

## **VA Budget Request Tops \$140 Billion for Veterans Programs**

WASHINGTON – With more than 1 million active-duty personnel scheduled to join the ranks of America’s 22 million Veterans during the next five years, the President has proposed a \$140.3 billion budget for the Department of Veterans Affairs for the fiscal year beginning Oct. 1.

“As our newest Veterans return home, we must give them the care, the benefits, the job opportunities and the respect they have earned, while honoring our commitments to Veterans of previous eras,” said Secretary of Veterans Affairs Eric K. Shinseki.

Shinseki said the budget proposal, which must be approved by Congress, would fund services for newly discharged Veterans, continue the drive to end homelessness among Veterans, improve access to benefits and services, reduce the disability claims backlog, improve the Department’s collaboration with the Defense Department and strengthen its information-technology program that is vital for delivering services to Veterans.

“As we turn the page on a decade of war, we are poised at an historic moment for our Nation’s armed forces,” Shinseki said. “The President has charged VA to keep faith with those who served when they rejoin civilian life.”

The budget request includes \$64 billion in discretionary funds, mostly for medical care, and \$76 billion for mandatory funds, mostly for disability compensation and pensions.

If approved by Congress, the new spending levels would support a health care system with 8.8 million enrollees and growing benefits programs serving nearly 12 million Servicemembers, Veterans, family members and survivors, including the eighth largest life insurance program in the nation; education benefits for more than 1 million Americans; home loan guarantees for more than 1.5 million Veterans and survivors; plus the largest national cemetery system in the country.

Here are highlights from the President’s 2013 budget request for VA.

### **Medical Care**

The President’s proposed budget seeks \$52.7 billion for medical care, a 4.1 percent increase over the \$50.6 billion approved by Congress for the current fiscal year, and a net increase of \$165 million above the advance appropriations level already enacted for FY 2013.

For the next fiscal year, VA estimates 6.33 million patients will use VA for health care. About 610,000 of those patients will be Veterans of the conflicts in Iraq and Afghanistan. The budget request also would provide:

- \$403 million for the gender-specific health care needs of women Veterans, improving their access to services and treatment facilities;
- \$6.2 billion for mental health, a 5.3 percent increase in funding over the current level, making possible increased outreach and screenings, expansion of innovative technologies for self-assessment and symptom management of post-traumatic stress disorder, and enhancements to programs that reduce the stigmas of mental health;
- \$7.2 billion for long-term care, meeting VA’s commitment to provide long-term care in the least restrictive and most clinically appropriate settings, such as non-institutional programs that serve a daily population of about 120,000 people;

- \$583 million in direct appropriations for medical research, which receives another \$1.3 billion from other sources, with emphasis on research for traumatic brain injury, suicide prevention, PTSD and genomic medicine;
- \$792 million to support the activation of health care facilities, including new hospitals in New Orleans, Las Vegas, Denver and Orlando, Fla.

Funding in VA's major construction account of \$396.6 million is provided to continue construction of new medical facilities at Seattle, Dallas, St. Louis and Palo Alto, Calif.

Since enactment of the Veterans Health Care Budget Reform and Transparency Act in 2009, VA includes an advance appropriations request for medical care in the Budget submission. Included in today's spending request is \$54.5 billion for FY 2014, which begins Oct. 1, 2013. This request for advance appropriations will support nearly 6.38 million unique patients and fulfill our commitment to Veterans to provide timely and accessible high-quality medical services. The Administration will review the initial advance appropriations request in the FY 2014 budget cycle.

### **Veterans Job Corps**

The 2013 budget proposes \$1 billion over five years for a Veterans Job Corps, a new effort to leverage skills Veterans developed in military service for a range of jobs protecting and rebuilding America's public lands. The initiative would put up to 20,000 Veterans to work on projects to restore America's lands and resources.

### **Disability Pay, Pensions**

In the next fiscal year, VA projects it will receive about 1,250,000 claims for Veterans disability benefits. This is a 4 percent increase from the 1.2 million projected for this fiscal year.

Shinseki noted that today's claims from Veterans who served in Iraq and Afghanistan, on average, total 8.5 disabilities per Veteran, a rate nearly double that for claims by Veterans of earlier eras and a substantial increase in the workload for VA employees who administer the benefits system.

By 2013, the budget projects no more than 40 percent of compensation and pension claims will be more than 125 days old, a significant cut from the 60 percent of claims exceeding that mark this year. Other improvements funded by the new budget include:

- A new case-management operating model that moves less complicated claims more quickly through the system;
- Additional eBenefits self-service features that allow registered Servicemembers, Veterans and their families to apply for benefits and manage certain aspects of their benefits accounts online;
- Publicly available electronic medical questionnaires that allow private physicians to provide VA with exactly the information needed for Veterans claims for disability compensation; and
- National implementation of a system for processing disability claims that will have all of VA's regional offices, working in a digital, near-paperless environment by the end of 2013.

## **Veterans Homelessness**

The proposed VA budget for fiscal year 2013 contains nearly \$1.4 billion for programs that prevent or treat homelessness among Veterans. This is an increase of 33 percent, or \$333 million, over the 2012 level, continuing the Department's steady progress toward ending Veteran homelessness by 2015.

In the past year, the number of Veterans homeless on a given night has declined from 76,300 in 2010 to about 67,500 in 2011. By emphasizing rescue and prevention, the budget request envisions driving down the numbers to 35,000 by the end of fiscal year 2013. Some specific efforts funded in the new budget are:

- \$21 million to provide 200 coordinators who will help homeless Veterans with disability claims, housing problems, job and vocational opportunities, and problems with the courts;
- \$300 million to provide grants and technical assistance to community non-profits to maintain Veterans and their families in their current housing or to get them rapidly into housing;
- Provide grants and per diem payments to community-based organizations offering transitional housing to 32,000 homeless Veterans; and
- Build upon the recent success of a VA hiring fair in Washington, D.C., which drew about 4,000 Veterans and has led to about 500 hiring offers to date.

## **Education Program**

The Post-9/11 GI Bill will help pay the educational expenses of more than 606,000 Servicemembers, Veterans, family members and survivors during the next fiscal year. Over the past two years, VA has successfully deployed a new IT system to support processing of Post-9/11 GI Bill education claims, and has seen a dramatic improvement in the timeliness and accuracy of its processing program during the same period.

A separate funding increase of nearly \$9 million would expand the "VetSuccess on Campus" program from 28 campuses to 80, serving approximately 80,000 Veterans. The program provides outreach and supportive services during their transition from the military to college.

## **Vocational Rehabilitation and Employment**

The budget request for 2013 would provide \$233 million, a 14 percent increase over 2012, to administer VA's vocational rehabilitation and employment program. The increase is focused on expanding services to wounded, ill and injured Servicemembers to ease their transition to the civilian sector. Program participants are expected to increase from 108,000 in 2011 to 130,000 next fiscal year.

## **National Cemeteries**

Fiscal year 2013 will see \$258 million for operation and maintenance of VA's system of 131 national cemeteries if the budget proposal is accepted. The budget supports the initial implementation of a new policy to establish a national cemetery presence in eight rural areas.

Funding in VA's Minor Construction budget request would finance \$58 million for land acquisition, gravesite expansion and columbaria projects. Also included in the budget request is funding for online mapping of gravesite locations from the IT account.

With a funding request of \$46 million, VA will continue its partnership with the states by funding the construction, expansion and improvement of state Veterans cemeteries, while continuing its support to Veterans cemeteries on tribal lands.

### **Information Technology**

The 2013 budget proposal includes \$3.3 billion for information technology, a \$216 million increase over the current budget. VA operates one of the largest consolidated IT organizations in the world, supporting over 300,000 VA employees and about 10 million Veterans and family members who use VA programs. About 80 percent of the IT budget supports the direct delivery of health care and benefits to Veterans and their families.

The Department will build upon its unparalleled success rate of 89 percent on-time delivery of IT milestones by continued improvements in support of access to health care, ending Veterans homelessness and improved benefits delivery. VA will implement the integrated Electronic Health Record with Department of Defense, easing the transition from active status to the VA health care system by upgrading electronic health records for all Veterans to a single, common platform.

IT funding will enable VBA's transformation to a digital and near paperless environment using the Veterans Benefits Management System, decreasing claims processing times by 50 percent, while VA's telehealth programs will take advantage of new IT technologies, increasing VA's ability to provide health care to Veterans in remote locations.