

VOCATIONAL REHABILITATION AND EMPLOYMENT PROGRAM

HEARING

BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
OF THE
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
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VOCATIONAL REHABILITATION AND EMPLOYMENT PROGRAM

THURSDAY, MAY 6, 2010

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY,
Washington, DC.

The Subcommittee met, pursuant to notice, at 10:04 a.m., in Room 334, Cannon House Office Building, Hon. Stephanie Herseth Sandlin [Chairwoman of the Subcommittee] presiding.

Present: Representatives Herseth Sandlin, Perriello, Teague, Boozman, and Bilirakis.

OPENING STATEMENT OF CHAIRWOMAN HERSETH SANDLIN

Ms. HERSETH SANDLIN. Good morning, ladies and gentlemen. The Committee on Veterans' Affairs, Subcommittee on Economic Opportunity, hearing on the Status of Vocational Rehabilitation and Employment (VR&E) Programs will come to order.

During the 110th Congress, we held a series of hearings that focused on employment opportunities for veterans. These hearings included the VR&E programs that seek to assist our injured servicemembers and help veterans obtain employment after their military service. As a result of those productive hearings, we are able to expand the VR&E program by authorizing the U.S. Department of Veterans Affairs (VA) Secretary to provide waivers for severely injured veterans seeking to participate in the independent living program, increasing the cap for participation in the independent living program, requiring the VA to report to Congress on measures to assist veterans participating in VR&E, and authorizing a multi-year longitudinal study on VR&E.

Today's hearing will allow us to learn more about what the Administration is doing to implement these new changes, and to address the concerns raised over the past year. These include the need to reduce case management and workload for counselors, conduct more outreach to qualified veterans, streamline information provided to the Disabled Veterans' Outreach Program (DVOP), Local Veterans' Employment Representatives (LVERs), and VA staff, and implement the new national acquisition strategy. I look forward to hearing from our panelists today.

I now recognize the Ranking Member for his opening remarks.

[The prepared statement of Chairwoman Herseth Sandlin appears on p. 21.]

OPENING STATEMENT OF HON. JOHN BOOZMAN

Mr. BOOZMAN. Thank you, Madam Chair. The last time we met to discuss VR&E was to hear from VA representatives of companies that contracted for counseling services. At the hearing, VA testified that they would solicit new contracts in the fall of 2009. I believe those contracts are not in place yet and believe that VA is still negotiating vendors to close out the costs related to the counseling contracts terminated last summer. At the same time, VA proposed to put temporary contracts in place until the new national acquisition contracts were awarded, and we look forward to hearing today about VA's progress in both the short- and long-term counseling contracts.

The VR&E program is possibly the most flexible of all Veterans Benefits Administration (VBA) benefit programs. Counseling staffs have great latitude on how they design a rehab program; and therein lies both the positives and negatives of the program. On the positive side, veterans are eligible for nearly a limitless approach to returning to the workforce or enrollment in independent living. On the downside, there are sometimes unrealistic expectations by veterans on what they believe their course of rehabilitation should be. In short, I am very concerned about the time it takes to enter into rehab.

According to VA data, it takes on average about 54 days to determine eligibility, 118 days to develop a rehab plan, and 200 days to find a job following completion of the customized rehab program. That is 372 days. That does not include the average of 615 days spent completing the rehab program, which brings the total average time in rehab to employment to 987 days.

Since about 90 percent of VR&E participants are enrolled in degree programs, I understand the effect of long-term education or training on the average of 615 days in rehab. But since the vast majority of veterans are in college, I hope that we can better understand why it takes 118 days to send someone to school. Unfortunately, the VBA Annual Benefits Report does not show rehab data by track, and I would encourage VA to make that change in the fiscal year 2010 report.

I understand the staff has requested a post-hearing briefing on some of the details that Mrs. Fanning has indicated in her written testimony are not available. I hope the Department will put that briefing together expeditiously.

And, with that, I yield back. Thank you.

Ms. HERSETH SANDLIN. Thank you, Mr. Boozman.

I would now like to welcome our guest testifying before the Subcommittee today. Joining us is Ms. Ruth Fanning, Director of the Vocational Rehabilitation and Employment Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs. I welcome you back to the Subcommittee. You are now recognized.

STATEMENT OF RUTH A. FANNING, DIRECTOR, VOCATIONAL REHABILITATION AND EMPLOYMENT SERVICE, VETERANS BENEFITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

Ms. FANNING. Thank you, Madam Chair, Ranking Member, Members of the Subcommittee. I really appreciate you inviting me

to appear today to discuss VA's Vocational Rehabilitation and Employment Program.

Today I would like to discuss the employment services that VA provides to veterans, update you about the contracts, and discuss staffing initiatives that are supported by Congress's appropriation. Many of the issues that you raised in your invitation letter deserve further elaboration and quantitative analysis, and unfortunately I will need some time, as you noted, to completely and fully respond. I want to make sure that I provide you complete data and very accurate data, and I will be happy to come back in an expeditious manner to do that.

VR&E's primary mission is to assist veterans with disabilities to prepare for, obtain, and sustain suitable employment. Robust services are individually tailored to each veteran's needs. Services begin with a comprehensive evaluation to help veterans with understanding their own interests, aptitudes, and transferrable skills.

Next, vocational exploration focuses veterans' potential career goals with labor market demands, available training, and their individual needs and preferences. This process is designed to help each veteran make informed choices and, with the help of his or her counselor, develop a roadmap for their future or rehabilitation plan so that they can achieve their goals.

A broad range of employment services may be provided from direct job placement, short-term training, to college training or self-employment. The goal of each and every plan is to maximize the veteran's transferrable skills and help them enter the job market at a level that is on par with his or her peer group and in a career position which he or she can thrive, even if their disability conditions progress or worsen.

Disabled veterans and servicemembers receive VR&E services from two programs, the Coming Home to Work Program and the VetSuccess Program.

The Coming Home to Work Program focuses on early intervention to help wounded warriors planning and working toward their civilian career goals, reducing the risk of homelessness, underemployment, and unsuitable employment after discharge from the military.

Because many times, the first jobs that veterans get after discharge are transitional employment, VR&E Service also works very closely with the U.S. Department of Labor (DOL). As you know, the Department of Labor has an important program called REALifelines. They are there at the Transition Assistance Program (TAP) and Disabled Transition Assistance Program (DTAP) to help veterans get immediate employment. Many times, those first jobs are only transitional employment, and DOL works with us to link veterans back so that veterans can understand benefits available both through VR&E as well as the Post-9/11 GI Bill and other programs so that they can prepare for their long-term career, ensuring long-term stability, upward mobility, and jobs skills and futures, commensurate with their skill sets and interests.

We provide a multitude of employment assistance, including direct job placement assistance, which is wide-ranging, from developing resumes, interview skills, and specific skills targeted to each veteran's needs, training that ranges from internships to on-the-job

training (OJT), certificate training, college training, and everything in between; self-employment assistance for veterans who are entrepreneurs and able to set up their own businesses; and outreach to government, private sector, and nonprofit organizations to market veterans as employees, to help them understand the value veterans bring as employees in their workplace, but also to help them understand the many other benefits, including tax credits, special employer incentives, and, for government, special hiring authorities.

For those veterans whose disabilities are too severe to make employment feasible, voc rehab provides a wide range of independent living services. Those include volunteer work placement, public transportation—the use of that—life skills coaching, counseling, and a myriad of other services, again, that are tailored to each person's needs.

To the extent possible, these services are integrated into employment plans. But, when necessary, these are stand-alone programs, with the ultimate goal of helping each individual be as independent as possible in their home and community, and then be able to consider employment, whatever that employment may mean for that person, whether it is a volunteer job, a part-time job, or a full-time competitive placement.

Next, I would like to talk a little bit about the contracts. As mentioned, over the past year, VR&E has been working very closely with VA's Office of Acquisition, Logistics, and Construction to develop and solicit new performance-based contracts. This solicitation was issued and has closed, and proposals currently are being evaluated. We have over 30 staff from around the country essentially locked down, in the Center for Acquisition Innovation-Frederick working very closely with General Counsel and with the acquisition staff to conduct past performance and technical evaluations. This process is near ending. We expect that it will be done within the next week, and then the actual pricing evaluation will commence and awards of the contracts are expected in the fall, in either August or September.

VR&E service is also working with the Office of Resource Management to develop automated invoicing, referral, and additional tracking tools, and this has been in progress for several months, and we expect will be in place when the contract is awarded and when performance commences.

Finally, to talk a little bit about staffing and initiatives. As you know, we have over 1,100 employees around the country, and they provide extensive services that are tailored to each veteran's needs. These services include comprehensive employment and independent living services, outreach assistance to the Coming Home to Work Program, and important support from VA to veterans who are in other VA education programs.

For example, the VetSuccess on Campus project is a new project. It began as a pilot at the University of South Florida; and this project is specifically geared to serve Post-9/11 GI Bill veterans on college campuses, to help them overcome any barriers they may encounter in college, stay in school, finish school, and then be able to enter into suitable careers. We have expanded this pilot to two additional campuses at San Diego State and Cleveland State, and

we are in the addition of expanding to four more campuses currently.

In order to adapt to shifts in workload due to deployments of Reservists and National Guard units, quickly meet the specialized needs of the most seriously disabled veterans, provide community-based services to veterans in remote areas, fill the gap when we have staffing shortages so that timely services are not affected, VR&E has also supported, as you know, contract funding. And during fiscal year 2010 budget formulation, an additional \$8 million in General Operating Expenses (GOE) was allocated to support those, and an additional \$8.3 million in 2011 has been requested.

VR&E Service is also working very hard to develop new solutions that will further enhance employment and independent living services. Among these, we are equipping staff through the development of desktop training, testing methods that will support face-to-face counseling using secure and user-friendly technology, conducting a top-to-bottom business process reengineering (BPR) initiative to streamline and simplify service delivery. This is designed to ease entry into the program for veterans, and also simplify and streamline our process so that our core counseling staff are primarily focused on one-on-one service to veterans.

Now, more than ever, the employment needs of veterans are an urgent priority for VA. VA is showing leadership through our involvement in implementing the President's government-wide hiring initiative, and VR&E is pivotal to the success of this initiative, actively working with government agencies and departments to increase employment of veterans with disabilities. VR&E is leading through the development of a national job board on VA's VetSuccess.gov Web site with continual expansion of this site underway. We are actively collaborating with businesses in all sectors who identify employment opportunities, particularly with those sectors with deficits of qualified applicants, and we are working strategically to understand the future job trends to assist veterans to match their career plans with those future job market needs.

Finally, VR&E is working to use effective tools and innovations to meet the needs of transitioning servicemembers, reaching out early, developing effective contracts, maximizing important partnerships with Department of Labor and other government and non-government partners, and leveraging technology for training, case management, and veteran employment tools.

Madam Chairwoman and Members of the Subcommittee, this concludes my statement. I would be pleased to answer any questions you may have.

Ms. HERSETH SANDLIN. Thank you, Ms. Fanning.

[The prepared statement of Ms. Fanning appears on p. 22.]

Ms. HERSETH SANDLIN. I will first recognize Mr. Perriello for questions.

Mr. PERRIELLO. Thank you very much, Madam Chair.

Thank you, Ms. Fanning. You know, I think we are all seeing a lot of interest in the VR&E Program, particularly in the job environment, where we are seeing the rather stark unemployment of returning veterans and a lot of interest. So I guess part of what I am trying to understand off the top is if we see that by increasing the per capita independent living cap, that we have increased de-

mand in many ways for the program because of both the number of vets returning and the job environment, but reducing budget for the fiscal year, what is it that gives us the confidence to think that this is not going to lead a reduction in a program that really, right now, needs to be seeing a boost, in my mind?

Ms. FANNING. I think you are referring to the reduction of 9 full-time equivalents (FTEs) in the budget, which, really, were not a reduction from the VR&E Program, but of overall management support. And the reduction for overall management support for VBA was spread across all programs. I am not an Office of Resolution Management (ORM) expert, but that is what I can tell you. And if you need more detail, I would be happy to provide that.

What we were provided, though, was an additional \$8 million in GOE funding to supplement contracting, which is a big help and does help us respond to those increases in workload and in a strategic manner so that if there is a large deployment in, for example, Ohio because a unit returns, we can respond to that increase.

Mr. PERRIELLO. So it is your feeling that \$8.3 million from GOE will essentially cover whatever difference you have in the 1 percent decrease?

Ms. FANNING. I am continuing to watch it. And part of my job is to be aware of the trends, to always make the case for additional resources when that is needed. So at this point, I am pleased that we have the additional support, and I will continue to watch the workload trends and advocate for any additional needs are identical.

Mr. PERRIELLO. Will that possibly mean a shift from in-house employees to more contracting, and would that have any effect potentially on the quality of services?

Ms. FANNING. In the short term, with an increase of GOE funds it could possibly mean an increase in contracting funds. But we also have the flexibility during execution to look at using some of those funds for staffing, and that is something that I will definitely be working with leadership on.

Mr. PERRIELLO. Well, I will certainly be interested in looking at that in terms of the immediate budget impacts and the needs that are there right now, but also looking at medium-term capacity within the program as well.

One of the things that I think we are trying to track as well is some of the dynamics between this program and the new GI Bill, where we are seeing a tremendous amount of interest, which is a great thing. Are you seeing some people opting for the Post-9/11 GI Bill because of the housing stipend that is there or other dynamics? What are you seeing in terms of the relationship between those two programs?

Ms. FANNING. We have developed a way to track any decrease in our program because of a transition, specifically to the new GI Bill.

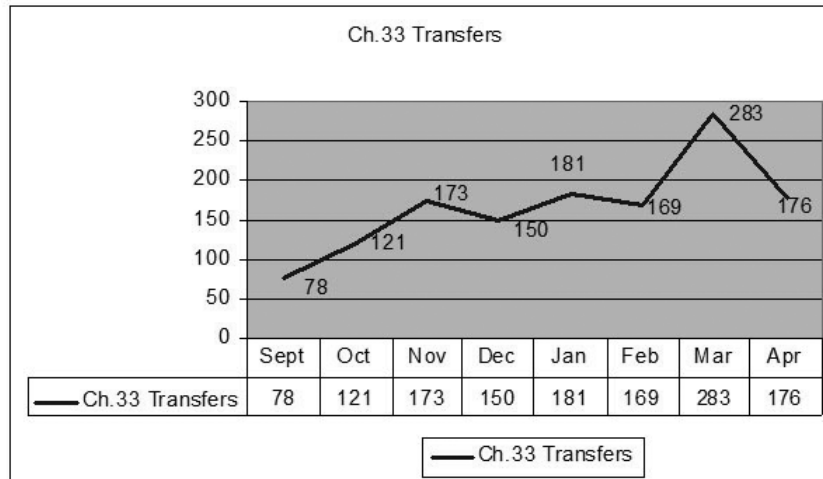
Initially, we saw very little change. We had estimated that up to 13,000 veterans could switch immediately from voc rehab over to the new GI Bill, and that didn't occur. I don't have the exact number, I would be glad to provide that, but I can tell you it was less than 1,000 veterans.

Now, just over the last quarter, we are seeing a slight uptick of veterans moving over to the GI Bill and just a slight decrease in

our applicants. One-quarter's worth of data is not a lot to base trend analysis on, particularly since we have been seeing an upward trend due to outreach and the current conflict and, of course, compensation's production, and their hiring of staff. So we will continue to monitor that.

I am obviously concerned. I think veterans need to make informed choices about what benefit is most beneficial for each of them, but I am concerned that a veteran may select a program based only on the stipend when their living expense is of a great concern to them, rather than the more comprehensive services of VR&E, if those are really what they need.

[The VA subsequently provided the following information:]



Mr. PERRIELLO. And my last question, very quickly. You were talking about that the first jobs are often the transitional jobs going through this program. Can you give us an example that those that tend to be available the most often as those transitional jobs or types of jobs we are seeing people move into?

Ms. FANNING. Well, the types of jobs I think are about as big as the labor market, because at TAP sessions, many employers actually are there meeting with veterans. Job fairs occur. DOL is very active in helping veterans who want to get a job immediately, get into a job that hopefully is closely aligned with what their military occupational specialty was or what their previous work experience was.

Oftentimes, the first job, as we all know, isn't the right job or the best job. And we do know that veterans want to—they tell us, they want to get a job immediately after discharge just to normalize themselves back into civilian life. What our concern is, is that a veteran, while they need that job to transition back into the civilian market, doesn't get into a job that is not compatible with their disability conditions, doesn't get into a job that really has a future, that they are looped back to our program so that we can assist them if training is needed to augment their transferrable skills, if their transferrable skills are really no longer relevant because of

their disability conditions to help them get new skills, and to help them catch up with their peer group. Because of their service, they may be a few years behind their peer group's career development. And I think they deserve that assistance to get into appropriate careers that they can grow into.

So that is the concern. And I hope that answers your question.

Mr. PERRIELLO. Thank you. We certainly want to keep an eye on this program at this point. Thank you so much.

Ms. HERSETH SANDLIN. Thank you, Mr. Perriello.

Mr. Boozman.

Mr. BOOZMAN. Let's go ahead, if it is okay with you, Madam Chair, and go ahead with Mr. Teague.

Mr. TEAGUE. Well, thank you. And thank you, Madam Chairwoman, for having this meeting, and Ranking Member.

Ms. Fanning, I want to thank you for coming also. I think it is very important what your organization does to help our men and women as they come back, to work them from the disabled veterans or disabled soldiers from the military to civilian life and what they have to do. But, you know, one of the things, earlier in your testimony you were saying there are five different programs that you work the troops to. When they do, are they limited to one of those five when they get started in that? Or can they pick and choose different things from each, and maybe participate in three or all five or something, using part of each program?

Ms. FANNING. Thank you, Mr. Teague, for that question.

Our program is very fluid, and it is really tailored to each person's needs. So, as an example, one thing that I mentioned in my testimony is that, in many cases, independent living services are integrated into a training program. So a veteran may be pursuing college, but also may need some assistance, because of a severe disability, in having full access to the community, learning to use public transportation, having his or her home modified so they can get in and out easily, and those kinds of things. So, as much as possible, we integrate whatever services are needed together.

And, yes, a veteran can come in, and may come in initially—let me use an example of a Guard or Reservist who comes in initially wanting just help getting back to their previous employer and perhaps needs ergonomic adaptation to their work site, maybe just a chair because of a lower-back injury, and we assist with that. The veteran returns to the employer and finds that, during the time that they were deployed, maybe a year, 2 years, the job has moved on, and they need some additional training in order to stay competitive and be eligible for promotions. We can provide additional training that they may need.

Perhaps a veteran comes back and we are providing direct job placement. But even though he or she received excellent training in the military—and often we see this with information technology (IT) skills—they may not have the certifications that the civilian market recognizes that will allow them to get the best jobs and move up in their occupation. So even though we may be helping them get back into the IT market, we also may be providing short-term training for those certifications so that they maximize their marketability.

Mr. TEAGUE. And, also, you know the 12-year, the delimiting date for the VR&E. Is that long enough, due to these considerations that they do come in behind their peer group? Do you think that time needs to be expanded and additional years added to that?

Ms. FANNING. Well, one of the good things about the way the program is designed by Congress is that a veteran can apply at any time regardless of whether the 12-year delimiting date has passed or not. Eligibility isn't based on the delimiting date, but entitlement may be. So if a veteran comes in and applies for a voc rehab, even if the delimiting date has passed, we may find him or her eligible, and they will be able to sit down with a counselor to evaluate their needs.

If they have a serious employment handicap, meaning that they have serious issues and need significant services to overcome them, we can waive the 12-year eligibility period and provide services. We can extend the 48 months of entitlement as well.

So the program is designed in a very generous manner that allows us to serve seriously disabled veterans beyond that delimiting period.

Mr. TEAGUE. Another question just about efficiency and cost. You know there is going to be a 1 percent cut, but there is also an extra \$8 million out there. So I was just curious, what is the average caseload for the caseworker? And, you know, if we are reasonably staffed, then why are we hiring contractors to do those jobs?

Ms. FANNING. We have used contractors for a number of years, as long as I remember, since my first exposure to the voc rehab program was as a subcontractor before I worked for the VA. And so that has always been a tool that has been used. It allows VR&E to be agile and to respond to changes and staffing needs. Because VR&E is a small program and we are community-based, there may be an office that has only one counselor in a remote area, the use of contractors, if there is turnover of that counselor, allows those veterans to continue to be served while the person is still behind.

So I think, contracting will always be there as a need and VR&E will continue to need it, and use it.

I would, if you wouldn't mind, ask you to repeat the first part of your question, because I don't think I fully answered.

Mr. TEAGUE. I was concerned about the average caseload, for the caseworker.

Ms. FANNING. Thank you. I apologize. I started remembering my old days and I got distracted.

The average caseload right now is around 1 to 145 for each counselor. And that is in all statuses, from applicant through veterans who are ready to be rehabilitated.

Mr. TEAGUE. Thank you. Thank you for your service, and thanks for answering those questions.

Ms. FANNING. Thank you.

Ms. HERSETH SANDLIN. Thank you, Mr. Teague.

Mr. Boozman.

Mr. BOOZMAN. Thank you, Madam Chair. You mentioned efforts to streamline and simplify service delivery. Can you give us some examples of perhaps what you are thinking in that area?

Ms. FANNING. Yes, I can. I would be delighted to.

We are doing a number of things right now to really take a hard look at the program and see how we can continually improve it. One thing that we are doing, that goes to Mr. Teague's question, is we are currently doing a work measurement study; and that is basically a time and motion study. We have a contractor assisting us to look at what each other professional staff is doing, how much time does it take, so that we have analytical data that we can use to determine what the appropriate counselor-to-veteran caseload should be. You know, we all have our guesses or our estimates based on experience. And I do have experience in the field. But I would like to know from more of a scientific method.

We have just engaged in an end-to-end look at the program with contract support, first identifying our as-is process; what are we doing. And, in looking at where the opportunities for us to go in using advanced technology or simple business reprocessing, and streamline the program. That same contractor then developed a to-be state, and presented us with several recommendations from very simple improvements that we could make, all the way through to the paperless environment, which is where we ultimately want to be and we think will be a huge help.

As an example, something simple like using an automated reminder system for appointments. I can admit to you that if I don't get a reminder appointment the night before my dentist appointment, I am probably not going to be there the next day. With a busy schedule, and I think veterans have extremely busy schedules. Many of them are job searching or already looking.

We want to also, with our appointment scheduling, develop a system so that veterans could go online and select their own appointment time that is convenient for them, similar to going on and choosing your own airline seat. These are available in choosing what is best for them.

So from that very simple kind of process all the way, like I said, to paperless and everything in between. We are looking at all the forms, the processes we use, and looking at how we can simplify the paperwork that counselors are required to do so that we can get the same quality of work and ensure that the same level of service is provided to veterans, but perhaps not require so much paperwork, make sure we have enough, but that we are not over-requiring of the counselors.

Another initiative that we are currently engaged in is a pilot into regional offices, testing technology for remote counseling. And this is really something that we expect to be successful because of the success the Veterans Health Administration (VHA) has had with their telehealth program. So we know that technology can be used effectively and safely; but what we are really interested in is, since this is a counseling relationship, how does it affect the counseling relationship? Are there portions of the relationship that really are best face-to-face, one-on-one? Perhaps the initial appointments. And then, are there portions that really the technology would work just as effectively? And when veterans are a couple hundred miles away, it would keep them from driving to our office, and it would use the staff's time more effectively by not sending them 200 miles just to meet with one veteran. They could see many more veterans.

We are doing a lot of other things, but those are some examples.

Mr. BOOZMAN. Very good. And I think what we would like to do is perhaps have staff follow up on that and see how we can be helpful in that regard.

Do you have any idea about the kind of a ballpark figure, about the PAYGO cost to allow VR&E participants to use chapter 33 just as current law allows them to use chapter 30 while receiving VR&E services?

Ms. FANNING. I don't have that cost with me. It is—

Mr. BOOZMAN. Is that a bunch of people? Is that a huge population or a small population?

Ms. FANNING. When the bill was first passed and we looked at it, it was around 13,000 potentially. I haven't looked at what the population is in the recent months. You know, I looked at that data at that time just so that I could be prepared of what the potential impact may be. I am not a budget expert, but it is something that I have looked at. And from my thoughts, there wouldn't be a significant cost other than FTE, because the veteran will be using services from one program or the other. And chapter 33 obviously now has a larger price tag associated.

So with what we call the crossover program with chapter 30, which allows the veteran to receive the full scope of chapter 31 case management and assistance and support while electing the monetary benefits of chapter 30, the only additional cost is the staff who are doing the case management.

Mr. BOOZMAN. Again, I think that is something else that perhaps we will follow up on and see if we can get some numbers and things. So thank you, Madam Chair.

Ms. HERSETH SANDLIN. Thank you, Mr. Boozman. That is a very helpful response in light of the fact of your experience and looking at the additional costs associated with chapter 30, and obviously some proposals on the table, as it relates to the new benefit.

Let me just follow up from some of what Mr. Boozman mentioned in his opening statement as well as questions that Mr. Perriello and Mr. Teague asked. *The Independent Budget* for fiscal year 2011 makes the assertion that VA has a limited number of VR&E counselors and case managers to handle a growing caseload. Now, you had mentioned that it is about 1 to 145. And does that include contractors?

Ms. FANNING. No. That is VA staff only.

Ms. HERSETH SANDLIN. VA staff only. Do you know what it is with the contractors?

Ms. FANNING. With contractors, it is hard to define. Because contractors may have numerous employees working for them. And in some cases, when they are working with subcontractors—as I can say in my own experience, when I was self-employed as a rehab counselor, VA work was only one thing that I was doing. I was also working in a number of other sectors. So it is harder to quantify, because they may be only working one case a month, they may be full-time. We can try to equate dollars to people, and I would be glad to do that math to give you an estimate.

Ms. HERSETH SANDLIN. I think it would be good to have a measure. I think there are some legitimate questions being raised about the use of the dollars and the results that we are getting. Any time we can look at something and try to craft some measure, I think

it would be helpful. If you could do that, and we can talk more, just so we have a better sense of the veterans being served by the contractors and how that compares with some of the concerns we have had about the workload for the VA staff.

Is that 1 to 145, has that been consistent over the last number of years? Did you see a significant jump early in the last decade? Do you have the trends that show us what the workload has been, average workload, on an annual basis?

Ms. FANNING. I would have to go back in time to tell you over the last decade; during the time that I have been here in Washington, which has been about 2½ years now.

Ms. HERSETH SANDLIN. But do we have that?

Ms. FANNING. It has been a slight increase. It was as low as 1 to 119 a couple years ago. So we have seen an increase of about 20 or so cases per counselor.

[The VA subsequently provided the following information:]

During the course of the NAS-II contracts, 29,976 referrals were made to prime contractors. The number of referrals varies by regional office depending on services needed. The prime contractor was responsible for assigning work and tracking the cases referred to each subcontractor. Prime contractors assigned work to subcontractors based on their own criteria and type of service needed. Contracted services included the following service groups: Initial Evaluation, Case Management, Employment Services, and Ed/Voc Counseling.

VA counselors continued to perform case-management functions while the subcontractor performed the assigned work. The VA counselor is ultimately responsible for all decisions pertaining to individual cases. The contract restricted any one contractor to a VA caseload of no more than 125 cases.

Ms. HERSETH SANDLIN. Does that, in any way, mirror some of what the Ranking Member mentioned in terms of the time to actually receive services in terms of the amount of time for the application? We are going into—how many days did you say—900 days from the time of application to completion of the program?

Ms. FANNING. The actual time of the program really depends more on what track the veteran is in. And we know that the majority of veterans who come to VR&E are looking for services to prepare them for a career. And since they are going through TAP, and DOL is so active in the process, many veterans who already are employable or who think they are may never come and apply for voc rehab. They may come back to us later when they realize that their disability isn't compatible with that job. And that is one of the reasons we are working so closely with the Department of Labor.

Ms. HERSETH SANDLIN. I guess the question is, there does seem to be some concern among veterans about the average time it takes once they submit an application to start receiving services. I am wondering if that tracks with the uptick that you have seen.

Ms. FANNING. We have seen a slight uptick in terms of our goal for making an entitlement decision. We are within 10 percent of the goal. We are not currently at the goal. We are about 10 percent over. The same is the case with the day to develop a rehabilitation plan. And there is overlap with those two cycles. They are not linear, that the entitlement ends and then the evaluation portion starts. There is some overlap in those two cycles.

But there is a slight uptick. We are still—within 10 percent, which is not bad. It is something that we can get down; and we

are actively working with the Office of Field Operations and with our staff to try to reduce that timeliness. And I can tell you, that is a part of my reasoning behind launching into the BPR and looking for ways to streamline. I think that some of the paperwork could be reduced, and that could make the timeliness a little more effective.

I would like, though, to also mention that the time to develop a rehabilitation plan—which currently we are allowing 105 days, so just 3½ months, approximately. That there is always going to be a need for some time on average for that process. We are working with veterans to look at the labor market, to understand their skills and aptitudes, to understand their interests, to understand the transferrable skills that they bring to the table and how they can build on those, to understand all the options that they have for their futures, and then to make some decisions.

That is a process. And so we don't want to be prescriptive and tell a veteran when he comes in the door what job he or she should seek. We want them to go through that process and make informed decisions that are best for them. So there always will be some time in that process because it is a counseling process.

Now, saying that, do I think it could be shortened? I do. And that is something that I am very committed to finding every way possible that we can to make it shorter. Because if a veteran comes to us who is not employed and needs work, I don't want him to wait 3 months, I don't want him to wait 3 weeks if we can avoid that. We want to get services started as quickly as we can.

Ms. HERSETH SANDLIN. I appreciate that. And you had responded to a question from Mr. Perriello about the transitional jobs, and your response was very impressive in terms of recognizing that that oftentimes is not a good fit, that transitional job, and the importance of keeping the veteran sort of looped back into your program.

Do you track that somehow? I mean, is the transitional job separate from the rehabilitation plan and the career development stage? Is this just what—they go through TAP, maybe your office, your program helps identify that transitional job. Are they in the transitional job then during the time that they are working to develop a rehabilitation plan?

Ms. FANNING. A good majority of veterans in voc rehab are in transitional jobs. Most of them, even if they are only supporting themselves—and a good majority of them have families, they need to work even if they are pursuing voc rehab. As generous as the VR&E program is, the stipend that we have is not sufficient to pay rent and buy food and pay all the expenses for daily life. So most veterans are working at least part-time, some in work-study programs, some in transitional full-time jobs.

Obviously, from a rehab counselor perspective, some kind of work that is continuing to build their resume is a good thing. But we don't want—ideally, we don't want to see someone having to work full-time while they are in college. It extends the period of time before they can really get into that right career.

So a happy medium would be good. But we recognize and understand that veterans need transitional jobs. If we are helping them find them or we are working with DOL in that process, what we

are focused on is, let's make sure that it is a job that is aligned with the ultimate career goal so that it is a job that will make them more marketable when they are ready to enter that career.

Ms. HERSETH SANDLIN. Let me ask one more question before recognizing Mr. Bilirakis. When and how does the VR&E program determine or declare as such that a veteran has been rehabilitated?

Ms. FANNING. We track suitable employment, first of all. So many veterans actually enter suitable employment while they are still in training, and that is the ideal scenario. They are hired as a co-op and they are completing college, and also in a job leading toward the job that they really want.

A lot of veterans get jobs in their last semester of college when they are ready to graduate. So as soon as they enter suitable employment, we start tracking it in our data system. We don't declare a veteran rehabilitated until they have completed the goals of their program and we can determine that they are suitably employed and that the employment is stable, and for at least a 60-day period.

So a veteran may graduate on May 1, get a job on June 1. Maybe they have some initial bumps in the road and we learn that they need some adaptation or some kind of accommodation on the job. We assist with that. Once that stability has been gained, then 60 days beyond that point we can close the case as rehabilitated.

Ms. HERSETH SANDLIN. Thank you. Mr. Bilirakis, do you have any questions?

Mr. BILIRAKIS. Thank you, Madam Chair. I have a couple questions.

Currently, the date for completing the VR&E is set to 12 years following the date of rating for a service-connected disability. For some veterans, their disability progresses over time. And I have a two-part question.

First, is it accurate to say that a disabled veteran who received his rating years ago who wanted to participate in the VRE simply does not have that option? And, second, would it also be accurate to say that a 20-year-old Afghan or Iraq war veteran discharged with a disability today would not be able to participate in the VR&E when he is 32 even though the disability has progressed?

And then, as a follow-up, what is the VA's position on eliminating the VR&E's 12-year delimiting date to allow veterans access to the VR&E on a needs basis when necessary?

Ms. FANNING. Thank you, sir, for those questions. First of all, as you mentioned, the 12-year delimiting date, that clock starts on the date of first notification of any disability rating by Compensation and Pension (C&P). That opens the door for vocational rehabilitation services. Veterans, however, can apply at any time during their life regardless if that 12-year delimiting period has expired.

Eligibility is based solely on having at least a 10-percent disability rating; or, if a rating hasn't been established, a 20-percent memorandum rating.

So veterans are able to come in, sit down with a counselor, discuss their needs. And if the counselor finds that the veteran has a serious employment handicap, meaning that because their disability is so significant, that they need services to be rehabilitated to meet their goals, whether that is employment, or we find that they are not feasible for employment and independent living serv-

ice needs are identified, we can waive the 12-year delimiting period. So, in both scenarios that you described—

Mr. BILIRAKIS. How often do you do that, though? How often do you waive it?

Ms. FANNING. I am going to talk off the top of my head now, and I can give you a specific ratio in my follow-up. But about half of the veterans we are serving have serious employment handicaps.

Now, that doesn't mean that all of those individuals needed that period, that 12-year period extended. It just means that we find a high number of veterans who come in to us for services to have significant needs. If a veteran only has an employment handicap, which means they do have a disability that is related to their service-connected disability, they do have impairments related to their service-connected disability that, in some way, impact their work, their ability to obtain a job or maintain a job, but it doesn't rise to the level of a serious disability, meaning that they need significant services and that 12-year period has passed, those are the cases when we can't provide services, and, unfortunately, would have to find the veteran not to be entitled.

Mr. BILIRAKIS. So the VA's position is that they would not, at this time, eliminate the 12-year delimiting date?

Ms. FANNING. We haven't evaluated that issue. And I would be happy to do so. Basic rehab law, I mean, aside from the law that mandates the voc rehab and employment program, is to ensure that the most seriously disabled individuals are served first. And the way that chapter 31 has been developed by Congress, that intent is certainly met. Because regardless of the time that a veteran comes back in the continuum of his disability—and, as you know, and you mentioned, disability can be a continuum. A veteran with diabetes, as an example, may be quite stable early in his or her life, and as they age and complications arise, they can be quite significant. And so later in life they really may need assistance. And so the way title 38 and chapter 31 has been designed under title 38, it allows us to serve those most seriously disabled individuals. What it doesn't allow is for those veterans who have an employment handicap, for us to serve them if the delimiting date has passed.

Mr. BILIRAKIS. Thank you very much. Thank you, Madam Chair.

Ms. HERSETH SANDLIN. Thank you, Mr. Bilirakis.

Ms. Fanning, perhaps you could get us, in addition to some of the other information that we have requested, that you could get us in terms of the caseload for contractors vis-à-vis those for your VA staff, and kind of the trend of that average caseload over the past decade, could you also get us information about how many veterans have been allowed into the VR&E program who passed the 12-year delimiting period?

Ms. FANNING. Yes, ma'am.

[The VA subsequently provided the following information:]

Currently, 18,867 Veterans are past the eligibility termination period of 12 years. These Veterans are in various stages of the program, including some who are still in applicant status. Veterans in applicant and evaluation statuses may not have yet been rendered an entitlement determination. Other veterans in this population may have been found entitled during their 12-year eligibility period with an employment handicap and later found to have a serious employment

handicap based on additional evidence submitted or a worsening of their disabilities.

Ms. HERSETH SANDLIN. I just have a couple of questions on the independent living program. My office has received reports from veterans who have experienced wait times exceeding 1,000 days for approval of their independent living program. Are you aware of those concerns?

Ms. FANNING. I have seen concerns from one—raised from one particular individual. I can tell you that the time frames for developing any kind of plan. As I mentioned, the average is within 10 percent of our goal of 105 days. So those certainly would be significant outliers. I mean, I can go back and run our database to see if we have any case that is an outlier in that manner and report back to you.

Ms. HERSETH SANDLIN. Specifically, in the independent living program?

Ms. FANNING. Yes.

Ms. HERSETH SANDLIN. I would appreciate that. I will submit to your office a list of specific veterans and their concerns regarding the independent living program. Not all of them face the 1,000 day or more concern about approval of the program.

Ms. FANNING. That would be helpful.

Ms. HERSETH SANDLIN. I would then appreciate if you and your staff could sort of get us some up-to-date information responding to the concerns of that list of veterans.

I guess, if you are aware of the one particular case, I guess I am wondering what sort of management or oversight the Central Office provides to the regional office as it relates to management of the independent living program. Because I think the application procedure has proven to be exceedingly onerous with repeated requests for further documentation, according to some of the reports I am getting for veterans.

Ms. FANNING. I am aware that one particular veteran is raising these concerns. As I said, I would have to research to see if any particular case actually is at that time limit, or if it is a perception based on a rehabilitation plan being developed and then ongoing services taking additional time. And, from a veteran's perspective, I can see that, until everything that is expected has been completed, that they may consider that clock ticking and may be looking at it from a time perspective differently than we are. So it would be helpful for me to look at the cases, and I appreciate you providing me the opportunity.

[The VA followed up with Chairwoman Herseth Sandlin's office regarding this issue.]

Ms. HERSETH SANDLIN. I guess my question is, what oversight are you providing to the regional offices as it relates to streamlining the process, so perhaps there don't have to be these further requests of additional documentation? We could maybe make the assumption that the veteran has fallen short in providing some of the documentation, but sometimes that is directly related to the guidance and the efficiency and effectiveness of the guidance they are getting from someone working out of a regional office.

Ms. FANNING. The independent living program receives a lot of attention. And independent living, as you know, is—it is a separate

track, as we described the five tracks, but it is actually a subset of our program. VR&E is an employment program. And until we actually determine that a veteran is not feasible for employment, at that point, we then proceed to look at solely independent living needs.

Now, as I mentioned earlier, we can also look at independent living needs as a part of any program. But I think you are talking about solely independent living needs at this point. So that it is going to take a little longer because it is adding an additional step to the process. We determine a veteran is not feasible. The next step is, this veteran can't work, but are they independent? Do they need any services to maximize their independence?

We have a process in place that, first of all, the counselor evaluates their independent living needs. And it is a pretty structured process that has been put in place in response to some of the concerns that you are raising over the last few years, prior to my arrival, but not very much prior.

In addition, if the needs that are identified are significant, an in-home visit is done. And that in-home visit may even include bringing in experts such as an occupational therapist or a rehabilitation engineer. Not in every case, because obviously if the veteran's disability is a mental health issue, we may not be looking at adapting their home. We may be looking at more functional issues that would help them be more successful at home.

Ms. FANNING. The process is overseen in Central Office. We actually have an independent living coordinator who works really closely as a consultant to the field, and I have doubled that staff so she now has another person working with her. We are doing—since I have arrived, we are doing yearly “train the trainer” sessions with the field offices specifically about independent living, and we are currently reviewing all of the office's use of independent living and preparing to do some site visits to offices either that are overusing or underusing independent living. And I say that with the caveat that until we go and talk to them, we don't know if they are overusing or underusing. We are simply looking at data, which, as you know, only tells you which questions to ask. It doesn't tell you the answers. You always have to dig deeper. So we are preparing to do that.

And at the field level, if a veteran who is found infeasible and the counselor determines they don't need independent living, the voc rehab manager is required to review and concur on that decision. That policy is in place to make sure that counselors truly consider these needs.

In addition, any veteran for whom an independent living plan is developed, the VRE manager is required to review and approve that plan. And it is because it is a smaller number of cases that there is additional oversight in place. It is to avoid just the kind of issues that you are raising.

So we are concerned. We are doing a lot of training and a lot of oversight, and we are certainly open to any feedback that we receive to strengthen the program further. And I am very interested in doing that.

Ms. HERSETH SANDLIN. I appreciate that, Ms. Fanning, and I do think it will be important to get some of the information back from

you as well as the updates from some of the information we will provide that my office has received.

Your explanation as to why it may take longer is understandable, but at the same time, if there are ways through the oversight that you have put in place, maybe the double of the staffing to assist the person in the Central Office, to find a way to streamline this process, to identify some of the needs earlier, it is just hard for me to imagine the situation with a severely injured veteran having to wait 3 years.

Again, I know you are aware of a particular case there, but let us just see if you can do the assessment of the outstanding applications so we can address some of the concerns working together that we are aware of. I would appreciate that.

Ms. FANNING. And if you would, I will give you an example of a couple of things that we are doing currently.

We take this very seriously and we are working very hard.

One thing that we are doing currently is we have established a work group jointly with the Loan Guaranty Program under Mark Bologna's direction. And this work group is designed to develop procedures and policies so that we can leverage the expertise of the special adaptive housing experts. Our voc rehab counselors are counselors. They are not construction experts. And when construction is required as a part of an independent living program, that presents unique challenges in terms of them understanding if the bids they receive are really good, do they really fully meet the needs of the veteran, when the work was ready to be paid for, was it delivered appropriately.

So Mr. Bologna and his staff are working with us so that we can leverage that expertise and ensure that we are getting the appropriate value for taxpayers' funds, but more importantly, that the veteran is receiving everything that they need. That is an example of one of the initiatives.

A second is we have done a full analysis of our waiver requests for small construction needs, and any kind of construction at this point has to be approved at the Central Office level. We have looked at all of the trends, and we have seen those under the \$25,000 range are usually very straightforward—perhaps adding grab bars to showers, ramps in the front of a home—and they are usually well documented. It is very rare when we have to intervene. So we have policy currently going through concurrence that will push that approval down to the regional office director's level and simplify some of that process.

Ms. HERSETH SANDLIN. Thank you.

Mr. Boozman, did you have any final questions?

Mr. BOOZMAN. Just a couple.

The VRE doesn't have a role in determining eligibility of 100-percent individual employment rating. It seems like, though, they would be in a position to kind of weigh in on that.

Ms. FANNING. The Rating Veterans Service Representative is required, if there is a voc rehab file, to pull the file and look at the evaluation that voc rehab has done as a part of their rating decision. So in that way, we really do have a role.

Mr. BOOZMAN. How many independent living applicants have entered the program in 2009? And did VA delay any portion of the

processing, including approval, in order to remain within the annual statutory cap?

Ms. FANNING. In 2009—and bear with me for a moment. I have the data; I just need to find it.

In 2009, we had just over 1,800 first time independent living plans developed. This year thus far as of March, we are trending similarly to last year, and even with that trend, I think we will still be within the 2,600 cap if we stay on track with where we are now.

Mr. BOOZMAN. So the answer then is you didn't have to delay any?

Ms. FANNING. No.

Mr. BOOZMAN. Thank you, Madam Chair, and thank you for being here, Ms. Fanning.

Ms. HERSETH SANDLIN. Thank you, Mr. Boozman.

Just one final question, Ms. Fanning: The electronic case management information system, do you feel that that needs to be revamped to meet VR&E's specific needs to respond to some of the veterans' concerns about how that is working for them?

Ms. FANNING. Are you referring to our Corporate WINRS system?

Ms. HERSETH SANDLIN. Yes.

Ms. FANNING. We are actively working on that. That is a part of our BPR. We are working also with all of the other initiatives, including Veteran's Relationship Management and Veterans Benefits Management System, to ensure all programs are integrated.

Ultimately, where we want to be is with an E-benefits portal so that veterans can come in and have some self-service capabilities similar to what we would do with our banking or other kinds of checking on status of a deposit or a check. That is where we want to end up.

We are working on our Corporate WINRS Program with the goal of ultimately being paperless, but we think that in the short term, we can do some modifications to start down that road.

Ms. HERSETH SANDLIN. "Short term" meaning?

Ms. FANNING. Within the next year or so.

As you know, the budget cycle is a little far out.

Ms. HERSETH SANDLIN. Do you feel you currently have the resources to get the modern IT support you think you need to start down this path?

Ms. FANNING. We are currently engaged in a process that we are funded for this year where we are moving off of Benefits Delivery Network. We are moving our payment process, our master record, and our eligibility determination into the corporate environment. That really sets the stage for us to then continue moving aggressively forward. And we have initiatives in place, and we are currently working on the VetSuccess.gov Web site, as I said, continuing to work toward more of an E-portal and case management portal.

We want our counselors to be able to go out into the field instead of carrying a box of locked files with them, carrying a laptop that has a wireless connection. So if a veteran has a question, they have access to the record in a secure way, they can document as they

go. They are using their time efficiently, and ultimately serving veterans as effectively as possible.

Ms. HERSETH SANDLIN. Well, I want to thank you for the timely update on the VR&E Program, for your dedication, your hard work in assisting our Nation's veterans and those that seek the services that you oversee. And I do hope that you will extend our gratitude to your entire staff, and I know that they work hard. As you say, we would like to provide them the modern IT support that would make their jobs easier as you are also testing some of the technologies that may be beneficial for your staff and the veterans as well.

We look forward to continuing to work with you and work with our colleagues on the Committee to address the unique needs of our most severely injured veterans and all veterans seeking re-integration back into our communities.

Thank you again, Ms. Fanning.

The hearing stands adjourned.

[Whereupon, at 11:15 a.m., the Subcommittee was adjourned.]

A P P E N D I X

Prepared Statement of Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity

I would like to state that the Veterans of Foreign Wars of the United States and the Commission on Rehabilitation Counselor Certification have asked to submit written statements for the hearing record. If there is no objection, I ask for unanimous consent that their statements be entered for the record. Hearing no objection, so entered.

During the 110th Congress, we held a series of hearings that focused on employment opportunities for veterans. These hearings included the VR&E programs that seek to assist our injured servicemembers and help veterans obtain employment after their military service. As a result of those productive hearings, we were able to expand the VR&E programs by:

- Authorizing the VA Secretary to provide waivers for severely injured veterans seeking to participate in the Independent Living Program;
- Increasing the cap for participation in the Independent Living Program;
- Requiring the VA to report to Congress on the measures to assist veterans participating in VR&E; and
- Authorizing a multi-year longitudinal study on VR&E.

Today's hearing will allow us to learn more about what the Administration is doing to implement these new changes and to address the concerns raised over the past year. These include the need to:

- Reduce case management and workload for counselors;
- Conduct more outreach to qualified veterans;
- Streamline information provided to DVOP, LVER and VA staff; and
- Implement the new National Acquisition Strategy.

Prepared Statement of Hon. John Boozman, Ranking Republican Member, Subcommittee on Economic Opportunities

Good afternoon.

The last time we met to discuss VR&E was to hear from VA and representatives of companies that contracted for counseling services. At that hearing, Ms. Fanning testified that VA would, ". . . solicit new contracts in the Fall of 2009." I believe those contracts are not yet in place and I believe VA is still negotiating with vendors to close out costs related to the counseling contracts terminated last summer. At the same time, VA proposed to put temporary contracts in place until the new national acquisition contracts were awarded. I look forward to hearing from Ms. Fanning on the Department's progress in both the short and long term counseling contracts.

The VR&E program is possibly the most flexible of all VBA benefit programs. Counseling staffs have great latitude on how they design a rehabilitation program and therein lies both the positives and negatives of the program. On the positive side, veterans are eligible for a nearly limitless approach to returning to the workforce or enrollment in Independent Living. On the down side, there are sometimes unrealistic expectations by veterans on what they believe should be their course of rehabilitation. In short, I am very concerned about the time it takes to enter into rehabilitation.

According to VA data, it takes on average, about 54 days to determine eligibility, 118 days to develop a rehabilitation plan, and 200 days to find a job following completion of the customized rehabilitation program. That's 372 days. That does not include the average of 615 days spent completing the rehabilitation program which

brings the total average time in rehabilitation to employment to 987 days. Since about 90 percent of VR&E participants are enrolled in degree programs, I understand the effect of long term education or training on the average of 615 days in rehabilitation. But since the vast majority of veterans are in college, I hope she will explain why it take 118 days to send someone to school. Unfortunately, the VBA annual benefits report does not show rehabilitation data by track and I encourage Ms. Fanning and her bosses to make that change in the FY 2010 report.

I understand the staff has requested a post hearing briefing on some details that Ms. Fanning has indicated in her written testimony are not available. I hope the Department will put that briefing together expeditiously. I yield back.

**Prepared Statement of Ruth A. Fanning, Director,
Vocational Rehabilitation and Employment Service, Veterans Benefits
Administration, U.S. Department of Veterans Affairs**

Madam Chairwoman, Ranking Member, and Members of the Subcommittee, thank you for inviting me to appear before you today to discuss VA's Vocational Rehabilitation and Employment (VR&E) program. In your invitation, you noted that a growing number of returning Veterans are entering the job market seeking employment, and that some face obstacles securing employment, particularly those who desire to work directly after service. Today, I will discuss the employment services VA provides to Veterans, update you on the status of new VetSuccess contracts, and discuss the VR&E staffing and initiatives supported by Congress' appropriations. Many of the issues raised in your invitation letter deserve further elaboration and quantitative analysis; unfortunately, the process of retrieving, analyzing, and validating these data could not be accomplished with appropriate due care while still also providing you with a timely testimony. I will provide complete responses for the record following the hearing.

Overview of Veteran Employment Services

VR&E's primary mission is to assist Veterans with disabilities that are service related to prepare for and obtain sustainable employment. Robust services are individually tailored to each Veteran's needs. Services begin with a comprehensive evaluation to help Veterans with understanding their interests, aptitudes, and transferable skills. Next, vocational exploration focuses Veterans' potential career goals with labor market demands, available training, and individual needs and preferences. This process helps each Veteran make informed choices and, with the help of his or her counselor, develop a roadmap—a rehabilitation plan—to achieve those goals. A broad range of employment services may be provided, from direct placement services and short-term training to college training or self-employment. The goal of every plan is to maximize the Veteran's transferable skills, match interests and skill sets with labor market demands, ensure compatibility of the job with disability issues—using adaptive technology whenever possible—and help the Veteran enter the job market at a level on par with his or her peer group and in a career position in which he or she can thrive, even if disability conditions progress or worsen.

Disabled Veterans and Servicemembers receive VR&E services from two programs: Coming Home to Work (CHTW) and VetSuccess. The VR&E Coming Home to Work program provides career and adjustment counseling during and immediately following transition from active duty. This program focuses on early intervention to help wounded warriors begin planning and working toward their civilian career goals, reducing the risk of homelessness, underemployment, or unsuitable employment after discharge from the military. During transition, many Servicemembers and Veterans want immediate employment to ease their transition back into civilian life. VR&E partners with the Department of Defense (DoD) to help Servicemembers obtain internships through the Nonpaid Work Experience Program (NPWE), helping to build the Veterans' resumes and often leading to competitive employment. In addition, VR&E partners with the Department of Labor (DOL), whose Veterans' Employment and Training Service's (VETS) REALifelines program assists with immediate employment. Because many times these first jobs are "transitional employment," VR&E Service is also working closely with DOL to ensure that their programs link Veterans with VR&E or the Post-9/11 GI Bill services if needed to prepare for career employment. VR&E further collaborates with DOL/VETS by "hosting" a DOL/VETS funded state employee (Disabled Veterans Outreach Program specialist) at our Regional offices and other points of entry. VA's focus is to provide services that will allow Veterans to accept the first "transitional

job” while also planning for their long-term career, ensuring long-term stability and upward mobility commensurate with each individual’s skill sets and interests.

Specific employment assistance includes:

- Direct job placement services, from development of a resume and interviewing skills to connections to employers offering employment that is a match for the Veteran’s skill sets;
- Training ranging from internships, on-the-job apprentice programs, certificate training to supplement existing skills, vocational training, and college training;
- Self-employment assistance, to include evaluating and refining business plans, training in managing independent businesses, consultation services with small business experts, and support of some start-up costs for the most seriously disabled Veterans;
- Outreach to government, private sector, non-profit, and faith-based organizations to market Veteran employment at the individual and corporate level, including education about special hiring authorities, special employer incentives, tax credit programs, and the positive benefits of hiring Veterans;
- A specialized Web site, VetSuccess.gov, that includes job postings specifically targeted for Veteran applicants and access to a larger job board of over 500,000 job listings. The Web site also includes links to job resources, resume development tools, and search capabilities for Veterans and employers using the site.

Of equal importance, VR&E’s VetSuccess program helps very seriously injured Veterans to live as independently as possible at home and in their communities. For those Veterans whose disabilities are too severe to make employment feasible, VR&E provides a wide range of independent living services, including volunteer work placement, public transportation, life-skills coaching, counseling, and other services. To the extent possible, these services are integrated into employment plans. When necessary, VR&E provides independent living services with the ultimate goal of assisting each Veteran, to the extent possible, to enter into an employment plan that is a match for him or her—whether volunteer, part-time, supported employment, or competitive full-time employment.

Status of New VA VetSuccess Contracts

Over the past year, VR&E Service has worked in close collaboration with VA’s Office of Acquisition, Logistics, and Construction (OALC) to develop and solicit a new performance-based contract. The solicitation was issued, and proposals were received and are currently being evaluated. Award of new contracts is anticipated in August or September 2010, with performance by new contractors commencing 90 days post-award. In preparation for award and contract administration, VR&E and OALC will provide formal training for the Contracting Officer Technical Representatives, Contract Specialists, and Ordering Officers, and conduct a formal kick-off and training session for successful vendors. VR&E Service is also working with the Office of Resource Management to develop automated invoice, referral, and tracking tools, anticipated for completion prior to contract award.

VR&E Staffing and Initiatives

VR&E’s current staff of over 1,100 employees around the country provides extensive outreach services through the Disabled Transition Assistance Program (DTAP) and Coming Home to Work programs. These services include comprehensive employment and independent living services, and important support to participants in VA education programs. Program participants may receive career counseling and help to overcome barriers and support completion of their education programs. Through the VetSuccess on Campus pilot program, the full scope of benefits assistance and referrals is available for Post-9/11 GI Bill and other Veteran-students. The VetSuccess on Campus program began as a pilot at the University of South Florida and was recently expanded to San Diego State and Cleveland State Universities. VA plans near-term expansion to additional sites and has identified potential sites for consideration. Next steps include confirming available space on campus and negotiating MOUs with the schools.

In order to adapt to shifts in workloads due to deployments of Reserve and National Guard units, quickly meet the specialized needs of the most seriously disabled Veterans, provide community-based services to Veterans in remote areas, and fill the gap when staffing shortages occur so that timely services are not affected, VR&E is also supported with contract funding. During the FY 2010 budget formulation, an additional \$8 million in General Operating Expenses (GOE) funding was allocated to support the VR&E program. In FY 2011, an additional \$8.3 million in GOE funding has been requested to support services for Veterans in the VR&E program.

VR&E Service is also working very hard to develop new solutions that will further enhance employment and independent living services. Among these, we are equipping staff through the development of desk-top training; developing testing methods that support face-to-face counseling using secure and user-friendly technology; and conducting a top-to-bottom business process reengineering initiative to streamline and simplify service delivery—easing entry into, and use of, benefits for Veterans and focusing VR&E staff on core service delivery tasks.

Conclusion

Now, more than ever, the employment needs of Veterans are an urgent priority to VA. VA is showing leadership through our involvement in implementing the President's government-wide hiring initiative, serving not only as one of the leaders with the Office of Personnel Management and DoD in developing this initiative, but also as a leader in the hiring of Veteran employees. VR&E is pivotal to the success of this initiative, actively working with government agencies and departments to increase employment of Veterans with disabilities. VR&E is leading through the development of a national job board on VA's VetSuccess.gov Web site, with continual expansion of this site underway. VR&E is actively collaborating with businesses in all sectors to identify employment opportunities, particularly with those sectors with deficits of qualified applicants. VR&E is working to strategically understand future job trends to assist Veterans to match their career plans with future job-market demands. Finally, VR&E is working to use effective tools and innovations to meet the needs of transitioning Servicemembers—reaching out early, developing effective contracts, maximizing important partnerships with DOL and other government and non-government partners, and leveraging technology for training, case management, and Veteran employment tools.

Madam Chairwoman and Members of the Subcommittee, this concludes my statement. I would be pleased to answer any questions you may have.

Statement of Hon. Raymond M. Jefferson, Assistant Secretary, Veterans' Employment and Training Service, U.S. Department of Labor

Madam Chair, Ranking Member Boozman, and Members of the Subcommittee:

Thank you for your invitation to provide testimony about the collaborative efforts and partnership between the Department of Labor's (DOL) Veterans' Employment and Training Service (VETS) and the Department of Veterans Affairs' (VA) Office of Vocational Rehabilitation and Employment Service (VR&E).

As your invitation noted, a growing number of returning Veterans are entering the job market seeking employment, and some face obstacles securing employment, particularly those who desire to work directly after service. DOL is firmly committed to helping Veterans and their families find opportunities for upward mobility.

VETS and VA are working closely to meet Veterans' employment needs and fulfill President Obama's promise of restoring our Nation's sacred trust with Veterans. DOL has a strong relationship with Secretary Shinseki, Deputy Secretary Scott Gould and VR&E Director Ruth Fanning.

VETS

VETS proudly serves Veterans and transitioning Servicemembers by providing resources and expertise to assist and prepare them to obtain meaningful careers, maximize their employment opportunities and protect their employment rights. Our programs are an integral part of Secretary Solis's vision of "*Good Jobs for Everyone*."

We have four main programs at VETS that serve Secretary Solis' goal of providing "*Good Jobs for Everyone*" and that we are working to improve:

- The Jobs for Veterans State Grants;
- The Transition Assistance Program Employment Workshops;
- The Homeless Veterans' Reintegration Program; and
- The Uniformed Services Employment and Reemployment Rights Act.

VETS collaboration with VA's VR&E

Currently, VETS is collaborating with VR&E services by working in partnership with the States to post Disabled Veterans' Outreach Program (DVOP) specialists in all 57 VA Regional Offices or alternative VR&E sites. This will improve access to VETS' services by VR&E participants.

VETS' primary interface with the VR&E program is through the workforce investment system. Accordingly, VETS continues to work in partnership with its Jobs for

Veterans State Grant recipients on behalf of VR&E job-ready Veterans. These Veterans are referred to and registered with the State workforce agencies for intensive employment services. As a result, the State grantees for VETS and VR&E are coordinating with the interagency initiatives underway at the national level. Most of these VETS grantees and their VR&E counterparts have updated their local written agreements.

VETS also partners with VR&E through our Recovery and Employment Assistance Lifelines (REALifelines) program. REALifelines provides one-on-one services to our wounded warriors to ease their transition into civilian employment. We have special REALifelines coordinators stationed at military treatment facilities on a full-time basis who provide services to wounded, ill, or injured personnel. VR&E has also been an active participant in DOL's America's Heroes at Work Initiative, which focuses on engaging businesses in the employment of returning Servicemembers with post-traumatic stress disorders (PTSD) and traumatic brain injuries (TBI).

Additionally, VETS and VR&E jointly established a new position, Intensive Service Coordinator (ISC), for the Disabled Veterans' Outreach Program specialist who is stationed at a VR&E location. Unlike mainstream clients who receive employment and training services through One-Stop Career Centers, the ISC position was created to provide a specialist to work directly with VR&E clients and to coordinate with the VR&E case management team. The ISC provides Labor Market Information (LMI) to ensure that the disabled Veteran is placed in a training program that meets the employment demand in their location of residence. In addition to the customized service and LMI, VETS participates in the development of the individual's rehabilitation plan.

Memorandum of Agreement (MOA) between DOL and VA and the Joint Working Groups

The partnership between DOL and VA is solidified by a Memorandum of Agreement between the two agencies, first signed in 1996. This partnership enables disabled Veterans to receive the full complement of services available from both agencies without overlap or delays. In addition, VETS and VA are continually looking for opportunities to collaborate in offering better services for employment opportunities and placements for service-connected disabled Veterans who participate in VR&E.

In 2005, VETS and VR&E updated the Memorandum of Agreement outlining the process—and responsibility—to work together to maximize the services both agencies provide to disabled Veterans and their dependents.

Ensuring successful job placement and adjustment to employment for disabled Veterans

VETS and VR&E are collaborating to develop a tool that will track quarterly data and annual fiscal year data to assure quality and consistency of our programs. The data will include:

- Number of job-ready Veterans referred from VR&E to local employment offices for intensive employment assistance;
- Number and registration rates of Veterans referred to the local employment offices for services;
- Number and entered employment rates of Veterans who registered with local employment offices; and
- Average entry hourly wage for those who entered employment.

As previously mentioned, the VETS Intensive Service Coordinator now exists to ensure that the disabled Veteran is referred to the Local Veterans Employment Representative or Disabled Veterans' Outreach Program specialist in his/her geographic area to work with that Veteran to find suitable employment.

We are working to ensure that Veterans have access to the programs of their choice. Later this month, we are meeting to determine how VETS can support VR&E's VetSuccess program to promote greater employment of that program's participants.

We will continue to support VR&E in their redesign of the Disabled Transition Assistance Program, through a contract recently entered with a Service Disabled Veteran Owned Small Business. We applaud VR&E in this effort. At VETS, we are also modernizing and transforming the Transition Assistance Program (TAP). We have reviewed external assessments and stakeholder feedback regarding TAP's performance and ways to improve the program. In an effort to increase program effectiveness and improve participant outcomes, we are working to redesign the workshops to make them more relevant and engaging for participants.

Conclusion

Every day, we are reminded of the tremendous sacrifices made by our servicemen and women, and by their families. One way that we can honor their sacrifices is by providing them with the best possible services and programs our Nation has to offer. Secretary Solis and I believe strongly that Veterans deserve the chance to find good jobs and VETS works closely with the Department of Defense and the Department of Veterans Affairs to help them get there.

VETS will focus on serving disabled Veterans who participate in the VR&E program. Our goal is to provide every VR&E client with the needed employment services and support for a timely transition into suitable career employment.

VETS holds VA's VR&E service in high regard. We look forward to continuing our close and dynamic relationship for the betterment of our Nation's Veterans. Thank you for the opportunity to provide this testimony.

**Statement of Catherine A. Trombley, Assistant Director,
National Economic Commission, American Legion**

Madame Chairwoman, Ranking Member and distinguished Members of the Subcommittee, thank you for the opportunity to submit the views of The American Legion regarding the "Status of Vocational Rehabilitation and Employment Programs."

Since the 1940s, VA has provided vocational rehabilitation assistance to veterans with disabilities incurred during military service. The Veterans Rehabilitation and Education Amendments of 1980, Public Law (PL) 96-466, changed the emphasis of services from training, aimed at improving the employability of disabled veterans, to helping veterans obtain and maintain suitable employment and achieve maximum independence in daily living. Vocational Rehabilitation and Employment (VR&E) program employment goals are accomplished through training and rehabilitation programs authorized under Chapter 31 of title 38, U.S. Code. Title 38 provides a 12-year period of eligibility after the veteran is discharged or first notified of a service-connected disability rating. To be entitled to VR&E services, veterans must have at least a 20 percent service connected disability rating and an employment handicap or less than a 20 percent disability and a serious employment handicap.

The VR&E program's mission is to help qualified, service-disabled veterans achieve independence in daily living and, to the maximum extent feasible, obtain and maintain suitable employment—goals which The American Legion fully supports. As a nation at war, there continues to be an increasing need for VR&E services to assist Operations Iraqi Freedom and Enduring Freedom veterans in reintegrating into independent living, achieving the highest possible quality of life, and securing meaningful employment.

The success of the rehabilitation of our disabled veterans is determined by the coordinated efforts of every federal agency (Department of Defense, VA, Department of Labor, Office of Personnel Management, Department of Housing and Urban Development, etc.) involved in the seamless transition from the battlefield to the civilian workplace. Timely access to quality health care services, favorable physical rehabilitation, vocational training, and job placement play a critical role in the "seamless transition" of each veteran, as well as his or her family.

Administration of VR&E and its programs is a responsibility of the Veterans Benefits Administration (VBA). Providing effective employment programs through VR&E must become a priority. Until recently, VR&E's primary focus has been providing veterans with skills training, rather than providing assistance in obtaining meaningful employment. Clearly, any employability plan that doesn't achieve the ultimate objective—a job where the veteran succeeds despite his or her disabilities—is falling short of actually helping those veterans seeking assistance in transitioning into the civilian workforce and of VR&E's mission. Eligible veterans who are enrolled into the education and training programs receive a monthly allowance to offset living costs associated with attending training while not working. Yet, those veterans enrolled in VR&E for direct employment assistance do not receive a monthly living stipend. However, they attend workshops to learn how to write resumes, work on interview skills and attend job fairs, all of which take time—372 days on average, according to VA data; 54 days to enroll, 118 days to develop a rehabilitation plan and 200 days to find a job after the plan has been executed. Anyone who has started a new career knows looking for a job can be a full-time job in itself. Not providing a living stipend for veterans seeking direct employment services through VR&E could lead those veterans to a different track and they may miss out on meaningful employment. The American Legion strongly urges Congress and VA

leadership to approve a living stipend to all who are enrolled in VR&E regardless of whether their rehabilitation plan calls for training or direct employment.

Another problem hindering the effectiveness of the VR&E program, as cited in reports by the Government Accountability Office (GAO), is exceptionally high workloads for the limited number of staff. This hinders the staff's ability to effectively assist individual veterans with identifying employment opportunities. A recent GAO report noted that 54 percent of all 57 regional offices stated they have fewer counselors than they need and 40 percent said they have fewer employment coordinators than they need. As in the past, achieving ample staffing in VR&E is a major concern, especially with recent numbers stating that each VA counselor maintains a case load of 145 veterans. With 145 cases to manage, counselors simply do not have the time it takes to teach veterans how to apply to Federal jobs or to build the community connections to help veterans find jobs.

The jobless rate for OIF/OEF veterans between the ages of 18 to 24 was 21.1 percent in 2009. Furthermore, the Department of Labor reports one in three veterans under 24 is presently unemployed—and the unemployment rate for Iraq and Afghanistan veterans has jumped to 14.7 percent, half again as high as the national unemployment rate of 9.7 percent. Without sufficient staffing, the success of VR&E programs becomes extremely challenging, particularly due to the returning veterans from Iraq and Afghanistan and their more complex cases. Hiring more staff to meet the demands of these veterans is simply a must. The American Legion completely supports fully staffing VR&E with more vocational rehabilitation counselors and employment coordinators to lower case loads so these counselors/coordinators can provide more individualized attention to veterans throughout training and assist them in finding suitable employment.

Vocational counseling also plays a vital role in identifying barriers to employment and matching veterans' transferable job skills with those career opportunities available for fully qualified candidates. Becoming fully qualified becomes the next logical objective toward successful transition. Veterans' preference should play a large role in vocational counseling as well. The Federal Government has scores of employment opportunities that educated, well-trained, and motivated veterans can fill, given a fair and equitable chance to compete. Working together, all Federal agencies should identify those vocational fields, especially those with high turnover rates, suitable for VR&E applicants. Career fields like information technology, claims adjudications, and debt collection offer employment opportunities for career-oriented applicants that also create career opportunities outside the Federal Government.

CONCLUSION

No VA mission is more important at this time in our history—given the Nation's involvement in two wars and the uncertain economic situation—than enabling America's veterans to have a seamless transition from military service to the civilian workforce.

The success of the VR&E program will significantly be measured by these veterans' ability to obtain gainful employment and achieve a high quality of life. To meet America's obligation to these service-connected veterans, VA leadership must continue to focus on marked improvements in case management, vocational counseling, and most importantly, job placement.

VR&E's services are more critical than ever based upon more than 33,000 service-members being injured in Iraq and Afghanistan since 2001. The American Legion strongly supports VR&E programs and is committed to working with VA and other Federal agencies to ensure America's wounded veterans are provided with the highest level of service and employment assistance.

Again, thank you for the opportunity to submit the opinion of The American Legion on this issue.

Statement of Ann Neulicht, Chairwoman, Commission on Rehabilitation Counselor Certification

Madam Chairwoman and Members of the Subcommittee, thank you for inviting me to present testimony related to the Vocational Rehabilitation and Employment (VR&E) Programs. We appreciate the opportunity to provide this written testimony, as the Commission on Rehabilitation Counselor Certification (CRCC) was unable to make arrangements to provide verbal testimony. My testimony will highlight the continued need for qualified services through the VR&E programs, including the

VR&E National Acquisition Strategy (NAS) contracts, and how Certified Rehabilitation Counselors (CRCs) are uniquely qualified to provide services to veterans.

CRC Supports the Benefits of the VR&E Programs

CRC's mission is to promote quality rehabilitation counseling services to persons with disabilities through the certification of rehabilitation counselors and to provide leadership in advocating for the rehabilitation counseling profession. Veterans who have a service-connected disability are a growing population of individuals who receive essential career and independent living services from VR&E programs. They need services from those who are uniquely qualified to provide effective vocational rehabilitation services so that veterans may transition from military service to suitable employment or, for those who with severe disabilities who are unable to work, to independent living. We understand the VR&E to be conscientious about continually assessing its programs and services to ensure that veterans are receiving quality services from the point of initial evaluation to the end goal of suitable employment or independent living.

CRCs are uniquely qualified to provide the full range of services provided by VR&E including:

- comprehensive rehabilitation evaluation to determine abilities, skills, interests, and needs
- vocational counseling and rehabilitation planning
- employment services such as job-seeking skills, resume development, and other work readiness assistance
- assistance finding and keeping a job, including the use of special employer incentives
- if needed, training such as On the Job Training (OJT), apprenticeships, and non-paid work experiences
- if needed, post-secondary training at a college, vocational, technical or business school
- supportive rehabilitation services including case management, counseling, and referral
- independent living services

Overview of the CRC Certification Program

Incorporated in 1974, CRC is the world's largest rehabilitation counseling organization, currently certifying over 16,500 CRCs. Our CRC certification program has maintained long-standing national accreditation by the National Commission for Certifying Agencies, which demonstrates that our certification program meets the rigors of the best practice standards established by the industry. The majority of our applicants have a master's degree specifically in rehabilitation counseling with current eligibility criteria requiring a minimum of a master's degree in counseling including key course work in both rehabilitation/disability and counseling content along with experiential requirements. In addition to meeting eligibility criteria that include course work and experiential requirements, individuals must pass our national Certified Rehabilitation Counselor Examination (CRCE). The exam tests knowledge with regard to both rehabilitation/disability and counseling. Individuals must achieve a passing score on both sections of the exam in order to pass the exam as a whole. Those who achieve CRC certification demonstrate that they have met the national standard for rehabilitation counseling and have the unique skills to assist individuals with disabilities as they seek re-employment with a previous employer, rapid access to employment through job-readiness preparation, self-employment, employment via long-term training and education, and services to maximize independence in daily living for those unable to work. Once certified, individuals must demonstrate continued skill development through a program of continuing education or may take the CRCE, which is continually updated based on empirical research. CRCs must also abide by the Code of Professional Ethics for Rehabilitation Counselors, which mandates ethical behavior and supports best practices.

VR&E's National Acquisition Strategy Contracts

Although our direct knowledge of the success of the NAS contracts is limited, CRC has anecdotal information that supports a need for restructuring the program. We believe that an essential component of an outsourcing arrangement such as the NAS contracts is to identify and select appropriate individuals who are capable of providing quality services in a timely manner. We believe that CRCs are those uniquely qualified individuals who have the requisite skills and knowledge in order to provide quality career and independent living services. We understand, however, that requirements for those providing contract services were not aligned with the specific education and course work that highly qualified and skilled CRCs possess.

Whether as part of the NAS contracts or for primary staff, we would urge the VA to maintain high standards by aligning hiring standards to be inclusive of CRCs who are specifically trained in working with individuals with disabilities, such as the veteran population.

Funding and Improvements

Whether VR&E directly hires or contracts work, in order for qualified individuals to be interested in employment opportunities through the VA, the compensation must be adequate in order to compete with other employment opportunities. The VA is viewed as an employer of choice for many of our CRCs due to the fact that the VR&E programs provide them with the ability to provide the full scope of rehabilitation counseling services for which they are trained. Continuing to offer favorable pay and benefits as well as supporting their continuing education needs will allow VR&E to remain an employer of choice. Again, anecdotally, we understand that contractors were being offered less than desirable rates for contract work under the NAS contracts. VR&E must be funded in a manner that will allow them to support competitive wages for contractors, whether directly or indirectly through choice of vendors. Another opportunity for improvement that has been expressed anecdotally is with respect to the streamlining of paperwork so as to eliminate duplicative reporting and tracking. Doing so will allow employees and contractors to focus their efforts on providing quality and timely services resulting in optimal outcomes for veterans and for VR&E.

Concluding Remarks

Given the increasing demand for services for the many deserving veterans, CRCC fully supports the continuing need for the VR&E programs, their continued development and funding, and the advancement of hiring standards to recognize CRCs in both paid staff positions and for contracted work where rehabilitation counseling services are provided to individuals with disabilities. The population of veterans is not only increasing but the severity of disabilities is also increasing. It is important that quality services be provided by those who are uniquely qualified to provide them—Certified Rehabilitation Counselors.

Madam Chairwoman, this concludes my written testimony. I would be pleased to respond to questions from you or any of the other Members of the Subcommittee.

Statement of Paralyzed Veterans of America

Chairwoman Herseth Sandlin, Ranking Member Boozman, and Members of the Subcommittee, Paralyzed Veterans of America (PVA) would like to thank you for the opportunity to submit testimony concerning the issue of the Department of Veterans' Affairs (VA) Vocational Rehabilitation and Employment Program (VR&E). The Global War on Terror has produced a large number of men and women that have served the country and have returned to civilian life with one or more physical and or psychological wounds that creates barriers to entry, or reentry into the civilian workforce. PVA would like to thank Congress and this Subcommittee for all the support they put forth to help these disabled veterans and all veterans make this transition successful.

The purpose of the VR&E program as authorized under Chapter 31 of Title 38 U.S.C. is to provide comprehensive services to address the employment barriers of service-connected disabled veterans in an effort to achieve maximum independence in daily living, and to obtain and maintain gainful employment. VR&E also provides services to severely disabled veterans with a goal towards helping them achieve the highest quality of life possible, including future employment when feasible.

Currently, to be eligible for VR&E, the veteran must have been discharged under circumstances other than dishonorable; have a disability rating or memo rating of 10 percent or more, which was incurred in, or aggravated by such service, and be in need of vocational rehabilitation to overcome employment barriers caused by such service-connected disability. VR&E provides for 48 months of entitlement and the program may be utilized within 12 years from the date of initial VA disability rating notification, with an exception for those with a serious employment handicap.

During the process of testing, evaluating, and preparation of the rehabilitation plan for each qualified veteran, the VR&E program often uses contracted suppliers of these services to supplement their work load. The VA claims that this is the only possible option available to address the needs of veterans in remote geographic areas and provide some of the support functions such as administering testing procedures. In an effort to address and administrate the contracting process the VA de-

veloped the National Acquisition Strategy (NSA), which had problems from the beginning. These problems, as discussed in a previous hearing of this Subcommittee, were the result of a misunderstanding of expected goals, and inadequate performance on behalf of parties, VR&E services and the contractors.

PVA still questions the use of contractors to perform the individual one-on-one work with veterans. We are concerned that this one-on-one work with the veteran is being contracted out in order for the trained VA counselor to have time to complete required VA paper work. This is what we have been told by veterans familiar with the program. If this in fact is true, then this is certainly not the best use of the experienced VA counselor. Nonetheless, the VA claims that contracting out for services is necessary for VR&E to adequately serve all veterans.

Based on recent discussions with VR&E central office staff, PVA believes the contracting process for services is improving. All current and future contracting for services involves a clear understanding of the responsibilities as defined for both parties. In the future if PVA hears of problems with VR&E contracting services, or veterans not being served, we will share this information with the Subcommittee.

One issue that PVA service officers have brought to our attention is that every VA office interprets the regulations pertaining to the vocational rehabilitation program differently. This fosters inconsistent case management and a lack of accountability. Recently a spinal cord injured veteran participating in the vocational rehabilitation program had problems with punctual attendance for the prescribed program at a VA facility. This was due to a physical and medical condition related to his injury. The veteran was expelled from the program, against the veteran's wishes, because of his late arrivals. PVA believes this was a strict interpretation of the regulation for participation in the program. The veteran has a serious disability, and still wants to work! The VA should work with the veteran, not against the veteran.

VR&E should be more flexible with providing programs for veterans. The goal should be employment whenever possible, not just completing a prescribed course. This should include educational programs and nondegree employment training programs. Moreover, the VA should ensure that the training options offered through VR&E are compatible with the current 21st Century workplace.

Congressional funding for the VR&E programs must keep pace with veterans' demand for this service. Our veterans have made a sacrifice for our Nation, which is why our leaders must make a concerted effort to ensure that access to education, employment, and training opportunities are available for their transition to the civilian job market. There is a need for increased funding for staffing for VR&E including the Independent Living (IL) Program. The current counselor to client ratios is approximately 120 or 130 veterans to one counselor. This unacceptable ratio puts great pressure on the counselor and negatively impacts the effort spent with each veteran. The severely injured veteran requires more time and attention. With many seriously injured servicemembers returning from Iraq and Afghanistan who will need this assistance, PVA believes the funding should be increased. Veterans should never be discouraged from participating in VR&E. Although this keeps the demand for services at a lower level, it is not reflective of the current true demand for these services. Increased funding for the Independent Living program is a necessity. Many veterans that could qualify for the IL program are never informed of this option. This keeps the number of new participants to a minimum. The current cap on the IL program should be removed immediately. The IL program never exceeds the cap, or comes close to that number. The cap was placed on IL because it was classified as a pilot program, and the cap would allow VA to better monitor and evaluate the program. This peacetime cap which received a slight increase recently, is almost unimaginable during a period of extended conflict.

One problem with the VR&E program that the co-authors of *The Independent Budget* discuss in that publication is the 12 year limit on eligibility. The disability that a veteran has incurred has no time limit on the restrictions that it imposes on the veteran. Unfortunately, as time progresses many conditions may worsen and increase those limitations caused by the disability. Some new veterans of the current conflict are suffering injuries early in their military careers. Many by the age of 19 or 20 years old received an injury that renders them unable to continue to perform in their service occupations. This places the veteran out of the military, unfit for employment in the civilian work environment, and dealing with the emotional difficulty of their injury and perhaps suffering from Post Traumatic Stress Disorder (PTSD). During this time the veteran's eligibility is expiring as they try to reevaluate their life. In some situations it may take 10 to 15 years before the veteran is ready to even consider employment.

A problem that PVA service officers from various regions of the country have reported is that the VA counselors try to persuade the veteran not to get involved with

vocational rehabilitation. The delimitation occurs when the veteran is rated at 50 to 60 percent disabled, or greater. If the veteran expresses a desire for rehabilitation to perhaps some day become employed, the counselor often persuades them that they are too disabled to work and that they should resubmit a claim to increase the percentage of disability. With this advice coming from the experienced VA counselor most veterans in this situation are reluctant to pursue the VR&E program. PVA believes that any disabled veteran that has an interest in future employment should be encouraged and supported to pursue this interest, not discouraged from this option.

A crucial issue that is discussed in *The Independent Budget* is the lack a subsistence allowance for those attending the VR&E program. Although preliminary numbers do not show a large detraction from VR&E participants by the new GI Bill, it is obvious that many will not select the VR&E, or later dropout of the program to enroll in the GI Bill because of the living allowance that is included in that program. Congress should enact legislation to authorize a subsistence allowance that is equivalent to the allowance in the GI Bill.

Chairwoman Herseth Sandlin, Ranking Member Boozman, and Members of the Subcommittee, this concludes our written testimony. We will be happy to work with this Subcommittee in the future as it continues to address the oversight of the VR&E program.

**Statement of Eric A. Hilleman, Director, National Legislative Service,
Veterans of Foreign Wars of the United States**

MADAM CHAIRWOMAN, RANKING MEMBER BOOZMAN, AND MEMBERS OF THIS COMMITTEE:

On behalf of the 2.1 million members of the Veterans of Foreign Wars of the United States and our Auxiliaries, the VFW would like to thank this committee for the opportunity to present its views on this very timely issue.

The VA's Vocational Rehabilitation and Education (VR&E) program is first and foremost an employment program. We must consider how a VR&E program of the 21st Century will best serve the influx of service-disabled veterans by preparing them sustainable careers. The current economic downturn is creating new challenges for injured veterans and to VR&E. We must have career-focused programs that focus on the ever-changing needs of service-connected disabled veterans.

Simply put, VR&E needs to be flexible in providing the training (and in some cases retraining) and education necessary to allow disabled veterans to achieve their short and long-term career goals. Conversely, VR&E also needs to be adaptable in assisting disabled veterans to overcome the obstacles created by changing job markets—brought on by corporate downsizing, small business closures and economic uncertainty. To be truly effective, the program must be focused on a goal of avoiding disability-related unemployment later in life.

This generation of injured veterans is unique in that they survived injuries that just a generation ago would have been fatal. Regardless of the severity of injury, the VR&E program of the future must adapt to their needs, give them every opportunity to succeed both personally and professionally, with the highest level of independence possible.

VR&E BRIEF OVERVIEW

The sole purpose of the Veterans Benefits Administration's VR&E program, as authorized under Chapter 31 of 38 U.S.C., is to provide comprehensive services to address the employment handicaps of service-connected disabled veterans in an effort to achieve maximum independence in daily living, and to obtain and maintain gainful employment. Furthermore, VR&E provides services to severely disabled veterans with a focus on helping them achieve the highest quality of life possible, including future employment when feasible.

In 1918, Congress passed the Vocational Rehabilitation Act to increase the probability for a seamless transition into suitable employment that is consistent with a qualifying veteran's competencies and interests through successful rehabilitation. This program was administered by the Federal Board for Vocational Education. On August 24, 1921, VR&E was transferred to the soon-to-be created Department of Veterans Affairs. Legislation would later expand VR&E, specifying that any eligible veteran may receive up to 4 years of training specifically directed to rehabilitation and the restoration of employability.

VR&E eligibility is based on a veteran being separated with a higher than dishonorable discharge rating; have a disability rating of 10 percent or more; and be in

need of vocational rehabilitation to overcome employment handicaps caused by such service-connected disability. A veteran is eligible for maximum of 48 months of education entitlement (any of which may be used in VR&E), and the program must be completed within 12 years from the date of disability rating notification from VA, with an exception for those with a serious employment handicap.

The process begins when a case manager is assigned to the veteran. The case manager works with a Vocational Rehabilitation Counselor (VRC) to determine the extent of a disabled veteran's employment handicap(s). A rehabilitation plan is developed by the VRC and the veteran outlining goals of the VR&E program and the means they will be achieved. The VRC and the case manager then help the veteran for up to 18 months through ongoing case management to achieve the goals of the agreed upon written plan for employment or independent living. Services provided include, but are not limited to, referrals for medical and dental services, coordination of training allowances, education counseling for children and spouses of veterans who have a permanent and total service-connected disability, testing for aptitude, and tutorial assistance.

Under the current VR&E program, a veteran whose eligibility and entitlement have been established must not only complete the rehabilitation plan, but he or she will also be tracked to attainment of suitable employment based on the plan's goals. This is called the "Five-Track Service Delivery System." The five tracks are:

1. Re-employment: Helps veterans and members of the National Guard and the Reserves return to jobs held prior to active duty.
2. Rapid Access to Employment: Emphasizes the goal of immediate employment, and is available to those who already have the skills to compete in the job market in appropriate occupations.
3. Self-Employment: For veterans who have limited access to traditional employment, who need flexible work schedules or a more accommodating work environment because of their disabling conditions or other special circumstances.
4. Employment through Long-Term Services. Assists veterans who need specialized training or education to obtain and maintain suitable employment.
5. Independent Living Services. For veterans who may not be able to work immediately, and may need additional rehabilitation to enable them to live more independently.

From its inception, VR&E has adapted to better reflect veterans' current circumstances. For example, we applaud this Subcommittee for increasing the cap on the number of veterans eligible for the Independent Living track.

How "successful rehabilitation" is defined has evolved, too. Before 1980, completion of a training program for suitable employment and not actual job placement was considered a success. This was identified as a problem area and has been improved. Furthermore, in partnership with the Department of Labor, employers, and other relevant federal agencies have made increased employment opportunities for program participants. Finally, outreach and early intervention efforts have been expanded and integrated into the U.S. Army Wounded Warrior Program, the Marine Wounded Warrior Battalion, the Navy's Safe Harbor program, and the Air Force Wounded Warrior commands.

VFW's VISION FOR VR&E

With the advent of the Post-9/11 GI Bill, hundreds of thousands of veterans are currently improving their career trajectory through education. Their success is a direct result of Congress's decisive action to completely overhaul the GI Bill. That same congressional attention is needed for other veterans' training and education programs.

The VFW envisions a VR&E for Life program, one that adapts to the changing needs of the employment market and the evolving nature of the individual veteran's disability. Our Nation's obligation to disabled veterans is unparalleled. Our veterans have lifelong injuries and disabilities; so, too, should their access be to valuable training and education programs that will allow them to achieve higher levels of independence, self-confidence and life-long career opportunities.

- **Remove the Delimiting Date for VR&E.** Currently, the delimiting date for VR&E is set to 12 years after military separation or 12 years following the date of rating for a service-connected disability. Eliminating VR&E's delimiting date would allow veterans to access it on a needs basis for the entirety of their employable lives, thus allowing retraining when necessary and lifelong access to VR&E employment services.
- **Increase VR&E's Educational Stipend to Reflect Chapter 33.** Chapter 33 provides a far more equitable living stipend that reflects the real world costs. VR&E falls dramatically short of aiding veterans with the real costs of living.

For this reason, the VFW strongly urges Congress to create a cost of living stipend that mirrors the Chapter 33 stipend, which reflects the basic allowance for housing of an E-5 with dependents rate, based on zip code.

- ***Additional Assistance for Veterans with Dependents under VR&E.*** The VR&E educational track provides insufficient support for many veterans with dependents. Many seriously disabled veterans are unable to pursue education or training options due to limited resources and the immediate need to support their families. The VFW calls on Congress to create a viable VR&E program to provide childcare services to those veterans pursuing education and training.
- ***Jump Start VR&E Enrollment.*** It can take months from the date a veteran files for services under VR&E until he or she enters into a training or education program. This is because VR&E requires validation of entitlement, skill and interest assessment of the veteran, and then authorization of the training or education program. The VFW believes entrance into training or education should be implicit once a veteran is deemed eligible. The skill and interest assessment should serve solely to help a veteran better focus their efforts, not as a pre-qualifier.
- ***Measure Veterans Long-Term Employment Under VR&E.*** Currently, the measure of success is the number of veterans gainfully employed for a period of 60 days after completing a VR&E program. Such a short-term measurement limits the VR&E program to short-term goals instead of properly helping disabled veterans succeed for life. The VFW urges Congress to redefine the VR&E program's goals to focus on the long-term. It should be tracked if a disabled veteran becomes unemployed at any point over their career. If the measure of success was based on long-term employability, then VR&E placement officials will give more credence to career options vice 60 days of employment.

Madam Chairwoman, this concludes my testimony. I will be pleased to respond to any questions you or the members of your committee may have. Thank you.

MATERIAL SUBMITTED FOR THE RECORD

Committee on Veterans' Affairs
 Subcommittee on Economic Opportunity
 Washington, DC.
 May 13, 2010

Ms. Ruth Fanning
 Director, Vocational Rehabilitation and Employment Service
 Veteran Benefits Administration
 U.S. Department of Veterans Affairs
 810 Vermont Ave., NW
 Washington, DC 20420

Dear Ms. Fanning:

I would like to request your response to the enclosed questions for the record I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on *Status of Vocational Rehabilitation and Employment Programs* on May 6, 2010. Please answer the enclosed hearing questions by no later than Friday, June 25, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin
 Chairwoman

JL/ot

Questions for the Record
Chairwoman Herseth Sandlin
U.S. House of Representatives Subcommittee on Economic Opportunity
Hearing on Status of VR&E Programs
May 6, 2010

Question 1: What are some of the lessons learned from the last National Acquisition Strategy?

Response: The following bullets outline lessons learned from the last National Acquisition Strategy (NAS). Many of these lessons have been incorporated into the new VetSuccess Contracts:

- The NAS emphasized using as few contracts as possible. This resulted in many teaming arrangements and small companies partnering with subcontractors—in some cases, multiple subcontractors. This strategy drove prices up and added administrative burden for both VA and the contractors. In addition, it failed to fully value vendors in the labor market with knowledge of local resources of the geographic area to be served. Further, it required VA's Contracting Officer and Vocational Rehabilitation and Employment (VR&E) Divisions to deal directly with prime contractors to resolve problems with subcontractor work, often adding significant complexity when the prime was not familiar with the particular Veteran(s) cases or the prime was not responsive to working with VA to resolve issues. This issue has been corrected, and new awards will be made at the regional office level.
- When the contracts were designed, a decision was made to link minimum values to specific service packages, rather than a total dollar value. This reduced the flexibility of offices to use contract services based on need. In addition, minimum quantities were overestimated, forcing VA in some regions to contract beyond necessary quantities and creating the need to shift resources to maintain

efficiency. This issue has been corrected by conducting a structured and thorough analysis of contract needs in each region.

- During the initial evaluation and award phase, the communication between the Office of Acquisition, Logistics, and Construction (OALC) and the program office was flawed and resulted in pricing issues not being properly identified. During the recompetition, the information will be shared to ensure comprehensive evaluations are conducted and potential issues readily identified.
- Because the NAS encouraged teaming and subcontracting, some vendors overextended their small companies to cover large regions of the country. They had difficulty recruiting subcontractors and had widespread timeliness and quality problems. In many cases, they refused referrals, returning them weeks or months after referral. It appears that these companies, although well intentioned, overextended themselves, with the result being poor service to Veterans and an inordinate amount of VA time spent attempting to resolve performance problems. VA has resolved this issue by requiring vendors to identify professional office locations and staff pre-award. In addition, VA plans to award no more than three contracts to any one vendor; however VA reserves the right to do so if technical and past performance ratings indicate the capability of vendors to perform well.
- During the NAS contracts, vendors complained of nonpayment of deliverables when reports and bills were submitted, but deliverables were not acceptable. This is corrected in the new contract by implementing procedures that require VA to conduct quality reviews of deliverables and accept or reject deliverables (with cause). Invoicing may not occur until deliverables have been accepted.
- Although extensive training was provided pre-performance, some vendors complained of variance in referral formats, report templates, and quality review processes. All of these processes have been standardized in the new contracts.
- One contracting officer, who was replaced immediately following an award, oversaw the NAS contracts. This created a huge burden on one individual to deal with widespread contractor performance problems and respond to the needs of numerous Contracting Officer Technical Representatives and field contracting specialists. The new contracts are administered by a team of contracting officers and field contracting specialists, who will be delegated administrative contracting officer duties and can more timely resolve basic contractor performance issues.
- Some vendors complained that VA's invoicing system is not automated. VA is working with the Austin Administrative and Loan Accounting Center (ALAC) to develop an automated referral and invoicing system that will allow vendors to view the status of billing and provide VA with enhanced reporting and tracking of obligations, expenditures, and invoices.

Question 2: Of the five Vocational Rehabilitation and Employment program tracks, can you share with us the average number of days veterans spend per track and the rehabilitation rate?

Response: The number of Veterans rehabilitated as employed this fiscal year to date is 5,826. Of that number, 1,162 are independent living cases. The national rehabilitation rate is 76.6 percent, which exceeds the target goal of 76 percent. The national employment rehabilitation rate is 73.3 percent, approaching the target goal of 75 percent. The national independent living rehabilitation rate is 93.4 percent, exceeding the target goal of 92 percent.

Since a Veteran can navigate through multiple tracks during his/her rehabilitation plan, the rehabilitation rate is calculated based on the type of rehabilitation plan a Veteran completes, not the track(s) selected by the Veteran. Timeliness from when the Veteran signs a rehabilitation plan to successful completion of the plan of service is tracked; however, only current track selection is tracked due to the fluidity of the selection process. The 5-Tracks to Employment model was designed to re-emphasize the employment focus of the VR&E program and not as a performance tool. The method for tracking timeliness and rehabilitation rate is measured based on the type of plan of services the Veteran completes.

The 5-Tracks of Employment model was implemented as a strategy to enhance the program's clarity for Veterans and re-emphasize the program's focus on employment. The language of the 5-Tracks of Employment model is Veteran-friendly and helps to describe the types of services the VR&E program provides more clearly for all stakeholders. Each plan of service is individualized to meet the needs of each Veteran, and the tracks of services are fluid and move within plans of service.

Track selection occurs within three types of rehabilitation plans: Individualized Written Rehabilitation Plan, Independent Living Plan, and Employment Assistance

Plan. The table below illustrates the 5-tracks and how they fit within the 3 types of plans.

5-Tracks to Employment Model					
VR&E Service	Re-employment	Employment Through Long-term Services	Self-Employment	Independent Living	Rapid Access to Employment
Plan of Services	IWRP	IWRP	IWRP	IILP	IEAP
	IEAP	IEAP	IEAP		

The Employment Track a Veteran begins may change during the life of his or her program; therefore, tracking timeliness amongst tracks does not illustrate the amount of time it takes to successfully complete a plan of services. Successful completion of VR&E services is measured based on the plan of services entered and timeliness is tracked per plan of services rather than track selection.

Length of time to complete plan of services:

- Individualized Written Rehabilitation Plan (IWRP)
 - FY 2009 Average Days to Rehabilitation: 1,094 (2.9 years)
 - FY 2010 to date Average Days to Rehabilitation: 1,085 (2.9 years)*
- Individualized Independent Living Plan (IILP)
 - FY 2009 Average Days to Rehabilitation: 398
 - FY 2010 to date Average Days to Rehabilitation: 402*
- Individualized Employment Assistance Plan (IEAP)
 - FY 2009 Average Days to Rehabilitation: 315
 - FY 2010 to date Average Days to Rehabilitation: 267*

* FY 2010 data are through May 24, 2010

The below table provides additional information about the types of programs completed by Veterans who were successfully rehabilitated in FY 2009.

Veterans Successfully Rehabilitated Pre and Post Annual Earnings by Occupational Category Fiscal Year 2009			
Types of Programs	Total	Average Annual Wages Prior to VR&E Program Entrance	Average Annual Wages at Rehabilitation
Professional, Technical, and Managerial	6,232	\$7,522.27	\$36,598.17
Clerical	561	\$5,238.31	\$27,849.01
Service	409	\$5,757.86	\$27,850.27
Miscellaneous	300	\$6,100.04	\$31,384.80
Machine Trades	253	\$7,309.09	\$30,712.41
Structural (Building Trades)	195	\$9,631.57	\$33,249.72
Sales	164	\$5,022.51	\$28,657.39
Benchwork	47	\$5,114.04	\$27,653.11
Processing (Butcher, Meat Processor, etc.)	20	\$5,896.80	\$35,064.00
Agricultural, Fishery, and Forestry	32	\$6,532.50	\$21,217.13
Total	8,213	\$5,664.44 Avg	\$32,374.60 Avg

Question 3: What is the average amount of time spent by a Veteran in an IL program and what is the maximum amount of time a Veteran can be in the program?

Response: As of May 24, 2010, the average number of days a Veteran spends pursuing a plan of independent living (IL) services is 402 days. The length of time a Veteran spends in IL status varies depending on severity of disability and type of services needed. An IL plan of services can be written to cover a period of 24 months; however, extensions of 6-month intervals can be granted upon approval of the regional office VR&E Officer and Vocational Rehabilitation Panel. A Veteran receiving over 36 months of independent living services must have served on active duty during Post 9/11 Global Operations and have a severe disability incurred or aggravated in such service.

Question 4: How is veterans' enrollment into the Vocational Rehabilitation and Employment program being streamlined?

Response: VR&E is undertaking a business process re-engineering (BPR) initiative that focuses on streamlining initial-evaluation and case-management processes. The goal is to replace manual processes with more automated processes that will increase efficiency and improve service delivery. This includes corporate database enhancements. The initial BPR will focus on the following areas:

- Forms improvement and consolidation
- Updated quality standards
- Professional and administrative role analysis and redesign
- Caseload and staffing analysis
- Knowledge management portal
- Technology enhancements
 - Remote case-management requirements and protocols
 - Online appointment scheduling and automated confirmation of appointments
- Case-management portal requirements (business rules for paperless processing)

A BPR exercise will be conducted with our national managers at the VR&E Workload Management and Leadership Training Conference the week of July 12, 2010. This exercise will focus on identifying other short and long-term strategies to simplify the program for Veterans and streamline administrative processing for VR&E staff. Initial progress on streamlining the administrative processing will occur during the 4th quarter of FY 2010.

Question 5: (a) What does the Independent Living Program's rehabilitative plan process consist of? (b) Veterans are concerned that they have waited several months to receive a finalized rehabilitative plan. Why does the rehabilitative plan process take several months to finalize? (c) How is the rehabilitative plan process being streamlined?

Response (a): Each Independent Living (IL) rehabilitation plan is individually tailored to meet the Veteran's needs. The complexity of the plan of services varies depending on the severity of disability, extent of coordination of services with other VA and non-VA programs, and participation of the Veteran. Prior to finalizing an IL plan of services, the Veteran must complete the evaluation and planning process like any other Veteran applying for VR&E services. During that period, the feasibility of pursuing a vocational goal must be determined. If the counselor determines that an employment goal is not feasible, an analysis of independent living needs is completed.

This analysis of IL needs begins with a preliminary assessment, completed by the counselor. If it is determined that the achievement of appropriate IL goals is not feasible, or potential IL needs cannot be identified, the VR&E Officer must concur with this decision. When potential IL needs are found, the next steps is the completion of a comprehensive assessment of specific IL needs. A staff member or provider with specialized IL experience and/or training performs this assessment.

The assessment of IL needs and the coordination of services to address them often require the counselor to work closely with the Veterans Health Administration (VHA) and other health-care providers. This coordination and consultation ensures that available VHA resources are utilized and that the Individualized Independent Living Plan includes services within and outside the VA system to effectively address IL needs. The VR&E Officer must concur with all Independent Living plans.

The steps involved in the Chapter 31 process are as follows:

Step 1: Application

- Application received (VONAP or 28-1900)
- Veteran's eligibility established
- Schedule Veteran for initial counseling appointment if eligible

Step 2: Entitlement Decision

- Vocational Rehabilitation Counselor (VRC) meets with Veteran
- Conduct VR&E orientation to include Orientation Video
- Conduct vocational evaluation to assess skills, abilities and interests
- Determine employment handicap (VR&E entitlement criteria) and serious employment handicap
- Determine feasibility for employment

Step 3: Evaluation and Planning

- Work with veteran to identify track
 - Re-Employment
 - Rapid Access to Employment
 - Self Employment (monitor 1 year minimum)
 - Employment Thru Long-Term Services
 - Independent Living (24 month maximum with 6 month extension by VR&E Officer)
- Establish vocational or independent living goal
- Define services needed
- Develop written plan of services

Step 4: Service Delivery

- On-going case management
- Provide necessary services as identified in the rehabilitation plan

Step 5: Rehabilitated

- Held suitable employment or improved ability to live independently

Response (b): The evaluation and planning process can be complex depending on the Veteran's needs; however, the VA counselor expedites this process as much as possible since Veterans with IL needs are among the most severely disabled. The chart below provides the average number of days elapsed for Veterans to move from evaluation/planning case status to independent living case status compared to the time for all plans.

IL Plans:

2009	2010
147 days	159 days

All Plans:

2009	2010
102 days	110 days

Response (c): For independent living plans, the business process reengineering (BPR) initiative focuses on the initial evaluation process that includes form consolidation and electronic submission of the medical referral form for VHA medical appointments and recommendations of medical equipment.

The full BPR effort described in the responses to question 4 is expected to benefit Veterans found infeasible for employment and in need of independent living services. As always, VR&E will also continue to incorporate IL services into employment plans when needed.

