



Department of
Veterans Affairs

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News Release

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Care and Benefits for Veterans Strengthened by \$153 Billion VA Budget

WASHINGTON – Continuing the transformation of the Department of Veterans Affairs into a 21st century organization, the President has proposed a \$152.7 billion budget, a 10.2 percent increase over Fiscal Year 2013, that will support VA's goals to expand access to health care and other benefits, eliminate the disability claims backlog, and end homelessness among Veterans. The budget includes \$66.5 billion in discretionary spending, largely for healthcare, and \$86.1 billion for mandatory programs – mostly disability compensation and pensions for Veterans.

“This budget will have a positive impact on the lives of Veterans, their families and survivors for generations to come,” said Secretary of Veterans Affairs Eric K. Shinseki. “The President believes in Veterans and their families and believes in providing them the care and benefits they’ve earned and deserve.”

The \$66.5 billion total in discretionary spending includes approximately \$3.1 billion in collections from health insurers and Veteran copayments in addition to the \$63.5 billion in discretionary funding announced last week.

“VA’s commitment to Veterans spans generations,” Shinseki added. “From the men and women of ‘the greatest generation’ to the Veterans who have returned from Iraq and those returning from Afghanistan, VA will make sure our benefits are useful and accessible.”

VA operates the largest integrated health care system in the country with nearly 9 million enrollees; the eighth largest life insurance program; monthly disability pay, pensions and survivors payments to more than 4 million people; education assistance to 1 million students; mortgage guarantees to 1.5 million homeowners; and the largest cemetery system in the nation.

Here are highlights from the President’s 2014 budget request for VA.

Health Care

With a medical care budget of \$54.6 billion, VA is positioned to provide care to 6.5 million Veterans in the fiscal year beginning Oct. 1. The patient total includes 675,000 people whose military service began after Sept. 11, 2001.

Major spending categories within the health care budget are:

- \$6.9 billion for mental health;
- \$4.1 billion for health care for Veterans of Operation Enduring Freedom, Operation Iraqi Freedom and Operation New Dawn;
- \$2.5 billion for prosthetics;
- \$601 million for spinal cord injuries;
- \$246 million for traumatic brain injuries;
- \$230 million for readjustment counseling; and
- \$7.6 billion for long-term care.

Expanding Access

The President's proposed budget would ensure that care and other benefits are available to Veterans when and where they need them. Among the programs that will expand access under the proposed budget are:

- \$460 million in home telehealth funding, which helps patients monitor chronic health care problems through innovative uses of the telephone, a 4.4 percent increase over the current year;
- \$422 million for women-specific medical care, an increase of nearly 14 percent over the present level;
- \$799 million for the activation of new and enhanced health care facilities;
- \$16 million for the construction of three new national cemeteries; and
- \$8.8 million for "VetSuccess on Campus" at 84 facilities, a program that helps Veterans transition to college life.

Eliminating Claims Backlog

The President's proposed budget provides for full implementation of VA's robust Transformation Plan -- a series of people, process and technology initiatives -- in FY14. This

plan will systematically reduce the backlog and reach Shinseki's 2015 goal - to eliminate the claims backlog and process all claims within 125 days with 98 percent accuracy.

Major transformation initiatives in the budget proposal invest \$291 million to bring leading-edge technology to the claims backlog, including:

- \$136 million for Veterans Claims Intake Program (VCIP); and
- \$155 million for the next generation of the electronic claims processing system Veterans Benefits Management System (VBMS).

Eliminating Veterans Homelessness

A major strategic goal for the Department is to end homelessness among Veterans in 2015. The budget request targets \$1.4 billion for programs to prevent or reduce homelessness, which includes:

- \$300 million for Supportive Services for Veteran Families (SSVF) to promote housing stability;
- \$278 million for the HUD-VASH program wherein VA provides case management services for at-risk Veterans and their families and HUD provides permanent housing through its Housing Choice Voucher program; and
- \$250 million in grant and per diem payments that support temporary housing provided by community-based organizations.

Veterans Job Corps

Too many Veterans take off their uniforms only to join the ranks of the unemployed. In March, 2013, about 783,000 Veterans were unemployed, a figure that includes 207,000 unemployed Post-9/11 Veterans.

This budget proposes a Veterans Job Corps, focused on investing in Veterans' skills and experience, putting tens of thousands of Veterans into civilian jobs. Budget features of this initiative include:

- \$1 billion in mandatory funds to help unemployed Veterans;
- A target of putting 20,000 Veterans to work within the next five years in conservation, law enforcement and infrastructure jobs on public lands;

- Developing back-to-work programs for Veterans with other federal agencies, including the departments of the Interior and Agriculture, the National Oceanic and Atmospheric Administration, and the Army Corps of Engineers; and
- Supporting job-producing projects with contracts and grants with non-federal organizations, such as states, nonprofits and private businesses.

Other Services for Veterans

Other features of the administration's FY 2014 budget request for the department are:

- \$250 million to administer the VA-run system of national cemeteries;
- \$3.7 billion for information technology; and
- \$1.2 billion in construction, cemetery grants and extended care grants.

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