related activities.

A summary of the major construction program funding level by activity is provided below:

Major Construction Detail of Request ($ in 000's)				
Location	**Description**	**Total Estimated Cost**	**Funding Through 2010**	**2011 Request**
Veterans Health Administration (VHA)				
New Orleans, LA	New Medical Facility	995,000	625,000	310,000
Denver, CO	New Medical Facility	800,000	307,300	450,700
Palo Alto, CA	Polytrauma/Ambulatory Care	642,900	164,877	30,000
Alameda Point, CA	Outpatient Clinic and Columbarium (Design)	208,600	0	17,332
Omaha, NE	Replacement Facility (Design)	560,000	0	56,000
Advance Planning Fund	Various Stations			89,750
Facility Security Projects	Various Stations			41,390
Judgment Fund	Various Stations			6,000
BRAC Land Acquisition	Various Stations			13,000
REs for Major Construction	Various Stations			23,964
	Subtotal, Line Items			**174,104**
Total VHA		**3,206,500**	**1,097,177**	**1,038,136**
National Cemetery Administration (NCA)				
Indiantown Gap, PA	Gravesite Expansion & Cemetery Improvements - Phase 4	23,500	0	23,500
Los Angeles, CA	Columbarium Expansion	27,600	0	27,600
Tahoma, WA	Gravesite Expansion & Cemetery Improvements - Phase 2	25,800	0	25,800
Advance Planning Fund	Various Stations			20,000
NCA Land Acquisition Fund	Various Stations			10,000
	Subtotal, Line Items			**30,000**
Total NCA		**49,300**	**0**	**106,900**
General Administration - Staff Offices				
Department APF for Major				**6,000**
Major Construction		**3,255,800**	**1,097,177**	**1,151,036**

Construction, Minor Projects

- $467,700,000 for Construction, Minor Projects appropriation.

The pie chart below reflects appropriations for Minor Construction by Administration:

- The Construction, Minor Projects appropriation provides for constructing, altering, extending, and improving any VA facility, including planning, assessments of needs, architectural and engineering services, and site acquisition, where the estimated cost of a project is less than or equal to $10,000,000.

- VHA's 2011 request will address the most critical minor construction needs in the system by funding efforts such as facilitating realignments; seismic corrections; improving safety; improving access to healthcare; increasing capacity for dental services; enhancing patient privacy; improving treatment of special emphasis programs; and enhancing research capability.

- NCA's 2011 Minor Construction request provides for gravesite expansion and columbaria projects to keep existing national cemeteries open. The minor request will also address infrastructure deficiencies and other requirements necessary to support National

Cemetery operations including repair projects identified in the Facility Condition Assessment report of the Millennium Act study on improvements to veteran's cemeteries.

- VBA's minor construction request in 2011 includes an ongoing national need for relocations, realignments, tenant improvements, repair and alteration projects. These projects are critical to ensuring continued world-class service delivery of benefits to veterans and their families and to the well being of our Federal employees.

- Staff Office minor construction funds are used to make infrastructure repairs and enhancements to improve operations and provide an acceptable and operationally effective work environment for the Department's staff offices. Offices contained within the Central Office buildings and other VA-occupied non-patient care buildings are also included in this program.

Grants for the Construction of State Extended Care Facilities

- $85,000,000 for the Grants for the Construction of State Extended Care Facilities.

  - Resources for grants for construction of State extended care facilities provide funding to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify, or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans.

Grants for the Construction of State Veterans Cemeteries

- $46,000,000 for Grants for the Construction of State Veterans Cemeteries.

  - Grants are provided to States for the establishment, expansion, or improvement of State Veteran cemeteries. The State Veterans cemeteries complement the national cemeteries and are a critical part of National Cemetery Administration (NCA) strategy of ensuring that the burial needs of Veterans and eligible family members are met.

Construction Related Performance Measures

The 2011 request enables the Department to continue working towards the goal of improving the capital asset management of VA owned and leased infrastructure. This includes increasing utilization of VA space, decreasing space that is not mission critical, improving the condition of Department infrastructure, and reducing or stabilizing facilities operating costs. VA is also working to decrease energy costs and enhance the use of renewable energy sources.

The charts below and on the following page illustrate two key VA performance and strategic targets that are used to measure the efficiency and effectiveness of the Department's capital asset management program. These targets were first established in 2005/2006 with the strategic target being set for 2011. VA will look to redefine targets for utilization and condition index based on the VA Real Property Group findings. These measures are fully consistent with Federal Real Property Council objectives.

The chart above shows the percent ratio of non-mission dependent assets to VA total assets beginning in 2006. Non-mission dependent assets are defined by the Federal Real Property Council as assets that do meet a 50% utilization rate based on an OMB approved methodology.

The chart above shows the Facility Condition Index for VA buildings beginning in 2006.

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Information Technology Programs

1/FY 2009 includes $50 million from the American Recovery and Reinvestment Act funding and $259 million in transfer funding from Medical Services and General Administration appropriations.

	2009	2010	2011
Full-Time Equivalents	6,710	7,580	7,580

Overview

- The 2011 request for Information and Technology (IT) is $3.307 billion. In addition, $49 million in reimbursements will support the IT program. VA's level of IT investment is 5 percent of the overall VA discretionary funding and 3 percent of VA's total funding.

- The budget has been developed to be strategically aligned with the Secretary's goal of transforming the Department into a 21st century VA. Key concepts of the reforms include: implementing transformation initiatives aimed at adapting to new challenges for a changing Veteran population; building a Virtual Lifetime Electronic Record with the Department of Defense to share service member information generating a seamless transition from warrior to Veteran; creating an all electronic benefits system to speed processing and address the backlog; developing a paperless benefit claims processing system; providing the Veteran with a "OneVA" view of all of their VA benefits; ensuring continued innovation of the award winning Computerized Patient Record System and VistA medical records systems; and creating "anywhere,

anytime" access to the VA by developing multiple access channels for information and transactions.

- Staffing in 2011 will include 7,580 FTE, including 242 reimbursable FTE, under the consolidated IT organization. High levels of system availability and customer service are required of the IT organization to support the mission of VA. Additional staff is required to provide the level of support required by the VA mission areas, which have grown by over 34,000 new staff (FTE) over the last three years. The investment will also support a focus on the provision of higher service levels required to support reliable access to VA systems in a 24x365 service environment. VA is requesting an increase of $27 million, or 3 percent, for this purpose. Costs also include adjustment to average salary, leasing of additional space, travel and training as well as a Tranformation Initiative for Strategic Human Capital Investment.

Summary of the IT Budget Request

- Non-Pay IT activities utilize 71 percent of the Budget Authority, while Staffing and Administration account for 29 percent.
- Medical IT systems resources amount to $1.275 billion.
- Benefits & Memorials IT systems resources equals $381 million, an increase of $129 million, or 51 percent.
- Corporate IT systems funding amounts to $527 million.
- Interagency IT systems funding totals $158 million, an increase of $33 million, or 26 percent.
- Overall 2011 appropriation for IT will match the 2010 appropriation of $3.307 billion. The 2010 level of resources were augmented from the original enacted appropriation of $3.307 billion by $688 million carryover of two-year funds.

Medical IT Systems

- Medical IT systems resources amount to $1.275 billion.
    - $347 million, or 27 percent, of this request is for a continued commitment to develop the next generation healthcare system known as Health*e*Vet as well as creating enhancements and supplements to the current Legacy system (VisTA). Projects supporting these goals include:
        - Health Data Repository – the development of a secure and authoritative database for a Veteran's personal identity information and medical history with the ability to be used by all VA healthcare providers - $35 million.

- MyHealth*e*Vet - a nationwide initiative intended to improve the overall health of Veterans. MyHealth*e*Vet provides an eHealth portal, a secure website where Veterans can manage their Personal Health Record (PHR), and access health information, health assessments, and electronic services online - $23 million.
- Tele-Health and Home Care Model - provides services in situations which patient and clinician are separated by geographical distance - $49 million.

- The FY 2011 Medical IT Support request of $929 million delivers information technology products, services, and outcome based initiatives resulting in an enhancement to existing or new functionality used by the Veteran Health Administration (VHA) to deliver the highest quality health care possible to Veterans and their dependents.

Benefits & Memorials IT Systems

- Benefits & Memorials IT systems resources amount to $381 million, an increase of $129 million, or 51 percent. Major Benefits & Memorials projects include:
  - Veterans Benefits Management System (VBMS) - VA is requesting $145 million to support the transformation of Veterans Benefits to a paperless, streamlined, Veteran centric environment.
  - Education including Post 9/11 G.I. Bill (Chapter 33) – VA OI&T continues to implement Phase 3 of the Interim Solution which provides additional automation of the claims processes. This request of $44 million represents an increase of $10 million, or 28 percent, over the 2010 funding level.

Corporate IT Systems

- Corporate IT systems funding amounts to $527 million.
- Corporate IT development and operational systems provide the infrastructure and business-critical applications required to support the business needs of the Department as it delivers services to Veterans. The major corporate IT projects include:
  - Corporate IT Support - delivers information technology products, services, and outcome based initiatives resulting in an enhancement to existing or new functionality deliver to other IT systems, service to VA customers and internal OI&T staff. VA is requesting $197 million for this purpose.
  - FLITE—In FY 2011 VA plans to accomplish: completion of the Integrated Funds Control Point Activity, Accounting, and Procurement Replacement development and pilot phase, completion of the deployment of the new

Strategic Asset Management system at selected beta sites, begin SAM National Deployment, completion of the Financial Management System national deployment, and begin implementing the Financial Data Warehouse. VA is requesting $120 million, an increase of $41 million, or 52 percent over 2010.

Interagency IT Systems

- Interagency IT systems funding totals $158 million, an increase of $33 million, or 26 percent.
  - Virtual Lifetime Electronic Record (VLER) – On April 9, 2009, President Barack Obama asked the Veterans Affairs and Department of Defense Secretaries to deliver a "virtual lifetime electronic record" to facilitate electronic access to administrative and medical information from the day young men and women enter military service, throughout their military careers, and for the rest of their lives. In FY 2011 VA is requesting $52 million to support VLER.

Project Management Accountability System (PMAS)

- In June 2009, Secretary Shinseki stated that VA will implement a new, rigorous department-side IT project management approach that halts programs that fail to meet delivery milestones. An analysis of ongoing development programs indicated that many programs exhibited at least one characteristic of a failing program: significantly behind schedule, significantly over budget, or showing deteriorating product release quality. These programs have been paused and required to create an incremental development plan with milestone commitments before they will be restarted.

Transformation into the 21st Century

- In FY 2011, the VA is requesting $263 million to fund twenty 21st Century Initiatives in order to transform the organization to adapt to new challenges and commitments for a changing population of Veterans which will require innovative technologies and a dedicated workforce. Examples of initiatives include:
  - Veteran Relationship Management to provide access to comprehensive VA services and benefits - $52 million.
  - Veteran Innovation Initiative to improve support of VA's core business processes with IT platforms - $40 million.
  - VA Point of Service (Kiosks) for automated patient check in-$15 million.

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Proposed Legislation Summary

Summary of Legislation Proposed in the FY2011 President's Budget

Compensation and Pensions - Proposed Legislation

Compensation Cost of Living Adjustment (COLA): Legislation will be proposed to provide a cost of living increase to all Compensation beneficiaries, including DIC spouses and children, effective December 1, 2010. The percent increase will align with increases in the Consumer Price Index and the increase for Social Security benefits. However, current estimates suggest that the CPI will not increase; therefore, no COLA may be enacted.

Expansion of Concurrent Receipt of Department of Defense Retirement Pay: Legislation will be proposed by the Administration to expand the veteran eligibility for concurrent receipt of military retirement pay and VA disability benefits to Veterans who are medically retired from service by the Department of Defense. Eligibility will be phased in over five years based on the degree of disability assigned by VA. While the primary impact will be on Title 10 and the Department of Defense, VA estimates that the cost to VA of concurrent receipt expansion will be $47 million in 2011 and $254 million over the five year period.

Use of Health and Human Services (HHS) Data for Purposes of Adjusting VA Benefits: Public Law 110-157 requires independent verification of HHS data for purpose of adjusting VA benefits based on economic need. This proposal seeks to remove the expiration date of 9/30/11 and extend through 2020. Benefit costs are estimated to be $2.0 million in 2012 with a net savings in later years.

Special Monthly Pension for Wartime Veterans 65 years of age and older: This proposal amends Section 1513 of title 38 and repeals the Court of Appeals for Veterans Claims (CAVC) rendered decision in Hartness v. Nicholson. The decision affected the qualifications for the special monthly pension (SMP) awarded to veterans who are housebound (H/B). The court decision excluded the SMP requirement of being permanently and totally disabled for veterans 65 years of age and older. By repealing the court decision, a veteran will once again only be eligible for SMP if, in addition to basic pension qualifications, the veteran shows proof of being permanently and totally disabled. Once a veteran reaches age 65, the requirements for H/B pension will require a single disability rated at 100 percent, and a disability or combined disabilities (separate and distinct from

the 100 percent disability) independently ratable to at least 60 percent. This proposal will provide for more equitable treatment of Veterans under the pension program; currently, Veterans with lower disability ratings may receive larger benefits than Veterans who are permanently and totally disabled. The 2011 estimated savings is $3.2 million with an anticipated caseload of 506 thousand.

VA Pension Limitations for Medicaid-covered Veterans Without Spouse or Children: This provision limits the amount of pension payable to a veteran who has neither spouse nor child (or a surviving spouse with no child) and who is covered by a Medicaid plan for services furnished by a nursing facility. Title 38, U.S.C. section 5503(d) will expire on September 30, 2011. This proposal seeks to extend the expiration date an additional five years. Elimination of this provision would result in increased pension expenditures but money available to veterans and survivors would actually decrease. The maximum pension entitlement is not sufficient to cover the normal cost of nursing home care but receipt of that amount would result in the termination of Title XVI Medicaid benefits which currently cover nursing care costs in excess of the projected amount ($90) that is payable to the veteran under this provision. This is likely to result in veterans and surviving spouses being unable to afford nursing care. This proposal will result in VA benefit cost savings of $559.4 million and net government-wide savings of $246 million in 2012. Mandatory VA savings through 2015 are estimated at $2.3 billion.

IRS Income Data Matching for VA Eligibility Determinations: Section 6103 (I) (7) of the Internal Revenue Code of 1986 (26 U.S.C Section 6103 (I)(D)) requires the Secretary of the Treasury and the Commissioner of Social Security to disclose certain income information to any governmental agency administering certain programs, including VA's pension, dependency and indemnity compensation and compensation, and health-care programs. Section 5317 of title 38, United States Code, governs VA's use of that information. The duty of the Secretary of the Treasury and the Social Security Commissioner to disclose that information and VA's authority to obtain it from them will expire 9/30/2011. This proposal seeks to extend the expiration date for five years. While this proposal will result in net mandatory and discretionary savings of $20 million in 2012, it will result in net mandatory costs of $20 million in 2012. However, the proposal will result in net mandatory savings beginning in 2013 and net mandatory savings between 2011-2016 are estimated at $21.9 million.

Clarification of Monthly Payment Option for the Month of Death for Compensation or Pensions: This proposal will amend Title 38 U.S.C. 5310 and 5111 (c) (1) to clarify that all surviving spouses are entitled to receive payment in the amount of the Veteran's compensation or pension rate for the month of the Veteran's death, and to simplify administration of the month-of-death benefit.

Extension for Contract Physicians to Perform Disability Evaluations: PL 108-183, Section 704, provides authority under which examinations with respect to medical disability of applicants for compensation and pension benefits are carried out by persons not employed by the VA. These examinations are funded through discretionary funds, and there is no limitation to the number of VA regional offices in involved. This authority, extended by PL 110-329, Section 105, will expire December 31, 2010. The proposal would extend the authority by two additional years to December 31, 2012.

Readjustment Benefits – Proposed Legislation

Change of Terminology for the Administration of the New GI Bill: Title 38 U.S.C. uses the term institution of higher learning throughout chapter 36. For consistency, this proposal would adjust the administrative language of the new Chapter 33 benefit from the use of "institution of higher education" to "institution of higher learning."

Change in VA Authority to Approve Educational Programs: This proposal would amend 38 U.S.C. chapter 36 to expand VA's authority regarding approval of courses for the enrollment of Veterans (and other eligible persons) that are in receipt of educational assistance under the programs VA administers.

Extend the Delimiting Date for Caregivers Use of Education Benefits: This proposal would amend title 38 U.S.C. § 3031(d) and title 38 U.S.C. § 3512, to permit the extension of delimiting dates for eligible individuals who could not pursue, or had to interrupt, a program of education while acting as the primary caretaker for a Veteran or servicemember seriously injured while on active duty in a contingency operation after September 10, 2001.

Expand Employer Support Eligibility: This proposal would amend Title 38, United States Code, Section 3116 to expand eligibility for incentives paid to employers who provide on-job training and employment opportunities for Veterans with service-connected disabilities who may be difficult to place in suitable jobs.

Housing – Proposed Legislation

Authority to Pool Loans: Legislation will be proposed to extend the authority to pool loans for two years to December 2013. This will allow the VA to obtain the best pricing for the pooled and securitized loans and to continue selling loans at a greater return without any additional risk. VA estimates additional revenue of $87 million in 2012 and overall increased revenue of $190 million over the 2012-2014 period.

Permission of Occupancy of Veteran's Child/Children: Legislation will be proposed to allow occupancy by a dependent child to satisfy occupancy requirements of VA home loans. This will permit a veteran who is unable to occupy a property as his/her primary residence due to active duty status or overseas employment, to use his/her earned Loan Guaranty benefit. No significant costs are anticipated.

First Lien Exemption for Public Entities: Legislation will be proposed to extend first lien exemption to public entities as well as private entities during disaster relief situations only. This will allow disaster relief agencies and Veterans to have more options in the type of assistance available. No significant costs are anticipated.

Insurance – Proposed Legislation

VGLI Increased Coverage Act: This proposal would provide an opportunity for veterans to increase VGLI coverage in increments of $25,000 without medical underwriting. The opportunity will be available every 5 years with a total coverage not to exceed current legislated maximum SGLI. Current law limits the amount of VGLI allowed to the amount of SGLI at discharge and as a result, many service-disabled VGLI insured, have no opportunity to increase coverage to meet current family needs. This proposed change would allow veterans, including service-disabled veterans, to purchase adequate amounts of life insurance to protect their families. There are no PAYGO costs associated with this proposal and it does not impact the budget.

SGLI Two Year Total Disability Extension Retention Act: Under current law and procedures, if an insured service member is totally disabled at the time of separation from service, the member's SGLI coverage may be continued for up to two years, for free, following separation from service. Effective October 1, 2011, this provision expires and the SGLI extension period will be reduced from two-years to 18-months. The SGLI Two Year Total Disability Extension Retention Act will allow for the indefinite retention of the two-year total disability extension period. By maintaining the SGLI Total Disability Extension period at two years, this will maximize the opportunity for totally disabled Veterans, who have no hope of obtaining commercial insurance, to make informed decisions regarding their life insurance needs and options. It also guarantees that those most in need, who have been traumatized by their disabilities, will be fully covered under the SGLI program during this transition period with no action or cost on their part. There are no PAYGO costs associated with this proposal and it does not impact the budget.

Medical Care – Proposed Legislation

Homeless Providers Grant and Per Diem Program: Legislation will be proposed to amend legislative authority in title 38 United States Code, Subchapter VII, section 2061, to obtain statutory authority to offer both capital grants and enhanced per diem payments to eligible community-based entities who serve special needs Veterans including female homeless Veterans, homeless Veterans diagnosed with a chronic mental illness, and those Veterans who are failing and/or terminally ill. This proposal would grant VA permanent authority to offer capital grants and per diem to agencies that create transitional housing and supportive services for homeless Veterans with special needs; allow for enhancement of the current per diem rate for transitional housing services; and remove the requirement to provide grants to VA health care facilities.

Reinstate the Health Professional Scholarship Program (HPSP): Legislation will be proposed to reauthorize the HPSP. The authority to provide the financial assistance will be established by extending the expiration date of the Department of Veterans Affairs Health Professional Scholarship Program described in title 38, United States Code, Sections 7611-7618. The HPSP, established by Public Law 96-330, awarded scholarships from 1982 through 1995 to 4,650 students earning baccalaureate and masters degrees. Authority for the program expired in 1998. It is recommended that the Health Professional Scholarship Program be reauthorized and funded because there is no other scholarship program with a VA service obligation available to the public at this time. This program, if reauthorized, will provide financial assistance to competitively selected scholarship recipients in exchange for 2-year VA service obligations upon graduation and licensing.

Remove Requirement that VA Reimburse Certain Employees for Professional Education: Legislation will be proposed to eliminate title 38, United States Code, section 7411 that states "The Secretary shall reimburse any full-time board-certified physician or dentist appointed under section 7401 (1) of this title for expenses incurred, up to $1,000 per year, for continuing professional education." VHA has a long history of providing educational and training support to all clinical and administrative staff. The Employee Education System and VA Learning University offer a large course catalog with opportunities for physicians and dentists, as well as other occupations, to obtain continuing professional education at VA expense. VHA will continue to manage training and education funding within long-standing parameters in conjunction with published policies at the national and local levels. Continuance of the entitlement in section 7411 is no longer necessary, given the improved competitive recruitment position resulting from the new pay system.

Provide Care for Newborns as Part of the Uniform Benefits Package: Legislation will be proposed to amend title 38, United States Code, to authorize VA to provide care to newborns of enrolled women Veterans who are receiving maternity care through the Department of Veterans Affairs. This proposal is to cover costs of newborn hospitalization and is not to exceed 96 hours after delivery. Longer hospitalization or outpatient costs for the newborn, beyond 96 hours post-delivery, would not be authorized in this maternity benefit.

Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) Coverage for Caregivers: Legislation will be proposed to provide health care coverage through CHAMPVA for any caregiver without entitlement to other health insurance or coverage. Caregivers for severely wounded Veterans are in most cases impacted by their inability to sustain employment related health coverage. CHAMPVA health care coverage will help relieve the financial burden of health care costs incurred by the caregiver of severely wounded Veterans and allow them the reassurance that their medical care needs will be met while they care for the medical needs of the Veteran. This in turn will reduce Veterans' stress as they will not need to worry about how their caregivers health related needs are met.

Travel Expenses, including Lodging and Subsistence, for Caregivers: Legislation will be proposed to provide travel, incidental expenses [e.g., per diem (inclusive of lodging allowance), tolls etc.] and subsistence for a caregiver of qualifying Veterans receiving care for service-related conditions at a VA or VA authorized facility. The Department does not have authority to provide lodging expenses to an attendant if the Veteran is not lodging with the attendant. Since the Veteran's caregiver in most cases is a close family member, providing travel expenses for the caregiver assures the Veteran has the appropriate support while traveling to a VA health care facility. This will allow the Veteran's health care provider to communicate directly to the Veteran's caregiver about the needs of the Veteran. This will also ensure continuity of the Veteran's care and help the caregiver better understand the needs of the patient.

Education and Training for Caregivers: Legislation will be proposed to allow VA to develop caregiver education materials for caregivers and individuals who support caregivers. In addition, VA would provide outreach to Veterans and their caregivers to inform them of the support available through VA as well as public, private, and non-profit agencies. VA currently provides education and training for Veterans and their caregivers regarding medical issues. This proposal would codify and expand those efforts. These programs generally demonstrate significant reduction in caregiver burden and the impact of depressive symptoms on their daily life. This proposal provides VA with the

opportunity to implement a formal approach to educating and training caregivers so they are better prepared to care for the Veteran.

Survey of Caregiver Needs: Legislation will be proposed to conduct a caregiver survey every 3 years to determine the number of caregivers, the types of services they provide to Veterans, and information about the caregiver (age, employment status, and health care coverage). Currently, VA does not have adequate information on the number of caregivers, the number of family caregivers, and the number of Veterans receiving caregiver services from caregivers and family caregivers, including the era in which each Veteran served in the Armed Forces. A survey of Veteran caregivers will allow VA to gather needed information that will be used to better understand the population of caregivers and to identify and understand their specific needs. This information will allow VA to appropriately develop education, training, and support programs for Veteran caregivers.

Nonprofit Corporations: Legislation will be proposed to establish a Central Nonprofit Corporation for VA research. Currently, there are 88 of these VA-affiliated Non-Profit Corporations (NPC). Each NPC is required to report annually a detailed statement of their operations, activities and accomplishments during the previous year. The purpose of the central Non-Profit Corporation will be to: (1) carry out national medical research and education projects under cooperative arrangements with VA, (2) serve as a focus for interdisciplinary interchange and dialogue between VA medical research personnel and researchers from other federal and non-federal entities, and (3) encourage the participation of the medical, dental, nursing, veterinary, and other biomedical sciences in the work of the central NPC for the mutual benefit of VA and non-VA medicine. The central NPC would enable facility directors or the Under Secretary for Health to have an alternative to individual medical-center-based NPCs in those facilities in which the volume of research and education does not enable the resources to assure adequate management controls.

Clarify Breach of Agreement under the Employee Incentive Scholarship Program (EISP): Legislation will be proposed to amend title 38, United States Code, chapter 76, section 7675, subchapter VI, to provide that full-time student participants in the EISP would have the same liability as part-time students for breaching an agreement by leaving VA employment. The current statute clearly limits liability to part-time student status participants who leave VA employment prior to completion of their education program. This allows a scholarship participant who meets the definition of full-time student to leave VA employment prior to completion of the education program, breaching the agreement with no liability. This proposal would require liability for breaching the agreement by leaving VA employment for both full- and part-time students. All other employee recruitment/retention incentive programs have a service obligation

and liability component. This proposal would result in cost savings for the Department by recovering the education funds provided to employees who leave VA employment prior to fulfilling their agreement.

Consider VA a Participating Provider for Purpose of Reimbursement (revenues): Legislation will be proposed that would allow VA to be treated as a participating provider, whether or not an agreement is in place with a health insurer or third-party payer, thus preventing the effect of excluding coverage or limiting payment of charges for care. With the enactment of the Balanced Budget Act of 1997 (BBA), Congress changed the health insurer and third-party program into one designed to supplement VA's medical care appropriations by allowing VA to retain all collections and some other copayments. VA can use these funds to provide medical care to Veterans and to pay for its medical care collection expenses. This law also granted VA authority to begin billing reasonable charges versus reasonable costs for care. Reasonable charges are based on the amounts that health insurers and third-party payers pay for the same care provided by non-government health care providers in a given geographic area. This proposal would prevent a health insurer or third-party payer from denying or reducing payment, absent an existing agreement between VA and any health maintenance organization, competitive medical plan, health care prepayment plan, preferred provider organization, or other similar plan, based on the grounds that VA is not a participating provider.

Military Surgeon Association: This proposal would make the Department of Veterans Affairs (VA) an Incorporated Member of the Association of Military Surgeons of the United States (AMSUS). As a result, VA would be authorized to participate in AMSUS activities to the same extent as the military services.

Technical Changes to Fee Basis Authority: This proposal would amend 38 U.S.C. 1703(a) by adding language similar to the language found in 38 U.S.C. § 8123, Procurement of prosthetic appliances, which will strengthen the Department's interpretation of legal authority to purchase health care on an individual basis when needed.

Mandatory Disclosure of Social Security Number (SSN) and 3rd Party Health Insurance: The provision would deny access to hospital care, nursing home care, or medical services that may be provided to any person under the provisions of 38 USC chapter 17 unless that person has disclosed his/her and the social security number of any dependent or beneficiary and furnish VA with current, accurate third-party health insurance information.

Permanent Authority for Co-Pays: The provision would amend 38 U.S.C. § 1710 (f)(2)(B) to make permanent VA authority to collect an amount equal to $2 or $10

for every day the veteran receives hospital care for a veteran who is required to agree to pay to the United States the applicable amount determined under paragraph (2) or (4) or this subsection. This current authority expires September 30, 2010.

Permanent Authority for Collections: The provision would amend 38 U.S.C. § 1729 to make permanent VA authority to recover reasonable charges for care or services for care of nonservice-connected conditions from a third party to the extent that the veteran who has a service-connected disability would be eligible to receive payment for care or services from a third party if the care or service were not provided by VA. This current authority expires October 1, 2010.

Eliminate and Change Dates for Certain Congressional Reports: This proposal would eliminate the The Report on Pay for Nurses and Other Heath Care Personnel (38, USC, Section 7451(f)) and Report on Long-Range Health Planning (38, USC, Section 8107) and modify the due date and limit the duration of the Annual Report on Federally Sponsored Gulf War Research Activity.

Codify Rules on Billing of Veterans in CHAMPVA: This proposal would modify 38 USC §1781 to codify, consistent with regulations, that the VA-determined allowable amount for reimbursement of medical services represents payment in full and the health care provider may not impose additional charges on the beneficiary above the VA-determined allowable amount.

Other Legislative Proposals

Staying of Claims: This proposal would amend title 38, United States Code, to permit the Secretary of Veterans Affairs (VA) to delay adjudications as needed to preserve program integrity and to clarify that the Board of Veterans' Appeals (Board) may decide certain cases out of docket order.

Revise Time Limits and Dates for Herbicide and Gulf War Presumptions: This proposal would modify statutory time limits to the review and rule-making process.

Repeal Obsolete Ethics Provision: This proposal would eliminate the blanket prohibition against VA employees having interests in, or receiving income or services from, certain for-profit educational institutions.

Notice of Disagreement Filing Period: This proposal would amend 38 U.S.C. § 7105(b)(1) to reduce the time period for filing of a notice of disagreement (NOD) following the issuance of a rating decision from one year to 180 calendar days.

Automatic Waiver of Agency of Original Jurisdiction Review of New Evidence: This proposal would amend 38 U.S.C. § 7105 to specifically incorporate an automatic waiver of agency of original jurisdiction (AOJ) consideration for any evidence submitted to VA by the appellant or his or her representative following VA's receipt of a VA Form 9 substantive appeal, unless the appellant or his or her representative expressly chooses in writing not to waive such jurisdiction.

Board of Veterans' Appeals Video Hearings: This proposal would amend 38 U.S.C. § 7107(d)(1) and (e)(2) to allow the Board to determine the most expeditious type of hearing to afford an appellant (i.e. an in-person hearing or a video conference hearing), restricting the appellant to the hearing selected by the Board unless good cause or special circumstances are shown to warrant another type of hearing.

Board of Veterans' Appeals' – Rationale in Decisions: This proposal would amend 38 U.S.C. § 7104(d)(1), to define "reasons or bases" to mean "a plausible statement of the reasons for the Board's ultimate findings of fact and conclusions of law."

Definition of Prevailing Party for the Equal Access of Justice Act (EAJA) and Veterans Benefits Appeals: This proposal would amend the definition of "prevailing party" for purposes of establishing eligibility to receive attorney fees and expenses fees under 28 U.S.C. § 2412 of the Equal Access of Justice Act (EAJA) for cases handled by the United States Court of Appeals for Veterans Claims (Court).

Filing of Substantive Appeals: This proposal would amend title 38, United States Code, 38 U.S.C. § 7105(d)(3), to establish a clear time period for filing a substantive appeal in order to perfect an appeal to the Board of Veterans' Appeals (Board), to make the filing of a timely substantive appeal a jurisdictional requirement for Board review, and to establish that finality attaches to any matter in which a timely substantive appeal is not filed, all for the purpose of promoting efficiency in the adjudication process.

Advisory Committee on Homeless Veterans: This proposal would extend the Congressional authority to continue the Advisory Committee for Homeless Veterans (ACHV) for an additional three years until 2014.

Title 38 Pay Authority to Maintain On-Call Pay for Information Technology (IT) Specialists in VA OI&T: This proposal would amend Title 38 to continue to allow Title 5 IT Specialists authority to serve in an "on-call" status and receive "on-call" pay because of the requirement to support VA's healthcare mission 24 hours a day, 7 days a week.

Title 38 Pay Authority to Recruit and Retain Healthcare Professionals in VA OI&T: Legislation will be proposed to allow the Office of Information and Technology (OI&T) Title 38 Pay Authority. This will enable OI&T to recruit and retain healthcare professionals in leadership positions.

Office of Small Business Programs: This proposal would change the name of the Office of Small and Disadvantaged Business Utilization to the Office of Small Business Programs. This change will bring VA into alignment with DoD's name change in accordance with the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163, Section 904).

Real Property Enhanced Use Leases (EUL): Legislation will be proposed to extend the current EUL authority from its expiration date of December 31st, 2011 for five years, until December 31st, 2016.

Franchise Fund: This proposal would modify Public Law 109-114, Military Quality of Life and Veterans Affairs Appropriations Act of 2006, to provide a better financial procedure for the VA Franchise fund to more quickly return refunds to customers when improper payments are inadvertently made by the fund on the customer's behalf.

VA Police Uniform Allowances: This proposal would update Title 38 U.S.C. § 903-Uniform Allowance for Department Police Officers to make the uniform allowance paid to Department police officers consistent with current Federal statute and regulations.

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Proposed Legislation Chart

Proposed Legislation
(dollars in thousands)

The following items with budgetary impact are included in the President's legislative program for the Second Session of the 111th Congress

$ in thousands	2011		2012		2013		2014		2015		2010 to 2015
	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays	BA
Disability Compensation Benefits:											
Expand Concurrent Receipt of Disability Retirement Pay	47,000	47,000	49,000	49,000	51,000	51,000	53,000	53,000	54,000	54,000	**254,000**
Tota Disability Compensation Costs	47,000	47,000	49,000	49,000	51,000	51,000	53,000	53,000	54,000	54,000	**254,000**
Pensions:											
Clarification of Special Monthly Pension eligibility	(3,183)	(3,183)	(6,338)	(6,338)	(9,603)	(9,603)	(12,938)	(12,938)	(16,333)	(16,333)	**(48,395)**
Extension of Medicaid Provision for limiting Pensions Payments in Nursing Homes*	0	0	(559,355)	(559,355)	(571,382)	(571,382)	(584,263)	(584,263)	(597,414)	(597,414)	**(2,312,414)**
Extension of Health and Human Services Data Sharing	0	0	2,005	2,005	1,381	1,381	11	11	(869)	(869)	**2,528**
Mandatory Cost for Administration Reimbursement from Compensation & Pensions Account (Non-Add)	0	0	2,996	2,996	2,996	2,996	2,996	2,996	2,996	2,996	**11,984**
Mandatory Savings to Compensation & Pensions Account (Non-Add)	0	0	(991)	(991)	(1,615)	(1,615)	(2,985)	(2,985)	(3,865)	(3,865)	**(9,456)**
Extension of Income Verification Authority (Includes VHA Savings)	(13,730)	(13,730)	(20,341)	(20,341)	(30,461)	(30,461)	(36,300)	(36,300)	(44,511)	(44,511)	**(145,343)**
Mandatory Cost for Administration Reimbursement from Compensation & Pensions Account (Non-Add)	30,709	30,709	32,187	32,187	11,685	11,685	12,036	12,036	12,397	12,397	**99,014**
Discretionary Cost for VHA Administration (Non-Add)	0	0	0	0	18,875	18,875	21,589	21,589	22,334	22,334	**62,798**
Mandatory Savings to Compensation and Pensions Account (Non-Add)	(5,851)	(5,851)	(12,011)	(12,011)	(18,478)	(18,478)	(25,255)	(25,255)	(32,339)	(32,339)	**(93,934)**
Discretionary Savings to Medical Care Account (Non-Add)	(38,588)	(38,588)	(40,517)	(40,517)	(42,543)	(42,543)	(44,670)	(44,670)	(46,903)	(46,903)	**(213,221)**
Total Pensions Costs	(16,913)	(16,913)	(584,029)	(584,029)	(610,065)	(610,065)	(633,490)	(633,490)	(659,127)	(659,127)	**(2,503,624)**
Housing:											
Extension of Authority to Pool Loans	0	0	(86,483)	(86,483)	(98,743)	(98,743)	(4,713)	(4,713)	0	0	**(189,939)**

Proposed Legislation

(dollars in thousands)

The following items with budgetary impact are included in the President's legislative program for the Second Session of the 111th Congress

$ in thousands	2011		2012		2013		2014		2015		2010 to 2015
	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays	BA
Medical Care											
Homeless Providers Grant and Per Diem Program	18,900	18,900	20,060	20,060	23,110	23,110	22,650	22,650	26,220	26,220	**110,940**
Reinstate the Health Professional Scholarship Program	218	218	13,018	13,018	13,474	13,474	13,945	13,945	14,433	14,433	**55,088**
Remove Requirement that VA Reimburse Certain Employees for Professional Education	(325)	(325)	(325)	(325)	(325)	(325)	(325)	(325)	(325)	(325)	**(1,625)**
Provide Care for Newborns as Part of Uniform Benefits Package	3,821	3,821	4,076	4,076	4,254	4,254	4,372	4,372	4,436	4,436	**20,959**
CHAMPVA Coverage for Caregivers	14,556	14,556	15,390	15,390	16,680	16,680	18,081	18,081	19,600	19,600	**84,307**
Travel Expenses, including Lodging and Subsistence, for Caregivers	16,093	16,093	17,255	17,255	18,500	18,500	19,840	19,840	21,271	21,271	**92,959**
Education and Training for Caregivers	3,844	3,844	3,757	3,757	4,183	4,183	4,225	4,225	4,682	4,682	**20,691**
Survey of Caregiver Needs	931	931	1,437	1,437	2,038	2,038	0	0	0	0	**4,406**
Non-Profit Corporations	200	200	200	200	0	0	0	0	0	0	**400**
Clarify Breach of Agreement under the Employee Incentive Scholarship Program	(37)	(37)	(37)	(37)	(38)	(38)	(38)	(38)	(39)	(39)	**(189)**
Total Medical Care Costs	58,201	58,201	74,831	74,831	81,876	81,876	82,750	82,750	90,278	90,278	**387,936**
Medical Care Revenue											
Consider VA a Participating Provider for "Purpose of Reimbursement" (revenues)	74,738	74,738	77,652	77,652	80,681	80,681	83,827	83,827	87,097	87,097	**403,995**

* Amounts in the table reflect only VA savings; net government-wide savings are partially offset by additional Medicaid costs

Legislative Authorization of Programs

The authorizations for VA's programs are contained in title 38 of the U.S. Code. With the exception of major medical construction projects and certain leases, annual authorization by the legislative committees and the Congress is not required. However, title 38 does provide for certain multiple-year authorizations for specific purposes. The authorization of the following items is limited by title 38 in regard to the time and/or amount as indicated:

Section of U.S.C- Citation	Title	Annual Authorization	Expiration Date
Compensation and Pension			
38 USC 1104 (a)	Cost-of-Living Adjustments for Compensation rates	As appropriated	Authorization extended to 9/30/13 by P.L. 108-183, § 706
38 USC 1303(a)	Cost-of-Living Adjustments for Dependency and Indemnity compensation rates	As appropriated	Authorization extended to 9/30/13 by P.L. 108-183, § 706
38 USC 5317(g)	Access to IRS data for purposes of verifying eligibility for pension (Ufse of Income Information from IRS and SSA)	As appropriated	Authorization extended to Sept. 30, 2011 by P.L. 110-389 § 802
38 USC 5503(d)(7)	Reduction of pension to certain Medicaid-eligible veterans and surviving spouses receiving care in nursing homes (Pension Reduction for Medicaid-covered Nursing Services)	As appropriated	Authorization extended to Sept. 30, 2011 by P.L. 107-103 § 504
38 USC 1116 (e)	Extension of authority to presume service-connection for additional diseases	As appropriated	Authorized through Sept. 30, 2015 by P.L. 107-103 § 201
38 USC 1117(c)(2); 38 USC 1118(e)	Presumptive service connection for Persian Gulf War illness	As appropriated	Authorized through Sept. 30, 2011 by P.L. 107-103
42 USC 653(j)	Authority to use National Directory of New Hires for income verification purposes for certain veterans benefits	As appropriated	Authorized through September 30, 2011 by P.L. 110-157 § 301

Section of U.S.C- Citation	Title	Annual Authorization	Expiration Date
Readjustment Benefits			
38 USC 3015(h) & 38 USC 3564	Rounding down of Cost-of-Living Adjustments in chapters 30 and 35 rates through FY 2013	As appropriated	Authorized through Sept. 30, 2013 by P.L. 105-178 § 8201 and P.L. 108-183 § 304
38 USC 3485(a)(4)	Authority to provide an educational assistance allowance to persons performing qualifying work-study activities (Qualifying Work Study Activities)	As appropriated	Authorized through June 30, 2010 by P.L. 110-157 § 302
38 USC 3036(d)	Bi-annual report on the operation of the Montgomery GI Bill	As appropriated	Authorized through Jan 1, 2011 by P.L. 109-461 § 305
Insurance Program			
38 USC 1968(a)(1)(A)(ii) and (a)(4)(B)(i)	SGLI Total Disability two-year Extended Insurance Protection	As appropriated	Authorized through September 30, 2011 by . P.L. 109-233 § 301(a) and (b)
Housing Program			
38 USC 3720(h)	Pooled loans asset sales (Authority to Gurantee Sold Loans)	As appropriated	Authorization to Dec. 31, 2011 by P.L. 107-103 § 405
38 USC 3732(c)	Procedures regarding liquidation sales on defaulted home loans guaranteed by VA	As appropriated	Authorization to Sept.30, 2012 by P.L. 108—183 § 406
38 USC 3729(b)(2)	Adjusts the loan fee for certain loans closed either before October 1, 2011, or on or after October 1, 2011, and before September 30, 2013 [NOTE: Loan fee will automatically reduce on Oct. 1, 2011] (Adjustment to Loan Fees)	As appropriated	Authorization revised and extended in part through Sept. 30, 2011, and in part through Sept. 30, 2013 by P.L. 108-183 § 405
38 USC 2102A	SAH Assistance for veterans temporarily residing in housing owned by family member (SAH Assistance for Veterans Temporarily Residing w/ Fam. Members)	As appropriated	Authorization through Dec 31, 2011, by P.L 110-289 §2604
38 USC 3707	Adjustable Rate Mortgages (ARMs)	As appropriated	Authorization through September 30, 2012 by P.L. 110-389 §505.
38 USC 3707A	Hybrid ARMs	As appropriated	Authorization through Sept. 30, 2012 by P.L. 110-389 § 505
38 USC 3710(a)(12	Cooperative Housing Developments (Co-op Loan Guaranties)	As appropriated	Authorization through Dec. 21, 2011 by P.L. 109-461 § 501
38 USC 3733(a)(7)	Requires VA to provide direct financing for a minimum percentage of REO properties sold.	As appropriated	Requirements apply through Sept. 30, 2013 by P.L. 108-183 § 404
Affects 38 U.S.C. 3703(a)(1)(C)	Temporary increase to maximum guaranty amount	As appropriated	Expires December 31, 2011. P.L. 110-389 § 501

Section of U.S.C- Citation	Title	Annual Authorization	Expiration Date
Medical Care			
38 USC 2031(b)	Treatment and rehabilitation for seriously mentally ill and homeless veterans (General treatment authority - Veterans suffering from serious mental illness, including homelessness)	As appropriated	Authorization through Dec. 31, 2011 by P.L. 109-461 § 704 (a)
38 USC 2033(d)	Additional services for homeless and seriously mentally ill veterans at certain locations	As appropriated	Authorized through Dec. 31, 2011 in P.L. 109-461 § 704(b)
38 USC 1710A	Required nursing home care for certain service-connected veterans	As appropriated	Authorized to Dec. 31, 2013 by P.L. 110-387 § 805
38 USC 8111 (d)	Sharing of VA and Department of Defense Health Care Resources Joint Incentive Program	As appropriated	Authorized through September 30, 2015 in P.L. 111-84, section 1706.
Programs for Homeless Veterans			
38 USC 2066(d)	Advisory Committee on Homeless Veterans	As appropriated	Authorized through December 30, 2011 by P.L. 109-461 § 709
38 USC 2041	Housing assistance for homeless veterans	As appropriated	Authorization through December 31, 2011 by P.L. 109-461 §705.
Co-payments and Medical Care Cost Recovery			
38 USC§ 1703(d)	Recovery Audits for fee-basis contracts and other medical services contracts	As appropriated	Authorized through Sept. 30, 2013 by P.L. 110-387 § 802
38 USC 1729(a)(2)(E)	Medical care cost recovery authority (Third-party Billing)	As appropriated	Authorization extended through Oct. 1, 2010 by P.L. 110-387, section 804(b)
38 USC 1710(f)(2)(B)	Hospital Copayments	As appropriated	Authorized through Sept. 30, 2010 by P.L. 110-387, section 804(a)
General Operating Expenses			
38 USC 315(b)	Maintenance of the VA Regional Office in the Republic of the Philippines (Philippines Regional Office Authority)	As appropriated	Authorization extended through Dec. 31, 2014 by P.L. 111-117
38 USC 5101 note	Temporary authority for performance of medical disability examinations by contract physicians (Contract Medical Disability Exams)	As appropriated	Authorized through December 31, 2010 by P.L. 110-389
38 USC 544(e)	Advisory Committee on Minority Veterans	As appropriated	Termination date extended through Dec. 31, 2014 by P.L. 110-389 § 808
Enhanced-Use Lease			
38 USC 8161-8169	Authority to enter into enhanced-use leases (VA's Enhanced-Use Lease Authority)	As appropriated	Authorization extended through Dec. 31, 2011 by P.L. 106-117 § 208(e)

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GAO Audit Reports
Introduction

The reports provided in the Summary Volume are those received by VA during the period of November 1, 2008 through October 31, 2009.

The reports are identified by title and are presented in calendar year order. Each report is summarized to include the responsible organization, the actual GAO recommendations, VA's "actions taken," and budget implications, if any, are noted. The "actions taken" portion of the report follows closely from VA's comments that are represented in the draft reports that VA provides for all GAO reports. The narrative summarizes the instances where VA has incorporated GAO recommendations into current operations (e.g., where VA has employed a different approach in the budgeting process, or where specific steps have been utilized to improve forecasting results). Budget implications are presented to emphasize the need to recognize the impact of the recommendations on VA resources.

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3. ***Electronic Health Records: DOD's and VA's Sharing of Information Could Benefit from Improved Management*** (GAO-09-268; file #4327) issued January 28, 2009.	4B-7
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5. ***Department of Veterans Affairs: Post-9/11 GI Bill*** (GAO-09-565R) issued April 13, 2009.	4B-11
6. ***Department of Veterans Affairs: Expansion of Enrollment in the VA Health Care System*** (GAO-09-734R) issued June 1, 2009.	4B-12
7. ***Information Technology: Federal Agencies Need to Strengthen Investment Board Oversight of Poorly Planned and Performing Projects*** (GAO-09-566; file #4340) issued June 30, 2009	4B-13
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9. ***Electronic Health Records: DOD and VA Efforts to Achieve Full Interoperability Are Ongoing; Program Office Management Needs Improvement*** (GAO-09-775; file #4345) issued July 28, 2009.	4B-16

10. ***Social Security Disability: Additional Outreach and Collaboration on Sharing Medical Records Would Improve Wounded Warrior's Access to Benefits*** (GAO-09-762; file #4349) issued September 16, 2009.	4B-17
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GAO Audits

1. ***VA HEALTH CARE: Long-Term Care Strategic Planning and Budgeting Need Improvement*** (GAO-09-145; file #4324) issued January 23, 2009.

RESPONSIBLE OFFICE: Veterans Health Administration

RECOMMENDATIONS:
GAO recommends that VA add certain workload information to its next long-term care strategic plan, and use, in its budget justifications, assumptions and projections in line with recent experience, or report why not. VA supports GAO's conclusion that its long-term care strategic planning and budgeting should be clarified. VA did not comment on the recommendations, but said it will provide an action plan in response to the final report.

ACTIONS TAKEN:
Recommendation 1: VA's forthcoming LTC strategic plan should include additional workload information, including planned total nursing home workload, including care provided to Veterans on a discretionary basis.

VHA Status Update: With the limitations outlined in the March 2009 update, nursing home workload data is shown by type of eligibility in Appendix 16 of Veterans Health Administration (VHA's) Strategic Plan for Geriatrics and Extended Care (GEC). The GEC Strategic Plan was approved on September 2, 2009. Department of Veterans Affairs (VA) utilizes Appendix 16 of the GEC Strategic Plan, the expected nursing home demand for mandatory Veterans and the pattern of discretionary workload in order to plan total nursing home workload. Recommend closure of this item.

Recommendation 2: VA's forthcoming LTC strategic plan should include additional workload information, including estimated demand for non-institutional services and VA's timeframe for meeting this demand.

VHA Status Update: Data on-the-demand for non-institutional services and the timeframe for meeting demand are shown in Appendix 16 of VHA's Strategic Plan for GEC. The Strategic Plan for GEC was approved on September 2, 2009. Based on fiscal year (FY) 2009 actuals for non-institutional care, VA anticipates meeting the Veteran demand for non-institutional services by FY 2011, as outlined in the Strategic Plan for GEC. Recommend closure of this item.

Recommendation 3: VA's forthcoming LTC strategic plan should include additional workload information, including a comparison of planned non-institutional workload with recent non-institutional workload to show the magnitude of the expected change in services provided.

VHA Status Update: Comparative workload information is shown in Appendix 16 of VHA's Strategic Plan for GEC. The GEC Strategic Plan for GEC was approved on September 2, 2009. In comparing the planned FY 2009 non-institutional workload with actual FY 2009 non-institutional workload, VA came within 0.5 percent of its planned workload for non-institutional care. Recommend closure of this item.

Recommendation 7: If VA uses different measures of workload for non-institutional long-term care services for estimating spending, report which measures are used for each service and how these measures reflect the volume of services received by Veterans.

VHA Status Update: In the President's 2011 budget submission, VA has estimated funding required for non-institutional long-term care services based on cost assumptions and workload projections consistent with VA's recent experience. This methodology is consistent with GAO's recommendations 4 and 5.

BUDGET IMPLICATIONS:

Recommendation 1: None.
Recommendation 2: None.
Recommendation 3: None.
Recommendation 7: None.

2. ***VA VOCATIONAL REHABILITATION AND EMPLOYMENT: Better Incentives, Workforce Planning, and Performance Reporting Could Improve Program*** (GAO-09-34; file #4325) issued January 26, 2009.

RESPONSIBLE OFFICE: Veterans Benefits Administration

RECOMMENDATIONS:

- To ensure VR&E's employment mission is fully supported, the Secretary of Veterans Affairs should direct VR&E to consider cost-effective options for better aligning the program's financial incentives with its employment mission.

- To ensure that the current and future needs of veterans are met, the Secretary of Veterans Affairs should direct VR&E to engage in a strategic workforce planning process that collects and uses relevant data, such as information on the appropriate counselor caseload and the critical skills and competencies needed by staff.

- To increase transparency in VR&E performance and budget reports, the Secretary of Veterans Affairs should take actions such as separately reporting both the annual percentage of veterans who obtain employment and the percentage of those who achieve independent living, and fully disclosing changes in performance measure calculations when reporting trend data in key performance and budget reports.

ACTIONS TAKEN:

Recommendation 1: Completed - H.R. 297, the Veteran Vocational Rehabilitation and Employment Subsistence Allowance and Improvement Act of 2009 was introduced, which proposes an increase in the subsistence allowance for veterans participating in the VR&E program, including the addition of a subsistence allowance for those veterans who are participating in a program of employment services only.

Recommendation 2: In process - A work measurement study was awarded in June 2009 to the Millennium Corporation. The final report is due to be delivered in June 2010. In addition, VR&E Service worked with VBA's Employee Development and Training staff to design and contract for administration of a national survey that will identify skills training needed, both from VR&E management's perspective and from professional staffs' perspectives.

Recommendation 3: Completed - The FY 2010 budget submission and the 2009 Performance and Accountability Report include separate independent living and

employment rehabilitation rate performance measures along with the calculations associated with these measures.

BUDGET IMPLICATIONS:
The enactment of H.R. 297 would result in benefits costs of $212.3 million for FY 2010 and $771.4 million over 10 years.

The work measurement study and skills assessment study were funded in FY 2009. Once studies are completed, funding may be necessary to adjust staffing levels and to provide training targeted toward any core competency gaps identified.

There are no budget implications for the separation of IL and employment rehabilitation rates.

3. ***ELECTRONIC HEALTH RECORDS: DoD's and VA's Sharing of Information Could Benefit from Improved Management*** (GAO-09-268; file #4327) issued January 28, 2009.

RESPONSIBLE OFFICE: Veterans Health Administration

RECOMMENDATIONS:

- To better ensure that DOD and VA achieve interoperable electronic health record systems or capabilities, the Secretaries of Defense and Veterans Affairs should develop results-oriented (i.e., objective, quantifiable, and measurable) goals and associated performance measures for the departments' interoperability objectives and document these goals and measures in their interoperability plans.

- To better ensure that DOD and VA achieve interoperable electronic health record systems or capabilities, the Secretaries of Defense and Veterans Affairs should use results-oriented performance goals and measures as the basis for future assessments and reporting of interoperability progress.

ACTIONS TAKEN:

Recommendation 1: Completed. VA, in collaboration with Department of Defense (DoD), documented results-oriented objectives and performance measures that aligned with Goal 4, Information Sharing, in the 2008-2010 DoD and VA Joint Strategic Plan (JSP). This included a JSP objective to meet the congressionally-mandated requirement to achieve systems permitting full interoperability by September 2009. VA and DoD met this objective. Additionally, during 2009, VA and DoD also collaborated to document a second version of the DoD and VA Information Interoperability Plan (IIP). The IIP provides a "strategic blueprint" for enhanced interoperability of health, personnel and administrative data between the Departments. VA and DoD are on track to complete final coordination and approval of the IIP by January 2010. Within VA, the final completion and approval of the IIP is being managed by VA and DoD Collaboration Service on behalf of the Assistant Secretary of Policy and Planning.

Recommendation 2: In Progress. VA and DoD have documented draft results-oriented objectives and performance measures related to interoperability in the 2010-2012 DoD and VA JSP. The 2010–2012 JSP will form the basis for future assessments and reporting of interoperability progress. It is anticipated that the Deputy Secretaries of both Departments will sign the JSP in early 2010.

BUDGET IMPLICATIONS:

Recommendation 1: None. All health interoperability activities referenced in the draft 2010-2012 JSP are fully funded.

Recommendation 2: None. All health interoperability activities referenced in the draft 2010-2012 JSP are fully funded.

4. ***TRAUMATIC BRAIN INJURY: Better DoD and VA Oversight Can Help Ensure More Accurate, Consistent, and Timely Decisions for the Traumatic Injury Insurance Program*** (GAO-09-108; file #4323) issued January 29, 2009.

RESPONSIBLE OFFICE: Veterans Benefits Administration

RECOMMENDATIONS:

- To improve management of the Servicemembers' Group Life Insurance Traumatic Injury Protection Program (known as TSGLI) and ensure that all injured servicemembers receive accurate, consistent, and timely treatment, the Secretary of Veterans Affairs should work with the Secretary of Defense and the branches of service to implement a systematic quality assurance review process to help ensure that TSGLI benefit decisions are accurate and consistent within and across the services. For example, VA could expand its planned review of a sample of TSGLI claim decisions into a systematic, ongoing quality assurance review process.

- To improve management of the Servicemembers' Group Life Insurance Traumatic Injury Protection Program (known as TSGLI) and ensure that all injured servicemembers receive accurate, consistent, and timely treatment, the Secretary of Veterans Affairs should work with the Secretary of Defense and the branches of service to take steps to ensure that the data required to assess approval rates for traumatic brain injury and the timeliness of key steps in the TSGLI claims process are reliable and comprehensive.

ACTIONS TAKEN:

Recommendation 1: Completed - The Insurance Service has implemented a two-pronged approach in response to this recommendation. First, in April 2009, the Office of Servicemembers' Group Life Insurance (OSGLI) established and filled a TSGLI Claims Analyst position, whose primary goal is to work with VA and the branches of service (BoS) to improve the overall claims process and to establish uniformity in claims handling and ensure consistency of decisions across the BoS. Specifically, the employee in this position performs the following:

- Reviews all incoming TSGLI claims to validate decisions, determine if the case was handled properly and, if necessary, raise questions with the BoS or VA.

- Develops reports for VA and the BoS that summarize decisions made, consistency of decisions across BoS, and claim trends. Through reporting, identifies areas of opportunity for education and communication.

- Makes recommendations to management regarding claims process changes and training needs.

Second, in September 2009, VBA implemented a quality review process whereby the Insurance Service staff review a sampling of completed cases. The review is conducted on a quarterly basis using a statistically valid sample of 50 TSGLI claims, both paid and denied. The Insurance Service developed a list of errors and discrepancies that will be used to classify mistakes that are found in the course of the quality reviews, which encompass actions taken by both OSGLI and the BoS. The error classifications are used to identify areas for improvement, training opportunities, etc.

Recommendation 2: Completed - In April 2009, OSGLI implemented system-coding changes that more accurately capture all injury types, including traumatic brain injury (TBI). For example, TBI claims that did not include a loss of activities of daily living (ADL) used to be captured in an "other" category rather than as a TBI claim. The system changes now allow for these TBI claims without ADL loss to be captured as TBI claims. The result of these changes will be more accurate tracking and reporting of the types of injuries that are being claimed and their final disposition - approved or denied.

In April 2009, the Insurance Service implemented a systematic reconciliation process by which reports with missing or inaccurate numbers are returned to the BoS for correction. When the BoS submit their timeliness reports to the Insurance Service each month, the reports are reviewed and any out-of-line cases are returned to the BoS for them to correct the dates or provide an explanation. In cases where dates cannot be provided (e.g., servicemember does not date the form), the Insurance Service has established and distributed procedures on how the BoS should handle these cases. The Insurance Service also held a conference call and sent guidance to the BoS to clarify definitions of the timeliness milestones within the process (e.g., from date of injury to date claim is submitted, and from date claim is submitted to date the medical professional completes the form, etc.) to ensure that all BoS understand and report dates accurately and consistently.

In addition, GAO stated that the data VBA collects from the BoS do not break out claims by injury type, and as a result, DOD and VBA lack information on how long it takes the BoS to make decisions on TBI claims. VBA modified the process to incorporate injury type into the timeliness data so timeliness can be calculated by injury type.

BUDGET IMPLICATIONS:

None

5. ***DEPARTMENT OF VETERANS AFFAIRS: Post 9/11 GI Bill*** (GAO-09-565R) issued April 13, 2009.

RESPONSIBLE OFFICE: Veterans Benefits Administration

RECOMMENDATIONS:
Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Veterans Affairs (VA), entitled "Post-9/11 GI Bill" (RIN: 2900-AN10). We received the rule on March 26, 2009. It was published in the *Federal Register* as a final rule on March 31, 2009, with a stated effective date of August 1, 2009. 74 Fed. Reg. 14,654.
The final rule established regulations regarding a new educational assistance program for individuals who served on active duty after September 11, 2001. The new program, known as the Post-9/11 GI Bill, was authorized by the Post-9/11 Veterans Educational Assistance Act of 2008. Pub. L. No. 110-252, title V, 122 Stat. 2323, 2357 (June 30, 2008). Under this rule, eligible individuals may receive an educational assistance allowance for established charges not to exceed the highest amount charged full-time in-state undergraduate students by the most expensive public institution in the state where the student is enrolled (or the national average of the most expensive in-state public institutions for individuals training at a foreign institution not associated with an institution located inside the United States). An eligible individual may also receive a monthly housing allowance up to a certain maximum and a book stipend of up to $1,000 each academic year. Individuals may also qualify for a work-study allowance, tutorial assistance, reimbursement of a licensing or certification test, and a rural relocation benefit. Individuals eligible for 100 percent of the benefit may also receive additional funds under the Yellow Ribbon Program to cover established charges not otherwise covered.

ACTIONS TAKEN:
No action required.

BUDGET IMPLICATIONS:
None

6. ***DEPARTMENT OF VETERANS AFFAIRS: Expansion of Enrollment in the VA Health Care System*** (GAO-09-734R) issued June 1, 2009.

RESPONSIBLE OFFICE: Veterans Health Administration

RECOMMENDATIONS:
Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Veterans Affairs (VA), entitled "Expansion of Enrollment in the VA Health Care System" (RIN: 2900-AN23). Congress received the rule on May 13, 2009, and we received the rule on May 18, 2009. It was published in the *Federal Register* as a final rule on May 15, 2009. 74 Fed. Reg. 22,832.

The final rule amends the Department of Veterans Affairs medical regulations regarding enrollment in the VA health care system. Specifically, the final rule establishes additional sub priorities within enrollment priority category 8 and provides that beginning on June 15, 2009, VA will begin enrolling priority category 8 veterans whose income exceeds the current means test and geographic means test income thresholds by 10 percent or less.

ACTIONS TAKEN:
No action required.

BUDGET IMPLICATIONS:
None

7. ***INFORMATION TECHNOLOGY: Federal Agencies Need to Strengthen Investment Board Oversight of Poorly Planned and Performing Projects*** (GAO-09-566; file #4340) issued June 30, 2009.

RESPONSIBLE OFFICE: Office of Information and Technology

RECOMMENDATIONS:

- To ensure that IT projects are effectively managed, the Secretary of Veterans Affairs should define and implement responsibilities for the department-level IRB to oversee projects in operations and maintenance.

- The Secretaries of the Departments of Defense, Education, Homeland Security, Transportation, Treasury, and Veterans Affairs, the Administrator for the National Aeronautics and Space Administration, the Chairman of the Nuclear Regulatory Commission, and the Administrator for the U.S. Agency for International Development should ensure that the projects that are identified in this report as not having received departmental-IRB selection or oversight reviews receive these reviews.

ACTIONS TAKEN:

Recommendation 1: VA concurs with the GAO's recommendation. Efforts are underway to include operational programs/projects in program reviews in fiscal year 2010.

Recommendation 2: VA concurs with the GAO's recommendation. In fiscal year 2010, the Department will initiate reviews of projects in operations and maintenance with reports to the Department-level Investment Review Board (IRB). VistA Imaging, the identified project within the GAO report, will undergo an operational review with the assessment being presented to the IRB.

BUDGET IMPLICATIONS:

Recommendation 1: To be determined

Recommendation 2: None

8. ***MILITARY PERSONNEL: Reserve Compensation Has Increased Significantly and is Likely to Rise Further as DoD and VA Prepare for the Implementation of Enhanced Educational Benefits*** (GAO-09-726R; file #4343) issued July 6, 2009.

RESPONSIBLE OFFICE: Veterans Benefits Administration

RECOMMENDATIONS:

In past reports, we have raised a number of concerns about the effectiveness of DOD's approach to compensation. For example, in our 2005 report on the challenges facing the United States in the 21st century, we emphasized the need for a baseline review of all major federal programs and policies, including military compensation, to ensure that they are efficiently and effectively meeting their objectives, particularly in light of concerns about the affordability and sustainability of federal spending. In 2005 and 2007, we assessed the active duty and reserve compensation systems and found the cost to provide compensation was substantial and rising. We also found that DOD's piecemeal approach to compensation involved increasing or making changes to compensation without completely understanding the impact that these changes might have on recruitment and retention. As DOD increasingly relies on the reserve components to carry out its military operations domestically and abroad, DOD and Congress have taken steps to improve recruitment and retention by increasing compensation. One example involves expanding educational benefits for mobilized reservists. The recently enacted Post 9-11 Veterans Educational Assistance Act (Post 9-11 VEAA), which becomes effective on August 1, 2009, provides active and reserve component servicemembers who qualify for the maximum benefit with a more generous benefit than existing benefits by providing (1) full tuition and fees up to the amount of tuition and fees regularly charged to in-state students at the most expensive public institution in a given reservist's state, (2) a monthly stipend for living expenses, and (3) an annual stipend for books and required educational expenses. In addition, the new Post 9-11 VEAA benefit allows eligible servicemembers to use educational benefits after discharge or release from active duty and authorizes the Secretary of Defense to give the service Secretaries authority to allow qualifying servicemembers to transfer unused educational benefits to spouses and dependents. Section 535 of the National Defense Authorization Act for Fiscal Year 2008 (NDAA 2008) directed the Secretary of Defense, in cooperation with the Secretary of Veterans Affairs, to submit a report to the congressional defense committees and the House and Senate Committees on Veterans Affairs, by September 1, 2008, on the feasibility and merits of transferring the administration of existing educational assistance programs available to reservists--the Montgomery GI Bill-Selected

Reserves (GI Bill-SR) and the Reserve Educational Assistance Program (REAP)--from DOD to the Department of Veterans Affairs (VA). The act also required that we assess the report and report to Congress by November 1, 2008. DOD has not met its reporting deadline; however, should DOD submit a report to Congress on the transfer of administration, we will assess it as required by section 535 of the 2008 NDAA. DOD has attributed the delay in meeting its reporting deadline to a need to broaden the scope of its assessment to include the new Post 9-11 VEAA. Both the Senate and House Armed Services Committee expressed interest to us on issues related to reserve compensation, including the Post 9-11 VEAA, and the status of DOD's assessment on the transfer of administration of educational assistance programs from DOD to VA. As agreed with committee offices, this report discusses (1) the trends in total reservists' compensation and the projected cost of the Post 9-11 VEAA and (2) the progress that DOD and VA have made in assessing the merits and feasibility of transferring the administration for existing educational benefits from DOD to VA and the steps taken to prepare for the implementation of the Post 9-11 VEAA.

ACTIONS TAKEN:
No action required.

BUDGET IMPLICATIONS:
None

9. ***ELECTRONIC HEALTH RECORDS: DoD and VA Efforts to Achieve Full Interoperability Are Ongoing; Program Office Management Needs Improvement*** (GAO-09-775 file #4345) issued July 28, 2009.

RESPONSIBLE OFFICE: Veterans Health Administration

RECOMMENDATIONS:
To better improve management of DOD's and VA's efforts to achieve fully interoperable electronic health record systems, including satisfaction of the departments' interoperability objectives, the Secretaries of Defense and Veterans Affairs should direct the Director of the DOD/VA Interagency Program Office to establish a project plan and a complete and detailed integrated master schedule.

ACTIONS TAKEN:
In progress. VA, DoD and the Interagency Program Office (IPO) have developed an integrated master schedule (IMS) and continue to coordinate changes to ensure it is kept current. The IPO has shared the document with GAO. Each of the Departments and the IPO have identified points of contact with which to coordinate project level input. The IPO conducts a weekly assessment of the project level data in the IMS, which permits that office to track and identify project level impacts.

Additionally, VA and DoD send monthly project data to the IPO for the purpose of identifying project dependencies and risks, as well as project status. In October 2009, VA and DoD worked with the IPO to develop a refined project data collection tool that permits the IPO to monitor 32 points of data for key interoperability projects.

BUDGET IMPLICATIONS:
None. Identified projects are fully funded.

10. ***SOCIAL SECURITY DISABILITY: Additional Outreach and Collaboration on Sharing Medical Records Would Improve Wounded Warrior's Access to Benefits*** (GAO-09-762; file #4349) issued September 16, 2009.

RESPONSIBLE OFFICE: Veterans Benefits Administration

RECOMMENDATIONS:
To improve wounded warriors' access to SSA disability benefits, the Secretary of Veterans Affairs and the Commissioner of Social Security should work together to improve outreach to veterans on SSA disability benefits. In doing so, the VA and SSA should, in particular, seek to reach veterans who either were discharged between 2001 and 2007; have disabilities that manifest after service such as PTSD; or were assigned a 100 percent disability rating. Specific actions that VA could take include issuing guidance to VA medical centers and regional offices for referring veterans to SSA and including information about SSA disability benefits in VA's phone outreach campaign to OEF/OIF veterans. In addition, SSA could work with VA to ensure stronger coordination between local SSA offices and VA medical facilities, for example by making sure that VA medical centers have a point of contact at a local SSA office or receive training from SSA staff on SSA benefits.

ACTIONS TAKEN:
Recommendation 1: Completed - Since August 2009, representatives from the Department of Veterans Affairs (VA) and the Social Security Administration (SSA) continue to meet to discuss ways to improve outreach and the delivery of services to veterans. The meetings assist both VA and SSA in coordinating information sharing and outreach efforts.

VA established a hyperlink to SSA information and benefits on the VA website and is looking into the potential of distributing SSA print materials for circulation at VA medical centers and public contact units.

VA is currently working to provide SSA with a list of all 100-percent service-connected veterans discharged since 2001 (including those receiving benefits at the 100-percent rate due to unemployability). SSA will use the list to identify veterans not receiving Social Security benefits who may be eligible. Veterans with traumatic brain injury or posttraumatic stress disorder who are evaluated at 100-percent disabled will be included on the list provided to SSA.

Currently, VA representatives provide SSA disability benefit and contact information at both Transition Assistance Program (TAP) and Disabled Transition

Assistance Program (DTAP) briefings to ensure a seamless transition for servicemembers separating from military service. In fiscal year 2009, VA representatives conducted 8,593 combined TAP and DTAP briefings to 210,025 active duty personnel, Reserve and National Guard members as they prepared for transition to civilian life.

BUDGET IMPLICATIONS:
None

11. ***INFORMATION TECHNOLOGY: Agencies Need to Improve the Implementation and Use of Earned Value Techniques to Help Manage Major System Acquisitions*** (GAO-10-2; file #4354) issued October 8, 2009.

RESPONSIBLE OFFICE: Office of Information and Technology

RECOMMENDATIONS:

- In order to address the weaknesses identified in agencies' policies and practices in using EVM, the Secretaries of the Departments of Agriculture, Commerce, Defense, Homeland Security, Justice, Transportation, and Veterans Affairs and the Administrator of the National Aeronautics and Space Administration should modify policies governing EVM to ensure that they address the weaknesses that we identified, taking into consideration the criteria used in this report.

- In order to address the weaknesses identified in agencies' policies and practices in using EVM, the Secretaries of the Departments of Agriculture, Commerce, Defense, Homeland Security, Justice, Transportation, and Veterans Affairs and the Administrator of the National Aeronautics and Space Administration should direct key system acquisition programs to implement the EVM practices that address the detailed weaknesses that we identified in appendix II, taking into consideration the criteria used in this report.

- In order to address the weaknesses identified in agencies' policies and practices in using EVM, the Secretaries of the Departments of Agriculture, Commerce, Defense, Homeland Security, Justice, Transportation, and Veterans Affairs and the Administrator of the National Aeronautics and Space Administration should direct key system acquisition programs to take action to reverse current negative performance trends, as shown in the earned value data, to mitigate the potential cost and schedule overruns.

ACTIONS TAKEN:

Recommendation 1: VA concurs with the GAO's recommendation and intends to release a policy directive that specifically addresses the findings in the GAO report. We are currently formulating our policies as they relate to the Program Management Accountability System (PMAS); incorporating the key practices of EVM. The estimated completion date is by the 2nd Quarter, FY2010.

Recommendation 2: VA concurs with the GAO's recommendation and has noted below specific practices that will address each weakness cited by GAO.

	Weakness	Implemented Practices
1	Define the scope of effort using a Work Breakdown Station.	Each project in OI&T is transitioning to an incremental delivery model. VA's PMAS incorporates industry best practices relating to software development. As such, VA intends to adopt the industry best practices for management, metrics, and reporting that are inherent to these new, risk-reducing software development methods. VA is already engaged in fully transparent reporting of project status to Office of Management and Budget (OMB) and the public. VA is also looking for additional approaches to enhance transparency to the public and strengthen stewardship of public funds.
2	Identify who in the organization will perform the work.	The project manager for each project within OI&T will use a resource loaded schedule with actual costs captured on a periodic basis. Under PMAS, each project has to obtain the resources necessary to perform the work, or the project is paused or stopped.
3	Schedule the work.	Through PMAS related project management processes (i.e. VA's implementation of ProPath), each project within OI&T develops a Project Management Plan that details short term (6 months or less) deliverables and identifies the resources (dollars and people) to meet the project schedule.
4	Estimate the labor and material required to perform the work and authorize the budgets, including management reserve.	Each project within OI&T develops life cycle labor and material estimate along with major deliverables. Yearly Life Cycle Fund Requests and Information Technology Resource Proposals also capture estimates of labor and materials, and are updated based on budgetary and priority changes. The OI&T policy on management reserves has not been established.
5	Determine objective measure of earned value.	VA will explore the use of new tools to support metrics that best serve to monitor and manage iterative development efforts.
6	Develop the PMB.	VA's recent reorganization of OMB Exhibit 300s has realigned the projects of VistA Foundation

		Modernization across multiple OMB Exhibit 300s with the opportunity to correctly develop updated program management baselines with Integrated Master Schedules (IMS) and Integrated Master Plans (IMP) based on the new OMB Exhibit 300 alignment of all OI&T projects.
	Weakness	**Implemented Practices**
7	Execute the work plan and record all costs.	Project status is updated weekly. Control accounts exist to track actual costs as well. Actual cost reconciliation between submitted timesheets and control is accomplished less frequently, but at least quarterly. VA is developing the methods necessary to link funds to software deliverables and operational performance of the deployed IT computing environment.
8	Analyze EVM performance data and record variances from the PMB plan.	PMAS related processes in VA's implementation of ProPath require project management analysis of performance as well as examining both performance and performance variances in monthly reports to Executive Management. VA is reporting project performance monthly to OMB and the public.
9	Forecast estimates at completion.	PMAS requires deliverables with a time period of 6 months or less, which if not met, bring a project under management review for pause or termination.
10	Take management action to mitigate risks.	Risks are identified, quantified, managed, and tracked via PMAS related project management processes (i.e. VA's implementation of ProPath). Re-initiation of projects through PMAS requires re-examination of risks and risk management plans for management review in determining whether a project may initiate or proceed. Every project must operate under an integrated product team.
11	Update the PMB as changes occur.	The VA's recent reorganization of OMB Exhibit 300s has realigned all OI&T projects across multiple OMB Exhibit 300s with the opportunity to correctly develop an updated PMB based on the new alignment. Configuration Control Boards exist to determine approval of cost, schedule, and scope changes.

Recommendation 3: VA concurs with the GAO's recommendation and is accomplishing this via the recently implemented VA Program Management Accountability System (PMAS) which pauses and evaluates all projects to reverse negative performance trends, and then takes action to ensure that any projects allowed to restart are planned, resourced, and otherwise prepared to follow standardized processes to mitigate the potential cost and schedule overruns.

BUDGET IMPLICATIONS:
To be determined

High-Risk Areas Identified by GAO

The U.S. Government Accountability Office (GAO) evaluates VA's programs and operations. In January 2007, GAO issued an update to its High-Risk Series (GAO-07-310). The GAO-identified High-Risk Areas (specific to VA as well as governmentwide) and other selected reports pertaining to VA are summarized in the table below.

The Department's responses were published in its FY 2009 Performance and Accountability Report (PAR) published in November 2009. In the PAR, for each High-Risk area, VA provides the following:

- ***Estimated resolution timeframe (fiscal year)*** for VA to eliminate the high-risk area (HRA) for the Department
- ***Responsible Agency Official*** for each HRA
- ***Completed 2009 milestones*** in response to the HRA
- ***Performance results/impacts*** of completed milestones
- ***Planned 2010 milestones*** along with ***estimated completion quarter***
- ***Anticipated impacts*** of the planned milestones

The PAR is available on line at:
http://www.va.gov/budget/report

The GAO High-Risk section of the PAR can be accessed directly via this link:
http://www.va.gov/BUDGET/docs/report/PartII/FY2009-VAPAR_PartII_HighRiskAreas.pdf

The table below lists each high-risk area and its estimated resolution timeframe by strategic goal.

High-Risk Area		Estimated Resolution Timeframe (Fiscal Year)	Page # (in PAR)
No.	Description		
Strategic Goal 1: Restoration and Improved Quality of Life for Disabled Veterans			
GAO 1	**Improving and Modernizing Federal Disability Programs**	**2012**	**II-224**
Enabling Goal: Applying Sound Business Principles			
GAO 2	**Strategic Human Capital Management: A Governmentwide High-Risk Area**	**2010**	**II-228**
GAO 3	**Managing Federal Real Property: A Governmentwide High-Risk Area**	**2014**	**II-231**
GAO 4	**Protecting the Federal Government's Information Systems and the Nation's Critical Infrastructures: A Governmentwide High-Risk Area**	**2010**	**II-234**
GAO 5	**Management of Interagency Contracting: A Governmentwide High-Risk Area**	**2010**	**II-237**
	Appendix		**II-240**

Major Management Challenges Identified by the OIG

The Department's Office of Inspector General (OIG), an independent entity, evaluates VA's programs and operations. The OIG submitted the following update of the most serious management challenges facing VA.

We reviewed OIG's report and provided responses, which are integrated within the OIG's report in the Department's FY 2009 Performance and Accountability Report (PAR). In the PAR, our responses include the following for each challenge:

- ***Estimated resolution timeframe (fiscal year)*** to resolve the challenge
- ***Responsible Agency Official*** for each challenge area
- ***Completed 2009 milestones*** in response to the challenges identified by the OIG
- ***Performance results/impacts*** of completed milestones
- ***Planned 2010 milestones*** along with ***estimated completion quarter***
- ***Anticipated impacts*** of the planned milestones

The PAR is available on line at:
http://www.va.gov/budget/report

The major management challenges section of the PAR can be accessed directly via this link:
http://www.va.gov/BUDGET/docs/report/PartII/FY2009-VAPAR_PartII_MajorManagementChallenges.pdf

The table below shows the strategic goal to which each challenge is most closely related, as well as its estimated resolution timeframe.

Challenge		Estimated Resolution Timeframe (Fiscal Year)	Page # (in PAR)
No.	**Description**		
Strategic Goal 3: Honoring, Serving, and Memorializing Veterans			
OIG 1	**Health Care Delivery**		**II-164**
1A	Quality of Care	2010	II-164
1B	New and Significantly Increased Health Problems Associated with OEF/OIF	2010	II-169
1C	Health Care Business Processes	2010	II-176
1D	Accountability of Pharmaceuticals in VHA Medical Facilities and Consolidated Mail Outpatient Pharmacies (CMOPs)	2010	II-178
Strategic Goal 1: Restoration and Improved Quality of Life for Disabled Veterans11			
OIG 2	**Benefits Processing**		**II-180**
2A	Benefits Claims Workload	2010	II-180
2B	Quality of Claims Decisions	2010	II-182
2C	Hiring and Managing Rapid Growth of Claims Processing Staff	2010	II-185
2D	Processing of New GI Bill Benefits Payments	2011	II-186
Enabling Goal: Applying Sound Business Principles			
OIG 3	**Financial Management**		**II-189**
3A	Financial Management System Functionality	2014	II-190
3B	Financial Management Oversight	2011	II-193
OIG 4	**Procurement Practices**		**II-195**
4A	Compliance with Existing Laws, Regulations, and Internal VA Procurement Policies	2010	II-196
4B	VA FSS Contract Pricing and VA Purchasing Agent Compliance	2010	II-198
4C	Insufficiently Trained and Experienced VA Personnel to Plan, Award, and Administer IT Contracts	2010	II-200
OIG 5	**Information Management**		**II-203**
5A	Information Security Program and System Security Controls	2010	II-204
5B	IT Capital Planning and Programs Need Immediate Attention	2010	II-206
OIG 6	**American Recovery and Reinvestment Act of 2009 Activities**		**II-209**
6A	Systems Integration Needed to Provide ARRA Expected Transparency and Accountability for Economic Stimulus Funds	2010	II-209
6B	Immediate Resources Needed to Manage and Provide Oversight of Grants to State Extended Care Facilities	2010	II-211
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Expenditures by States

Amounts Included in FY 2011 President's Budget (dollars in thousands)	2009 Actuals	2010 Estimates	2011 Estimates
Alabama			
Compensation and pensions	1,123,750	1,577,912	1,454,612
Readjustment benefits	66,965	159,502	182,009
General operating expenses	29,894	36,739	40,144
Medical and construction programs	724,836	796,340	853,073
Insurance and indemnities	19,656	20,941	20,432
Total	**$1,965,100**	**$2,591,433**	**$2,550,270**
Alaska			
Compensation and pensions	147,182	206,666	190,517
Readjustment benefits	11,612	27,658	31,561
General operating expenses	4,760	5,850	6,392
Medical and construction programs	178,916	208,851	220,504
Insurance and indemnities	1,828	1,947	1,900
Total	**$344,298**	**$450,973**	**$450,874**
Arizona			
Compensation and pensions	933,015	1,310,092	1,207,720
Readjustment benefits	103,226	245,869	280,563
General operating expenses	94,253	115,835	126,571
Medical and construction programs	936,408	1,027,960	1,101,410
Insurance and indemnities	27,328	29,114	28,407
Total	**$2,094,229**	**$2,728,869**	**$2,744,671**
Arkansas			
Compensation and pensions	704,713	989,522	912,200
Readjustment benefits	36,148	86,101	98,250
General operating expenses	39,184	48,156	52,620
Medical and construction programs	729,209	802,587	859,387
Insurance and indemnities	10,828	11,536	11,255
Total	**$1,520,083**	**$1,937,902**	**$1,933,712**
California			
Compensation and pensions	3,407,477	4,784,603	4,410,730
Readjustment benefits	381,634	908,998	1,037,265
General operating expenses	165,519	203,420	222,274
Medical and construction programs	4,078,737	4,507,017	4,821,300
Insurance and indemnities	123,238	131,293	128,105
Total	**$8,156,605**	**$10,535,332**	**$10,619,675**

Amounts Included in FY 2011 President's Budget (dollars in thousands)			
	2009 Actuals	2010 Estimates	2011 Estimates
Colorado			
Compensation and pensions	789,442	1,108,493	1,021,875
Readjustment benefits	87,881	209,321	238,858
General operating expenses	52,498	64,519	70,499
Medical and construction programs	1,471,692	1,613,745	1,729,533
Insurance and indemnities	23,227	24,745	24,144
Total	**$2,424,739**	**$3,020,822**	**$3,084,908**
Connecticut			
Compensation and pensions	265,727	373,119	343,964
Readjustment benefits	51,540	122,762	140,084
General operating expenses	14,782	18,167	19,851
Medical and construction programs	450,649	494,235	529,674
Insurance and indemnities	18,615	19,832	19,350
Total	**$801,313**	**$1,028,115**	**$1,052,923**
Delaware			
Compensation and pensions	120,507	169,209	155,987
Readjustment benefits	8,378	19,955	22,771
General operating expenses	4,894	6,015	6,573
Medical and construction programs	160,605	176,810	189,312
Insurance and indemnities	3,807	4,056	3,958
Total	**$298,191**	**$376,046**	**$378,600**
District of Columbia			
Compensation and pensions	61,447	86,281	79,539
Readjustment benefits	5,704	13,585	15,502
General operating expenses	1,129,791	1,388,493	1,517,188
Medical and construction programs	1,009,127	1,144,048	1,216,263
Insurance and indemnities	2,165	2,307	2,251
Total	**$2,208,234**	**$2,634,714**	**$2,830,743**
Florida			
Compensation and pensions	3,410,869	4,789,366	4,415,121
Readjustment benefits	279,626	666,031	760,013
General operating expenses	134,703	165,548	180,892
Medical and construction programs	3,300,446	3,655,611	3,908,276
Insurance and indemnities	104,661	111,501	108,794
Total	**$7,230,305**	**$9,388,057**	**$9,373,096**
Georgia			
Compensation and pensions	1,607,484	2,257,146	2,080,770
Readjustment benefits	211,902	504,720	575,940
General operating expenses	98,269	120,770	131,964
Medical and construction programs	1,040,630	1,141,563	1,223,343
Insurance and indemnities	36,995	39,412	38,455
Total	**$2,995,278**	**$4,063,612**	**$4,050,473**

Amounts Included in FY 2011 President's Budget

(dollars in thousands)

	2009 Actuals	2010 Estimates	2011 Estimates
Hawaii			
Compensation and pensions	216,677	304,247	280,473
Readjustment benefits	20,320	48,398	55,228
General operating expenses	12,259	15,066	16,463
Medical and construction programs	160,292	175,980	188,550
Insurance and indemnities	9,940	10,589	10,332
Total	**$419,487**	**$554,281**	**$551,045**
Idaho			
Compensation and pensions	240,343	337,477	311,106
Readjustment benefits	22,424	53,412	60,948
General operating expenses	6,638	8,158	8,915
Medical and construction programs	165,267	184,681	197,021
Insurance and indemnities	5,651	6,021	5,874
Total	**$440,324**	**$589,748**	**$583,864**
Illinois			
Compensation and pensions	961,685	1,350,348	1,244,831
Readjustment benefits	122,234	291,145	332,228
General operating expenses	74,253	91,255	99,713
Medical and construction programs	1,478,614	1,626,744	1,742,041
Insurance and indemnities	48,633	51,811	50,553
Total	**$2,685,419**	**$3,411,304**	**$3,469,367**
Indiana			
Compensation and pensions	705,162	990,152	912,780
Readjustment benefits	51,578	122,852	140,187
General operating expenses	27,680	34,018	37,172
Medical and construction programs	610,433	670,225	718,085
Insurance and indemnities	20,850	22,213	21,674
Total	**$1,415,704**	**$1,839,460**	**$1,829,898**
Iowa			
Compensation and pensions	342,821	481,372	443,757
Readjustment benefits	29,619	70,549	80,504
General operating expenses	8,335	10,244	11,193
Medical and construction programs	459,887	503,849	540,113
Insurance and indemnities	14,431	15,374	15,001
Total	**$855,094**	**$1,081,387**	**$1,090,568**
Kansas			
Compensation and pensions	357,170	501,520	462,331
Readjustment benefits	34,989	83,340	95,100
General operating expenses	20,724	25,469	27,830
Medical and construction programs	451,337	494,484	530,074
Insurance and indemnities	13,508	14,391	14,041
Total	**$877,728**	**$1,119,203**	**$1,129,375**

Amounts Included in FY 2011 President's Budget (dollars in thousands)			
	2009 Actuals	2010 Estimates	2011 Estimates
Kentucky			
Compensation and pensions	809,666	1,136,891	1,048,053
Readjustment benefits	49,840	118,712	135,463
General operating expenses	24,866	30,560	33,392
Medical and construction programs	559,310	613,046	657,099
Insurance and indemnities	12,861	13,702	13,369
Total	**$1,456,543**	**$1,912,911**	**$1,887,377**
Louisiana			
Compensation and pensions	718,288	1,008,583	929,772
Readjustment benefits	49,796	118,606	135,342
General operating expenses	25,981	31,930	34,890
Medical and construction programs	719,099	796,745	851,745
Insurance and indemnities	15,183	16,175	15,783
Total	**$1,528,347**	**$1,972,040**	**$1,967,532**
Maine			
Compensation and pensions	376,347	528,447	487,154
Readjustment benefits	26,435	62,965	71,849
General operating expenses	14,418	17,720	19,362
Medical and construction programs	247,513	272,258	291,568
Insurance and indemnities	7,134	7,600	7,415
Total	**$671,847**	**$888,989**	**$877,349**
Maryland			
Compensation and pensions	702,541	986,472	909,388
Readjustment benefits	74,359	177,112	202,104
General operating expenses	28,863	35,472	38,760
Medical and construction programs	519,115	570,654	611,222
Insurance and indemnities	29,143	31,048	30,294
Total	**$1,354,021**	**$1,800,758**	**$1,791,768**
Massachusetts			
Compensation and pensions	738,556	1,037,042	956,007
Readjustment benefits	53,338	127,043	144,969
General operating expenses	28,658	35,220	38,484
Medical and construction programs	883,056	968,092	1,037,607
Insurance and indemnities	33,760	35,967	35,094
Total	**$1,737,368**	**$2,203,364**	**$2,212,161**
Michigan			
Compensation and pensions	1,056,544	1,483,544	1,367,619
Readjustment benefits	70,512	167,950	191,649
General operating expenses	44,773	55,026	60,126
Medical and construction programs	1,079,161	1,184,010	1,268,784
Insurance and indemnities	33,760	35,967	35,094
Total	**$2,284,750**	**$2,926,496**	**$2,923,271**

Amounts Included in FY 2011 President's Budget (dollars in thousands)			
	2009 Actuals	2010 Estimates	2011 Estimates
Minnesota			
Compensation and pensions	715,478	1,004,637	926,134
Readjustment benefits	62,225	148,210	169,124
General operating expenses	66,692	81,964	89,561
Medical and construction programs	816,756	897,109	961,079
Insurance and indemnities	24,054	25,626	25,004
Total	**$1,685,205**	**$2,157,547**	**$2,170,901**
Mississippi			
Compensation and pensions	481,176	675,643	622,848
Readjustment benefits	29,774	70,916	80,923
General operating expenses	26,915	33,078	36,144
Medical and construction programs	692,699	772,497	824,521
Insurance and indemnities	11,390	12,135	11,840
Total	**$1,241,955**	**$1,564,270**	**$1,576,276**
Missouri			
Compensation and pensions	873,867	1,227,039	1,131,157
Readjustment benefits	66,233	157,757	180,018
General operating expenses	99,011	121,683	132,961
Medical and construction programs	1,035,883	1,135,472	1,217,048
Insurance and indemnities	25,479	27,144	26,485
Total	**$2,100,472**	**$2,669,095**	**$2,687,669**
Montana			
Compensation and pensions	221,609	311,173	286,857
Readjustment benefits	15,224	36,260	41,377
General operating expenses	6,795	8,351	9,125
Medical and construction programs	170,026	186,847	200,145
Insurance and indemnities	5,171	5,509	5,375
Total	**$418,824**	**$548,139**	**$542,879**
Nebraska			
Compensation and pensions	362,886	509,546	469,729
Readjustment benefits	30,144	71,800	81,931
General operating expenses	20,649	25,378	27,730
Medical and construction programs	366,843	408,331	436,030
Insurance and indemnities	8,912	9,494	9,264
Total	**$789,435**	**$1,024,549**	**$1,024,684**
Nevada			
Compensation and pensions	398,301	559,274	515,572
Readjustment benefits	34,745	82,757	94,434
General operating expenses	13,089	16,087	17,578
Medical and construction programs	610,730	700,501	742,653
Insurance and indemnities	9,569	10,195	9,947
Total	**$1,066,434**	**$1,368,813**	**$1,380,183**

Amounts Included in FY 2011 President's Budget

(dollars in thousands)

	2009 Actuals	2010 Estimates	2011 Estimates
New Hampshire			
Compensation and pensions	201,497	282,931	260,823
Readjustment benefits	19,823	47,217	53,879
General operating expenses	8,301	10,202	11,147
Medical and construction programs	133,341	146,632	157,042
Insurance and indemnities	6,673	7,109	6,936
Total	**$369,635**	**$494,090**	**$489,828**
New Jersey			
Compensation and pensions	686,977	964,618	889,242
Readjustment benefits	73,035	173,958	198,505
General operating expenses	17,486	21,490	23,481
Medical and construction programs	471,066	516,509	553,576
Insurance and indemnities	39,120	41,677	40,665
Total	**$1,287,683**	**$1,718,252**	**$1,705,469**
New Mexico			
Compensation and pensions	502,826	706,042	650,871
Readjustment benefits	34,671	82,580	94,233
General operating expenses	13,009	15,988	17,470
Medical and construction programs	367,767	403,686	432,540
Insurance and indemnities	9,043	9,634	9,400
Total	**$927,315**	**$1,217,930**	**$1,204,514**
New York			
Compensation and pensions	1,533,722	2,153,573	1,985,291
Readjustment benefits	158,943	378,579	432,000
General operating expenses	119,028	146,284	159,842
Medical and construction programs	2,430,063	2,669,840	2,860,031
Insurance and indemnities	73,809	78,634	76,724
Total	**$4,315,565**	**$5,426,909**	**$5,513,888**
North Carolina			
Compensation and pensions	1,848,477	2,595,536	2,392,718
Readjustment benefits	159,561	380,051	433,679
General operating expenses	70,401	86,522	94,541
Medical and construction programs	1,269,234	1,394,010	1,493,435
Insurance and indemnities	37,669	40,131	39,157
Total	**$3,385,342**	**$4,496,250**	**$4,453,531**
North Dakota			
Compensation and pensions	108,275	152,034	140,154
Readjustment benefits	10,537	25,097	28,638
General operating expenses	5,986	7,357	8,039
Medical and construction programs	164,725	180,414	193,414
Insurance and indemnities	2,902	3,092	3,017
Total	**$292,426**	**$367,994**	**$373,263**

Amounts Included in FY 2011 President's Budget (dollars in thousands)			
	2009 Actuals	2010 Estimates	2011 Estimates
Ohio			
Compensation and pensions	1,318,022	1,850,699	1,706,084
Readjustment benefits	101,475	241,699	275,805
General operating expenses	1,136,910	1,397,242	1,526,749
Medical and construction programs	1,893,994	2,086,400	2,233,578
Insurance and indemnities	46,838	49,899	48,688
Total	**$4,497,239**	**$5,625,940**	**$5,790,903**
Oklahoma			
Compensation and pensions	1,107,527	1,555,133	1,433,613
Readjustment benefits	64,306	153,167	174,780
General operating expenses	79,635	97,870	106,941
Medical and construction programs	577,037	632,764	678,158
Insurance and indemnities	14,799	15,766	15,384
Total	**$1,843,304**	**$2,454,700**	**$2,408,876**
Oregon			
Compensation and pensions	726,563	1,020,202	940,482
Readjustment benefits	47,120	112,233	128,070
General operating expenses	35,432	43,545	47,581
Medical and construction programs	750,258	824,465	883,150
Insurance and indemnities	15,987	17,032	16,618
Total	**$1,575,360**	**$2,017,477**	**$2,015,902**
Pennsylvania			
Compensation and pensions	1,455,267	2,043,410	1,883,737
Readjustment benefits	92,617	220,601	251,729
General operating expenses	146,538	180,093	196,785
Medical and construction programs	1,900,375	2,094,506	2,241,974
Insurance and indemnities	60,445	64,396	62,832
Total	**$3,655,242**	**$4,603,006**	**$4,637,057**
Puerto Rico			
Compensation and pensions	529,359	743,299	685,217
Readjustment benefits	24,830	59,142	67,487
General operating expenses	22,672	27,864	30,447
Medical and construction programs	514,972	575,096	613,619
Insurance and indemnities	2,135	2,274	2,219
Total	**$1,093,969**	**$1,407,676**	**$1,398,989**
Rhode Island			
Compensation and pensions	148,924	209,111	192,771
Readjustment benefits	7,677	18,286	20,866
General operating expenses	8,807	10,824	11,827
Medical and construction programs	220,941	245,695	262,422
Insurance and indemnities	4,555	4,853	4,735
Total	**$390,905**	**$488,769**	**$492,621**

Amounts Included in FY 2011 President's Budget (dollars in thousands)			
	2009 Actuals	2010 Estimates	2011 Estimates
South Carolina			
Compensation and pensions	1,001,816	1,406,699	1,296,778
Readjustment benefits	74,664	177,839	202,934
General operating expenses	40,594	49,889	54,513
Medical and construction programs	589,360	649,185	694,991
Insurance and indemnities	20,484	21,823	21,293
Total	**$1,726,919**	**$2,305,435**	**$2,270,510**
South Dakota			
Compensation and pensions	162,171	227,713	209,919
Readjustment benefits	11,780	28,059	32,019
General operating expenses	8,614	10,586	11,567
Medical and construction programs	319,213	350,041	375,153
Insurance and indemnities	3,957	4,216	4,113
Total	**$505,736**	**$620,615**	**$632,771**
Tennessee			
Compensation and pensions	1,087,299	1,526,729	1,407,429
Readjustment benefits	76,164	181,413	207,012
General operating expenses	54,219	66,634	72,810
Medical and construction programs	1,261,213	1,385,171	1,483,974
Insurance and indemnities	22,440	23,906	23,326
Total	**$2,501,335**	**$3,183,854**	**$3,194,551**
Texas			
Compensation and pensions	4,109,444	5,770,270	5,319,376
Readjustment benefits	354,580	844,559	963,733
General operating expenses	196,820	241,888	264,308
Medical and construction programs	2,926,687	3,207,689	3,435,274
Insurance and indemnities	78,458	83,586	81,557
Total	**$7,665,989**	**$10,147,993**	**$10,064,248**
Utah			
Compensation and pensions	227,216	319,045	294,115
Readjustment benefits	27,813	66,247	75,595
General operating expenses	37,667	46,293	50,583
Medical and construction programs	330,571	362,840	388,779
Insurance and indemnities	7,631	8,129	7,932
Total	**$630,899**	**$802,554**	**$817,005**
Vermont			
Compensation and pensions	90,403	126,939	117,020
Readjustment benefits	20,400	48,590	55,446
General operating expenses	5,029	6,180	6,753
Medical and construction programs	161,631	177,636	190,275
Insurance and indemnities	3,028	3,226	3,148
Total	**$280,491**	**$362,570**	**$372,642**

Amounts Included in FY 2011 President's Budget

(dollars in thousands)

	2009 Actuals	2010 Estimates	2011 Estimates
Virginia			
Compensation and pensions	1,547,353	2,172,713	2,002,935
Readjustment benefits	185,481	441,790	504,130
General operating expenses	108,889	133,823	146,227
Medical and construction programs	869,680	955,983	1,023,955
Insurance and indemnities	46,525	49,566	48,362
Total	**$2,757,928**	**$3,753,875**	**$3,725,609**
Washington			
Compensation and pensions	1,211,136	1,700,614	1,567,727
Readjustment benefits	108,459	258,333	294,786
General operating expenses	42,681	52,455	57,317
Medical and construction programs	822,226	908,659	971,996
Insurance and indemnities	32,229	34,335	33,502
Total	**$2,216,731**	**$2,954,397**	**$2,925,327**
West Virginia			
Compensation and pensions	466,669	655,273	604,069
Readjustment benefits	66,398	158,151	180,468
General operating expenses	131,999	162,225	177,261
Medical and construction programs	683,599	750,949	804,470
Insurance and indemnities	6,400	6,818	6,653
Total	**$1,355,066**	**$1,733,416**	**$1,772,921**
Wisconsin			
Compensation and pensions	730,468	1,025,685	945,537
Readjustment benefits	57,137	136,092	155,295
General operating expenses	44,070	54,161	59,181
Medical and construction programs	817,998	897,609	961,841
Insurance and indemnities	24,131	25,708	25,083
Total	**$1,673,803**	**$2,139,255**	**$2,146,938**
Wyoming			
Compensation and pensions	90,712	127,374	117,420
Readjustment benefits	7,400	17,625	20,112
General operating expenses	2,774	3,409	3,725
Medical and construction programs	175,407	192,070	205,921
Insurance and indemnities	2,548	2,715	2,649
Total	**$278,841**	**$343,192**	**$349,828**
Guam			
Compensation and pensions	24,831	34,866	32,142
Readjustment benefits	2,121	5,051	5,763
General operating expenses	$0	$0	$0
Medical and construction programs	3,940	4,314	4,625
Insurance and indemnities	120	128	125
Total	**$31,012**	**$44,360**	**$42,656**

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Appropriation Structure

Appropriations and funds are listed below with a brief description of the scope of the account:

Medical Programs

Appropriations

MEDICAL CARE PROGRAMS: Provides for a comprehensive, integrated health care delivery system that addresses the needs of the Nation's veterans by financing the operation, maintenance, and administration from the following accounts that are required to address the health care needs of eligible veterans.

MEDICAL SERVICES: Provides for a comprehensive, integrated health care delivery system that addresses the needs of eligible veterans and beneficiaries in VA medical centers, outpatient clinic facilities, contract hospitals, State homes, and outpatient programs on a fee basis. Hospital and outpatient care is also provided by the private sector for certain dependents and survivors of veterans under the Civilian Health and Medical Programs for the Department of Veterans Affairs (CHAMPVA). This is an annual, multi-year, and no-year account.

MEDICAL SUPPORT AND COMPLIANCE: Provides for the management, security, and administration of the VA health care system through the operation of VA medical centers, other facilities, Veterans Integrated Service Networks offices and facility director offices, chief of staff operations, quality of care oversight, legal services, billing and coding activities, procurement, financial management, and human resource management. This is an annual, multi-year, and no-year account.

MEDICAL FACILITIES: Provides for the operations and maintenance of the VA health care system's vast capital infrastructure required to provide health care to the Nation's veterans. These costs include utilities, engineering, capital planning, leases, laundry services, grounds maintenance, trash removal, housekeeping, fire protection, pest management, facility repair, and property disposition and acquisition. This is an annual, multi-year, and no-year account.

DOD VA HEALTH CARE SHARING INCENTIVE FUND: Provides a minimum of $15,000,000 for a joint incentive program to enable the Departments to carry out a program to identify and provide incentives to implement creative sharing initiatives at the facility, intra-regional, and nationwide levels. Section 8111(d) of title 38, United States Code requires each Secretary to contribute a minimum of $15,000,000 from the funds appropriated to the Secretary's Department fund and to establish the fund effective October 1, 2003. P. L. 111-84, The National Defense Authorization Act for Fiscal Year 2010, section 1706, amended section 8111(d)(3) of title 38, United States Code, to extend the program to September 30, 2015. This is a no-year account.

JOINT DEPARTMENT OF DEFENSE-DEPARTMENT OF VETERANS AFFAIRS MEDICAL FACILITY DEMONSTRATION FUND: Combines the resources of the Department of Defense (DoD) and the Department of Veterans Affairs (VA) to operate the first totally integrated federal health care facility in the country. The Captain James A. Lovell Federal Health Care Center located in North Chicago, Illinois, will care for all eligible VA and DoD beneficiaries. This center is the integration of the North Chicago VA Medical Center and the Navy Health Clinic Great Lakes. Each department will contribute funding to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund established by section 1704 of Public Law 111-84, the "National Defense Authorization Act for Fiscal Year 2010."

The VA's budget request includes funding to be appropriated to the Medical Services, Medical Support and Compliance, Medical Facilities, and Information Technology Systems appropriations and transferred to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund. This is an annual and multi-year account.

MEDICAL AND PROSTHETIC RESEARCH: Supports research that facilitates and improves the primary function of VHA, which is to provide high-quality and cost-effective medical care to eligible veterans and contribute to the Nation's knowledge about disease and disability. This is a multi-year appropriation and no-year appropriation.

Special Funds

MEDICAL CARE COLLECTIONS FUND: Provides medical collections that are used for specified purposes to support the health care for eligible veterans. Public Law 105-33, the Balanced Budget Act of 1997, established the Department of Veterans Affairs Medical Care Collections Fund (MCCF). It required that amounts collected or recovered after June 30, 1997, be deposited in the MCCF. The amounts collected in the fund are available only for: 1) VA

medical care and services during any fiscal year; and 2) VA expenses for identifying, billing, auditing, and collecting amounts owed the government. VA has the authority to collect inpatient, outpatient, medication, and nursing home co-payments; authority for certain income verification; authority to recover third-party insurance payments from veterans for non-service connected conditions; and authority to collect revenue from enhanced use leases. Public Law 108-7, the Consolidated Appropriations Resolution, 2003, granted permanent authority to recover pharmacy co-payments for outpatient medication. VA's authority to do income verification with the Social Security Administration and Internal Revenue Service in title 38, section 5317(g), was extended through September 30, 2011, by section 802 of Public Law 110-389, the Veterans' Benefits Improvement Act of 2008. Public Law 110-387, the Veterans' Mental Health and Other Care Improvements Act of 2008, extended the authority, in title 38, section 1729(a)(2)(E) to recover third party insurance payments from service-connected veterans for nonservice-connected conditions through October 1, 2010. Public Law 110-387, the Veterans' Mental Health and Other Care Improvements Act of 2008, extended the authority in title 38, section 1710(f)(2)(B), to collect copayments for hospital care and nursing home care through September 30, 2010. Public Law 108-199, the Consolidated Appropriations Act, 2004, and P.L. 108-447, the Consolidated Appropriations Act, 2005, require revenue from the following accounts to be deposited into the MCCF beginning in FY 2004:

Long-Term Care Co-Payments (Formerly Veterans Extended Care Revolving Fund: This account was established by Public Law 106-117, the Veterans Millennium Health Care and Benefits Act. This account receives per diems and co-payments from certain patients receiving extended care services as authorized in title 38, U.S.C., § 1701B. Amounts deposited in the account are used to provide extended care services.

Compensated Work Therapy Program (formerly Special Therapeutic and Rehabilitation Activities Fund): This program, established pursuant to the Veterans Omnibus Health Care Act of 1976, Public Law 94-581, approved October 21, 1976, provides a mechanism for furnishing rehabilitative services to certain Veteran beneficiaries receiving medical care and treatment from VA. Funds to operate the various rehabilitative activities and provide therapeutic work for remuneration of patients and members in VA facilities are derived from contractual arrangements with private industry, non-profit organizations, and State and Federal entities. This is a self-sustaining activity that does not require an appropriation.

Compensation and Pensions Living Expenses Program (formerly Medical Facilities Revolving Fund): This program provides for operating expenses of VA medical facilities furnishing nursing home care to certain Veterans who receive Pensions. Title 38, U.S.C., provides that a Veteran with no spouse or child will receive $90 per month in Pensions beginning the third full month following the month of admission to VA-furnished nursing home care. The difference between the $90 the Veteran receives and the amount otherwise authorized is transferred to this fund to cover the expenses of the facility furnishing the nursing home care. Public Law 105-368, Veterans Programs Enhancement Act of 1998, has granted permanent authority for the transfer of Pensions funds in excess of $90 per month from the Compensation and Pensions account, in accordance with the provisions of title 38, U.S.C. § 5503(a)(1)(B). This authority will be retroactive as of October 1, 1997.

Parking Program (formerly Parking Revolving Fund): VA collects parking fees for the use of parking facilities at VA facilities.

Other Revolving Funds

MEDICAL CENTER RESEARCH ORGANIZATIONS: The Veterans' Benefits and Services Act of 1988, P.L. 100-322 authorized VA Research and Education Corporations to provide a mechanism whereby non-VA funds may be received and administered to perform research by a nonprofit corporation at any VA medical center.

CANTEEN SERVICE REVOLVING FUND: This fund finances the operation of canteens at all medical facilities. These activities are under the management of the Veterans Canteen Service, established by Congress in 1946. Income from sales makes this a self-sustaining activity.
Other Trust Funds

Other Trust Funds

GENERAL POST FUND: This trust fund consists of gifts, bequests, and proceeds from the sale of property left in the care of VA facilities by former beneficiaries who die leaving no heirs or without having otherwise disposed of their estates. Such funds are used to promote the comfort and welfare of Veterans in hospitals and other facilities where no general appropriation is available for this purpose. In addition, donations from pharmaceutical companies, non-profit corporations, and individuals to support VA medical research are deposited in this fund.

Benefits Programs

Appropriations

COMPENSATION AND PENSIONS: Provides for compensation payments to service-connected disabled Veterans and their survivors; provides for pension payments, subject to an income standard, to war-time Veterans who are permanently and totally disabled from non-service-connected causes and their survivors; and provides burial and other benefits to Veterans and their survivors.

READJUSTMENT BENEFITS: Provides payments for education and training for eligible Veterans and dependents, as well as special assistance to disabled Veterans. Funding provided for this program consists of direct appropriations to this VA account, as well as offsetting collections received from the Department of Defense.

VETERANS INSURANCE AND INDEMNITIES: Provides payment for extra hazard costs to the National Service Life Insurance and United States Government Life Insurance funds, supplements the Service-Disabled Veterans Insurance Fund, and provides direct payment to policyholders. It also provides funds for expenses of the Veterans Mortgage Life Insurance Program.

Trust Funds

POST-VIETNAM ERA VETERANS EDUCATION ACCOUNT: Funding for this account consists primarily of voluntary contributions by eligible servicepersons and Department of Defense matching contributions on behalf of specific servicepersons. The account serves as a depository and disbursing account for the contributory-matching education program which provides educational assistance payments to participants who entered the service between January 1, 1977 and June 30, 1985, and are pursuing training under chapter 32 (38 U. S. C.). Public Law 99-576, enacted October 28, 1986, permanently closed the program to new enrollees after March 31, 1987. However, the enactment of Public Law 101-510 allows servicepersons enrolled or eligible to enroll in the program who are involuntarily separated from the service on or after February 3, 1991, an opportunity to receive assistance under the Montgomery GI Bill (MGIB) program in lieu of Post-Vietnam Era Veterans Education Program (VEAP). Public Law 102-484 extended the same opportunity to certain servicepersons who voluntarily separated from the military on or after December 5, 1991. An opportunity to enroll in the MGIB program also was extended to Chapter 32 (and section 903) servicepersons, who were VEAP participants on October 9, 1996, under Public Law 104-275.

Revolving Funds

VOCATIONAL REHABILITATION REVOLVING FUND: Loans (advances) will be made to disabled Veterans eligible for vocational rehabilitation who are without sufficient funds to meet their expenses. Under the Federal Credit Reform Act of 1990, this fund now receives a direct appropriation for its administrative expenses, which it reimburses directly to the General Operating Expenses appropriation. Subsidy budget authority is provided for costs associated with loans obligated in 1992 and beyond.

VETERANS HOUSING BENEFIT PROGRAM FUND: The Veterans Housing Benefit Program Fund (VHBPF) reflects the loan financing activity in the Direct Loan Financing Account, Guaranteed Loan Financing Account, the Loan Sales Securities Guaranteed Loan Financing Account, and the Transitional Housing Direct Loan Financing Account. All direct and

guaranteed loans made prior to September 30, 1991, are scored in the VHBPF Liquidating Account. Under the Federal Credit Reform Act of 1990, all direct and guaranteed loans made after September 30, 1991, are financed by subsidy appropriations to the VHBPF Program Account. This account also receives an appropriation for administrative expenses. The principal objective of the loan guaranty program is to encourage and facilitate the extension of favorable credit terms by private lenders to Veterans for the purchase, construction, or improvement of homes to be occupied by Veterans and their families.

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS VETERANS PROGRAM: This program was established in the Veterans Benefits Improvement Act of 1998, Public Law 105-368. The program is a pilot project designed to expand the supply of transitional housing for homeless Veterans by authorizing the Secretary to guarantee loans for self-sustaining housing projects specifically designed to create long-term transitional housing for homeless Veterans. VA may guarantee up to 15 loans with a maximum aggregate value of $100 million. The project must enforce sobriety standards and provide a wide range of supportive services such as counseling for substance abuse and job readiness skills. Residents will be required to pay a reasonable fee. All funds authorized for this program were appropriated by the end of 2000; therefore, no appropriation language has been included in this budget. The loan financing activity of this account is shown under the "Transitional Housing Direct Loan Financing Account" in the President's budget.

NATIVE AMERICAN VETERANS HOUSING PROGRAM: This program was designed to test the feasibility of enabling VA to make direct home loans to Native American Veterans who live on U.S. trust lands. Annual appropriations are received for administrative expenses associated with this program. This program began as a pilot program in 1993 and was made permanent in 2006. The direct loan financing activity of this account is shown under the "Native American Direct Loan Financing Account" in the President's budget.

SERVICEMEMBER'S GROUP LIFE INSURANCE FUND: Established in 1965 as the financing mechanism to provide Group Life Insurance to members of the uniformed forces on active duty and certain members of the Reserves. Premiums, including the cost of administration, are deducted monthly from the serviceperson's pay and remitted by each uniformed service to VA and, in turn, to the primary insurer. The Government contributes toward the military extra hazard cost by paying for all death claims over a certain maximum as defined by law. Public Law 109-80 increased the maximum amount of coverage available to $400,000, effective September 1, 2005. In addition, Public

Law 109-13 provides for Traumatic Servicemember's Group Life Insurance, effective December 1, 2005. This program provides for payment between $25,000 and $100,000 to any member of the uniformed services covered by SGLI who sustains a traumatic injury that results in certain serious losses.

Public Enterprise Funds

SERVICE-DISABLED VETERANS INSURANCE FUND: This program finances claim payments on non-participating policies issued to service-disabled Veterans who served in the Armed Forces after April 25, 1951. The program provides insurance coverage for service-disabled Veterans at standard rates. Claim payments exceed premium receipts each year. Funds are derived mainly from premiums and payments from the Veterans Insurance and Indemnities appropriation. Public Law 106-419 allowed for term premiums to be frozen, effective November 1, 2000, at the first renewal after the insured reaches age 70 and remain frozen thereafter.

VETERANS REOPENED INSURANCE FUND: Established in 1965 as the financing mechanism for a program authorizing reopening of National Service Life Insurance for one year, for certain disabled Veterans of World War II and the Korean conflict. Operations are financed from premiums collected from policyholders and interest on investments.

Trust Funds

NATIONAL SERVICE LIFE INSURANCE FUND: Started in 1940 as the financing mechanism for World War II insurance. Closed to new issues in 1951. Income is derived from premiums, interest on investments, and transfers from Veterans Insurance and Indemnities appropriation.

UNITED STATES GOVERNMENT LIFE INSURANCE FUND: Started in 1919 as the financing mechanism for converted insurance issued under the War Risk Insurance Act of 1914, as amended. Closed to new issues April 1951. Income is derived from interest on investments and transfers from the Veterans Insurance and Indemnities appropriation.

VETERANS SPECIAL LIFE INSURANCE FUND: Finances the payment of claims for the insurance program authorized for insurable Veterans who served after April 1951 and before January 1, 1957. Income is derived mainly from premiums and interest on investments.

Departmental Administration

Appropriations

GENERAL OPERATING EXPENSES: For the administration of all VA non-medical benefits and support functions for the entire Department. Includes the Veterans Benefits Administration and the General Administration activities. While the program accounts associated with credit reform receive an appropriation directly for associated administrative expenses, total obligations from those appropriations are reflected under the General operating expenses account, with financing provided as offsetting collections.

NATIONAL CEMETERY ADMINISTRATION: This appropriation provides funding for the administration of all functions associated with the National Cemetery Administration. Provides, upon request, for the interment in any national cemetery with available grave space the remains of eligible deceased service persons and discharged Veterans (together with their spouses and certain dependents).

OFFICE OF THE INSPECTOR GENERAL: Responsible for the audit, investigation, and inspection of all Department of Veterans Affairs programs and operations.

INFORMATION TECHNOLOGY SYSTEMS ACCOUNT: This appropriation will fund payroll and non-payroll information technology requirements of the Department. In addition, this account will receive reimbursements from the credit programs, the insurance benefit programs, and other revolving funds.

CONSTRUCTION, MAJOR PROJECTS: For constructing, altering, extending, and improving any VA facility, including planning, assessments of needs, architectural and engineering services, and site acquisition, where the estimated cost of a project is $10 million or more or where funds for a project were made available in a previous major project appropriation.

CONSTRUCTION, MINOR PROJECTS: For constructing, altering, extending and improving any VA facility, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is equal to or less than $10 million.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES: Grants to States for the purpose of assisting States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify, or alter existing

hospitals, nursing homes, and domiciliary facilities in State homes to furnish care to Veterans. A grant may not exceed 65 percent of the total cost of the project. This account was approved on August 19, 1964, and authorized as an appropriation in 1965. Public Law 102-585 granted permanent authority for this program. Public Law 104-262 added Adult Day Health Care and another level of care that may be provided by State homes. This is a no-year account.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES: Grants to aid states, federally recognized tribal government, or U.S. territories in establishing, expanding or improving State veterans' cemeteries. A grant can be up to 100 percent of the cost of establishment, expansion or improvement. Federal funding for the cost of initial equipment when the cemetery is established is also permitted. VA does not provide for acquisition of land. The value of the land cannot be considered as an "allowable cost" under the grant. States are solely responsible for acquisition of the necessary land. The States remain responsible for providing the land and paying for all costs related to the operation and maintenance of the state cemeteries, including the cost for subsequent equipment purchases.

Other Revolving Funds

PERSHING HALL REVOLVING FUND: Established by Public Law 102-86 for the operation and maintenance of Pershing Hall, an asset of the United States located in Paris, France. Receipts generated by the operation of Pershing Hall are also deposited in the revolving fund.

NATIONAL CEMETERY GIFT FUND: Consists of gifts and bequests which are made for the purpose of beautifying national cemeteries or are made for the purpose of the operation, maintenance, or improvement of the National Memorial Cemetery of Arizona.

DEPARTMENT OF VETERANS AFFAIRS CAPITAL ASSET FUND: Provides for costs associated with the transfer and future transfers of real property, including costs of demolition, environmental remediation, maintenance and repair, improvements to facilitate the transfer, and administrative expenses. This account also finances costs associated with enhancing medical care services to Veterans by improving, renovating, replacing, updating, or establishing patient care facilities through construction projects. Additionally, costs associated with the transfer, lease, or adaptive use of a structure or property under the jurisdiction of the Secretary that is listed on the National Register of Historic Places will be financed in this account. Receipts to this account will be realized from the transfer of real property to another department or agency of the United States, to a State (or a political subdivision of a state), or to any public or private

entity, including an Indian tribe in accordance with P. L. 108-422. This is a no-year revolving fund.

Intragovernmental Funds

SUPPLY REVOLVING FUND: Established in 1953, the Supply Fund is responsible for the operation and maintenance of a supply system for VA. Functioning as an intragovernmental fund, without fiscal year limitation, it seeks to assure the most timely, cost-effective acquisition of goods and services for VA programs. As a self-sustaining fund, the majority of its operating expenses are recovered through a mark-up on goods sold.

FRANCHISE FUND: The Franchise Fund has permanent authority under P.L. 104-204, as amended by P.L. 109-114. Established in 1997, the Franchise Fund provides VA program offices with common administrative services and is financed on a fee-for-service basis.

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Department of Veterans Affairs

Discretionary and Mandatory Programs Funding and Average Employment for 2009 - 2011

(dollars in thousands)

	2009- Actuals (BY)			2010- Current Estimate (BY)			2011 (BY)			Change (BY - CY)			Percentage Change [(BY - CY)/CY]		
	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE
Discretionary Programs															
Medical Programs- VHA															
Medical Services	$30,745,513	$31,041,848	172,338	$34,692,500	$33,869,340	178,581	$37,136,000	$36,192,320	179,555	$2,443,500	$2,322,980	974	7.04%	6.86%	0.55%
Medical Support & Compliance (formerly Administration)	$4,405,500	$4,224,639	39,851	$4,930,000	$4,828,803	41,082	$5,307,000	$5,165,727	41,391	$377,000	$336,924	309	7.65%	6.98%	0.75%
Medical Facilities	6,029,000	4,639,594	23,430	4,859,000	5,294,110	23,899	5,740,000	5,770,992	23,899	$881,000	$476,882	0	18.13%	9.01%	0.00%
Collections	2,766,908	2,927,642	0	3,026,000	2,909,409	0	3,355,000	3,206,950	0	$329,000	$297,541	0	10.87%	10.23%	#DIV/0!
Total Medical care	**43,946,921**	**42,833,723**	**235,619**	**47,507,500**	**46,901,662**	**243,562**	**51,538,000**	**50,335,989**	**244,845**	**$4,030,500**	**$3,434,327**	**1,283**	**8.48%**	**7.32%**	**0.53%**
VA/DoD Sharing Incentive Fund	34,000	42,538	126	30,000	56,000	127	0	38,500	131	$-30,000	$-17,500	4	-100.00%	-31.25%	3.15%
Medical research	510,000	507,911	3,226	581,000	551,426	3,345	590,000	575,753	3,345	$9,000	$24,327	0	1.55%	4.41%	0.00%
Subtotal, VHA	**44,490,921**	**43,384,172**	**238,971**	**48,118,500**	**47,509,088**	**247,034**	**52,128,000**	**50,950,242**	**248,321**	**$4,009,500**	**$3,441,154**	**1,287**	**8.33%**	**7.24%**	**0.52%**
National Cemetery Administration- NCA															
Burial Administration	**280,000**	**209,275**	**1,622**	**250,000**	**283,993**	**1,672**	**250,504**	**257,115**	**1,686**	**$504**	**$-26,878**	**14**	**0.20%**	**-9.46%**	**0.84%**
Information Technology															
Information Technology	**2,798,182**	**2,395,337**	**6,710**	**3,307,000**	**3,101,655**	**7,580**	**3,307,000**	**3,267,329**	**7,580**	**$0**	**$165,674**	**0**	**0.00%**	**5.34%**	**0.00%**
Construction															
Veterans Health Administration	813,114	552,959		1,076,800	837,422		1,038,136	838,817		$-38,664	$1,395	0	-3.59%	0.17%	#DIV/0!
Veterans Benefits Administration	0	0		0	31		0	0		$0	$-31	0	#DIV/0!	-100.00%	#DIV/0!
National Cemetary Administration	105,268	95,307		112,200	88,931		106,900	94,599		$-5,300	$5,668	0	-4.72%	6.37%	#DIV/0!
Staff Offices	5,000	9,871		5,000	8,896		6,000	8,001		$1,000	$-895	0	20.00%	-10.06%	#DIV/0!
Subtotal Major Construction	***923,382***	***658,137***	***0***	***1,194,000***	***935,280***	***0***	***1,151,036***	***941,417***	***0***	$-42,964	$6,137	0	-3.60%	0.66%	#DIV/0!
Minor															
Veterans Health Administration	584,234	405,615		602,000	545,593		386,977	539,751		$-215,023	$-5,842	0	-35.72%	-1.07%	#DIV/0!
Veterans Benefits Administration	41,300	44,431		18,400	32,285		14,525	23,179		$-3,875	$-9,106	0	-21.06%	-28.21%	#DIV/0!
National Cemetary Administration	87,000	45,569		55,200	72,570		43,573	59,634		$-11,627	$-12,936	0	-21.06%	-17.83%	#DIV/0!
Staff Offices	29,000	12,105		27,400	23,722		22,625	25,409		$-4,775	$1,687	0	-17.43%	7.11%	#DIV/0!
Subtotal Minor Construction	***741,534***	***507,720***	***12***	***703,000***	***674,170***	***19***	***467,700***	***647,973***	***19***	$-235,300	$-26,197	0	-33.47%	-3.89%	0.00%
Grants For State Extended Care Facilities	325,000	128,794		100,000	147,879		85,000	207,096		$-15,000	$59,217	0	-15.00%	40.04%	#DIV/0!
Grants For State Cemeteries	42,000	29,848		46,000	31,837		46,000	32,425		$0	$588	0	0.00%	1.85%	#DIV/0!
Total Construction	**2,031,916**	**1,324,499**	**12**	**2,043,000**	**1,789,166**	**19**	**1,749,736**	**1,828,911**	**19**	$-293,264	$39,745	0	-14.35%	2.22%	0.00%
Departmental Administration															
Veteran Benefits Administration															
Filipino Veterans Equity Compensation Fund	198,000	82,438			106,000	0	0	9,562	0	$0	$-96,438	0	#DIV/0!	-90.98%	#DIV/0!
Subtotal Filipino ECF	**198,000**	**82,438**		**0**	**106,000**	**0**	**0**	**9,562**	**0**	**$0**	**$-96,438**	**0**	**#DIV/0!**	**-90.98%**	**#DIV/0!**
Veteran Benefits Administration- GOE															
Compensation Administration (includes Burial)	1,229,401	1,117,973	12,049	1,286,627	1,300,659	13,744	1,656,047	1,542,674	15,794	$369,420	$242,015	2,050	28.71%	18.61%	14.92%
Pensions Administration	113,525	116,390	1,157	114,797	112,548	1,174	136,585	129,874	1,174	$21,788	$17,326	0	18.98%	15.39%	0.00%
Subtotal, Compensation and Pension	**1,342,926**	**1,234,363**	**13,206**	**1,401,424**	**1,413,207**	**14,918**	**1,792,632**	**1,672,548**	**16,968**	**$391,208**	**$259,341**	**2,050**	**27.92%**	**18.35%**	**13.74%**
Education Administration	116,427	107,360	1,410	116,384	113,496	2,004	167,446	164,399	1,698	$51,062	$50,903	-306	43.87%	44.85%	-15.27%
Vocational Rehabilitation and Employment	158,548	161,532	1,273	170,865	164,951	1,295	188,045	180,702	1,286	$17,180	$15,751	-9	10.05%	9.55%	-0.69%
Insurance Administration	494	994	348	534	444	386	653	494	363	$119	$50	-23	22.28%	11.26%	-5.96%
Subtotal GOE, VBA without Credit Reform	**1,618,395**	**1,504,249**	**16,237**	**1,689,207**	**1,692,098**	**18,603**	**2,148,776**	**2,018,143**	**20,315**	**$459,569**	**$326,045**	**1,712**	**27.21%**	**19.27%**	**9.20%**

Department of Veterans Affairs

Discretionary and Mandatory Programs Funding and Average Employment for 2009 - 2011

(dollars in thousands)

	2009- Actuals (BY)			2010- Current Estimate (BY)			2011 (BY)			Change (BY - CY)			Percentage Change [(BY - CY)/CY]		
	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE
Discretionary Programs															
General Administration		335,343			378,161			441,047		$0	$62,886	0	#DIV/0!	16.63%	#DIV/0!
Office of the Secretary	7,146		73	9,270		94	10,808		94	$1,538	$0	0	16.59%	#DIV/0!	0.00%
Office of Logistics, Acquisitions, & Construction	45,243		291	50,728		349	79,582		514	$28,854	$0	165	56.88%	#DIV/0!	47.28%
Board of Veterans Appeals	68,582		525	73,273		552	75,198		557	$1,925	$0	5	2.63%	#DIV/0!	0.91%
General Counsel	74,343		718	80,778		730	91,049		760	$10,271	$0	30	12.72%	#DIV/0!	4.11%
AS for Management	37,546		250	43,956		292	48,557		296	$4,601	$0	4	10.47%	#DIV/0!	1.37%
AS for Human Resources & Administration	61,901		505	68,590		715	76,177		736	$7,587	$0	21	11.06%	#DIV/0!	2.94%
AS for Policy, and Planning	14,602		62	26,015		93	28,783		103	$2,768	$0	10	10.64%	#DIV/0!	10.75%
AS for Operations, Security & Preparedness	12,025		66	16,746		95	22,091		102	$5,345	$0	7	31.92%	#DIV/0!	7.37%
AS for Public and Intergovernmental Affairs	10,005		68	22,079		76	23,705		89	$1,626	$0	13	7.36%	#DIV/0!	17.11%
AS for Congressional and Legislative Affairs	4,379		33	6,065		42	7,247		50	$1,182	$0	8	19.49%	#DIV/0!	19.05%
White House Commission	0		0												
Subotal General Administration	**335,772**	**335,343**	**2,591**	**397,500**	**378,161**	**3,038**	**463,197**	**441,047**	**3,301**	**$65,697**	**$62,886**	**263**	**16.53%**	**16.63%**	**8.66%**
Pershing Hall revolving fund	0	0	0	0	0	0	0	0	0	$0	$0	0	#DIV/0!	#DIV/0!	#DIV/0!
Office of Inspector General															
Total Office of Inspector General	88,818	88,445	509	109,000	102,323	576	109,367	106,363	576	$367	$4,040	0	0.34%	3.95%	0.00%
Credit Reform Administrative															
Credit Reform Administrative- VBA															
Native American loan administrative	*626*	*597*	*7*	*644*	*644*	*7*	*687*	*687*	*7*	$43	$43	0	6.68%	6.68%	0.00%
Vocational rehabilitation loan program - admin	320	320	3	328	328	3	337	337	3	$9	$9	0	2.74%	2.74%	0.00%
Veterans housing benefit program fund program	*116,903*	*107,123*	*876*	*124,313*	*124,313*	*884*	*135,987*	*135,987*	*923*	$11,674	$11,674	39	9.39%	9.39%	4.41%
Subtotal VBA	*117,849*	*108,040*	*886*	*125,285*	*125,285*	*894*	*137,011*	*137,011*	*933*	$11,726	$11,726	39	9.36%	9.36%	4.36%
Credit Reform Administrative- General Counsel															
Native American loan administrative	20	20		20	20		20	20		$0	$0	0	0.00%	0.00%	#DIV/0!
Veterans housing benefit program fund program	5,140	5,140		5,284	5,284		5,354	5,354		$70	$70	0	1.32%	1.32%	#DIV/0!
Subtotal General Counsel	*5,160*	*5,160*	*0*	*5,304*	*5,304*	*0*	*5,374*	*5,374*	*0*	$70	$70	0	1.32%	1.32%	#DIV/0!
Credit Reform Administrative- OIT										$0	$0	0	#DIV/0!	#DIV/0!	#DIV/0!
Veterans Housing	35,167	26,375	0	35,485	35,485		22,305	22,305		$-13,180	$-13,180	0	-37.14%	-37.14%	#DIV/0!
Subtotal OIT	35,167	26,375	0	35,485	35,485	0	22,305	22,305	0	$-13,180	$-13,180	0	-37.14%	-37.14%	#DIV/0!
Credit Reform Subsidy															
Vocational rehabilitation loan program - subsidy	61	55	0	29	29	0	48	48	0	$19	$19	0	65.52%	65.52%	#DIV/0!
Subtotal, Credit Reform Subsidy	**61**	**55**	**0**	**29**	**29**	**0**	**48**	**48**	**0**	$19	$19	0	65.52%	65.52%	#DIV/0!
Subtotal, Credit Reform Administrative	**158,176**	**139,575**	**886**	**166,074**	**166,074**	**894**	**164,690**	**164,690**	**933**	**$-1,384**	**$-1,384**	**39**	**-0.83%**	**-0.83%**	**4.36%**
Total, Other Discretionary	**8,053,320**	**6,629,665**	**31,919**	**8,572,810**	**8,226,925**	**35,854**	**8,783,318**	**8,707,461**	**37,886**	**$210,508**	**$480,536**	**2,032**	**2.46%**	**5.84%**	**5.67%**
Total, Discretionary Program w/o Collections	**49,233,333**	**46,535,746**	**267,538**	**53,054,310**	**52,219,178**	**279,416**	**56,966,318**	**55,836,500**	**282,731**	**$3,912,008**	**$3,617,322**	**3,315**	**7.37%**	**6.93%**	**1.19%**
Total, Discretionary Program with Collections	**52,000,241**	**49,463,388**	**267,538**	**56,080,310**	**55,128,587**	**279,416**	**60,321,318**	**59,043,450**	**282,731**	**$4,241,008**	**$3,914,863**	**3,315**	**7.56%**	**7.10%**	**1.19%**

Department of Veterans Affairs

Discretionary and Mandatory Programs Funding and Average Employment for 2009 - 2011

(dollars in thousands)

	2009- Actuals (BY)			2010- Current Estimate (BY)			2011 (BY)			Change (BY - CY)			Percentage Change [(BY - CY)/CY]		
	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE
Mandatory Programs															
Benefit Programs															
Compensation and Pensions															
Disability Compensation Benefits	38,780,734	39,968,157		43,142,808	56,701,791		48,652,044	51,952,827		$5,509,236	$-4,748,964	0	12.77%	-8.38%	#DIV/0!
Compensation ARRA	646,656	429,391													
Proposed legislation - COLA Increase of 2.5% in 2009										$0	$0	0	#DIV/0!	#DIV/0!	#DIV/0!
Transfer to/from Readjustment Benefits (RB)	-300,000			189,347						$-189,347	$0		-100.00%	#DIV/0!	
Transfer to Veterans Insurance Benefits (VII)	-5,772									$0	$0		#DIV/0!	#DIV/0!	
Proposed Supplemental- Agent Orange (non-add)				13,377,189											
Proposed legislation- Concurrent Receipt							46,993	46,993							
Proposed legislation- 2nd Comp ARRA Payment (non-add)				489,468	489,468										
Subtotal Compensation	***39,121,618***	***40,397,548***		***43,332,155***	***56,701,791***		***48,652,044***	***51,952,827***		$5,319,889	$-4,748,964	0	12.28%	-8.38%	#DIV/0!
Pensions Benefits	4,155,475	4,126,247		4,041,041	4,025,912		4,658,316	4,974,358		$617,275	$948,446	0	15.28%	23.56%	#DIV/0!
Pension ARRA	53,344	35,421													
Transfer to/from Readjustment Benefits (RB)				342,830	342,830										
Proposed legislation- 2nd Comp ARRA Payment (non-add)				41,532	41,532										
Proposed legislation- SMP (non add)	0	0		0	0		-3,200	-3,200		$-3,200	$-3,200	0	#DIV/0!	#DIV/0!	#DIV/0!
Subtotal Pension	***4,208,819***	***4,161,668***		***4,383,871***	***4,368,742***		***4,658,316***	***4,974,358***		$274,445	$605,616	0	6.26%	13.86%	#DIV/0!
Burial Benefits	175,472	175,472		212,257	212,257		181,874	181,874		$-30,383	$-30,383	0	-14.31%	-14.31%	#DIV/0!
Transfer to Readjustment Benefits (RB)				-5,166	-5,166										
Proposed legislation		0			0			0		$0	$0	0	#DIV/0!	#DIV/0!	#DIV/0!
National cemetery gift fund										$0	$0	0	#DIV/0!	#DIV/0!	#DIV/0!
Subtotal Burial	***175,472***	***175,472***	***0***	***207,091***	***207,091***	***0***	***181,874***	***181,874***	***0***	***$-25,217***	***$-25,217***	***0***	***-12.18%***	***-12.18%***	***#DIV/0!***
Total Compensation and Pensions & ARRA	**43,505,909**	**44,734,688**	**0**	**47,923,117**	**61,277,624**	**0**	**53,492,234**	**57,109,059**	**0**	**$5,569,117**	**$-4,168,565**	**0**	**11.62%**	**-6.80%**	**#DIV/0!**
Readjustment Benefits															
Education Benefits	**3,101,477**	**3,155,454**		**8,458,148**	**8,443,579**		**9,618,407**	**9,703,092**		**$1,160,259**	**$1,259,513**	**0**	**13.72%**	**14.92%**	**#DIV/0!**
Transfer to/from Compensation Benefits	**300,000**	**0**		-527,011											
Subtotal Education	***3,401,477***	***3,155,454***		***7,931,137***	***8,443,579***		***9,618,407***	***9,703,092***		***$1,687,270***	***$1,259,513***	***0***	***21.27%***	***14.92%***	***#DIV/0!***
Vocational Rehabilitation & Employment	**731,467**	**719,941**		**774,221**	**787,064**		**821,838**	**830,069**		**$47,617**	**$43,005**	**0**	**6.15%**	**5.46%**	**#DIV/0!**
Total Readjustment Benefits	**4,132,944**	**3,875,395**	**0**	**8,705,358**	**9,230,643**	**0**	**10,440,245**	**10,533,161**	**0**	**$1,734,887**	**$1,302,518**	**0**	**19.93%**	**14.11%**	**#DIV/0!**
Housing Program	326,981	326,981		825,504	825,504		19,078	19,078		$-806,426	$-806,426	0	-97.69%	-97.69%	#DIV/0!
Native American Veteran housing Loan Program	1,229	1,229		1,454	1,454		0	0		$-1,454	$-1,454		-100.00%	-100.00%	#DIV/0!
Vocational Rehabilitation Upward Reestimate	812	812		179	179		0	0		$-179	$-179		-100.00%	-100.00%	#DIV/0!
Veterans housing benefit program fund liquidating	-7,930	-11,868		-8,955	-7,506		-8,027	-8,027		$928	$-521	0	-10.36%	6.94%	#DIV/0!
Subtotal Housing	***321,092***	***317,154***		***818,182***	***819,631***		***11,051***	***11,051***		***$-807,131***	***$-808,580***	***0***	***-98.65%***	***-98.65%***	***#DIV/0!***
Insurance Benefits	48,072	47,659		49,288	50,483		62,589	62,589		$13,301	$12,106	0	26.99%	23.98%	#DIV/0!
Subtotal Insurance	***48,072***	***47,659***		***49,288***	***50,483***		***62,589***	***62,589***		***$13,301***	***$12,106***	***0***	***26.99%***	***23.98%***	***#DIV/0!***
Trust Funds															
Post-Vietnam era veterans education account	49	1,909		48	1,834		46	1,728		$-2	$-106	0	-4.17%	-5.78%	#DIV/0!
Service-disabled veterans insurance fund	0	8,004		0	6,595		0	-80		$0	$-6,675	0	#DIV/0!	-101.21%	#DIV/0!
Veterans reopened insurance fund	0	24,649		0	29,177		0	28,820		$0	$-357	0	#DIV/0!	-1.22%	#DIV/0!
Servicemembers' group life insurance fund	0	-11,247		0	11,197		0	-18		$0	$-11,215	0	#DIV/0!	-100.16%	#DIV/0!
National service life insurance	1,117,152	1,188,023		1,159,450	1,215,966		1,111,740	1,180,270		$-47,710	$-35,696	0	-4.11%	-2.94%	#DIV/0!
U.S. Government life insurance	4,688	6,290		4,390	6,040		3,890	5,490		$-500	$-550	0	-11.39%	-9.11%	#DIV/0!
Veterans special life insurance fund	0	-1,582		0	25,008		0	34,810		$0	$9,802	0	#DIV/0!	39.20%	#DIV/0!
Subtotal Trust Funds	***1,121,889***	***1,216,046***		***1,163,888***	***1,295,817***		***1,115,676***	***1,251,020***		***$-48,212***	***$-44,797***	***0***	***-4.14%***	***-3.46%***	***#DIV/0!***
Subtotal, Benefits Programs	**49,129,906**	**50,190,942**	**0**	**58,659,833**	**72,674,198**	**0**	**65,121,795**	**68,966,880**	**0**	**6,461,962**	**-3,707,318**	**0**	**0**	**-1**	**#DIV/0!**

Department of Veterans Affairs

Discretionary and Mandatory Programs Funding and Average Employment for 2009 - 2011

(dollars in thousands)

Mandatory Programs	2009- Actuals (BY) BA	Outlay	FTE	2010- Current Estimate (BY) BA	Outlay	FTE	2011 (BY) BA	Outlay	FTE	Change (BY - CY) BA	Outlay	FTE	Percentage Change [(BY - CY)/CY] BA	Outlay	FTE
Medical Programs															
Canteen service revolving fund	0	16,313	3,170	0	7,500	3,175	0	-2,500	3,180	$0	$-10,000	5	#DIV/0!	-133.33%	0.16%
General post fund	36,365	37,589	0	37,092	36,700	0	37,833	35,000	0	$741	$-1,700	0	2.00%	-4.63%	#DIV/0!
Subtotal Veterans Health Administration	**36,365**	**53,902**	**3,170**	**37,092**	**44,200**	**3,175**	**37,833**	**32,500**	**3,180**	**$741**	**$-11,700**	**5**	**2.00%**	**-26.47%**	**0.16%**
Departmental Administration															
Supply Fund	0	-27,367	504	0	0	832	0	0	921	$0	$0	89	#DIV/0!	#DIV/0!	10.70%
Franchise Fund	0	13,101	769	0	0	893	0	0	905	$0	$0	12	#DIV/0!	#DIV/0!	1.34%
Subtotal Departmental Administration	**0**	**-14,266**	**1,273**	**0**	**0**	**1,725**	**0**	**0**	**1,826**	**$0**	**$0**	**101**	**#DIV/0!**	**#DIV/0!**	**5.86%**
Benefits Programs Proprietary receipts															
GI Bill	-195,157	-195,157	0	-195,157	-195,157	0	-175,641	-175,641	0	$19,516	$19,516	0	-10.00%	-10.00%	#DIV/0!
National service life insurance fund	-135,534	-135,534	0	-123,050	-123,050	0	-107,940	-107,940	0	$15,110	$15,110	0	-12.28%	-12.28%	#DIV/0!
Post-Vietnam era veterans education account	-49	-49	0	-48	-48	0	-46	-46	0	$2	$2	0	-4.17%	-4.17%	#DIV/0!
Downward Reestimates:										$0	$0	0	#DIV/0!	#DIV/0!	#DIV/0!
Acquired Direct	-15,560	-15,560		-8	-8		0	0		$8	$8	0	-100.00%	-100.00%	#DIV/0!
Vendee Direct	-6,107	-6,107	0	-2,875	-2,875	0	0	0	0	$2,875	$2,875	0	-100.00%	-100.00%	#DIV/0!
Transitional housing- Direct Loans	-455	-455	0	-249	-249		0	0		$249	$249	0	-100.00%	-100.00%	#DIV/0!
Veterans housing benefit fund guaranteed loan	-455,369	-455,369	0	-243,349	-243,349	0	0	0	0	$243,349	$243,349	0	-100.00%	-100.00%	#DIV/0!
Veterans housing benefit fund loan sales securities	-111,341	-111,341	0	-22,403	-22,403	0	0	0	0	$22,403	$22,403	0	-100.00%	-100.00%	#DIV/0!
Native American veterans program account	-617	-617	0	-1,868	-1,868	0	0	0	0	$1,868	$1,868	0	-100.00%	-100.00%	#DIV/0!
Vocational rehabilitation loan program	-124	-124		-196	-196		0	0		$196	$196	0	-100.00%	-100.00%	#DIV/0!
Negative Subsidy:										$0	$0	0	#DIV/0!	#DIV/0!	#DIV/0!
Acquired Direct	0	0		-8,397	-8,397		-120	-120		$8,277	$8,277	0	-98.57%	-98.57%	#DIV/0!
Vendee Direct	-2,015	-635	0	-39,262	-40,641	0	-24,438	-24,438	0	$14,824	$16,203	0	-37.76%	-39.87%	#DIV/0!
Veterans housing benefit fund guaranteed loans	-447,803	-443,655		-99,086	-103,234		-166,067	-166,067		$-66,981	$-62,833	0	67.60%	60.86%	#DIV/0!
U.S. Government life insurance	-189	-189		-160	-160		-110	-110		$50	$50	0	-31.25%	-31.25%	#DIV/0!
Native American veterans program account	-1,805	-1,805	0	-5,295	-5,295	0	-1,238	-1,238	0	$4,057	$4,057	0	-76.62%	-76.62%	#DIV/0!
Subtotal, Proprietary receipts	**-1,372,124**	**-1,366,596**	**0**	**-741,403**	**-746,930**	**0**	**-475,600**	**-475,600**	**0**	**$265,803**	**$271,330**	**0**	**-35.85%**	**-36.33%**	**#DIV/0!**
Intragovernmental transactions															
National service life insurance fund	-453	-453	0	-430	-430	0	-410	-410	0	$20	$20	0	-4.65%	-4.65%	#DIV/0!
Post-Vietnam era veterans education account	-850	-850	0	-888	-888	0	-861	-861	0	$27	$27	0	-3.04%	-3.04%	#DIV/0!
Subtotal, Intragovernmental transactions	**-1,303**	**-1,303**	**0**	**-1,318**	**-1,318**	**0**	**-1,271**	**-1,271**	**0**	**$47**	**$47**	**0**	**-3.57%**	**-3.57%**	**#DIV/0!**
Total, Mandatory Programs	**47,792,844**	**48,862,679**	**4,443**	**57,954,204**	**71,970,150**	**4,900**	**64,682,757**	**68,522,509**	**5,006**	**$6,728,553**	**$-3,447,641**	**106**	**11.61%**	**-4.79%**	**2.16%**
Total Net, Department Veterans Affairs	**97,026,177**	**95,559,159**	**271,981**	**111,008,514**	**124,072,737**	**284,316**	**121,649,075**	**124,210,959**	**287,737**	**$10,640,561**	**$138,222**	**3,421**	**9.59%**	**0.11%**	**1.20%**
Total Gross, Department Veterans Affairs	**99,793,085**	**98,326,067**	**271,981**	**114,034,514**	**127,098,737**	**284,316**	**125,004,075**	**127,565,959**	**287,737**	**$10,969,561**	**$467,222**	**3,421**	**9.62%**	**0.37%**	**1.20%**

Appropriation-Reconciliation
(dollars in thousands)

Appropriation/Fund Account	2009	2010	2011	Increase (+) Decrease (-)
Federal funds:				
Benefit programs:				
Disability Compensation Mandatory Benefits	$38,780,734	$43,142,808	$48,652,044	$5,509,236
Economic Recovery Act	$646,656	$0	$0	$0
Transfer to/from Readjustment Benefits (RB)	-300,000	189,347	0	-$189,347
Transfter to Veterans Insurance Benefits (VII)	-5,772	0	0	$0
Proposed Supplemental	0	13,377,189	0	-$13,377,189
Total Disability Compensation	39,121,618	56,709,344	48,652,044	-$8,057,300
Burial Mandatory Benefits	175,472	212,257	181,874	-$30,383
Transfer within account to Pensions		-5,166		$5,166
Pensions Mandatory Benefits	4,155,475	4,041,041	4,658,316	$617,275
Transfer from Readjustment Benefits (RB)		342,830		-$342,830
Economic Recovery Act	53,344			$0
Subtotal, Compensation and Pension	**43,505,909**	**61,300,306**	**53,492,234**	**-$7,808,072**
Education Mandatory Benefits	3,101,477	8,458,148	9,618,407	$1,160,259
Transfer to/from Compensation	300,000	-527,011		$527,011
Vocational rehabilitation and employment Mandatory Benefits	731,467	774,221	821,838	$47,617
Subtotal, Readjustment Benefits	**4,132,944**	**8,705,358**	**10,440,245**	**$1,734,887**
Insurance Mandatory Benefits	42,300	49,288	62,589	$13,301
Transfer from Compensation	5,772	0	0	$0
Housing Mandatory Benefits	326,981	825,504	19,078	-$806,426
Total Benefits Mandatory	**48,013,906**	**70,880,456**	**64,014,146**	**-$6,866,310**
Medical Research and Support	510,000	581,000	590,000	$9,000
Total Medical Research and Support	**510,000**	**581,000**	**590,000**	**$9,000**
Medical programs:				
Medical Services	30,969,903	34,707,500	37,136,000	$2,428,500
Transfer from Medical Support and Compliance	44,500			$0
Transfer to VA/DoD Health Care Sharing Incentive Fund	-15,000	-15,000		$15,000
Transfer to Information Technology	-253,890			$0
Medical Care Collections Fund	2,766,908	3,026,000	3,355,000	$329,000
Total Medical Services with Collections	**33,512,421**	**37,718,500**	**40,491,000**	**$2,772,500**
Medical Support and Compliance	4,450,000	4,930,000	5,307,000	$377,000
Transfer to Medical Services	-44,500			$0
Total Medical Support and Compliance	**4,405,500**	**4,930,000**	**5,307,000**	**$377,000**
Medical Facilities	5,029,000	4,859,000	5,740,000	$881,000
Economic Recovery Act	1,000,000			$0
Total Medical Facilities	**6,029,000**	**4,859,000**	**5,740,000**	**$881,000**
VA/DoD Health Care Sharing Incentive Fund	34,000	30,000	0	-$30,000
Total Medical Care	**43,980,921**	**47,537,500**	**51,538,000**	**$4,000,500**
Total Medical Programs	**44,490,921**	**48,118,500**	**52,128,000**	**$4,009,500**

Appropriation-Reconciliation *(dollars in thousands)*				
Appropriation/Fund Account	2009	2010	2011	Increase (+) Decrease (-)
National Cemetery Administration	230,000	250,000	250,504	$504
Economic Recovery Act	50,000			$0
Total National Cemetery Administration	**280,000**	**250,000**	**250,504**	**$504**
Filipino Veterans Equity Compensation Fund	**198,000**	**0**	**0**	**$0**
Department Administration:				
General administration	335,772	397,500	463,197	$65,697
Total General Administration	**335,772**	**397,500**	**463,197**	**$65,697**
VBA-GOE	1,466,095	1,689,207	2,148,776	$459,569
Supplemental				$0
Economic Recovery Act	157,100			$0
Transfer to Information Technology	-4,800			$0
Total VBA GOE	**1,618,395**	**1,689,207**	**2,148,776**	**$459,569**
Subtotal, GOE	**1,954,167**	**2,086,707**	**2,611,973**	**$525,266**
Office of Inspector General	87,818	109,000	109,367	$367
Economic Recovery Act	1,000			$0
Subtotal, IG	**88,818**	**109,000**	**109,367**	**$367**
Construction Major	923,382	1,194,000	1,151,036	-$42,964
Subtotal, Construction Major	**923,382**	**1,194,000**	**1,151,036**	**-$42,964**
Construction Minor	741,534	703,000	467,700	-$235,300
Grants for State Extended Care	175,000	100,000	85,000	-$15,000
Economic Recovery Act	150,000			$0
Subtotal, Grants State Extended Care	**325,000**	**100,000**	**85,000**	**-$15,000**
Grants for State Cemeteries	42,000	46,000	46,000	$0
Credit Reform	158,237	166,103	164,738	-$1,365
Information Technology	2,489,391	3,307,000	3,307,000	$0
Economic Recovery Act	50,100			$0
Transfer from Medical Services	253,890			$0
Transfer from VBA-GOE	4,800			$0
Subtotal, Information Technology	**2,798,181**	**3,307,000**	**3,307,000**	**$0**
Total Departmental Administration	**7,031,319**	**7,711,810**	**7,942,814**	**$231,004**
Total appropriations	**$100,014,146**	**$126,960,766**	**$124,335,464**	**-$2,625,302**
Total Mandatory	**$48,013,906**	**$70,880,456**	**$64,014,146**	**-$6,866,310**
Total Discretionary without MCCF	**$49,233,332**	**$53,054,310**	**$56,966,318**	**$3,912,008**
Total Discretionary with MCCF and other receipts	**$52,000,240**	**$56,080,310**	**$60,321,318**	**$4,241,008**

Budget Authority (Net) *(dollars in thousands)*				
Appropriation/Fund Account	2009	2010	2011	Increase (+) Decrease (-)
Federal funds:				
Benefit programs:				
Disability compensation benefits	$39,121,618	$56,709,344	$48,652,044	-$8,057,300
Pensions benefits	4,208,819	4,383,871	4,658,316	$274,445
Education Benefits	3,401,477	7,931,137	9,618,407	$1,687,270
Vocational rehabilitation and employment benefits	731,467	774,221	821,838	$47,617
Insurance benefits	48,072	49,288	62,589	$13,301
Housing program account mandatory	326,981	825,504	19,078	-$806,426
Native American	1,229	1,454	0	-$1,454
Vocational Rehabilitation Upward Reestimates	812	179	0	-$179
Burial benefits	175,472	207,091	181,874	-$25,217
Total benefit programs	**48,015,947**	**70,882,089**	**64,014,146**	**-$6,867,943**
Medical programs:				
Medical services	30,745,513	34,692,500	37,136,000	$2,443,500
Medical care collections fund	2,766,908	3,026,000	3,355,000	$329,000
Total medical care	33,512,421	37,718,500	40,491,000	$2,772,500
Medical Support and Compliance	4,405,500	4,930,000	5,307,000	$377,000
Medical facilities	6,029,000	4,859,000	5,740,000	$881,000
VA/DoD Health Sharing Incentive Fund	34,000	30,000	0	-$30,000
Medical and prosthetic research	510,000	581,000	590,000	$9,000
Total medical programs	**44,490,921**	**48,118,500**	**52,128,000**	**$4,009,500**
National Cemeteries Administration	**280,000**	**250,000**	**250,504**	**$504**
Departmental Administration:				
General administration	335,772	397,500	463,197	$65,697
Filipino Veterans Equity Compensation Fund	198,000	0	0	$0
Office of Inspector General	88,818	109,000	109,367	$367
VBA-GOE	1,618,395	1,689,207	2,148,776	$459,569
Construction Major	923,382	1,194,000	1,151,036	-$42,964
Construction Minor	741,534	703,000	467,700	-$235,300
Grants for State Extended Care	325,000	100,000	85,000	-$15,000
Grants for State Cemeteries	42,000	46,000	46,000	$0
Credit Reform	158,237	166,103	164,738	-$1,365
Information Technology	2,798,182	3,307,000	3,307,000	$0
Total Departmental administration	**7,229,320**	**7,711,810**	**7,942,814**	**$231,004**
Total appropriations, adjusted	**100,016,188**	**126,962,399**	**124,335,464**	**-$2,626,935**

Budget Authority (Net) *(dollars in thousands)*				
Appropriation/Fund Account	2009	2010	2011	Increase (+) Decrease (-)
Proprietary receipts from the public:				
GI Bill receipts	-195,157	-195,157	-175,641	$19,516
National service life insurance fund	-135,534	-123,050	-107,940	$15,110
Post-Vietnam era veterans education account	-49	-48	-46	$2
Downward reestimates:				$0
Acquired Direct	-15,560	-8	0	$8
Vendee Direct	-6,107	-2,875	0	$2,875
Transitional Housing	-455	-249	0	$249
Veterans housing benefit fund guaranteed loan account	-455,369	-243,349	0	$243,349
Veterans housing benefit fund loan sale securities	-111,341	-22,403	0	$22,403
Native American veterans program account	-617	-1,868	0	$1,868
Vocational rehabilitation loan program	-124	-196	0	$196
Negative subsidy:				$0
Acquired Direct Loan	0	-8,397	-120	$8,277
Vendee Direct	-2,015	-39,262	-24,438	$14,824
Veterans housing benefit fund guaranteed loan account	-447,803	-99,086	-166,067	-$66,981
U.S. Government life insurance	-189	-160	-110	$50
Native American veterans program account	-1,805	-5,295	-1,238	$4,057
Medical care collections fund	-2,766,908	-3,026,000	-3,355,000	-$329,000
Total proprietary receipts from the public	**-4,139,033**	**-3,767,403**	**-3,830,600**	**-$63,197**
Total federal funds	**95,877,155**	**123,194,996**	**120,504,864**	**-$2,690,132**
Trust funds:				
Post-Vietnam era veterans education account	49	48	46	-$2
General post fund	36,365	37,092	37,833	$741
Pershing Hall revolving fund	0	0	0	$0
National service life insurance	1,117,152	1,159,450	1,111,740	-$47,710
U.S. Government life insurance	4,688	4,390	3,890	-$500
Service-disabled veterans insurance fund	0	0	0	$0
Veterans reopened insurance fund	0	0	0	$0
Veterans special life insurance fund	0	0	0	$0
Servicemembers' group life insurance fund	0	0	0	$0
Total trust funds (gross)	**1,158,254**	**1,200,980**	**1,153,509**	**-$47,471**
Veterans housing benefit program fund liquidating account	**-7,930**	**-8,955**	**-8,027**	**$928**
Intragovernmental transactions				
Post-Vietnam era veterans education account	-850	-888	-861	$27
National service life insurance	-453	-430	-410	$20
Total Intergovernmental transactions	**-1,303**	**-1,318**	**-1,271**	**$47**
Total Department of Veterans Affairs	**$97,026,176**	**$124,385,703**	**$121,649,075**	**-$2,736,628**

Outlays (Net)
(dollars in thousands)

Appropriation/Fund Account	2009	2010	2011	Increase (+) Decrease (-)
Federal funds:				
Benefit programs:				
Disability compensation benefits	$40,397,548	$56,701,791	$51,952,827	-$4,748,964
Proposed legislation - Concurrent Receipt				
Pensions benefits	4,161,668	4,368,742	4,974,358	$605,616
Burial Benefits	175,472	207,091	181,874	-$25,217
Education Benefits	3,155,454	8,443,579	9,703,092	$1,259,513
Vocational rehabilitation and employment benefits	719,941	787,064	830,069	$43,005
Insurance benefits	47,659	50,483	62,589	$12,106
Veterans housing benefit program fund liquidating account	-11,868	-7,506	-8,027	-$521
Housing program account benefits	326,981	825,504	19,078	-$806,426
Native American Veteran housing Loan Program	1,229	1,454	0	-$1,454
Vocational Rehabilitation Upward Reestimate	812	179	0	-$179
Credit Reform	139,630	166,103	164,738	-$1,365
Service-disabled veterans insurance fund	8,004	6,595	-80	-$6,675
Veterans reopened insurance fund	24,649	29,177	28,820	-$357
Servicemembers' group life insurance fund	-11,247	11,197	-18	-$11,215
Total benefit programs	**49,135,932**	**71,591,453**	**67,909,320**	**-3,682,133**
Medical programs:				
Medical services	31,041,848	33,869,340	36,192,320	2,322,980
Medical care collections fund	2,927,642	2,909,409	3,206,950	297,541
Total medical services	33,969,490	36,778,749	39,399,270	2,620,521
Medical Support and Compliance	4,224,639	4,828,803	5,165,727	336,924
Medical facilities	4,639,594	5,294,110	5,770,992	476,882
VA/DoD Healthcare Sharing Incentive Fund	42,538	56,000	38,500	-17,500
Medical and prosthetic research	507,911	551,426	575,753	24,327
Canteen service revolving fund	16,313	7,500	-2,500	-10,000
Total medical programs	**43,400,485**	**47,516,588**	**50,947,742**	**3,431,154**
Departmental Administration				
General Administration	335,343	378,161	441,047	62,886
VBA GOE	1,504,249	1,692,098	2,018,143	326,045
Filipino Veterans Equity Compensation Fund	82,438	106,000	9,562	-96,438
National Cemetery Administration	209,275	283,993	257,115	-26,878
Construction-Major	658,137	935,280	941,417	6,137
Construction-Minor	507,720	674,170	647,973	-26,197
Grants for State Extended Care Facilities	128,794	147,879	207,096	59,217
Grants for State Cemeteries	29,848	31,837	32,425	588
Information Technology	2,395,337	3,101,655	3,267,329	165,674
Office of Inspector General	88,445	102,323	106,363	4,040
Franchise fund	13,101	0	0	0
Supply fund	-27,367	0	0	0
General Operating Expenses-SSA		0	0	0
Pershing hall revolving fund		0	0	0
Total GOE & Miscellaneous	**5,925,320**	**7,453,396**	**7,928,470**	**475,074**
Total appropriations & funds	**98,461,737**	**126,561,437**	**126,785,532**	**224,095**

Outlays (Net)
(dollars in thousands)

Appropriation/Fund Account	2009	2010	2011	Increase (+) Decrease (-)
Proprietary receipts from the public:				
GI Bill	-195,157	-195,157	-175,641	19,516
Downward reestimates				
Direct Loans	-15,560	-8	0	8
Vendee Direct	-6,107	-2,875	0	2,875
Transitional Housing - Direct Loans	-455	-249	0	249
Veterans housing benefit fund guaranteed loan	-455,369	-243,349	0	243,349
Veterans housing benefit fund loan sale securities	-111,341	-22,403	0	22,403
Native American veterans program account	-617	-1,868	0	1,868
Vocational rehabilitation loan program	-124	-196	0	196
Negative subsidy:				
Acquired Direct	0	-8,397	-120	8,277
Vendee Direct	-635	-40,641	-24,438	16,203
Veterans housing benefit fund guaranteed loan	-443,655	-103,234	-166,067	-62,833
Native American veteran housing loan program account	-1,805	-5,295	-1,238	4,057
Medical care collections fund	-2,766,908	-3,026,000	-3,355,000	-329,000
Total proprietary receipts from the public	**-3,997,733**	**-3,649,672**	**-3,722,504**	**-72,832**
Total federal funds	**94,464,004**	**122,911,765**	**123,063,028**	**151,263**
Trust funds:				
General post fund	37,589	36,700	35,000	-1,700
Post-Vietnam era veterans education account	1,909	1,834	1,728	-106
National service life insurance	1,188,023	1,215,966	1,180,270	-35,696
U.S. Government life insurance	6,290	6,040	5,490	-550
Veterans special life insurance	-1,582	25,008	34,810	9,802
National cemetery gift fund	0	0	0	0
Total trust funds (gross)	**1,232,230**	**1,285,548**	**1,257,298**	**-28,250**
Proprietary receipts from the public	**-135,772**	**-123,258**	**-108,096**	**15,162**
Post-Vietnam era veterans education account	-49	-48	-46	2
U.S. Government life insurance	-189	-160	-110	50
National service life insurance	-135,534	-123,050	-107,940	15,110
Total trust funds (net)	**1,096,458**	**1,162,290**	**1,149,202**	**-13,088**
Intragovernmental transactions	**-1,303**	**-1,318**	**-1,271**	**47**
Post-Vietnam era veterans education account	-850	-888	-861	27
U.S. Government life insurance	0	0	0	
National service life insurance	-453	-430	-410	20
Total Department of Veterans Affairs	**$95,559,159**	**$124,072,737**	**$124,210,959**	**$138,222**

Functional Distribution of Budget Authority (Net)
(dollars in thousands)

Function and Program	2009	2010	2011	Increase (+) Decrease (-)
701: Income security for veterans:				
Disability compensation benefits	$39,121,618	$56,709,344	$48,652,044	-$8,057,300
Pensions benefits	4,208,819	4,383,871	4,658,316	$274,445
Burial benefits	175,472	207,091	181,874	-$25,217
National cemetery gift fund	0	0	0	$0
Insurance benefits	48,072	49,288	62,589	$13,301
Service-disabled veterans insurance fund	0	0	0	$0
Veterans reopened insurance fund	0	0	0	$0
National service life insurance	1,117,152	1,159,450	1,111,740	-$47,710
US Government life insurance	4,688	4,390	3,890	-$500
Veterans special life insurance fund	0	0	0	$0
Servicemember's group life insurance fund	0	0	0	$0
US Government life insurance	-189	-160	-110	$50
Subtotal, income security for veterans	**44,675,632**	**62,513,274**	**54,670,343**	**-$7,842,931**
702: Veterans education, training and rehabilitation:				
Education benefits	3,401,477	7,931,137	9,618,407	$1,687,270
Vocational rehabilitation and employment benefits	731,467	774,221	821,838	$47,617
Post-Vietnam era veterans education account	49	48	46	-$2
Post-Vietnam era veterans education receipts	-850	-888	-861	$27
National service life insurance receipts	-453	-430	-410	$20
Downward reestimates:				$0
Vocational Rehabilitation loan program	-124	-196	0	$196
GI Bill receipts	-195,157	-195,157	-175,641	$19,516
National service life insurance fund	-135,534	-123,050	-107,940	$15,110
Post-Vietnam era veterans education account	-49	-48	-46	$2
Subtotal, veterans education, training and rehabilitation	**3,800,826**	**8,385,637**	**10,155,393**	**$1,769,756**
				$0
703: Hospital & Medical Care for veterans:				$0
Medical services	30,745,513	34,692,500	37,136,000	$2,443,500
Medical care collections fund	2,766,908	3,026,000	3,355,000	$329,000
Total medical services	33,512,421	37,718,500	40,491,000	$2,772,500
Medical Support and Compliance	4,405,500	4,930,000	5,307,000	$377,000
Medical facilities	6,029,000	4,859,000	5,740,000	$881,000
VA/DoD Health Sharing Incentive Fund	34,000	30,000	0	-$30,000
Medical and prosthetic research	510,000	581,000	590,000	$9,000
Medical care collections fund, receipts	-2,766,908	-3,026,000	-3,355,000	-$329,000
Downward reestimates:				
Subtotal, hospital and medical care for veterans	**41,724,013**	**45,092,500**	**48,773,000**	**$3,680,500**

Functional Distribution of Budget Authority (Net)
(dollars in thousands)

Function and Program	2009	2010	2011	Increase (+) Decrease (-)
704: Veterans housing:				
Veterans housing benefit program fund liquidating account	-7,930	-8,955	-8,027	$928
Veterans housing benefit program fund program account	328,210	826,958	19,078	-$807,880
Vocational Rehabilitation Upward Reestimates	812	179	0	-$179
Downward reestimates:				
Veterans housing benefit guaranteed loan	-455,369	-243,349	0	$243,349
Veterans housing benefit fund loan sale securities	-111,341	-22,403	0	$22,403
Veterans housing benefit direct loan	0	0	0	$0
Native American veterans program account	-617	-1,868	0	$1,868
Acquired Direct	-15,560	-8	0	$8
Vendee Direct	-6,107	-2,875	0	$2,875
Transitional Housing-Direct Loans	-455	-249	0	$249
Negative subsidy:				$0
Acquired Direct Loan	0	-8,397	-120	$8,277
Vendee Direct	-2,015	-39,262	-24,438	$14,824
Veterans housing benefit fund guaranteed loan account	-447,803	-99,086	-166,067	-$66,981
Native American veterans program account	-1,805	-5,295	-1,238	$4,057
Subtotal, veterans housing	**-719,980**	**395,390**	**-180,812**	**-$576,202**
705: Other veterans benefits and services:				
National Cemeteries Administration	280,000	250,000	250,504	$504
General post fund	36,365	37,092	37,833	$741
General administration	335,772	397,500	463,197	$65,697
Office of Inspector General	88,818	109,000	109,367	$367
VBA-GOE	1,618,395	1,689,207	2,148,776	$459,569
Filipino Veterans Compensation Fund	198,000	0	0	$0
Construction Major	923,382	1,194,000	1,151,036	-$42,964
Construction Minor	741,534	703,000	467,700	-$235,300
Grants for State Extended Care	325,000	100,000	85,000	-$15,000
Grants for State Cemeteries	42,000	46,000	46,000	$0
Credit Reform	158,237	166,103	164,738	-$1,365
Information Technology	2,798,182	3,307,000	3,307,000	$0
Subtotal, other veterans benefits and services	**7,545,685**	**7,998,902**	**8,231,151**	**$232,249**
Total, function 700 distribution of Budget				
Total Department of Veterans Affairs	**$97,026,176**	**$124,385,703**	**$121,649,075**	**-$2,736,628**

Functional Distribution of Outlays
(dollars in thousands)

Function and Program	2009	2010	2011	Increase (+) Decrease (-)
701: Income security for veterans:				
Disability compensation benefits	$40,397,548	$56,701,791	$51,952,827	-$4,748,964
Proposed legislation - Concurrent Receipt	0	0	0	0
Pensions benefits	4,161,668	4,368,742	4,974,358	605,616
Burial benefits	175,472	207,091	181,874	-25,217
Insurance benefits	47,659	50,483	62,589	12,106
Service-disabled veterans insurance	8,004	6,595	-80	-6,675
Veterans reopened insurance fund	24,649	29,177	28,820	-357
Servicemembers' group life insurance fund	-11,247	11,197	-18	-11,215
National service life insurance	1,188,023	1,215,966	1,180,270	-35,696
U.S. Government life insurance	6,290	6,040	5,490	-550
Veterans special life insurance	-1,582	25,008	34,810	9,802
NSLI & USGLI receipts	-136,176	-123,640	-108,460	15,180
Subtotal, income security for veterans	**45,860,309**	**62,498,450**	**58,312,480**	**-4,185,970**
702: Veterans education, training, and rehabilitation:				
Education benefits	3,155,454	8,443,579	9,703,092	1,259,513
Vocational rehabilitation and employment benefits	719,941	787,064	830,069	43,005
Vocational rehabilitation Upward Reestimate	812	179	0	-179
Credit Reform	139,630	166,103	164,738	-1,365
Post-Vietnam era veterans education	1,909	1,834	1,728	-106
Post-Vietnam era veterans education receipts	-899	-936	-907	29
Downward reestimates:				
Vocational rehabilitation loan program	-124	-196	0	196
GI Bill receipts	-195,157	-195,157	-175,641	19,516
Subtotal, veterans education, training and rehabilitation	**3,821,566**	**9,202,470**	**10,523,079**	**1,320,609**
703: Hospital and medical care for veterans:				
Medical services	33,969,490	36,778,749	39,399,270	2,620,521
Medical Support and Compliance	4,224,639	4,828,803	5,165,727	336,924
Medical facilities	4,639,594	5,294,110	5,770,992	476,882
VA/DoD Health Sharing Incentive Fund	42,538	56,000	38,500	-17,500
Medical and prosthetic research	507,911	551,426	575,753	24,327
Medical care collections fund, receipts	-2,766,908	-3,026,000	-3,355,000	-329,000
Downward reestimates:				
Subtotal, hospital and medical care for veterans	**40,617,264**	**44,483,088**	**47,595,242**	**3,112,154**

Functional Distribution of Outlays
(dollars in thousands)

Function and Program	2009	2010	2011	Increase (+) Decrease (-)
704: Veterans Housing				
Veterans housing benefit program fund liquidating account	-11,868	-7,506	-8,027	-521
Housing program account benefits	326,981	825,504	19,078	-806,426
Native American Veteran housing Loan Program	1,229	1,454	0	-1,454
Downward reestimates:				
Vendee Direct	-6,107	-2,875	0	2,875
Transitional Housing - Direct Loans	-455	-249	0	249
Veterans housing benefit guaranteed loan	-455,369	-243,349	0	243,349
Veterans housing benefit loan securities	-111,341	-22,403	0	22,403
Veterans housing benefit direct loan	-15,560	-8	0	8
Native American veterans program account	-617	-1,868	0	1,868
Negative subsidy:				
Acquired Direct	0	-8,397	-120	8,277
Vendee Direct	-635	-40,641	-24,438	16,203
Veterans housing benefit fund guaranteed loan	-443,655	-103,234	-166,067	-62,833
Native American veteran housing loan program account	-1,805	-5,295	-1,238	4,057
Subtotal, veterans housing	**-719,202**	**391,133**	**-180,812**	**-539,517**
705: Other veterans benefits and services:				
VBA-GOE	1,504,249	1,692,098	2,018,143	326,045
Filipino Veterans Equity Compensation Fund	82,438	106,000	9,562	-96,438
National Cemetery Administration	209,275	283,993	257,115	-26,878
Canteen service revolving fund	16,313	7,500	-2,500	-10,000
Supply fund	-27,367	0	0	0
General post fund	37,589	36,700	35,000	-1,700
General Administration	335,343	378,161	441,047	62,886
Construction-Major	658,137	935,280	941,417	6,137
Construction- Minor	507,720	674,170	647,973	-26,197
Grants for State Extended Care	128,794	147,879	207,096	59,217
Grants for State Cemeteries	29,848	31,837	32,425	588
Information Technology	2,395,337	3,101,655	3,267,329	165,674
National cemetery gift fund	0	0	0	0
Office of Inspector General	88,445	102,323	106,363	4,040
Franchise fund	13,101	0	0	0
General Operating Expenses-SSA	0	0	0	
Pershing hall revolving fund	0	0	0	0
Subtotal, other veterans benefits and services	**5,979,222**	**7,497,596**	**7,960,970**	**463,374**
Total, function 700 Distribution of Budget Outlays for the Department of Veterans Affairs	**$95,559,159**	**$124,072,737**	**$124,210,959**	**$170,650**
Deduction for offsetting receipts (Function 902)				0
Total Department of Veterans Affairs	**$95,559,159**	**$124,072,737**	**$124,210,959**	**$138,222**

Obligations (dollars in thousands)				
Appropriation/Fund Account	2009	2010	2011	Increase (+) Decrease (-)
Federal funds:				
Benefit programs:				
Disability compensation benefits	$40,300,145	$56,898,310	$48,652,044	-$8,246,266
Proposed legislation	0	489,468	46,993	-442,475
Pensions benefits	4,155,475	4,383,871	4,658,316	274,445
Proposed legislation	0	41,532	-3,200	-44,732
Burial benefits	175,472	207,091	181,874	-25,217
Education benefits	3,643,016	8,909,111	10,074,346	1,165,235
Post-Vietnam era veterans' education account	1,889	1,800	1,701	-99
Vocational rehabilitation and employment benefits	731,467	774,221	821,838	47,617
Vocational rehabilitation loan program account	1,187	536	385	-151
Insurance benefits	50,291	52,331	65,079	12,748
Housing program account benefits	477,771	1,000,488	190,834	-809,654
Native American Direct Loan Program Account	1,847	2,118	707	-1,411
Service-disabled veterans insurance fund	101,016	109,869	118,209	8,340
Veterans reopened insurance fund	51,250	52,050	48,310	-3,740
Servicemembers' group life insurance fund	1,122,226	1,114,360	834,290	-280,070
Filipino Veterans Equity Compensation Fund	82,438	106,000	9,562	-96,438
Compensation & Pensions, Recovery Act	700,000	0	0	0
Total benefits programs	**51,595,490**	**74,143,156**	**65,701,288**	**-8,441,868**
Medical programs:				
Medical care	43,270,067	49,723,514	51,865,000	2,141,486
Medical prosthetics and research	536,844	611,894	630,000	18,106
Medical center research organizations	237,579	254,000	256,000	2,000
VA/DoD Health Care Sharing Incentive Fund	39,182	132,551	41,438	-91,113
Canteen service revolving fund	313,425	386,900	433,400	46,500
Total medical programs	**44,397,097**	**51,108,859**	**53,225,838**	**2,116,979**
National Cemetery Administration:	**251,680**	**277,242**	**250,704**	**-26,538**
Departmental administration:				
VBA- GOE	1,862,139	2,184,087	2,505,794	321,707
General administration	420,425	874,638	935,553	60,915
Pershing Hall revolving fund	85	193	193	0
Franchise fund	323,146	377,327	390,400	13,073
Office of Inspector General	97,182	112,936	113,457	521
Supply fund	1,427,939	2,235,227	2,390,000	154,773
Information Technology	2,454,730	4,061,084	3,355,795	-705,289
Construction, Major & Minor	1,496,666	2,105,829	2,131,207	25,378
Grants for State Extended Care	163,965	270,000	85,941	-184,059
Grants for State Cemeteries	39,125	51,776	46,000	-5,776
Total Departmental administration	**8,285,402**	**12,273,097**	**11,954,340**	**229,282**
Total federal funds	**104,529,669**	**137,802,354**	**131,132,170**	**-6,122,145**
Trust funds:				
General post fund	37,837	36,000	36,000	0
National service life insurance	1,349,542	1,358,980	1,294,790	-64,190
U.S. Government life insurance	4,876	4,530	4,000	-530
Veterans special life insurance	207,701	220,940	219,500	-1,440
National cemetery gift fund	121	215	250	35
Total trust funds	**1,600,077**	**1,620,665**	**1,554,540**	**-66,125**
Total Department of Veterans Affairs	**$106,129,746**	**$139,423,019**	**$132,686,710**	**-$6,188,270**
Non-Budget				
Veterans housing benefit program direct loan financing account	244,773	1,191,301	1,320,117	128,816
Veterans housing benefits program loan sale securities financing account	132,812	977,128	963,057	-14,071
Veterans housing benefit program guaranteed loan financing account	2,810,039	2,106,017	2,173,492	67,475
Native American and transitional housing direct loan financing account	25,366	25,211	12,056	-13,155
Vocational rehabilitation loan financing account	3,219	2,480	3,042	562
Total Non-Budget	**$3,216,209**	**$4,302,137**	**$4,471,764**	**$169,627**

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Ten Year Tables

Ten Year Budget Authority	6I – 1
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Budget Authority
2000 - 2009 Actuals
(dollar in thousands)

Appropriation/Fund Account	2000 (Net)	2001 (Net)	2002 (Net)	2003 (Net)	2004 (Net)	2005 (Net)	2006 (Net)	2007 (Net)	2008 (Net)	2009 (Net)
Federal funds:										
Benefit programs										
Compensation and pensions	$21,568,364	$23,355,690	$26,044,288	$28,949,000	$29,842,126	$32,361,923	$33,897,787	$38,622,360	$41,238,855	$43,505,909
Readjustment benefits	1,469,000	1,981,000	2,135,000	2,264,808	2,529,734	2,801,997	3,309,234	2,812,006	3,300,289	4,132,944
Veterans insurance and indemnities	25,510	24,393	26,200	27,957	32,017	44,380	45,907	49,850	41,250	48,072
Veterans housing benefit program fund program account	1,660,155	497,515	918,890	1,464,750	356,581	2,042,210	198,009	204,479	969,168	486,232
Veterans housing benefit program fund liquidating account, permanent	0	0	0	-60,000	-40,000	-45,000	-49,485	-42,000	-20,242	-7,930
Native American veteran housing loan program account	520	531	544	886	1,265	567	580	584	628	646
Guaranteed transitional housing loans for homeless veterans	45,250	0	0	0	0	0	0	0	0	0
Education loan fund program account	214	221	65	70	197	0	0	0	0	0
Vocational rehabilitation loans program account	463	478	346	329	350	356	355	358	355	381
Total benefits programs	**24,769,476**	**25,859,828**	**29,125,333**	**32,647,800**	**32,722,270**	**37,206,433**	**37,402,387**	**41,647,637**	**45,530,303**	**48,166,254**
Medical programs:										
Medical care	19,462,191	20,949,897	22,592,233	25,369,020						
Medical services					20,449,427	22,584,161	24,139,378	27,517,363	30,445,908	33,512,421
Medical support and compliance					4,095,078	4,437,300	3,430,542	3,674,815	3,956,617	4,405,500
Medical facilities					3,188,817	3,329,749	3,357,869	4,548,165	4,233,182	6,029,000
Total Medical care programs	19,462,191	20,949,897	22,592,233	25,369,020	27,733,322	30,351,210	30,927,789	35,740,343	38,635,707	43,946,921
Medical and prosthetic research	321,000	350,228	367,707	392,400	405,593	402,348	412,000	446,480	480,000	510,000
Medical administration and miscellaneous operating expenses	59,703	61,780	66,681	74,230	0	0	0	0	0	0
DoD/VA health care sharing Incentive fund					30,000	30,000	30,000	70,000	90,000	34,000
Medical care cost recovery fund, permanent	0	0	0	0	0	0	0	0	0	0
Total medical programs	**19,842,894**	**21,361,905**	**23,026,621**	**25,835,650**	**28,168,915**	**30,783,558**	**31,369,789**	**36,256,823**	**39,205,707**	**44,490,921**

Budget Authority
2000 - 2009 Actuals
(dollar in thousands)

Appropriation/Fund Account	2000 (Net)	2001 (Net)	2002 (Net)	2003 (Net)	2004 (Net)	2005 (Net)	2006 (Net)	2007 (Net)	2008 (Net)	2009 (Net)
Construction programs:										
Construction, major projects	65,140	65,895	183,180	99,526	671,578	481,498	1,560,519	399,000	1,531,477	923,382
Advance appropriation	0	0	0	0	0	0	0	0	0	0
Construction, minor projects	160,000	165,974	210,900	224,531	250,656	245,476	233,137	524,937	630,535	741,534
Grants for the construction of State extended care facilities	90,000	99,780	100,000	99,350	101,498	104,322	85,000	85,000	165,000	325,000
Grants for the construction of State veterans cemeteries	25,000	24,945	25,000	31,792	31,811	31,744	32,000	32,000	39,500	42,000
Parking revolving fund	0	6,486	4,000	0	0	0	0	0	0	0
Total construction programs	**340,140**	**363,080**	**523,080**	**455,199**	**1,055,543**	**863,040**	**1,910,656**	**1,040,937**	**2,366,512**	**2,031,916**
Information Technology						1,283,517	1,231,420	1,247,846	2,358,122	2,798,182
National cemetery administration	97,138	109,137	121,078	132,284	143,352	147,784	149,798	160,231	193,858	280,000
General operating expenses and misc.:										
General operating expenses	940,643	1,100,469	1,197,914	1,353,196	1,275,201	1,433,700	1,373,240	1,586,372	1,751,758	1,954,167
Filipino veterans equity compensation fund								0	0	198,000
Office of Inspector General	43,170	46,256	52,269	57,623	61,634	69,153	69,074	70,641	80,500	88,818
Total GOE and miscellaneous	**983,813**	**1,146,725**	**1,250,183**	**1,410,819**	**1,336,835**	**1,502,853**	**1,442,314**	**1,657,013**	**1,832,258**	**2,240,985**
Total appropriations (adjusted)	**45,936,323**	**48,731,538**	**53,925,217**	**60,349,468**	**63,283,563**	**70,355,884**	**72,125,146**	**80,602,410**	**88,934,780**	**96,930,076**
DEDUCT: Proprietary receipts from the public	-1,737,422	-2,476,478	-3,206,663	-1,485,924	-1,697,725	-1,868,383	-1,994,172	-2,226,653	-2,477,000	-2,766,908
Total federal funds	**44,198,901**	**46,255,060**	**50,718,554**	**58,863,544**	**61,585,838**	**68,487,501**	**70,130,974**	**78,375,757**	**86,457,780**	**94,163,168**
Trust funds:										
Post-Vietnam era veterans education account	3,979	3,552	2,298	1,266	1,024	619	333	230	820	49
General post fund	32,185	35,295	35,334	30,576	31,066	30,926	31,851	30,754	39,718	36,365
Pershing Hall revolving fund	-250	-250	-250	-250	0	0	0	0	0	0
National service life insurance	1,236,168	1,239,233	1,219,747	1,192,335	1,238,240	1,210,888	1,185,856	1,138,518	1,144,755	1,117,152
U.S. Government life insurance	11,132	10,579	9,682	8,506	7,877	7,323	6,322	4,000	5,295	4,688
Service-disabled veterans insurance fund	6,803	7,609	4,219	0	0	1	0	0	0	0
Veterans reopened insurance fund	11,687	13,216	14,781	0	0	-1	0	0	0	0
Veterans special life insurance fund	-22,328	-26,520	-28,696	0	0	0	0	0	0	0
Servicemembers' group life insurance fund	-33	-596	-64	957	0	-21	-20	0	0	0
National cemetery gift fund	187	98	183	78	78	0	396	0	0	0
Total trust funds (gross)	**1,279,530**	**1,282,216**	**1,257,234**	**1,233,468**	**1,278,285**	**1,249,735**	**1,224,738**	**1,173,502**	**1,190,588**	**1,158,254**
DEDUCT: Proprietary receipts from the public	-203,129	-203,558	-185,392	-1,282,639	-2,677,090	-1,474,804	-1,710,188	-1,393,310	-1,691,506	-1,372,124
Total trust funds (net)	**1,076,401**	**1,078,658**	**1,071,842**	**-49,171**	**-1,398,805**	**-225,069**	**-485,450**	**-219,808**	**-500,918**	**-213,870**
DEDUCT: Intragovernmental transactions	-3,200	-2,463	-2,693	-1,665	-1,279	-1,670	-886	-725	-1,191	-1,303
Total Department of Veterans Affairs	**$45,369,240**	**$47,440,392**	**$51,908,781**	**$58,944,992**	**$60,329,106**	**$69,692,063**	**$71,025,856**	**$79,563,302**	**$88,507,651**	**$97,026,177**

Budget Outlays
2000 - 2009 Actuals
(dollar in thousands)

Appropriation/Fund Account	2000 (Net)	2001 (Net)	2002 (Net)	2003 (Net)	2004 (Net)	2005 (Net)	2006 (Net)	2007 (Net)	2008 (Net)	2009 (Net)
Federal Funds:										
Benefit programs:										
Compensation & pensions	$23,819,890	$21,419,720	$25,678,949	$28,020,904	$29,783,850	$34,693,641	$34,680,630	$34,599,803	$40,241,426	$44,734,687
Readjustment benefits	1,497,293	1,608,226	1,987,727	2,364,257	2,684,382	2,936,589	2,949,314	2,999,468	3,209,553	3,875,395
Veterans insurance and indemnities	25,578	24,484	25,661	27,958	31,638	44,649	45,956	49,873	41,332	47,659
Reinstated entitlement program for survivors	1,466	-2,130	733	3,478	0	0	0	0	0	0
Veterans housing benefit program fund liquidating account	-255,081	-3,966	-126,537	-61,218	-92,958	-76,577	-71,812	-28,340	-24,632	-11,868
Veterans housing benefit program fund program account	1,660,155	497,515	918,886	1,450,699	370,964	2,033,378	213,086	208,472	969,168	467,660
Native American veteran housing loan program account	663	647	935	886	1,278	555	566	571	628	617
Service-disabled veterans insurance fund	6,764	7,933	3,237	5,548	3,002	-6,281	-5,713	-8,085	3,407	8,004
Veterans reopened insurance fund	9,588	11,707	12,543	15,065	17,896	19,840	20,956	22,973	23,121	24,649
Education loan fund liquidating account	-88	-49	-27	-43	109					
Education loan modification					-129					
Education loan fund program account	214	221	64	70	69					
Vocational rehabilitation loans program account	463	478	332	329	337	347	348	350	355	375
Servicemembers' group life insurance fund	-288	-330	-331	-3,466	5,239	-21	-19	-25	-17	-11,247
Total benefits programs	**26,766,617**	**23,564,456**	**28,502,172**	**31,824,467**	**32,805,677**	**39,646,120**	**37,833,312**	**37,845,060**	**44,464,341**	**49,135,931**
Medical programs:										
Medical care	19,249,329	20,926,823	22,624,343	24,755,762						
Medical services					21,877,112	21,861,500	23,855,420	26,083,319	30,038,203	33,969,490
Medical support and compliance					3,418,844	4,171,364	3,695,558	3,640,454	3,634,998	4,224,639
Medical facilities					2,472,619	3,015,958	3,341,474	3,544,804	4,241,189	4,639,594
Total Medical care programs	19,249,329	20,926,823	22,624,343	24,755,762	27,768,575	29,048,822	30,892,452	33,268,577	37,914,390	42,833,723
Medical and prosthetic research	329,400	339,056	359,523	363,988	389,091	389,759	406,094	403,841	436,626	507,911
Medical administration and miscellaneous operating expenses	58,540	64,473	64,723	68,370	0	0	0	0	0	0
DoD/VA health care sharing Incentive fund	0	0	0	0	0	811	6,861	35,663	41,567	42,538
Medical care cost recovery fund	0	0	0	0	0	0	0	0	0	0
Health professional scholarship program	0	0	0	0	0	0	0	0	0	0
Medical facilities revolving fund	621	713	327	167	212					
Veterans extended care revolving fund	0	0	0	-3,076	-1,673					
Special therapeutic and rehabilitation activities fund	-1,652	-1,317	-1,762	-1,116	-796					
Canteen service revolving fund	-1,941	5,948	5,050	-4,814	3,447	-5,813	2,622	-3,355	3,762	16,313
Total medical programs	**19,634,297**	**21,335,696**	**23,052,204**	**25,179,281**	**28,158,856**	**29,433,579**	**31,308,029**	**33,704,726**	**38,396,345**	**43,400,485**

Budget Outlays
2000 - 2009 Actuals
(dollar in thousands)

Appropriation/Fund Account	2000 (Net)	2001 (Net)	2002 (Net)	2003 (Net)	2004 (Net)	2005 (Net)	2006 (Net)	2007 (Net)	2008 (Net)	2008 (Net)
Construction programs:										
Construction, major projects	171,797	178,846	176,434	124,886	118,396	146,228	237,185	437,136	528,791	658,137
Construction, minor projects	163,988	156,774	156,632	173,260	199,766	217,353	259,427	267,315	412,682	507,720
Parking revolving fund	14,636	4,814	504	795	3,404					
Grants to the Republic of the Philippines	0	0	0	0	0	0	0	0	0	0
Grants for the construction of State extended care facilities	101,073	60,482	83,123	86,286	77,369	96,780	122,106	108,793	115,634	128,794
Grants for the construction of State veterans cemeteries	12,256	20,347	28,537	25,286	39,168	22,510	37,354	25,585	31,092	29,848
Nursing home revolving fund	-172	158	0	0	0	0	0	0	0	0
Total construction programs	**463,578**	**421,421**	**445,230**	**410,513**	**438,103**	**482,871**	**656,072**	**838,829**	**1,088,199**	**1,324,499**
Information Technology						731,605	622,136	1,111,376	1,988,974	2,395,337
National cemetery administration	95,336	103,351	119,874	125,218	135,593	150,028	148,734	156,263	167,002	209,275
General operating expenses and misc.:										
General operating expenses	881,602	1,071,700	1,145,365	1,220,932	1,252,361	1,293,600	1,544,925	1,476,092	1,628,150	1,839,593
Filipino veterans equity compensation fund	0	0	0	0	0	0	0	0	0	82,438
Franchise fund	-11,315	-7,060	-21,037	-17,300	-5,532	0	0	10,000	33,784	13,101
Office of Inspector General	38,805	47,236	52,179	53,228	57,819	65,952	72,815	71,696	71,583	88,445
Supply fund	-91,640	-48,909	-193,259	-313,041	-146,211	0	261,043	29,000	2,564	-27,367
Pershing hall revolving fund	4	-446	0	-264	-109	-45	-45	-45	-136	0
Total GOE and miscellaneous	**817,456**	**1,062,521**	**983,248**	**943,555**	**1,158,328**	**1,359,507**	**1,878,738**	**1,586,743**	**1,735,945**	**1,996,210**
Total appropriations (adjusted)	**47,681,948**	**46,384,094**	**52,982,854**	**58,357,816**	**62,560,964**	**70,922,077**	**71,676,151**	**73,975,358**	**85,684,830**	**95,857,125**
DEDUCT: Proprietary receipts from the public	-1,737,422	-2,476,478	-3,206,663	-1,485,924	-1,697,725	-1,868,383	-1,994,172	-2,226,653	-2,477,000	-2,766,908
Total federal funds	**45,944,526**	**43,907,616**	**49,776,191**	**56,871,892**	**60,863,239**	**69,053,694**	**69,681,979**	**71,748,705**	**83,207,830**	**93,090,217**
Trust funds:										
Post-Vietnam era veterans education account	13,272	14,402	9,006	4,658	3,560	2,897	2,375	2,200	2,030	1,909
General post fund	28,439	31,910	30,921	30,367	27,487	30,508	30,324	29,670	27,082	37,589
National service life insurance	1,241,852	1,221,445	1,175,521	1,178,204	1,231,445	1,206,851	1,199,743	1,168,739	1,163,064	1,188,023
U.S. Government life insurance	11,405	10,866	9,904	9,525	9,316	8,525	7,661	7,003	6,190	6,290
Veterans special life insurance	-42,676	-46,643	-51,856	-43,404	-37,141	-40,256	-31,852	-25,224	-14,164	-1,582
National cemetery gift fund	132	92	99	144	51	0	79			
Total trust funds (gross)	**1,252,424**	**1,232,072**	**1,173,595**	**1,179,494**	**1,234,718**	**1,208,525**	**1,208,330**	**1,182,388**	**1,184,202**	**1,232,229**
DEDUCT: Proprietary receipts from the public	-203,129	-203,558	-185,392	-1,282,639	-2,677,090	-1,474,804	-1,710,188	-1,393,310	-1,691,506	-1,366,596
Total trust funds (net)	**1,049,295**	**1,028,514**	**988,203**	**-103,145**	**-1,442,372**	**-266,279**	**-501,858**	**-210,922**	**-507,304**	**-134,367**
DEDUCT: Intragovernmental transactions	-3,200	-2,463	-2,693	-1,665	-1,279	-1,670	-886	-725	-1,191	-1,303
Total Department of Veterans Affairs	**$47,085,957**	**$45,037,018**	**$50,881,575**	**$56,892,300**	**$59,555,181**	**$69,667,378**	**$69,950,105**	**$72,804,697**	**$84,855,311**	**$95,559,159**

Total Average Employment
2000 - 2009 Actuals

Appropriation/Fund Account	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Medical programs										
Medical care	179,520	182,946	183,712	186,553	*	*	*	*	*	*
Medical services					131,140	135,283	135,186	140,491	158,263	172,338
Medical Support and Compliance					34,218	35,652	36,244	37,405	35,847	39,851
Medical facilities					28,914	26,715	26,470	26,678	22,291	23,430
Total medical care programs	179,520	182,946	183,712	186,553	194,272	197,650	197,900	204,574	216,401	235,619
Medical and prosthetic research	3,014	3,019	3,096	3,217	3,234	3,206	3,193	3,175	3,142	3,226
VA/DoD Sharing Incentive Fund								88	126	126
Medical administration and miscellaneous operating expenses	514	528	534	551	*	*	*	*	*	*
Canteen service revolving fund	2,933	2,933	2,899	2,837	2,890	2,952	2,965	2,953	3,008	3,170
Total medical programs	**185,981**	**189,426**	**190,241**	**193,158**	**200,395**	**203,808**	**204,058**	**210,790**	**222,677**	**242,141**
Construction programs										
Construction, major projects	21	21	6	6	0	6	0	0	0	0
Construction, minor projects	50	43	53	50	36	50	19	17	19	12
Total construction programs	**71**	**64**	**59**	**56**	**36**	**56**	**19**	**17**	**19**	**12**
General operating expenses										
Veterans Benefits Administration	11,356	12,152	13,073	13,206	12,795	12,576	12,810	13,504	14,965	17,123
General administration	2,459	2,555	2,598	2,385	2,431	2,499	2,589	2,901	2,420	2,591
Total general operating expenses	**13,815**	**14,707**	**15,671**	**15,591**	**15,226**	**15,075**	**15,399**	**16,405**	**17,385**	**19,714**
Information Technology									6,348	6,710
National Cemetery Administration	1,399	1,385	1,454	1,476	1,492	1,523	1,527	1,541	1,512	1,622
Office of Inspector General	354	370	393	399	434	454	435	470	448	509
Franchise Fund	358	636	670	662	706	832	688	726	702	769
Office of Acquisition and Materiel Management	643	361	382	410	421	451	469	426	407	504
Total Department of Veterans Affairs	**202,621**	**206,949**	**208,870**	**211,752**	**218,710**	**222,199**	**222,595**	**230,375**	**249,498**	**271,981**

* Reflects change in the Veterans Health Administration appropriations structure as enacted in 2004

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Estimates of Combat Theatre Obligations

- **In compliance with provisions of the Veterans' Judicial Review Act, P. L. 100-687, Section 1404.**

Estimates of Combat Theatre Obligations from the National Survey of Veterans
(dollars in millions)

Appropriations	2009 Obligations	Estimate of Combat Theatre Veterans *	Estimated Obligation on Combat Theatre Veterans
Employment Services			
HIRE/CETA	N/A	N/A	
EJTP/VJTP	N/A	N/A	
Compensation	$35,310	58%	$20,480
Dependency and Indemnity Compensation	$4,990	N/A	
Pensions			
Veterans	$3,104	51%	$1,583
Survivors	$1,030	N/A	
Inpatient Facilities	$16,156	50%	$8,078
Outpatient Care	$19,440	49%	$9,526
Miscellaneous Medical Service	$1,349	N/A	
Readjustment Counseling	$124	N/A	
Veterans Insurance and Indemnities	$50	50%	$25
Specially Adapted Housing	$56	N/A	
Burial Benefits	$175	49%	$86
Educational Assistance	$3,056	40%	$1,222
Vocational Rehabilitation	$731	43%	$314
Survivors' and Dependents' Educational Assistance	$469	N/A	
Home Loan Guaranty	$467	43%	$201
Automobiles and Adaptive Equipment	$62	N/A	

* Combat Theatre is based on the question, "Did you ever serve in a combat or war zone?" from the 2001 National Survey of Veterans (NSV). N/A - Not available from the 2001 NSV.

Most NSV questions on program usage refer to current usage (2000 – 2001 time period) or in case of burial benefits anticipated usage. However, because education and vocational rehabilitation questions asked if veterans had ever used these programs, answers for this table for those programs were restricted to veterans discharged in the last 10 years. Home Loan Guaranty refers to veterans who used the program since leaving the military.

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Performance Measures by Program

Organization/Program/Measure (Key Measures in Bold)	Past Fiscal Year Results 2006	2007	2008	2009	Fiscal Year Targets 2010 (Final)	2011 (Request)	2012 (Adv. Approp. (Request)	Strategic Target
Veterans Health Administration								
Medical Care Programs								
Performance Measures								
Percent of patients rating VA health care service as very good or excellent: (The survey instrument used in the past has been discontinued. VHA has moved to a nationally standardized tool, a family of surveys known as Consumer Assessment of Health Care Plans and Systems (CAHPS). FY 2009 was a re-baseline year to determine both annual and strategic targets. The results are not comparable to prior years.)								
Inpatient	78%	78%	79%	63% (Baseline)	TBD	TBD	TBD	TBD
Outpatient	78%	78%	78%	57% (Baseline)	TBD	TBD	TBD	TBD
Percent of primary care appointments completed within 30 days of the desired date	96%	97%	99%	99%	98%	99%	99%	99%
Percent of specialty care appointments completed within 30 days of the desired date	94%	95%	98%	98%	95%	96%	97%	99%
Percent of new patient appointments completed within 30 days of the appointment create date	N/Av	N/Av	89%	93%	93%	94%	94%	95%
Clinical Practice Guidelines Index III The 2006, 2007, and 2008 results are CPGI II. The 2009 result and 2010, 2011, and 2012 targets are CPGI III.	83%	83%	84%	91%	86%	88%	90%	90%
Prevention Index IV The 2006, 2007, and 2008 results are PI III. The 2009 result and 2010, 2011, and 2012 targets are PI IV.	88%	88%	88%	89%	89%	90%	91%	90%
Percent of patients who report being seen within 20 minutes of scheduled appointments at VA health care facilities	74%	74%	76%	79%	82%	90%	90%	91%
Gross Days Revenue Outstanding (GDRO) for 3rd party collections (VHA)	54	59	56	55	54	52	51	50
Dollar value of 1st party and 3rd party collections (VHA):								
1st Party ($ in millions)	$863	$915	$922	$892	$915	$1,035	$1,072	$1,172
3rd Party ($ in millions)	$1,096	$1,261	$1,497	$1,843	$2,051	$2,260	$2,548	$1,893
Total annual value of joint VA/DoD procurement contracts for high-cost medical equipment and supplies (Beginning in 2007, medical supplies were added to this measure.)	$236M	$328M	$188M	$230M	$220M	$230M	$240M	$240M
Obligations per unique patient user (VHA) (FY 2006-2007 results are expressed in constant 2005 dollars based on the Bureau of Labor Statistics Consumer Price Index (CPI). The OMB CPI-U (CPI for All Urban Consumers) was used for the FY 2008 and 2009 results and to project the FY 2010 - 2012 targets.)	$5,455	$5,740	$5,891	$6,317	$6,800	$6,716	$6,673	TBD

Performance Measures by Program

Organization/Program/Measure (Key Measures in Bold)	Past Fiscal Year Results				Fiscal Year Targets			Strategic Target
	2006	2007	2008	2009	2010 (Final)	2011 (Request)	2012 (Adv. Approp. (Request)	
Veterans Health Administration								
Special Emphasis Programs								
Non-institutional, long-term care average daily census (ADC)	43,325	41,022	54,053	72,315	93,935	114,484	116,198	109,184
Percent of Veterans who successfully obtain resident status as a result of vouchers distributed through the U.S. Department of Housing and Urban Development and Veterans Affairs Supportive Housing (HUD-VASH) program (New) (Supports High Priority Goal)	N/Av	N/Av	N/Av	N/Av	Baseline	73%	80%	90%
Number of Homeless Veterans on any given night (New) (Supports High Priority Goal)	N/Av	N/Av	N/Av	111,000	95,000	65,000	59,000	0
Percent of mental health (MH) patients receiving MH Evaluation <15 days following MH Encounter (New) (Supports High Priority Goal)	N/Av	N/Av	N/Av	96%	96%	96%	96%	96%
Percent of eligible patients screened at required intervals for PTSD (New) (Supports High Priority Goal)	70%	80%	84%	96%	96%	97%	97%	97%
Percent of eligible patients screened at required intervals for alcohol misuse (New) (Supports High Priority Goal)	N/Av	N/Av	N/Av	N/Av	97%	97%	97%	98%
Percent of eligible patients screened at required intervals for depression (New) (Supports High Priority Goal)	N/Av	N/Av	N/Av	N/Av	96%	96%	97%	98%
Percent of OEF/OIF Veterans with a primary diagnosis of PTSD who receive a minimum of 8 psychotherapy sessions within a 14-week period (New) (Supports High Priority Goal)	N/Av	N/Av	N/Av	N/Av	20%	25%	35%	60%
Percent of eligible OEF/OIF PTSD patients evaluated at required intervals for level of symptoms (New) (Supports High Priority Goal)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	TBD	TBD
Percent of VHA clinical healthcare professionals who have had VA training prior to employment	N/Av	N/Av	N/Av	27%	15%	20%	25%	30%
Medical Research								
Performance Measure								
Progress towards development of one new treatment for post-traumatic stress disorder (PTSD) (One milestone to be achieved over 1 year)	47%	67%	80%	80%	94%	100%	N/Ap	100%

Performance Measures by Program

Organization/Program/Measure (Key Measures in Bold)	Past Fiscal Year Results 2006	2007	2008	2009	Fiscal Year Targets 2010 (Final)	2011 (Request)	Strategic Target
Veterans Benefits Administration							
Compensation							
Performance Measures							
National accuracy rate - compensation entitlement claims	88%	88%	86%	84%	90%	90%	98%
Compensation maintenance claims - average days to complete (New)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	TBD
Compensation entitlement claims - average days to complete (New)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	TBD
Overall satisfaction rate (Compensation) No customer satisfaction survey was performed for 2006-2008. Survey will be conducted in 2010 for 2009 data.	N/Av	N/Av	N/Av	TBD	TBD	TBD	TBD
National accuracy rate (Compensation maintenance claims)	91%	92%	95%	95%	96%	96%	98%
Burial claims processed - average days to complete (Compensation)	72	91	84	78	75	75	21
National accuracy rate - burial claims processed (Compensation)	94%	95%	96%	93%	98%	98%	98%
Percent of DES participants receiving benefits within 30 days of discharge (New)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	95%
Pension							
Performance Measures							
Pension maintenance claims - average days to complete	92	104	119	101	82	80	60
National accuracy rate - pension maintenance claims	88%	91%	93%	95%	95%	95%	98%
Pension entitlement claims - average days to complete (New)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	TBD
National accuracy rate - pension entitlement claims	90%	91%	87%	95%	93%	93%	98%
Overall satisfaction rate (Pension) No customer satisfaction survey was performed for 2006-2008. Survey will be conducted in 2010 for 2009 data.	N/Av	N/Av	N/Av	TBD	TBD	TBD	TBD
Combined Compensation and Pension Measures							
Compensation and Pension disability rating claims - average days to complete (Supports High Priority Goal)	177	183	179	161	165	190	125
Percentage of Compensation and Pension pending inventory that is more than 125 days old (New)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	TBD
Appeals resolution time (From NOD to Final Decision) (Average Number of Days) (Joint BVA-VBA Compensation and Pension measure) (Targets established by BVA)	657	660	645	709	700	695	675
Compensation and Pension National accuracy rate - fiduciary work	83%	84%	81%	82%	90%	90%	98%
Percent of claims submitted electronically via VBA's on-line benefit application (Currently VONAPP) (New) This measure applies to any on-line benefit application. However, it is displayed under compensation and pension since the number of claims filed will have the most impact on this measure's result and target.	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	TBD
Percent of separating servicemembers receiving benefit and service information through eBenefits Portal 6 months prior to discharge (New) This measure applies to any on-line benefit application. However, it is displayed under compensation and pension since the number of claims filed will have the most impact on this measure's result and target.	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	TBD

Performance Measures by Program

Organization/Program/Measure (Key Measures in Bold)	Past Fiscal Year Results 2006	2007	2008	2009	Fiscal Year Targets 2010 (Final)	2011 (Request)	Strategic Target
Veterans Benefits Administration							
Education							
Performance Measures							
Average days to complete original Education claims (Supports High Priority Goal)	40	32	19	26	24	19	10
Average days to complete supplemental Education claims	20	13	9	13	10	9	7
Percentage of claims processed through the automated claims processing system (Education) (New)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	TBD
Montgomery GI Bill usage rate for Veterans who have passed their 10-year eligibility period	70%	70%	70%	TBD	71%	71%	80%
Education Claims Completed Per FTE (New)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	TBD
Percentage of beneficiaries that believe their VA educational assistance has been either very helpful or helpful in the attainment of their educational or vocational goal Customer satisfaction survey will be conducted in 2010 for 2009 data.	N/Av	N/Av	N/Av	TBD	TBD	TBD	TBD
Percentage of beneficiaries very satisfied or somewhat satisfied with the way VA handled their education claim No customer satisfaction survey was performed for 2006-2008. Survey will be conducted in 2010 for 2009 data.	N/Av	N/Av	N/Av	TBD	TBD	TBD	TBD
Telephone Activities - Blocked call rate (Education)	43%	32%	4%	38%	12%	10%	10%
Telephone Activities - Abandoned call rate (Education)	20%	14%	5%	11%	7%	5%	5%
Payment accuracy rate (Education)	94%	95%	96%	96%	94%	95%	97%
Percent of Montgomery GI Bill or Post-9/11 GI Bill participants who successfully completed an education or training program	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	TBD
Vocational Rehabilitation and Employment							
Performance Measures							
Rehabilitation Rate (General)	73%	73%	76%	74%	76%	77%	80%
Serious Employment Handicap (SEH) Rehabilitation Rate	73%	73%	76%	74%	76%	77%	80%
Employment Rehabilitation Rate	N/Av	N/Av	N/Av	Baseline	75%	77%	80%
Independent Living Rehabilitation Rate	N/Av	N/Av	N/Av	Baseline	92%	92%	95%
Speed of entitlement decisions in average days (VR&E) (1) Corrected	54	54	48	(1) 51	45	45	40
Accuracy Rate of Decisions (Services) (VR&E)	82%	77%	82%	80%	81%	85%	96%
Veterans' satisfaction with the Vocational Rehabilitation and Employment Program No customer satisfaction survey was performed for 2006-2007.	N/Av	N/Av	90%	TBD	TBD	TBD	TBD
Accuracy rate of Vocational Rehabilitation Program Completion Decisions	95%	93%	96%	96%	95%	96%	99%
Average cost of rehabilitating participants (using constant 2009 dollars)	N/Av	N/Av	N/Av	Baseline	TBD	TBD	TBD

Performance Measures by Program

Organization/Program/Measure (Key Measures in Bold)	Past Fiscal Year Results 2006	2007	2008	2009	Fiscal Year Targets 2010 (Final)	2011 (Request)	Strategic Target
Veterans Benefits Administration							
Housing							
Performance Measures							
Default Resolution Rate (1) Corrected	N/Av	N/Av	N/Av	(1) 65.1%	71.0%	73.0%	75.0%
Veterans' satisfaction level with the VA Loan Guaranty Program No survey was completed for 2008.	93.1%	91.7%	N/Av	92.3%	95.5%	96.0%	97.0%
Lender Satisfaction with VA Loan Guaranty Program No survey was completed for 2008.	93.2%	92.0%	N/Av	95.0%	94.5%	94.5%	95.0%
Statistical Quality Index (Housing) (Future targets changed starting in 2010 due to revised measurement criteria)	99.0%	99.2%	99.6%	99.7%	Baseline	TBD	TBD
Percent of Specially Adapted Housing (SAH) grant recipients who indicate that grant-funded housing adaptations increased their independence No survey was completed for 2008.	93.2%	91.3%	N/Av	89.7%	95.5%	96.0%	97.0%
Rate of homeownership for Veterans compared to that of the general population (FY 2009 is Estimate)	N/Av	N/Av	115.2%	109.0%	117.0%	117.0%	119.0%
Default Resolution Efficiency Ratio (1) Corrected	N/Av	N/Av	N/Av	(1) 24.1:1	19.0:1	19.5:1	20.0:1
Success Rate of Automated Certificate of Eligibility (ACE) System (New)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	75.0%
Insurance							
Performance Measures							
Rate of high client satisfaction ratings on services delivered (Insurance)	96%	96%	95%	96%	95%	95%	95%
Conversion rate of disabled SGLI members to VGLI (Insurance)	41%	40%	45%	32%	50%	50%	50%
Number of disbursements (death claims, loans, and cash surrenders) per FTE (Insurance)	1,697	1,724	1,756	1,755	1,740	1,750	1,750

Performance Measures by Program

Organization/Program/Measure (Key Measures in Bold)	Past Fiscal Year Results				Fiscal Year Targets		Strategic Target
	2006	2007	2008	2009	2010 (Final)	2011 (Request)	
National Cemetery Administration							
Burial Program							
Performance Measures							
Percent of Veterans served by a burial option within a reasonable distance (75 miles) of their residence	80.2%	83.4%	84.2%	87.4%	87.8%	90.5%	94.0%
Percent of respondents who rate the quality of service provided by the national cemeteries as excellent	94%	94%	94%	95%	98%	98%	100%
Percent of graves in national cemeteries marked within 60 days of interment	95%	94%	93%	95%	95%	95%	95%
Percent of applications for headstones and markers that are processed within 20 days for the graves of Veterans who are not buried in national cemeteries	62%	38%	95%	93%	90%	90%	90%
Percent of respondents who rate national cemetery appearance as excellent	97%	97%	98%	98%	99%	99%	100%
Percent of funeral directors who respond that national cemeteries confirm the scheduling of the committal service within 2 hours	74%	72%	72%	73%	82%	83%	93%
Percent of requests from funeral directors for interment at national cemeteries that are received electronically (Internet)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	50%
Percent of headstone and marker applications from private cemeteries and funeral homes received electronically via fax or Internet	N/Av	N/Av	46%	52%	52%	60%	75%
Percent of headstones and markers that are delivered undamaged and correctly inscribed	96%	96%	96%	96%	98%	98%	98%
Percent of respondents who would recommend the national cemetery to Veteran families during their time of need	98%	98%	98%	96%	99%	99%	100%
Percent of headstones and/or markers in national cemeteries that are at the proper height and alignment	67%	69%	65%	64%	71%	82%	90%
Percent of headstones, markers, and niche covers that are clean and free of debris or objectionable accumulations	77%	75%	84%	82%	89%	95%	95%
Percent of gravesites that have grades that are level and blend with adjacent grade levels	86%	83%	86%	90%	90%	90%	95%
Percent of national cemetery buildings and structures that are assessed as "acceptable" according to annual Facility Condition Assessments	N/Av	N/Av	N/Av	84%	85%	87%	90%
Percent of PMC applications that are processed within 20 days of receipt (New)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	90%
Percent of respondents who agree or strongly agree that the quality of the headstone or marker received from VA was excellent (New)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	90%
Percent of respondents who agree or strongly agree that the quality of the Presidential Memorial Certificate received from VA was excellent (New)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	90%
Percent of annual interment cost from pre-placed crypt interments in national cemeteries (New)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	TBD

Performance Measures by Program

Organization/Program/Measure (Key Measures in Bold)	Past Fiscal Year Results 2006	2007	2008	2009	Fiscal Year Targets 2010 (Final)	2011 (Request)	Strategic Target
Board of Veterans' Appeals							
Performance Measures							
Appeals resolution time (From NOD to Final Decision) (Average Number of Days) (Joint BVA-VBA Compensation and Pension measure) (Targets established by BVA)	657	660	645	709	700	695	675
BVA Cycle Time (Excludes Representative Time) (Average Number of Days)	148	136	155	100	150	140	104
Appeals decided per Veterans Law Judge (BVA)	698	721	754	813	752	760	800
Departmental Management							
Performance Measures							
Percent of total procurement dollars awarded to service-disabled Veteran-owned small businesses (OSDBU) (**VA's data reported for 2006-2008 may differ from data reported by the Small Business Administration due to the timing of when each agency runs its report.)	3.58%	7.09%	12.09%	TBD	10.0%	10.0%	10.0%
Percent of total procurement dollars awarded to Veteran-owned small businesses (OSDBU) (See ** above)	6.17%	10.13%	15.27%	TBD	12.0%	12.0%	12.0%
Percentage of VA employees who are Veterans (HR&A)	31%	31%	30%	30%	31%	31%	33%
The Alternative Dispute Resolution (ADR) participation rate in the informal stage of the Equal Employment Opportunity (EEO) complaint process (HR&A)	22%	28%	46%	48%	48%	50%	55%
Workers' Compensation Lost Time Case Rate (LTCR) (New) (HR&A)	2.0	1.87	1.81	1.82	1.77	1.72	1.71
Percent of VA facilities with completed vulnerability assessments for Critical Infrastructure/Key Resources (CIKR) (OS&P) (New)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	100%
Percent of VA facilities that have a continuity plan in place (New) (OS&P)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	100%
Percent of VA facilities that are compliant with Homeland Security Presidential Directive 12 relating to personnel identity verification (New) (OS&P)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	100%
Percent of confirmed successors to the Secretary who attend orientation and/or the annual update (OS&P) (Measure being dropped after FY 2010)	N/Av	N/Av	100%	78%	100%	N/Ap	N/Ap
Percent of Under Secretaries, Assistant Secretaries, and other key officials who self-certify their teams "ready to deploy" to their COOP site (OS&P) (Measure being dropped after FY 2010)	85%	90%	100%	100%	100%	N/Ap	N/Ap
Cumulative percent of FTE (compared to total planned) included in Management Analysis/Business Process Reengineering studies initiated (OP&P) (Measure being dropped after FY 2010)	N/Av	33%	54%	54%	96%	N/Ap	N/Ap

Performance Measures by Program

Organization/Program/Measure (Key Measures in Bold)	Past Fiscal Year Results 2006	2007	2008	2009	Fiscal Year Targets 2010 (Final)	2011 (Request)	Strategic Target
Departmental Management							
Performance Measures							
Percent of med mal tort claims adjudicated within 180 days (OGC)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	100%
Average processing time for VA regulations (number of months) (OGC)							
-Requiring advance notice and public comment (2-stage)	N/Av	N/Av	21.7	19.4	22.4	17.9	TBD
-Without advance notice and public comment (1-stage)	N/Av	N/Av	7.4	7.8	10.8	8.6	TBD
Number of material weaknesses (OM)	4	4	3	4	4	4	0
Percent of VA IT systems that automatically reuse all relevant client information in other systems (OI&T)	N/Av	N/Av	N/Av	N/Av	15%	TBD	100%
Number of homeless Veterans (New) (OPIA)	N/Av	154,000	131,000	131,000	110,000	95,000	25,000
Percent of federally recognized Native American tribes contacted by VA for outreach purposes (New) (OPIA)	1%	1%	1%	1%	1%	80%	100%
Percentage of responses to pre- and post-hearing questions that are submitted to Congress within the required timeframe (OCLA)	15%	27%	57%	75%	90%	100%	100%
Percentage of testimony submitted to Congress within the required timeframe (OCLA)	N/Av	75%	58%	80%	90%	100%	100%
Percentage of title 38 reports that are submitted to Congress within the required timeframe (OCLA)	13%	40%	59%	76%	90%	100%	100%
Percent of space utilization as compared to overall space (owned and direct-leased) (OAEM) (**The Office of Asset Enterprise Management (OAEM) develops VA policy that governs the Department's Capital Asset Management. Policy execution is done by VA's business lines (Veterans Health Administration, Veterans Benefits Administration, and National Cemetery Administration), and annual performance results are reported by OAEM.)	104%	112%	113%	113%	116%	108%	100%
Percent Condition Index (owned buildings) (OAEM) (See ** above)	82%	74%	66%	74%	74%	76%	87%
Ratio of non-mission dependent assets to total assets (OAEM) (Targets conform with Federal Real Property Council Tier definitions) (See ** above)	15%	12%	12%	11%	11%	11%	10%
Ratio of operating costs per gross square foot (GSF) (OAEM) (Targets conform with Federal Real Property Council Tier 1 definitions) (See ** above)	$5.59	$5.80	$6.47	$6.95	$6.72	$6.48	$5.07

Performance Measures by Program

Organization/Program/Measure (Key Measures in Bold)	Past Fiscal Year Results				Fiscal Year Targets		Strategic Target
	2006	2007	2008	2009	2010 (Final)	2011 (Request)	
Departmental Management							
Performance Measures							
Cumulative percentage decrease in facility traditional energy consumption per GSF from the 2003 baseline (OAEM) (See ** above)	4%	8%	11%	12%	15%	18%	30%
Percent of total facility electricity consumption that is renewable (OAEM) (See ** above)	3%	3%	4%	3%	5%	5%	7.5%
Percent of above-threshold buildings square footage in inventory that incorporates the sustainable design practices in the guiding principles (OAEM) (See ** above)	N/Av	N/Av	N/Av	13%	13%	13.5%	15%
Percent of energy consumed that is renewable (OAEM) (New) (See ** above)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	15%
Cumulative percent decrease in Scope 1 and Scope 2 greenhouse gas emissions (OAEM) (New) (See ** above)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	30%
Percent of annual major construction operating plan executed (OALC) (New)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline	90%
Percent of design and construction contracts that are awarded within 90 days of operating plan target dates (OALC) (Measure being dropped after FY 2010)	71%	73%	85%	95%	80%	N/Ap	N/Ap

Performance Measures by Program

Organization/Program/Measure (Key Measures in Bold)	Past Fiscal Year Results 2006	2007	2008	2009	Fiscal Year Targets 2010 (Final)	2011 (Request)	Strategic Target
Office of Inspector General							
Performance Measures							
Number of arrests, indictments, convictions, criminal complaints, pretrial diversions, and administrative sanctions	2,455	2,303	1,884	2,250	2,300	2,300	2,750
Number of reports (audit, inspection, evaluation, contract review, and CAP reports) issued that identify opportunities for improvement and provide recommendations for corrective action	235	217	212	235	240	240	300
Monetary benefits (dollars in millions) from audits, investigations, contract reviews, inspections, and other evaluations	$1,019	$820	$500	$2,931	$1,000	$1,000	$1,500
Return on investment (monetary benefits divided by cost of operations in dollars) *Beginning in 2009, the cost of operations for the Office of Healthcare Inspections, whose oversight mission results in saving lives rather than dollars, is not included in the return on investment calculation (see the OIG's September 2009 *Semiannual Report to Congress* , page 5)	14 to 1	11 to 1	6 to 1	38 to 1	11 to 1	11 to 1	15 to 1
Percentage of:							
Prosecutions successfully completed	96%	95%	94%	94%	94%	94%	95%
Recommendations implemented within 1 year to improve efficiencies in operations through legislative, regulatory, policy, practices, and procedural changes in VA	93%	86%	88%	94%	90%	90%	95%
Preaward recommendations sustained during contract negotiations	70%	66%	57%	53%	63%	63%	65%
Customer satisfaction survey scores (based on a scale of 1 - 5, where 5 is high):							
Investigations	4.9	4.9	4.6	4.9	4.7	4.8	5.0
Audit	4.3	3.7	4.0	4.0	4.2	4.3	5.0
Healthcare Inspections	4.6	4.4	4.7	4.7	4.5	4.6	5.0
Contract Review	N/Av	N/Av	N/Av	4.6	4.2	4.3	5.0

Selected VA Facilities by Type

(as of December 2009)

Type of Facility	Number
Domiciliary Rehabilitation Treatment Programs – As of September 30, 2009	50
Geriatric Research, Education, and Clinical Centers as of December 2009	20
Health Administration Management Center	1
Independent Outpatient Clinics	6
Insurance Center	1
Memorial Service Networks	5
Mobile Clinics	9
Nursing Home Units	134
Orthotic/Prosthetic Laboratories	67
Prosthetic and Sensory Aids Restoration Clinics	5
Regional Loan Centers	9
Regional Office – Outpatient Clinic	1
Regional Offices	57
Regional Pension Maintenance Centers	3
Regional Education Processing Offices	4
VA Hospitals	153
VA National Cemeteries	130
VA Outpatient Clinics – As of September 30, 2009	783
Vet Centers – As of September 30, 2009	271
Mobile Vet Centers – As of September 30, 2009	50
Veterans Benefits Administration Area Offices	4
Veterans Integrated Service Networks (VISNS)	21

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