



**Department of
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News Release

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Care and Benefits for Veterans Strengthened by \$164 Billion VA Budget

WASHINGTON – Continuing the transformation of the Department of Veterans Affairs (VA) into a 21st century organization, the President has proposed a \$163.9 billion budget, a 6.5 percent increase over Fiscal Year 2014, 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 \$68.4 billion in discretionary spending, largely for healthcare, and \$95.6 billion for mandatory programs – mostly disability compensation and pensions for Veterans.

“This budget will allow us to continue the progress we have made in helping Veterans secure their place in the middle class,” said Secretary of Veterans Affairs Eric K. Shinseki. “It is a tangible demonstration of the President’s commitment to ensuring Veterans and their families have the care and benefits they’ve earned and deserve.”

The \$68.4 billion total in discretionary spending includes approximately \$3.1 billion in medical care collections from health insurers and Veteran copayments.

“We remain committed to providing Veterans the opportunity to pursue their education, find meaningful employment and access high-quality health care,” Shinseki added. “From the men and women of ‘the greatest generation’ to the Veterans who have returned from our most recent conflicts in Iraq and Afghanistan, no one deserves it more.”

VA operates one of the largest integrated health care systems in the country with nearly 9 million enrollees; the ninth largest life insurance program; monthly disability pay, pensions and survivors payments to more than 5.1 million beneficiaries of monthly pay, pensions and survivor benefits; education assistance or vocational rehabilitation benefits and services to 1.2 million students; mortgage guaranties to over 2 million homeowners; and the largest cemetery system in the nation.

Here are highlights from the President’s 2015 budget request for VA.

Health Care

With a medical care budget of \$59.1 billion, including collections, VA is positioned to provide care to 6.7 million patients in the fiscal year beginning Oct. 1. The patient total includes over 757,000 people whose military service began after Sept. 11, 2001.

Major spending categories within the health care budget are:

- \$7.2 billion for mental health;
- \$2.6 billion for prosthetics;
- \$561 million for spinal cord injuries;
- \$229 million for traumatic brain injuries;
- \$238 million for readjustment counseling; and
- \$7.0 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:

- \$567 million in telehealth funding, which helps patients monitor chronic health care conditions and increases access to care, especially in rural and remote locations;
- \$403 million for health care services specifically-designed for women, an increase of 8.7 percent over the present level;
- \$534 million for the activation of new and enhanced health care facilities;
- \$562 million to continue on-going major construction projects;
- \$86.6 million for improved customer service applications for online self-service portals and call center agent-assisted inquiries; and
- \$3.6 million to open two new national cemeteries in Florida and prepare for the opening of two new rural national Veterans burial grounds.

Eliminating Claims Backlog

The President's proposed budget provides for full implementation of the Veterans Benefits Administration's (VBA) robust Transformation Plan -- a series of people, process and technology initiatives -- in FY 2015. This plan will continue to systematically reduce the backlog and enable the Department to reach its 2015 goal - to eliminate the disability claims backlog and process all claims within 125 days with 98 percent accuracy.

Major transformation initiatives in the budget proposal invest \$312 million to bring leading-edge technology to the claims backlog, including:

- \$173 million (\$137 million in Information Technology and \$36 million in VBA) for the next generation of the electronic claims processing system Veterans Benefits Management System (VBMS); and
- \$139 million for Veterans Claims Intake Program (VCIP) to continue conversion of paper records into electronic images and data in VBMS.

Eliminating Veterans Homelessness

A major strategic goal for the Department is to end homelessness among Veterans in 2015. The budget request targets \$1.6 billion for programs to prevent or reduce homelessness, including:

- \$500 million for Supportive Services for Veteran Families (SSVF) to promote housing stability;
- \$374 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
- \$253 million in grant and per diem payments that support temporary housing provided by community-based organizations.

Other Services for Veterans

Other features of the administration's FY 2015 budget request for the department are:

- \$257 million to administer the VA-run system of national cemeteries;
- \$3.9 billion for information technology; and
- \$1.2 billion in construction, cemetery grants and extended care grants.