

# DEPARTMENT OF VETERANS AFFAIRS



## FY 2023 PRESIDENT'S BUDGET REQUEST

March 28, 2022

VA



U.S. Department  
of Veterans Affairs

# 2023 Budget Request: By The Numbers

- **Total request of \$301.4 billion** (Discretionary and Mandatory, includes collections and Transformational Fund), +\$30.7 billion (+11.3%).
- **Discretionary request: \$139.1 billion** (with collections), \$21.9 billion (+18.7%) over 2022 budget.
- **Recurring Expenses Transformational Fund (RETF): \$968 million**, for Construction
- **Mandatory request: \$161.3 billion**, +\$8.6 billion (+5.7%) over 2022 budget.

The 2022 column reflects the 2022 budget submission. The 2022 appropriations bill was signed after budget display for the 2023 budget submission was finalized. Minor differences between 2022 appropriated and 2022 budget are noted.

# 2023 VA Request

(\$ in millions)	2021 Enacted	2022 Budget	2023 Request	Change 2023 Total vs 2022	
				\$	%
<b>Discretionary Funding</b>					
Medical Services	56,555	58,897	70,584	11,687	19.8%
Medical Community Care	18,512	23,417	28,457	5,039	21.5%
Medical Support and Compliance	8,199	8,403	11,073	2,670	31.8%
Medical Facilities	6,583	6,735	8,634	1,899	28.2%
<b>Subtotal, Medical Care Appropriations</b>	<b>89,850</b>	<b>97,452</b>	<b>118,748</b>	<b>21,296</b>	<b>21.9%</b>
Medical Care Collections Fund	3,091	4,085	3,910	(175)	-4.3%
<b>Subtotal, Medical Care with MCCF</b>	<b>92,941</b>	<b>101,537</b>	<b>122,658</b>	<b>21,121</b>	<b>20.8%</b>
Medical and Prosthetic Research	795	882	916	34	3.9%
Electronic Health Care Record Modernization	2,607	2,663	1,759	(904)	-33.9%
Information Technology Systems	4,875	4,843	5,782	939	19.4%
Board of Veterans' Appeals	196	228	285	57	25.0%
Veterans Benefits Administration	3,164	3,423	3,863	440	12.9%
National Cemetery Administration	352	394	430	36	9.1%
General Administration	354	401	435	34	8.4%
Construction, Major Projects	1,316	1,611	1,448	(163)	-10.1%
Construction, Minor Projects	354	553	626	73	13.2%
Grants for State Extended Care Facilities	90	0	150	150	-
Grants for Construction of Veterans Cemeteries	45	45	50	5	11.1%
Office of Inspector General	228	239	273	34	14.2%
Asset & Infrastructure Review Commission	0	5	5	0	0.0%
Loan Administration Funds	206	231	284	53	22.9%
DoD Transfers to Joint Accounts	152	152	183	31	20.1%
<b>Subtotal, Discretionary without MCCF</b>	<b>104,584</b>	<b>113,122</b>	<b>135,237</b>	<b>22,114</b>	<b>19.5%</b>
<b>Subtotal, Discretionary (with MCCF)</b>	<b>107,674</b>	<b>117,207</b>	<b>139,146</b>	<b>21,939</b>	<b>18.7%</b>
<b>Transformational Fund (TF)</b>	<b>0</b>	<b>820</b>	<b>968</b>	<b>148</b>	<b>18.0%</b>
<b>Total, Discretionary (with MCCF and TF)</b>	<b>107,674</b>	<b>118,027</b>	<b>140,114</b>	<b>22,087</b>	<b>18.7%</b>
<b>Mandatory Funding</b>					
	137,730	152,654	161,282	8,627	5.7%
<b>Total, Disc &amp; Mand Funding (with MCCF and TF)</b>	<b>245,404</b>	<b>270,682</b>	<b>301,396</b>	<b>30,714</b>	<b>11.3%</b>



# A Few Points to Start: General Trends in Budget

- **2023 Plan for American Rescue Plan (ARP) Funds:** VA received \$17.1 billion in ARP funds in March 2021. Obligated \$657 million in 2021, expects to obligate \$12 billion in 2022, and the remaining \$4.3 billion in 2023. Today's brief focuses on 2023 base appropriation request, the shift of costs from ARP drives the 2023 request, especially in the Veterans Health Administration (VHA).
- **COVID-19 Response:** VA rose to the challenge of COVID-19, saving lives of Veterans impacted by COVID-19. The pandemic will continue to impact Veterans and VA in future years as demonstrated in the VHA request.
- **Health Care Inflation:** Health care inflation is a key cost driver for medical care having a significant impact on VHA.
- **Recurring Expenses Transformational Fund (RETF):** VA continues to benefit from RETF. The 2023 budget focuses on construction (\$968 million, +\$148 million (+18%) from 2022).
- **Backlog of Benefit claims and appeals:** Veterans Benefits Administration (VBA) and the Board are continuing to reduce the claims backlog. This budget invests in automated solutions to continue the reduction. Backlog of Compensation and Pension claims is 243,925 as of March 22 (down from 260,669 on January 30, 2021, and up from about 70,000 in fall of 2019).

# What's In and Out

## A few notes on what is and is not included in the 2023 budget

- **Impacts of Environmental Exposure:** Includes funding for benefits and health care for three new respiratory presumptives (asthma, rhinitis and sinusitis) and rare cancers. Does not include additional resources for pending toxic exposure legislation (PACT Act, Cost of War, others).
- **Asset and Infrastructure Review (AIR):** Includes \$5 million for the work of the Commission (staff, travel, supplies, contracts). The Budget does not include funds to implement recommendations from the Commission's work based on the recent release.
- **Caregivers:** Review of program ongoing. 2023 includes \$1.8 billion for the Program for Comprehensive Assistance for Family Caregivers, an increase of \$433 million (+30.6%) from 2022. More details in VHA.
- **Cancer** (includes moonshot and precision oncology): Includes \$81 million (+\$12 million from 2022), together with \$167 million within the VA medical care program, to support White House priorities targeting research and treatment. More details in research.
- **Human Capital:** Includes funds for RAISE Act, hiring initiatives, competitive pay.
- **EHRM:** Includes a revised rollout schedule while assessing the impact of 2022 appropriations of \$2.5 billion and \$200 million rescission on long term schedule.

# A Closer Look

# Medical Care

(\$ in thousands)	2021 Enacted	2022 Budget	2023 Request	2024 Advance Request
Medical Services	56,555,483	58,897,219	70,584,116	74,004,000
Medical Community Care	18,511,979	23,417,244	28,456,659	33,000,000
Medical Support & Compliance	8,199,191	8,403,117	11,073,409	12,300,000
Medical Facilities	6,583,265	6,734,680	8,633,816	8,800,000
<b>Subtotal Medical Care Appropriations</b>	<b>89,849,918</b>	<b>97,452,260</b>	<b>118,748,000</b>	<b>128,104,000</b>
Medical Care Collections Fund (MCCF)	3,090,673	4,084,952	3,909,801	3,967,975
<b>Total Medical Care with MCCF</b>	<b>92,940,591</b>	<b>101,537,212</b>	<b>122,657,801</b>	<b>132,071,975</b>

- Continues VA's successful response to the immediate impacts and after-effects of the COVID-19 pandemic, including returning deferred care.
- Focuses resources on mental health and suicide prevention, programs to prevent Veteran homelessness, and expanded services for women Veterans.
- Expands VA's efforts to support family caregivers and Veterans suffering from service-connected environmental exposures.
- Invests in the recruitment, development, diversification, and retention of VHA workforce.

# Factors Driving Medical Care Growth

2023 appropriated request of \$118.7 billion (excluding collections), \$21.3 billion (+22%) above 2022 budget, a historic increase in total funding and percentage growth, due in part to the following:

- A \$12.9 billion increase in the Enrollee Health Care Projection Model estimate of the care Veterans will need in 2023 and the costs to provide that care.
  - Modeled increases include sector-wide health care inflation, intensity, and utilization trends as well as the lasting impacts of the COVID-19 pandemic.
  - The model includes demographic enrollment changes and continuing growth in reliance due to the MISSION Act.
- A shift of ~\$7 billion covered by ARP resources in 2022 that will need appropriated funding to continue in 2023.



# Medical Care

## 2023 Second Bite and 2024 Advance

	2023 Advance Approp. (AA)	2023 Revised Request (RR)	+/- 2023 AA 2023 RR  2023 Second Bite	2024 Advance Approp. (AA)	+/- 2024 AA 2023 RR
Medical Services	70,323	70,584	261	74,004	3,420
Medical Community Care	24,157	28,457	4,300	33,000	4,543
Medical Support & Compliance	9,673	11,073	1,400	12,300	1,227
Medical Facilities	7,134	8,634	1,500	8,800	166
<b>Subtotal, Appropriation</b>	<b>111,287</b>	<b>118,748</b>	<b>7,461</b>	<b>128,104</b>	<b>9,356</b>

- Medical Services and Medical Community Care support increased health care activity trends in VA facilities and in the community.
- Medical Support and Compliance enables enhanced human capital support and ongoing system transformations, including the Electronic Health Record Modernization (EHRM).
- Medical Facilities funds necessary capital improvements and the staff required to implement them.

# Medical Care Highlights

- **Suicide Prevention:** VA has made Suicide Prevention is VAs top clinical priority and VA is implementing a comprehensive public health approach to reach all Veterans. 2023 budget request of \$497 million will:
  - Continue Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program (SSG Fox SPGP) at \$55.8 million to for grants for community-based suicide prevention efforts.
  - Support transition to new 988 as universal telephone number for the National Suicide Prevention Lifeline. Veteran Crisis Line 2023 request supports 2,568 FTE, an increase of 1,526 FTE over 2021 levels to meet call volume increase of 122% to 154% as a result of the new 988 number which must be complete by July 16, 2022.
- **Women Veterans Health:** number of women Veterans using VA services has more than tripled since 2001, growing from 159,810 to more than 600,000 today. To meet this growing demand, budget includes:
  - \$9.8 billion for all healthcare (+\$756 million from 2022), including an estimated \$767 million to support women’s gender-specific care and women’s health programs.
  - Women heath program office: \$134.2 million (+\$27.7 million from 2022) to support initiatives for gynecology, care coordination, maternity care, and staffing.

# Medical Care Highlights

- **Homelessness:** To ensure every Veteran has permanent, sustainable housing with access to high-quality health care and other services to prevent and end Veteran homelessness. 2023 budget includes \$2.7 billion for homeless programs (all base funds, increase of \$409.8 million from 2022 base funds; 2022 includes \$486 million in ARP funding which does not continue in 2023), which will:
  - Hire an additional 140 social workers to assist homeless with healthcare enrollment;
  - Expand Veteran Justice Outreach to approximately 440 staff
  - Assist with design and development of housing partnerships for aging Veterans
  - provide grant funds for special needs for transitional housing in Grant and Per Diem program
- **Caregivers:** VA recognizes the important role of caregivers in supporting Veterans. 2023 budget includes \$1.8 billion for Caregivers Support Program, +\$433 million (+30.6%) from 2022. This will:
  - Support for both Program of General Caregiver Support Services (PGCSS) and Program of Comprehensive Assistance for Family Caregivers (PCAFC), including staffing, stipend payments and may other supports and services to help empower family caregivers of eligible Veterans
  - Enable continued processing of over 109,000 applications received since the launch of Phase I expansion in October 2020, which far exceeded the total number of applications received by the program in previous years, by 350%.
  - Support PCAFC expansion on October 1, 2022, to Veterans who served between May 7, 1975, and September 11, 2001
  - Funds additional 362 field-based positions to process anticipated volume of applications.
  - Operationalize VA response to Beaudette ruling which has expanded appeal options outside the VHA Clinical Appeals process

# Medical And Prosthetic Research

(\$s in 000s)	2021 Enacted	2022 Budget	2023 Request
<b>Medical and Prosthetic Research Appropriation</b>	<b>\$795,000</b>	<b>\$882,000</b>	<b>\$916,000</b>
American Rescue Plan (P.L. 117-2, Section 8002)	\$9,000	\$30,000	\$0
Medical Care Support	\$668,115	\$749,700	\$778,600
Federal and Non-Federal Sources	\$531,535	\$540,000	\$540,000
Reimbursements	\$42,888	\$61,000	\$61,000
<b>Total Resources</b>	<b>\$2,046,538</b>	<b>\$2,262,700</b>	<b>\$2,295,600</b>

- \$916 million in appropriations for research (+\$34 million, +4%) increases investments in high priority areas of Veteran’s health.
  - 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 2,697 total projects, including:
  - Traumatic Brain Injury (+\$10 million from 2022).
  - Toxic Exposure/Military Environmental Exposures Research (+\$20 million from 2022).
  - Cancer Moonshot and Precision Oncology (\$81 million, +\$12 million from 2022).
  - Implementation of the Commander John Scott Hannon Mental Care Improvement Act (+\$5 million from 2022).

# Veterans Benefits Administration (VBA)

\$s in thousands	2021 Enacted	2022 Budget	2023 Request	2024 Request
Compensation and Pensions*	124,357,227	137,575,487	152,016,542	146,778,136
Readjustment Benefits	12,964,965	14,946,618	8,906,851	8,452,500
Insurance Benefits*	131,372	136,950	109,865	121,126
Veterans Housing Program**	667,034	-	248,269	NA
Veterans Housing Liquidating Account	(5,483)	(4,767)	NA	NA
Vocational Rehabilitation Loan Program**	21	-	NA	NA
Native American Veterans Housing Loan Program**	1,202	-	NA	NA
<b>Subtotal, Mandatory***</b>	<b>138,116,338</b>	<b>152,654,288</b>	<b>161,281,527</b>	<b>155,351,762</b>
General Operating Expenses	3,164,000	3,423,000	3,863,000	-
Veterans Housing Program - Admin	204,400	229,500	282,361	-
Vocational Rehabilitation Loan Program - Subsidy and Admin	458	432	453	-
Native American Veterans Housing Loan Program	1,186	1,186	1,186	-
<b>Subtotal, Discretionary</b>	<b>3,370,044</b>	<b>3,654,118</b>	<b>4,147,000</b>	<b>-</b>
<b>Total, Mandatory and Discretionary</b>	<b>141,486,382</b>	<b>156,308,406</b>	<b>165,428,527</b>	<b>155,351,762</b>

- 2023 VBA General Operating Expenses budget of \$4.1 billion (+\$493 million, +13%) will provide funding for:
  - 795 FTE to process claims for new respiratory conditions associated with environmental exposure
  - Compensation and Pension Claims Modernization to automate process from submission to authorization
  - Pension Optimization Initiative to reduce processing and wait times.
  - Veteran Transitional Assistance Grant Program
  - Disability Employment Pilot Project
  - Clean Energy Job Training Program in conjunction with Department of Labor

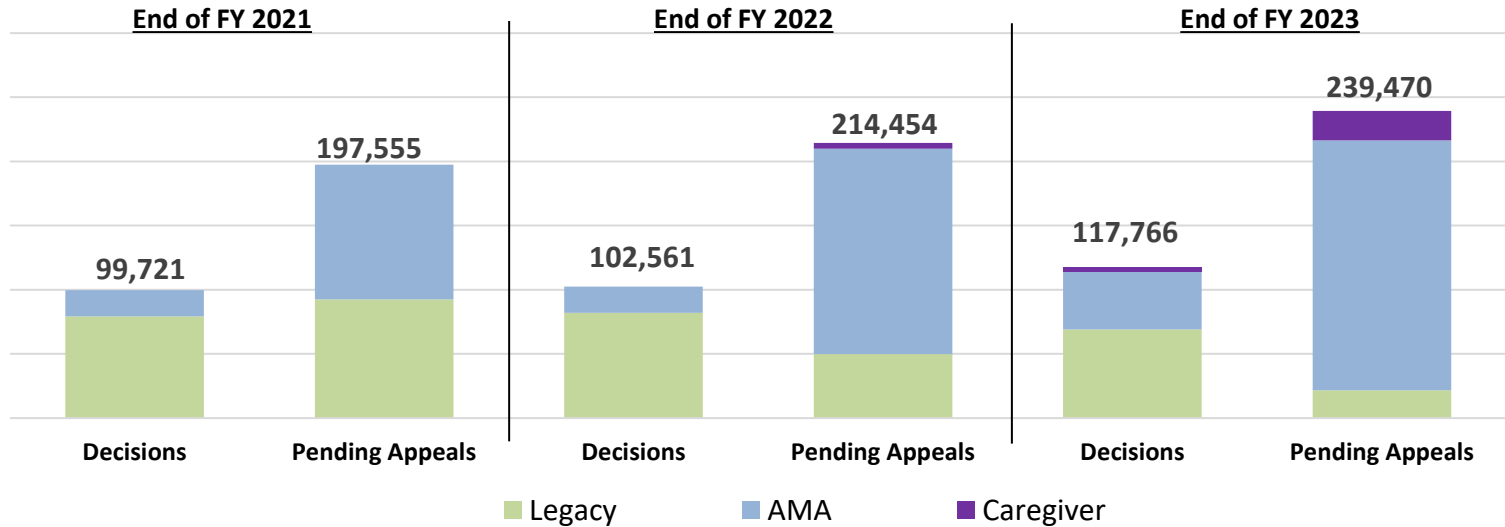
# Board of Veterans' Appeals (BVA)

\$s in thousands	2021 Enacted	2022 Budget	2023 Request
<b>Total Appropriations</b>	196,000	228,000	285,000

- \$285 million, \$57 million (+25%) above 2022, to support 256 new FTEs (above the 2022 current estimate) including 12 additional Veteran Law Judges, 151 decision writing attorneys, and 93 appellate operational support and administrative staff.
- Mission Outcomes:
  - 117,766 appeals decisions (+15%)
    - 57% reduction in legacy appeals; ~21,000 pending end of fiscal year
    - Offers increased capacity to decide more Appeals Modernization Act (AMA) appeals
    - 3,936 Caregiver appeal decisions
  - 40,000 hearings held (+11%)
- Continue modernization efforts by collaborating with OIT to enhance Caseflow technology and continue partnering with Veterans Service Organizations (VSOs) and representatives to promote benefits of virtual tele-hearings.

# Board of Veterans' Appeals (BVA)

## Appeals Adjudicated and Pending



Decision Ratio	2020	2021	2022	2023	2024
Legacy to AMA*	83/17	79/21	80/20	61/39	38/62

\*Excludes caregiver appeals and appeals from any pending legislation (i.e. PACT Act)

- Meeting Veteran expectations and achieve newly established timeliness goals.
- 3-years of record level production (2019-2021; ~300K decisions).
- Shifting resources from Legacy to AMA and Caregiver appeals in 2023.

# National Cemetery Administration (NCA)

\$s in thousands	2021	2022	2023
	Enacted	Budget	Request
<b>Operations and Maintenance</b>	<b>352,000</b>	<b>394,000</b>	<b>430,000</b>
Grants for Veterans Cemeteries	45,000	45,000	50,000
Major Construction	94,000	130,500	140,000
Minor Construction	80,167	106,990	157,265
Facilities Operations Fund	215	355	282
National Cemetery Gift Fund	280	1,000	1,000
Compensation and Pension (Headstones & Markers, Graveliners, Burial Receptacles, Caskets & Urns)	147,563	126,144	130,785
<b>Total, Budgetary Resources</b>	<b>674,225</b>	<b>758,989</b>	<b>859,332</b>

- \$430 million for NCA Operations and Maintenance, +\$36 million (+9%) over 2022 to:
  - Maintain over 4.2 million gravesites and provide 135,100 interments.
  - Add 64 FTEs 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% of Veterans with access to a burial option within 75 miles of their home.
    - Outcomes: Ensure “National Shrine” standards of appearance 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 (OIT)

\$s in thousands	2021 Enacted	2022 Budget	2023 Request
Development	495,546	297,000	142,092
Operations and Maintenance	3,205,216	3,131,585	4,145,678
Staffing and Administrative Support Services	1,211,238	1,414,215	1,494,230
<b>Total Appropriated</b>	<b>4,912,000</b>	<b>4,842,800</b>	<b>5,782,000</b>
Transformational Fund		670,000	0
Rescission of prior year funding	(37,500)		
<b>Total, Budget Authority</b>	<b>4,874,500</b>	<b>5,512,800</b>	<b>5,782,000</b>

- \$5.8 billion (+\$269 million, 5% over 2022 budget including the Recurring Expenses Transformational Fund resources provided in FY 2022), provides resources to enhance and improve the Veteran experience, including:
  - \$477.5 million for Infrastructure Readiness Program
  - \$457 million for Cybersecurity/Privacy & Records Management
  - \$122.9 million for Financial Business Management Transformation
  - \$80.5 million for Veterans Benefits Management
  - \$22.8 million for Telehealth Services

# OIT Budget Request – Things To Know

## Health Portfolio

### Highlights include:

- **Community Care (\$141 million):** increased automation capabilities for pharmacists and enhanced telehealth systems.
- **Health Data Interoperability (\$104 million):** Ensure continuity of operations for VA systems, which provides for the exchange of Veteran health information between VA and non-VA partners
- **Digital Health Platform (\$51 million):** Provides enhancement of the Clinical Contact Center, and new development for the Dental Care Workflow Modernization and Platform Evolution

## Benefits Portfolio

### Highlights include:

- **Veterans Customer Service (\$98 million):** Enhance and maintain a single unified experience in a digital world across VHA, VBA, NCA and staff offices to meet customers' needs, currently impacting over ~20M unique users.
- **Veterans Benefits Management (\$80.5 million):** Supports the operation and enhancement of IT solutions which enable greater efficiency in processing claims by utilizing optimized business processes, the Benefits Integration Platform (BIP) and other key solutions (including VBMS)
- **Benefit Systems (\$44 million):** Continued the implementation/development to replace the legacy FAS application used for Chapter 33 and other education benefits. Support the operation of legacy systems supporting VBA operations (VETSNET, CAPRI, FAS, etc.)
- **Benefits Appeals (\$13 million):** Maintain all the Appeals PL systems such as, Caseflow, ARMS and VACOLS that support the Board of Veteran's Appeals business processes. Support the Appeals Modernization effort by streamlining the end-to-end appeals process and increasing efficiency

## Enterprise Portfolio

### Highlights include:

- **IT Infrastructure (includes HW/SW Maintenance and IT Support Contracts) (\$770 million):** Supports modernization efforts in major initiatives such as (FMBT, HRIS, EHRM, Cloud, etc.).
- **Infrastructure Readiness Program (\$477 million):** Reduce Tech Debt
- **Information Security (includes Cyber Security and Privacy & Records Management) (\$457 million):** Modernize/Enhance high-level initiatives across the business partners such as, Identity Access Management (IAM), Continuous Readiness in Information Security Program (CRISP), Field Security Service (FSS) and Cyber Security Strategy.
- **IT Service Management (\$95 million):** Increase efficiency and productivity by utilizing a single web-based tool for multiple services and automate IT Service Management products and processes.

## Corporate and Memorial Affairs Portfolios

### Highlights include:

- **Financial and Acquisition Management Modernization (\$123 million):** Fully supports VA's transition to iFAMS.
- **HR (\$64 million):** Implementation of modernized, automated, standardized systems, tools, and capabilities to deliver a world-class workforce.
- **General Counsel (\$19 million):** Fully funds GCLaws enhancements to ensure compliance with VA security requirements, builds an Accreditation database for Veterans' representatives; provides efficient remote access.
- **Memorials Automation and Legacy Replacement (\$44 million):** Continue developing a cohesive enterprise system to replace NCA's legacy BOSS-E to facilitate common workflows; provide enterprise solutions for modernization.

# Electronic Health Record Modernization (EHRM)

\$s in millions	2021 Enacted	2022 Budget	2023 Request
EHR Contract	1,191	1,425	1,119
Infrastructure Support	1,181	952	441
Program Management	255	286	199
<b>Total Appropriated</b>	<b>2,627</b>	<b>2,663</b>	<b>1,759</b>
Rescission of prior year funding	(20)		
<b>Total Appropriations</b>	<b>2,607</b>	<b>2,663</b>	<b>1,759</b>

The 2022 column reflects the 2022 budget submission. The 2022 appropriations bill was signed after budget display for the 2023 budget submission was finalized. 2022 appropriations bill provided \$2.5 billion (\$163 million less than requested) and rescinded \$200 million from prior year unobligated balances.

- \$1.8 billion, a reduction of \$904 million (-34%) from 2022 request (and a reduction of \$741 million (-29.6%) from 2022 appropriated) to continue deployment of the electronic health record solution, including:
  - Provides 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.
  - Funds EHRM deployment readiness across VISNs 16, 17, 21, and 22, as well as IT infrastructure investments across VISNs 1, 2, 4, 15, 19, 21, and 23.
  - Evaluating schedule impact of 2022 appropriations and rescissions.

# General Administration

\$s in thousands	2021 Enacted	2022 Budget	2023 Request
Office of the Secretary	15,500	16,265	17,324
Office of General Counsel	117,000	125,510	137,347
Office of Management	64,407	73,726	78,564
Office of Human Resources & Administration / Office of Operations, Security & Preparedness	97,132	103,646	111,394
Office of Enterprise Integration	28,652	33,636	36,229
Office of Public and Intergovernmental Affairs	13,500	14,435	16,264
Office of Congressional & Legislative Affairs	7,000	7,480	9,545
Office of Acquisition, Logistics and Construction	0	0	0
Veterans Experience Office	0	0	0
Office of Accountability and Whistleblower Protection	22,720	26,502	28,333
<b>Total Appropriated</b>	<b>365,911</b>	<b>401,200</b>	<b>435,000</b>
Rescission of prior year funding	(12,000)	0	0
<b>Total, Budget Authority</b>	<b>353,911</b>	<b>401,200</b>	<b>435,000</b>

- Budget focuses on highest priorities and includes:
  - Increased Office of General Counsel personnel for Appeals Court, employment law, ARP, MISSION & CARES Act (+\$11.8 million).
  - Improvement in HR services, training and diversity program, and establish two alternate operating locations to carry on essential functions during an emergency (+\$7.7 million).
  - Ensure financial system integrity, support audit tasks relating to the new financial system, expand Enhanced Use Lease program and increase staff for resiliency (+\$4.8 million).

# Capital Programs

\$s in millions	2021 Enacted	2022 Budget	2023 Request
Major Construction	1,316	1,611	1,448
Minor Construction	354	553	626
<b>Subtotal, Construction Appropriation</b>	<b>1,670</b>	<b>2,164</b>	<b>2,074</b>
Construction, Major Projects	-	-	805
Construction, Minor Projects	-	150	163
<b>Subtotal, Transformational Fund Construction</b>	<b>0</b>	<b>150</b>	<b>968</b>
<b>Total, Budget Authority, Construction</b>	<b>1,670</b>	<b>2,314</b>	<b>3,042</b>

- \$3 billion total (including Transformational Fund), \$728 million (+31%) over 2022 budget
- Major Construction provides \$2.3 billion for seven medical facility and three cemetery projects.
  - Includes \$805 million from the Transformational Fund allocated to major construction.
- Minor Construction provides \$789 million for 81 new project starts, \$80 million to continue efforts on zero emission vehicle infrastructure, and funding to complete prior year projects.
  - Includes \$163 million from the Transformational Fund allocated to minor construction.
- Major Lease Authorizations are requested for 31 new and replacement leases (21 resubmissions from prior year and 10 added in the 2023 request).

# Questions



# Additional Details Back-up

# Legislative Proposal Highlights

VA proposes 53 legislative changes with discretionary budget impact and 2 legislative changes with mandatory budget impacts. Highlights include:

- Expanding access to Assisted Reproductive Technology (ART), including in vitro fertilization (IVF) and adoption reimbursement to eligible veterans.
- Eliminating copays for contraception-related health care and services
- Lowering out-of-pocket costs for certain mental health care services



# 2024 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***

- 2024 Medical Care Advance Appropriation is \$132.1 billion (with collections), \$9.4 billion, or 7.7% above the 2023 request.

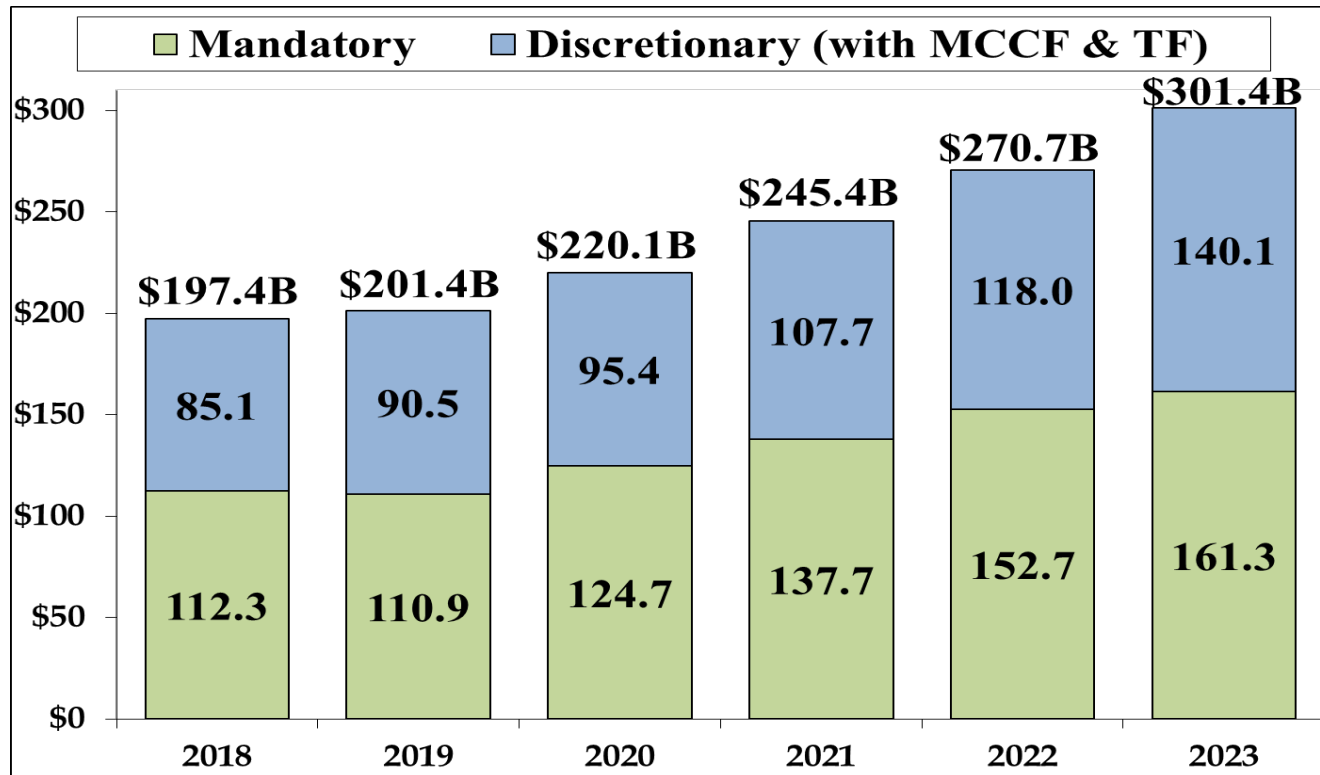
## ***VBA Benefits***

- 2024 Advance Appropriation for the mandatory Veterans Benefits programs (Compensation and Pensions, Readjustment Benefits, and Veterans Insurance and Indemnities accounts) is \$155.4 billion, \$5.7 billion, or 3.4% below the 2023 request.

***2024 Advance Appropriation request reflects the President's steadfast commitment to Veterans.***

# VA's Base Budget<sup>1</sup> Over Past Six Years

## +\$104 Billion or 53% increase from 2018



<sup>1</sup> Funding levels in all years include only regular mandatory and discretionary (non-emergency) appropriations, plus medical care collections and Transformational Fund. 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 5.8  
million Veterans,  
Servicemembers & their  
families

Pension benefits for  
277,000 Veterans &  
survivors

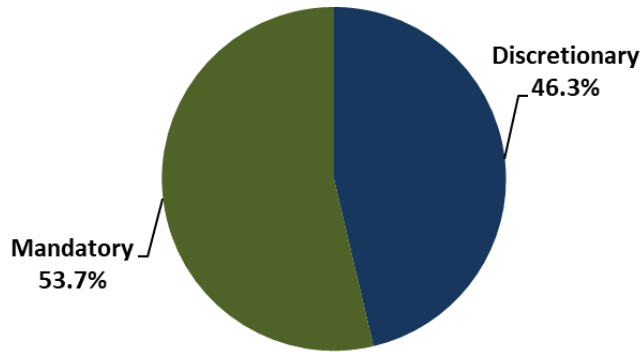
**VETERANS AND  
THEIR FAMILIES**

Educational assistance for  
820,000 trainees

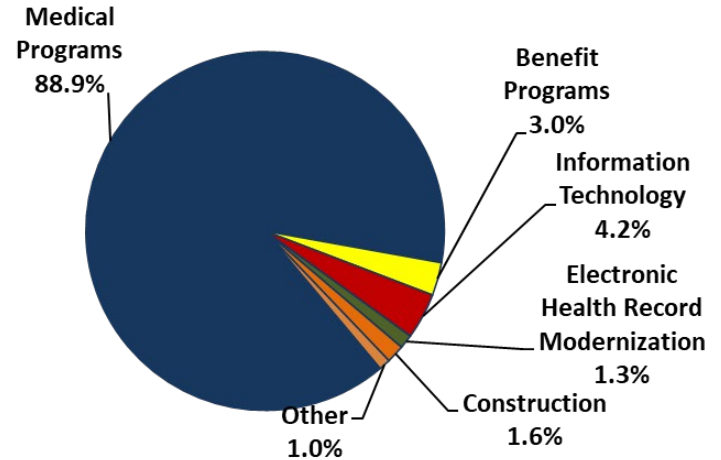
Interment of an estimated 135,100 Veterans &  
eligible family members in national cemeteries

# 2023 VA Budget Request

## 2023 Discretionary/Mandatory Funding



## 2023 Discretionary Funding

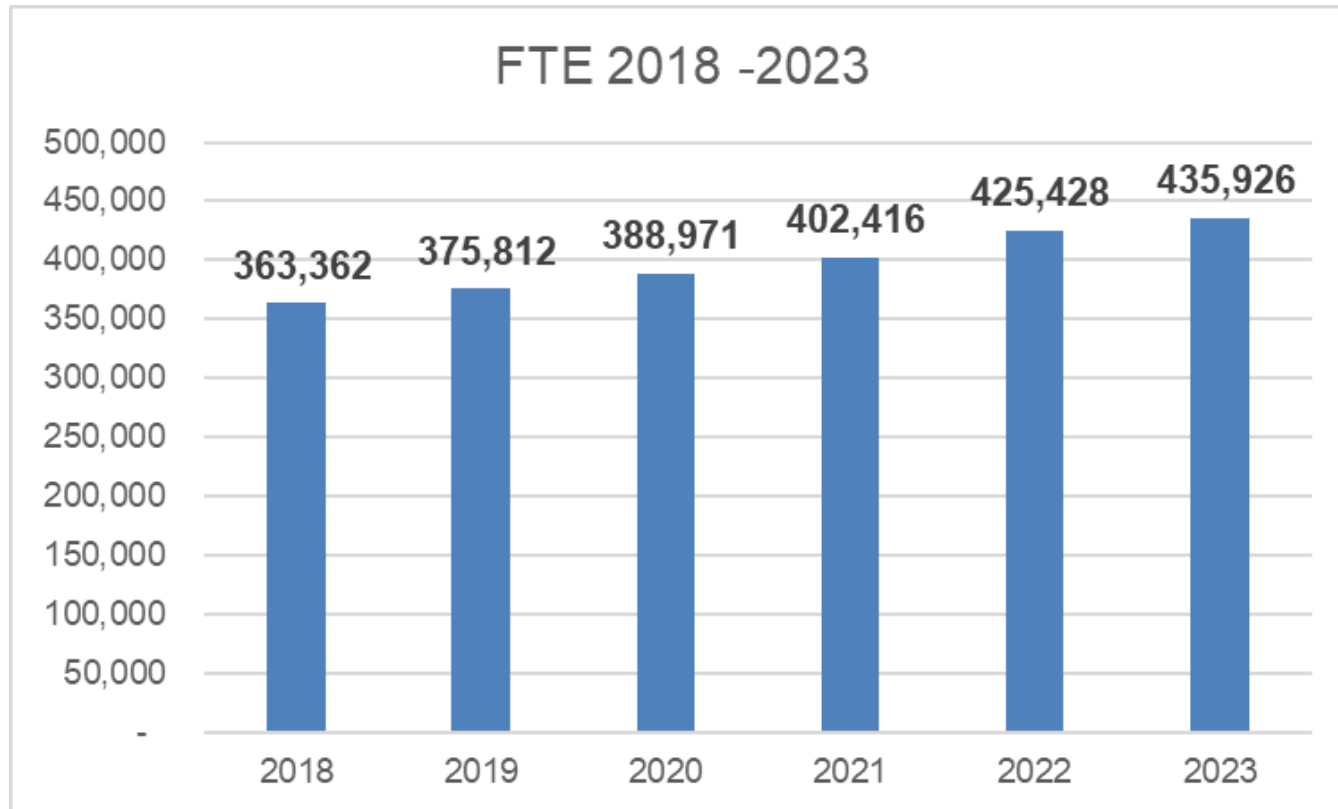


## 2023 President's Budget \$301.4 Billion

*(includes collections of \$3.9 billion and \$968 million for Transformational Fund)*

**Mandatory: \$161.3 billion      Discretionary: \$139.1 billion**

# VA FTE Growth Is Significant



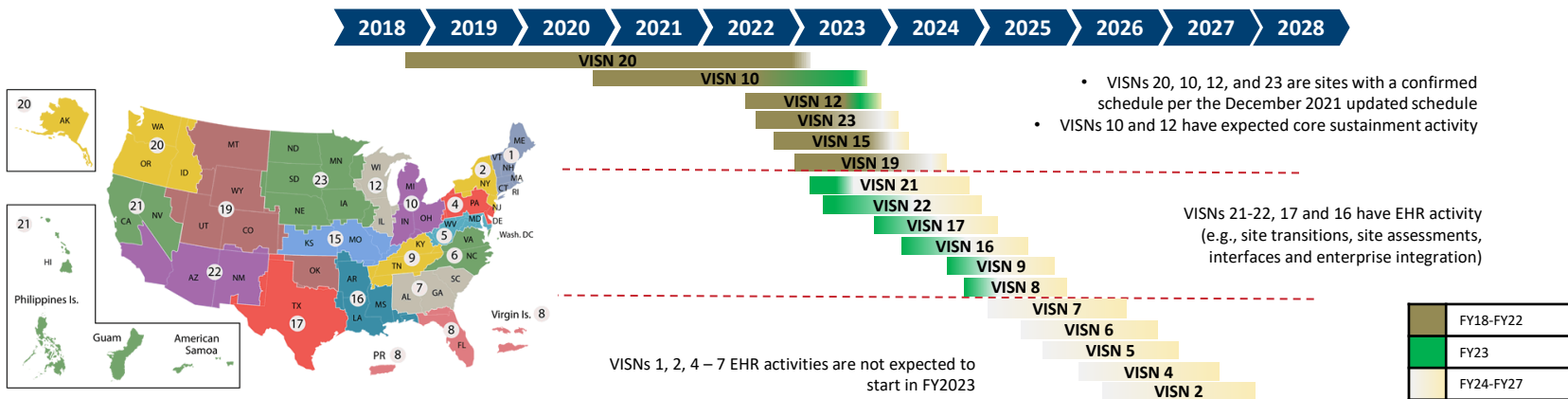
*Since 2018, VA has added 72,564 FTE to better serve Veterans.*

# Medical Care Highlights

(\$s in millions)	2021 Enacted	2022 Budget	2023 Request	2024 Request
Mental Health	\$11,211	\$12,251	\$13,919	\$14,531
<i>Suicide Prevention/Outreach Programs (non-add)</i>	\$297	\$598	\$497	\$501
Veterans Homelessness Programs	\$2,544	\$2,762	\$2,685	\$2,861
Connected Care Program	\$366	\$450	\$330	\$330
Caregiver Support Program	\$873	\$1,413	\$1,846	\$2,259
Women Veterans (Gender-Specific Care)	\$629	\$701	\$767	\$836
Opioid Prevention, Treatment and Program Costs	\$463	\$646	\$663	\$679
Rural Health Initiative	\$267	\$307	\$307	\$307
Precision Oncology	\$63	\$100	\$167	\$253

# EHR Cost and Deployment Schedule for FY 2023

Revised Deployment Timeline by VISN

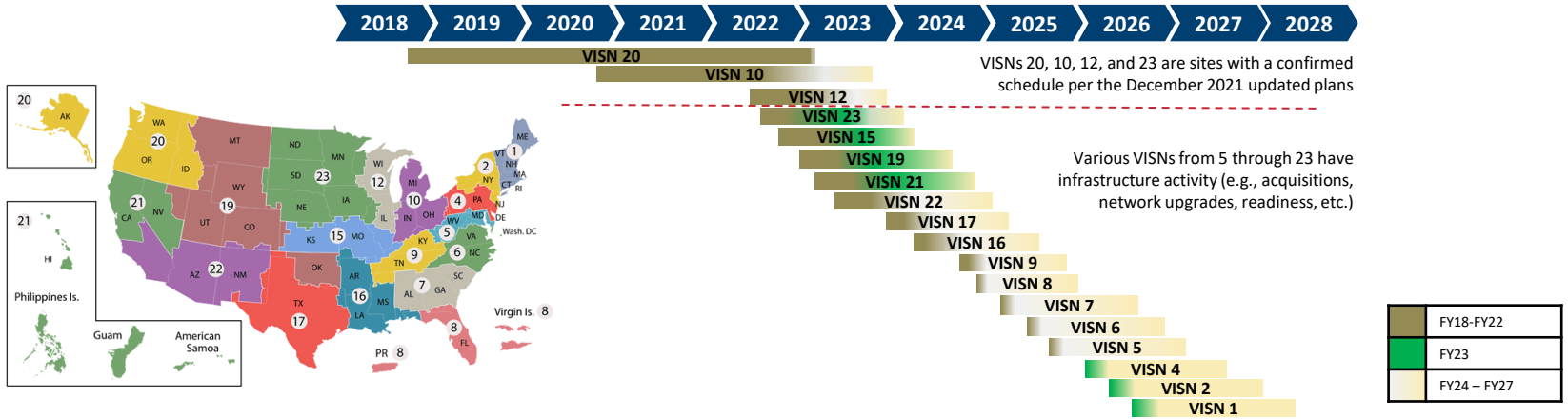


Legend: X: Obligations planned in FY23

Area	Estimated Costs for FY23 (\$M)	VISN 10		VISN 12		VISN 23			VISN 15		VISN 19			VISN 21			VISN 22		VISN 17		VISN 16		VISN 9		VISN 8		VISN 7										
		A	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	BB	CC	DD	EE	FF	GG	HH	II	JJ	KK	LL	
Site Transitions	\$598.4															x	x	x	x	x	x	x															
Site Assessments	\$37.0																							x	x	x	x	x									
Core Sustainment	\$48.0	x	x	x	x	x																															
Interfaces	\$60.0																		x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
Enterprise Integration	\$375.7	<<Continuous activities throughout the program not tied to specific sites, includes Vendor Site Implementation Support, Cerner Operations, Enterprise Integration>>																																			
Total Estimated Costs	\$1,119.1																																				

# Infrastructure Readiness Cost and Deployment Schedule for FY 2023

## Revised Deployment Timeline by VISN



Area	Estimated Costs for FY23 (\$M)	VISN 20	VISN 10	VISN 12	VISN 23	VISN 15	VISN 19	VISN 21	VISN 22	VISN 17	VISN 16	VISN 9	VISN 8	VISN 7	VISN 6	VISN 5	VISN 4	VISN 2	VISN 1
Joint Security Architecture (JSA) and Forward Deployed Server Stack (FDSS)	\$31.4																x	x	x
Local Area Network (LAN)	\$3.3																x	x	x
End User Device (EUD)	\$40.9							x											
Medical Systems and Interfaces	\$41.4				x	x	x												
Enterprise Costs	\$323.7	<<Continuous activities throughout the program not tied to specific sites>>																	
<b>Total Estimated Costs</b>	<b>\$440.7</b>																		

**Legend X:** FY23 Obligations planned



# 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 in 2023
- VA requests \$5 million to support the work of the Commission, including staff, contractual services and travel costs

# Transformational Fund

- The Consolidated Appropriations Act, 2016 (P.L. 114–113), established a fund permitting VA to transfer unobligated balances of expired non-emergency 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 2023, VA plans to make the following investments:
  - \$804.5 million for funding three major construction projects and associated line items
    - \$503 million for Portland, OR – Upgrade Buildings 100 and 101 Seismic Retrofit and Renovation
    - \$62.5 million for Canandaigua, NY – Construction and Renovation
    - \$88.6 million for Fort Harrison, MT – Seismic Upgrade and Specialty Care Improvements
    - \$150.4 million for line items
  - \$163.5 million for minor construction projects that improve VHA facilities as well as providing for the installation of zero-emission vehicle charging infrastructure.

# Major Construction Projects

(\$ in millions)

Location	Description	Request	TF
Portland, OR	Upgrade Bldg 100/101 for Seismic Retrofit and Renovation	-	\$503.0
Louisville, KY	New Medical Center	\$35.0	-
Canandaigua, NY	Construction and Renovation	-	\$62.5
Alameda, CA	Community Based Outpatient Clinic and National Cemetery	\$128.8	-
Livermore, CA	Realignment and Closure	\$35.0	-
Ft. Harrison, MT	Seismic Upgrade and Specialty Care Improvements	-	\$88.6
El Paso, TX	Construction New Health Care Center	\$550.0	-
Elmira, NY	Phase 1 Gravesite Expansion – Western New York National Cemetery	\$25.0	-
Albuquerque, NM	Phase 1 Gravesite Expansion – Replacement Santa Fe National Cemetery	\$57.0	-
St. Louis, MO	Phase 1 Gravesite Expansion – Jefferson Barracks National Cemetery	\$44.0	-
Major Construction Support	Advanced Planning & Design, staff support, US Army Corps of Engineers (USACE) fees, NCA land acquisition, seismic corrections, etc.	\$573.1	\$150.4
<b>Total Request</b>		<b>\$1,447.9</b>	<b>\$804.5</b>