

DEPARTMENT OF VETERANS AFFAIRS



FY 2022 PRESIDENT'S BUDGET REQUEST

May 28, 2021

2022 Budget Request: By The Numbers

- Includes multiple funding sources, increasing complexity (i.e. base, CARES Act, American Rescue Plan (ARP) Act, American Jobs Plan (AJP), and American Families Plan (AFP))
- Overall, **10.0% increase** over 2021 enacted levels (base only, excluding CARES and ARP funds)
- Total base request of **\$269.9 billion** (w/ medical collections) compared to **\$245.3 billion** in 2021
- **Discretionary request** is **\$117.2 billion** (w/ medical collections), **9.0% increase** (\$9.7 billion) over 2021
- In addition, first year to use discretionary resources estimated at **\$820 million** from the Recurring Expenses Transformational Fund (TF), which will supplement the discretionary request
- **Mandatory request** is **\$152.7 billion**, **10.8% increase** (\$14.9 billion) over 2021
- Additional Mandatory request:
 - \$18 billion in AJP for VA infrastructure
 - \$260 million in AFP for family-friendly supports for Veterans

2022 Request

(\$s in millions)	2020 Enacted	2021 Enacted	2022 Request (base only)	2022 Transformational Fund(TF)	2022 Total Funding 2022 Base + TF	Change 2022 (total) vs 2021	
						\$	%
Medical Care with MCCF	83,240	92,815	101,537	-	101,537	8,722	9.4%
Medical and Prosthetic Research	750	795	882	-	882	87	10.9%
Electronic Health Care Record Modernization	1,430	2,607	2,663	-	2,663	56	2.1%
Information Technology Systems	4,372	4,875	4,843	670	5,513	638	13.1%
Veterans Benefits Administration, GOE	3,125	3,164	3,423	-	3,423	259	8.2%
Board of Veterans' Appeals	174	196	228	-	228	32	16.3%
National Cemetery Administration	329	352	394	-	394	42	11.9%
General Administration	356	354	401	-	401	47	13.4%
Construction, Major Projects	1,235	1,316	1,611	-	1,611	295	22.4%
Construction, Minor Projects	399	354	553	150	703	349	98.4%
Grants for State Extended Care Facilities	90	90	-	-	-	(90)	-100.0%
Grants for Construction of Veterans Cemeteries	45	45	45	-	45	-	0.0%
Office of Inspector General	210	228	239	-	239	11	4.8%
Asset and Infrastructure Review Commission	-	-	5	-	5	5	
Loan Administration Funds	202	206	231	-	231	25	12.2%
DoD Transfers to Joint Accounts	126	152	152	-	152	-	0.0%
Choice transfer to Community Care 2020	(615)	-	-	-	-	-	
Discretionary (with MCCF)	95,467	107,549	117,207	820	118,027	10,478	9.7%
Mandatory Funding	124,721	137,730	152,654	-	152,654	14,925	10.8%
Total VA (Disc & Mand) with MCCF	220,188	245,279	269,862	820	270,682	25,403	10.4%

2022 Budget Supports VA's Presidential Directives

This request and funding provided through the American Rescue Plan (ARP) Act will enable the VA to fulfill President Biden's directives:

1. Get our Veterans through the COVID-19 pandemic;
2. Help Veterans build civilian lives of opportunity with the education and jobs that are worthy of their skills and talents;
3. Ensure the VA welcomes all our Veterans, including women Veterans, Veterans of color, and LGBTQ+ Veterans, and that Diversity, Equity and Inclusion are woven into the fabric of the Department;
4. Work to eliminate Veteran homelessness and prevent Veteran suicide; and
5. Keep faith with our families and caregivers.

COVID-19 Response

Demonstrated strength, agility, resiliency and commitment of VA staff, and supported the national response through Fourth Mission efforts

CARES Act enabled strong VA response

- On track to fully execute \$19.6 billion, with 75% obligated (\$14.7 billion) as of May 2021
- Added over 2,500 medical/surgical and Intensive Care Unit beds
- 885% (nearly ten-fold) increase in Clinical Video Telehealth or Video to Home telehealth visits for primary care Between February and December 2020

American Rescue Plan (ARP) Act will sustain response and support recovery

- Provided \$17.1 billion, most to be executed in 2022
- \$14.5 billion for medical care to meet post COVID-19 surge
- \$1 billion to reimburse Veterans for medical care copayments and provide for health care needs
- \$750 million to help State Homes
- \$386 million to establish new training program for unemployed Veterans
- \$272 million to reduce backlog at VBA and Board of Veterans Appeals

Building Lives Of Opportunity With Education And Jobs

Makes key investments in VBA to build civilian lives of opportunity with education and jobs

Would provide:

- \$81.5 million to support the Digital GI Bill Modernization by creating a modernized business platform to better deliver benefits
- \$5 million for a Veterans' Clean Energy Job Training program in conjunction with the Department of Labor
- \$3.6 million for a VA Disability Employment Pilot Project to assist eligible Veterans with service-connected disabilities seeking employment opportunities

Welcoming All Veterans

To ensure VA welcomes all our Veterans, including women Veterans, Veterans of color, and LGBTQ+ Veterans and that Diversity, Equity and Inclusion are woven into the fabric of the Department, the 2022 budget supports:

- Creation of new Office of Resolution Management, Diversity, and Inclusion (ORMDI). Funding increased by \$12.9 million from predecessor offices.
- ORMDI will
 - Strengthen VA's diversity program and prevent and resolve discrimination at the early stages
 - Provide a robust harassment prevention program and counseling services while advancing equity for all who have been historically underserved
 - Support compliance with the Deborah Sampson Act, Presidential Executive Orders 13985 and 13988 and the Executive Memorandum Condemning and Combatting Racism, Xenophobia and Intolerance Against Asian Americans and Pacific Islanders in the United States

Improving Support For Women Veterans

The number of women Veterans using VA health care services has more than tripled since 2001, growing from 159,810 to more than 580,000 today

To support women Veterans

- Gender specific care costs are projected to be \$706 million in 2022, an **increase over** the \$630 million from 2021 (+\$76 million or +12.0%, all sources)
- The Women's Health program office budget grows to \$105 million in 2022 (an increase of \$6 million over 2021). This level of funding sustains the recent hiring and equipment initiative, which provides funding to hire over 400 women's health personnel nationally—primary care providers, gynecologists, mental health care providers and care coordinators. Further supports programs such as pelvic floor physical therapy and lactation support.

Working To Eliminate Veteran Homelessness

VA remains committed to ending Veteran homelessness

- \$2.6 billion to reducing homelessness in 2022 (from all funding sources), increase of \$335 million (+14.5%) from 2021
 - 2022 includes \$486 million in ARP resources
 - 2021 included \$318 million in CARES resources
- \$831 million for Supportive Services for Low Income Veterans & Families (SSVF), (+\$296 million from 2021, all funding sources) will sustain existing grant awards, scale up the provision of longer periods of rental assistance to a national effort, expand access to legal services for Veterans, and fund initiatives such as the Health Care Navigator.
- \$735 million (all funding sources) in Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH) is projected to support the 110,000 vouchers anticipated to be available in 2022
 - HUD announced 4,875 new vouchers in December 2020 and expects 5,000 more vouchers announced by the end of 2021
- Progress is being made, but work remains
 - Since 2010, over 850,000 Veterans and their family members have been permanently housed or prevented from becoming homeless
 - Estimated 37,252 Veterans experienced homelessness on any night in January 2020

Prevent Veteran Suicide

Veteran suicide prevention is a VA top clinical priority, founded on a comprehensive public health approach to reach all Veterans.

- \$598 million dedicated for Veteran suicide prevention outreach programs in 2022 (from all funding sources), increase of \$287 million (+92.1%) from 2021
- Veterans Crisis Line (VCL) grows by \$142 million (+124%) to implement 988 as the universal telephone number for the National Suicide Prevention Lifeline and the VCL
 - National Suicide Hotline Designation Act of 2020 requires completed transition to 988 by July 16, 2022
 - VCL expects volume increase of 122% to 154%
- Veteran Suicide Prevention 2.0 Initiative (SP 2.0 Initiative) grows by \$35 million (+112%) to expand the Governor's Challenge program to all 50 states by the end of 2022 and enhance critical efforts
- Increases by \$51 million (+96%) to produce and disseminate national paid media campaign materials and evaluate effectiveness and expand other efforts
- The new Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program (SSG Fox SPGP) will enable VA to provide resources toward community-based suicide prevention efforts through outreach, suicide prevention services, and connection to VA and community resources. This is a three-year grant program (\$174 million authorized in total) with the first grant awards expected in late 2022 or early 2023 (depending on Final Rule)

Supporting Caregivers

VA is expanding the Caregiver program and meeting the objectives of the MISSION Act

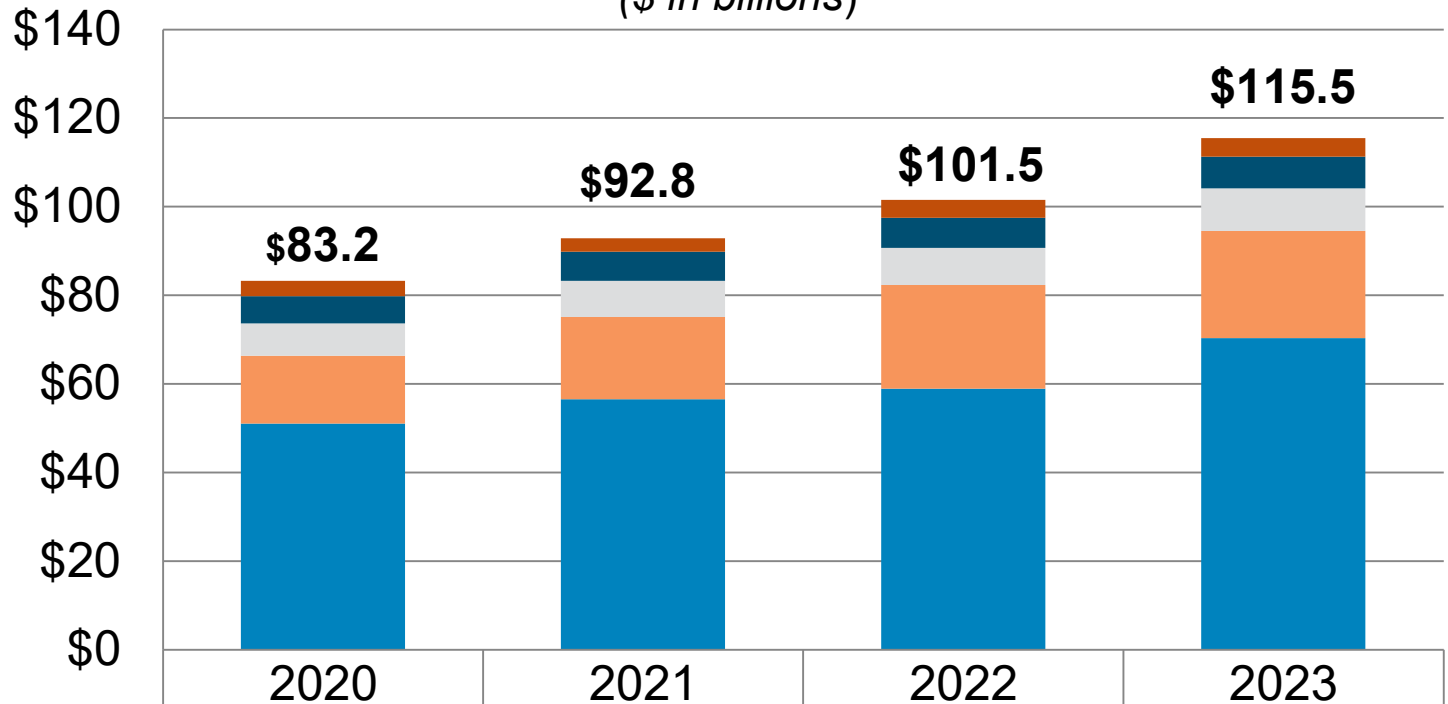
- \$1.4 billion dedicated to Caregiver program, \$350 million increase (+34.9%), (all funding sources)
- Supports expansion of Program of Comprehensive Assistance for Family Caregivers (PCAFC)
 - Phase 1: Started October 1, 2020, eligible Veterans who incurred or aggravated a serious injury in the line of duty on or before May 7, 1975
 - Phase 2: Starting October 1, 2022, eligible Veterans who incurred or aggravated a serious injury in the line of duty between May 7, 1975, and September 11, 2001
- VA has increased the number of staff dedicated to the caregiver program by approximately 1,740 staff, as of May 2021, with a goal of hiring 1,900 staff.
- Participants in PCAFC expect to grow
 - 21,113 in 2020
 - 43,328 in 2021
 - 51,645 in 2022

A Closer Look

Medical Care Base Budget¹

(\$ in billions)

- *Medical Care is 86% of total VA discretionary budget*
- *2022 request is +\$8.7 billion, 9% above 2021 enacted*



	2020	2021	2022	2023
■ Collections	\$3.4	\$3.0	\$4.1	\$4.2
■ Facilities	\$6.1	\$6.6	\$6.7	\$7.1
■ Support & Compliance	\$7.3	\$8.2	\$8.4	\$9.7
■ Community Care	\$15.3	\$18.5	\$23.4	\$24.2
■ Services	\$51.1	\$56.6	\$58.9	\$70.3

¹Includes only non-emergency discretionary appropriations and medical care collections.

Medical Care

2022 Second Bite And 2023 Advance

(\$ in millions)	2022 Advance Approp. (AA)	2022 Revised Request (RR)	+/- 2021 AA 2021 RR 2022 Second Bite	2023 Advance Approp. (AA)	+/- 2022 AA 2021 RR
Medical Services	58,897	58,897	0	70,323	11,426
Medical Community Care	20,148	23,417	3,269	24,157	739
Medical Support & Compliance	8,403	8,403	0	9,673	1,270
Medical Facilities	6,735	6,735	0	7,134	399
Subtotal, Appropriation	94,183	97,452	3,269	111,287	13,835
Collections	4,085	4,085	0	4,165	80
Total Appropriation & Collections	98,268	101,537	3,269	115,452	13,915

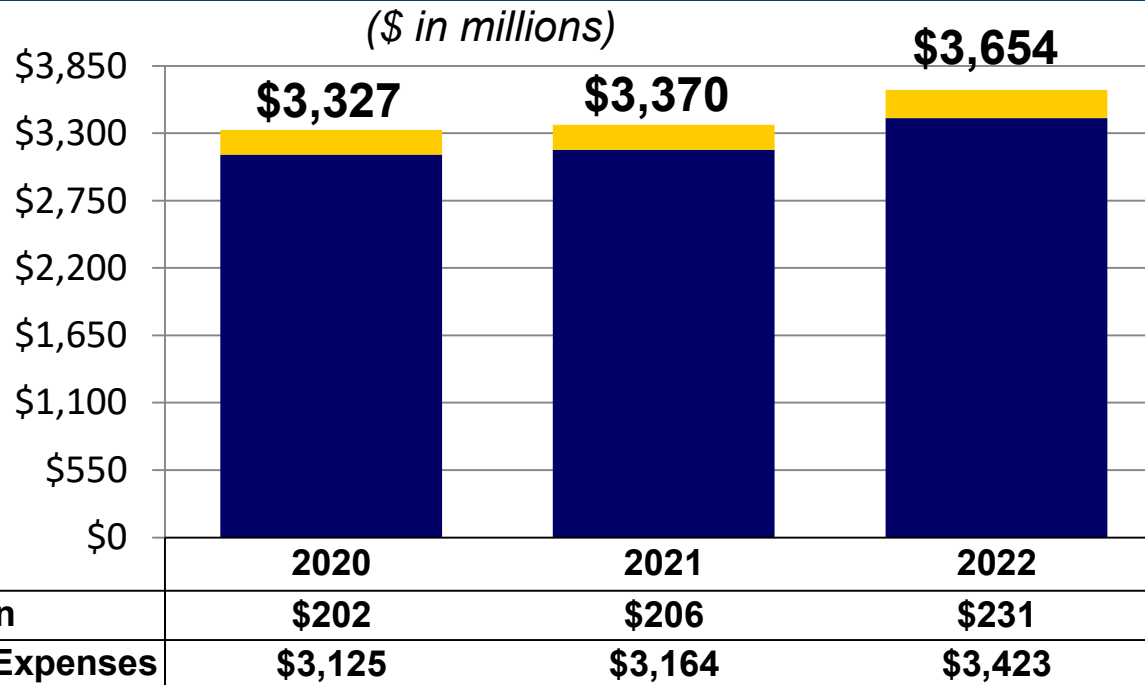
- “Second bite” (+\$3.3 billion, or 3.3%) estimated allocation includes:
 - \$1.5 billion in ambulatory and pharmacy services
 - \$777 million for inpatient services
 - \$648 million for Long Term Services and Support
 - \$233 million for family member programs
 - \$49 million for dental services
 - \$45 million for mental health services

Medical And Prosthetic Research

- \$882 million in appropriations for research (+\$87 million, +11%), largest year-over-year increase in recent history
 - Total funding in support of Veteran research is \$2.3 billion, when coupled with an additional \$1.3 billion in federal and private grants and other support
- Funding supports approximately 2,563 total projects, including additional 2022 funding for new and ongoing initiatives:
 - Traumatic Brain Injury (TBI) (+\$20 million)
 - Toxic Exposure/Military Exposures Research (+\$7 million)
 - Coronavirus Related Research and Impacts (+\$25 million)
 - Software-as-a-Service and Cloud Computing (+\$10 million)
 - Data Security/Counterintelligence (+\$2 million)
 - Precision Oncology (+\$5 million)
 - Sustaining VA/Department of Energy (DOE) Collaboration (+\$2 million)

VA will focus on critical areas including suicide prevention, Pain Management/Opioid Use, Posttraumatic Stress Disorder (PTSD), TBI, prosthetics, and the Gulf War Illness.

Veterans Benefits Administration - Discretionary

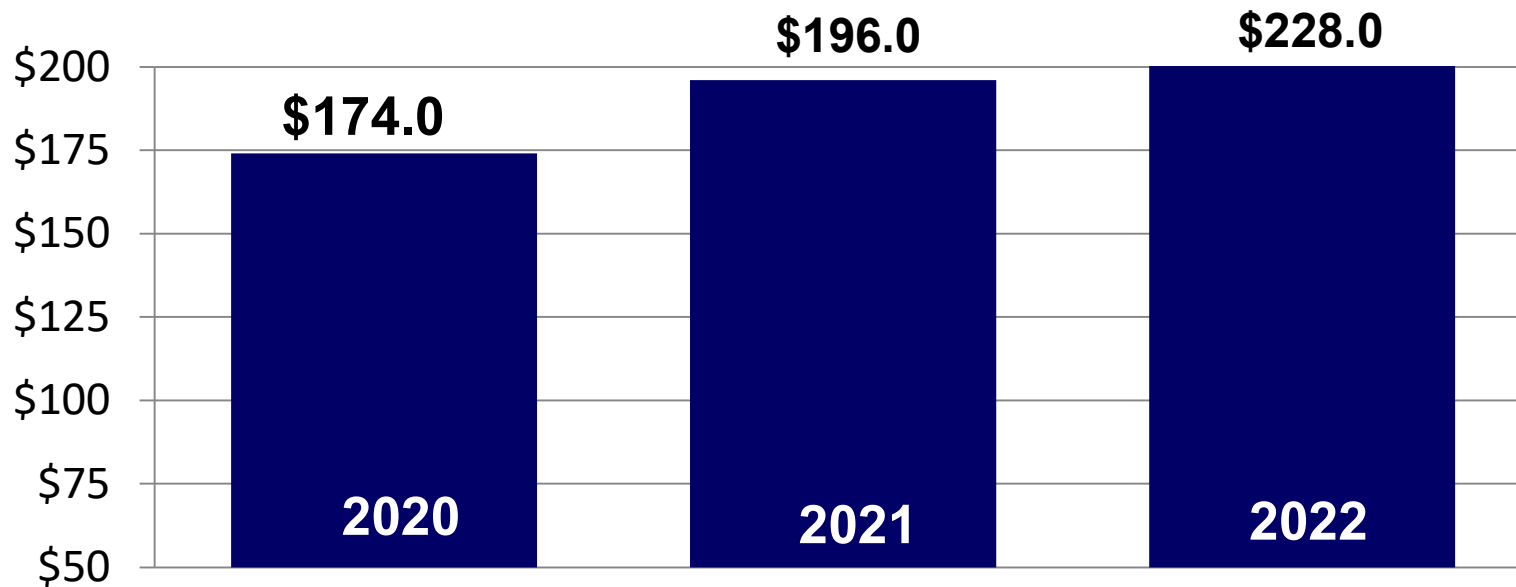


2022 VBA GOE Budget of \$3.4 billion (+\$259 million, +8%) will provide funding for:

- **429 FTE to process claims with new Agent Orange Presumptive Conditions and manage growing inventory of rating and non-rating claims**
- **Continued modernization of Education business platform - Digital GI Bill**
- **Specially Adapted Housing Program increases**
- **Veterans' Clean Energy Job Program in conjunction with DOL**
- **Disability Employment Pilot Project**

Board of Veterans' Appeals

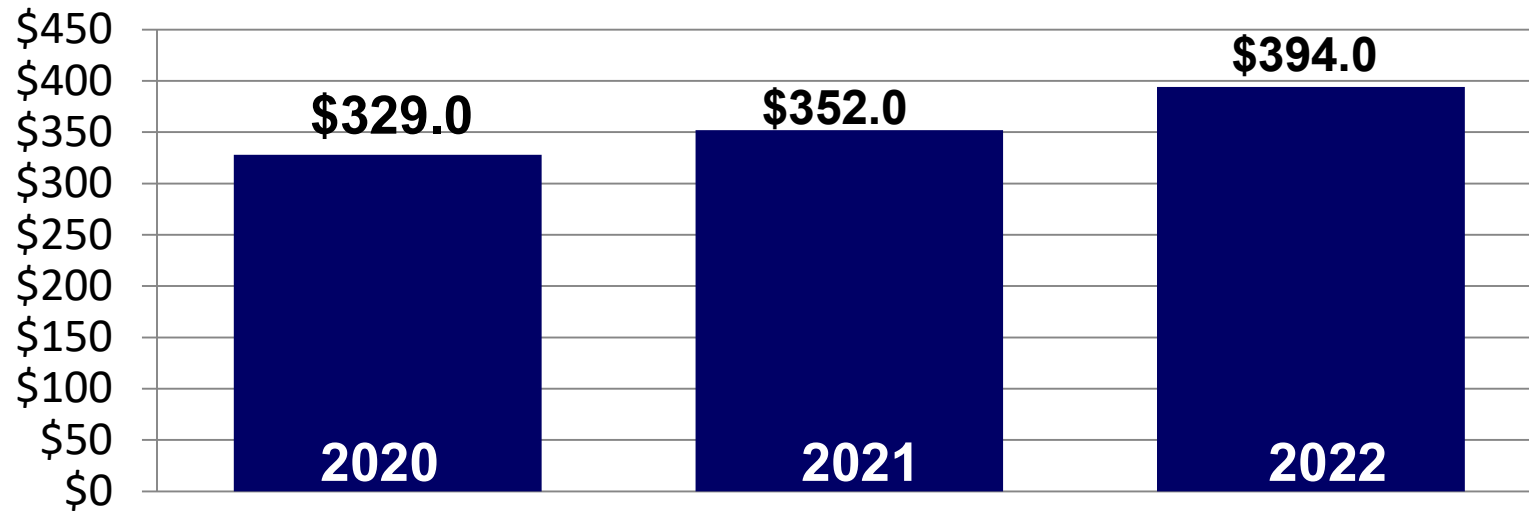
(\$ in millions)



- **Request of \$228 million (+\$32 million, +16%) to support 129 new FTE including 35 Veteran Law Judges. An additional 33 FTE funded by ARP provides for a total of 162 FTE above 2021.**
- **Mission Outcomes:**
 - **111,500 Appeals Decisions**
 - **50,000 Hearings Held**
- **Continue modernization efforts by collaborating with OIT to enhance Caseflow technology and continue partnering with VSOs and representatives to promote access through virtual tele-hearings.**

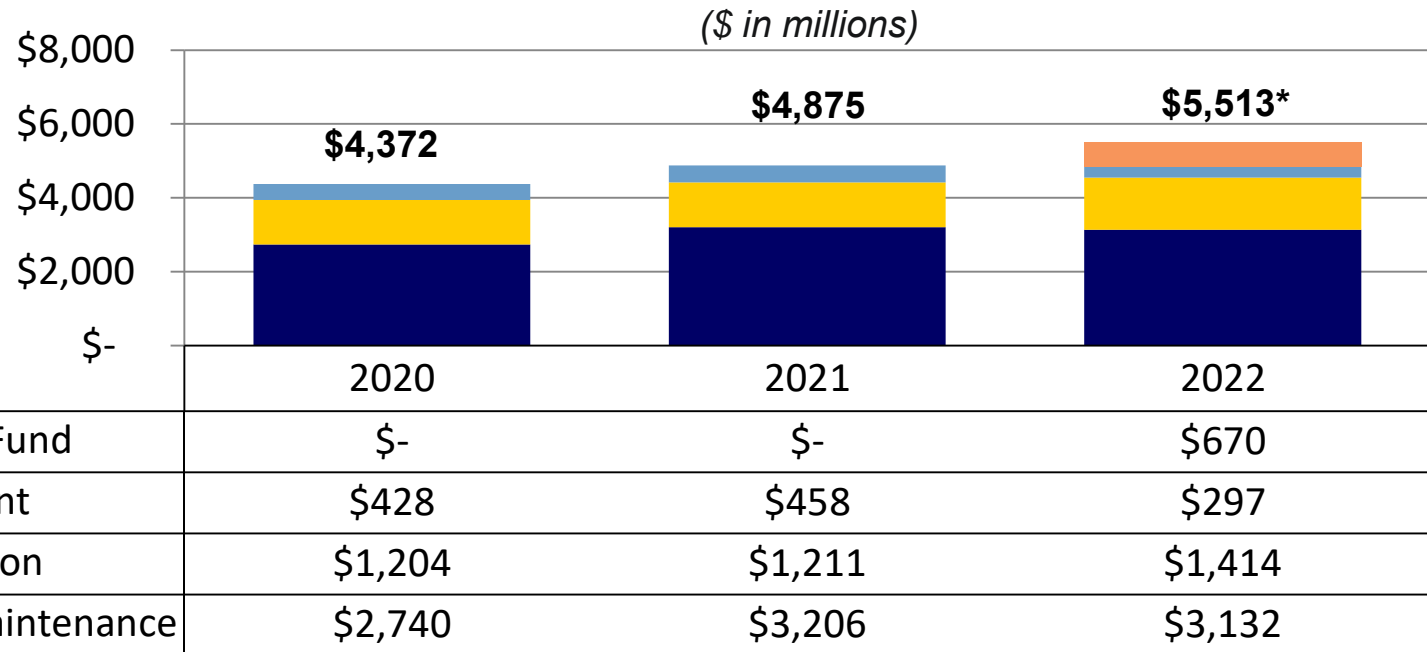
National Cemetery Administration

(\$ in millions)



- **Request \$394.0 million for NCA Operations and Maintenance, +\$42.0 million (+12%) over 2021 to:**
 - **Maintain over 4 million gravesites and provide 136,000 interments**
 - **Add 97 FTE for increased workload at cemeteries, activation of new cemeteries, and maintenance of 158 national cemeteries and 34 other cemetery installations**
 - **Support implementation of NCA's long-range goals:**
 - **Access:** Provide 95 percent of Veterans with access to a burial option near their homes
 - **Outcomes:** Ensure "National Shrine" standards of appearance are upheld at all VA national cemeteries
 - **Customer Service:** Deliver world class customer service to all NCA's customers
 - **Modernizing Memorialization:** Use innovation to connect to new audiences and modernize memorialization

Office of Information & Technology

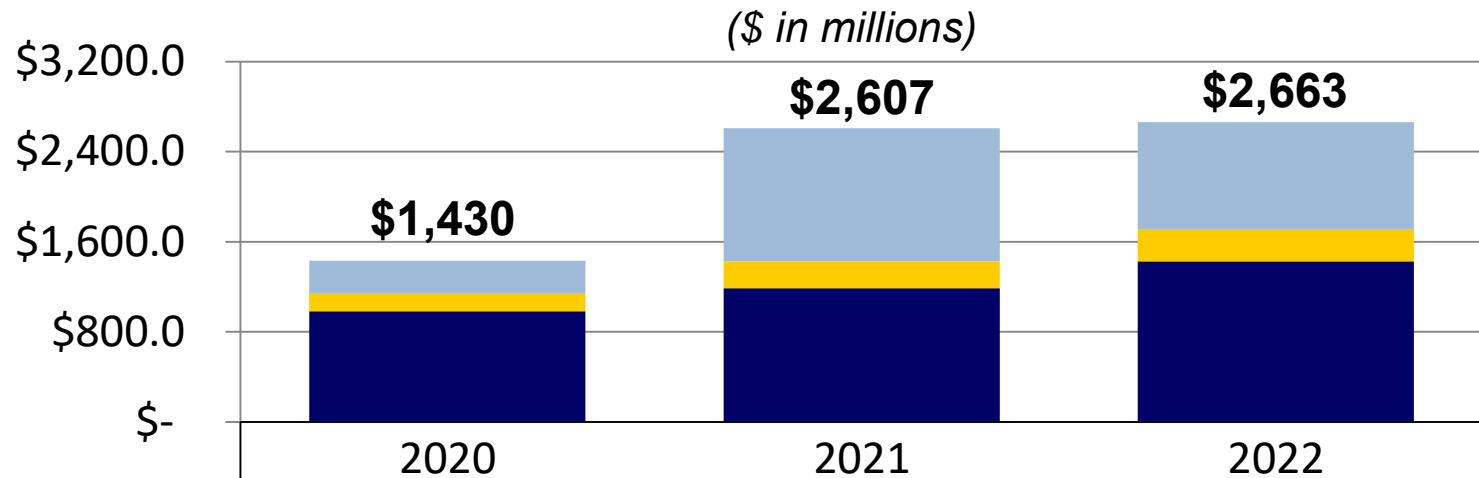


*Total 2022 funding level includes an investment of \$670 million from the Recurring Expenses Transformational Fund to support Operation & Maintenance activities.

\$5.5 billion (+\$638 million, 13%), including \$4.8 billion base and \$670 million from the Recurring Expenses Transformational Fund, provides resources to enhance and improve the Veteran experience, including:

- ***\$477.5 million for Infrastructure Readiness Program (+\$227 million)***
- ***\$360.7 million for Information Security (+\$19 million)***
- ***\$122.9 million for Financial Business Management Transformation (FMBT) (+\$12 million)***
- ***\$107.2 million for Supply Chain Modernization (-\$4 million; does not include ARP Section 8003 \$100M)***
- ***\$54.8 million for Digital GI Bill implementation (+54 million)***

Electronic Health Record Modernization

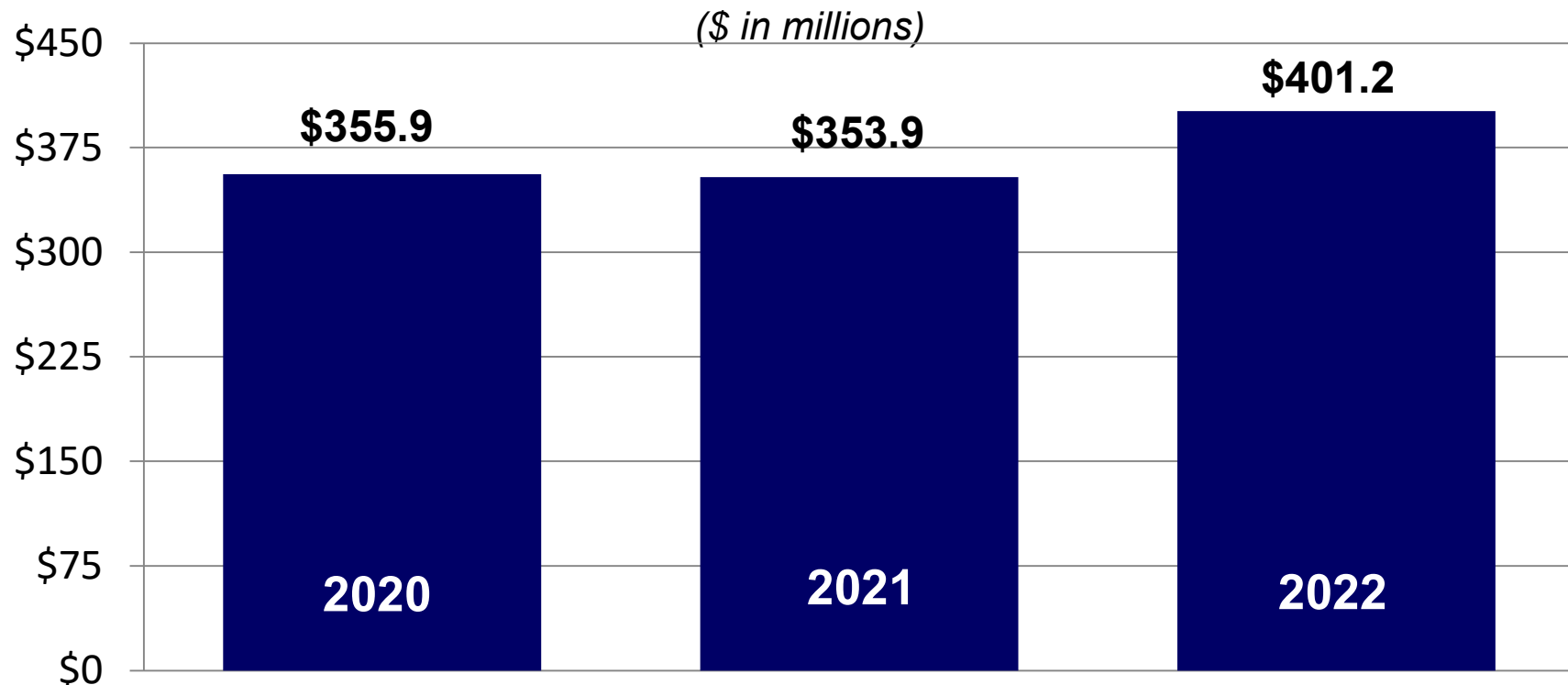


■ Infrastructure Support	\$287.0	\$1,181.0	\$951.8
■ Program Management	\$161.8	\$239.0	\$285.7
■ EHR Contract	\$981.2	\$1,187.0	\$1,425.5

\$2.7 billion (+\$56 million, 2% above 2021) to continue deployment of the electronic health record solution, including:

- **Provide for the purchase of licenses and activities for additional future medical center deployments, site assessments, training of staff, purchase and installation of computer hardware and interface development.**
- **Fund EHRM deployment across VISNs 23, 15, and 19, as well as IT infrastructure investments across VISNs 15, 19, 21, and part of VISN 22.**

General Administration Budget

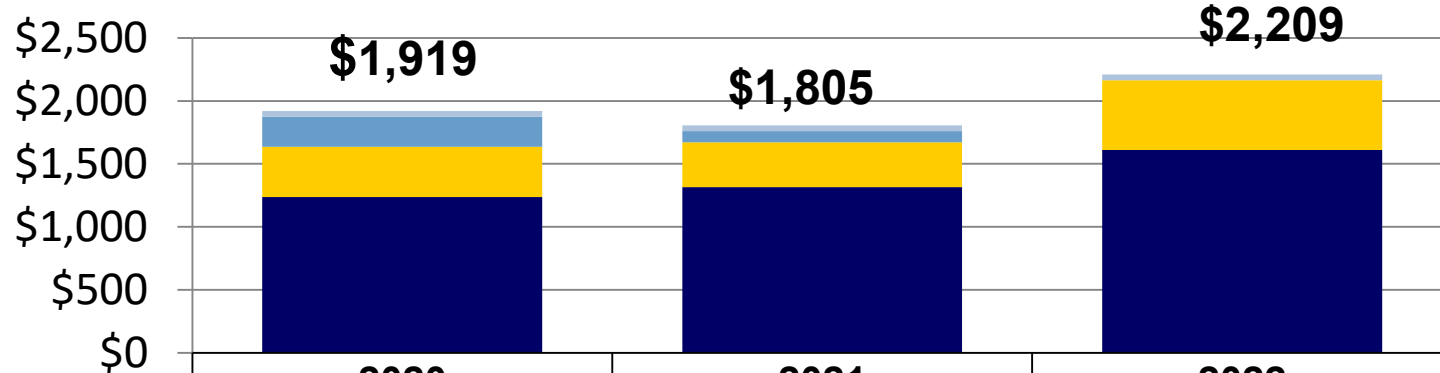


Budget focuses on highest priorities and includes:

- ***Increased Office of General Counsel (OGC) personnel (Appeals Court, employment law, MISSION & CARES Act) (+\$8.5 million)***
- ***Implementation of FMBT, financial oversight and audits (+\$9.3 million)***
- ***Improvement in HR services, and training and diversity programs, enhanced security and additional rent requirements (+\$6.5 million)***
- ***Improve VA compliance with the Paperwork Reduction Act, implement Evidence Based Policymaking Act, and enhance enterprise data gathering and analytics (+\$5.0 million)***

Capital Program

(\$ in millions)



	2020	2021	2022
■ Cemetery Grants	\$45	\$45	\$45
■ Extended Care Grants	\$240	\$90	\$0
■ Minor Construction *	\$399	\$354	\$553
■ Major Construction	\$1,235	\$1,316	\$1,611

**2022 Minor Construction is base funding only. 2022 total does not include the \$150 million Transformational Fund or American Jobs Plan funding (\$18 billion)*

- *The 2022 request is an increase of 26.8% over 2021 for Major and Minor Construction*
- *Major Construction includes funding for twelve medical facility and two cemetery expansion projects*
- *State Home (Grants for extended care facilities) recognizes the \$500 million appropriation in the ARP which funded all projects on the priority list, thereby eliminating the backlog*
- *Major Lease Authorizations are requested for 21 new and replacement leases*

Questions

Additional Details Back-up

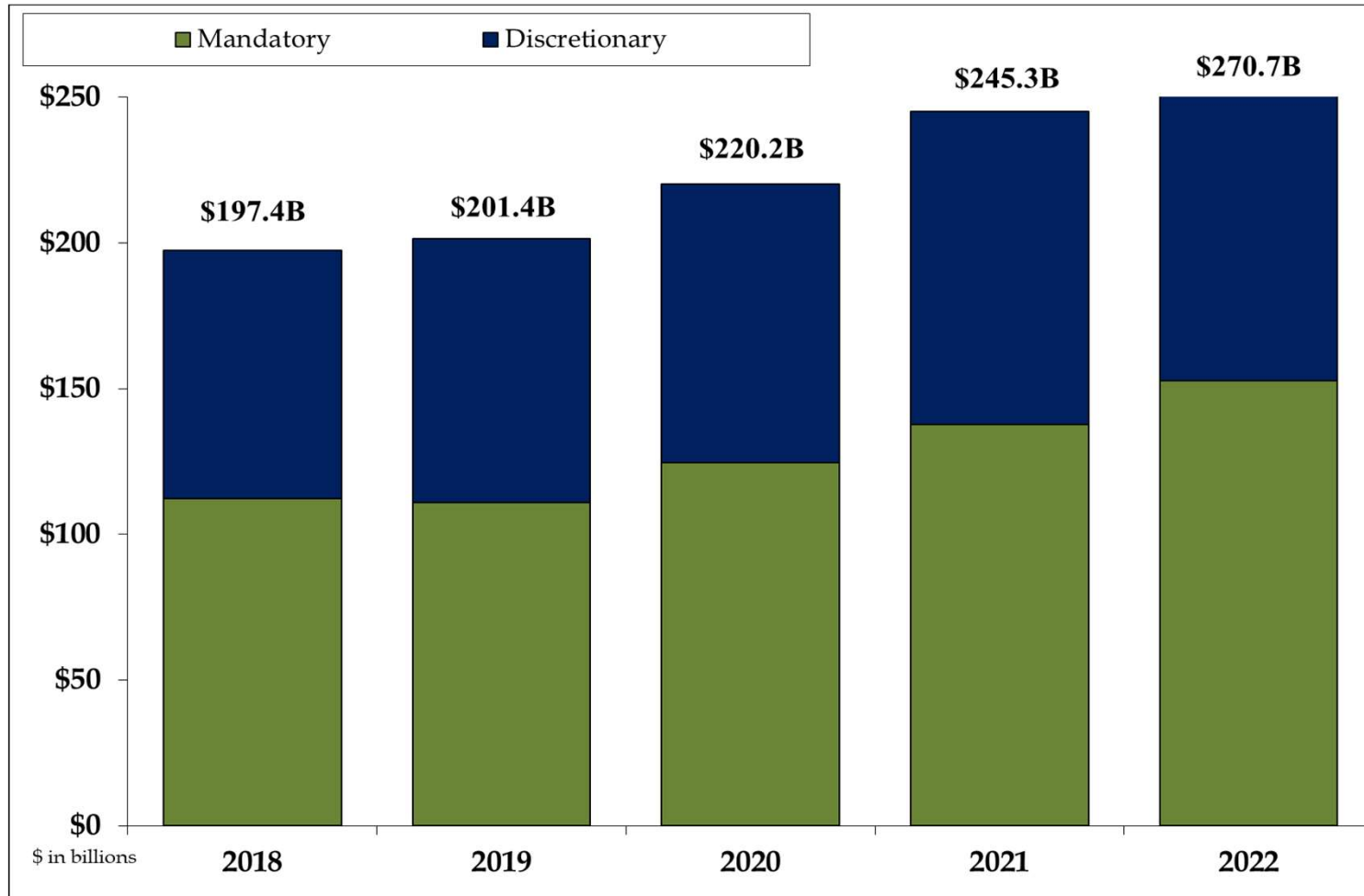
2022 Request: All Funds Summary

(\$s in millions)	2020 Enacted	2021 Enacted	2022 Request	Change 2022 Total vs 2021	
				\$	%
Discretionary Appropriations					
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Office of Inspector General	210	228	239	11	4.8%
Asset & Infrastructure Review Commission	-	-	5	5	-
Loan Administration Funds	202	206	231	25	12.2%
DoD Transfers to Joint Accounts	126	152	152	-	0.0%
Choice transfer to Community Care 2020	(615)	-	-	-	-
Total, Discretionary (with MCCF)	95,467	107,549	117,207	9,658	9.0%
Transformational Fund (TF)	-	-	820	820	-
Total, Discretionary (with MCCF and TF)	95,467	107,549	118,027	10,478	9.7%
Mandatory Funding					
	124,721	137,730	152,654	14,925	10.8%
Total VA (Disc & Mand) with MCCF	220,188	245,279	269,862	24,583	10.0%
Total, Disc & Mand Funding (with MCCF and TF)	220,188	245,279	270,682	25,403	10.4%

- 1/ Discretionary Funding includes non-emergency discretionary appropriations provided in annual Appropriations Acts. Excludes CARES Act (P.L. 116-136) and Families First Coronavirus Response Act (P.L. 116-127).
2/ Estimated resources available in Recurring Expenses Transformational Fund (Transformational Fund) at the start of 2022. These resources do not score as budget authority in 2022.
3/ Mandatory Funding includes mandatory appropriations provided in annual Appropriations Acts. Excludes the American Rescue Plan Act of 2021 (P.L. 117-2) and funding requested in 2022 for the American Jobs Plan and the American Families Plan.

VA's Base Budget¹ Over Past Five Years

+\$73 Billion or 37% increase from 2018



¹ Funding levels in all years include only regular mandatory and discretionary (non-emergency) appropriations, plus medical care collections. 2018 mandatory also includes \$7.3 billion for community care from the MISSION Act of 2018.

What Does Our Budget Buy?

Health care for 9.2 million Veteran enrollees

Disability Compensation
Benefits for 6 million
Veterans & survivors

Life insurance for 5.6
million Veterans,
Servicemembers & their
families

Pension benefits for
357,000 Veterans &
survivors

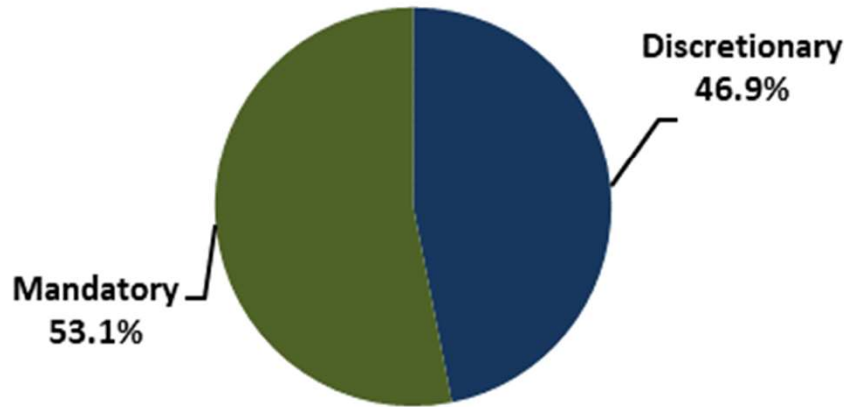
**VETERANS AND
THEIR FAMILIES**

Educational assistance for
871,000 trainees

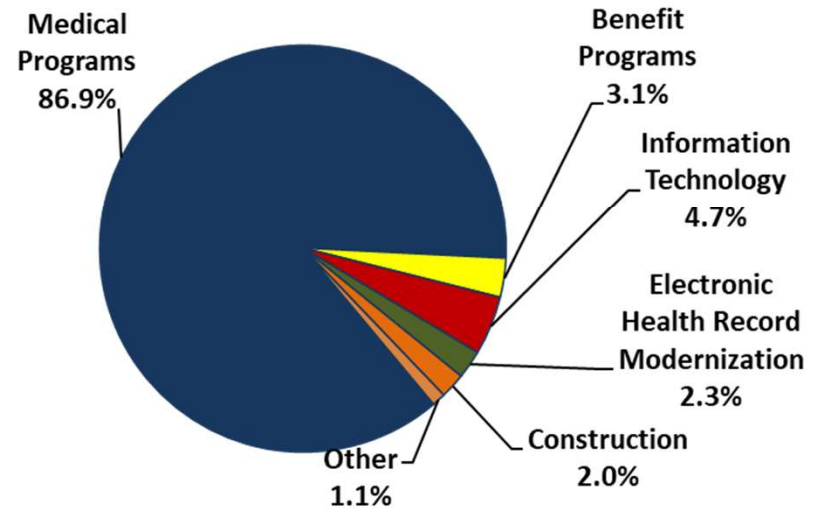
Interment of an estimated 136,000 Veterans &
eligible family members in national cemeteries

2022 VA Budget Request

2022 Discretionary/Mandatory Funding



2022 Discretionary Funding



2022 President's Budget \$269.9 Billion

(includes collections - \$4.1 billion)

Mandatory: \$152.7 billion Discretionary: \$117.2 billion

2023 Advance Appropriation (AA)

An Advance Appropriation provides an assurance of funding levels two years out, enabling improved planning and ensuring operations in the event of a government shutdown.

VHA Medical Care

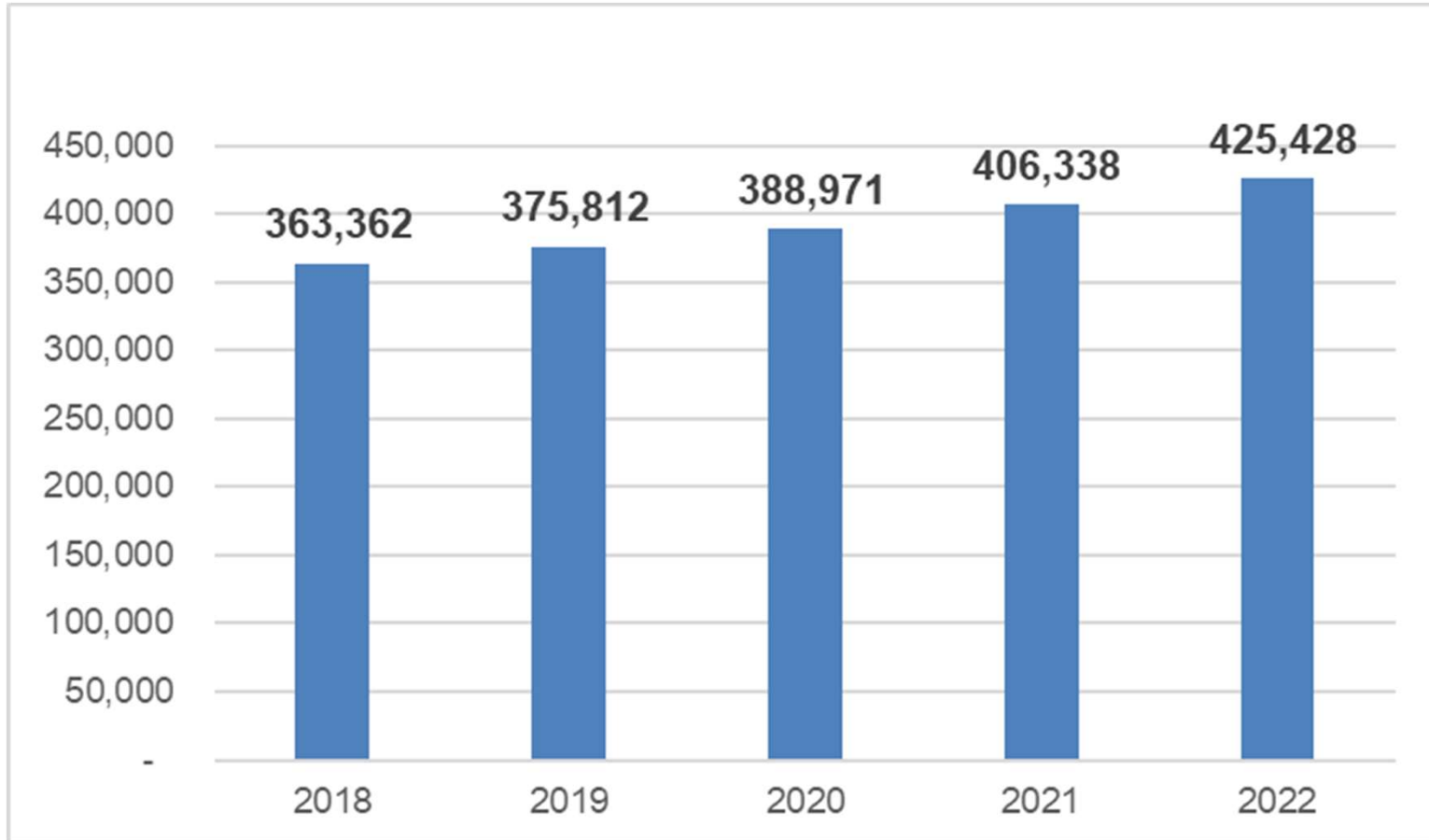
- 2023 Medical Care Advance Appropriation is \$115.5 billion (with collections), \$13.9 billion, or 14% above 2022 request.

VBA Benefits

- 2023 Advance Appropriation for the mandatory Veterans Benefits programs (Compensation and Pensions, Readjustment Benefits, and Veterans Insurance and Indemnities accounts) is \$156.6 billion, +\$11.3 billion, or 7.8% above the 2022 request.

2023 Advance Appropriation request reflects the President's steadfast commitment to Veterans

VA FTE Growth Is Significant



Since 2018, VA has added 62,066 FTE to better serve Veterans.

Transformational Fund

- The Consolidated Appropriations Act, 2016 (P.L. 114–113), established a fund permitting VA to transfer unobligated balances of expired discretionary funds appropriated with or after P.L. 114–113 (at the end of the fifth fiscal year after the last fiscal year for which such funds are available for the purposes for which appropriated) into the Fund for facilities infrastructure improvements, including nonrecurring maintenance (NRM), at existing hospitals and clinics of the VHA, and information technology systems improvements and sustainment.
- In 2022, VA plans to make the following investments:
 - \$150.0 million towards facilities infrastructure improvements at program-level focus area investments that align with VA Strategic Plan goals and priorities.
 - \$477.5 million to bolster OIT's Infrastructure Readiness Program (IRP) which guides the ongoing refresh and replacement of the IT Infrastructure that sustains all VA IT operations. Specifically in 2022, OIT will target investments that will reduce cumulative legacy life cycle refresh, enabling VA to more rapidly deliver IT solutions for joint VA business priorities that enable the exceptional customer experience, care, benefits, and services Veterans have earned, in addition to continuing to facilitate a successful transition to the new Electronic Health Record (EHR).
 - \$122.9 million to support OIT's Financial Management Business Transformation (FMBT) initiative that will provide VA with a modern financial management solution transforming and standardizing business processes and capabilities enabling the VA to meet its goals and objectives in compliance with legislation and directives including the Digital Accountability and Transparency Act of 2014 (DATA Act).
 - \$69.6 million to modernize multiple aspects of OIT's Human Resources program to ensure VA has the most current, updated HR systems to support the VA's mission to staff and support employees and Veterans.

Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program

- The new Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program (SSG Fox SPGP) will enable VA to provide resources toward community-based suicide prevention efforts to meet the needs of Veterans and their families through outreach, suicide prevention services, and connection to VA and community resources.
- Congress has authorized \$174 million to be appropriated to carry out the SSG Fox SPGP, a three-year community-based grant program that will provide resources to community organizations serving certain Veterans and their families across the country.
- In 2021, critical program infrastructure and regulation are being established to ensure successful implementation of the grants program. The first grant awards are expected in late 2022 or early 2023 (depending on Final Rule). Additionally, VA is working on establishing a robust program evaluation design to measure short, mid-term, and long-term effectiveness of the program and identify best practices after the study.

AIR Commission

- “Asset and Infrastructure Review Commission” (the Commission) established by VA MISSION Act of 2018 (PL 115-182), to review VA's recommendations to modernize, or realign VHA facilities, including leased facilities
- This Presidential Commission will conduct public hearings in 2022 and provide a report to the President on the VA's plan along with any additional recommendations from the Commission by January 31, 2023
- VA requests \$5 million to support the work of the Commission, including staff, contractual services and travel costs

Medical Care Highlights

(\$s in millions)	2020 Enacted	2021 Enacted	2022 Request	2023 Request
Mental Health	\$10,286	\$11,999	\$13,541	\$14,266
<i>Suicide Prevention/Outreach Programs (non-add)</i>	<i>\$241</i>	<i>\$311</i>	<i>\$598</i>	<i>\$603</i>
Homeless Programs	\$2,499	\$2,305	\$2,640	\$2,197
Connected Care Program	\$177	\$428	\$450	\$330
Caregiver Support Program	\$404	\$1,003	\$1,353	\$1,750
Women Veterans (Gender-Specific Care)	\$565	\$630	\$706	\$772
Opioid Prevention, Treatment and Program Costs	\$390	\$473	\$621	\$635
Rural Health Initiative	\$299	\$300	\$307	\$315
Precision Oncology	\$0	\$71	\$100	\$100

OIT Budget Request – Things To Know

- OIT's 2022 budget request in the amount of **\$4.843 billion** reflects an overall decrease of **\$31.7 million, (0.7%)** below the 2021 enacted budget
 - Development - \$297.0 million
 - Operations and Maintenance (O&M) - \$3.132 billion
 - Staffing and Administrative Support Services - \$1.414 billion
- Additionally, OIT FY22 Budget is being augmented with **\$670 million** from the Transformational Fund in support of IRP, FMBT and HRIS increasing the budget to **\$5.513 billion (+13%)**
- **OIT will**
 - Support VA initiatives to maximize impacts on Veterans care and services
 - Sustain a transformative workforce/Tele-Care and exceptional veteran facing services
 - Optimize and modernize the IT Infrastructure to support critical programs:
 - VA Cloud Solution (VAEC)
 - Infrastructure Readiness Program (IRP)
 - Cybersecurity
 - Electronic Health Records Modernization (EHRM)
 - Financial Management Business Transformation (FMBT)
 - Human Resources Information Service (HRIS)
 - Supply Chain Management (DMLSS)
- **Explanation of Language Change to the Appropriation Language**
 - VA is proposing that the threshold at which a notice is required to be made to both Houses of Congress prior to the transfer of funds between projects, be raised from \$1,000,000 to \$3,000,000

Address Aging Infrastructure

The average age of VA's portfolio is 58 years, with 69% of hospitals over 50 years old. Aging infrastructure creates increased risk for operational disruption and higher cost to address deficiencies.

To address aging infrastructure, this budget:

- Increases Major and Minor Construction request to \$2.16 billion from \$1.7 billion in 2021 (+\$450 million or +26.8%)
- Addresses most critical infrastructure needs across all administrations while balancing between new projects and construction funding for prior designed projects
- An additional \$18 billion is proposed in American Jobs Plan (AJP) for VA infrastructure

Major Construction Projects

(\$ in millions)

Location	Description	Request
Biloxi, MS	Restoration of Hospital/Consolidation of Gulfport	\$22.5
Portland, OR	Upgrade Bldg 100/101 for Seismic Retrofit and Renovation	\$20.0
Louisville, KY	New Medical Center	\$93.0
San Francisco, CA	New Research Facility	\$74.4
West Los Angeles, CA	Build New Critical Care Center	\$40.0
Long Beach, CA	Mental Health & Community Living Center	\$20.0
Canandaigua, NY	Construction & Renovation	\$60.2
San Diego, CA	Spinal Cord Injury & Seismic Building 11	\$10.0
Dallas, TX	Spinal Cord Injury	\$43.3
Oklahoma City, OK	Construct Surgical Intensive Care Unit & Renovate Operating Rooms	\$18.1
St. Louis (JC), MO	Replace Bed Tower, Clinical Bldg Expansion & Parking Garage	\$92.0
El Paso, TX	Construction New Health Care Center	\$150.0
Denver, CO	Phase 1 Gravesite Expansion – Ft. Logan National Cemetery	\$50.0
Annaville, PA	Phase 5 Gravesite Expansion – Indiantown Gap National Cemetery	\$44.5
Major Construction Support	Advanced Planning & Design, staff support, US Army Corps of Engineers (USACE) fees, NCA land acquisition, seismic corrections, etc.	\$873.0
Total Request		\$1,611.0

CARES Act Obligations Status

CARES Act only, as of May 18, 2021							
VA Account (\$ Millions)	Appropriated	Transfers	Allocated (with Transfers)	Total Obligations	% Obligated	Unobligated Balance	% Unobligated
Medical Services	\$ 14,432.0	\$(4,233.0)	\$ 10,199.0	\$ 6,692.32	66%	\$ 3,506.68	34%
Medical Community Care	2,100.0	3,500.0	5,600.0	5,599.93	100%	0.07	0%
Medical Support and Compliance	100.0	225.0	325.0	198.87	61%	126.13	39%
Medical Facilities	606.0	100.0	706.0	532.30	75%	173.70	25%
Medical Care Total	17,238.0	(408.0)	16,830.0	13,023.42	77%	3,806.58	23%
Canteen (include in VHA amount)	-	140.0	140.0	85.67	61%	54.33	39%
Information Technology	2,150.0	45.0	2,195.0	1,508.21	69%	686.79	31%
Veterans Benefits Administration	13.0	210.0	223.0	100.64	45%	122.36	55%
National Cemetery Administration	-	12.0	12.0	0.10	1%	11.90	99%
State Home Construction Grants (include in VHA amount)	150.0		150.0	-	0%	150.00	100%
General Administration	6.0		6.0	4.99	83%	1.01	17%
Board of Veterans Appeals	-	1.0	1.0	0.05	5%	0.95	95%
Office of Inspector General	12.5		12.5	12.50	100%	-	0%
CARES Act Total	\$ 19,569.5	\$ -	\$ 19,569.5	\$14,735.59	75%	\$ 4,833.91	25%
CARES Act only, as of May 18, 2021							
Program (\$ Millions)	Appropriated	Transfers	Allocated (with Transfers)	Total Obligations	% Obligated	Unobligated Balance	% Unobligated
Veterans Health Administration	\$ 17,388.0	\$(268.0)	\$ 17,120.0	\$13,109.10	77%	\$ 4,010.90	23%
Information Technology	2,150.0	45.0	2,195.0	1,508.21	69%	686.79	31%
Veterans Benefits Administration	13.0	210.0	223.0	100.64	45%	122.36	55%
National Cemetery Administration	-	12.0	12.0	0.10	1%	11.90	99%
General Administration	6.0		6.0	4.99	83%	1.01	17%
Board of Veterans Appeals	-	1.0	1.0	0.05	5%	0.95	95%
Office of Inspector General	12.5		12.5	12.50	100%	-	0%
CARES Act Total	\$ 19,569.5	\$ -	\$ 19,569.5	\$14,735.59	75%	\$ 4,833.91	25%

ARP Plan Impacts

Section	Amount (\$ millions)	Anticipated Impact
8001 Claims and Appeals Processing	\$272	Will enable the Veterans Benefits Administration to reduce claims backlog to approximately 100,000 by September 2022, from 216,000 in January 2021. Supports Board of Veterans' Appeals goal to reach 50,000 hearings held in FY 2021, up from 38,633 in FY 2020.
8002 Medical Care and Health Needs	\$14,482	Continues to support the provision of medical care for more than 9.3 million enrolled Veterans, including a surge of expected demand as Veterans seek care that was delayed during the pandemic, and additional support for medical and prosthetic research.
8003 Supply Chain Modernization	\$100	Will enable VA to deliver medical supplies to the right place at the right time and have full visibility of supply status, including PPE. Will accelerate deployment of modern supply chain management system.
8004 State Homes Capital Needs	\$500	Will enable VA to fund all currently identified state home facility improvement requests on the FY 2021 priority list, consisting of up to 47 projects in 23 states.
8004 State Homes Operational Needs	\$250	Enabled VA to provide funding in FY 2021 to 158 State Veteran Homes for operating costs such as personal protective equipment, staff, and other needs.
8005 VA Office of Inspector General	\$10	Will enable VA to improve-program-execution and reduce waste, fraud, and abuse.
8006 Veteran Rapid Retraining Assistance Program	\$386	Will enable VA to provide training for up to 17,250 Veterans in high-demand occupations, with up to 12 months of tuition and monthly housing allowance.
8007 Copayment Prohibition and Cost Sharing	\$1,000	Will enable VA to provide financial assistance for up to 1.2 million Veterans who made copayments from April 6, 2021 through the end of FY 2021, and to provide additional funding to VA to provide health care to Veterans.
8008 VA Employee Emergency Leave Fund	\$80	Provides additional paid leave for eligible VHA employees for certain COVID-19 related causes during the period from March 11, 2021 through September 30, 2021.
Total	\$17,080	