COOPERATION BETWEEN THE VA'S VOCATIONAL REHABILITATION AND COUNSELING SERVICE AND LABOR'S VETERANS EMPLOYMENT TRAINING SERVICE

HEARING

BEFORE THE

SUBCOMMITTEE ON
EDUCATION, TRAINING, EMPLOYMENT AND HOUSING

OF THE

COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTH CONGRESS

FIRST SESSION

MAY 3, 1995

Printed for the use of the Committee on Veterans' Affairs

Serial No. 104–4

U.S. GOVERNMENT PRINTING OFFICE

93–374 CC WASHINGTON : 1995

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
ISBN 0-16-047637-2

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U.S. GOVERNMENT
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COOPERATION BETWEEN THE VA'S VOCATIONAL REHABILITATION AND COUNSELING SERVICE AND LABOR'S VETERANS EMPLOYMENT TRAINING SERVICE

WEDNESDAY, MAY 3, 1995

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON EDUCATION, TRAINING, EMPLOYMENT AND HOUSING,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to call, at 9 a.m., in room 340, Cannon House Office Building, Hon. Steve Buyer (chairman of the subcommittee) presiding.

Present: Representatives Buyer, Cooley, Hutchinson, Waters, and Mascara.

Also present: Representative Ney.

OPENING STATEMENT OF CHAIRMAN BUYER

Mr. BUYER. In keeping with the long standing traditions of the Veterans' Affairs Committee, we are going to start meetings on time. It is the military in all of us.

This subcommittee hearing on Vocational Rehabilitation and Counseling Services and the cooperation between the VA's Vocational Rehabilitation and Counseling and the Veterans Employment and Training Service will now come to order.

I know some of you have traveled some distance in order to be a part of this hearing, and up front I want to thank you very much for your travels to be here. Your field expertise is a key to the improvements of the rehabilitative process and for our service-connected disabled veterans.

Before we go much further, I would like to mention that many of you appearing before us here today either represent or are colleagues of employees injured in Oklahoma City. On behalf of this subcommittee, I would like to offer our thoughts and prayers to the VR&C personnel of Oklahoma City—Diane Dooley, Dennis Jackson, and Jim Guthrie; voc rehab specialists in Oklahoma City that were injured in the bombing as well as the State DVOP, Stan Rombaum, and to all other VA employees and their families affected by the bombing.

We will move this hearing expeditiously, and hopefully we will conclude within 2 hours. I also serve on the Judiciary Committee on the Subcommittee on Crime, and we are holding hearings on do-

mestic terror this morning, so we are going to conclude this and allow me to participate in that hearing.

We are meeting this morning to discuss the effectiveness of the cooperation of the VA's Vocational Rehabilitation and Counseling Service and the Labor's Veterans Employment and Training Service. Under chapter 31, Title 38, it is the mission of the VR&C to rehabilitate disabled veterans to become employable, to obtain and maintain suitable employment, and to achieve maximum independence in the conduct of their everyday living situations.

It is also the job of VETS to see that the graduates of VR&C programs are then placed in suitable positions allowing them to continue serving their country by becoming productive citizens. It is, and should continue to be, a centerpiece of both the VA and the Department of Labor to effectively administer this program to the benefit of the veteran. There can be no greater calling than to effectively reach and assist these veterans.

Congress places a high priority on the programs and services for those who became disabled in the course of service to their country. I place as a high priority an effective program that maximizes employment and independent living opportunities for these special veterans. America has long recognized a special sense of responsibility for disabled veterans, beginning with the veterans of World War I when the War at Risk Insurance Act was instituted. Similar programs were developed for the veterans of World War II, Korea, and Vietnam. Peacetime and Gulf War veterans have similar access to rehabilitative programs.

But let me again emphasize, that it is not enough just to say that these programs are in place. There must be a consistent oversight and improvement for this program to be in the best interests of veterans. This subcommittee will not allow any deterioration of the services necessary for our service-connected disabled veterans. This subcommittee will not be deterred from encouraging changes in long-standing procedures if such changes are for the veterans' benefit. In the end, the ultimate measure of success must be answered by the question, what is in the best interests of the veteran.

We all acknowledge that the responsibilities for most VR&C and the VETS have increased almost exponentially over the past years. We are aware, as well, that serious budget considerations have also impacted negatively on the delivery of services. Today, however, we will hear from certain veteran employment specialists who have overcome some of the impediments to deliver services in high numbers and with quality for vets. We hope to learn from their successes, so that we might ensure better services across the rest of the country.

The bottom line, ladies and gentlemen, I have no interest in protecting present systems if they do not work effectively. That is the bottom line. The subcommittee is open to innovative suggestions from all quarters, knowing that all share the same bottom line, the goal of attainment and the maintenance of suitable employment of our service disabled.

Vitality and enthusiasm are key elements in the service quality and are the by-products of innovations. It is time that we see how innovation and enthusiasm can be used to improve the opportunities for disabled veterans.

Before we continue, I'll ask whether or not the ranking member has a statement that she would submit for the record, so I'll make sure that that is placed in the record now, and I think the ranking member should be here in the next 25 minutes, and I'll recognize her at the appropriate time.

[The statement of Congresswoman Waters appears at p. 42.]

[The statement of Congressman Schaefer appears at p. 41.]

Mr. BUYER. Our first panel of witnesses are representatives of the veterans' organizations, and I ask that our friends from the VSO's limit their oral testimony to 5 minutes. Your written statements will be included in their entirety in the hearing record. I'm always pleased to hear from the veterans groups as they are able to bring to the table a quality of experience and expertise that I'm sure will be brought to bear during the course of this hearing.

Our first witness is Mr. Ron Drach, the national employment director for the Disabled American Veterans.

STATEMENTS OF RONALD W. DRACH, NATIONAL EMPLOYMENT DIRECTOR, DISABLED VETERANS OF AMERICA; BILL CRANDELL, ASSISTANT DIRECTOR OF LEGISLATION, VIETNAM VETERANS OF AMERICA; TERRY GRANDISON, ASSOCIATE LEGISLATIVE DIRECTOR, PARALYZED VETERANS OF AMERICA; AND PHILIP WILKERSON, DEPUTY DIRECTOR, NATIONAL VETERANS AFFAIRS AND REHABILITATION COMMISSION, THE AMERICAN LEGION

STATEMENT OF RONALD W. DRACH

Mr. DRACH. Thank you very much, Mr. Chairman. I appreciate this opportunity to appear before you today and commend you for holding these hearings today.

Mr. Chairman, since World War II and for about 40 years following World War II the Vocational Rehabilitation Program had as its goal the restoration of employment, which basically loosely interpreted meant that once the training was completed the case was closed. In 1980 Public Law 96–466 was enacted which changed that goal legislatively to the actual attainment of employment rather than just the completion of training.

These hearings today are very timely, Mr. Chairman, and I say that in the context of, while the program I think generally has worked very well, there is definitely room for improvement. I am a product of that program. I graduated through our DAV National Service Officer Program under chapter 31, vocational rehabilitation. But if H.R. 511, which is pending right now, would be enacted as in its present form, we won't have to worry about oversight on vocational rehabilitation any more because there won't be any vocational rehabilitation.

H.R. 511 would repeal chapters 30, 31, 35 and 32 of Title 38, U.S. Code, including voc rehab and the Montgomery GI bill, and DAV is unalterably opposed to the repeal of those programs. Those programs would be replaced by block grants, and history tells us that veterans are not served by block grants, Mr. Chairman, they never have been, and I go back to the 1970's under CETA and some other programs. Veterans just will not be served, they never have been, and we don't think they will be.

I think the problems that voc rehab confronts are not as simplistic as they may seem on the surface as it relates to better cooperation between the Department of Labor and VA. Certainly better cooperation is necessary and meaningful and should be pursued, but there are some other things that impact on this also. One is the qualification standards for voc rehab specialists and counseling psychologists. The VA VR&C Service has been working for a number of years to bring those standards into the real world.

Currently a vocational rehabilitation specialist need only have a bachelor's degree in any discipline or have 3 years of experience that provides general knowledge of training practices, techniques, and work requirements. Mr. Chairman, I don't mean to pick on any particular degree program, but under this current policy a person with a degree, a bachelor's degree in classical music, is qualified to be a vocational rehabilitation specialist. We think that is wrong.

The standards have been updated and were approved last year, in 1994, by the assistant secretary of human resources and administration, and they still have not been put into place yet. According to the Under Secretary for Benefits in a letter to me, the issue is, quote, in process of discussing implementation procedures, unquote, with the union.

(See p. 56.)

Mr. Chairman, the independent budget which was put together by several veterans' service organizations, including the DAV, makes some recommendations. One is to add 600 FTE to the Voc Rehab Service because there just are not enough employees to handle the case load. We also—the IIB also recommends increasing the cap on contract counseling services, adequate funding for revolving fund loans, and authorize unpaid work experience in the private sector.

Mr. Chairman, the work loads continue to increase, and I think we need to look at voc rehab not as a cost but as an investment. Some surveys, including one done by the VA, show that in pre-rehab income, their average income prior to going into voc rehab was $3,850. Post-rehab showed an average income of $19,462, a significant increase I'm sure you would agree, additionally, it was estimated that $3.7 million was paid into Social Security taxes by these individuals and another $13 million was paid into State and Federal income tax programs. The Voc Rehab Program pays for itself; there is no question in our mind about that.

We want to make a couple of recommendations. One, we believe that there needs to be a closer working relationship with VA voc rehab and State voc rehab. Right now it is very possible for a disabled veteran who is not eligible for VA voc rehab to be referred to a State voc rehab but no follow-up is done. Concurrently, or additionally, a person could go to State voc rehab as a veteran and be enrolled in a State voc rehab program, but they don't track him or her as a veteran so we don't know what kind of service is being done.

I think VA needs to tell its story a little bit more. A lot of employers are not aware, as are a lot of veterans not aware, of the services and equipment that can be provided to a disabled veteran in a voc rehab program. Also, if a veteran has completed training and is employed and because of changing technology that individ-

ual potentially may lose his or her job, the VA can provide additional training so that that individual may retain that job.

We think that VA needs to communicate to employers of these services and programs that are available. We also believe that the VA should relook at the old career development centers that they piloted in the early 1980's that were very effective. We also think that they should hook up with a job service. Many job services are now operating job clubs, and that should be integrated into the career development center.

Unpaid work experience; I elaborate a little bit in my prepared testimony on that. It is a good program, hard to market, but it has some good outcomes.

Some other discussions came up. We were in Albuquerque, NM, 2 weeks ago with the President's Committee on Employment of People with Disabilities, and we talked to some employers, and the employers said that when it comes to entry-level jobs they have no problem getting referrals of qualified applicants from the job service but when it comes to getting the high-tech jobs or the more high paid jobs they don't get quality applicants, and I think there is an inherent problem with the job service in that most of their jobs, I think the average job is about $6 an hour. Voc rehab clients aren't looking for the $6 an hour entry-level jobs, they are graduates of college for the most part, they are looking for higher level jobs.

With that, Mr. Chairman, I'll conclude and be happy to answer any questions.

Thank you.

[The prepared statement of Mr. Drach, with attachments, appears at p. 48.]

Mr. BUYER. Thank you very much.

Mr. Crandell.

STATEMENT OF BILL CRANDELL

Mr. CRANDELL. Thank you, Mr. Chairman. Good morning, members of the subcommittee. Vietnam Veterans of America appreciates this opportunity.

The point of VA's Vocational Rehabilitation Program is helping disabled vets train for and obtain jobs, but voc rehab provides a great deal more physical therapy than vocational rehabilitation. Employment services are generally not emphasized or even discussed until near the end of training. This is not even good therapy. A realistic hope of employment is for many veterans essential to their physical and mental healing.

The best employment agency available to disabled veterans is the successful organization that taxpayers are already paying for and, we feel, getting their money's worth. The Department of Labor's Veterans Employment and Training Service, VETS, funds and oversees a network of employment specialists dedicated to veterans. Its Disabled Veterans Outreach Program specialists, DVOPs, and Local Veteran Employment Representatives, LVERs, are available to veterans in voc rehab, but there is little cooperation.

We are encouraged by the recent cooperative efforts of both agencies to come up with a structure that works. It must go beyond agreement in Washington. DVOPs should be outstationed in VA facilities in both Vocational Rehabilitation Programs and VET cen-

ters. VA and DOL must split the costs. The actual costs are small. A VETS specialist at a VA facility needs a computer and linkage to be effective. Currently VA refuses to pay for computers at VET centers for DOL staff and DOL will not pay for a computer to be used at a VA facility.

The cooperation we call for already exists where a few VA and DOL people have taken the initiative at the State or local level. During the past year, for example, a DVOP stationed at a VA Vet Center in Albany, NY, using a computer and linkage to stay connected to the whole job service became part of the treatment team.

Because employment is essential in the treatment of service connected psychological conditions, many disabled veterans go to vet centers for counseling, a need that frequently accompanies serious service-connected disability. The Albany DVOP routinely connected such veterans with voc rehab and worked with them throughout their progress. Although he was located at neither a voc rehab office nor his own Job Service Office, he got 220 secured placements for disabled veterans in 1994, a very high figure. Because of his involvement from start to finish, veterans stayed in the program and completed it. Other State programs are experimenting with such cooperation. There are many workable models. Congress has given them all the authority needed. It simply needs enforcement.

We assume that members of this subcommittee are aware that legislation pending before Congress intended to consolidate programs and eliminate duplication would abolish these efforts. Some bills would repeal laws that support veterans employment programs. H.R. 1120 would eliminate a long list of statutes, funding streams, and programs including VA voc rehab and DOL's DVOPs and LVERs as well as long standing laws that make priority hiring programs for veterans possible. H.R. 511, as Ron Drach has said, would go a step further and strip DOL of the expertise, monitoring, and institutional memory that VETS provides. Chairman Stump and Ranking Member Montgomery have rightly sounded the alarm on such legislation. We call upon you to protect the veterans employment program from such hasty measures.

Mr. Chairman, our disabled veterans have given more to this Nation than most living Americans, and the sacrifices of the seriously disabled are the greatest. All of us want disabled veterans to live productive lives. Make voc rehab work with VA's own vet centers and with VETS. These programs were made for each other.

Vietnam Veterans of America will be glad to help Congress and both agencies make the connection, and they can succeed.

Thank you.

[The prepared statement of Mr. Crandell appears at p. 65.]

Mr. BUYER. Thank you, Mr. Crandell.

Mr. Grandison.

STATEMENT OF TERRY GRANDISON

Mr. GRANDISON. Good morning, Mr. Chairman and members of the subcommittee. On behalf of the Paralyzed Veterans of America, it is an honor to participate in today's hearing. PVA appreciates this opportunity to express our views on the Department of Veterans Affairs' Vocational Rehabilitation Program.

PVA believes the existence of a viable Vocational Rehabilitation Program is one of the most important benefits available to veterans. VR&C provides service-connected disabled veterans and service members services and assistance they need to achieve maximum independence in daily living. This program also assists these individuals in acquiring skills and helps them to obtain and maintain suitable employment to the maximum extent possible. VR&C's services are crucial to transitioning disabled veterans back into mainstream society.

PVA's foremost concern rests with VR&C's ability to provide timely and comprehensive services to catastrophically disabled veterans. The primary goal of rehabilitation is to prepare disabled veterans to become productive members of society by helping them regain the ability to compete for gainful employment.

Veterans who sustain injuries that impair major bodily functions, like spinal cord dysfunction, require comprehensive clinical and rehabilitative care to return them to their homes. That care which is provided in the hospital setting does not always prepare disabled veterans for immediate transition back in the work force. Many catastrophically disabled veterans require training, equipment, counseling, and accommodation to reenter the job market.

One of the most frequent complaints of severely disabled veterans is the current inadequacy of employment opportunities. PVA believes a major impediment to severely disabled veterans finding suitable employment in a timely fashion is the VR&C's high work loads. VR&C's excessive work loads effectively discourage disabled veterans from attaining the highest levels of rehabilitation.

High case loads and inordinate waiting times make it impossible for vocational rehabilitation specialists to provide the minimum level of vocational rehabilitation services necessary to disabled veterans. Moreover, future projections for vocational rehabilitation services are not good. The VA predicts a continuing decline in VR&C's ability to provide timely vocational rehabilitation services to service-connected disabled veterans and separating service members. Mr. Chairman, it is incumbent upon Congress to provide the necessary resources to stop this trend.

PVA's overview of the VR&C and VETS program reveal disparate levels of cooperation between the two programs. For instance, there are some areas in the country where VR&C and VETS activities are coordinated and complementary. This usually occurs where VETS personnel utilize office space that is in close proximity to VR&C personnel. The proximity of personnel accommodates interprogram communication and results in a higher level of services for veterans. Conversely, in areas where there is geographic detachment, coordinated communications and services are sporadic at best.

Nevertheless, PVA is optimistic about VR&C and VET's potential for delivering coordinated quality services to veterans. In order for these programs to operate in a harmonious way, PVA recommends VR&C and VETS be part of a multidisciplinary team concept. This teamwork will ensure that disabled veterans receive the full continuum of rehabilitative services in a holistic fashion. In addition, a team concept will provide information needed to monitor and measure the quality and efficiency of both programs.

Mr. Chairman, this concludes my testimony. I will be happy to respond to any questions that you may have.

Thank you.

[The prepared statement of Mr. Grandison appears at p. 60.]

Mr. BUYER. Thank you, Mr. Grandison.

Mr. Wilkerson.

STATEMENT OF PHILIP WILKERSON

Mr. WILKERSON. Thank you very much.

Members of the subcommittee, the American Legion appreciates this opportunity to appear this morning, and we wish to commend you, Mr. Chairman, for holding this very timely hearing on an important program of benefits and assistance for service-connected veterans.

The VA Voc Rehab Program provides to service-disabled veterans a wide range of services intended to help them overcome an employment handicap and find suitable employment. If found eligible, an individualized program of education or training is developed, and while in the program a monthly subsistence allowance is paid. This has been the traditional strength of VA's Voc Rehab Program, with most efforts directed towards training or education rather than on actual employment.

In recent years disabled veterans seeking entrance into the program, those in various phases of training, and those who have completed their program of education or training and needing help in finding employment are having to wait longer and longer for assistance from the voc rehab staff.

Mr. Chairman, the demand for voc rehab counseling, including employment counseling, education, and training, and employment assistance, has risen dramatically with the continued downsizing of the armed forces. Veterans are also more informed about their VA benefits as a result of the TAP and DTAP Programs.

We are also aware of the fact that in a recent decision by the Court of Veterans Appeals in Davenport v. Brown more veterans may now be seeking vocational rehabilitation assistance as a result of the elimination of the requirement that the service-connected disability cause a veteran's employment handicap. However, despite the growth in demand, a high dropout rate, and increasing delays in providing needed services, staffing for the VR&C services have been repeatedly cut. These problems, in our view, stem largely from trying to do too much with too little, and in fact the program's procedures have not kept up with changes in the field of employment communications and really the fundamental needs of disabled veterans in finding suitable employment.

The VR&C Service has recently developed a broad plan to streamline, modernize, and basically improve the way the Voc Rehab Program operates. Efforts will also focus on determining why so many veterans drop out before completing their program. This is to be achieved through the use of both VA expertise and outside consultants to redesign existing business procedures and management practices. We believe it is important that a consulting firm be selected as soon as possible. We also believe that it will be important that in this process the veterans' service organizations

have the opportunity to provide their valuable input as the various changes to the program are considered and developed.

Mr. Chairman, with respect to the VA's relationship with the Department of Labor's VETS Service, it has become increasingly clear that both agencies require an improvement in their communications and cooperations between the respective staffs at the national and local levels. We understand that efforts are, in fact, under way to establish a better working relationship and to make the respective programs more effective in serving disabled veterans. VA has set a goal of doubling the number of rehabilitated veterans from 5,000 to 10,000 over the next 2 years. The term "rehabilitated" as described appears to be synonymous with having them in suitable employment.

To achieve this goal, progress must continue towards improving the level of timeliness and effectiveness of the service provided to disabled veterans by the VR&C Service. This includes the utilization to the maximum extent possible of the resources of the Department of Labor, other Federal agencies, State and local governments, and the private sector.

We believe the administrative and procedural changes VA has outlined can greatly improve the Voc Rehab Program. However, we continue to believe these efforts must be accompanied by additional personnel in the VR&C Service.

Mr. Chairman, that concludes our testimony.

[The prepared statement of Mr. Wilkerson appears at p. 70.]

Mr. BUYER. Thank you, Mr. Wilkerson.

Before we move to questions, I would like to recognize the ranking member of this committee, and I also note that I noticed in the paper where she is one of the first recipients of the Archbishop Desmond Tutu Award for her advocacy of human rights, so I congratulate you for that award, and you are now recognized.

STATEMENT OF HON. MAXINE WATERS

Ms. WATERS. Thank you very much, Mr. Chairman.

I would like to welcome our panel here this morning. As a matter of fact, all of those in attendance.

This is a very important hearing, and, Mr. Chairman, I think that you are to be commended for holding this hearing. It is without question important for us to understand that vocational rehabilitation is in jeopardy with the bills that have been identified here this morning, and the first thing that I think we must do is commit to maintaining vocational rehabilitation services and opposing any legislation that would eliminate these services. The only question in my mind, Mr. Chairman, is how do we improve these services, how do we make them available to even more veterans.

Everything that I have heard here this morning leads me to believe that there is no one in the veterans' service organizations who believes the program should be eliminated but, rather, who believe the programs should be improved. We need more discussion on how to do this.

I have had extensive discussions with the staff here about what happens from the time a veteran gets into the program, the kind of rehabilitation to make them job ready, and whether or not they are then job connected once they are job ready.

When we talk about this coordinated team approach, we really do need to understand whether or not this bifurcated service is the way it should be. Perhaps it should be all in one shop so that there is a total assessment and the training is done, so that there is an understanding about what jobs are available, what the strengths and the talents are of the individual that we are assessing, and whether or not we could connect those talents with the jobs that are available in the market today and the new kinds of jobs.

So I suppose I'm interested, Mr. Chairman, in hearing more about whether or not we should have a consultant service to really take a comprehensive look at how we provide these services, with your input, how can we do a better job of making sure that this job-ready disabled veteran is now ready for a real job out there, and whether or not we should not be trying to provide the services in the way that we are doing, and whether or not there should be a whole new way of doing this.

So, Mr. Chairman, this really does give us the opportunity to take a look at what we are doing. We all want what is best for the disabled veteran, and today I think we can learn a lot about what we can do to advance the cause of rehabilitation and disabled veterans.

So thank you very much.

Mr. BUYER. Thank you, ma'am.

It goes back to a classic scenario whereby those of us who share and understand the dimension—and you have the expertise—if we don't take care of our own systems, others who don't share the dimension feel it necessary to step in and clean house. That is what we are faced with here, and so we not only have to clean it up and make it work effectively in the coordination and team concepts and talking about moving, and if it is talking about moving systems around, then we may have to do that.

One thing as I begin here as a new chairman of this subcommittee, it has always been bothersome to me when I observe some of my colleagues when they assume a chair participate in the pontification of the chair, so I'm going to try not to do that, and I will refer back to Maxine if she would like to ask any questions and I will ask questions at the end. We will assume the 5-minute rule and proceed in that manner.

Ms. WATERS. Thank you very much, and since I've kind of wrapped up my thoughts about it I simply would like to know if there have been any recommendations from the GAO or anybody else that you embrace that will make rehabilitation services for veterans better, or if you have any recommendations, concrete recommendations, such as the one I heard by Mr. Wilkerson for consultant services to do this.

Mr. DRACH. Yes, ma'am, I would like to respond to that. The GAO did a study in 1992 which kind of was the springboard for an oversight hearing in May of 1993, almost 3 years ago to the day today, and in that report—and I have it here but just going from memory—there were many recommendations that GAO made that DAV certainly embraces and supports, and in that hearing we said that as well as made some additional recommendations.

In today's testimony our prepared document has several recommendations which I talked a little bit about, and they are too

detailed to go into right now, but I would be happy to talk to you at some other point.

But we have made many recommendations. Some don't cost anything, some do cost some money.

Mr. CRANDELL. Yes, I think we have had some pretty good recommendations made. I wouldn't have a problem with outside consultants taking a look, I think. Almost anything we do could stand the scrutiny of people from Mars asking why we operate the way we operate, who have no real investment in the system.

The thing that is most important to us at this point is getting a serious level of cooperation between the Department of Labor and voc rehab. We think that is doable because we have the organizations to do it and we have the experience to do it.

Ms. WATERS. Should these services continue to be rendered by two separate departments?

Mr. CRANDELL. We think so, and I'll tell you why. A couple of reasons. One is, if you were to transfer, for example, VETS over to the VA, one thing that concerns us greatly in that kind of scenario is that whenever it becomes necessary to cut FTE at VA it never comes out of the health services, it comes out of the other services. That is why Voc Rehab is down to about 30 percent of the staffing that it had in 1980. We would be afraid of losing those same employment specialists. The reason that we need cooperation between Labor and Voc Rehab is because VA isn't able to do that job.

Mr. GRANDISON. PVA agrees with my colleague's initial comments with the exception of the two programs working in a bifurcated system. We would not object to both programs being housed under one umbrella, but the programs must be given high priority within VA. It doesn't matter where you house the programs, but if the programs are not given the priority and the resources they need to effectively train and rehabilitate veterans and get them into the private sector as well as the public sector employment, it is not doing anybody any good. We want to see a high performing Vocational Rehabilitation Program.

Mr. WILKERSON. The American Legion has a slightly different position, that we would be opposed to any efforts to merge these two services. We feel they each have their own very separate mission. Particularly the VETS program is not exclusively for disabled veterans. It has that responsibility as well as trying to provide employment assistance to all other veterans.

We feel, however, that there is a definite need for closer cooperation, communication, that sort of planning, and I guess really a closer working relationship without concern for turf or that sort of thing, and recognizing that it is a complex thing dealing with two separate agencies, and the lack of resources in particular on the VA side in the Voc Rehab Service, I think that has just been a critical problem and one that certainly undermines a lot of the efforts that are currently under way, and we are much troubled by the fact that the efforts to change the program are absolutely essential but the success of these efforts, as well intentioned as they may be, the outcome is somewhat in jeopardy, I think.

Mr. DRACH. Could I just respond real quick? DAV has long had a resolution supporting the transfer of VETS to the VA, but it is not quite that simple, it is very complicated, and we have draft leg-

islation that we wrote about 5 or 6 years ago we would be happy to share with you.

But it is going to take more than just a transfer, it is going to take a major reorganization within the VA, and first and foremost the incumbent assistant secretary of VETS under our proposal would go over to the VA as a new deputy—the same title that Mr. Vogel has, under secretary. Under our proposal the new person would be under secretary for veterans employment, training, and education.

Ms. WATERS. Interesting.

Thank you, Mr. Chairman.

Mr. BUYER. You are welcome.

The chair now recognizes Mr. Hutchinson of Arkansas, the chairman of the Hospitals Subcommittee.

OPENING STATEMENT OF HON. TIM HUTCHINSON

Mr. HUTCHINSON. Thank you, Mr. Chairman, and I commend you and congratulate you on calling this hearing and on your chairmanship. I just have a couple of questions for Mr. Drach.

In your testimony—and I came in a little bit late but I have been perusing your written testimony that you presented—one of your concerns regards H.R. 511, which I think is called the Work Force Preparation and Development Act. I have also a letter from you, an April 13 letter, expressing some of your concerns about that, and you included a position paper of the Disabled American Veterans, and in the position paper that your organization has taken, you state that there is a consensus that is building in Congress and in the administration regarding job training programs and that part of that consensus is that there is a need to consolidate employment and training categorical programs, and of course that is the goal of this bill that has been introduced H.R. 511.

I think we have something over 150 different job training programs on the Federal level, a great deal of duplication, overlap, varying degrees of success, some better than others. So as your organization I think rightly says, there is a growing consensus that we need to try to consolidate and to try to bring some order out of the chaos in these job training programs.

In the letter that you sent me—I want you to tell me whether I have understood correctly—it seems like your concerns are twofold: Number one, that the veterans priority and emphasis in services would be repealed, so that that is a very legitimate concern; and that, secondly, some of the job training and rehab programs especially designed, designated, for veterans and that have historically been there for veterans would be caught up in this consolidation. Is that an accurate reflection of your concern?

Mr. DRACH. Yes, sir. The first part, the priority of services, currently come under chapter 41 of Title 38, U.S. Code, which would be repealed by H.R. 511, and I think one of the misunderstandings, at least as I see it, with the consolidation and the repeal of chapter 41 is that chapter 41 is not an employment and training program, it is a delivery system, it is the LVERs and the DVOPs, and it is the oversight by that system by an assistant secretary of labor, so it is not on employment program, per se.

Veterans do not have an employment and training program other than voc rehab and the GI bill type programs. Within the Department of Labor there is no targeted program for veterans, and as I mentioned in my oral testimony earlier, veterans don't get served.

I have been in this town since 1972. Veterans did not get served in the Comprehensive Employment and Training Act to any great numbers. Veterans do not get served today in the Job Training Partnership Act in great numbers. Unless veterans are targeted—and even when President Carter targeted veterans in 1978 under CETA we did not get served to the degree that the President wanted us to get served.

In the repeal of some of these other programs, if you put voc rehab or chapter 35 for widows and dependent children into block grants, you could very possibly have—and I'll pick on California—California could possibly say we are going to give a disabled veteran $400 a month and 5 years of training; Kentucky, by contrast, might say we are going to give that disabled veteran $100 a month and 12 months training. So you are going to have disparity in benefits for those eligible based on State priorities.

Mr. HUTCHINSON. Let me ask you this. I think you have got a very valid point that you get into job training, placement, and rehab, that veterans are in a category by themselves and it is truly a Federal, national mission and commitment.

If we were able in this bill to pull out the veterans, really exempt them from what we are doing in consolidating the other job training programs because I think you acknowledge there are 150 some programs, but if we could pull the veterans portion out and if we could maintain the veterans preference, would that pretty much alleviate your concerns about the direction that bill is going and what we are trying to do?

Mr. DRACH. I'm going to try to answer that very carefully.

Mr. HUTCHINSON. I tried to ask it very carefully.

Mr. DRACH. If you say pull it out, you mean delete the language that is in H.R. 511 that would repeal chapters 30, 31, 32, 35 and 41, that would make me feel a lot better, yes, number one.

Number two, I think that in any block grant or any future system, whether it is employment and training or whether it is delivery, we need to maintain the priority of services for veterans. We are the only population in this country that is a product of the Federal Government. The Federal Government made us what we are. The States didn't, the local employment service office didn't. So we need, in our opinion, to have a Federal mandate that veterans will continue to be provided the top level of services.

Mr. HUTCHINSON. And I agree with that, and I look forward—I serve on the Opportunities Committee, and I look forward to working with you and the other VSO's in trying to make that language in that bill acceptable, so we look forward to working on that with you.

Thank you, Mr. Chairman.

Mr. DRACH. I appreciate that.

Mr. BUYER. The chair now recognizes Mr. Mascara of Pennsylvania.

OPENING STATEMENT OF HON. FRANK MASCARA

Mr. MASCARA. Thank you, Mr. Chairman. Thank you for calling this meeting.

While I'm new on the Veterans' Committee, I was a county commissioner for 15 years in Washington County, Pennsylvania, and I had the responsibility of running Federal training programs dating back to Manpower, and I heard you mention CETA. In fact, I came to Washington, DC, to give testimony, and I believe Vice President Quayle was a Senator at the time, and had proposed JTPA. I just want to remind everybody, with that information I realized, one, that before I came to Washington, DC, to give testimony about the proposed JTPA program, that the funding we were receiving was able to train 15 percent of the people that we really needed to train. After CETA and JTPA they only gave us money to train 7 percent of the people who really needed to be trained, and having been a county commissioner I was victimized by block grants in the 1980's when they didn't send enough money to run the programs. Then the buck was passed to me to tell the people that we didn't have the money to offer the programs, and I see in your testimony, Mr. Drach, that you have some concerns about pending legislation that establishes block grants to the States. You said it before I said it, and I was going to say the obligation is not for the States.

I mean people went to war and served this country as a result of a national problem. So I would oppose block grants to administer these programs, and I would like to hear from you. Do you share those views? You keep shaking your head. Apparently you do. Would you like to talk a little more about block grants?

Mr. DRACH. Yes. I got in trouble at a hearing on March 23 before Mr. McKeon's subcommittee when I opposed block grants. He didn't take kindly to that.

I appreciate your experiences, and we knew about some of those experiences even from here in Washington because we had contact with a lot of towns and a lot of cities about the implementation and the delivery of services through CETA.

I don't know that block grants in and of themselves are necessarily inherently bad, but I think as it relates to veterans—and I think your experience bears this out—that if you don't get enough to serve the people that need to be served and you leave it up to the local jurisdictions to determine who is going to be served, you run into some problems.

Number one, the constituents that may most need to be served may not have the voice at the local level to be heard effectively and adequately. Many groups just don't have effective lobbying efforts. In spite of, I think, the perception that veterans are a very strong lobbying group, when it came to CETA and JTPA, number one, Mr. Quayle, when he was chairman of the committee when we testified on JTPA, on the evolution of it, it was the VA taking care of veterans, you know: "Why do you need to be JTPA? Just go to the VA, they will take care of you," and it is not true. But we got absolutely nowhere with Mr. Quayle when he was in the Senate, and even when he was Vice President we talked to him again. We could not get anything into JTPA on veterans priority, and our experience with both CETA and JTPA tells us that veterans do not get served unless they are targeted, and I think we are just in trouble if we

allow veterans' services—and, again, I have to reiterate, we do not have an employment and training program, we have a delivery system, and that delivery system is what is in jeopardy.

Mr. CRANDELL. If I could just add a comment, the problem for veterans with block grants in addition to the Federal responsibility is that block grants in any State or locality go to the greatest need within the community and then fall short to some extent. That greatest need is not veterans in any community in this country. There are serious veterans employment problems, but there is no locality where veterans employment is the most serious employment problem, and we will simply be left out.

Mr. MASCARA. Thank you.

Mr. BUYER. That is a view, right, not a statement of fact?

Mr. CRANDELL. I'm a prophet.

[Laughter.]

Mr. BUYER. Oh.

I'm sorry, that was on your time.

Mr. MASCARA. That is all right, Mr. Chairman. I had some opening remarks that I'll spare you the agony of, and I would like to have them made a matter of the record, to have them in the record, please.

Mr. BUYER. You may be a prophet.

Fine, that will be submitted for the record. You still have the time.

Mr. MASCARA. Well, if I still have the time then, how much time does that little orange——

Mr. BUYER. As much as you like.

Mr. MASCARA. Okay.

I'm a new member of the Veterans' Committee. I pointed out earlier, I was a county commissioner, and I know firsthand the importance of these programs in training our veterans. Our responsibility to these veterans is to carefully review these efforts like we are doing in this morning's oversight hearing. We must ensure that these programs serve them, not fail them. This is even more important when we are discussing programs which serve those veterans who are disabled while serving our country. They certainly deserve our best efforts, and I'm afraid that some of the testimony we are going to hear this morning will indicate our present efforts are far from being perfect and must be improved.

I'm a realist, and from my experience with training efforts I understand that even the best program is not going to be able to serve 100 percent of the those in need, but the testimony we will hear this morning presents an unacceptable picture of disabled veterans waiting too long to be served, and I think that is across the board, everybody has to wait too long. Once they are rehabilitated, they face an even higher hurdle of a rather disjointed effort to help them secure a meaningful job. Most disturbing are the figures we will hear indicating that many disabled veterans simply give up and, out of frustration, drop out of both the rehabilitation and job search programs.

I am pleased that officials from both the Department of Veterans Affairs and the Department of Labor will testify that they recognize the weaknesses in their efforts and are trying a variety of pilot projects to improve them. While this subcommittee cannot solve all

the problems these programs face, we must do everything we can to see that these rehabilitation and training endeavors are improved. I mean now, not 5 years from now. Our disabled veterans sacrificed much for this country. Now it is our turn to serve them. None of our excuses are acceptable.

Finally, I want to add my voice to those expressing indignation that some Members of Congress would even think of introducing legislation that would repeal a whole range of veterans rehabilitation and training programs in the name of block grants, and this might be repetitious, but I had that in my opening remarks. I was more appalled to read that this effort includes even the Montgomery GI bill. All I can say is, what a travesty. This effort must be stopped dead in its tracks. I stand ready to do what I can to put this to rest.

I thank you very much, Mr. Chairman.

Mr. BUYER. Thank you.

I now have a series of questions.

Mr. Drake you mentioned—Drach—I apologize.

Mr. DRACH. That is quite all right, sir.

Mr. BUYER. I apologize. That is not "buyer." It sure looks like it, but you can call me "buyer" and I'll answer.

You mentioned qualification standards for voc rehab specialists should be raised. Can you tell me, what are the levels you seek that should be established, your recommendations?

Mr. DRACH. Yes, sir. I don't have the draft or the proposed changes. Another hat that I wear, I chair the VA's Advisory Committee on Rehabilitation, which I may not after this hearing. But the committee that has looked at that—that committee has looked at it and has supported the changes that staff has prepared, and it goes to the crux of being trained to actually do rehabilitation counseling and training.

As I mentioned earlier, right now a person with any degree, any college degree, is considered eligible to be a vocation or rehabilitation specialist. What brought this issue to the forefront, several years ago I had complaints all the time from people out in the field that they were getting people dumped on them that had no experience, no knowledge, and no real interest in vocational rehabilitation other than a promotion, so people who had no background in rehabilitation but had a college degree were applying for and getting vocational rehabilitation specialist positions.

Now we are turning it around. We are saying okay, we want to put some real meaningful qualifications so that the degree would be job related, such as one in counseling or vocational rehabilitation, not just any discipline, so the degree program from college would be more job related to being a rehabilitation specialist rather than just being a college graduate.

Mr. BUYER. Have you thought this out and actually written what levels, whether it is master's degree, or what type of degrees?

Mr. DRACH. Yes, it has been done by staff, and it has been submitted and been approved. It was approved in March of 1994 by the VA only to, when it started to get implemented, there was an uproar out in the field that this is going to hurt the program, and I'm shaking my head: "You are the same people that complained to me before that the program was hurt by nonqualified people."

Mr. BUYER. What did the VA do? Did they stop the implementation?

Mr. DRACH. It has been held up, and it is being reviewed.

Mr. BUYER. When did that occur?

Mr. DRACH. Within the last 2 or 3 months that it was pulled. I don't know the exact time frame.

Mr. BUYER. Well, I think the next panel can answer that question.

Mr. DRACH. But they are all ready to go, and we like them and the staff likes them, and I'm not sure who doesn't.

Mr. BUYER. I have another question for you. I'll try to take them one at a time, and if any of the other of the panel have a comment, please don't hesitate.

What is the fix necessary to repair the working relationship between the VA vocational rehabilitation and the State rehabilitation programs? I mean the MOU is out there.

Mr. DRACH. Well, I think one of the problems, Mr. Chairman, with MOU's is that more often than not they are signed by principals at the Washington level, the Federal level. When it gets down to the State level or the local level they are virtually ignored, in part because there is no accountability built into them.

One of the problems—and this dates back to 1975. I served on a task force at RSA, the Rehabilitation Services Administration, talking about this very issue where veterans fall through the cracks. More often than not a veteran comes into the State voc rehab and identifies him or herself as a veteran, and they say, "Well, you have to go to the VA." They go to VA, and the VA says, "Well, you are not eligible," for whatever reason, but they never talk to one another. So then this veteran is kind of left out to dry because State said he is not eligible, VA said he is not eligible. Something has got to be done, and too often the State says he is not eligible because he or she is a veteran, not because they look into the criteria.

So I think you have to develop some very good strong working relationships and track these veterans. Maybe the States are serving a lot more than I think they are, but they are not identified. The State needs to identify veterans who are in the State system.

Mr. BUYER. All right. Thank you.

Mr. Grandison, you suggest that a high priority is not given to vocational needs of severely disabled veterans. Why do you think that is so? I mean you mentioned budgetary, but tell me why, why you think that is so.

Mr. GRANDISON. I attributed one of those factors to the high work loads, the case loads, that VR&C has to deal with on a daily basis, and the delays. A severely disabled veteran, for example, a person with spinal cord dysfunction like myself, when you are dealing with inordinate waiting time, and then waiting to receive your training, a person in that situation, is not only dealing with their physical disability but they are also dealing with emotional problems. Catastrophically disabled veterans, including our membership, have all expressed problems with depression and feelings like they have been forgotten when they are waiting for jobs, and this leads to problems of substance abuse which is closely related to severe disabilities.

High priority must be given to catastrophically disabled veterans. Catastrophically disabled veterans, those who have major bodily functions impaired, are affected more so than other veterans because not only are they trying to get their entire lives together but also they are sitting there waiting, will I get a job, how will I take care of my family; and what will life be like for me after training. Therefore, if these factors are compounded by waiting for a job, waiting to get training, waiting to see the VRS personnel, only worsens the emotional state of our members, and other veterans who are similarly situated. So this is an anecdotal basis or reason for giving severely disabled veterans greater priority.

The quicker they get their vocational and medical rehabilitation from the point of injury or onset of disease the better, when they are injured on active duty, and they will not have to dwell on the fact, okay, I'm in a wheelchair, I've lost a limb.

Mr. BUYER. What is the size of the case load you referred to?

Mr. GRANDISON. We have cited VA's data, for fiscal year 1995 the average work load is 247 cases, and the prediction for fiscal year 1996 is 259 cases. Now this falls short of VR&C's own target goal of 125 cases per year.

Mr. BUYER. Let me shift gears. In your testimony and also in response to Ms. Waters' questions, you referred to a multidisciplinary team concept.

Mr. GRANDISON. Yes.

Mr. BUYER. Move that aside and tell me what you mean.

Mr. GRANDISON. It simply means this, that the VETS and VR&C are coordinating these programs, all of their programs.

Mr. BUYER. That is what we all want.

Mr. GRANDISON. Exactly. But it is multidisciplinary approach, it is looking at the veteran from the whole aspect, from medical rehabilitation to vocational rehabilitation and ultimately to get placed in a job. Even under this bifurcated system, more communication and interaction in a formal way will greatly improve the programs. So once a veteran is evaluated for his or her employment or educational goal, once they complete that, things are automatically shifted over to the VETS side. And at that time VETS' personnel are aware that Joe Smith is 2 or 3 months from completing vocational rehab, so the minute he or she completes vocational rehab the VETS program is instantaneously initiated and everything is working in a continuum, a smooth continuum. A team approach is basically defined in an informal way for now, where personnel from VETS and personnel from VR&C are interacting. They can both interact in a way that this job, this particular job, meets this particular veteran's educational status, and how to physically accomodate the veteran once employed.

Mr. BUYER. Mr. Grandison, I'm going to interrupt you for a second. What we are going to face here on this committee—I mean the bottom line is, should VETS move to the VA, and I like your language here. You are an attorney, are you not?

Mr. GRANDISON. Yes.

Mr. BUYER. It is good language. What is it? Multidisciplinary—what did you call it? A multidisciplinary team concept. Yes, I love it.

The bottom line here—and here's my question to all of you because this is what we are going to struggle with—is, what is the most logical method of improving communication, case management, and cooperation between the two?

Now if you say, whether it is informal or formal or however we do it, do we need a direct line of supervision? Perhaps. I mean my sense of the moment is, we may have to do that, and if it is going to cause some ruckus it may cause some ruckus or some discomfort, but that was my opening. I am not at all interested in protecting systems out there that are operating ineffectively, and I'm bothered somewhat, and I don't want to put words in your mouth, ma'am, but why should we be micromanaging? I feel uncomfortable to sit here on a subcommittee and have to micromanage. We shouldn't have to be doing this. But if there is a macro system out there that is not working effectively, that has a severe impact in micromanagement to the disservice of the veteran, then it is appropriate not only for us to have this hearing today, it is appropriate for us to take measures, and the questions are when and how.

You may comment on what I just said, and then we will move to the next panel.

Mr. DRACH. Case management, Mr. Chairman, I think is an integral part of it. Right now—and it is not unique to voc rehab but I think an inherent problem in the system—VHA, the Veterans Health Administration, doesn't talk to the Veterans Benefits Administration.

We had a situation in Hampton, VA, a couple of years ago. We were in the hospital down there. They had a disabled veteran who all, but for a computer, was all set to be discharged from the hospital and into a job. The Health Administration has no clue that VA Voc Rehab, the benefits administration, could help that veteran purchase that computer and get that job. When you get down to that basic of a problem, when VHA and VBA don't talk to one another and work together, how can we expect RSA and VA or VETS and VA to work together?

And accountability, we have got to put accountability into the system. How you do that I'm not exactly sure. Again, I would be more than happy to share our proposed legislation on how a restructuring should take place with an under secretary for employment and training that would bring things a little closer together.

The case management in the Veterans' Health Administration varies from office to office, hospital to hospital, as to who is in charge of case management. Sometimes it is a GS–4, sometimes it is a GS–12; most of the time it is a corollary duty. At least in VBA and Voc Rehab the case manager, for the most part, is either a voc rehab specialist or a counseling psychologist, so it is working. The advisory committee did a study that thick on case management in VHA. It doesn't work, they don't use it, they don't believe in it.

Mr. GRANDISON. Mr. Chairman, another clarification. PVA addressed this testimony with respect to both programs. That was basically our analysis, looking at both programs. We made recommendations in the testimony for short-term remedies for both programs, but we do agree with restructuring, basically bringing VETS over to the VA. We do support that. But again, we support it as long as the program is given the priority that it needs to effec-

tively execute its mission, but if it is going to be the same problem, lack of prioritization, lack of resources under a single umbrella, we are still not going to accomplish our goal. With that said, we support Mr. Drach's comments.

Mr. BUYER. Thank you.

Two last things, and we will move to the next panel. What we are going to get into with the next panel, I'm going to be asking questions about cyberspace. You mentioned computer and linkage and that type of thing. We have got to get into the modern age, and I'm going to bring that up in the next panel, so I want you to know that, so you can stick around, it could be fun.

Mr. DRACH. Absolutely.

Mr. BUYER. The last thing, we didn't get into this. When I was reading some materials in my studies to prepare for this, what was bothersome for me was the dropout rate that the program suffers from, it was pretty much shocking to me, if you can make some quick comment on the dropout rate. It was around 56 percent dropout rate before they ever really got past the counselor. So help me out there and help out the committee as to why there is such a strong dropout rate, because we are spending a lot of money out there, and the bottom line, you say, all right, what is our end result and how many are actually getting moved out into placement versus the millions and millions of dollars that we are spending; my hair turns white.

Mr. DRACH. Mr. Chairman, you mentioned that the high dropout rate in part is for those who never get to see a counselor. I don't know that there have been any studies done. If there have been I haven't seen them. But one of the problems is, I get out of the service today, I file my claim for voc rehab today, I might see a counselor 200 days from now. That is based on work loads. So what am I to do in those 200 days? Well, maybe I have some other support system, maybe I get a job, maybe I just say the hell with it and I go into early retirement, any number of things can happen. But if we don't have the personnel to do this—and that is one reason why we recommended the increase in the amount of money that is available for contract counseling, so if we can get these veterans into private counselors or contract counselors earlier I personally believe that that dropout rate will go down. But if you have to wait 6 months, 7 months, to see a counselor—and you don't hear much about that, you hear about the backlogs on adjudication, you know that veterans are dying before their cases are adjudicated. How many are dying before they see a voc rehab counselor?

Mr. BUYER. Mr. Grandison, you were injured in a Jeep rollover, wasn't it?

Mr. GRANDISON. Yes.

Mr. BUYER. How long between the time you got out of the hospital and the time you were visited?

Mr. GRANDISON. I did not even use VA Vocational Rehabilitation.

Mr. BUYER. You didn't?

Mr. GRANDISON. I used my family support system.

Mr. BUYER. All right.

I would like to thank the panel for their testimony here this morning and appreciate it, and we will have follow-up. Thank you.

Mr. BUYER. I would like to have the next panel come take their places. Gen. Preston Taylor, the assistant secretary for veterans employment and training services, is joined today by two distinguished disabled veterans outreach program specialists, Tom Pifer from St. Petersburg, FL, and Allan Perkins from Houston, TX.

STATEMENT OF GEN. PRESTON TAYLOR, ASSISTANT SECRETARY FOR VETS, U.S. DEPARTMENT OF LABOR, ACCOMPANIED BY: TOM PIFER, DISABLED VETERANS OUTREACH PROGRAM SPECIALIST, ST. PETERSBURG, FL; AND ALLAN PERKINS, DISABLED VETERANS OUTREACH PROGRAM SPECIALIST, HOUSTON, TX

General TAYLOR. Good morning, Mr. Chairman and members of the subcommittee. It is a pleasure to be here this morning, and I request that my written statement be made part of the record.

Mr. BUYER. It shall be entered.

General TAYLOR. Thank you.

I'll take just a few moments to make some additional remarks before I answer any questions that you might have.

At the moment the news of the outrageous destruction of the Federal building in Oklahoma City was announced, I was watching Cable News Network in the Dallas-Fort Worth Airport. I had just spent the day before with 30 disabled veterans outreach program specialists, local veterans employment representatives, and Job Service agency managers learning about their services to disabled veterans and their working relationships with the VA's Vocational Rehabilitation Program staff. I am extremely sorry to report to you that among those injured in that tragic, horrible act of terrorism in Oklahoma was Mr. Stan Rombaum, a disabled veterans outreach program specialist. He was outstationed there by the Oklahoma Job Service Agency to work with a team of Veterans Affairs staff to assist disabled and other veterans in obtaining suitable employment.

Mr. Rombaum was seriously injured by the bombing. Since then he has had surgery. It will be some time before we know whether or not he will be able to come back to work. I have spoken to him and his wife and am happy to report that they seem optimistic about the future. I know that you and the other committee members join me in wishing Mr. Rombaum a complete and speedy recovery from his injuries and in hoping that he will be able to return to his noble vocation of serving veterans.

It is ironic that that region of the country was the source of such terrible news because good news for veterans also comes from that region. As I said earlier, I went to Texas to learn more about the Vocational Rehabilitation Program and how the DVOPs and LVERs relate to it. I had gone there with the understanding that neither we nor the VA knew exactly how many Vocational Rehabilitation Program graduates had been assisted by the Texas Employment Commission but that it was thought to be a very low number.

While in the Dallas-Fort Worth area, I asked that the VA regional offices in Waco and Houston and the Texas Employment Commission link up by computer to get some accurate data. Just 2 days ago I received the report. In 1993, 381 disabled veterans'

served by the Waco and Houston VA regional offices completed their vocational rehabilitation programs. According to the Texas Job Service Agency records, 172 of them obtained employment as a result of services provided by DVOPs and LVERs and other Job Service staff. So the reality is that approximately 45 percent of the 1994 VA Vocational Rehabilitation Program graduates in Texas were helped into jobs by the Texas Employment Commission system. I suspect that if we could do similar research all over this country we would find similar results.

That data from Texas confirms what many of us suspected, our successes have been underreported. I am convinced that the training received through the VA's Vocational Rehabilitation Program has been valuable to its participants and that the DVOPs and LVERs and other Job Service staff have done well in assisting program graduates.

I also want to mention the success that has taken place in Florida. Of course in inviting Mr. Tom Pifer, the DVOP from St. Petersburg, to testify today, you on the committee have already acknowledged that the Department of Labor and the VA work well together there. I know from a personal conversation with the VA's vocational rehabilitation and counseling officer in St. Petersburg, Mr. Steven Simon, that the program relationship on behalf of disabled veterans there in Florida is a direct result of the good relationship between VETS director for Florida, Mr. Monte Davis, and Mr. Simon. Together these two gentlemen have made their respective resources work well together by providing leadership at the local level towards a seamless approach between the VA and DOL in service to special disabled veterans. I am encouraging that attitude and behavior throughout VETS in the entire country, and I am convinced that we can achieve similar successes in the future.

Thank you for the opportunity to address this subject, and I am ready to answer any questions you now have.

[The prepared statement of General Taylor appears at p. 75.]

Mr. BUYER. For the record, I would like for each of the gentlemen to state where you come from and a little bit about what you do before you open yourself up to all kinds of questions from the panel.

STATEMENT OF TOM PIFER

Mr. PIFER. Mr. Chairman, I'm Tom Pifer. I'm the DVOP at VA regional office in St. Petersburg, FL. I have been there for 2 years. My area of responsibility is the southwestern portion of Florida. Out of that one of five areas, we had approximately half the rehabs in the State of Florida, and this past year I've increased the production from 20 to 84 in 3 years, 320 percent.

Thank you for allowing me to come here today.

[The prepared statement of Mr. Pifer, with attachment, appears at p. 79.]

Mr. BUYER. Thank you.

Mr. Perkins.

STATEMENT OF ALLAN PERKINS

Mr. PERKINS. Yes, sir. Allan Perkins. I'm retired Air Force senior NCO. I have been with the Employment Service in Texas for 2

years. I'm a DVOP out of the downtown Houston office, which means, among other things, we work with quite a few homeless vets, many of those who are disabled.

Mr. BUYER. Thank you.

Before I turn it over to Ms. Waters, I couldn't help but notice General Taylor, when you mentioned the success rate, how do you define it? Employment, isn't that defined differently between VETS and voc rehab? Some say 60, 90 days, but you guys say if they walk through the door, boom, it counts?

General TAYLOR. Mr. Chairman, I have been the assistant secretary for almost 18 months over in the Department of Labor, and since I have started this job we have focused on reinventing the agency and insisting on accountability all the way down to the State level.

I had even before you became the chairman began to show special interest in this area. One of the questions that I asked was how many veterans were we in our system able to find jobs for in fiscal year 1993. I have since been here long enough to assess fiscal year 1994 also. In both years we found about 560,000 jobs for veterans. Now these are the DVOPs and the LVERs.

Mr. BUYER. Wait a minute. Help me out here. Tell me what the answer is.

General TAYLOR. I'm coming to that, Mr. Chairman, and, of that number, 38,000 were disabled veterans. I am now asking how many of the 38,000 were special disabled veterans. The Job Service finds jobs. As soon as a person finds a job, we consider that individual has been placed.

We are now moving into a case management area with our special disabled veterans. We are training our DVOPs and LVERs to do case management. This will include, as it does in our SMOCTA program, follow up with the employee or the veteran, and the employer. This is the direction in which we are going.

But right now the Department of Labor counts a placement as soon as we find an individual a job. In the Voc Rehab Program, the VA, I believe, waits for about 50 or 60 days to see if that individual is still employed. We are now in the process of teaming up with the VA and writing a memorandum of agreement. The current memorandum of agreement is about 50 pages. We are going to streamline that memorandum of agreement and get it down to maybe 3 or 4 pages focused on meaningful, specific, and bottom line things. We will perhaps be redefining the way that we count a veteran as being employed.

Mr. BUYER. Fifty pages. We can streamline that pretty quick.

General TAYLOR. We are streamlining it pretty quick, sir.

Mr. BUYER. Let me turn it over to the ranking member for any questions she may have.

Ms. WATERS. Thank you, Mr. Chairman.

Let me just say to General Taylor that I think most of us believe that, whether you are from the Department of Labor or from Veterans Affairs, that you want to do a good job. Nobody believes that there are any of you who are not interested, you are not concerned, and you don't care. We really don't believe that. Oftentimes I want to do a good job and I just find that the forces around me or the

forces involved in the system are such that I just can't, I would like to.

So I think that what we have here is an attempt by everybody to do a good job but something is going on that does not allow either the Department of Labor or Veterans Affairs to do the absolute best job that they can do. I really believe that, and I believe that that something is—you know, has to do with bureaucracy as it emerges.

I thought I heard something about case load. You can not do vocational rehabilitation, no matter who you are, even if you have a magic wand, if you have a case load of some 200 and some, it is impossible. I mean I come from an old social work background, and I just know something about case load and case management. So that is one thing. And I would like to hear, what do we do to reduce? I think it has to do with money and some other things, but I would like to hear that.

Secondly, I have also found out that the buck has to stop somewhere, that when you have two entities or more involved in delivering services, somebody has got to say this is how it is going to be done, this is, you know, what our expectations are, and this is who is responsible for it. If you have something where you have people who are prepared and they get job ready and they have to wait days and weeks and months before they see someone who is supposedly going to connect them with the job, whose responsibility is it to look and say something is wrong, these people are waiting too long, move this through the system, or, you know, this is our accountability process that nobody must wait more than, et cetera, et cetera, and I think this is what we are trying to look at, how do we service the veterans, how do we make sure that we have a system that encourages rather than discourages? We know whether you are disabled or just hard core unemployed, if you are not connected soon after this training takes place you fall out of the system, that is all it is. You just don't sit there and say, oh, I know my time is going to come, I feel good about it, I'm just going to wait until hell freezes over, you just say forget it.

So while I know that there are some successes and that there are people working hard to do a good job, maybe we just need to look at how we make this system work a lot better.

Now I know when you start to talk about taking something away from somebody or collapsing something or consolidating something it causes a lot of fear, and so today you don't need to prove that you know there are some people doing a good job. What we need to hear, I think, is what are these problems and what are your real recommendations for how to cure them.

General TAYLOR. Congresswoman, a lot of what you said is true, and I concur with almost everything you said. However, there is another major factor that has to be considered here, and that is the leadership. You could have a wonderful system in place. You could have wonderful processes in place, but if the processes are not being implemented properly and if there is not enough emphasis coming from the leadership or the leadership has an emphasis in an area where it really ought to; well, we all know that attitudes are reflected downwards from management.

Without indicting any of my predecessors, I have to tell you that I don't believe my predecessors had the kind of interest in certain areas that I have. I'm hoping that those who succeed me after we finish reinventing this agency, with the help of Congress and the veterans' service organizations, will share my intent.

We do not take a step in any direction in my agency without first calling in the VSO's and telling them what we are thinking about doing and ask for their advice. We do the same thing with the staffers up here on the Hill. After we have the concurrence, we move on. When I decided that we needed to put emphasis in certain areas, like in finding jobs and establishing a better relationship with the VA, they said you are on the right track with this. This has historically not been done.

So what I'm simply saying, another factor that has to be added to what you said is, the proper leadership must be in place to ensure the implementation of these good processes, if they are there and if they represent good policies. If they are not, you must establish good policies and throw away the old processes. You must reinvent and make new ones.

Ms. WATERS. Well, you know all the information that I get, General, is that you are indeed doing a good job, but why shouldn't there be one Department of Veterans Employment and Training Services with the leadership responsible for the bottom line of delivering for veterans, whether you are disabled or whether you just need transfer into a job from active service? Why shouldn't there be one department whose responsibility it is to take care of training, rehabilitation, job services for veterans?

General TAYLOR. On the surface it appears that that is a good idea, until you start to evaluate it and do some analysis. I had a little side conversation with Congressman Buyer before you came into the room this afternoon. I will be departing to Germany to attend some job fairs connected with our Transitional Assistance Program. We are responsible for training all young men and women who are about to leave the military in finding jobs. Last year we trained 163,000. We expect to train 170,000 this current fiscal year, and we expect that that number will go up to maybe as many as 200,000 in the outyears. Is this a responsibility the VA wants?

We are responsible for ensuring that when our National Guard men and women, and those in the Reserves are called to active duty for situations like Desert Shield and Desert Storm, they can come back and not be discriminated against in getting their jobs back. We are responsible, through subpoena authority, in a broad and in-depth investigating process, working with the Justice Department to ensure that employers not discriminate against our Guardsmen and Reservists getting their job back. Is VA willing to take on that responsibility?

In addition to that, we work with the State Job Service Systems to find jobs. I just said in fiscal year 1994 we found 560,000 jobs through the State employment system. If we go to the VA, the VA is still going to have to deal with the State employment systems, so what have you gained?

Ms. WATERS. Thank you, Mr. Chairman.

Mr. BUYER. General Taylor, you are not the enemy, okay?

General TAYLOR. Yes, sir.

Mr. BUYER. The enemy is beyond this.

General TAYLOR. Yes, sir.

Mr. BUYER. I mean I agree with Ms. Waters. I extend compliments to you. At times when you take on bureaucracies, even that bureaucracy which we find ourselves part of, sometimes you say, "Well, who is the bureaucrat?" and you go, "Oh, God I am." I mean we all are part of the Government. We want to make sure systems work to the benefit of people. That is who we work for.

General TAYLOR. Yes, sir.

Mr. BUYER. So we are trying to work this out together, okay?

General TAYLOR. Well, I am going against the grain in everything I do, but I'm willing to go against the grain. I'm willing to stand up and be counted. If I think a policy is bad policy I will say so even if it happens to be one that the Government is trying to implement. If it is a bad policy I think we ought to do away with it.

Mr. BUYER. But from our position over here, we don't want you to have to feel as though you are defending a system which we are about to change.

General TAYLOR. Okay, I understand.

Mr. BUYER. So I admire your advocacy, and in no way are we attacking you and saying you are not doing a good job, because I think we think you are, but there is a system out there—you know, we don't want you to be Don Quixote and fight windmills, all right?

General TAYLOR. I understand, Mr. Chairman.

Mr. BUYER. All right.

Let me now recognize Mr. Cooley for 5 minutes for whatever questions he may have.

Mr. COOLEY. Thank you, Mr. Chairman.

General Taylor, I'm kind of fascinated by this process since I'm a freshman and in fact the only veteran from the Korean Conflict that was elected to the 104th Congress. When I was discharged in 1954 I had been a Special Forces agent for the Government and have a 10 percent disability which I never really pursued.

But the thing that I'm finding very fascinating by listening to the testimony by the previous panel and by yours as well is, it seems like, as you spoke about and Ms. Waters brought up too, I'm surprised that we do not have better cooperation among the different agencies that are servicing our veterans being discharged, those that have disabilities and regular veterans being discharged, and I think that we on this side of the horseshoe here would like to do whatever we can do to make sure that this cooperation comes about.

I think it is a waste of a lot of energy, time, money, and veterans' lives maybe—maybe not their life but actually getting started back on the track of getting back into society. I myself would like to see recommendations or possibly looking at things that we could do to help these agencies better cooperate with each other and therefore do a better job just doing what you are supposed to be doing.

I didn't realize until I attended this hearing that we had apparently some problems with cooperation amongst other agencies, and I'm not sure why. I don't know from having had an opportunity to read all of the testimony, but I find it kind of unconscionable that we are not, as a bureaucracy, as a government, or whatever you

want to say, do not have the will to say, look, we are here to help the veteran, be he disabled or her or not, and we are not doing that.

So I would say to you people that are in the field, that are actually doing the day-to-day work, that I think it would be very encouraging to us to give us some recommendations so we can make an evaluation of it because, as you know, this process is going along, and not liking to speak about it. But we are looking at balancing the budget and we are looking at cutting the deficit, and there are going to be some reductions in some areas, and I think your administration, your budgeting, is going to have some reductions. I think everything is going to have a little cut here, and there and I think we need to find a better way to service our veterans with the money we have. I think with better cooperation, with lesser funds, we might be able to do as much, if not more.

So I would encourage you if you can help us and educate us and tell us what you think we need to take a look at and where we can help you do a better job and all those people you deal with.

General TAYLOR. Congressman, the very fact that this hearing was called, you are beginning to help us already. I think that as a result of this hearing, even though there were efforts prior to the hearing having been called to establish a better relationship with VA, this hearing will certainly energize all of us to get on with it and to speed up the bottom line, getting to the bottom line, which is jobs for disabled veterans.

There are a good number of things that we can do. One of them is, as I mentioned earlier, to modernize and streamline the memorandum of agreement. I think it would be a good idea if we sent a draft to your staffers and asked them to comment and show it to you, and some other initiatives and innovations to our program such as establishing special courses. We have our own schoolhouse in Denver, the National Veterans Training Institute. We train an average of about 2,200 people a year out there, and we are looking at the curriculum now.

Our DVOPs are well educated. About 40 percent of them have bachelor's degrees and about 12 percent have master's degrees, and if we can modernize our courses and better train these people to work with disabled veterans, I think that will give us better results.

Perhaps we could team up in our training courses with VA, have VA people and Labor people in the same classroom. I think that would help. And we heard earlier VSO testimony that if Labor is given the names of the prospective graduates a couple or 3 months before they graduate, that would be extremely helpful to us. We don't know that now. We could start looking for good jobs for these people 3, 4, or 5 months before they graduate.

So we will send up all these ideas and innovations to our program to your staffers for their review and comment, and that is the way we will work with you.

Mr. COOLEY. Thank you, Mr. Chairman.

Mr. BUYER. Thank you.

I have a question about cyberspace.

General TAYLOR. Yes, sir.

Mr. BUYER. Currently less than 10 percent of all jobs are listed on the National Job Bank. Estimates indicate that as many as 85 percent of the jobs will be electronically posted on the Internet. Wisconsin, North Carolina, and New York are among the growing number of States and cities that advertise civil service jobs on the Internet. There are bulletin boards for virtually every profession, including journalism, marketing, theater, music industry; you name it. You click a button, and your resume goes out to 30 people; no stamps, no envelopes, no trips to employment offices. With electronic mail veterans can chat with employees at a company that they are targeting to learn more about what is out there. The bottom line: It is the future and it is upon us. So my question to you is, how is VETS preparing for job placement using cyberlinkages in either one-stop shop concepts or other types of employment models?

General TAYLOR. Mr. Chairman, I'm delighted that you asked me that question. That has been another one of my special interests. I travel about 35 percent of the time, which is a lot, and, as I mentioned, a couple of weeks ago I was in Texas, and we had a little meeting just on that very subject with the TEC officials, Texas Employment Commission officials.

Texas is, I think, one of the leaders in this area. That is why I wanted to talk to them. They have just implemented a system with three major feeders into a computer, the Governor's Job Bank, and there is one other feeder into this database. The database is updated every night. If you have a PC and a modem and you are at home, you can access the database. I asked the TEC officials, aren't you putting yourself out of business with this, and they said absolutely not. There are 15, 16 kiosks. I believe they intend to put up about 50 in various supermarkets around the State. I went to a supermarket. I went to a kiosk. I was able to access the computer: $50,000 jobs, okay, here are all the $50,000 jobs; $100,000 jobs, here are the $100,000 jobs; $10,000 jobs, here they all are. I get a little hard copy out of the kiosk which gives me the phone number of the employer who is looking. This is where we are going.

I just had one question for them: How are we going to identify veterans? We can now move the resumes back and forth through cyberspace. How do we identify a veteran? Now we have a gentleman here from Texas. Perhaps he can help us with that. But what I'm doing now, Congressman, is, I'm asking, are we buying computers for our DVOPs when they go out to the voc rehab or anywhere else? Laptops, can you access this data?

Mr. BUYER. General, I'm hopeful that we will do more than ask questions, that we will look to long-term implementation of a plan to move us into the next generation.

General TAYLOR. Yes, sir, we are looking at it, and we will give you a plan.

Mr. BUYER. Okay. I don't want to micromanage the job.

General TAYLOR. No, sir. No, no. We will give you a plan.

Mr. BUYER. All right.

General TAYLOR. Congressman, we are looking at all this because this is where it is going.

Mr. PERKINS. Sir, if I can add a little to the general's answer.

Mr. BUYER. Please.

Mr. PERKINS. There are two programs actually that are linked here together. One is what we refer to as Alex. It has in all of our offices a separate computer that clients may use on their own that has the interstate job bank, referred to as America's Job Bank, which list the Governors' Job Bank, which lists all our State government jobs, and we are experimenting now, and it is being used in San Antonio and shortly in other areas, something else we refer to as Job Express, which is an abbreviated version of our large job bank that all of us use on our desks. Those computers are available for any client, vets or nonvets, to walk into an office and sit down and use. If no one else is waiting they can take as long as they want. Is someone else is waiting we restrict the time just because there are so many clients.

The other version of that is the kiosks. We have six of them in the Houston area. They are in some of the largest grocery stores. People walk into the supermarket, they can choose their job, they can apply on the computer and fill out an application on the computer if they choose, or they can come into our office and fill out a hard copy application.

And to answer the other question, we do have a code in our application system that identifies vets, Vietnam vets, and identifies the level of disability if there is a disability.

Mr. BUYER. I have a question for you gentlemen who traveled so far. Would you describe the best qualifications for a DVOP from your point of view?

Mr. PIFER. Well, I think the main qualification of a DVOP is that they be a disabled veteran and that they have a real understanding of the problems involved in obtaining employment.

I am a Vietnam Era veteran. I am also a recruiter for 10 years in my military career, I'm retired Army, and as part of my job when I was in the service I pumped these kids full of information about how much better their life was going to be after they got out, and after I retired I spent 8 months unemployed in 1990 right in the heart of the recession, and that is how I learned how to be a DVOP, was trying to find a job. I stuck around the employment office so much they finally hired me. That might sound crazy, but I really think that being a disabled veteran——

Mr. BUYER. I did ask from your point of view.

Mr. PIFER. You got it.

Mr. BUYER. All right.

Mr. Perkins.

Mr. PERKINS. Yes, sir. I think it is important to have the same experience, and that helps. We have talked about the requirement to have at least some kind of formal education, and that is also useful, but I think one of the most important things is that a person that is an employment interviewer, be it a DVOP or for the general population, needs to have two other traits. One of those, they have to really care about what they are doing and their clients. If not, then it just becomes a paperwork shuffle to get so many people out and take credit for so much work.

The other thing is, they have to be creative, because yes, most of the jobs out there are low paying, most of our clients are asking for low paying, but a lot of our clients are highly educated and need a better job, and it is up to us to be creative in how we do

the job development, where we go for that job development, what community services we use, what employers we tap, et cetera. That requires a certain amount of creativity.

Mr. BUYER. Gentlemen, you have been asked here to testify because, when I look at the chart here all across American and all the cities, you are doing something right. So I look at this and say you are doing something right, having accomplished that which others have not been able to do. Share with us your secrets. What is that others are not doing across the country but you are doing correctly to place veterans? Am I missing something here? Help me out; help the committee out.

Mr. PIFER. Well, a lot of the things that have been discussed here, Congresswoman Waters was talking about case loads and management. One of the things that we did in St. Pete when I went to work there was, I identified who was in placement status. Sixty days prior to the veteran completing training I get an individual employment assistance plan from the VA, and at that point in time I set up a little tracking system on a computer—it is really very basic, very simple—and I begin tracking that person. I send a case management requirement to the local DVOP and the Job Service Office where the veteran lives.

I'm in St. Petersburg, and not nearly all the veterans we serve live there, they live in about a 12, 13-county area, and we begin the management process there to provide services to that veteran that is needed to see that he or she gets a job. We have job skills workshops that I put on about twice a year in two different cities, in St. Petersburg and Tampa. We do not lose track of these people. I require a case management report be submitted to me monthly. This helps the VRS detect any problems that we might be having. I also make input to the DVOP in the field as to things that they might be able to do.

This is the secret to success. We have got to get it started before the veteran graduates, because if we lose the momentum, they are all pumped up while they are in training, but we wait 60, 90, 120 days after they graduate to say, "Oh, by the way, did you get a job?" That is something that the DVOP process, being outstationed in the VARO, allows.

Mr. BUYER. What is the average case load in St. Petersburg?

Mr. PIFER. Well, we had 2 VRS's, and they had 240 apiece. Now they have contracted that out some, and I'm not sure how much each one of the contractors have, but I'd say between 100 and 120 apiece, but that has helped. It was just overwhelming when I came there. They did not have the contractors.

If I can, I would just like to answer one other question that was brought up, why we shouldn't have the separation between VA and the USDOL VETS. These DVOPs out here are the ones that are doing it, and they are strategically located in the local community. Me trying to get jobs for somebody in Naples, FL, which is 175 miles away, is just impossible, but that guy or girl that is on the ground right there in Naples can do it and provide me with the information, and I think that has had a lot to do with the way we are doing things.

Mr. BUYER. If we put VETS under the VA, how is that going to be a detriment to what you do?

Mr. PIFER. Well, we wouldn't have access to the local Job Service Systems, like the gentleman from Texas was talking about.

Mr. BUYER. Why wouldn't you?

Mr. PIFER. Then you have got cross-funding. I'm not a politician or a money manager, but they get money under the State—the State of Florida Department of Labor gets so much money to pay my salary and to support me with a computer. I have my own computer in the Job Service Office. I don't see where you would have that, and then you would have one VA employee outstationed in all these other towns throughout the State of Florida, and I can't imagine what it would be like in the State of Texas. We have about 200 DVOPs, but each one of them is responsible for the placement of chapter 31 completers in one way or another.

The secret I have had is that I make them do case management in an informal way. I mean it is just a sheet of paper that they fax up to me, but it gives me the information that I need to have to find out if they do their job. I'm a monitor. I manage the cases in St. Pete.

Mr. BUYER. You are more than a monitor, you are a model.

Mr. Perkins, do you have any comment before we move to the next panel?

Mr. PERKINS. Yes, sir. I think that some of the things that make us as successful as we are in Texas is that we do a lot of coordinating, not only with VA agencies where we outsource people where we can but also with other State government agencies. We will send our clients, for example, that may go to the VA regional office for assistance, and it will take 90 days or 120 days or more for them to get seen, and we will send them to the State Voc Rehab so they can be seen right away; we will send them to Dislocated Workers; we will send them to nonprofit functions and use as many different resources as possible. That is why I said before a good DVOP has to be creative.

Mr. BUYER. To the two guests from out of town; I want to thank you for joining us today because the work of the DVOPs in support of our disabled veterans is not unfamiliar, obviously, to this committee, and I appreciate what you do; and it is my intention as chairman of this committee to see that your successes are replicated elsewhere around the country; and I'm sure General Taylor joins me in that.

General TAYLOR. Yes, sir.

Mr. BUYER. And to General Taylor; I don't want you to leave the room here now thinking that you are some enemy of Congress, you are not, because our sincerity is the same and it is to the interests of the veteran, and I will do whatever is necessary to cut through levels of bureaucracy, and we will do it.

General TAYLOR. Yes, sir.

Mr. BUYER. And if I don't have the time in order to have this achieved, I'm more than happy to move into preparation of legislation to transfer VETS out of Department of Labor into Veterans Affairs. I don't think I could achieve that under the present time scenario we are working under, and I'll check with leadership. But I guess take this as the warning shot across the bow, because I am more than prepared and actually rather happy at the moment because I know that my ranking member is also going to join me.

You know, I learned in the last term as a conservative Republican, when I joined ranks with Joe Kennedy and Lane Evans our legislation would pass 411 to zero. So you take a conservative Republican and match it with Maxine; we are going to win. So accept this as a warning shot, and I know that you want to work in concert with us.

General TAYLOR. Well, I am delighted that you are holding these oversight hearings, and I'm just happy that you are looking over our shoulders. The bottom line is jobs for veterans, disabled veterans, and special disabled veterans. That is why I'm here. I'm not looking to be in Washington for 10 years or anything like that, I'm only here to serve for a short period of time as a servant to the veterans.

Mr. BUYER. Thank you.

General TAYLOR. You are welcome.

Mr. BUYER. I appreciate it, gentlemen.

Mr. BUYER. On next panel we will hear from Mr. John Vogel, the VA deputy under secretary for benefits, who is joined by Mr. Larry Woodard, director of Vocational Rehabilitation and Counseling Service; and Ms. Sharon Bunger of Rehabilitative Service and Vocational Placement, Incorporated, a contract counseling company.

I welcome you to the committee today.

I'm sorry, John. You are no longer a deputy, you are the under secretary.

Mr. VOGEL. Thank you, Mr. Chairman.

Mr. BUYER. I apologize.

Mr. VOGEL. I thought maybe something happened between then and——

Mr. BUYER. No. I apologize. I mean I remember being a first lieutenant. I didn't want to be called second lieutenant, I wanted to be called first lieutenant.

Please, John, go ahead.

STATEMENT OF R. JOHN VOGEL, UNDER SECRETARY FOR BENEFITS, U.S. DEPARTMENT OF VETERANS AFFAIRS, ACCOMPANIED BY: LARRY WOODARD, DIRECTOR, VOCATIONAL REHABILITATION AND COUNSELING SERVICE; AND SHARON BUNGER, REHABILITATIVE SERVICE AND VOCATIONAL PLACEMENT, INC., RICHMOND, VA

Mr. VOGEL. Thank you, Mr. Chairman.

I ask that the entire testimony be placed in the record and just would like to make a couple of comments.

Mr. BUYER. It shall be submitted in the record in its entirety.

Mr. VOGEL. Thank you, sir.

I would just like to make a couple of comments on previous testimony, and together with Mr. Woodard and Ms. Bunger we are ready to respond to your questions and concerns.

The Voc Rehab Program has some rather high placed Government officials, as real success stories, not the least of which is Secretary Brown. That program has been in place for a long time, and it focuses on the physical, the psychological, and the environmental needs of disabled veterans and helps them to overcome impediments to employment.

There has been some talk this morning about the qualifications standards of vocational rehabilitation specialists and counseling psychologists. I agree with the comments of Mr. Drach, who also chairs the Secretary's Veterans' Advisory Committee Rehabilitation. Those standards have been tightened up. They are being discussed with the labor organizations now, expecting to be put into place, but it is important to note that these individuals will in fact and most of them do have now the unique special training and the clinical and other skills needed to overcome employment handicaps and can in fact and do draw from the considerable resources of the Veterans' Health Administration, the medical rehabilitation needs of service-connected disabled veterans.

With respect to the cooperative agreements and the lack perhaps of full cooperation with Department of Labor Veterans Employment and Training Service, it is not for any lack of effort that we fail from time to time. We are negotiating in a cooperative way with a new memorandum of understanding that General Taylor referred to that will put in much more concrete terms the expectations of both organizations so the objectives are shared and we work off the same definitions.

You talked about completion rates and other things like that. A completion rate in one program area may not be the definition of our completion rate or our success rate. We don't in fact do a very good job of tracking people or understanding why people drop out of the program. We need to do that.

I have a strongly held belief that this bureaucracy has created some definitions which in fact have gotten in our way. If we induct a person into the program, he or she understands what the program is about, and we assign a vocational rehabilitation specialist to work with them. This program is not GI bill stuff where you pump out a check every month, we have a case manager who deals with these individual disabled veterans.

Suppose a disabled person goes into a training program to become an accountant, and for that you need to get a bachelor of science degree from the University of Indiana. At about the two year point, having achieved the equivalent of perhaps an associate degree, he or she drops from the program, they have family, economic needs, and other things, and they get a job as a bookkeeper at the local automobile dealership. We consider that by previous definitions as a noncompleter of the program, so that what is a dropout and what is a noncompleter or what is a nonsuccess——

Mr. BUYER. John, most dropouts are from Purdue, not IU.

[Laughter.]

Mr. VOGEL. I would be interested in the makeup of the congressional district, Mr. Chairman.

I know that is in jest.

But what I really mean to say is, we believe that we have begun or are fairly far along the road to reengineer the way we do our work. Mr. Woodard is the new director of the service, has been aboard, actually on board, about 6 months now, and we are looking at the impediments that we or through legislation and other regulatory things put in place ourselves, all with good intentions. We are focusing on the outcomes; that is, the placement of a person in a suitable job.

Like a lot of organizations in government, both in the legislative and the executive branch, a lot of focus has been on the processes, and we think we are moving away from that successfully. We have energized the field. We have their input. Together with wise oversight and guidance from this subcommittee, we think we are on the road to turning it around.

We do have a lot of activity—a downsized military, difficult to rehab type cases, veterans who have undiagnosed illnesses from Persian Gulf service who may have illnesses secondary to exposure to environmental hazards. These are not easy cases. The man from the Paralyzed Veterans of America talked about the psychological impairments. We are equipped to deal with those things and look forward to working with you and the subcommittee, Mr. Chairman.

Together with Mr. Woodard, we are ready to answer any questions you may have or comments that you may like to offer.

[The prepared statement of Mr. Vogel appears at p. 85.]

Mr. BUYER. Thank you. I appreciate your testimony.

Let me now turn it over to Mr. Cooley of Oregon for any questions he may have of this panel for 5 minutes.

Mr. COOLEY. Mr. Vogel, you have sat here and listened to this as long as most of us have. I was out of the room for a minute because I had to go someplace else. But coming back and looking at the veterans' service organizations, Department of Labor, and now Department of Veterans Affairs, to a layperson in this process it looks like some of this effort is duplication of effort of other departments. Can you kind of help me in distinguishing your function of getting the veterans back jobs compared to the Department of Labor's specific role in helping veterans getting employed as well? Where is the distinction in there? Could you give me a definition of that?

Mr. VOGEL. The real distinction is, we are dealing with service-connected disabled veterans getting jobs. Under the umbrella of the Department of Labor Veterans Employment and Training Service are those individuals who we have as our single only objective in this program, disabled veterans; and all other veterans as well.

Mr. COOLEY. But don't they work with disabled veterans too?

Mr. VOGEL. They do indeed. We have been dealing with that more as a handoff from us to them. We put them through a rehabilitation program, which has really been historically defined as training, and hand them off or otherwise try to assist the veteran in obtaining employment. We really need, and we are beginning to—and the DVOPs from Florida mentioned it—engage the DVOP's very early on in the process, perhaps from the inception. But clearly they have got to have more than just a handoff from the VA saying, "here's Joe rehabed veteran; get him a job because we are loaded up with other work and we can't do it." I think that is the key, the cooperative ability and the resources that Labor has in the communities. We need to tap into them more through the devices available at the local and State level.

Mr. Cooley, at one time I was the director of the VA Regional Office in Portland, OR—a delightful assignment, I have got to tell you—and we had an arrangement with the State of Oregon, Veterans Employment and Training Service, to be part of our rehabilitation team, and that was about as fruitful as the commitment—Gen-

eral Taylor talked about leadership—of the local leadership of the Department of Labor. From time to time the demands on them and the resources they had didn't match up with us, but they were part of the process. I can't tell you that it was always rosy and all the outcomes were positive ones, but it wasn't for lack of effort. I think there are resources available in both, and we just don't capitalize on it, we don't focus on the same objective, and we don't count things the same way.

Mr. COOLEY. But you are servicing the same client.

Mr. VOGEL. We are indeed. We are dealing with disabled folk, some number of which have psychological impairments either service connected or attendant to a physical disability they incurred in service. It takes some special skills to deal with those because there has to be a sensitivity on the part of the Department of Labor, whether it is an LVER or DVOP, to what that is, and they can get that from working with our counseling psychologists and our vocational rehabilitation specialists so that together we can get the person a job, a suitable kind of job, not the mere entry-level type or the bare subsistence jobs that seem to be abundantly available flipping hamburgers at McDonald's. We want these veterans to have the ability to sustain their families, and our completers of the program have wonderful success.

We track and know what the difference is between pre-rehabilitation salary or wages and post-rehabilitation salary, we know what they pay State income tax, Federal income tax, and Social Security, so we know what it is, we just need to work together better, and I don't mean to suggest that the relationship is a poor relationship, it just could be a lot better.

Mr. COOLEY. Thank you very much, Mr. Chairman.

Mr. BUYER. Mr. Woodard, Terry Grandison testified on behalf of the PVA and talked about what he felt in his sense about the lack of priority. That makes me feel very uncomfortable. The VVA pointed out in its testimony that the applicants are treated on a first come/first served basis with no special provisions for the seriously disabled. How would you respond to their testimony?

Mr. WOODARD. First, Mr. Chairman, I would like to express to the committee, subcommittee, what an honor it is for me to sit before you here this morning in my new role serving veterans and disabled veterans in this Nation, and I might add, as Mr. Vogel commented in the beginning, that Secretary Brown is a product of this program; I am also a product of this program from 25 years ago.

We send the same development letter to all veterans at this point in time. We have completed two focus groups and are discussing with our customers how to send better letters to people who have certain levels of disability and more involved development letters to those who are considered to be the severely disabled. Resources are always an issue. The things that we are going through right now in defining or redefining not what we do in our program but how we get it done is extremely important in being able to better prioritize our resources.

We have been concerned in this program I think, with process as opposed to the outcomes that we are after or should be after. We are looking at those things across the country. We can't show any-

one right now that we spend the professional time do on those people who need our professional expertise because we manage people through a case status approach, which is how this program has done things over the years.

I have a study done by a State Rehabilitation Services Commission that addresses the prioritization of resources. It focuses on process and tracks people on three levels of service: determining eligibility, developing plans that address individual needs and then tracking the process according to those plans, not by status that they have moved through.

Mr. BUYER. Would you disagree then—are you disagreeing with VVA and PVA with regard to their feelings of a present lack of priority? Do you disagree with that?

Mr. WOODARD. The law as we understand it right now doesn't give us the authority to set priorities, but we are beginning to do that. In some areas we have set levels of service. The first level is for those that are less severely disabled, and the second level requires additional professional help, so we can spend more staff time with those severely disabled veterans.

Mr. BUYER. That is what the key is here. I see sort of a snapshot of vocational rehabilitation enrollees. There is a strong number, within the 10, 20, 30, 40 percent, and obviously there aren't as many on the other end of the spectrum. And to be helpful to me—and I know, Terry, you are sitting over there. When you testified you mentioned seriously disabled. You are talking about the other 50 percent. I don't mean to be separating.

Mr. GRANDISON. Yes, sir, the other continuum, yes.

Mr. BUYER. Okay, and you want to make sure that they are receiving some prioritization because your sense is that they are not at the present moment. Is that correct?

Mr. GRANDISON. Correct.

Mr. BUYER. Okay.

And you are telling me, that, Steve, I can't discriminate among the entire class? The only reason I bring this up is, here's what we presently have, and I understand if you say, "Steve, I can't discriminate the present classes." It is obvious that there are some veterans' organizations that are saying that they recognize that maybe the cases that are easiest are getting done, getting priority, getting movement, the cases that are most difficult are not getting the attention that perhaps they deserve.

Mr. WOODARD. I do disagree with that.

Mr. BUYER. Okay. I'm just telling you what the sense that I got——

Mr. WOODARD. I have worked in four regional offices across the country and been a director of one of those regional offices for 5 years, and there are not more dedicated people in the VA than those who work in our program, and while we can't discriminate, we do not, as it has been suggested to me, cherry pick, or serve only people we can be most successful with. There are more people who come to us in the 10, 20, 30 percent disability range than the higher groups. People that are in the severely disabled category are the ones that are harder to reach, to get to come to us. They are the hardest ones to deal with, and they are a smaller category, but they are being served.

Now we all know that the timeliness and quality of our services are not the best. That is why it is important for us to look and deal with the people in the field who are doing the work and eliminate the inefficient things that we do so we can prioritize our time and do better.

Mr. BUYER. Have you met with PVA or any of the other VSO's who may have a level of concern? Have you met with them? Or, if not, I'm hopeful that is going to happen in the future.

Mr. WOODARD. Absolutely.

Mr. BUYER. Thank you.

Mr. WOODARD. The Under Secretary, Mr. Vogel, and the Secretary have approved a concept paper, an approach to looking at our process and engaging 700 people in our program at 140 sites across the Nation and engaging our customers, to look at the levels of line management that we have to involve in this process in the VA. I will be contacting service organizations to include some of them in a steering team of 15 to 20 people who will be influencers, people who will support changes as we move through this environment of change.

Testimony earlier talked about VHA. Dr. Connor Higgins, I plan to seek him out to serve and have thought that maybe I might even ask someone from this committee. If that is legal or anything I don't know, but we have to involve all of the people who are interested in continuing the high priority that this program should have in the VA and in the Nation and do better with the resources that we have, and maybe even fewer resources.

Mr. BUYER. Mr. Vogel, in earlier testimony—were you in here when Ron Drach testified?

Mr. VOGEL. Yes, I was, Mr. Chairman. I was here throughout the whole hearing.

Mr. BUYER. Okay. That is right.

I was bothered when I asked him questions about the levels of training, about the VRS, and then he said that there is almost an abatement at the moment—I don't think that is what he called it, but it is not being implemented out in the field and it has been stopped. Would you comment on that and tell me what is going on, why has it been stopped and why you are not moving forward?

Mr. VOGEL. Yes, I would be pleased, Mr. Chairman. We developed, based on recommendation of the Veterans' Advisory Committee on Rehabilitation, these new qualification standards and had them dutifully classified so far as salary level, grade level, and at the time it came to me for an approval to proceed, it was just about the time Mr. Woodard was coming to Washington, so I held them a little bit and let Larry take a look at them and give me some advice on whether we ought to proceed with them. He looked them over and said we should proceed, and then, because they have to do with the people who do the work, we were obligated by practice, if not by law, to run them by the organized labor within VA, and they are taking a look at them now. We don't think there is going to be a particular problem in implementing them, but that is where they are.

That sounds bureaucratic; it is bureaucratic. We think we should have it out shortly unless we get a formal objection from Labor, and I don't believe that we will.

Mr. BUYER. And you are all prepared to move out in the field to train up on those who are out there, those who seek to qualify or move on?

Mr. VOGEL. Yes. We have a significant amount of training that has taken place in the last few years that has tried to move—making the paradigm shift from job training—from vocational training to job readiness. We are moving that through, and we have an academy in Baltimore which we bring people to. We have also put that on the road, focus training, and hope to use the National Veterans Training Institute, which is a Labor facility, both for our people and for the people at Labor so that we can make the bond we need to do the best job we can.

Mr. BUYER. To shift gears for a moment, why has the VA stopped the development of the career development centers?

Mr. VOGEL. Over time they became a place where equipment was and not action. They became caught up, and they became just a place to put things. We had the Department of Labor enter the process. Really, I give credit at least to Max Cleland who was then the administrator of veterans affairs. He himself went through vocational rehabilitation as a catastrophically disabled Vietnam veteran and thought it needed better management, and he was right then; he is right today.

But the career development centers never really took off because we really never garnered or made all the resources available. We are looking back on that again.

Another component part we haven't talked about enough, it has been alluded to today, is the Veterans' Health Administration. A lot of these veterans have significant medical rehabilitation needs that have to be overcome before they can ever compete in the job market and be made ready for the job market through rehabilitation.

But the CDC's, as we call them, they never really got off the ground very well because we never really formed the team necessary to make that concept run, at least across the board.

Mr. BUYER. Would you share with me your personal opinion, if I were to introduce legislation to place General Taylor's, what he does, VETS, directly under the VA. You have been involved in this for years and years. What do you think?

Mr. VOGEL. It can be made to work. I think what this committee is looking at and what we are all looking at is really to overcome the obstacles to success, and if there are organizational impediments to success we need to knock those obstacles down. We can do that. Through a memorandum of understanding we can shift——

Mr. BUYER. Not if it is 40 pages.

Mr. VOGEL. No, no. Well, that was a fluff paper, Mr. Chairman.

Mr. BUYER. Fluff paper?

Mr. VOGEL. Yes, it was fluff. Everybody feels fuzzy and warm about it, but it didn't really—it didn't have the concrete measurement involved.

Mr. BUYER. You know, I don't even know what is in it, I haven't even seen it, but if somebody tells me it is 40 pages, what that tells me is, I have got two institutions out there that perhaps don't trust each other and are trying to seek to protect their own turf.

Mr. VOGEL. That made a lot of people feel real warm and fuzzy when they executed it because it talked about things like cooperation and respect and disabled veterans, and they never put any teeth in it. We are putting teeth into it now, so we have a reasonable—we have the same understanding and the same expectations and expect the performance to lead to the concrete objective, put a disabled veteran back into the world of work, give him back his dignity, help restore that, make him a fully functioning member of society, and of course a side bar to that is, to the extent that he or she previously needed public support, they need less or perhaps none of it when they can sustain themselves and their family in real employment.

Mr. BUYER. Well, on that goal I don't think any of us could ever declare success. I mean we are always going to work towards that.

Mr. Taylor, since you are still in the room, I understand the consultant contract to evaluate DVOP, in that regard, will the contractors need access to the staff at the field and the VA central office?

General TAYLOR. Mr. Chairman, the consultant that we have a contract with was contracted only to help us evaluate our training programs at the National Veterans Training Institute in Denver aimed at making adjustments so that we can bettern train our DVOPs. I said earlier that approximately 2,200 to 2,500 DVOPs and LVERs go to school out there every year to better enable them to do the case management and the necessary outreach to help special disabled veterans. We expect that that work will be concluded in June.

Mr. BUYER. Do you need access and cooperation——

General TAYLOR. No, sir. This is strictly an evaluation of our own program.

Mr. BUYER. Okay. Thank you.

Mr. Cooley, do you have any comments you would like to make in conclusion?

Mr. COOLEY. No, sir. I would just like to ask permission to have my statement included in the record.

Mr. BUYER. Yes, the statement will be submitted in the record.

[The statement of Congressman Cooley appears at p. 45.]

Mr. BUYER. In conclusion, let me state that I think we can all acknowledge that there is a great deal of concern about the current effectiveness of employment programs for veterans, especially disabled veterans. We, and especially myself, do not enjoy the role of micromanaging the programs, but when the programs are either ineffective or in need of redefining, the subcommittee will not hesitate to do so. My preference, though, is macro, not micro, and the overriding concern is that of the benefit of the veteran.

We expect cooperation between the two existing organizations in the Department of Labor and in Veterans Affairs, and I will be deeply disappointed if it doesn't occur because I'm going to be watching and monitoring. And I'm going to move forward with legislation, and that doesn't mean the committee will, because I'm going to watch and evaluate, because I don't have all the answers and I want to be a very good listener. But at the same time if I see the impediments, I will not hesitate to move in a bold stroke.

Thank you very much for your time.

Mr. VOGEL. Thank you, Mr. Chairman.

[Whereupon, at 11:22 a.m., the subcommittee was adjourned.]

APPENDIX

PREPARED STATEMENT OF HON. DAN SCHAEFER

Mr. Chairman and members of the subcommittee. Today this subcommittee will examine how veterans' rehabilitation programs are doing their jobs.

I look forward to hearing the witnesses from the veterans' service organizations, the Department of Labor, and the VA discuss the rehabilitation programs from their own and from their agencies' perspectives.

I have a particular interest in many of these programs because the National Veterans' Training Institute (NVTI) is located in Denver, CO and operated through a contract with the University of Colorado. NVTI gives training to veterans' service providers: DVOP, LVER, Local Employment Service Office Managers, VETS' staff and TAP facilitators.

More than 2,800 veteran service providers were trained at NVTI last year, with nearly as many expected to be trained there this year. I look forward to hearing ideas this morning on how we might further improve training to provide the best possible service to our Nation's veterans seeking employment.

I want to thank you for holding this important hearing today, Mr. Chairman. I expect it to be useful to everyone here.

THE HONORABLE MAXINE WATERS
SUBCOMMITTEE ON EDUCATION, TRAINING,
EMPLOYMENT AND HOUSING
MAY 3, 1995

THANK YOU, MR. CHAIRMAN.

I WANT TO WELCOME ALL OF YOU TO THE FIRST HEARING OF THE SUBCOMMITTEE ON EDUCATION, TRAINING, EMPLOYMENT, AND HOUSING IN THE 104TH CONGRESS. I AM HONORED TO BE THE RANKING MEMBER OF THIS IMPORTANT SUBCOMMITTEE.

IT IS ENTIRELY APPROPRIATE THAT THE FOCUS OF OUR INITIAL HEARING BE ON THE VOCATIONAL REHABILITATION PROGRAM FOR SERVICE-DISABLED VETERANS WHICH IS CONTAINED IN CHAPTER 31, TITLE 38, U.S. CODE. OUR PRIMARY NATIONAL RESPONSIBILITY HAS LONG BEEN, AND MUST REMAIN, TO THOSE WHO ARE DISABLED DURING MILITARY SERVICE. THE PROGRAM PROVIDED BY CONGRESS TO ENABLE

THESE SPECIAL MEN AND WOMEN TO ACHIEVE MAXIMUM INDEPENDENCE IN DAILY LIVING, TO BECOME EMPLOYABLE, AND TO OBTAIN AND MAINTAIN SUITABLE EMPLOYMENT SHOULD BE A SHOWCASE -- THE BEST REHABILITATION PROGRAM IN THE WORLD. TODAY'S HEARING WILL HELP US EVALUATE THE CURRENT EFFECTIVENESS OF THE PROGRAM AND DETERMINE WHAT ACTIONS MUST BE TAKEN TO FURTHER IMPROVE IT.

I HAVE CONCERNS AND QUESTIONS ABOUT MANY ASPECTS OF THE CHAPTER 31 PROGRAM. I AM PLEASED, NONETHELESS, THAT WE WILL BE HEARING FROM BOTH THE VA AND ITS VOCATIONAL REHABILITATION AND COUNSELING SERVICE (VR&C) AND FROM THE DEPARTMENT OF LABOR'S VETERANS' EMPLOYMENT AND TRAINING SERVICE. WITHOUT QUESTION, THESE SERVICES SHOULD BE WORKING TOGETHER TO JOINTLY PROVIDE THE BEST POSSIBLE EMPLOYMENT ASSISTANCE AND OPPORTUNITIES FOR OUR DISABLED VETERANS.

I WANT TO STRESS, HOWEVER, THAT MY CONCERNS EXTEND TO MANY OTHER ISSUES. WHEN THE SUBCOMMITTEE LAST HELD A HEARING ON THE VOCATIONAL REHABILITATION PROGRAM IN 1993, THE GAO HAD RECOMMENDED MANY PROGRAM CHANGES. I LOOK FORWARD TO HEARING WHAT ACTIONS VA HAS TAKEN IN RESPONSE TO THESE SUGGESTIONS.

Prepared statement of Hon. Wes Cooley

COMMITTEE ON VETERANS' AFFAIRS - SUBCOMMITTEE ON EDUCATION, TRAINING, EMPLOYMENT, AND HOUSING HEARING ON VOCATIONAL REHABILITATION PROGRAM

MR. CHAIRMAN, I AM PLEASED TO BE HERE TODAY TO EXAMINE THE EFFICACY OF VETERANS' EMPLOYMENT AND REHABILITATION PROGRAMS. I EXTEND MY THANKS TO OUR GUESTS AND PANELISTS FOR THEIR INTEREST IN THESE ESSENTIAL PROGRAMS.

INTEGRATING VETERANS, WHETHER DISABLED OR NOT, BACK INTO THE LABOR MARKET IS VITAL TO KEEPING THE COMMITMENTS MADE TO OUR SERVICE PERSONNEL.

WE HAVE VETERANS, SOME OF WHOM WERE IN THEIR TEENS WHEN THEY ENLISTED, SKILLED IN THE ART OF WAR AND MAINTAINING THE MILITARY MIGHT OF A SUPER POWER. UNFORTUNATELY, THERE ISN'T ALWAYS AN EQUIVALENT CIVILIAN OCCUPATION WHEN THEY LEAVE. CONSIDER, IF YOU WILL, THE PLIGHT OF A FORMER SNIPER OR SPECIAL FORCES SOLDIER, LIKE MYSELF. ARE YOU FAMILIAR WITH ANY SNIPER SERVICES IN YOUR LOCAL YELLOW PAGES?

THE MILITARY HAS ALWAYS BEEN GIVEN THE TASK OF KILLING PEOPLE AND BREAKING THINGS, AND DOING IT IN THE QUICKEST MANNER POSSIBLE. IF WE EXPECT OUR SERVICE PERSONNEL TO GIVE UP YEARS OF THEIR LIVES LEARNING THESE SKILLS, THEN WE MUST BE WILLING TO SEE THAT THEY RECEIVE THE BEST PLACEMENT AND REINTEGRATION SERVICES AVAILABLE.

WE MUST ALSO NOT FORGET THE SPECIAL NEEDS OF OUR DISABLED VETERANS. THEY HAVE SACRIFICED THEIR HEALTH, AND THUS, WE MUST SEE TO IT THAT THEY BE ABLE TO PARTICIPATE IN THE WORK PLACE AND MAINTAIN THEIR GOD GIVEN DIGNITY AS FULL MEMBERS OF OUR SOCIETY. THEY MUST NEVER BECOME PARIAHS OR UNFAIRLY LABELED AS UNFIT TO WORK.

TODAY, AS WE EXAMINE THESE PLACEMENT PROGRAMS, AND WHAT HAS HELPED THE MORE SUCCESSFUL ONES PROSPER, WE MUST TAKE A HARD, CONSCIENTIOUS LOOK AND BE PREPARED TO MAKE CHANGES.

BEFORE I CLOSE I WOULD LIKE TO SHARE WITH YOU HOW THESE PROGRAMS HAVE AFFECTED MY PERSONAL DISTRICT OFFICE IN MEDFORD. TERRY HAINES, MY LEGISLATIVE AIDE FOR DEFENSE AND VETERANS AFFAIRS, THROUGH THE DIRECT AND UNCEASING EFFORTS OF A DVOP IN OREGON WAS

PLACED IN HIS PRESENT POSITION. AS A LONG TIME SERVICE MEMBER WITH A HEART FOR FELLOW VETERANS, TERRY IS PERFECTLY SUITED FOR THE JOB. I AM PLEASED TO HAVE HIM ON STAFF, AND CAN SWEAR TO THE PROGRAMS' EFFECTIVENESS IN AT LEAST ONE CASE.

BUT THERE ARE MANY MORE VETERANS OUT THERE LIKE HIM, WHO NEED JOBS AND TRAINING, WHO WE CANNOT ABANDON. UNFORTUNATELY, FROM REPORTS I HAVE RECEIVED FROM THOSE ON THE GROUND LEVEL IN OREGON, IT SEEMS THAT OUR DVOPS AND LVERS CANNOT DO THE JOB AS CONGRESS HAD ORIGINALLY INTENDED. AS THESE ARE STATE EMPLOYEES, FULFILLING ALL THE OTHER PRESCRIBED STATE AND DEPARTMENT OF LABOR PRIORITIES COMES FIRST. IF THERE IS ANY TIME LEFT, DVOPS AND LVERS CAN WORK ON THE FEDERAL PROGRAMS.

I KNOW THAT THESE INDIVIDUALS CARE ABOUT VETERANS AND THAT THESE PROGRAMS CAN WORK. WE JUST NEED TO FIND OUT HOW THEY CAN WORK BETTER. MR. CHAIRMAN, I YIELD BACK.

STATEMENT OF
RONALD W. DRACH
NATIONAL EMPLOYMENT DIRECTOR
DISABLED AMERICAN VETERANS
BEFORE THE
SUBCOMMITTEE ON EDUCATION, TRAINING,
EMPLOYMENT AND HOUSING
OF THE
COMMITTEE ON VETERANS AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
MAY 3, 1995

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

On behalf of the more than one million members of the Disabled American Veterans (DAV) and its Women's Auxiliary, I want to thank you for allowing us the opportunity to provide comments on the Department of Veterans Affairs (VA) Vocational Rehabilitation and Counseling (VR&C) program. We will also offer comments and observations on the cooperation between VR&C and the Department of Labor's office of Veterans and Employment and Training Services (VETS).

The DAV is appreciative of your concerns Mr. Chairman, as well as the other members of this subcommittee for reviewing this program to help assure disabled veterans are receiving quality and timely services.

Mr. Chairman, the DAV has long held to the principle that our nation's disabled veterans should be adequately cared for by providing compensation for their service-connected impairments, necessary medical treatment and services, prosthetics, sensory aids, other assistive devices, and vocational rehabilitation services which ultimately lead to employment. We believe that if the federal government fails to provide any of these services or products, we as a nation have failed in the mission to rehabilitate the disabled veteran. It is not enough to provide all of the services mentioned and fail to assist that disabled veteran in obtaining suitable employment.

I have attached a copy of Resolution No. 001, the DAV's Statement of Policy adopted by our recently concluded national convention in Chicago, Illinois. This Statement of Policy includes the principle of "Vocational rehabilitation and/or education to help the disabled veteran prepare for and <u>obtain gainful employment</u>." (Emphasis added.)

Mr. Chairman, vocational rehabilitation as we know it today, was established by Public Law 78-16, enacted shortly after World War II. From its inception, the program <u>had as its goal the restoration of employability</u>. The DAV as well as others in the veterans' employment community believed that goal to be insufficient. In 1980, DAV was in the forefront of supporting legislation (Public Law 96-466) which made significant changes and improvements in the vocational rehabilitation program.

In our opinion, one of the most important changes in 1980 emphasized the <u>attainment of actual employment</u> as the goal of vocational rehabilitation. After almost 40 years of institutionalized thinking about "restoration of employability" the rules were changed. We believe they were changed for the better.

Mr. Chairman, in spite of the general overall success of vocational rehabilitation over the last 50 years, there are those in Congress who would repeal VA's authority to provide vocational rehabilitation.

On January 13, 1995, H.R. 511 was introduced which, among other things would repeal the VA's vocational rehabilitation program (Chapter 31 Title 38 USC) and the Survivors' and Dependents' Educational Assistance program (Chapter 35, Title 38 USC). Additionally, the Montgomery GI Bill (Chapter 30, Title 38 USC) for veterans and national guard would be repealed by H.R. 511

As you are aware, Chapter 31 is available for service-connected disabled veterans and is designed to make them competitive and restore employability. The actual goal is employment. Chapter 35 is available to dependents of totally disabled service-connected disabled veterans or those who died while on active duty or whose death was related to their military service. All too often, these dependents are spouses with young children to raise.

The DAV is unalterably opposed to any repeal of Chapter 31 and Chapter 35 or other training programs contained in Title 38 USC. We have expressed our opposition to those members of Congress who have sponsored or cosponsored legislation to accomplish that objective. In place of programs such as Chapter 31, pending legislation establishes "block grants" to the states.

Mr. Chairman, we cannot allow a program this important to those who have sacrificed so much and became disabled in service to our country to have this important program taken away.

As indicated, vocational rehabilitation as we know it today, flows from Public Law 78-16 enacted over 50 years ago. That public law has been credited with the creation of the middle class in America. We cannot allow vocational rehabilitation to be part of a block grant to the states. Such block grants will result in different levels of benefits and perhaps even different levels of eligibility among the states and result in unequal benefits for equal service.

We have another concern about the future of vocational rehabilitation. There have been discussions about restructuring of programs within the VA. One of the discussions is to abolish vocational rehabilitation as a independent service within VA central office and consolidate it with another division such as Veterans' Services. We are opposed to this type of consolidation as we believe vocational rehabilitation is a program designed for a targeted population -- the most deserving component of the veteran population -- service-connected disabled veterans. We are concerned that such a consolidation will result in vocational rehabilitation being swallowed up by other programs. We believe it must remain as a independent service within the VA.

Mr. Chairman, this subcommittee held an oversight hearing on May 20, 1993. In our prepared testimony for that hearing, we discussed, at length, findings of a General Accounting Office (GAO) study released on September 4, 1992 (GAO/HRD-92-100, Vocational Rehabilitation -- Better VA Management Needed To Help Disabled Veterans Find Jobs). GAO cited numerous deficiencies and made recommendations for improvement. We supported many of the GAO's recommendations and offered several of our own. I believe it is appropriate to ask the VA what steps have been taken to implement those recommendations, and if any were found to be unreasonable an explanation as to why is in order.

One of our recommendations from 1993 has not been implemented and bears repeating. Currently, the qualification standards for Vocational Rehabilitation Specialists (VRS) is inadequate. Under the present standards, a VRS need only have "a bachelors degree in any discipline or three years of experience that provides general knowledge of training

practices, techniques, and work requirements in one or more occupations." A college graduate with a degree not related to rehabilitation could be a VRS under current criteria.

Attempts have been ongoing for several years to change the criteria to make it more job related. The Veterans' Advisory Committee on Rehabilitation (VACOR) established in 1980 by Public Law 96-466 has supported changes to this criteria for a number of years. The DAV supports the needed changes to the qualification standards.

The VA is also proposing a revision of the qualifications standards for the position of Counseling Psychologist (CP). The proposed revisions for both were approved by the VA's Assistant Secretary of Human Resources and Administration in March 1994. More than a year later, the changes have yet to be implemented.

Under Secretary for Benefits R.J. Vogel recently wrote to me (copy attached) stating in part, "We are now in the process of discussing implementation procedures with representatives from the American Federation of Government Employees (AFGE) and thus, satisfying our Partnership Act requirements."

Mr. Chairman, we believe one of the biggest problems facing vocational rehabilitation is increased workloads and diminishing resources. Contrary to what some believe, we cannot accomplish more with less in a VR&C setting.

As you know, the DAV along with AMVETS, Paralyzed Veterans of America (PVA), and Veterans of Foreign Wars (VFW) published The Independent Budget For Veterans Affairs Fiscal Year 1996. That Independent Budget (IB) addresses some of the concerns we have for VR&C programs. The IB recommends the following:

- Add 600 FTEEs to VR&C.
- Increase the cap on contract counseling funds
- Sufficiently fund vocational rehabilitation revolving fund loans
- Authorize non-pay training/work experience in the private sector

Additionally, workloads continue to increase within vocational rehabilitation. In FY 1993, the average caseload per vocational rehabilitation specialist was 230. In FY 1994, it increased to 236 and is anticipated to increase in FY's 1995 and 1996 to 247 and 259, respectively. The ideal average workload is 125 cases. The current averages are almost double that.

The average amount of time that lapses between the filing of an application for vocational rehabilitation and the veterans first appointment continues to be unacceptable. Projections for FY 1995 show a 71 day wait, which is more than double the goal of 30 days.

The Transition Assistance Program (TAP) and Disabled Transition Assistance Program (DTAP) resulted in 15,410 applications for vocational rehabilitation benefits in FY 1994. This has compounded the delays and one regional office reports an 11 month backlog.

Mr. Chairman, vocational rehabilitation needs to be viewed as an investment not as a cost. The VA did a study of more than 3,000 veterans who completed rehabilitation in 1991. Some of the findings of this study are:

- The total annual income of 3,083 disabled veterans before entering vocational rehabilitation was 11.9 million ($3,860 average).
- Sixty-six percent had no income when they entered vocational rehabilitation.
- Of those entering training 84 percent were at or below the poverty level.
- Following their training the aggregate income increased to approximately $60 million ($19,462 average), a more than 400 percent increase.
- Following completion of vocational rehabilitation, they paid an estimated $3.7 million into Social Security and an additional $13 million in estimated state and federal income taxes

VA estimates that 5,000 veterans placed in FY 1994 will pay $21 million in taxes during their first year of full-time employment. VA also predicts these veterans will have an average work life of 25 years.

Mr. Chairman, based on these data, no one could argue that vocational rehabilitation is not a cost effective program. I have attached information on vocational rehabilitation from the IB.

VA AND STATE VOCATIONAL REHABILITATION

A closer working relationship must be developed between VA vocational rehabilitation and state vocational rehabilitation at the regional office level. State Vocational Rehabilitation sometimes serves disabled veterans who may not be eligible for VA vocational rehabilitation. Also, VA may refer disabled veterans who are ineligible for VA benefits to State Vocational Rehabilitation, but apparently no mechanism exists to do follow-up to find out if that disabled veteran is adequately served by the state. Additionally, it is not known whether the various states report a separate breakout of the number of disabled veterans served.

We believe it is not good enough to have a Memorandum Of Understanding (MOU) between VA's national office of VR&C and the Department of Education's Rehabilitation Services Administration (RSA). Actual implementation, cooperation, and accountability must be established at the regional office level. It may be appropriate, for the VA to contract with state vocational rehabilitation.

OUTREACH

Employers and sometimes disabled veterans are unaware that the VA can provide certain equipment and supplies necessary for the disabled veteran to successfully participate in employment. Advice and consultation is always available to the veteran or the employer. Under certain circumstances, if the disabled veteran needs additional training to maintain his or her job based on changing technology, that training may generally be provided. Additional post employment services are available but we believe employers and disabled veterans may be unaware of the services.

Mr. Chairman, two weeks ago I participated in a "Public Forum on Employment of Disabled Veterans" cosponsored by the President's Committee on Employment of People with

Disabilities', Subcommittee on Disabled Veterans and the New Mexico Governor's Committee on Concerns of the Handicapped, in Albuquerque, New Mexico. Several major employers in the Albuquerque area attended the session and were unaware of the many services provided by the VA.

We believe that in order to provide additional employment services including placement, VA must get the word out. This can be accomplished by offering to meet with local Chambers of Commerce and other employer groups in the community. While we are not unsympathetic that such outreach may result in increased workloads, we believe it is necessary to accomplish the goal of rehabilitation.

VA should develop a "fact sheet" of all services available under vocational rehabilitation. This could then be used in a mailing to the Chambers and their members as well as other employers. At the national level, similar efforts should be undertaken with groups such as the U.S. Chamber of Commerce, National Alliance of Business, National Association of Manufacturers, Society for Human Resource Management and other employer groups. That information should include a detailed description of how the VA can develop an on-the-job training (OJT) program, which has been underutilized in large part because employers are not aware of, and the VA is not marketing this program.

CAREER DEVELOPMENT CENTERS

Shortly after the enactment of Public Law 96-466, the "Veterans' Rehabilitation and Education Amendment of 1980," the VA piloted Career Development Centers (CDCs). Initially, they proved to be very successful but, because of funding problems they eventually disappeared. At least one of those CDC's was developed at the Washington, D.C. regional office. Subsequently, one was established at the Baltimore regional office.

The concept of the CDC is a very sound one. The CDC was a resource center where vocational rehabilitation clients could go and do independent research on the job hunt as well as attend "classes" on how to find a job and market themselves. Part of the CDC included videotaping mock interviews and critiquing them with the vocational rehabilitation counselor or counseling psychologist. The CDC's were stocked with important information and resource materials to assist in the job search.

An additional component of the CDC should be "job clubs." We believe this could be accomplished in cooperation with the local employment security agencies network of Local Veterans' Employment Representatives (LVERs) and Disabled Veterans' Outreach Program Specialists (DVOPs). Many local employment service offices are sponsoring job clubs, but we are unaware of any direct linkage with the VA's Vocational Rehabilitation programs. CDC's and job clubs could be established jointly and benefit many job seeking veterans.

UNPAID WORK EXPERIENCE

Mr. Chairman, unpaid work experience is admittedly, sometimes difficult to market to disabled veterans. This is due, in large part, to the fact that the veteran does not receive a salary but only the monthly stipend available through vocational rehabilitation benefits. One down side is a disabled veteran in an unpaid work experience situation may be working next to someone who is employed as a full-time employee and making a competitive salary. What is beneficial about this

program is that it gives the disabled veteran an opportunity to be successfully employed and prove to an employer that they are able to function in the workplace.

Initially, this program was available only in federal departments and agencies. It was subsequently expanded to include state and local governments. We suggest that VA Secretary Jesse Brown write to every Governor and Mayor advising them of this program and encouraging a close working relationship with the regional office to place disabled veterans in unpaid work experience programs. Secretary Brown should also contact other federal departments and agencies with similar information. These letters would have to be followed up by contacts from the Regional Office Director and/or the VR&C officer.

At the public forum in Albuquerque the VR&C officer from that regional office appeared before the group and offered the following suggestions which the DAV supports:

- Unpaid work experience. The training allowance is currently $374 a month. It was recommended that amount be doubled and the allowance be charged to the veterans' entitlement proportionately, i.e. in a unpaid work experience situation, the veteran would receive $748 a month and use two months of eligibility for every month of training. We believe this would act as an incentive to the veteran to participate.

- Current regulations prohibit the VA paying travel allowance for a veteran to go to an employment interview. It was recommended that travel allowance be permitted when it involves a bona fide employment interview.

- When a disabled veteran is in an employment service status, the VA should be able to pay subsistence to that veteran and it would be charged against entitlement.

- It was recommended that the VA be able to provide financial support to assure that a disabled veteran is "presentable" for a job interview. This would include but not be limited to the purchase of new clothes and a haircut. Any expenditures would also be charged against the entitlement.

Mr. Chairman, a representative of Sandia Labs, a major employer in New Mexico as well as a representative of the city of Albuquerque addressed the group. Sandia Labs advised us that they are not hiring at the present time. However, their entry-level jobs are filled through a variety of sources including the job service. Their higher level positions such as engineers, scientists and computer specialists, are not because qualified applicants are not available through the job service. We recommend that a closer relationship be developed with the VR&C officer and Sandia Labs, as well as other employers in New Mexico. This effort should extend nationwide. All of the VR&C offices need to develop positive outreach and communications to employers in their jurisdiction.

Sandia Labs also advised us that applicants need to know how to interview, dress appropriately, and have a credible resume. We believe this is true around the country. The CDC could help accomplish this goal. In order to assist veterans in the Transition Assistance Program (TAP), we prepared a series of workbooks. One of those discusses interview techniques and addresses the issue of personal appearance at an interview.

We learned that the city of Albuquerque has now put Vietnam era and disabled veterans in their employment database. The city has ongoing efforts to recruit and place people with disabilities, including disabled veterans.

Additionally, there were representatives from other employers who heard from the veterans' service organization's that were present, about what they can do and what they are required to do by current law. None of the employer representatives were aware of the VA's on-the-job training program, nor of the availability of other services to include equipment through vocational rehabilitation for disabled veterans. We believe it is going to take an aggressive marketing campaign on the part of the VA to reach out to the employer community to advise them what the VA can provide.

Mr. Chairman, the Americans with Disabilities Act (ADA) was signed into law on July 26, 1990. Since then, virtually every employer in the country is covered by ADA. A covered employer is prohibited from discriminating against people with disabilities in the labor force.

ADA, in part, mandates employers to make "reasonable accommodations" to a disabled person's disability. Disabled applicants need only show they can do the "essential functions" of the job and other functions which may not be accomplished because of the disability, may be delegated to other employees.

I do not know what, if any, training in ADA and affirmative action DVOPs, LVERs, and vocational rehabilitation personnel receive, but we believe it is an integral part of the training to make these individuals successful. It is not enough to be able to refer a disabled veteran to a job only to be informed that the veteran believes he or she did not get the job because of a disability.

Additionally, Mr. Chairman, it is imperative that placement specialists be able to consult with employers to discuss reasonable accommodation and how those accommodations can be achieved. There are many resources available that are not being taken advantage of at the present time. We recommend the Assistant Secretary of Labor for VETS and the Director of VR&C both pursue the possibility of in depth training, perhaps through the National Veterans Training Institute in Denver, Colorado to assure this type of training is provided.

Mr. Chairman, this concludes my prepared statement and I would be happy to answer any questions.

RESOLUTION NO. 001

DISABLED AMERICAN VETERANS
STATEMENT OF POLICY

The Disabled American Veterans was founded on the principle that this nation's first duty to veterans is the rehabilitation of its wartime disabled. This principle envisions:

(1) High quality hospital and medical care administered by the Department of Veterans Affairs for veterans with disabilities incurred in or aggravated by service in America's Armed Forces.

(2) Adequate compensation for the loss resulting from such service-connected disabilities.

(3) Vocational rehabilitation and/or education to help the disabled veteran prepare for and obtain gainful employment.

(4) Enhanced opportunities for employment and preferential job placement so that the remaining ability of the disabled veteran is used productively.

(5) Adequate compensation to the widows and survivors of veterans whose deaths are held to be service-connected under laws administered by the Department of Veterans Affairs.

It therefore follows that we will not take action on any resolution that proposes legislation designed to provide benefits for dependents and survivors which is based upon other than wartime service-connected disability. We shall not oppose legislation beneficial to those veterans not classified as service-connected disabled, except when it is evident that such legislation will jeopardize benefits for service-connected disabled veterans.

While our first duty as an organization is to assist the service-connected disabled, his widow and survivors, we shall within the limits of our resources assist others in filing, perfecting and prosecuting their claims for benefits. Since this represents the principle upon which our organization was founded and since it is as sound at this time as it was in 1920, we hereby reaffirm this principle as the policy for the Disabled American Veterans.

* * *

THE UNDER SECRETARY OF VETERANS AFFAIRS FOR BENEFITS
WASHINGTON, D.C. 20420

APR 4 1995

Mr. Ronald Drach
Chairman
Veterans' Advisory Committee on Rehabilitation
Disabled American Veterans
807 Maine Avenue, SW
Washington, DC 20024

Dear Mr. Drach:

I enjoyed the opportunity to meet with the Veterans' Advisory Committee on Rehabilitation last month. Since the committee has expressed an on-going interest in the qualification standards for certain positions within our Vocational Rehabilitation and Counseling Service, I wanted to provide you with the current status of this issue. As you are aware, revised qualification standards for the Counseling Psychologist and Vocational Rehabilitation Specialist positions were approved by the Assistant Secretary for Human Resources and Administration in March 1994. The new standards require minimum education levels of a master's degree for the Vocational Rehabilitation Specialist positions and a doctorate degree for the Counseling Psychologist positions.

In response to concerns raised by VA field staff as to the impact the new qualification standards will have on existing personnel, we called for a comprehensive review of all the issues surrounding the implementation of the new standards. A field task group was formed to study and evaluate the findings of the VA Central Office staff. The task force's recommendation to implement the standard has been accepted. We are now in the process of discussing implementation procedures with representatives from the American Federation of Government Employees (AFGE) and thus satisfying our Partnership Act requirements.

We are confident that through the combined efforts of both VA management and the AFGE, we will be able to implement the standards in the very near future. VA is committed to employing the best qualified staff to deliver rehabilitation services to our disabled veterans.

Sincerely yours,

R. J. Vogel
Under Secretary for Benefits

TABLE 5

Independent Budget
Recommended Full-Time Employee Equivalents

General Operating Expenses

	FY 1996 Independent Budget Recommendation	FY 1995 Enacted	Additional Staff Recommended by Independent Budget
Veterans Benefits Administration (VBA)			
Executive Direction	345	345	0
Veterans Services	2,440	2,103	337
Compensation, Pension and Education	4,253	4,253	0
Loan Guaranty	1,942	1,942	0
Insurance	435	435	0
Vocational Rehabilitation and Counseling	1,285	685	600
Information Technology	952	952	0
Support Services	2,545	2,545	0
Total VBA	**14,197**	**13,260**	**937**
General Administration (GA)			
Board of Veterans Appeals	499	449	50
General Counsel	637	635	2
Assistant Secretary for Finance and IRM	1,201	1,201	0
Assistant Secretary for Human Resources and Administration	368	368	0
Consolidated Staff Offices	254	254	0
Total GA	**2,959**	**2,907**	**52**
General Operating Expenses (GOE)	**17,156**	**16,167**	**989**
National Cemetery System (NCS)	**1,330**	**1,315**	**15**
Office of Inspector General	**413**	**413**	**0**
Office of Acquisition and Material Management Supply Fund	**702**	**702**	**0**
TOTAL GENERAL OPERATING EXPENSES(GOE)	**19,601**	**18,597**	**1,004**

would offer considerably more flexibility to allocate VA resources where they are needed most.

Recommendations

- The VSOs recommend 2,440 FTEEs, so that VS may begin to satisfy reasonable service levels (additional staff requirements for VS and other GOE programs are shown in Table 5).
- We also recommend that VS update its telephone equipment.

Vocational Rehabilitation and Counseling (VR&C)

Previous *Independent Budgets* have discussed the problems confronting Vocational Rehabilitation and Counseling (VR&C) at length. As the fiscal year 1993 *Independent Budget* predicted, VR&C's workload increased substantially and, currently, it continues to rise.

VR&C services are provided at 56 regional offices or medical and regional office centers, 80 decentralized counseling locations, and many contract guidance centers. Eligible and entitled service-connected disabled veterans and servicemembers receive services and assistance they need to achieve maximum independence in daily living. This program also assists these individuals to become employable and to obtain and maintain suitable employment to the maximum extent possible.

In fiscal year 1991, Congress provided appropriations for 69 additional vocational rehabilitation specialists (VRSs), reducing their average workload from 256 veterans to 229 veterans by the end of FY 1992. In fiscal year 1993, the average workload increased to 230, and in fiscal year 1994, it was 236. The average workload should increase to 247 cases in fiscal year 1995 and, in fiscal year 1996, it will be 259 cases. Ideally,

125 cases per VRS would be a manageable workload.

The average amount of time between a veteran filing an application for vocational rehabilitation with VA to the veteran's first appointment decreased from 86 days in fiscal year 1991 to 74 days by the end of fiscal year 1992. This downward trend continued in fiscal year 1993, when the figure dropped to 71 days; unfortunately, it increased to 81 days in fiscal year 1994. Projections for fiscal year 1995 show a 71-day wait, still more than double the goal of 30 days.

VA predicts a continuing decline in VR&C's ability to provide timely vocational rehabilitation to service-connected disabled veterans, separating service members and eligible dependents.

Fiscal year 1996 projections are not good. VA predicts a continuing decline in VR&C's ability to provide timely vocational rehabilitation to service-connected disabled veterans, separating service members and eligible dependents. VRS case management workload continues to increase. This trend must not continue. Congress must provide VR&C with enough employees to restore timely vocational rehabilitation services to deserving veterans.

In fiscal year 1994, VA received 15,410 applications for Chapter 31 benefits as a result of the Transition Assistance Program (TAP) and Disabled Transition Assistance Program (DTAP). Initially, contractors handle much of the Chapter 31 workload. In this way, veterans are evaluated sooner. However, they still must see VA counseling personnel, and this is where delays occur. In one regional office, there is an 11-month backlog.

Contracting out for Chapter 31 services is a short-term solution and is also burdensome. While it has proven necessary to use contractors in some cases, it is more costly. Resources are needed for supervisory positions and contracting fees. In fiscal year 1994, VA paid $20 million out of the readjustment benefit appropriations for contracted work. Some legal issues have arisen from this, and it is possible that it will be legally determined that GOE must pay these funds.

Currently, VA contracts for about one-half of the education assistance under Chapter 36. Congress has earmarked $5 million for this purpose; however, current needs exceed this amount. If Congress could increase the cap on contract counseling fees and provide sufficient funds to handle all Chapter 36 assistance by contractors, VA could utilize counselors to assist Chapter 31 veterans.

Another temporary solution VA has used to deal with the increased workloads is overtime pay. Some regional offices still use this in fiscal year 1995, but we expect that VA might direct these overtime funds to other needs. The long-term solution is not more overtime pay, but more employees.

The IBVSOs have recommended that VR&C add a substantial number of employees to provide the level of service it provided in fiscal year 1992. Over the years, however, the President's Budget has reduced VR&C staffing. The fiscal year 1995 budget, for example, proposed to reduce staffing by 29 employees.

More disabled veterans continue to need VA's Vocational Rehabilitation Services. This should experience a steady workload growth rate of 10 percent over last year. Congress must provide VR&C with enough employees to meet the existing workload. An additional 600 employees would help it meet its goal and reduce funds spent on contracting.

Over the past several years, VR&C has been unable to provide vocational services in a timely fashion. Yet experts agree that, to be effective, rehabilitation counseling and training must begin as soon as practicable following injury or disease onset. Putting the disabled veteran back to work is cost-effective. A VA study of 3,083 veterans rehabilitated in 1991 points out the importance of vocational rehabilitation. Significant findings of this study provide us with the following information:

- The 3,083 disabled veterans' total annual income before entering vocational rehabilitation was $11.9 million.
- When they entered vocational rehabilitation, 66 percent had no income.
- When they entered training, 84 percent were at or below the poverty level.
- Following vocational training, these veterans'

aggregate income increased to approximately $60 million—representing a 402 percent increase.

- After completing vocational rehabilitation, these veterans paid an estimated $3.7 million to Social Security.
- Following vocational rehabilitation, these individuals paid $13 million in total estimated state and federal income taxes.

If Congress could increase the cap on contract counseling fees and provide sufficient funds to handle all Chapter 36 assistance by contractors, VA could utilize counselors to assist Chapter 31 veterans.

In fiscal year 1994, VA placed 5,000 veterans in jobs. VA has estimated that these veterans, in their first year of full-time employment, will pay an estimated $21 million in taxes. VA also estimates that these veterans will have an average work life of 25 years.

From a purely economic standpoint, it is sound public policy to return disabled veterans to meaningful employment following injury or onset of disease. Not only do we assist these disabled veterans to quickly get on a sound economic footing and back to a productive life, but we also expand the tax base. This is certainly a win-win situation. To do this, VR&C will need an estimated 600 additional employees just to provide the level of services it provided in fiscal year 1992.

VA also ran out of money in 1994 for vocational rehabilitation revolving fund loans. Disabled veterans were denied these loans, even though repayment was guaranteed through deductions in the veterans' compensation or military retirement payments. As a result, some disabled veterans withdrew from training for financial reasons, which could have been avoided. We recommend that Congress enact legislation to make these loans available to all disabled veterans.

We also recommend that VA propose legislation to authorize non-paid training/work experience in the private sector. This type of program has been successfully in place in federal agencies for almost 20 years and in state and local governments for three years.

Recommendations

- Add 600 employees to VR&C.
- Increase the cap on contract counseling funds.
- Provide sufficient funding for vocational rehabilitation revolving fund loans.
- Authorize non-paid training/work experience in the private sector.

Insurance and Indemnities

VA administers seven life insurance programs, which provide insurance protection for veterans and servicepersons. At the end of fiscal year 1994, 2.9 million policies were in effect, with a total face value of $25.8 billion. In addition, VA also supervises the Servicemans' Group Life Insurance (SGLI) and the Veterans' Group Life Insurance (VGLI) programs which, by the end of fiscal year 1994, provided $481 billion of insurance coverage to 3.2 million veterans and servicepersons. The Service Disabled Veterans' Insurance and Veterans' Mortgage Life Insurance programs are the only VA-administered insurance programs still open to new issues. SGLI and VGLI are also open to new issues.

VA has two insurance centers (located in Philadelphia, PA, and St. Paul, MN) that have provided excellent service to America's veterans and their families through the years. The average time to process an insurance claim increased slightly from the fiscal year 1993 level of four days to five days in fiscal year 1994. The outlook for fiscal year 1995, based on a projection of 435 employees without any consideration of overtime pay, is the same—an average processing time of about five days.

The Insurance Service is also obtaining interactive voice response technology, which would allow policyholders to access their accounts through touch-tone phones to obtain information on their accounts. VA hopes that this new system will not only free up personnel from answering routine policy status questions, but also help to eliminate blocked calls. VA has successfully tested this technology and anticipates that this system will be operational in early 1995.

Finally, VA has made significant progress in modernizing the Insurance Service ADP system. Computer software has been rewritten for greater flexibility and easier programming. All workstations now have

STATEMENT OF

TERRY GRANDISON, ASSOCIATE LEGISLATIVE DIRECTOR

PARALYZED VETERANS OF AMERICA

BEFORE THE

SUBCOMMITTEE ON EDUCATION, TRAINING, EMPLOYMENT AND HOUSING

OF THE

HOUSE COMMITTEE ON VETERANS' AFFAIRS

CONCERNING THE

DEPARTMENT OF VETERANS AFFAIRS'

VOCATIONAL REHABILITATION PROGRAM

MAY 3, 1995

Chairman Buyer, Ranking Minority Member Waters and Members of the Subcommittee, on behalf of the Paralyzed Veterans of America (PVA) it is an honor to participate in today's hearing. PVA appreciates this opportunity to express our views on the Department of Veterans Affairs' (VA) Vocational Rehabilitation Program. PVA extends our experience and expertise to the Subcommittee and VA to enhance the quality of services provided to veterans through the Vocational Rehabilitation Program.

VOCATIONAL REHABILITATION AND COUNSELING (VR&C)

PVA believes the existence of a viable vocational rehabilitation program is one of the most important benefits available to veterans. VR&C provides service-connected disabled veterans and servicemembers the services and assistance they need to achieve maximum independence in daily living. This program also assists these individuals in acquiring skills, and helps them to obtain and maintain suitable employment to the maximum extent possible. VR&C's services are crucial to transitioning disabled veterans back into mainstream society.

Timeliness of Vocational Rehabilitation Services

PVA's foremost concern rests with the VR&C's ability to provide timely and comprehensive services to catastrophically disabled

veterans. The primary goal of rehabilitation is to prepare disabled veterans to become productive members of society by helping them regain the ability to compete for gainful employment. Veterans who sustain injuries that impair major bodily functions, like spinal cord dysfunction (SCD), require comprehensive clinical and rehabilitative care to return to their homes. That care, which is provided in a hospital setting, does not always prepare disabled veterans for immediate transition back into the work force. Many catastrophically disabled veterans require training, equipment, counseling, and accommodations to reenter the job market.

Unfortunately, high priority is not given to the vocational rehabilitation needs of severely disabled veterans.

Vocational rehabilitation for catastrophically disabled veterans should be one of the highest priorities of the VA. In the context of catastrophic spinal cord dysfunction (SCD), rehabilitation is the process by which medical, psychological, and social functions are restored or developed to a level that allows veterans with SCD to achieve personal autonomy in an non-institutional environment.

One of the most frequent complaints of severely disabled veterans is the current inadequacy of employment opportunities. A major impediment to severely disabled veterans finding suitable employment, in a timely fashion, is attributed to VR&C's high workloads. VR&C's excessive workloads effectively discourage disabled veterans from attaining the highest levels of rehabilitation. Recent data shows that VR&C's workload will continue to rise based on the current level of resources. According to the VA, vocational rehabilitation specialists (VRSs) average caseloads in fiscal year (FY) 1993 were 230 cases. VR&C's FY 1994 average workload rose to 236 cases. The average workload in FY 1995 is 247 cases, and the prediction for FY 1996 is 259 cases. Even more troubling is VR&C has failed to meet its own

target of 125 cases per year for the last three years. PVA believes 125 cases per year is a reasonable and attainable standard. VRSs and counseling psychologists represent the frontline of the VR&C program. They must provide assessments and benefits in a timely manner that meet basic quality-of-service standards, and be both accurate and compassionate in their determinations. With an ever increasing workload, VRS's ability to provide quality service to disabled veterans is gradually being compromised. According to the *FY 1996 Independent Budget for Veterans Affair*, in FY 1995 veterans are waiting an average of 71-days, from the time they file their applications for vocational rehabilitation, to having their first appointment. High caseloads and inordinate waiting times make it impossible for VRSs to provide the minimum level of vocational rehabilitation services necessary to disabled veterans. Moreover, future projections for vocational rehabilitation services are not good. The VA predicts a continuing decline in VR&C's ability to provide timely vocational rehabilitation to service-connected disabled veterans and separating service members. It is incumbent upon Congress to provide the necessary resources to stop this trend.

According to vocational counseling experts, the delay in timeliness between applications for services and initial face-to-face counseling poses two adverse effects on the disabled veteran. First, the veteran's level of motivation and morale is compromised as delays produce the impression that the system is unresponsive and uncaring. Second, severely disabled persons are prone to depression and psychosomatic symptoms, and excessive delays in vocational rehabilitation only make matters worse for these veterans. The two problems described above thwart the primary objective of vocational rehabilitation, the veteran's successful re-entry into the competitive job market and becoming a productive tax paying member of society.

Experts also agree that, to be effective, rehabilitation counseling and training must begin as soon as possible following medical rehabilitation. Putting disabled veterans back to work quickly is cost-effective, and makes good sense. For example, VA completed a study in 1991 consisting of 3,083 rehabilitated veterans. This study provided the following information and illustrates the importance of vocational rehabilitation:

- The 3,083 disabled veterans's total annual income before entering vocational rehabilitation was $11.9 million.
- 66 percent of the disabled veterans had no income when they entered the vocational rehabilitation.
- A significant number were at or below the poverty level when they entered the program.
- following vocational training, these veterans' aggregate income increased to approximately $60 million-representing a 402 percent increase.
- After completing vocational rehabilitation, these veterans paid an estimated $3.7 million to Social Security.
- Following vocational rehabilitation, these individuals paid $13 million in total estimated state and federal income taxes.

Based on the findings of this study it is sound public policy to return disabled veterans to meaningful employment following injury or onset of disease. The VA not only assists the disabled veteran in regaining the economic independence, but expands the tax base by returning highly motivated and productive workers back to the work force. PVA recommends Congress establish, and VA meet, reasonable timeliness standards. A viable vocational rehabilitation program directly represents this nation's commitment to service-connected disabled veterans, whose sacrifices deserve the highest priority. Therefore, it is imperative that services provided under this program meet acceptable standards.

VR&C AND VETERANS EMPLOYMENT TRAINING SERVICE (VETS)

PVA's overview of the VR&C and VETS programs reveal disparate levels of cooperation between the two programs. For instance, there are some areas in the country where VR&C's and VET's activities are coordinated and complimentary. This usually occurs where VETS personnel utilize office space that is in close

proximity to VR&C personnel. The proximity of personnel accommodates interprogram communication and results in a higher level of service for veterans. Conversely, in areas where there is geographic detachment, coordinated communications and services are sporadic at best. Nevertheless, PVA is optimistic about VR&C and VETS potential for delivering coordinated quality services to veterans. In order for these programs to operate in a harmonious way, PVA recommends that VR&C and VETS be made part of a multi-disciplinary team concept. This framework will ensure that disabled veterans receive the full continuum of rehabilitative services in a holistic fashion. In addition, a team concept will provide information needed to monitor and measure the quality and efficiency of the programs. PVA strongly urges the VR&C and VETS programs to adopt the following recommendations to improve communication and coordination of programs over the short term:

- VA should make office space available to VETS to enhance the agencies abilities to provide a full continuum of employment services to veterans under one roof.
- VETS personnel who are located in offices remote from VR&C should be provided a listing of local veterans who are nearing completion of their individual vocational rehabilitation programs to begin job placement initiatives.
- VETS offices collocated with VR&C should monitor the activities of remote offices to ensure placement activities are vigorously pursued.
- VA and VETS must increase the frequency of their communications. VETS in particular should ensure that all job listings, especially those from federal contractors are conspicuously posted at VR&C locations.

Mr. Chairman, thank you for holding this important hearing. It shows your concern for the needs of disabled veterans. Mr. Chairman this concludes my testimony. I will be happy to respond to any questions you or members of the Subcommittee may have.

Vietnam Veterans of America, Inc.

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A Not-For-Profit Veterans Service Organization Chartered by the United States Congress

"VVA, At Work in Your Community"

STATEMENT OF

VIETNAM VETERANS OF AMERICA

Presented by

William F. Crandell
Deputy Director,
Government Relations

Before the
House Veterans Affairs' Committee

Subcommittee on
Education, Training, Employment and Housing

on the
Vocational Rehabilitation Programs
of the Department of Veterans Affairs

May 3, 1995

INTRODUCTION

Mr. Chairman and members of the Subcommittee, Vietnam Veterans of America (VVA) appreciates the opportunity to present its views on the Vocational Rehabilitation Program of the Department of Veterans Affairs (VA) in relation to the Veterans' Employment and Training Service (VETS) of the Department of Labor (DOL). We have also been asked for comments on the decision rendered by the Court of Veterans Affairs (COVA) in the Davenport case, which we will address below.

Rehabilitation Without Vocation

The whole point of the Vocational Rehabilitation Program, as we have said before, is vocational – helping disabled veterans to train for and obtain jobs. Yet only three percent of those veterans who receive a rehabilitation plan from the program nationwide go directly into the employment services phase, while 92 percent are sent to training programs. Of those eligible, VA has found, 36 percent dropped out even before seeing a counselor, 26 percent quit after meeting one, 9 percent gave up after receiving a rehabilitation plan, 24 percent were in training, and only 5 percent were considered rehabilitated. That is unacceptable.

VA's Vocational Rehabilitation Program provides a great deal more physical therapy than vocational rehabilitation. It does minimal outreach, sending packets automatically to veterans who receive a disability rating of 20 percent or higher. Applicants are treated on a first-come first-served basis, rather than upon a priority for the seriously disabled. VA officials at numerous field offices have said they fear that these "special-disabled veterans" might get in the way of veterans with smaller disabilities.

GAO has noted that "VA does little to train its vocational rehabilitation staff to provide employment services." Further, in three of four offices surveyed, employment services were not emphasized, and indeed were not discussed until near the end of the training. Without early, continuous and convincing encouragement that such training can lead to employment, disabled veterans find little incentive to enter – let alone complete – such programs. This is not even good therapy. A realistic hope of employment is, for many disabled veterans, essential to their physical and mental healing.

Management Standards Work Against Disabled Veterans

Management standards for measuring service in the Vocational Rehabilitation Program are wrong-headed. VA measures program effectiveness according to what percentage of those who enter the employment services phase actually complete it with an appropriate job. The figure – 65 percent – is not high, but it looks significantly better than the 5 percent completion rate of those who apply for the program, which ought to be the measure of its effectiveness. Some 71 percent of all applicants drop out before beginning the employment services portion of the program.

By refusing to distinguish between veterans with minor disabilities and those who are seriously disabled, VA encourages doing as little as possible for those who need the most help. Precisely because seriously-disabled cases take more work, the current management system rates the staffer who handles a lot of these cases as less efficient than the one who takes the easy cases. The VA's refusal to put in place a work standard that recognizes that seriously disabled veterans require more support than less severely disabled veterans encourages staff to discourage those veterans who most need help.

Reworking VA/DOL Cooperation

The 1980 Veterans' Education and Rehabilitation Amendments mandated VA specifically to provide job placement services to participants in the Vocational Rehabilitation Program. The 1980 amendments authorize VA to use contract agencies for job placement, or to work with the Department of Labor (DOL), which updated a national agreement with VA in 1989 to cooperate and coordinate services with the goal of assisting in the "successful readjustment of veterans into civilian life."

Vietnam Veterans of America has supported, and continues to support, the use of

contract agencies where that is the best option for disabled veterans to find employment. For the most part, however, our experience is that the best employment agency available to disabled veterans is a successful organization that taxpayers are already paying for and getting their money's worth. DOL's Veterans' Employment and Training Service (VETS) funds and oversees a network of employment specialists within the state employment services agencies (SESAs) dedicated to veterans. The Department of Labor's Disabled Veterans Outreach Program Specialists (DVOPs) and Local Veteran Employment Representatives (LVERs) are available to veterans in the VA Vocational Rehabilitation Program, but despite the 1989 Memorandum of Understanding (MOU) between VA and DOL, there is little cooperation.

That MOU is currently being renegotiated, and we are encouraged by the cooperative efforts of both agencies to come up with a structure that works. Enforcement of the MOU is more important than the document itself, especially at the state and local levels. It must go beyond agreement in Washington. DVOPs need to be outstationed in VA facilities, in both Vocational Rehabilitation Programs and Vet Centers. While the specifics of the MOU will be important, both agencies must put spirit, serious enforcement, and – if they are serious – money into operationalizing this effort. VA and DOL must split the costs. The death knell of the 1989 agreement appears in Section I on page 5:

> C. Scope
>
> Compliance with this Agreement is subject to available funding. Nothing in this Agreement shall be construed as requiring the expenditure of funds or provision of services beyond the requirements prescribed by applicable statutes, regulations, and grant agreements.

The bottom line is that Congress, too, if it is serious about cooperation between Voc Rehab and VETS, must authorize and appropriate money. The actual costs are small – a VETS specialist at a VA facility needs a computer and linkage to be effective. At present, VA refuses to pay for computers at Vet Centers for DOL staff, and DOL will not pay for a computer to be used at a VA office. There will also be some need for training and meetings of VA and DOL personnel. VVA believes that such money would be well spent, and that Congress must in any case oversee the cooperation between VA and DOL.

VETS as an Employment Agency

As recently as 1988, DVOPs and LVERs made up only 10 percent of Job Service staff nationwide. Today they constitute 30 percent, and deliver 90 percent of services to veterans. These skilled employment specialists should be involved with disabled veterans in the Vocational Rehabilitation Program much earlier than they are, and they are often not called upon at all.

Our experience is that VA's Vocational Rehabilitation staff are never very current about the job market. DVOPs and LVERs are. They should be involved with veterans in the program early in their training to give them counseling and direction, and to register them with DOL. By the last semester of training, DVOPs and LVERs should be helping with resume writing, employment strategies, and job counseling. These are functions that VA staff are supposed to cover, but generally do not do well. The idea behind VA/DOL cooperation is to avoid duplication of effort and reinventing the wheel.

How Can Such Cooperation Work?

The cooperation we call for already exists where a few VA and DOL people have taken the initiative at state or local level. For the past year a DVOP has been stationed at a VA Vet Center in Albany, New York, using a computer and linkage paid for by Wagner-Peyser money to stay connected to the whole Job Service. By agreement with the Vet Center team leader and patients – after promising to respect confidentiality as the other Vet Center staffers do – the DVOP became part of the treatment team, because employment is essential in the treatment of Post Traumatic Stress Disorder (PTSD) and other service-connected psychological conditions.

Why the Vet Centers? One discovery DVOPs and LVERs have made over the years is that many Vocational Rehabilitation Program-eligible veterans know nothing of the

program, outreach being one of its weak features. Disabled veterans ranging from the minimal 10 percent rating to very seriously disabled veterans come to the Job Service in need of work, and they often go to the Vet Center in need of counseling – a need that often accompanies serious service-connected disability.

The Albany DVOP routinely connected such veterans with VA's Vocational Rehabilitation Program, and worked with them throughout their progress. Even though he was located at neither a Voc Rehab office nor his own Job Service office, he got 220 secured placements for disabled veterans in 1994, a very high figure. Because of his involvement from start to finish, veterans stayed in the program and completed it.

Other state programs are experimenting with such cooperation. New Hampshire has used cross-training of DVOPs and LVERs in its state Job Service and VA Vocational Rehabilitation very effectively. California brings its veterans employment specialists and state vocational rehabilitation people together with VA staff. Florida reports impressive successes. There are many workable models. Congress has given them all the statutory authority needed – it simply needs enforcement. The Secretaries of Labor and Veterans Affairs must make cerain their people to work together.

The Threat to Veterans Employment Programs

We assume that members of this Subcommittee are aware that legislation pending before Congress, intended to consolidate training programs with a view to eliminating duplication, targets all of these efforts for elimination. Some of the pending bills to deal with consolidation are hastily drawn and heedlessly damaging to veterans. Most of these proposals would repeal a number of laws that support veterans employment programs. H.R. 1120 would eliminate a long list of statutes, funding streams and programs, including VA Vocational Rehabilitation and DOL DVOPs and LVERs, as well as long-standing laws that make priority hiring programs for veterans possible. H.R. 511 would go a step further and strip DOL of the expertise, monitoring and institutional memory that its Veterans' Employment and Training Service (VETS) provides. Eliminating DVOPs and LVERs would break the backs of the state employment services, and would leave veterans without special assistance. This would be particularly hard on disabled and homeless veterans, who need the most intensive service to place them in jobs. Chairman Stump and Ranking Member Montgomery have rightly sounded the alarm on such legislation. We call upon you to protect veterans employment programs from hasty measures such as these.

The Need for Employer Development

Finally, DOL should articulate an additional mission for the National Veterans Training Institute (NVTI). The added mission would encompass training of LVERs and DVOPs in the techniques of outreach to the untapped employer community and in translating military training and experience into qualifications employers can understand and use. Current training at NVTI is dominated by instruction on the current state of veterans employment program law. While it may be useful to know what federal statutes mandate, this knowledge – absent an ability to develop the employer community – is of limited value to veterans needing meaningful jobs.

The greatest failing of the nation's labor exchange provided by the state employment services agencies is that they do not reach enough employers. Some capable workers stay away from the Job Service because they believe they can't find good jobs there, and some employers stay away because they feel the best workers do. It is a vicious circle, and disabled veterans are generally stuck in it. The way out is to train DVOPs and LVERs to expand the list of available jobs by developing employers who understand that veterans are the seasoned, disciplined, skilled workers every sound business is trying to employ.

We should also note that government itself is a major employer which VA ought to work with in placing trained veterans with disabilities. The Office of Personnel Management (OPM) is sensitive to hiring both veterans and workers with disabilities, as are most state and local governments, which are generally convenient to regional Vocational Rehabilitation offices. These should be routine agencies for placement of veterans who enter this program.

In recent years OPM has said it was having difficulty recruiting qualified and appropriately trained individuals for civil service jobs. We propose legislation requiring OPM to formalize its relationship with VA, perhaps with a mandated Memorandum of Understanding such that the availability of Vocational Rehabilitation graduates is made regularly available to OPM for distribution to recruiting federal agencies.

A Comment on the Davenport Case

We were also asked for a comment on the March 30, 1995 decision of the Court of Veterans Appeals (COVA) in the Davenport case, which set aside a VA regulation requiring a nexus between a veteran's service-connected disability and employment-related handicap to qualify for VA's Vocational Rehabilitation Program. The facts of the case – a veteran who is a lawyer with a foot problem wants financial assistance to pursue a masters degree in film arts – strike some as far-fetched. The Davenport decision, however, is not on the facts but the law, which is clear. Vietnam Veterans of America has no problem with the Davenport decision.

Reading the decision itself makes clear that VA is reluctant to accept the 1980 change in the law that eliminated, in the words of S. Rep. No. 746, 96th Cong., 2d Sess. 73-74 (1980), "the requirement of a *determination* that a veteran's service-connected disability constitutes some form of employment handicap." (Emphasis added.) Our assumption is that this Subcommittee may be considering legislation of some sort, though no proposal has been put before us.

VVA is wary of legislation that would resurrect that requirement. Congress eliminated it because requiring the determination of such a nexus put an undue burden on the disabled veteran to prove that there was a clear connection between the service-connected disability and the employment handicap. VA has a history of denying benefits to veterans who deserve them. We have no wish to return to such a pattern. If the 1980 statute is to be revised, Congress must not enact a requirement that will act only as another hurdle for disabled veterans.

Conclusion

Mr. Chairman, our disabled veterans have given more to this nation than most living Americans, and the sacrifices of the seriously-disabled are the greatest. All of us here are able to see the solid value of returning to veterans as much as is possible of the ability to live normal, productive lives.

A standard of indifference is unacceptable in the case of disabled veterans who want to work. Although many – even most – of the people who work in the Vocational Rehabilitation Program are caring, competent professionals, the program itself turns off and turns away three-quarters of those who come to it.

VVA calls upon Congress to get tough with the Vocational Rehabilitation Program. Find a way to set standards – aggressive standards – and a way to tie funding to meeting them. Make Vocational Rehabilitation work with the VA's own Vet Centers and with VETS. These programs were made for each other. Vietnam Veterans of America will be glad to help Congress and both agencies to make the connection, and to make it succeed.

Mr. Chairman, this concludes our testimony.

STATEMENT OF PHILIP R. WILKERSON, DEPUTY DIRECTOR
NATIONAL VETERANS AFFAIRS & REHABILITATION COMMISSION
THE AMERICAN LEGION
BEFORE THE SUBCOMMITTEE ON EDUCATION, TRAINING,
EMPLOYMENT AND HOUSING
COMMITTEE ON VETERANS AFFAIRS
U. S. HOUSE OF REPRESENTATIVES

MAY 3, 1995

Mr. Chairman and Members of the Subcommittee, The American Legion appreciates having this opportunity to comment on the current operation of the Department of Veterans Affairs (VA) Vocational Rehabilitation and Counseling (VR&C) Service.

Historically, the American Legion has been a strong supporter of VA's program of vocational rehabilitation and employment assistance for service disabled veterans, including assistance to catastrophically disabled service connected veterans in achieving maximum independence in daily living. Under Chapter 31 of title 38, United States Code, VA is authorized to provide:

* a wide range of evaluation and counseling services, educational and vocational to determine eligibility for and feasibility of a program of vocational rehabilitation and to develop a suitable and individualized program;

* placement in an appropriate training or educational program intended to help the disabled veteran overcome an employment handicap;

* financial assistance while in the program.

In our view, this type of assistance has been the traditional strength of the Voc Rehab Program.

However, in recent years, the VR&C Service has come under strong criticism by GAO and the Congressional Veterans Affairs Committees, as well as the veterans service organizations for increasing delays in providing disabled veterans needed services. These concerns have focused on:

* the waiting time for a disabled veteran to be given an appointment for an initial evaluation to determine if he or she qualifies for vocational rehabilitation assistance is now up to about two and a half months;

* staffing in the VR&C Service has been repeatedly cut, despite the dramatic growth in the demand for all types of Voc Rehab Services due to the continued down sizing of the Armed Forces;

* on average each Voc Rehab specialist is responsible for managing the cases of 256 veterans when the average caseload in the private sector is only 125;

* workload data reflect increasing numbers of veterans in each stage of the Voc Rehab process;

* a significant number of veterans drop out or discontinue their program prior to completion;

* veterans who have completed their program of education or training and are seeking a job must now wait upwards of 6 to 7 months for employment assistance services;

* VR&C Service operational and administrative procedures have not kept pace with state-of-the-art changes in the employment field and the specialized needs of disabled veterans.

Mr. Chairman, many of these problems stem from the simple fact that the VR&C Service has been repeatedly deprived of the personnel resources needed to effectively manage this very important program and assist disabled veterans in a comprehensive and timely manner consistent with the letter and intent of the law. It is a question of trying to do too much with too little. We have expressed our concerns regarding this situation most recently in our testimony on VA's FY 1996 budget request before the Congressional Veterans Affairs' and Appropriations Committees.

In 1993, a letter was sent to the former Chairman of this Committee, dated May 27, 1993, stating, "The American Legion believes the Secretary should immediately convene a special task group, to be chaired by VA, to explore all aspects of the program with respect to goals, services, management and resource needs. Such prompt action is warranted in light of the further cut back in personnel proposed in VA's FY 1994 budget request. Service to disabled veterans will further deteriorate, if something is not

done to provide more realistic funding and review the program's priorities."

Mr. Chairman, in the interim, The American Legion has not changed its position on either the need for additional VR&C personnel or the pressing need for wide ranging changes in the Voc Rehab program to improve both its timeliness in the delivery of services and the overall rate of success in placing veterans in suitable employment.

Despite the continued lack of budgetary support, the Secretary did, in fact, authorize a special task force to review the Voc Rehab Program. As a result, a number of needed program changes have been identified and a plan developed to accomplish these changes. The Under Secretary for Benefits, Mr. John Vogel, in a memorandum dated March 8, 1995 has set forth the objectives to be pursued under this plan which are intended to improve the level and quality of services delivered to Chapter 31 participants.

The plan recognizes that the VR&C Program and staff must become more focused on the primary goal of getting disabled veterans through their program and into suitable employment. One of the many steps toward this end is to develop the means to determine why so many veterans drop out before completing their program. The case manager system must be improved and procedures streamlined to allow more effective use of existing personnel and resources. While much of this plan relies on in-house expertise, VA has recognized the limitations of this approach and will seek the assistance of professional consultants in redesigning existing business procedures and management practices.

It is our understanding that no consulting firm has as yet been selected, but a decision is expected in the coming months. We believe it is important that the consulting firm be selected as soon as possible and be directed to seek the input of the veterans service organizations to ensure that the needs and concerns of the disabled veteran "customer" are taken into consideration.

With respect to VA's relationship to the Department of Labor's Veterans Employment and Training Service (VETS), we are particularly concerned about what many perceive as a total lack of cooperation and coordination between VA and VETS, when it comes time to find jobs for service disabled veterans. The American Legion knows of several instances where outstanding working relationships exist between Disabled Veterans Outreach Program (DVOP) specialists and VR&C case managers. However, we have been told that those relationships are the exception and not the rule. This problem must be dealt with if VR&C is to increase the placement of its clientele.

Based on our experience, we find this perception difficult to understand because of the dedication that DVOPs have continually displayed over the years for the veterans they serve and the fact that a very large percentage of them were participants in the VR&C program.

In fairness to the DVOPs, we must point out that the vast majority of jobs listed with the Employment Service are for entry-level positions and may not be appropriate for most Voc Rehab participants. Currently, VETS is reviewing the training provided to DVOPs by the National Veterans Training Institute to determine if it is both sufficient and effective in helping them develop appropriate employment opportunities and place veterans in suitable types of employment.

Mr. Chairman, The American Legion wants to thank you for your interest in the VR&C program. As we understand it, after the Assistant Secretary for Veterans Employment and Training met with you earlier this year, he immediately set up a meeting with the new Director of VR&C Service. On March 2, 1995 they met to discuss how they could work together to improve communications and cooperation between their staffs at both the national and local levels.

We are pleased to report, Mr. Chairman, that both departments have made this a priority issue. Since the initial meeting between the Assistant Secretary of Veterans Employment and Training and the Director of VR&C Service, representatives of

their staffs have met on numerous occasions and are working together to eliminate the problems that have hampered both departments' effectiveness in the delivery of services to disabled veterans.

Something else that resulted from those meetings was the decision to draft a new memorandum of understanding (MOU) between VETS and the VR&C Service. We have been assured by members of both departments that the provisions of the MOU will very clearly define both agencies' responsibilities. It will also establish a system for measuring the results of the proposed changes in both departments' operating procedures.

Representatives of The American Legion have met with the Director, who is a chapter 31 graduate himself, and were impressed both by his candor and VA's plans for improving services to VR&C clients. The American Legion remains troubled by the inadequate budget for the current fiscal year and for FY 1996 for the VR&C Service, and is concerned that a lack of adequate personnel will seriously jeopardize VA's ability to effectively implement many needed changes. The American Legion believes that continued oversight of the VR&C Service by this Subcommittee will be important to improved program productivity, efficiency and service to veterans.

Mr. Chairman, that concludes our statement.

Testimony of Preston M. Taylor Jr.

Assistant Secretary for Veterans' Employment and Training

Submitted to the

Subcommittee on Education, Training, Employment and Housing

Veterans' Affairs Committee

U.S. House of Representatives

May 3, 1995

Good morning Mr. Chairman and Members of the Committee. I appreciate the opportunity to testify today regarding the Veterans' Employment and Training Service and our partners, the State Job Service agencies, with respect to our relationship with the Department of Veterans Affairs' Vocational Rehabilitation and Counseling program. I also appreciate this opportunity to highlight some of our accomplishments on behalf of disabled veterans and to inform you of our plans for improving services to this special group of American heros who have completed a program of vocational rehabilitation. I think we have a good story to tell.

In the program year that ended June 30, 1994, the State Job Service agencies assisted 38,802 disabled veterans in obtaining employment. Of that total, 15,389 were "special disabled"; that is, veterans with service-connected disabilities rated by the Department of Veterans Affairs at 30 percent or more.

The Disabled Veterans' Outreach Program staff, known as DVOPs, and Local Veterans' Employment Representatives, known as LVERs, employed by the States under grant agreements with the Veterans' Employment and Training Service accounted for approximately three-fourths of those success stories. The services provided by the various Job Service agency staff resulted in about 27 percent of all of the registered disabled veterans entering employment and 28 percent of the "special disabled" veterans entering employment.

While I am not content with a 27 or 28 percent success rate, it does compare favorably with the Job Service agencies' entered-employment rate of 16 percent for all registered non-veterans.

Although we know that we helped many disabled veterans obtain employment last year, we do not collect data regarding the number that completed VA's vocational rehabilitation program. While we are required by chapter 41 of title 38, United States Code, to collect data specifically regarding disabled and special disabled veterans, the category of vocational rehabilitation program participants is not included in that requirement.

However, it appears to us that the collection of such information may be beneficial to all concerned. Thus, we intend to explore with our VA partners some ways to more accurately measure our accomplishments with this special customer. It seems highly probable that a significant number of the nearly 39,000 disabled veterans who obtained jobs through the efforts of the DVOP, LVER, and other Job Service staff in the last program year were graduates of VA's vocational rehabilitation program.

We know from surveys of the Veterans' Employment and Training Service field staff that the reporting of placements of vocational rehabilitation program completers is not the only area in which communication and coordination among VA, VETS, and State Job Service staff needs improvement.

As a result of our internal surveys, and such events as a focus group session I recently participated in with 32 Job Service staff from the Dallas - Ft. Worth areas, we are not as satisfied that there is sufficient coordination to ensure that DVOP and

other Job Service resources are devoted to working with the VA's vocational rehabilitation counselors on behalf of disabled veterans in that program. We also know, based upon experience with the Department of Veterans Affairs, and a dialogue I had with the VA's Vocational Rehabilitation and Counseling Officer and our Director for Veterans' Employment and Training in St. Petersburg, Florida, that where we have established a close working relationship, the DVOPs and other Job Service staff can play a major role in placing vocational rehabilitation program completers. Furthermore, that close working relationships can help to ensure that the successes are reflected in the VA's reports.

We know that we need to continue to work with VA's new director of the Vocational Rehabilitation and Counseling Service to focus our agencies' Memorandum of Agreement on operational policies and procedure to better ensure good communications and coordination of efforts. Our respective staffs have begun that work.

In the past two years we have taken specific actions to improve the capability of the DVOP and LVER program staff to provide intensive services to veterans with serious barriers to employment. Specifically, we have developed and tested in four states a case management approach to serving such veterans. Through our National Veterans' Training Institute we have developed two case management training courses -- one for practitioners and one for office managers. Based upon the success of the pilot projects, we recently began an expansion of this service approach and training to other states.

We are also having a consultant who is a former employee of the Vocational Rehabili-tation and Counseling Service to assess the strengths and
weaknesses of our other training courses with regard to preparation of the State agencies' veterans specialists for the job of placing veterans with serious barriers in employment. While our rate of success with the 30 percent or more disabled veteran is relatively good, we want to upgrade our specialists' capabilities as much as we can through training at our training institute.

With that specialized training, our DVOPs --- four-fifths of whom have college degrees and an estimated 25 percent of whom are themselves VA Vocational Rehabilitation program graduates -- are poised and ready to work closely with the VA counselors to assist the disabled veterans who have completed their program of rehabilitation in entering suitable employment. We look forward to a new era of real coordination and cooperation with our partners in the Department of Veterans Affairs.

That concludes my testimony. Again, I thank you for this opportunity, and I will be glad to answer any questions you have.

Hearing Questions and Responses
Subcommittee on Employment, Education, Employment and Housing
Committee on Veterans Affairs
U.S. House of Representatives

May 3, 1995

1. How has the working relationship between VETS and VR&C been improved?

The working relationship between VETS and the VA Vocational Rehabilitation and Counseling Service has been continually improving through the recently increased interaction between the Veterans Administration (VA) and the Department of Labor (DOL). We have strongly encouraged VETS' directors in each state to contact the local VR&C officers to negotiate the assignment of DVOPs in their locations and to resolve issues which may be barriers to cooperative efforts. High level national office staff also have begun work on improvements to the interagency agreement intended to ensure that barriers to productive, measurable cooperative efforts are overcome.

2. How many vocational rehabilitation veterans were placed last year?

Currently, the State Job Service agencies systems do not track this category of disabled veteran. Based upon focus group data, we believe that many placements were made.

3. Why do you think there has been an apparent lack of cooperation in the past between VETS and VR&C?

It appears that over the past five years, as the overall staffing of the Job Service agencies has diminished, the DVOP and LVER staff have steadily taken more responsibility for serving <u>all</u> categories of veterans. As a consequence, the VA vocational rehabilitation program participants became almost exclusively the responsibility of the VA Vocational Rehabilitation and Counseling staff. Absent clear direction to the contrary from VETS and VA headquarters, that trend continued until recently.

4. How well does VETS collect the appropriate employment information? Does VETS-100 need revisiting? How might it be improved?

The VETS-100 is a report provided by employers who are Federal contractors. The report is designed to satisfy the requirements of section 4212 of title 38, U.S. Code. As the Federal Contractor Program is intended to benefit all special disabled veterans -- not just those who have participated in a program of vocational rehabilitation -- it does not seem appropriate to modify the VETS-100 form to capture that additional information.

The additional reporting burden on employers would not be likely to increase employment opportunities for vocational rehabilitation program graduates.

5. How well does the DVOP/LVER system assess a disabled veteran's skill, knowledge, and abilities (SKAs)? How can this procedure be improved?

The best indication of the ability of a DVOP or LVER to assess a disabled veteran's skills, knowledge, and abilities is the success they have in assisting such veterans to obtain employment. Data from the last complete program year, which ended June 30, 1994, shows that 26 percent of all special disabled veterans served by DVOPs and LVERs obtained employment. While that performance level is

relatively good, we believe it can be improved, primarily through implementation of a case management system for providing services, and upgrading of the competencies of the DVOP/LVER staff through training provided at the Department of Labor's National Veterans' Training Institute (NVTI) in Denver, Colorado. Both efforts are currently underway.

6. Are there appropriate NVTI or other courses available on job development for disabled veterans? Can the educational opportunities offered by NVTI be expanded, or the course altered to improve delivery of services to veterans?

Currently, VETS is in the process of having a consultant who is a former VA vocational rehabilitation counselor review each of the training courses for DVOPs and LVERs at NVTI. We have specifically tasked this individual with pointing out deficiencies or omissions in the array of competencies the training curriculum addresses.

He will provide VETS with recommendations for improving each program in the specific area of serving vocational rehabilitation clients. Also, we have recently added two case management courses to the curriculum; one for practitioners and one for managers. They will upgrade the ability of Job Service agency staff to serve veterans with serious disadvantages in the job market.

7. Are there qualification "standards" for DVOPs and LVERs established by VETS?

The only qualification standards for DVOPs and LVERs established by VETS are the veterans status requirements set forth in sections 4103A and 4104 of title 38, U.S. Code. The grant agreements with the State agencies in effect require that the individuals selected for those positions be competent to perform the array of duties prescribed in those sections of the Code. Each State agency has its own personnel merit system. Since DVOPs and LVERs are State agency employees, each State establishes its own qualification standards, in conformity with the U.S. Code.

8. How does the Assistant Secretary for Veterans' Employment and Training intend to implement these employment qualification "standards"?

Absent a Federal mandate that authorizes VETS rather than the States to establish qualification standards for DVOPs and LVERs, VETS will continue to seek performance improvements through systemic changes. First, we shall implement a case management approach to intensive services. Second, we plan to enhance DVOP/LVER skills via training courses provided by NVTI through improved networking with partners such as the VA's Vocational Rehabilitation Counselors. And third, we intend to make greater usage of modern labor market information tools now available from entities such as the National Occupational Information Coordinating Committee.

STATEMENT OF THOMAS PIFER BEFORE THE U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON VETERANS' AFFAIRS

3 May 1995

Mr. Chairman, thank you for asking me to testify before your committee. I am Tom Pifer, the Disabled Veterans Outreach Program Specialist (DVOP) outstationed at the VA Regional Office in St. Petersburg, Florida. I have been assigned there for the past two years. My primary duty is assisting disabled veterans that have completed training under Chapter 31 of the VA Vocational Rehabilitation Program to obtain employment and achieve total rehabilitation. My area of responsibility is the West Central coast of Florida and comprises one of the five regions of the state.

To begin, I would like to give a brief overview of what we have accomplished over the past two years. During the program year 1992-93, the year before I was assigned to this position the regional office had 20 successful rehabilitations in the West Central coast area. The definition of a rehabilitation for the veterans I work with is a veteran that is suitably employed and maintains that employment for at least 60 days. During the program year 1993-94 we had 60 rehabilitations. The program year for 1994-95 that just ended March 31st, we had 84 rehabilitations. This is an increase of 320 percent in 2 years and is a tangible record of achievement which all who work in the program are justifiably proud. This is particularly true when compared to the fact that our small region is responsible for more than half the rehabilitation's in the State of Florida and over 22% of that figure in the entire nation that could be attributed to DVOP services.

An underlying secret to our success was that as a State Employee my duties and activities have been fully integrated into the support of the Federal VA Voc Rehab process. Under the leadership of the U.S. Department of Labor, Veterans Employment and Training Service, the three organizations met on a monthly basis to address the issues that concerned us all. It became quite clear to all parties concerned that the Regional DVOP must be a team member, working in concert with the VA Vocational Rehabilitation Specialists. My superiors in the Florida Department of Labor and Employment Security, the U.S. Department of Veterans Affairs and the U.S. D.O.L. Veterans Employment and Training Services have given me the latitude to adapt my efforts as I see fit to accomplish the team goal. That goal is providing realistic and targeted assistance to Vocational Rehabilitation referrals in order that they find gainful and constructive employment consistent with their Individual Employment Assistance Plan.

One area on which we concentrated for immediate impact was to assure that the employment goal which is the basis of the Individual Written Rehabilitation Plan was realistic. This plan written by the Counseling Psychologist during the initial evaluation must result in suitable, gainful employment at the completion of training and/or other rehabilitation services. The DVOP, using the Employment Service's resources, can provide current information on wages and the availability of jobs in the veteran's chosen

field of training in the geographic area of intended employment. Provision of this Labor Market Information during vocational planning has prevented veterans from being trained in occupations which were unsuitable for reasons such as low pay, no market for skills, or lack of client capability.

The central process I established is a case management system where a packet on every veteran completing training under Chapter 31 is sent to the local DVOP in the Job Service Office nearest to where the client lives. Along with this packet, comes the responsibility of assisting the veteran in all aspects of preparing for and executing an effective job search. Each month the local DVOP sends a progress report to the VA Regional Office. I monitor these reports to ensure that they are timely and that the client is getting the help and guidance needed to secure employment. The reports are also used to alert the Veterans Affairs Vocational Rehabilitation Specialist of any problems the client might be having.

In order to effectively supervise the case management system we implemented a simple computerized tracking system. Tracking begins 60 days prior to graduation from training and continues until the veteran is either rehabilitated, returned to the Counseling Psychologist for modification of the plan, or services are discontinued. This system allows for total visibility of the progress of all clients in their job search. Prior to the use of this system, there was no structured control of clients in Employment Services. Perhaps a reason for lack of positive results in other programs is that the system loses track of many clients. By displaying them on a simple spread sheet file and report,* we follow them until the case is truly closed. It may well be that the program has had more success than it was credited with simply because it did not verify successful results once the veteran left its purview.

Another factor in our successful referral and tracking system is that it employs the professional services of the local DVOP's who are on the ground, working with employers and veterans to link them together for rewarding careers.

After our management system was in place, the VA Vocational Rehabilitation Specialist and I began to expand on this base by implementing the use of programs that had only had minimum of exposure in the past. These programs were the Non-Paid Work Experience Program, the Employer Incentive Program, and the VA OJT Program. Here are two examples of how we used these programs to facilitate the rehabilitation process:

My first example is about a young veteran that came to us as an ASE Certified Mechanic working at a car dealership in another city. He was suffering from chronic back and knee injuries sustained while on active duty. The veteran was in jeopardy of losing

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* Samples of the files and the spread sheet report are attached at Enclosure 1.

his job because of lost work caused by two worker's compensation claims and his employer's apparent inability to accommodate his disability. The veteran was desperate to continue working to provide for his growing family and needed a job setting that would not aggravate his service connected disability. When I was approached by his Counseling Psychologist as to a possible solution to this veterans problem, I suggested that we might be able to set up an Employer Incentive Program with a local auto dealership as a customer service representative. The Counseling Psychologist, the veteran, and I worked together to establish this position. The VA paid a portion of the veterans wages for 6 months to the dealership in return for developing his skills as a customer service representative. Today this veteran is still employed at the dealership. For a total cost of less than $6,000 this veteran now has a new career and has not missed a pay check in the transition from mechanic to customer service representative.

In another situation we used a Non-Paid Work Experience and an OJT to help a disabled veteran who had both physical disabilities and was recovering from alcohol and substance abuse. He had a Bachelors Degree in Physical Education but was not certified to teach. He was interested in working as a counselor. Instead of sending him back to school for 2 or 3 years we set up a Non-Paid Work Experience at a juvenile detention center in which the veteran worked as an assistant counselor. After a few months, a position as a testing technician became available with a rehabilitation company. The veteran met the basic criteria of the position with a Bachelors Degree and some background in counseling. The employer agreed to hire the veteran at a trainee wage and the VA paid him a subsistence allowance under the VA OJT program for 9 months. The veteran has been working as a test technician for a year and a half now. He plans to continue his education on his own to further his career in the area of vocational rehabilitation counseling. These are but two examples of how we have worked together as a team to make this program a success. Often communication and group effort can provide simple solutions to seemingly complex problems.

While we are achieving success in West Central Florida, we were the original pilot site in the State. Our immediate goal is to further enhance DVOP effectiveness in placing Chapter 31 clients statewide by using some of the procedures our team developed and others may develop in each local area. If this effort is successful in Florida, it would seem reasonable to implement such a program on a national basis.

Mr. Chairman, this concludes my introductory remarks and I look forward to answering any questions your committee may have.

VOCATIONAL REHABILITATION EMPLOYMENT STATUS
#5/1/95#

SSN	NAME	VA No	VA Case Manager	Comp VR Trng	Assigned Emp Svs	Job Svc Office	Office Phone No.	DVOP	Reg w/ JS	Date Last Report	Status
254781631	ALEXANDER, CHARLES		Overstake	12/19/94	1/9/95	4430	8138933501	Pifer	Yes	4/11/95	Working
545983819	ANDRAKIN THOMAS J.	Same	Fanning	12/31/94	11/1/94	4460	8132723215	Peacock	Yes	4/20/95	Active
260724996	BETTIS JOHNNIE F	23420988	Fanning	3/31/95	3/16/95	4445	8135477707	Maxon	Yes	4/20/95	Active
404027570	BOYD DONALD C	Same	Overstake	5/31/95	3/31/95	4355	9048405620	Watson	No	3/31/95	Active
262636619	BRINKMAN RICHARD	30318939	Fanning	10/12/94	4/17/95	4430	8138933501	Pifer	No	4/17/95	Rehab
266190674	BROWN FRED H	29507439	Overstake	6/30/94	4/19/94	4565	1834992233	Murray	Yes	4/25/95	Working#
255688257	CASWELL JAMES E.	255688257	Overstake	3/15/95	12/13/95	4420	8137446000	Carey	Yes	3/3/95	Active
160385161	COLLINS PHILIP M.	26209078	Fanning	8/1/94	8/3/94	4430	8138933501	Pifer	Yes	4/20/95	Working#
261298300	CRAWFORD, KENNETH		Overstake	12/22/94	12/14/94	4430	8138933501	Pifer	No	3/17/95	Working
145520612	CRESSE DEBRA A.	Same	Fanning	1/30/95	1/13/95	4750	8132787140	Parmely	Yes	4/18/95	Interupt
263315814	DALEY ROBERT P.	30320393	Overstake	3/30/95	12/27/94	4410	8138628541	Kibbat	Yes	3/15/95	Active
523564671	DERRERA SAMUEL JR.	23579910	Overstake	7/31/94	12/14/94	4430	8138933501	Pifer	Yes	3/17/95	Active
263729501	DOLLAR JAMES H	Same	Overstake	6/30/95	3/16/95	4430	8138933501	Pifer	Yes	3/20/95	Active
262869275	DOWNS DAN M.	26611415	Overstake	6/30/95	12/27/94	4440	8137257920	Unk	Yes	4/11/95	Active
420745832	EAKENS, DENNIS B.	420745832	Overstake	6/8/94	6/20/94	4430	8138933501	Pifer	Yes	3/17/95	Active
266348566	FOREHAND CALVIN	17470912	Overstake	2/28/95	12/14/94	4430	8138933501	Pifer	Yes	3/10/95	Active
258705923	GORDON RUBYE L	Same	Overstake	5/31/95	3/15/95	4420	8137446000	Carey	Yes	4/25/95	Active
296485127	GOULD,MICHAEL J.	30253365	Fanning	12/13/94	2/27/95	4751	8137721776	Sgro	No	4/18/95	Working#
383521099	GREGORY WILLIAM J	29075639	Overstake	5/31/95	4/21/95	4575	8132915292	Unk	No	4/21/95	Active
402649576	GRIDER, DONALD		Fanning	1/10/95	1/13/95	4721	8134835935	Checkitt	Yes	4/14/95	Active
592723097	HAGINS KENNETH L.	Same	Fanning	1/30/95	1/13/95	4750	8132787140	Parmley	Yes	4/18/95	Working#
264276935	JENKINS MICHAEL B	29668287	Overstake	5/31/95	3/22/95	4410	8138625442	Kibbatt	Yes	3/22/95	Active
144243584	KAKGL LOUIS J	17868255	Fanning	2/3/95	3/22/95	4720	8133616100	Keen	Yes	4/20/95	Active
262758456	KLUPACS, LEWIS M.	262758456	Fanning	4/30/95	2/16/95	4460	8139307444	Unk	No	2/16/95	Active
476866573	LAVINGNE, SHANNON		Overstake	5/25/95	3/25/94	4430	8139307444	Jackson	No	4/20/95	Active
203346940	LAWRENCE WILLIAM J	30314007	Fanning	5/31/95	3/24/95	4721	8134835935	Checkett	No	4/20/95	Active
007728153	LOCKE PETER G	Same	Fanning	6/30/95	4/13/95	4445	8135477707	Maxon	No	4/13/95	Active
577986699	LOWRIE, THEODORE E.	577986699	Fanning	3/15/95	2/16/95	4460	8139307444	Marlin	Yes	3/9/95	Active

VOCATIONAL REHABILITATION EMPLOYMENT STATUS
$5/1/95$

SSN	NAME	VA No	VA Case Manager	Comp VR Trng	Assigned Emp Svs	Job Svc Office	Office Phone No.	DVOP	Reg w/ JS	Date Last Report	Status
280445487	MICHAEL ROBERT A	Same	Fanning	5/31/95	3/24/95	4445	8135477707	Maxon	No	4/20/95	Active
110364704	MILLER JAMES		Fanning	4/30/95	4/25/95	4445	8135477707	Maxon	Yes	4/25/95	Working$
370528380	MINTON, MICHAEL J.	25994899	Fanning	1/19/95	3/3/95	4750	8132787140	Parmley	Yes	4/18/95	Active
267433862	MOUZON JOSEPH L	Same	Overstake	1/30/95	12/21/94	4440	8137257920	McHoul	Yes	4/13/95	Active
206288468	MULHOLLAND, JOHN	206288468	Fanning	6/1/95	12/27/94	4575	8132915292	Unk	Yes	4/11/95	Active
288441312	NELSON LARRY S.		Fanning	8/30/95	11/18/94	4420	8137446000	Raymound	Yes	3/17/95	Working
385507764	NOVIC ROBERT P	25628493	Fanning	6/8/95	3/24/95	4430	8138933501	Pifer	Yes	4/12/95	Working#
255769189	OFFICE WILLIE J.	29723241	Overstake	8/30/95	12/14/94	4430	8138933501	Pifer	Yes	4/10/95	Active
388602201	PAYTON, DONALD L.	Same	Fanning	6/15/95	2/21/95	4750	8132787140	Parmley	Yes	4/18/95	Active
101385603	PINEIRO ISMAEL JR	27455076	Fanning	5/31/95	4/13/95	4580	8133866060	Townsend	No	4/13/95	Working
210391803	RAKER IRVIN F	27348846	Overstake	4/21/95	4/3/95	4565	8134992233	Fallin	No	4/3/95	Active
590284819	RASH-FRONCEK J L	Same	Fanning	5/31/95	4/7/95	4751	8132721776	Sgro	Yes	4/26/95	Working$
264479830	REEVES, KIM		Overstake	3/9/04	11/27/94	4430	8138933501	Pifer	Yes	4/25/95	Rehab
414502228	RHODES ROBERT N	Same	Fanning	4/30/95	4/24/95	4376	9047469883	Unk	Yes	4/24/95	Active
284420026	RIGGS ROY P.	2466234	Fanning	2/27/95	11/8/94	4730	8134345006	Landsbery	Yes	4/14/95	Rehab
469605394	ROBERTSON DENNIS P.	24468339	Overstake	6/30/95	12/21/94	4720	8133616100	Gresinger	Yes	3/17/95	Active
265691488	ROLLISON JAMES A.	30301212	Overstake	12/1/94	10/31/94	4430	8138933501	Pifer	Yes	3/13/95	Working
363723902	SMITH JOHN B	Same	Fanning	1/15/95	11/22/94	4460	8139307444	Armitage	Yes	4/6/95	Active
161669720	SNYDER DOUGLAS		Overstake	12/13/94	12/9/94	4430	8138933501	Pifer	Yes	5/1/95	Rehab
004480658	STONE, RICHARD	004480658	Fanning	6/1/95	12/27/94	4565	8134992340	Unk	No	4/1/95	Active
430215870	TATUM SHARON L.	Same	Overstake	5/1/94	9/2/94	4430	8138933501	Pifer	Yes	3/20/95	Working#
475646704	TORGESON ROBER D	30311325	Fanning	12/1/94	11/7/94	4565	8134992340	Murray	Yes	4/20/95	Active
457846876	TRIBBY JEFFERY L	28445119	Fanning	5/31/95	3/27/95	4565	8134992233	Unk	Yes	3/27/95	Active
039281438	VANDEEUIL ROBERT J.	25410355	Fanning	12/31/94	11/23/93	4721	8134835935	Checkitt	Yes	4/13/95	Working#
264157632	WATSON GLENN L.	30288377	Fanning	6/5/94	6/2/94	6544	8136376981	Blaylock	No	3/17/95	Active
382622319	YEAGER RONALD J	29633029	Fanning	11/15/94	3/21/95	4445	8135477707	Maxon	Yes	4/20/95	Active
265830282	YOUNG DELORES M	30300852	Fanning	12/16/94	12/16/94	4430	8138933501	Pifer	Yes	4/11/95	Rehab

NAME: SNYDER DOUGLAS SSN: 161669720 VA Case Mgr: Dverstake
VA No:
Comp VR Trng: 12/13/94 Date Ass Emp Svs: 12/9/94

Job Svc Ofc: 4430 DVOP: Pifer
PH No: 8138933501

DOT: 030 Reg w/ JS: Yes

Date Last Report: 5/1/95 Status: Rehab

COMMENTS: Vet completed his internship at Bay Pines Medical Center. Did assesment interview and reviewed resume. JD to two positions in Tampa, he has already applied to some positions nation wide.
12/12/94 Called vet to give him a lead. He interviewed for a position in Tampa at Advantis Corp on MLK in Tampa, they offered him a job and he starts on 12/13/94. his salary is $9.35 an hour in the network trouble shooter. He will call me with the phone number and his supervisors name and leave it on my voice mail.
12/23/94 Vet did not like the job wants something more in line with his training. Met with the vet at the VARO, gave him 11 job referrals and one
Comments Continued: JD attempt. Will meet with him weekly
1/31/95 Have mat with Doug on a weekly basis. I have given him over 40 referrals this month. We have reviewed his resume and his cover letter sugested some minor changes. We are finding that many of the jobs require other programing languages other than Cobol, which is the main one that he was trained in. The vet is taking C+ at HCC on the week end at his own expense. It is just a matter of time until we are successful.
2/23/95 Attempted to contact Vet at two numbers noted in file with no success. Vet had been working at Bay Pines, but has recently moved to Charlotte, NC. where he had received a job offer as a computer programer. Sent the veteran a letter requesting the specifics on his new job. In the last 30 days Mr. Snyder received over 30 job leads from this DVOP.b
3/17/95 To try and obtain Vet's job status, this office sent out inquiries this date to two St. Petersburg, Fl addresses noted in case file. No address was found for Vet in NC.
3/24/95 Received one inquiry return to sender on 3rd St. N. address this date. Will research for better address on this Vet. Note; records reflect that the 1010 26th St. address should be good.
5/1/95 Rcd letter from Vet, he is a Computer Programmer at Policy Management Systems Corp, POBox 10 Columbia, SC 29202 since 2/27. Supvr Nancy Shultz 8037354653. Salary $21,400 yr. Rehab 1May.H8037354368 W8037907270.

STATEMENT OF

R. J. VOGEL

UNDER SECRETARY FOR BENEFITS

DEPARTMENT OF VETERANS AFFAIRS

BEFORE THE

SUBCOMMITTEE ON EDUCATION, TRAINING,

EMPLOYMENT AND HOUSING

COMMITTEE ON VETERANS' AFFAIRS

UNITED STATES HOUSE OF REPRESENTATIVES

MAY 3, 1995

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to review the progress of the Vocational Rehabilitation program in fulfilling its mandate to provide rehabilitation services for disabled veterans. I will also provide some remarks about the cooperation which exists between the Vocational Rehabilitation and Counseling Service (VR&C) and the Veterans Employment and Training Service (VETS) in providing assistance to disabled veterans who are seeking employment.

As you know, Mr. Chairman, Public Law 96-466, which was enacted October 17, 1980, provided us with a state-of-the-art vocational rehabilitation program to serve America's service-disabled veterans and their families. This was the most significant change to the program since World War II and completely changed how we did business. We now provide every eligible applicant with a comprehensive evaluation to determine what services are needed to help the veteran to achieve rehabilitation through suitable employment. These services are recorded in an individual written rehabilitation plan which gives us a road map to follow through the course of services and allows us to monitor the progress of the veteran through each phase of the program.

Some veterans are so severely disabled that employment is not a viable goal. For these people, we offer programs of independent living services which are designed to help these veterans live more independently in the community. We have been successful

in bringing many veterans out of hospitals, nursing homes, and domiciliaries to achieve a greater measure of independence and self-sufficiency in their living environments. In Fiscal Year 1994, we assisted 104 severely disabled veterans to achieve their independence goals. We are happy to report that we have forged excellent working partnerships with the Veterans Health Administration (VHA) to meet the needs of these deserving veterans, and we are continuing to explore avenues that can make our services more effective and efficient.

Mr. Chairman, we are working in interesting times. For a number of reasons, including the reductions in active duty forces, the workload in our vocational rehabilitation program is at a very high level. In FY 1995, we expect to have approximately 48,500 service-disabled veterans in programs of rehabilitation services. In response to the downsizing of the military, we have worked closely with the Veterans Employment and Training Service of the Department of Labor (DOL), first to create the Transition Assistance Program (TAP), and later to create the Disabled Transition Assistance Program (DTAP) for those servicemembers who were leaving active duty with known disabilities. Our DTAP activities have been effective in bringing these disabled people to us earlier in the separation process than we had been able to accomplish previously. It is a basic tenet in the field of rehabilitation that the earlier the rehabilitation intervention occurs, subsequent to the onset of disability, the greater the possibility of a successful outcome. However, because of our workload and resource demands, we have turned to Veterans Services Divisions in our regional offices to take over the first contact activities for the separating servicemembers. We believe that this change will distribute the workload so that VR&C staff are able to devote their time to the more severely disabled veterans.

I would like to take a moment to tell you about another part of the VR&C program - that of educational and vocational counseling for servicemembers, veterans, and eligible dependents. This part of our workload has grown significantly, too. In Fiscal Year 1995, we expect to provide counseling services to 22,500 eligible beneficiaries. Eighty-four percent of these cases are accomplished through counselors under contract with VR&C for this purpose. Use of contract counselors frees VR&C staff to direct their attention to our disabled veterans. We thank this Committee for the role it played in providing an additional $1 million dollars, beginning in FY 1995, for this contract

counseling. We believe that we now have adequate funding to meet the present and future needs of those who seek this educational/vocational counseling service.

We are relying on contractual help in a number of ways. In addition to providing educational and vocational counseling services, contract staff assist in the initial evaluations provided for chapter 31 vocational rehabilitation applicants and provide other supportive rehabilitation services. Perhaps most importantly, we use the assistance of contract staff in providing a range of employment services. These services may include the development of resumes, interviewing skills, and job hunting strategies. In some cases involving severely disabled veterans, these contractors will actually find a job for the veteran. In FY 1994, contractual help was used to assist 778 of our chapter 31 veterans to gain employment.

The nature of our program is sometimes compared to that of a college or university. In such an academic institution, people enter at various points and, because of individual circumstances, progress at different rates. Only part of the graduation group will have entered at the same time, and some of the original participants may have dropped out along the way. Similarly in our program, while there may be a number of successful rehabilitation outcomes, our most significant outcome is the number of service-disabled veterans who become suitably employed. Concerted efforts are being made to close the rehabilitation "loop" by focusing our attention on the critical importance of rehabilitating disabled veterans into suitable employment opportunities.

In FY 1993, we assisted 3,636 vocational rehabilitation program participants to achieve suitable stable employment, and an additional 2,070 veterans to achieve alternate success goals. In FY 1994, due to many of the program improvements we have made, we were able to increase the number of veterans rehabilitated through suitable employment to almost 5,000 (a thirty-seven percent increase). Those 5,000 rehabilitated veterans will average an earned income of $21,000 each or a combined total of $104.9 million, in their first year of employment. These earnings allow the veterans and their families to decrease or sever their reliance on government support programs. These same veterans will pay approximately $15.7 million in federal taxes, based on their first year earnings, as well as $6.3 million in state taxes, and $6.5 million in social security payments. This economic benefit will continue and even increase during the working lives of these veterans. The average length of a rehabilitation program is about 32 months. The

average cost in FY 1994 was $6105 per year. This would indicate that, considering stable rates, the rehabilitated veterans "pay back" the cost of their programs in a little over 5 years. We are proud of that achievement, but not satisfied. We have set a goal of achieving 10,000 rehabilitated veterans per year by the end of FY 1997.

Our goals of improving the timeliness of services and substantially increasing the number of veterans successfully rehabilitated will not be easily accomplished. We constantly balance diminishing resources and a large workload with creative approaches to delivering services and a reliance on our partners. The reductions in military forces and government employees is not unique in the labor market. Business and industry are demanding better prepared workers and the competition for attractive jobs is keen. While jobs are available, with the greatest growth appearing in the private sector service industry, many jobs will not support veterans and their families. As an example, fast food restaurants are experiencing significant growth, but the jobs that they offer can be filled by low-skilled temporary workers who are very flexible. Our veterans are predominantly young primary wage earners who cannot support their families with minimum wage employment. We too often see a situation where we have prepared a veteran for employment, but the jobs for which they qualify may not offer nearly the same income as an unsuitable job that they were forced to take to meet the financial needs of their families while pursuing the rehabilitation program. In far too many of these cases, veterans stay with an unsuitable job following participation in vocational rehabilitation, even though it aggravates their disability, until they physically cannot do the job any more. To make the situation worse, the longer the veteran must wait to gain suitable employment, the greater the chance that the skills acquired through the chapter 31 program will be out-of-date. This makes the chapter 31 veteran still harder to place. And even in 1995, persons with visible disabilities are still stigmatized by prospective employers.

We have taken many steps to help service-disabled veterans complete a vocational rehabilitation program and obtain a suitable job. We hire the best rehabilitation people available and constantly provide them with training. We have changed how we do our jobs and we will change even more. We have forged linkages with other agencies and private contractors to provide those needed services which we cannot.

We could not reach our goals without the added resources of our public and private sector partners. Since our last visit to this Committee, we have established a working agreement with the Blinded Veterans Association to assure that visually impaired veterans are aware of our vocational rehabilitation services, and an agreement with Goodwill Industries which allows us to use their extensive network of rehabilitation resources.

VR&C has a positive working relationship with the Veterans Employment and Training Service (VETS) in the Department of Labor and we are working to improve it. We have written cooperative agreements, and the Vocational Rehabilitation and Counseling Service Director, Mr. Woodard, has met with General Taylor, the Assistant Secretary of Labor who is the head of VETS, to set the stage for a revision of our Memorandum of Understanding. As we frame this new agreement, we will focus our attention on very defined outcomes which clearly satisfy the mandates of our programs. But working agreements framed in Washington do not mean a great deal unless the same spirit of cooperation is felt in the field. I can assure you that we share our expectations with our staff, create observable and measurable outcome criteria, and include outcome goals in performance standards. Our field staff will be measured not by how they work through a process, but rather on how successful they are relative to the established goal. Without question, our most important goal is to increase the number of service-disabled veterans who achieve rehabilitation through suitable, stable employment.

We have been fortunate to have the help of Local Veterans Employment Representatives (LVERs) and Disabled Veterans Outreach Program (DVOP) staff who work closely with many of our VR&C field staff to assist our service-disabled veterans through the employment process. In FY 1994, DVOPs and LVERs helped 1,511 chapter 31 veterans to become employed. We have also been fortunate to have shared in the valuable training experiences at the National Veterans Training Institute in Denver. We have worked closely with VETS to create and implement the TAP and DTAP programs to assist separating servicemembers and their families. As we re-develop our program to meet the needs of current and future veterans, we intend to seek the input of VETS.

Mr. Chairman, we have achieved a high point in the quality of our rehabilitation services for service-disabled veterans and their families, but we are not satisfied. The

time between a veteran's filing an application for the program and his or her first appointment is currently about 76 days. The time it takes for a participant to find and become stabilized into suitable employment is 208 days. This is an improvement over the FY 1994 average of 217 days, but seven months to find a job is still too long. The wide range of variables which influence this timeliness include: the ability to get copies of military medical records in an expeditious manner; having staff available to process an application for the program or for specific services within the program; the availability of contractual help; the degree to which the VR&C staff have been able to streamline administrative processes; and the number of veterans who are seeking assistance. We can, and will, do better.

Our new Service Director, Larry Woodard, has been working very hard to create a framework which will support the process of change. Our overall goal is to provide the highest quality of rehabilitation services within time frames that optimize the benefit of our services. The veteran is our most important customer and much of our planning will include direct input from veterans. You have heard many people talk about the components of change. Three of those components that we will focus on are re-engineering our work process; streamlining work to cut out unnecessary steps; and modernization, or the use of ADP to automate the processes that can take advantage of ADP technology. We are examining the programs to determine how to put the decision-making power in the hands of the people in the field who can best make the decisions. We will develop improved outcome measures which describe how we are doing in the critical parts of our service. We will then endeavor to assure that our staff has the tools to accomplish the outcomes in a reasonable time frame. Finally, these outcome measures will show not only how we are meeting our goals as a program, but the measures also will be applied to every employee who is involved in the rehabilitation process. We must be accountable and we are putting into place a system that will hold each of us accountable for the very important trust given us.

Mr. Chairman, this concludes my testimony, and I would be happy to answer any questions that you or the members of the Subcommittee might have.

QUESTIONS SUBMITTED BY
HONORABLE STEVE BUYER
HOUSE SUBCOMMITTEE ON EDUCATION, TRAINING, EMPLOYMENT AND HOUSING

VOCATIONAL REHABILITATION PROGRAM AND COOPERATION WITH VETERANS' EMPLOYMENT AND TRAINING SERVICE

MAY 3, 1995

Question 1: How has the working relationship between VR&C and VETS been improved?

Answer: On March 2, 1995, the Assistant Secretary for Veterans Employment and Training and the Director of VA's Vocational Rehabilitation & Counseling (VR&C) Service, as well as members of their staffs, met to discuss ways to improve the working relationships between their staffs both at the national level and in the field.

Since that meeting, representatives from both agencies have met numerous times. As the VR&C Service embarks on an intensive reengineering effort, it will seek advice and assistance from the Veterans' Employment and Training Service (VETS) to ensure that the new design plan does nothing to restrict cooperation between the two agencies. Both agencies share a responsibility to assist veterans in successfully readjusting to civilian life. To this end, both agencies have committed themselves to actively cooperating without duplication, fragmentation, or delay in service delivery.

Question 2: Why do you think there has been an apparent lack of cooperation in the past between VR&C and VETS?

Answer: There is excellent cooperation among VR&C and VETS staff members in some locations throughout the country. A number of factors contribute to a productive and cooperative working relationship: putting service-disabled veterans first; having staff members who are trained in state-of-the-art employment skills and who work in close physical proximity; and holding employees closely accountable for their performance. Many VETS staff members have integrated well into VR&C field operations and function as valued resources in assisting veterans to obtain suitable employment. In other locations, greater cooperation is needed. To improve cooperation, both VR&C and VETS must have a comparable commitment to serving disabled veterans, especially chapter 31 veterans, and agree at all levels to measure successful outcomes using the same standards.

Question 3: How many veterans have been employed under VR&C? What standards are used to determine a successful placement?

Answer: In the past 5 years, VR&C staff helped 18,045 disabled veterans find employment in the career fields for which they prepared in their vocational rehabilitation programs. In FY 1994, 82% of disabled veterans completing Employment Services status, i.e., became employable,

successfully acquired suitable employment. VR&C considers a disabled veteran successfully rehabilitated if he or she maintains suitable employment for at least 60 days.

In FY 1994, 4,978 service-disabled veterans completed their VA rehabilitation programs. Based on their first year's average income of $21,071 following rehabilitation, these veterans will earn a total of $105 million annually. These earnings allow the veterans and their families to decrease or sever their reliance on government support programs. Based on their first year's earnings, these veterans will pay each year approximately $16 million in federal taxes, $6 million in State taxes, and $6.5 million for Social Security. This will continue—and increase—during these veterans' working lives, which can be over 40 years.

Question 4: How is your agency moving toward improving working relationships with VETS to obtain maximum suitable employment for the veterans?

Answer: Following their initial meeting on March 2, 1995, the Assistant Secretary of Labor for Veterans' Employment and Training and the Director of VA's Vocational Rehabilitation and Counseling Service, set up a task force with representatives from both agencies. This task force will review and evaluate the level of services that DOL's DVOP specialists perform and their working relationship with VA's VR&C case managers. The national agreement between VA and DOL is also being reviewed and reformulated to reflect expected changes in our operating procedures that will improve both agencies' services to veterans.

Question 5: Are statistical assessments expressed in "out-comes?"

Answer: Yes. The statistical assessments of all employment outcomes are reported and checked monthly. These checks ensure the employment data quality is good.

VR&C also monitors veterans' post-rehabilitation employment income and targets any employment income at or below the employment income poverty level. In 1994, the national employment income poverty level for a single head of household was $9,700. In 1994, the average employment income after completion of VA's vocational rehabilitation for 4,978 disabled veterans was $21,071. The average pre-rehabilitation annual employment income at time of application for all disabled veterans rehabilitated in 1994 was $3,913. The average percentage increase in employment income as a result of VA's Vocational Rehabilitation Program was 438%. The percentage of increase in tax payments is even higher.

There is a direct correlation between education and level of employment income, as shown in Department of Labor studies. It is precisely the value-added education that vocational rehabilitation provides that drives the significant growth in employment income. If untrained, unskilled workers receive just employment services, they will most likely obtain entry-level employment with incomes at or below the poverty level. Disabled veterans injured or otherwise disabled in the line of duty deserve better, not only in terms of levels of training, but in the professionals who help them in every step of their rehabilitation. This obligation to provide quality assistance includes job development and job placement services.

Question 6: How is VR&C prepared to develop and direct a comprehensive data collection program to determine programmatic success based on outcome based evaluations?

Answer: The VR&C Service has recently developed and implemented a comprehensive Operational Program System to determine the overall rate of program successes. This system allows VR&C to obtain many types of information that help in understanding rehabilitation outcomes, particularly those related to employment. Each month this system tracks program successes; that is, veterans whom a VR&C case manager has declared rehabilitated. The system can also tell which disabled veterans are rehabilitated, but elect to continue into further academic training, and which are rehabilitated in independent living programs. Data is available for each station as well as for the whole nation. This measurement system uses the data that the Benefits Delivery Network captures for each disabled veteran receiving vocational rehabilitation benefits, such as the income data cited in question 5 above.

In addition, VR&C national level and field staff members are jointly working to totally redesign VR&C business operations. Included in this redesign are different measurement indicators to identify various levels of vocational rehabilitation success other than the tradition definition of rehabilitation as employment in the specific job for which the veteran received program services and assistance.

Question 7: VR&C is authorized to provide educational and vocational counseling services to eligible active duty members, veterans, and dependents. VR&C also continues to experience an increase in applications for Chapter 31 benefits and educational/vocational counseling. How will VR&C meet its counseling responsibilities?

Answer: VR&C will meet its counseling responsibilities through a variety of methods. VR&C will continue to use contracting to provide counseling services. VR&C will also continue efforts at streamlining and reengineering its business processes.

Question 8: Where are VR&C's personnel distributed throughout the system?

Answer: VR&C has employees in all 58 VA Regional Offices. In an effort to extend the service delivery network closer to veterans' homes, many VR&C staff members are stationed in 91 outbased VA offices. Outbased employees usually work in Federal buildings, in VA medical centers, or in rented space. These outbased offices are located in major population centers to better serve VR&C's veteran and beneficiary customers.

Question 9: How have contract counseling services improved the delivery of services to disabled veterans?

Answer: Use of contract counseling for most non-chapter 31 cases has improved the ability of the VR&C Division staff members in regional offices to deliver services to service-disabled veterans seeking assistance under chapter 31, resulting in an increase in the number of rehabilitations from 3,636 in FY 1993 to 4,978 in FY 1994.

Question 10: How has VR&C improved counseling personnel training and development qualifications? How has VR&C worked with VETS to identify and enhance these qualification training programs?

Answer:

In FY 1993 and 1994, training for VR&C field staff included training programs in employment services, traumatic brain injury, contractual services, and rehabilitation practices.

VR&C Service has sponsored regional training programs nationwide in which VR&C staff members have conducted training seminars and invited professionals outside VA to both present and attend. VR&C often invited DVOP specialists to these training programs.

Revised qualification standards for the counseling psychologist and vocational rehabilitation specialist positions have been developed. Field staff members have reviewed the new standards and a labor/management study is nearing completion. These revised standards are scheduled for implementation by the end of May 1995. The new qualification standards will require minimum educational levels of a master's degree for the Vocational Rehabilitation Specialist positions and a doctorate for the Counseling Psychologist positions.

The Department of Labor (DOL) has hired a consultant to review its training program for DVOP specialists at the National Veterans' Training Institute (NVTI). VA and DOL representatives will work closely with this consultant to evaluate and improve the effectiveness of the training program at NVTI.

Service-disabled veterans participating in vocational rehabilitation proceed through a series of steps which provide indicators of service delivery timeliness by VR&C staff. [Questions 11 through 13 relate to this issue.]

Step One, "Applicant Status"—VR&C's goal is to meet with the veteran no later than 30 days after receipt of application. Currently, the average time spent in "applicant status" is estimated to be 70 days.

Question 11: What is the cause of the lengthening of time in Applicant Status for Veterans?

Answer: The principal cause of the lengthening of time in Applicant status for veterans is the downsizing of the active military forces over the past several years. In addition, the Transition and Disabled Transition Assistance Programs are aggressive information campaigns for servicemembers leaving service since 1991, encouraging them to apply for VA benefits. The number of vocational rehabilitation applications received over the past several fiscal years clearly illustrate this:

Fiscal Year 1991	40,143
Fiscal Year 1992	46,023
Fiscal Year 1993	54,848
Fiscal Year 1994	60,511
12 months ending 4/1/95	62,612

(Data source: COIN TAR Report 6001)

The average number of days in Applicant Status for the above range of years follows:

Fiscal Year 1991	86
Fiscal Year 1992	73
Fiscal Year 1993	71
Fiscal Year 1994	79
12 months ending 4/1/95	76

(Data source: COIN TAR Report 6007)

Contracting authority has prevented a worsening of Applicant status timeliness, but has not been adequate to achieve the goal of 30 days in status.

VR&C provides counseling and evaluation services under nine different benefit programs even though chapter 31 vocational rehabilitation constitutes the major portion of the mission and work. The non-chapter 31 benefit programs require staff and contract resources that would otherwise be directed to the chapter 31 program. The other eight programs involve counseling, evaluation, and in some cases rehabilitation counseling under chapters 15, 30, 32, 35, 36 of title 38 U.S.C., chapters 1606 (formerly 106) and 107 of Title 10, and the Service Members' Occupational and Conversion Act (SMOCTA). Several of these benefit programs provide personal, educational, and career counseling to separating service members and veterans in concert with the downsizing of the military.

(NOTE: The time in Applicant status does not represent merely the time between application and the date the first evaluation appointment is scheduled. Rather, it represents the time required

to receive applications in VA, develop evidence in the Adjudication activity, obtain VA Medical Center evaluation services, obtain military service records, establish entitlement to compensation, refer the claim for rehabilitation services to the VR&C Division, and schedule or reschedule appointments for the rehabilitation evaluation.)

Step two, "Evaluation and Planning Status"—VR&C's goal for completion of the assessment activity is 30 days. The VA projects the evaluation status will last 90 days, two days longer than in fiscal year 1995.

Question 12: What is the cause of the lengthening of time in E&P Status for Veterans?

Answer: Evaluation and Planning is the critical phase of a veteran's program participation. The substance and outcome of this personalized process override consideration of the time it takes to complete the process. During this phase the veteran's aptitudes, interests, and abilities are determined; possible career choices are reviewed; training facilities are reviewed for appropriateness to the veteran's needs; and a detailed plan of services and assistance is developed to guide the remainder of the veteran's program. There is no timeliness standard for closing E&P (Evaluation and Planning) status. (Source: VBA Manual M28-3, Change 2, dated 9/15/94)

The time a veteran's case is in this status represents the time required to complete two or more appointments requiring 4 to 6 hours each over the average number of reported days to close the status. Work during Evaluation and Planning status is not a day-to-day activity over the range of days reported. However, the greater the increase of veterans who apply for the program (see item 11 above) and who begin evaluation and planning, the fewer staff members and contract resources are available to complete those already in the process. The number of days necessary to close E&P status over the last several fiscal years follows:

Fiscal Year 1991	73
Fiscal Year 1992	74
Fiscal Year 1993	80
Fiscal Year 1994	87
12 months ending 4/1/95	88

(Data source: COIN TAR Report 6007)

As a percentage, the increase from FY 1991 to April 1, 1995, in the number of days in Evaluation and Planning status (20.5%) is much lower than the increase in the number of applicants (56.0%).

Step three, "Employment" [Services status]—VR&C's goal is to place the veteran in employment and progress through the employment maintenance period in a range of 90 to 120 days. However, the VA estimates that the average time spent in employment [services status] in fiscal year 1996 will be 196 days.

Question 13: What is the cause of the lengthening of time in [Employment Services status] for Veterans?

Answer: Rather than lengthening, the average number of days to close Employment Services Status over the last several years has been steadily decreasing:

Fiscal Year 1991	264
Fiscal Year 1992	240
Fiscal Year 1993	237
Fiscal Year 1994	217
12 months ending 4/1/95	208

(Source COIN TAR Report 6007)

There are many reasons for the time taken to close Employment Services status. Among them are: lack of immediately available local job openings, greater personalized assistance requirements for persons with records of disability even though they have completed a rehabilitation program, the state of the economy, worsening of veterans' disabilities, the constantly increasing workload responsibilities assigned to VR&C staff, and others.

Question 14: How can you improve services tailored to meet VETS needs for swifter placement of disabled veterans?

Answer: We are presently working with the Department of Labor (DOL), to explore how the VETS staff can play a more participatory role in implementing a disabled veterans' rehabilitation plan. This may include referring chapter 31 veterans to the VETS staff at the time they enter the program, rather than much later near the completion of the veterans' training. This would allow DVOP specialists to become part of the rehabilitation team, gaining more familiarity with each disabled veteran's individual needs, limitations, and capabilities. It will give the veteran a better understanding of the services that the DVOP specialist and the State employment service provide. This up-front interaction should lead to a better job development and placement experience.

Question 15: What should be done to improve the rate of employment status, raising it from the currently estimated 196 days?

Answer: This question is being interpreted to mean "How can VR&C reduce the number of days in Employment Services status?" For a description of the average time veterans spend in Employment Services status and the reasons for the time in this status, see the response to question 13.

We will be increasing the emphasis on job acquisition and planning for gainful employment as primary rehabilitation goals from the beginning of counseling and throughout training. We are urging case managers and all placement specialists to use the placement tools available, special employment authorities, special employer incentives, and reasonable accommodation requirements in the Americans with Disabilities Act. We will be putting more responsibility on

veteran clients to do things throughout their training that will prepare them to be placed faster. As mentioned previously, we will also be integrating DVOP specialists at the beginning of the process so DVOP specialists will be better prepared to assist in faster placement when veterans complete their training programs.

Question 16: [Is] the scope of services currently provided to disabled veterans sufficient for rehabilitation and employment? What changes could be made to improve the scope?

Answer: In general, the scope of services in all areas is adequate and no significant changes need to be made.

Question 17: Is the duration of the rehabilitation program long enough?

Answer: The program duration is adequate to achieve the goals of nearly all Vocational Rehabilitation Program participants, particularly with the availability of targeted extensions that current statute provides.

Question 18: Are individualized vocational rehabilitation plans being prepared for each veteran?
How can these plans be made more effective for the veteran?

Answer: Yes, each veteran works with VR&C staff members to prepare an individualized written rehabilitation plan.

The VR&C Service recently drafted a policy change in this area. For several years there were four separate plans, depending on the nature of the services the disabled veteran needed. The need for multiple plans was confusing to veterans. It is proposed to discontinue the use of three of these plans in favor of a single rehabilitation plan. This single plan would include, as necessary, all the services that were in the previous four plans. This single plan would guide the veteran's entire program of services and other assistance and would be updated as the veteran's needs change. By streamlining case management documentation, this change would make it more effective and less confusing for veterans.

In the redesign of the VR&C operating manual, scheduled to be completed by the end of 1995, there will be greater emphasis placed on incorporating more client responsibilities in reaching the goal of suitable employment.

Question 19: Do barriers to rehabilitation resources exist at other Federal agencies? [This question is revised to ask: "Do other Federal agencies offer employment programs for disabled veterans?"]

Answer:

Non-VA agencies have been very cooperative with VR&C in not erecting barriers to the employment of service-disabled veterans. Federal (and State and local) agencies offer chapter 31

participants unpaid training or work experience programs. VR&C staff members use these unpaid training and work experience opportunities as one more tool to rehabilitate service-disabled veterans. This type of program allows disabled veterans to gain valuable work experience and establish a stable work history. It also provides disabled veterans a way to demonstrate their abilities to prospective employers.

The Job Ready Disabled Veterans Connection (JRDVC), a joint Office of Personnel Management and VA project, assists job-ready chapter 31 participants in finding suitable employment in the federal government. Through JRDVC, Federal Government managers can readily access a registry of qualified applicants to consider for any non-competitive hiring authority for which they may qualify.

Question 20: How is the VR&C promoting employment and training opportunities for disabled veterans?

Answer: VR&C promotes employment and training opportunities for disabled veterans in several ways. VR&C staff members use cooperative agreements with State Departments of Vocational Rehabilitation, inform and educate Regional Office Directors and Personnel Officers about our ability to assist in providing reasonable accommodation, the use of non-competitive hiring options, non-pay on-job training, and the Job Ready Disabled Veterans' Connection (JRDVC). We also strongly promote employment of disabled veterans through contracting for employment services. The private sector resources and singularity of purpose experienced by contractors enables them to provide unique and intensive assistance to disabled veterans who are seeking employment. The number of veterans receiving employment services from contract counselors continues to increase, rising from 3,559 veterans in FY 1993 to 5,030 veterans in FY 1994. (Data source: VR&C Quarterly Statistical Reports and Total Program Management reports)

NATIONAL SERVICE and LEGISLATIVE HEADQUARTERS
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June 8, 1995

Mr. Steven Buyer, Chairman
Subcommittee on Education, Training,
Employment and Housing
U.S House of Representatives
335 Cannon House Office Bldg.
Washington, D.C. 20515-6335

Dear Mr. Buyer:

Thank you for your letter providing me with follow up questions from the May 3, 1995 hearing.

As requested, I am providing my response to these questions, and restating the question in full prior to my response.

I also am enclosing a copy of our draft proposal to transfer VETS to the VA. This was prepared several years ago and needs updating. Additionally, you mentioned qualification standards for DVOPs/LVERs. What I was referring to in my both written and oral testimony was the draft qualification standards being considered by the VA for Counseling Psychologists (CP) and Vocational Rehabilitation Specialists (VRS). These guidelines have not been released as of this writing, and therefore, are not available to me. As far as I know, there are no new proposed guidelines for DVOPs/LVERs.

The following are the questions and answers as posed to me.

1. **Your testimony revealed concern for the increased workload for the DVOPs and LVERs due in part from the success of the TAP program, which compound delays. We would be interested in your suggestions to rectify this situation.**

Regrettably, the answer is an increase in the number of DVOPs and LVERs. With a continuing increase in workloads and a decline in staff, delays are going to continue to escalate. Caseloads will increase and the quality and quantity of services will decline. Short of additional staffing, we believe it will take an increase of support from the remaining office staff to do more of the day to day interviewing, job development

and job referral services for veterans allowing the LVERs and DVOPs to concentrate more on TAP/DTAP sessions. It will take the support of the entire office to have an impact on the workloads.

The following are questions from the Honorable Maxine Waters.

1. **It was suggested that VA provide financial support to assure that a disabled veteran is "presentable" for a job interview. This might include new clothes and a haircut. It was also recommended that VA provide a travel allowance for a veteran going to an employment interview.**

   I certainly do not disagree with these suggestions. It occurs to me, however, that local VSO members could provide invaluable voluntary assistance in these instances. What would you think about contacting your national membership and suggesting that they contact their closest regional office and offer these services?

The DAV has been reviewing this situation and is in the process of developing some strategies. We do know that some of our local chapters already provide needed clothing to shelters serving homeless veterans, which addresses at least part of the problem. During the course of the hearing on May 3rd, the idea of the VA providing a travel allowance was directed to the vocational rehabilitation client who upon completion of training, may be unable to afford travel to a job interview. There is current authority for a vocational rehabilitation client to travel for a counseling appointment at VA expense. We believe it would be a natural extension of that authority to allow that same type of payment for travel to a job interview. This would be part of the entire vocational rehabilitation plan.

We will continue to look at the homeless veteran issue and encourage our departments and chapters to work closely with shelters, regional offices, and other service providers for homeless veterans.

2. **We all know that "networking" is one of the most effective job-seeking tools. Would it be feasible for your State and local organizations to establish relationships with their local regional offices in order to provide job-search assistance and support to individuals completing their programs of vocational rehabilitation?**

Most of the DAV members and volunteers are not qualified to provide job search assistance. We believe this type of assistance and support could and should be provided through the

federally mandated LVER/DVOP programs. If the VA and the Department of Labor work closer together, we believe a much more effective outcome of placement will occur.

3. In your view, what is the single most significant problem in the vocational rehabilitation program? How would you address this problem?

I would say the most significant problem with the vocational rehabilitation program has and continues to be increasing workloads and declining staff. The problem can be addressed only by increasing staff. The DAV in our prepared testimony of May 3, 1995 addresses this issue in more detail on Page 4.

4. I am very troubled by the statement made by the witness for the PVA that high priority is not given to the vocational rehabilitation needs of severely disabled veterans.

Do all of you share this view? If so, what does VR&C do or not do to demonstrate this lack of priority?

I do not have any information that would either support or rebut PVA's position on this issue.

5. As we all know, the non-completion rate of the vocational rehabilitation program is too high. In your view, why has the drop-out rate reached such a high level?

I have no specific answer to that question. I do believe there are several possible reasons for the high dropout rate and perhaps the most significant is the long wait from the time of application until counseling starts. I believe that many find alternatives to going back to school and never return to the VA for vocational rehabilitation. I understand that GAO is conducting a review of VA's programs and perhaps that could address.

Thanks for allowing us the opportunity to respond to these additional questions, and if we may be of further assistance, please do not hesitate to contact me.

Sincerely,

RONALD W. DRACH
National Employment Director

RWD:mb
Enclosures

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June 5, 1995

Honorable Steve Buyer
Chairman
Subcommittee on Education, Training,
Employment and Housing
Committee on Veterans Affairs
U.S. House of Representatives
335 CHOB
Washington, DC 20515

Dear Chairman Buyer:

Your letter of May 9th requested responses to several follow-up questions to the Subcommittee hearing of May 3rd on the Voc Rehab program.

Chairman Buyer:

1. It is generally accepted that the current budget for the voc rehab program is inadequate. However, in the absence of additional FTEE, what changes can be made to improve the delivery of service for disabled veterans?

Answer: Additional FTEE will be critical to any overall improvement in the timeliness of service provided to veterans at each step in the program, especially those who have completed their education or training and are seeking employment.

Some efficiency could probably be gained through earlier and better communication and coordination between VA and state employment services. VA should also investigate the use of management consultants from the private sector to help the VR&C staff "work smarter" and make better use of existing resources.

2. The voc rehab program suffers from a rampant drop out rate. How can the "case management system" slow it down?

Answer: A properly functioning case management system should, in theory, help keep individuals in the program by monitoring their status, use of periodic communication to determine particular needs or problems, and timely counseling and action in problem situations. Without question, there are too few VR&C case managers to

effectively "manage" the massive caseload. Veterans will decide to drop out due to a variety of personal, financial, academic, or other reasons and probably do not advise, consult or seek assistance from their case manager. Long waiting times at all stages and minimal communication with or by VR&C staff greatly increases the potential for problems which directly contributes to the high rate of drop out.

VR&C needs to get a clearer understanding of the programatic, institutional, and personal reasons for dropping out. This is essential to helping veterans overcome these problems so that they can remain in the program to completion and obtain suitable employment.

Honorable Maxine Waters:

1. It was suggested that VA provide financial support to assure that a disabled veteran is "presentable" for a job interview. This might include new clothes and a haircut. It was also recommended that VA provide a travel allowance for a veteran going on an employment interview.

Answer: VA already pays for a variety of services, including employment placement services and a special transportation allowance under 38 USC 3104(a)(13).

2. We all know that "networking" is one of the most effective job-seeking tools. Would it be feasible for your State and local organizations to establish relationships with their local regional offices in order to provide job-search assistance and support to individuals completing their vocational rehabilitation?

Answer: It would be appropriate and feasible for VR&C to contact the VSO which has the veteran's power of attorney to advise them that the veteran is at the job search stage of their program and solicit their assistance in the veteran's job search. The VSOs should be a regular part of the VR&C/LVER/DVOP network. In some areas, there is a good working relationship, but in many others this has not been established or developed by either VR&C or DOL.

3. In your view, what is the single most significant problem in the vocational rehabilitation program? How would you address this problem?

Answer: Inadequate staffing resources for the size and demands of the workload and the long-standing lack of Congressional concern are the biggest problems. A major increase in staffing will be a minimum requirement, if any improvement in service is expected. This must be coupled with modernization and streamlining of the program's procedures.

4. I was very troubled by the statement made by the witness for PVA that high priority is not given to the vocational rehabilitation needs of the severely disabled veteran. Do you all share this view. If so, what does VR&C do or not do to demonstrate this lack of priority?

Answer: Our organization has not received any complaints about this type of problem.

5. As we all know, the non-completions of the vocational rehabilitation program is too high. In your view, why has the drop-out rate reached such a high level?

Answer: The current case manager system does not have the personnel or technological support to effectively monitor and properly advise and assist individuals who are having problems of one kind or another. Greater emphasis is being put on "employment". However, in our view, this does not necessarily mean a similar emphasis on reducing the overall drop out rate.

Disabled veterans decide to enter into the program for a variety of reasons and with varying expectations and goals in mind. At the time they may or may not be employed, but from their work experience, they know they want and need to find more suitable work. However, many veterans may not be able to "afford" to remain in the program to the full completion of their education or training. They may feel financially compelled to drop out, particularly if an opportunity for a better paying job comes along.

The American Legion appreciates your continuing interest in the welfare and well-being of this nation's veterans.

Sincerely,

Philip R. Wilkerson
Dep. Dir. for Operations
National VA&R Commission

cc: James Hubbard

Response to the Question
Submitted by the Honorable Steve Buyer, Chairman
House Veterans' Affairs Subcommittee on
Education, Training, Employment & Housing
Regarding the May 3, 1995, Hearing on
The Department of Veterans Affairs'
Vocational Rehabilitation Program
By Terry Grandison, Associate Legislative Director
Paralyzed Veterans of America
June 6, 1995

Question 1. Can you expand your thoughts on the VR&C and VETS "multi-disciplinary" team concept? (Ref. Pg. PVA written testimony 7)

Response: There is much to be gained by making VR&C and VETs personnel a part of the multi-disciplinary team process at the VA medical care facilities. Associated personnel could consult with veterans' primary care physicians, nurses, social workers, therapists and psychologists as part of the rehabilitation process. VR&C and VETS personnel would gain a comprehensive understanding of the individual veterans' physical limitations and abilities, emotional composition, academic and employment potential.

Consultations with the various disciplines of rehabilitative therapy would improve the outcomes of vocational rehabilitation initiatives. Patients would readily recognize the professional expertise devoted to their rehabilitation and would be encouraged to persevere to complete rehabilitation.

Response to Questions
Submitted by the Honorable Maxine Waters, Ranking Member
House Veterans Affairs' Subcommittee on
Education, Training, Employment & Housing
Regarding the May 3, 1995 Hearing on
The Department of Veterans Affairs'
Vocational Rehabilitation Program

Question 1. It was suggested that VA provide financial support to assure that a disabled veteran is "presentable" for a job interview. This might include new clothes and a haircut. It was also recommended that VA provide a travel allowance for a veteran going to an employment interview.

I certainly do not disagree with these suggestions. It occurs to me, however, that local VSO members could provide invaluable voluntary assistance in these instances. What do you think about contacting your national membership and suggesting that they contact their closest regional office and offer these services?

Response: PVA is deeply committed to ensuring the restoration of employment status to all veterans who have sustained spinal cord dysfunction. PVA makes significant efforts to assist its membership in securing employment. We encourage our membership to seek employment in both the private and public sector, and within our own organization.

We believe that VA and DOL have sufficient resources available to lend some assistance to entitled and otherwise qualified veterans. For example, when a veteran completes an approved course of Vocational Rehabilitation, VA provides a two-month subsistence benefit upon completion of the program and those funds can and should be used by the veteran to make the transition back to employment.

Question 2. We all know that "networking" is one of the most effective job-seeking tools. Would it be feasible for your State and local organizations to establish relationships with their local regional offices in order to provide job-search assistance and support to individuals completing their programs of vocational rehabilitation?

Response: PVA believes that VA and DOL have sufficient resources to assist entitled and qualified veterans in their job-search efforts. VA and DOL have the professional experts, although too few, to establish sophisticated networks that could lead to employment. Between VETS, VR&C and State Employment Offices they could establish an effective network. VSOs could help by providing assistance to conduct job fairs and seminars.

Question 3. In your view, what is the single most significant problem in the vocational rehabilitation program? How would you address this problem?

Response: The most significant problem in the vocational rehabilitation program is timeliness. VR&C's excessive caseloads are undermining the credibility and quality of the program. If the Congress is unable to identify the need for increased FTEE, then the overflow workload should be contracted out to the private sector.

Question 4. I am very troubled by the statement made by the witness for the PVA that high priority is not given to the vocational rehabilitation needs of severely disabled veterans.

Do all of you share this view? If so, what does VR&C do or not do to demonstrate this lack of priority?

Response: We have seen numerous instances where VA deemed veterans unemployable and therefore ineligible for vocational rehabilitation due to service-connected spinal cord dysfunction. We do not share the view that paralysis renders every affected individual as totally and forever unemployable, and such decisions by VA have been premature and inappropriate.

Question 5. As we all know, the non-completion rate of the vocational rehabilitation program is too high. In your view, why has the drop-out rate reached such a high level?

Response: We see three primary causes for the high-drop out rate:

1) Financial - veterans do not get enough money from the VA to provide for themselves and their families during the program. This causes some of them to drop out and find work to meet their immediate needs.

2) Medical problems - As their disabilities become more severe, some veterans are unable to complete the program.

3) Motivation - The VA puts many controls on veterans taking vocational rehabilitation. For example, there are appointments with counselors and mandatory classroom attendance. Some veterans are simply unwilling to make the required commitment.

This information is, of course, anecdotal. We strongly urge Congress to go back to VA and request their statistics for all completions of vocational rehabilitations. VA has also removed (rehabilitated) veterans from vocational rehabilitation because they have jobs. They made those determinations without regard to whether the veteran was completing his individual written rehabilitation plan (IWRP). Based on our experience with VR&C, we question VR&C's data. PVA strongly recommends that Congress direct VA to conduct a survey of rehabilitated veterans or veterans who have withdrawn, to determine, from the veterans' viewpoint, why their training was terminated.

Vietnam Veterans of America, Inc.

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A Not-For-Profit Veterans Service Organization Chartered by the United States Congress

"VVA, At Work in Your Community"

June 8, 1995

The Honorable Steve Buyer, Chairman
Subcommittee on Education, Training,
Employment and Housing
House Committee on Veterans' Affairs
335 Cannon House Office Building
Washington, DC 20515

Dear Chairman Buyer:

Thank you very much very your attentive reception to our testimony at the May 3 hearing. Your interest in making the Department of Veterans Affairs (VA) Vocational Rehabilitation Program and the Department of Labor (DOL) Veterans' Employment and Training Service (VETS) work as one is heartening, though we remain unconvinced that moving VETS to VA is the solution. I am also encouraged by the energy behind the questions that you and Rep. Waters have asked. Let me give you some straightforward answers.

Follow-up Questions from the Hearing of May 3, 1995,
to the Veterans Service Organizations Representatives
Question from Chairman Buyer for Mr. Crandell:

1. If the automatic sending of information packages to all vets with a disability rating of 20 percent or more is insufficient, how would VVA propose to facilitate such outreach?

Where the Vocational Rehabilitation program's outreach is insufficient is in reaching out to seriously disabled veterans. The information packages are the same for both seriously-disabled veterans and those who minimally meet the standards of eligibility. Applicants are treated on a first-come first-served basis, rather than upon a priority for the seriously disabled. VA officials at numerous field offices told GAO that assigning such mandated priorities is not worth the effort, because seriously-disabled veterans had no greater need and besides, they might get in the way of veterans with smaller disabilities.

There is not, in general, encouragement to enter or complete the program. GAO noted that "VA does little to train its vocational rehabilitation staff to provide employment services." Further, in three of four offices surveyed, employment services were not

emphasized, and indeed were not discussed until near the end of the training. Vocational rehabilitation is not easy. Without early, continuous and convincing encouragement that such training can lead to employment, why would anybody bother? This is why VVA strongly supports outstationing of DVOPs in Vocational Rehabilitation programs.

Follow-Up Questions from the Hearing of May 3, 1995, to the Veterans Service Organizations Representatives from the Honorable Maxine Waters

1. It was suggested that VA provide financial support to assure that a disabled veterans is "presentable" for a job interview. This might include new clothes and a haircut. It was also recommended that VA provide a travel allowance for a veteran going to an employment interview.

I certainly do not disagree with these suggestions. It occurs to me, however, that local VSO members could provide invaluable voluntary assistance in these instances. What would you think about contacting your national membership and suggesting that they contact their closest regional office and offer these services?

Most disabled veterans do not need such generosity, except for those who are homeless or facing homelessness. We simply lack the capability for providing such assistance. Although Vietnam Veterans of America has over 700 local chapters, they vary considerably in membership and activity. Our chapters may provide such services on an occasional basis in community stand downs, but very few of them could provide such services as new clothing and haircuts on a regular basis, which is one of the difficulties in relying on voluntary efforts.

It is worth noting, however, that VA's programs for homeless veterans assign their highest priority to preventing homelessness, and have access to community-based organizations which do provide such services. The support you ask about might be mostly a matter of local coordination.

2. We all know that "networking" is one of the most effective job-seeking tools. Would it be feasible for your State and local organizations to establish relationships with their local regional offices in order to provide job-search assistance and support to individuals completing their programs of vocational rehabilitation?

In some cases we do, but again the limits of what can be expected of a voluntary organization whose members have jobs, families and other activities to which they give higher priorities is a major barrier to providing such assistance on a regular basis.

More to the point, it makes no sense for amateurs to reinvent the job service that exists in every state. In pages 3-7 of our May 3 testimony, we spelled out how effective cooperation between the Department of Labor's Veterans' Employment and Training Service (VETS) and Vocational Rehabilitation can expand upon Vocational Rehabilitation's diminished capacity to place veterans in jobs by using some of the employment specialists who work for VETS to plug disabled veterans from Vocational Rehabilitation programs into the job service.

3. In your view, what is the single most significant problem in the vocational rehabilitation program? How would you address this problem?

Vocational Rehabilitation knows more about physical therapy than about employment, though its ostensible objective is putting veterans in jobs. Thus its minimal outreach efforts hold out little hope of employment at the end of a very difficult program. Its management standards (see below) therefore have little to do with job placement. Some of these faults derive from personnel reductions that have left Vocational Rehabilitation with about 30% of its 1980 FTEE level, but the greater problem is that employment is not VA's business. VA is a reactive bureaucracy built on the hospital model -- people go to VA, it does not go to people. That cannot succeed in employment, which must be a proactive field.

VETS and Vocational Rehabilitation can work together without being put into a single agency. There are always difficulties in such cooperative efforts, which is why Congress is asked to monitor them. We feel strongly that the difficulties are minimized by having VETS under DOL and working with VA, rather than putting VETS under VA and working with DOL.

4. I am very troubled by the statement made by the witness for the PVA that high priority is not given to the vocational rehabilitation needs of severely disabled veterans.

Do all of you share this view? If so, what does VR&C do or not do to demonstrate this lack of priority?

VVA does share this view, which was one of the central points of our testimony as well. On pages 1-3 of the May 3 testimony, we commented:

Rehabilitation Without Vocation

The whole point of the Vocational Rehabilitation Program, as we have said before, is vocational -- helping disabled veterans to train for and obtain jobs. Yet only three percent of those veterans who receive a rehabilitation plan from the program nationwide go directly into the employment services phase, while 92 percent are sent to training programs. Of those eligible, VA has found, 36 percent dropped out even before seeing

a counselor, 26 percent quit after meeting one, 9 percent gave up after receiving a rehabilitation plan, 24 percent were in training, and only 5 percent were considered rehabilitated. That is unacceptable.

VA's Vocational Rehabilitation Program provides a great deal more physical therapy than vocational rehabilitation. It does minimal outreach, sending packets automatically to veterans who receive a disability rating of 20 percent or higher. Applicants are treated on a first-come first-served basis, rather than upon a priority for the seriously disabled. VA officials at numerous field offices have said they fear that these "special-disabled veterans" might get in the way of veterans with smaller disabilities.

GAO has noted that "VA does little to train its vocational rehabilitation staff to provide employment services." Further, in three of four offices surveyed, employment services were not emphasized, and indeed were not discussed until near the end of the training. Without early, continuous and convincing encouragement that such training can lead to employment, disabled veterans find little incentive to enter -- let alone complete -- such programs. This is not even good therapy. A realistic hope of employment is, for many disabled veterans, essential to their physical and mental healing.

Management Standards Work Against Disabled Veterans

Management standards for measuring service in the Vocational Rehabilitation Program are wrong-headed. VA measures program effectiveness according to what percentage of those who enter the employment services phase actually complete it with an appropriate job. The figure -- 65 percent -- is not high, but it looks significantly better than the 5 percent completion rate of those who apply for the program, which ought to be the measure of its effectiveness. Some 71 percent of all applicants drop out before beginning the employment services portion of the program.

By refusing to distinguish between veterans with minor disabilities and those who are seriously disabled, VA encourages doing as little as possible for those who need the most help. Precisely because seriously-disabled cases take more work, the current management system rates the staffer who handles a lot of these cases as less efficient than the one who takes the easy cases. The VA's refusal to put in place a work standard that recognizes that seriously disabled veterans require more support than less severely disabled veterans encourages staff to discourage those veterans who most need help.

Our testimony of May 20, 1993 elaborates further. Most specifically, Vocational Rehabilitation does not invite seriously disabled veterans as such to enroll, nor does it encourage them that they will find work if they do.

5. As we all know, the non-completion rate of the vocational rehabilitation program is too high. In your view, why has the drop-rate reached such a high level?

VA's inadequate placement record and its ill-considered work standards in the Vocational Rehabilitation Program cause 71 percent of eligible applicants to drop out before getting to the program itself. VA has no idea why the drop-out rate was so high, though GAO said flatly in September 1992 that the VA does not emphasize finding jobs for veterans. The GAO report pointed out that VA keeps no data on why veterans drop out, and called for VA both to do so and to take action to reduce the drop-out rate.

The Vocational Rehabilitation Program focuses on helping veterans with relatively minor disabilities, though seriously disabled veterans might logically be its best customers if they were given help and encouragement in finding work. As mentioned, the work rules discourage helping seriously disabled veterans, or doing any other work that is not simple. Job placement is such a non-simple task.

Vocational Rehabilitation has too few people helping veterans find jobs, though that is not what Vocational Rehabilitation staff does best. The breakdown of cooperation between Vocational Rehabilitation and VETS keeps skilled job placement experts with linkage to the job service from making the connection between vocational rehabilitation and employment. The Memorandum of Understanding between Vocational Rehabilitation and VETS must be completed, encouraged, and enforced at every level from the local VAMC and Vet Center to Congress.

I hope these answers to your questions are helpful.

Sincerely,

William F. Crandell
Deputy Director
Government Relations

FOLLOW-UP QUESTIONS FROM CHAIRMAN BUYER ON HEARING OF MAY 3, 1995, TO THE VETERANS SERVICE ORGANIZATIONS REPRESENTATIVES RESPONSES FROM THE HONORABLE PRESTON M. TAYLOR JR. ASSISTANT SECRETARY FOR VETERANS' EMPLOYMENT AND TRAINING

1. On community outreach, will you please comment on the VVA [Vietnam Veterans' of America] suggestion to add to the NVTI curriculum the training of LVERs and DVOPs the techniques of developing the untapped community employer?

a. How are the placements numbers of disabled veterans in federal contractor positions being improved?

b. Are Federal Contractor job listings conspicuously posted?

Response: VETS recognizes that in some states, the Job Service agency needs to find more or better ways to entice employers to list job openings suitable for veterans. While we think that training DVOPs and LVERs to be better at marketing is useful, and NVTI has such a course already, we know that training only deals with part of the problem. Simply put, there are not enough DVOP/LVER staff to do all of the labor intensive services, such as employer outreach, that we know are needed by some veterans, and also provide one-on-one service to all veterans. That is why we like the triage concept inherent in the Department's one-stop initiative, which would focus the specialists' resources on providing intensive services such as job development for those veterans most in need. The trade-off is that fewer veterans, i.e., those who are job ready and need minimal assistance, would receive one-on-one services from the DVOP and LVER staff.

Federal contractor job listings are given conspicuous identification in manual and automated job bank operations conducted by the states. The identification of such orders, and referral activity for target group veterans associated with such orders, is routinely monitored by VETS field staff in their on-site inspections of state offices. The degree of success in placing disabled veterans with Federal contractors is dependent primarily upon the capacity of staff to match up individual disabled veterans' knowledge, skills and abilities with the employers' needs. For severely disabled veterans, the best means of doing that is job development for specific individuals.

We also wish to point out that as a result of legislation passed last year, the Department recently removed the ceiling of $25,000 that restricted the number and types of job openings that Federal contractors are required to list with the State Employment Service agencies. This change potentially increases the number and types of jobs that will be listed, and thus increases opportunities for referrals.

2. What are the other areas besides the communications and coordination between VA, VETS and State Job Service staff that need improving? (Ref. pg 3 VETS)

a. How would the veterans benefit if VETS personnel were to get VR&C [Vocational Rehabilitation and Counseling] listings early to begin job searching functions?

b. How soon could such a practice be implemented?

Response: In my statement, I said there are other aspects of communication and coordination in addition to the reporting of job placements that need improvement. We think it would be beneficial to vocational rehabilitation program participants if the VR&C officers would help to foster a productive interface between the participant and the DVOP and LVER in the Job Service Office servicing that disabled veterans' home area. We think it would be beneficial to make that linkage 60-90 days before completion of the program, to enable advance job development activity. That diversion of DVOP and LVER time away from the general veterans workload and toward the more intensive focus inherent in adopting a case management approach for certain veterans as the primary way that DVOPs/LVERs will be used can begin immediately, if the Congress clearly signals that is how those resources are intended to be used. We have prepared for the case management approach to services, and are ready to make that shift, if we can agree that as a trade-off, fewer job-ready veterans not in need of intensive services will be served by DVOPs and LVERs.

3. Does it seem appropriate to have national standards--i.e., Sec. 4301A that uses the term "qualified specialist" and lists many specific duties of a DVOP. Does not that then imply that you have the authority to at least publish <u>qualification</u> goals, if not <u>standards</u>?

Response: The question implies that there is a quality problem inherent in the existing cadre of DVOP and LVER staff. It is not our perception that such a problem exists to the extent that it is necessary to invest in the development of national standards. The idea also seems contrary to the states' prerogatives under the traditional Federal-State relationship to establish qualification standards for positions in State agencies. We know from our training database at NVTI that 78% of the DVOPs have college degrees. Long time employees of VETS familiar with the DVOP and LVER program have said that the quality has steadily risen, as a natural outcome of States' diminishing staff numbers and their need to hire the best possible employees for all positions. We think that trend toward better quality will continue without development of the sort of "voluntary guidelines" you suggest.

4. Sec. 4110A requires a biennial study of unemployment among special disabled and Vietnam-era vets. Should that study be broadened to encompass all working-age veterans? Should that study focus on specific job fields to ascertain whether certain sectors of the economy widely discriminate against veterans?

Response: The Bureau of Labor Statistics already can provide basic labor force data regarding all working age veterans, such as the number in the labor force, number employed by occupation, number unemployed, all by specific age categories. The biennial study referred to supplements those basic data, and is conducted to provide information on specific categories of veterans, for instance, disabled veterans, compared with nonveterans. The legislation authorizing this special survey (section 701(c) of the Veterans' Benefits Improvements Act of 1994 (Public Law 103-446) mandates a study that includes post-Vietnam-era veterans and recent separatees, as well as Vietnam-era veterans and the special disabled. Special studies are costly, especially if they are sufficiently rigorous to produce valid and reliable data. In these austere fiscal times, we think special studies should be undertaken only if there is a mandate to devote sufficient resources specifically to address any problems suggested by such studies. Further, it is highly doubtful that areas of discrimination could be identified through such a study, since measured differences in occupational distributions reflect wide variations among workers in education, training, experience, and other characteristics.

5. Are the DVOPs/LVERs tasked with too many assignments? If so, how would you establish priorities and new duties and responsibilities?

a. Has the TAP/DTAP program been an undue burden on DVOPs/LVERs with respect to the amount of time that must be committed to the program, and resultant increased case load?

b. Could contractors provide suitable like services in the place of DVOP/LVERS?

Response: There is no doubt that we expect the DVOPs and LVERs to provide a diverse array of services, to a very large number of veterans and to individuals transitioning from military service to civilian life. As overall Job Service agency staff have decreased in the last decade, the DVOPs and LVERs have taken on the responsibility of serving the majority of veterans who apply to the Job Service agencies for assistance. As you probably know, about one-half of all of the TAP workshops are delivered by DVOPs/LVERs and about one-half are delivered by contractor personnel. Obviously it would be possible to deliver all TAP workshops that way, if sufficient funds are appropriated to replace DVOPs/LVERs with contractors in the delivery of workshops.

As for "DTAP" (Disabled Transition Assistance Program), very few DVOP or LVER staff have been very much involved in "DTAP" in the past. As I understand it, what was labeled "DTAP" and performed primarily by VA staff was largely a form of outreach. Thus, we do not see those duties as an undue burden. We do see the need to focus the DVOPs on doing outreach to severely disabled veterans to ensure that those customers are aware of the employment and training services available to them, as intended in the statute.

We think it is clear that priorities need to be adjusted and/or established for DVOPs and LVERs to focus our precious specialist resources and make them most efficient and effective. Clearly, the first priority for DVOP staff must be helping every disabled veteran who wants a job, and who is able to work, to obtain a suitable job.

Beyond that, I think we need to periodically ask our customers what services they need and expect to receive from the public system, and then make sure that we enable the system to provide those services.

We recently completed our first customer satisfaction survey, and intend to follow up with some customer focus groups to learn more. We also know that available labor force data indicate that certain categories of veterans experience the most difficulty in succeeding in the civilian economy, e.g., disabled, minority, younger, recently separated, and female veterans. Using that data is another way in which we could establish clear priorities and performance standards for DVOPs and LVERs.

6. Do we need to add vocational rehabilitation training for DVOPs in title 38? Should DVOPs/LVERs [be trained] in the Americans with Disabilities Act at NVTI?

Response: Many of our DVOP staff are themselves graduates of the VA's vocational rehabilitation program, but we do not think that program participation should be a prerequisite for employment as a DVOP. The DVOP specialists are provided a comprehensive, fundamental education regarding the VA program in the second "core" course at NVTI; that "Veterans Benefits" course contains a module specifically designed to enable every trainee to understand and access the vocational rehabilitation program on behalf of their disabled veteran customers.

Similarly, we think that DVOPs and LVERs ought to be aware of the basic tenets of the ADA, and we did provide information to the State agencies about the ADA as it relates to the identification of disabled veterans and the provision of services through the DVOP. We are currently assessing our NVTI curriculum with the intention to improve the preparation of DVOPs and LVERs to serve the vocational rehabilitation program participant. If our assessment indicates that more training regarding the ADA is needed, and if diversion of training time from other subjects (e.g., marketing, case management, TAP workshop facilitation, etc.) to the ADA topic appears likely to produce better job placement results, we will follow through.

Resources are limited, and we think we must focus available training time on skills. We can and will explore means other than classroom training to promote greater knowledge of the ADA, e.g., videos.

7. Gen. Taylor, this Subcommittee is committed to bring employment services for veterans into the 21st Century, and I would appreciate the further discussion of:

a. How is veterans preference going to be implemented in the cyber-employment environment we are entering?

b. Is there a role for using current FTEE [Full-time Employee Equivalent] in the employment service, training them to assist our veterans in using the Internet/cyber linkages for quicker and greater access to employment opportunities?

c. Given the limited availability to realistically increase FTEE, isn't it wise to begin developing a system that can augment our abilities to employ veterans?

Response: In answering this question it needs to be clearly understood that we are addressing "veterans preference" only as it relates to the employment services provided through the public system supported by United States Department of Labor. "Veterans preference" as it applies to Federal agencies' hiring and retention of veterans is an entirely different matter.

Regarding the introduction of new technology, we agree that we need to enhance our staff resources in the public employment and training service system by equipping them -- both materially and through training -- with new communications technology. We have been working with entities such as the National Occupational Information Coordinating Committee (NOICC) and NVTI to upgrade our training program for DVOPs and LVERs. We recently added a module to our Case Management course that will enable DVOPs and LVERs to access Career Information Delivery Systems (CIDS). Also, we are working with the Employment and Training Administration's Automated Labor Market Information System (ALMIS) group to ensure that DVOP and LVER program decisions are based on and are compatible with our knowledge of the "mainstream" direction. We need to, and eventually will, explore the opportunities of using Internet and other avenues to job information.

The development of electronic labor exchanges, i.e., direct communications between employers and job seekers using computer terminals, does necessitate consideration of the various aspects of "veterans preference".

"Veterans preference" as it relates to the employment service delivery system basically comprises two things: giving priority to veterans for available services, and providing unique services to veterans.

The advent of the electronic labor exchange does not in any way obviate the need for, or value of, providing unique services to certain veterans who need such services and to transitioning service members to assist them in their successful readjustment into the civilian labor force. Nor does it mean that in situations where an employer has asked the public employment service system to screen and refer qualified applicants for a particular job that veterans should not be given priority for those referrals.

What the emerging "cyber-employment environment" does put into new focus regarding "veterans preference" is a need for a clearer statement of national policy regarding veterans and transitioning service members' entitlements to public employment and training services, and for new ways of measuring the service providers' impacts. For many years we have measured "veterans preference" in the Job Service system basically two ways: we measure by actual reviews of job referrals data the agencies' adherence to the statutory priority order of referrals, and we measure the placement results for veterans compared to non-veterans. Neither of those deals with the real bottom line of veterans employment and the value of the systemic investment. We need to measure not only such things as how many veterans entered employment as a result of our services, at what cost, but also some of the outcome factors, such as our impact on the economic status of veterans. We need to consider, and we are doing so in conjunction with our State and Employment and Training Administration partners in the one-stop initiative, what are the best measures of "veterans preference" in this rapidly changing world.

The "cyber-employment environment," along with the delivery system changes being driven primarily by resource reductions, compel us to develop with the Congress a new understanding of what the policy of "veterans preference" really means, so that we can establish reasonable standards and processes to achieve the standards, and can hold the service providers accountable for the results.

FOLLOW-UP QUESTIONS FROM THE HONORABLE MAXINE WATERS ON HEARING OF MAY 3, 1995
RESPONSES FROM THE HONORABLE PRESTON M. TAYLOR JR.
ASSISTANT SECRETARY FOR VETERANS' EMPLOYMENT AND TRAINING

1. Many of those who complete the vocational rehabilitation training provided under chapter 31, title 38, U.S. Code, earn college degrees.

It is my impression that many Job Service offices do not have jobs that match these individuals qualifications. Is this true?

If so, what additional efforts must Disabled Veterans Outreach Specialists (DVOPs), Local Veterans Employment Representatives (LVERs), and other Job Service personnel make in order to find <u>appropriate</u> employment for these rehabilitated veterans?

Response: It is true that many of the vocational rehabilitation program completers earn college degrees, and it is also true in some areas, the Job Service agency does not attract a big enough share of the employer market to have job openings readily available for such applicants. We recently received the results of a customer satisfaction survey of past users of the Job Service, and although it did not specifically measure disabled veterans' experience, we know that one-third of the veterans with college degrees who responded to the survey did not find Job Service at all helpful to them. We do not know what number or percentage of those veterans were served specifically by DVOPs or LVERs, but we do know that of the respondents, college-degree veterans were the most dissatisfied with the Job Service.

We think the answer for the vocational rehabilitation program completer, whether or not she or he earned a college degree, is to devote sufficient resources to job development activities for the specific individual. This means not only ensuring that the DVOPs and LVERs make employer contacts, but that they spend time teaching the veteran how to effectively search for a suitable job. Devotion of more attention to those veterans who need intensive service, in the absence of increased resources, means of course that DVOPs and LVERs will perform less one-on-one service to other veterans.

2. Section 4103A(c)(1) lists Disabled Veterans Outreach Program Specialists (DVOPs) responsibilities. It is, indeed, a long list -- but the first and primary responsibility listed is job development through contacts with employers. If employers with stable, relatively-high paying jobs do not list their employment opportunities with the Job Service, our veterans will not be well and appropriately placed.

What percentage of a Disabled Veterans Outreach Program Specialist's (DVOPs) week is spent making direct contact with employers?

What prevents Disabled Veterans Outreach Program Specialists (DVOPs) from spending more time keeping in close touch with employers?

Response: We do not have scientific data that tells us what percentage of a DVOP's time is devoted to employer contacts. But we do know that DVOPs and LVERS in the majority of the states are the staff primarily working one-on-one with most of the veterans who go into the Job Service offices. Obviously, one cannot be in two places at the same time. But we think that more efficient use may be made of the staff resources to enable more employer contact and job development, through the case management approach to serving veterans. Efficiency, however, means that veterans best able to help themselves and least in need on one-on-one help will be less likely to receive the intensive, one-on-one services of DVOP and LVER staff.

3. I would appreciate it if you would describe case management and explain how it differs from the more usual approach to providing services.

Response: As is indicated above, one of the basic principles in our case management approach is that it starts by assessing whether or not each individual veteran really needs intensive help to find a suitable job. If not, the veteran will be channeled away from the labor-intensive case management approach, and instead will be taught how to use available tools to develop or find job opportunities, and be provided job hunt skills (e.g., interviewing tips, resume preparation, etc.) in group settings. Those found to be in need of case management, which presumptively include vocational

rehabilitation program participants and other disabled veterans, will receive necessary services in accordance with a plan developed by the case manager with the veteran. The service providers may be from various agencies in addition to the DVOP and other Job Service staff. In most cases, it will be an LVER who is the Case Manager, the person accountable for ensuring the quality of the plan and the implementation efforts.

4. It has been suggested that National Veterans Training Institute (NVTI) develop a program regarding the Americans With Disabilities Act and affirmative action for Disabled Veterans Outreach Program Specialists (DVOPs), Local Veterans Employment Representatives (LVERs), and VA vocational rehabilitation staff.

What information regarding ADA is currently provided to Disabled Veterans Outreach Program Specialists (DVOPs) and Local Veterans Employment Representatives (LVERs)? Do you see a need for an National Veterans Training Institute (NVTI) course?

Response: We will examine the possible benefits of including the ADA as an expansive topic in the NVTI curricula. We are currently assessing the training curricula with intent to strengthen the courses in ways to better prepare DVOPs and LVERs and other Job Service personnel to assist vocational rehabilitation program completers in obtaining suitable employment. Whether or not the answer to the question about the ADA is another specific course, or some other means of disseminating information useful for job development, such as a video or printed matter, remains to be seen. We have not in the past spotlighted information about ADA, although all states have received guidance about its impact on identification of disabled veterans to give them priority for DVOP services.

5. In their testimony, PVA [Paralyzed Veterans of America] recommends that VR&C and VETS take the actions necessary to establish a multi-disciplinary team concept. The idea of a team concept makes good sense. Accordingly, I would appreciate it if you would provide a detailed evaluation of these recommendations and describe how they could be implemented.

Response: We agree with the team concept approach to assisting disabled veterans. To some degree or another, DVOP and VA staff already function as teams in many areas of the country.

Many DVOPs are outstationed either full-time or on an itinerant basis at VA Regional Offices, satellites of Regional Offices, VA medical centers and VA Vet Centers. Of course, the PVA's suggestion focused primarily on one special category of the spectrum of veterans who go to the VA for services, the severely disabled veteran.

Before commenting on the four specific recommendations made by the PVA, we think it important to consider another recommendation made by the PVA, i.e., that "Congress establish, and VA meet, reasonable timeliness standards." The standards referred to are to reflect "public policy to return disabled veterans to meaningful employment."

The severely disabled person, whether or not she or he is a veteran, does require more assistance to obtain and maintain suitable employment. We agree that a holistic approach works best. We have built our NVTI training curriculum based upon that theme. We are prepared to expand implementation of the case management approach, which is based upon team concepts. We are also an integral part of the One-Stop initiative, which is all about teaming and bringing service providers to the customer in one place.

However, those actions do not establish a measure for judging the adequacy of the efforts, which is why the PVA has called for the establishment of reasonable standards. We agree that reasonable standards should be established to outline the results that are expected from the program. It is important also that these standards are developed cooperatively among the interested parties and that they are realistically related to available resources and competing priorities. The diversion of resources to meet the standards could lead to lesser accomplishments for other categories of veterans

As for the specific recommendations by the PVA, it may not be possible to find space in each VA office for a DVOP and LVER. We should also explore the possibility of VA staff being located in the State agencies' one-stop centers where the DVOPs and LVERs are located.

We think that VR&C officers should provide the names and other relevant information about program participants in advance of completion to the DVOP/LVER staff in the Employment Service offices serving the veterans' home areas. We expect to implement that activity later this year under our new agreement with the VA.

We think that VETS field staff should monitor the efforts made by the VR&C/DVOP/LVER teams on behalf of program participants. Listing of jobs at VR&C locations is problematic. Depending upon the size of the ES office and the area it serves, and the status of the technology in both the ES and VR&C offices involved, transporting the number of openings listed could be unmanageable in the near term. However, VETS can and will strive to ensure that where such information can be transported, reasonably, it will be. We will explore the possibility of providing VR&C officers the names of Federal contractors, which would facilitate job development activities by the Voc Rehab staff and program participants themselves.

Hearing on May 3, 1995

"VA's Vocational Rehabilitation Program"

Follow-Up Questions for the Honorable R. John Vogel
Under Secretary for Benefits, Department of Veterans Affairs

from Honorable Steve Buyer
Chairman, Subcommittee on Education, Training,
Employment, and Housing
House Committee on Veterans' Affairs

Question 1: Would you respond to the challenge that VA's work standards discourage staffers to handle more time consuming duties relating to seriously disabled veterans?

Answer: We monitor the quality of VR&C staff work on an ongoing basis. We find no evidence that the staff is discouraged from handling more time consuming duties because of work standards or any other reasons. VR&C work standards are based on services provided to a representative, cross section of veterans, from the seriously disabled to the not so seriously disabled. They are developed in such a way that they do not discourage staff members from handling the concerns of the more seriously disabled veterans.

Question 2: The success of the TAP program seems to have overwhelmed VR&C resources. What are your plans to operate with this increased work load?

Answer: The success of the TAP program results primarily in an increase in the number of separating servicemembers interested in receiving VA educational and vocational counseling. We are successful in providing these counseling services timely, in part, because we rely on professionals, under contract to VA, to provide most of these counseling services. This minimizes any detrimental impact on VR&C staffs' ability to meet other workload demands.

Question 3: Are field manuals available establishing guidelines for the development of individual rehabilitation plans? If not yet written and/or available in the field, when might such guidelines be in the field?

Answer: All VR&C employees have copies or access to copies of M28-1, Vocational Rehabilitation and Counseling Procedures Under 38 U.S.C. Chapter 31, the program's field manual, which establishes guidelines for development of individual rehabilitation plans. Guidelines for the development of individual rehabilitation plans were originally developed in 1981, and have been and continue to be updated periodically.

Question 4: Does a veteran with a professional degree and/or advanced academic degrees with a minor service-connected rating sound like someone we should be spending tax payer money and staff time? How is VA prepared to deal with the ramifications of the recent Davenport COVA decision?

Answer: The law and implementing regulations provide additional criteria which assure that program services go to those veterans who need them. While the veteran no longer has to show a connection of the service-connected disability to the employment handicap, there still exists the requirement that the employment handicap has not been overcome by prior developed skills obtained by education, training, or experience. This requirement should preclude the situation you describe.

The real ramification of the Davenport decision is in the increased number of veterans who will be able to enter the program because they do possess an employment handicap because of service-connected or non-service connection conditions, and the employment handicap has not been overcome. We have estimated that there will be approximately 4,500 more veterans in FY 1996 who will fit under the revised criterion and enter programs of rehabilitation services. This will put a severe strain on the already crushing workload of our vocational rehabilitation specialists who, as case managers, monitor the veteran's progress in the program and assure needs are identified and met so that the veteran has the best opportunity for successful rehabilitation.

Question 5: When can the VA begin to provide priority of service to voc rehab applicants who are seriously disabled veterans?

Answer: We have a long established policy of providing priority services to vocational rehabilitation applicants who are seriously disabled veterans. The VR&C manual of operations states that "Chapter 31 applicants who have a service-connected disability rating of 50 percent or more are to receive priority in scheduling and should be given the first available (VR&C) appointments." (M28-1, part I, paragraph 6.04) This affirmation of our commitment to seriously disabled veterans encourages, rather than discourages, VR&C staff members to provide comprehensive services to our more seriously disabled veteran-clients as our top priority.

Hearing on May 3, 1995

"VA's Vocational Rehabilitation Program"

Follow-Up Questions for Honorable R. John Vogel
Under Secretary for Benefits, Department of Veterans Affairs

from Honorable Maxine Waters
Ranking Member, Subcommittee on Education, Training, Employment, and Housing
House Committee on Veterans' Affairs

Question 1. There is a long history of correspondence between Mr. Montgomery and Secretary Brown regarding the qualification standards for vocational rehabilitation specialists.

The Committee was told this issue was resolved several months ago. Now I understand no final actions have been taken. What is the problem? I'd appreciate a detailed explanation.

Answer: In response to concerns raised by VA field staff as to the impact the new qualification standards will have on existing personnel, a field task group formed to complete a comprehensive review of all the issues surrounding implementation of the new standards. The task group's recommendation to implement the standard has been accepted. We are presently fulfilling our labor partnership responsibilities as the first step in the implementation process and barring unforeseen problems, we expect to issue implementation instructions to field offices shortly.

Question 2: You have considered asking for legislative authority to transfer prime responsibility for the "Independent Living" program to the Veterans Health Administration (VHA).

What are the pro's and con's of such a move?

Do you plan to ask for this authority? If not, why not?

Answer: We do not plan to ask for this authority because our General Counsel has determined there is no legislative barrier to transferring prime responsibility for the Independent Living Program to VHA.

Veterans in this program very often face medical concerns and issues that they need assistance in resolving before they can pursue clear vocational goals. Placing this program under VHA would facilitate a closer integration of medical services to meet these needs.

VBA and VHA are currently discussing this issue with a view toward resolving it in a way that will best meet the needs of severely disabled veterans.

Question 3: Have you considered asking for legislative relief from current requirements that VR&C provide education counseling for non-disabled veterans?

If not, can you demonstrate that VR&C staff can provide superior services to service-connected veterans, their primary clients, and continue service to other veterans?

Answer: We do not see the need to request relief from the requirements that VR&C provide educational and vocational counseling to separating servicemembers, veterans and their dependents. These counseling services are fairly straightforward and we use professional counselors, under contract to VA, to provide the vast majority of these

counseling services. These counseling services are well received by the recipients and meet an important need. In contracting for these services, we minimize any adverse impact on VR&C staffs' ability to provide quality services to service disabled veterans. We have not detected any significant deterioration in the quality of services provided to service disabled veterans as a result of contracting for and providing educational and vocational counseling. Moreover, since the bulk of these counseling requests come from separating servicemembers and the downsizing of the military forces has peaked, we anticipate this counseling workload will similarly decrease and therefore see no need to now request legislative relief from current counseling requirements.

Question 4: In your own words, what is the purpose of the Vocational Rehabilitation and Counseling Service? What should its goals be?

Answer: The primary purpose of the Vocational Rehabilitation and Counseling Service is to support the efforts of VR&C field staff in providing vocational rehabilitation and educational and vocational counseling services to eligible veterans and dependents. This support is provided in a number of important ways, including, but not limited to, policy and procedural guidance, resource acquisition and distribution, and program oversight.

The Vocational Rehabilitation and Counseling Program, as implemented by VR&C field staff, provides comprehensive services to service-disabled veterans to prepare for, obtain, and keep suitable employment. For veterans so severely disabled that suitable employment is not feasible, VR&C may assist in providing programs of independent living services. These services help these severely disabled veterans live more independently in their families and communities. In addition, the VR&C program provides educational and vocational counseling for eligible service members, veterans, and certain dependents.

The Vocational Rehabilitation and Counseling Service staff in Central Office quite literally support the field staffs' efforts to provide these services in all ways possible.

Question 5a: Please describe the purpose and administration of the Vocational Rehabilitation Revolving Loan Fund and describe eligibility criteria for assistance under this fund?

Answer: The Vocational Rehabilitation Revolving Fund is a monetary assistance service available to service-disabled veterans who are chapter 31 participants and have elected or are receiving a chapter 31 subsistence allowance. It provides a temporary monetary advance to veterans who would otherwise be unable to begin or continue their vocational rehabilitation program without this assistance (38 CFR 21.274). These advances are provided to meet unanticipated financial problems or emergencies that would otherwise interfere with the veteran's vocational rehabilitation program.

Question 5b: What is the maximum loan currently available under this fund?

Answer: The maximum advance will not exceed the lesser of either the amount needed or twice the monthly subsistence allowance for a veteran without dependents in full-time institutional training. Since October 1, 1994, that figure has been $749.86 (2 X $374.93).

Question 5c: How many service-disabled veterans were assisted by way of this fund in fiscal years 1991, 92, 93 and 94?

Answer: See table below.

1991	1992	1993	1994
5148	5278	5045	5492

Question 5d: At what point in each of these fiscal years did VR&C run out of available funds?

Answer: Data is unavailable for FY 1991 and FY 1992. During FY 1993, the limitation for the fund was $1,760,000. The amount actually disbursed was $1,730,000, just under the authorized limit. There was no problem in 1994.

Question 5e: How many veterans who applied and were eligible were turned down because of lack of funding during those fiscal years?

Answer: No veteran was turned down for an advance because of lack of funding. There was concern, however, particularly in fiscal year 1993, that some veterans would not be able to secure an advance because the limitation would prevent further needed disbursements. Due to that concern, some advances were reduced.

Question 5f: What can be done to ensure that all eligible veterans can be served under this self-sufficient fund?

Answer: We are developing guidance for the field staff which will assure that the loan program takes care of those situations which are most meritorious. The loan program is designed to meet unexpected emergency situations which may threaten the veteran's progress in the rehabilitation program. By applying effective management measures, in this fashion, we believe that our veterans will be served.

Question 5g: What is the default rate under this fund?

Answer: Currently, the default rate is 0.8 percent. This percentage is statistically insignificant. Defaults are due principally to veteran deaths before completing their loan repayments. Repayments are acquired through monthly offsets from the chapter 31 participant's subsistence allowance or disability compensation.

Question 6: At how many military bases are VR&C staff providing Disabled Transition Assistance Program (DTAP) services?

Has VR&C cut back on TAP participation during the past year? If so, why?

Answer: Within the past year, the Department of Veterans Affairs refined its TAP and DTAP programs. Previously a VR&C counseling psychologist accompanied a Veterans Services Division military services coordinator to a military facility to conduct preseparation and retirement briefings. This was VA's contribution to the TAP and DTAP programs. Experience indicated, however, that it would be more efficient for the military services coordinators to expand their TAP briefings to include an extensive discussion of VA's Vocational Rehabilitation Program, thereby freeing the counseling psychologist to concentrate on working one-on-one with those individuals who most need vocational rehabilitation services -- servicemembers confined to military medical centers or medical holding companies and unable to attend a TAP session. This one-on-one DTAP service now is provided on an as needed basis at military facilities nationwide so that it is difficult to pinpoint exactly how many bases are being served in this way at any point in time.

Question 7: In response to GAO's observation that inclusion of extensive financial planning in initial counseling sessions positively affected completion rates, VA responded that other factors also contribute to program completion. Additionally, VA stated an in-depth study was being conducted to identify more specifically why veterans discontinue their programs of vocational rehabilitation?

When was this study completed? What were the conclusions? What actions have been taken in response to the study results? Were additional factors identified as keys to successful rehabilitation? Are you recommending additional emphasis on financial planning? Have you altered individualized written rehabilitation plan in any way?

Answer: A pilot attrition study, completed in 1994, showed that the primary reasons veterans prematurely withdrew from their vocational rehabilitation programs were: significant health problems, lost interest in the program, and found employment before completing their vocational rehabilitation program.

VR&C Service began a formal attrition study in January 1995. In March 1995, we conducted six focus groups in Little Rock and Philadelphia to develop, from the veteran's perspective, the reasons they prematurely withdrew from the program. Currently, we are developing a questionnaire to distribute to a random sample of veterans nationwide who discontinued their vocational rehabilitation programs.

The completed questionnaires should provide pertinent information about why veterans prematurely terminate their programs and what VR&C staff might do to preclude this from happening. We plan to complete this study by December 1995. Following a full analysis of the findings, we will determine what modifications we need to make to lower the attrition rate of chapter 31 participants.

Question 8: We in Congress believe that the vocational rehabilitation program should be a very top VA priority, reflecting our nation's unique commitment to service-disabled veterans. Unfortunately, VR&C's timeliness and quality statistics do not, and have not for a long time, reflected top-quality service.

Does the VA leadership also see the vocational rehabilitation program as a top priority? If so, what badly needed actions are you taking to improve services under this program? At the current staffing level, is it possible to achieve your timeliness and quality goals? If so, how? It seems useless to continue establishing goals that cannot be achieved.

Answer: VA leadership believes, as do employees at every level, that the vocational rehabilitation of service-disabled veterans is at the heart of the agency's mission. It would be difficult to argue that the goal of helping these men and women to regain their rightful place in the American work force and community is less than paramount. We are proud of the veterans who achieve their rehabilitation goals by overcoming significant obstacles. At the same time, we are very much concerned about providing services in a timely, effective, and efficient manner.

We are experiencing a period in history when the number of veterans who request our assistance exceeds our resources. This situation has caused us to begin to examine the needs of our current and future customers and determine how we should reshape program policy and procedures to meet those needs. With the advice of veterans, staff members, and interested parties in both the veteran and rehabilitation communities, we will soon begin streamlining what we do and reengineering how we do it. We are looking at every option, including partnerships with other rehabilitation and employment professionals, government agencies, veterans organizations, training and education institutions, and contract service providers. The goals we establish will be based on the needs of veterans, and our outcome measures will reflect the use of our resources to meet clear and specific service goals.

Question 9: In response to the GAO study regarding the management of VR&C services, VA stated in 1993 that VBA was conducting an attrition study. VA also noted that VR&C officers would be required to meet with appropriate DOL personnel in their area and develop working agreements. Finally, VA stated that an employment services course might be developed at NVTI for VA rehabilitation personnel.

Have these goals been accomplished? If not, why not? If so, have these actions been successful and produced useful results?

Please describe in detail the employment training provided for VR&C staff during fiscal years 1991, 92, 93, and 94. How many staff were trained? Did your staff consider the training time very well spent?

Answer: A pilot attrition study was completed in 1994. Subsequently, VR&C Service began a formal attrition study that we expect to complete by December 1995.

Representatives of VA and DOL have met several times. In fall 1994, VA and DOL representatives began revising the national agreement between the two departments. In April 1995, the Director of the VR&C Service met with DOL's Assistant Secretary of the Veterans' Employment and Training Service to discuss continued and enhanced cooperation between the two departments. In VA field stations, the Statewide Agreement Assessment Form, updated yearly and signed by the VR&C Officer, mandates a meeting between the VR&C Officer and DOL counterpart at least quarterly.

After investigating the possibility of developing an employment services training course with NVTI, VA determined that it would be more practical to develop and provide its own training program.

In summer 1991, an employment services course developed by the Department of Veterans Affairs in cooperation with The Ohio State University was provided to 70 newly hired VA employees. In 1991, there were seven regional training workshops, which all professional staff members attended. Each workshop included a session on employment services. There were 12 regional workshops in 1992. All of these workshops included training in the provision of employment services. An employment services training course was provided to 100 field staff members in August 1993. This conference was videotaped and has been developed into training modules that have been sent to our field offices. Employment services reference materials have been and continue to be sent to all field offices.

Field staff evaluation of employment services training has been overwhelmingly positive. Training effectiveness is evident in the steady increase in the number of veterans successfully rehabilitated—from 3,202 veterans in 1992 to 4,978 veterans in 1994.

Question 10: The VR&C Advisory Committee Report transmitted to VA on January 5, 1993, contained many astute observations and useful recommendations, including a suggestion that VR&C must shift from the linear "trait-factor" rehabilitation model to a "dynamic rehabilitation" model.

Did VR&C implement this or any of the Advisory Committee recommendations? Any of the recommendations contained in subsequent reports? If so, which ones? If not, why not?

Answer: In its December 1992 report, the field advisory committee made major recommendations. The status of these recommendations is as follows:

1. Create new program	Accepted, but not implemented. Requesting clarification of intent.
2. Adopt a continuous needs assessment model of case management	Accepted, partially implemented.
3. Create a marketing strategy consistent with new program focus	Accepted but not implemented. Requesting clarification of intent.
4. Reconceptualize the case manager concept	Tabled for later review.
5. Emphasize the brokering of services	Accepted and implemented.
6. Develop strategies to deal with caseload demands	Accepted and implemented.

7. Eliminate the concept of entitlement	Rejected. Requires statutory change.
8. Broaden the definition of rehabilitation outcomes and develop procedures for implementation	Accepted and implemented.
9. Expand employment placement resources	Accepted and implemented.
10. Develop marketing and networking initiatives with private industry for purposes of job development	Accepted and implemented.

VR&C has implemented in the field a "dynamic rehabilitation" model, currently called "needs assessment," but has not updated its directives to reflect this more practical model. There has been implementation of most of the recommendations of the field advisory committee. The members of the current VR&C Advisory committee are submitting additional recommendations to VA Central Office staff for review and possible implementation. The committee met in January 1995 with the new service director and had 22 recommendations, all of which were accepted and work began on their implementation. There were subsequent meetings with field staff in each area. The goal was to get another 100 recommendations to change operating procedures to give field staff more flexibility to do their jobs. A meeting is scheduled for June 12 to review all the recommendations coming out of that process.

Question 11: As you know, Congress last year increased the cap on contracting funds for VR&C to $6 million. Do you expect that this funding level will last through the current fiscal year? If not, when do you expect to run out of funds? What is the effect of inadequate contracting funding on quality and timeliness of services?

On a related topic, are VR&C staff receiving adequate assistance from VBA procurement specialists?

Answer: We expect the contracting funds for providing educational and vocational counseling will be sufficient for this fiscal year. Since most of the demand for these counseling services comes from separating servicemembers and the military downsizing effort appears to have peaked, this funding level should permit us to provide the services requested.

VR&C staff members are receiving adequate assistance from VA procurement specialists, who have conducted several days of intensive training for VR&C contracting officers during each of the past 2 years. In addition, VA procurement specialists at the various VA Medical Centers work closely with VR&C contracting officers. VA procurement specialists are also working closely with the VR&C contracting committee in the preparation of the proposed VR&C manual part for contracting.

Question 12a: What percentage of the applications for vocational rehabilitation services were judged to be eligible in fiscal years 1990, 1991, 1992, and 1993?

Answer: See data table below.

1990	1991	1992	1993
Not available	52%	44%	41%

Question 12b: During each of those years, please provide a breakdown showing what percentage of new eligibles were rated 10% disabled, 20%, 30%, etc.

Answer: See data table below.

Fiscal Year	Percentage of Service-Connected Disability										
	10	20	30	40	50	60	70	80	90	100	Other
1990	28	16	19	11	8	6	3	1	0	7	0
1991	21	19	21	12	8	6	4	1	0	6	1
1992	12	25	23	13	8	6	3	1	0	6	3
1993	7	28	23	13	8	5	2	1	0	4	7

(Note: "Other" = cases which could not be identified by percent of disability

Question 12c: For each of those fiscal years, please provide the percentage of those eligibles still in training.

Answer: Our database does not contain this information.

Question 12d: For each of those fiscal years, what percentage of the new eligibles went directly to employment assistance?

Answer: We are unable to distinguish the number of cases that have received employment services as the primary service as opposed to those which pursued training prior to employment services.

Question 12e: For each of these fiscal years, what percentage of the new eligibles had 20 or more years of active duty service?

Answer: Our database does not contain this information.

Question 13: Is the VR&C Field Advisory Committee still active? If so, how often will they meet during FY 95? Please provide specific examples of Advisory Committee recommendations that have been implemented over the past four years.

Answer: The Committee continues to be active. It met in January 1995 in Washington. Since then, subcommittees representing the four VBA geographic areas have met and made additional recommendations for streamlining and simplifying operations. The Field Advisory Committee will meet the week of June 12 to present new recommendations to the service director. The committee plans to meet a total of six times in FY 1995. The Field Advisory Committee recommended suspending certain duplicative management reporting. This has been implemented. It suggested that a VR&C newsletter be developed with nationwide circulation so that our staff throughout the nation would have the opportunity to benefit from innovative practices. This has been implemented as well. An additional 20 recommendations have been made and many more are expected. VR&C Service staff members are now implementing most of the additional 20, with a view toward eliminating duplication, simplifying our business practices, and streamlining operations.

Question 14: In June 1992, VA released the results of a client satisfaction survey. A key finding of that survey was that clients' expectations for employment assistance were different from the staff's understanding of the services they provide. Would you explain this finding a little further. What were the specific misunderstandings? What actions were taken to correct this situation?

Have additional surveys been conducted since 1992? If so, what were the results? Were changes made in response to findings? If additional surveys have not been conducted, why not?

Answer: Due to the wide range of comments, we formed general categories to sort the responses. Many veterans were confused in their assumptions as to the purpose of VA's Vocational Rehabilitation Program. For example, some veterans believed that it was the VR&C staffs' responsibility to place them in a job immediately upon completion of their vocational rehabilitation training program. VR&C staffs work with chapter 31 program participants to assist them in obtaining and maintaining suitable employment. This is a team effort and the veteran is a key member of this team.

Other veterans expected that, since VR&C represents the government, getting them a government job would not be difficult. Here again, we can help, but a number of factors determines who obtains a government position. One major action we have recently taken to correct this situation is to gather and review all our pamphlets and fact sheets to insure that they clearly describe what our program can and cannot do for a disabled veteran participating in a vocational rehabilitation program.

In 1993, VR&C participated in a Customer Based Measures Survey. Respondents rated the overall quality of services provided by VR&C staff at 7.46 on a 1 to 9 satisfaction scale, with 1 being the lowest rating and 9 the highest. Sixty percent of respondents rated the overall quality of service to be at least an 8 and 35 percent gave the highest rating, a 9.

We are not aware of other client satisfaction studies on vocational rehabilitation program participants since 1993. One of the outcomes of the project to reengineer VR&C business processes will be the development of procedures to systematically assess client satisfaction with the services provided by VR&C staff.

Question 15: What actions have been taken to amend VR&C employee performance evaluation procedures in order to emphasize the importance of employment placement services?

Answer: The effectiveness of the program, as measured by the number of veterans who achieve rehabilitation through the attainment of suitable stable employment, has always been a key performance measure. We are comprehensively reviewing our program. Once we have that data, as well as advice from veterans and other interested parties, we will establish program goals, which should include measures of success in employment, and other outcome measures that clearly measure our progress in achieving these goals. These goals, in turn, will shape individual and team performance evaluation. We estimate that this process will take approximately 2 years. In the meantime—and as a step toward an accountability system—we have completed work on performance standards for our Vocational Rehabilitation and Counseling Officers. We hope to have the new standards in place by the end of June 1995, with the understanding that these standards will undergo further modification as we revise our program goals and outcome measures.

Question 16: In its 1992 study regarding services for veterans with serious employment handicaps, GAO recommended that VA develop a performance evaluation system that acknowledges the additional time required to provide vocational rehabilitation services to veterans with serious employment handicaps.

Has this recommendation been implemented? If not, why not?

Answer: While VR&C had committed to accomplishing a work measurement study that addressed this issue, other events overtook our priorities and delayed the work measurement study. At this time, it appears appropriate for us to accomplish an overall program review and revise the program's policies and procedures based on our review.

Once this is done, we will be able to establish a work measurement system that satisfies our resource allocation needs while giving appropriate credit to weighted work tasks.

Question 17: It seems to me that there are several ways to define a successful rehabilitation. Do your evaluations allow for some flexibility in definition?

Answer: Yes, our evaluations do allow flexibility both in definition and implementation. We work with each individual accepted into the vocational rehabilitation program to create an individualized written rehabilitation plan (IWRP), taking into consideration his or her disabilities and personal needs. We also focus on the veteran's interests, aptitudes, abilities, values, and marketable skills. Based on this evaluation, a goal is identified with a number of obtainable objectives required to reach a successful rehabilitation. The veteran's progress in meeting the objectives of his or her IWRP is closely monitored, and if changes occur in the veteran's health, personal needs, etc., the plan is flexible enough to accommodate adjustments as needed.

Question 18: Your goal of 10,000 rehabilitated veterans per year by the end of FY 1997 is laudable. It causes me some concern, however. How do you define an "appropriate" placement? In this instance it is correct to narrowly define "appropriate". A placement, any placement, is certainly not the goal of the vocational rehabilitation program. The goal is an appropriate placement.

Answer: VA's vocational rehabilitation program is designed to address the particular needs of each veteran. Service-disabled veterans participating in a vocational rehabilitation program are provided a complement of skills to prepare them for a career, which, over the veteran's lifetime, may mean holding a number of jobs. We agree that any placement is not the goal of the vocational rehabilitation program. We strive for an appropriate placement which is one that is consistent with each participant's abilities, interests, values, disabilities, and the local job market.

Question 19a: You mention in your testimony the additional $1 million in contract funding this committee provided last year. In fiscal year 1994, did every eligible person who requested counseling receive it?

If not, how many were refused assistance because of lack of staff and/or contract funds?

Answer: Yes. Every eligible person who requested counseling received it. No one was refused assistance because of a lack of staff or contract funds.

Question 19b: Do you have adequate funding to provide counseling for all eligibles who request it in fiscal year 1995?

Answer: Yes. We believe we will have adequate funding to provide counseling to all eligibles who request it.

Question 20: You note in your statement that you also use contract staff to provide employment services to chapter 31 veterans.

How do the placements made by contract staff compare with placements made by Vocational Rehabilitation & Counseling Service (VR&C), Disabled Veterans Outreach Program (DVOP), and/or Local Veterans Employment Representative (LVER) staff in terms of annual salary, length of retention following employment, etc.?

Answer: Presently, we track only the total average income of all rehabilitated veterans placed, without regard to who assisted the veteran in obtaining employment.

Question 21: In your testimony you note that too often a veteran has been rehabilitated but the jobs for which he or she qualifies do not pay as highly as some unsuitable jobs.

Shouldn't this issue be extensively explored when the veteran's program of services is being developed early in the rehabilitation process?

Answer: Yes, we agree. VR&C explores this issue during the evaluation process. Our services seek to maximize a veteran's vocational potential by broadening his or her view of suitable employment, to include an appreciation that the level of compensation is not the sole determinant of job suitability.

A disabled veteran who maintains unsuitable employment—that is, a job that either aggravates the veteran's disabilities or is otherwise inconsistent with his or her abilities, interests, and capabilities—risks limiting the productive years of employment. Although the pay received for this work may be high, the potential for injury, disability aggravation, and so forth is also great. It is the intent of the evaluation to assist the disabled veteran-client to grow in self-knowledge and to make informed occupational selections that are not bound by the limiting gratification of wages alone.

Question 22a: In your statement you state that you have changed how you do your jobs and will change even more. What specific changes have been made and what changes do you anticipate in the future?

Answer: With a new service director in place only six months, VR&C Service has reorganized into managing its work and delegating responsibilities through teams. The Service is soliciting field suggestions for the overhaul of its directives, manuals, and daily work practices. There will be more delegation of responsibility, as well as authority, to field staff members. In changing the way we do our jobs, we will be gathering information from all our customers (veterans, field staff, consultants, service organizations, etc.) to determine how to better do our jobs in the future.

Question 22b: What specifically do the phrases "reengineering our work process" and "streamlining work to cut out unnecessary steps" mean?

Answer: "Reengineering our work process" means shifting the responsibility for day-to-day decision making, on a functional basis, to those closest to the customer and eliminating as many "hand-offs" and intermediaries as possible to make necessary actions more efficient and of direct value to the veteran.

"Streamlining work to cut out unnecessary steps" means we will be examining all phases of our mission to determine what procedures we can automate, eliminate, or reduce while still complying with our mandate to serve the disabled veteran, uphold the law, and maintain a high quality of service in this era of diminishing resources and funds.

Question 23: One of our earlier witnesses noted that there had been internal VA discussion regarding consolidating the Vocational Rehabilitation and Counseling Service with another service such as Veterans' Services.

Was such a move seriously considered? If so, may I assume that it was tabled as a bad and inappropriate idea?

Answer: No. Such a move was never seriously considered. However, any organization that undergoes dramatic business process reengineering must modify its organizational structure as changes in the work, workforce, and workplace occur. In this process, all aspects of the current organizational structure should be evaluated. Of course, the

importance of the program of rehabilitating disabled veterans should not diminish regardless of its place in the organizational structure, and we certainly would not permit that to happen.

Question 24: One of our previous witnesses suggested that the VA conduct an aggressive outreach program to employers, Governors, and Mayors in order to inform them of the benefits available to them through the vocational rehabilitation program.

This is a good idea. Will you commit to fully implementing this recommendation and informing the Subcommittee of its results?

Answer: The VA has an outreach program to employers and government agencies at the national, state, and local levels. There are several programs, such as the Employer Incentive Program, the Job Ready Disabled Veterans' Connection (JRDVC), on-job training, and unpaid or nominally paid on-job training and work experience in the public sector (in local, state and federal government as well as in native American agencies). These programs promote and support the employment of disabled veterans who have participated in the VA's Vocational Rehabilitation Program. We are constantly in the process of advocating the employment of service-disabled veterans and seek out every opportunity to advance this advocacy.