

STATEMENT OF
THE HONORABLE
ANTHONY J. PRINCIPI
SECRETARY
DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

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Mr. Chairman and Members of the Committee:

I welcome this opportunity to appear before the committee to discuss my goals for VA because the achievement of our national goals will have a direct effect on VA's services and benefits for Indiana's veterans.

Our goals, based on my five-part vision for VA, encompass health care, benefits, medical research, our national cemeteries, and VA's business practices. No one goal can be achieved in isolation – VA's future success requires an integrated plan of action.

VA is no longer the brick-and-mortar monolithic institution that it once was. And that's as it must be. Quality of care and management issues at Richard L. Roudebush VA Medical Center and across the landscape of the Northern Indiana Health Care System require an integrated and flexible plan of action – an action plan that can address multiple conditions simultaneously across the entire VA network.

This is the 21st Century. Veterans have become accustomed to computers that multi-task, to delivery services that send packages around the world in hours, and to getting answers to questions at the press of a key.

Indiana's 573,000 veterans have earned the right to access a 21st Century-capable network of care and services from VA – and they should not have to accept anything less than timely, compassionate, and effective delivery of such care and services.

In the past few years, VA has dramatically transformed the veterans health care system. Our Veterans Health Administration moved from an inpatient model of care, characterized by a limited number of large facilities often far from a veteran's home, to an outpatient model providing veterans with care at over 800 new sites.

Today, we provide better quality care than ever before. With 27,000 fewer employees, VA provided care to about 930,000 more veterans across the country in 2000 than we did in 1993.

I am committed to seeing VA become the nation's recognized leader in providing high-quality health care to a clearly-defined segment of the American people. In particular, I want us to lead in the areas where we have a unique role to play in America's health care: spinal cord injuries, blind rehabilitation, severe psychological conditions, geriatric care, and care for veterans who do not otherwise have access to good healthcare options.

The Northern Indiana Health Care System – comprising the Marion and Ft. Wayne Medical Centers, and its Community Based Outpatient Clinics in South Bend and Muncie – when coupled with the Roudebush Medical Center and its two clinics in Bloomington and Terre Haute, and our Regional office in Indianapolis, responds daily to the broadest possible range of medical and benefits issues for Indiana’s veterans.

Each component of the system contributes a depth of expertise that makes the whole system responsive to the varied needs of Indiana’s veterans. Whether it’s neuropsychiatric referral at Marion, surgical services at Ft. Wayne, or medical research in Indianapolis, VA has a resource to meet every challenge.

Dr. Michael Murphy can present a more detailed picture of the Northern Indiana Health Care System, but I want to stress up front that VA works best when we work together – and here in Indiana, we are working as a team on behalf of all Indiana’s veterans.

The Roudebush Medical Center is an outstanding example of what VA is becoming – an unmatched nexus for treatment, rehabilitation, and research for America’s veterans.

Robert Sabin, our Director of the Roudebush Medical Center, can fill in the details about the center's work, but let me say that from AIDS research to prosthetics services to homeless veteran programs to cardiac care, the Roudebush Medical Center places veterans at the very heart of care and respect.

The Roudebush Center has a long and proud history of taking care of Indiana's veterans: More than 38,000 veterans from 33 counties visit the Medical Center annually. In keeping with my vision of improving and raising VA's research profile, the Roudebush Medical Center is actively engaged in some of the most important research on AIDS, Alzheimer's Disease, Hepatitis, and cancer.

The Roudebush Medical Center also has been funded for a research project to evaluate telemedicine applications for home care.

Other initiatives include working with the Institute for Healthcare Improvements (IHI) on projects to decrease waiting times in clinics and delays with veterans obtaining appointments; evaluating the patient advocacy program; working with the IHI to reduce adverse drug events; and bar coding for inpatient pharmacy.

VA medical facilities in Indiana are undertaking a number of quality and safety initiatives to continually improve quality.

The Computerized Patient Record System (CPRS) began in 1998 and is now used throughout the state's VA system. CPRS insures that a patient's primary doctor receives all data on that patient's care, regardless of source.

These new programs, and the improvements to come, will have a direct impact on my vision for VA to become the nation's recognized leader in disability compensation and disability evaluations. This is a core mission our department and we must do better. It is the foundation upon which the VA is built and the basis for our programs.

The quality of veterans' disability evaluations conducted at the Roudebush Medical Center, as well as improvements in the management of veterans' health records, will be reflected in the timeliness and quality of the delivery of health-related benefits and the adjudication of veteran's claims.

On that point, let me reaffirm my goal to reduce the enormous backlog of 650,000 claims that are currently pending before our department. We must have claims decisions made in ninety days, and done right the first time. We've done it before, we will get there again. Jeffrey Alger, Director of our Regional office here in Indianapolis, will provide details about benefits services provided locally.

Last spring, I commissioned a Claims Processing Task Force, headed by Admiral Dan Cooper, to conduct a top to bottom review of our claims system. The Task Force will soon provide me with recommendations to speed our decisions by changing our organizational and administrative procedures.

I have not waited for the task force's report to take action. Since January 20th, VA has added more than 900 decision makers to help reduce the claims processing backlog, and we will add 60 more before the end of September. By the end of this fiscal year we will have hired an additional 1400 employees and trained them in proper claims processing procedures.

In response to the President's direction, I am forming a "Tiger Team" to take on the oldest claims filed by the oldest veterans. I never again want to report to the President, or to the Congress, that a veteran has died while his or her claim languished in a VA file drawer.

The Tiger Team will make decisions on claims filed by veterans over age 70 whose claims are now over a year old. If the claim is waiting for medical information, the Team will have my authority to cut through the red tape to get the necessary records or exams.

My vision for VA includes recognition of National Cemeteries as National Shrines. Health care at the Roudebush Medical Center can help Indiana's veterans achieve the best possible life. But when a veteran dies, he or she must be accorded the highest honor the Nation can bestow. How we care for our veterans in death says much about our nation's respect for their lives.

And finally, Mr. Chairman, let me address for a moment my fifth vision, that VA must use sound business principles to accomplish our mission. We must use the resources entrusted to us as efficiently and effectively as possible. All our VA Medical Centers, clinics, and outreach health facilities will benefit from improvements in the way we conduct our operations.

I have established an Acquisition Reform Task Force to make recommendations on much-needed reforms in our \$5 billion procurement program for goods and services. These reforms will have an impact on all our services, and I would expect that the Roudebush Medical Center would be a beneficiary of improvements in VA's business practices.

Mr. Chairman, I assure the Committee that VA is making significant strides toward becoming the best health-care system in the world. VA Medical Centers like the Roudebush Medical Center are leading the way to that goal. We are committed to redeeming the debt we owe to Indiana's veterans – and to all our Nation's veterans.

Mr. Chairman, that concludes my remarks.