

UNITED STATES DEPARTMENT OF VETERANS AFFAIRS



Remarks by Secretary Eric K. Shinseki

West Point Society of DC Luncheon
Washington, DC
September 21, 2011

Joe [DeFrancisco], I appreciate the kind words. Congratulations on your leadership as president of the West Point Society of D.C. We've been friends for a long time now—so thanks for this first invitation to a free lunch. Let me also acknowledge:

- Former-Secretary of the Army Louis Caldera;
- General Volney Warner;
- Other flag and general officers, too numerous to name, but some of whom I worked with most closely, and to whom I owe a lot, still, today;
- Bob Sorley, one of our generation's finest military historians;
- Let me also recognize some really old grads I know, members of the distinguished class of 1965, with whom I grew up, graduated, and headed off to war;
- To the youngsters in the room, who have accomplished remarkable things over the past decade and who continue to do the heavy lifting in Afghanistan and Iraq and countless other places around the world—thank you for your magnificent performance for 10 long years. We all salute your courage, your stamina, and your sacrifice, and that of your families;
- Members of the West Point Society of D.C., fellow graduates, fellow Veterans, other distinguished guests, ladies and gentlemen:

I am honored to be here. It's a chance to renew old friendships, relive old memories, and remember what Omar Bradley once called, the "cadence which echoes and re-echoes deep in the heart of each of us"—Duty, Honor, Country.

Like a number of you, I grew up in Vietnam. My experiences there and what I learned about myself have become central to my life. We went to war with a generation of patriots, who, like Infantry Captain "Rocky" Versace, were equally tough, determined, courageous, and as capable of unbelievable acts of courage and sacrifice as any other generation that went to war.

"Rocky" Versace distinguished himself by extraordinary heroism from October 1963 to September 1965—not just once, but multiple, repeated acts of heroism during captivity. Severely wounded during an attack by a heavily armed enemy battalion, Captain Versace fought until he ran out of ammunition and was taken captive.

For two years, he continued to resist his Vietcong captors—assuming command of his fellow prisoners, rallying their support of one another, defying and scorning the enemy's brutal mistreatment of him and others, making three unsuccessful escape attempts, and then absorbing even greater brutality as punishment. Finally, unable to break his indomitable will, his faith in God, and his trust in the United States of America, his captors executed him on 26 September 1965.

The last time his fellow prisoners heard him, "Rocky" Versace was singing God Bless America at the top of his voice to rally his fellow prisoners and strengthen their resolve in resisting the enemy's efforts to break their spirits. To the very end, "Rocky" led and served his fellow prisoners. For extraordinary heroism, he was awarded the Medal of Honor.

"Rocky" Versace did not come home from Vietnam, but we honor the fallen by how we care for those who did come home—from all wars.

You don't get many "do overs" in life, and, for me, this appointment is a "do over." I get to help care for folks I went to war with in Vietnam 46 years ago. I get to care for the youngsters I sent to war as Army Chief of Staff. And I get to care for the true giants in the profession, the ones who won World War II and who marched to the guns in Korea in 1950. People talk about purpose-filled lives; well, I have one, and I'm honored to have it, thanks to the President.

As most know, Omar Bradley, commander of the 82nd and 28th Infantry Divisions, II Corps, 1st Army, 12th

Army Group, and a Soldier's general, went on to be the most transformative leader in the history of the Veterans Administration—forerunner of today's VA. He served less than two and a half years in this capacity, 1945 to 1947, before being appointed Army Chief of Staff by President Harry Truman, and then our first Chairman of the Joint Chiefs of Staff in 1949.

During his tenure as Veterans Administrator, he began establishing the healthcare system that still exists today and an education assistance program that, in a mere 12 years, put nearly eight million of 16 million World War II Veterans through college and vocational training under the original G.I. Bill—all without computers.

In Bradley's day, the Veterans Administration already had a long legacy, tracing its roots back to the Civil War, and President Lincoln's call, during his Second Inaugural Address, for the Nation to "care for him who shall have borne the battle and his widow and his orphan."

The civil war ended the month after Lincoln's March 1865 address; but 146 years later, that call to action remains VA's mission today, and we still provide benefits to two children of Civil War veterans and to over 160 children and spouses of Spanish-American War Veterans. Though the last Veteran of World War I, Frank Buckles, passed away in February of this year, at age 110, VA still provides benefits to around 8,000 children and spouses of those who served in "the war to end all wars."

What this suggests is that the Nation's and VA's commitments to those currently serving in uniform will last well into the 22nd century. President Abraham Lincoln's promises are being fulfilled, today, by President Barack Obama, and President Obama's promises will be fulfilled by some future President and Secretary of Veterans Affairs, as yet unborn. But VA will be here to keep the promises of Presidents.

Today, many of you know VA as a large healthcare system, and for the most part that's true—152 VA medical centers affiliated with 107 of the best medical schools in our Nation, more than 800 Community-Based Outpatient Clinics, 280 Vetcenters, and a number of outreach and mobile clinics on wheels, which deliver healthcare to the more than 8.3 million Veterans enrolled with us, some of whom live in the most rural areas of America.

But here's what's also true about VA:

- We operate 131 national cemeteries, the country's largest cemetery system and the top customer service organization for the past 10 years, bar none—public, private, profit, non-profit, according to the University of Michigan's American Customer Service Index;
- VA is second only to the Department of Education, in providing educational benefits of more than \$9 billion dollars annually to more than 840,000 Veterans and eligible family members currently in school, 558,000 of them under the new 9/11 G.I. Bill. This fall, thanks to the Congress, we will expand that program to provide vocational training and other non-degree job skills for Veterans who want to work but who aren't necessarily interested in spending four years in a college classroom.
- VA guarantees nearly 1.3 million individual home loans with an unpaid balance of \$231 billion dollars. We are the only zero-down lending institution in the country, and our foreclosure rate is the lowest among all financial institutions in all categories of mortgage loans. Last year, we were able to avoid 66,000 potential foreclosures by lowering monthly payments, stretching out mortgages, and otherwise keeping folks in their homes. We are still responsible for the homeless Veteran, and the healthcare costs for homeless Veterans are three and a half times that of Veterans who are not homeless; so, we do everything possible to keep Veterans in their homes.
- VA is the Nation's eighth largest life insurance enterprise with \$1.3 trillion in coverage for over seven million clients, and a 96 percent customer satisfaction rating.
- 314,000 people come to work every day, making VA, all factors considered, a very large business enterprise of near-fortune 15 level numbers.

In January 2009, I joined an organization of good, hard working people, a bit weak in leader development instincts and programs, facing growing client requirements as a result of two ongoing operations, a history of unpredictable and uneven resourcing. Our three administrations—Veterans Health, Veterans Benefits, and the National Cemetery Administration—sometimes operated independently, rather than as complementary, mutually supporting elements serving the same client.

Now, none of us are important here—it's the Veteran who deserves our focus and attention. And the rest of us should organize accordingly. In two and a half years, we have built a strong, reliant, and agile set of teammates.

I also found that significant investments had been made in the mid-1990's enabling our health administration to create VISTA, perhaps the Nation's best, most robust electronic health record. When it was rolled out enterprise-wide in 1997, VHA experienced a 69 percent increase in patient throughput, patient records being available to physicians 100 percent of the time versus 60 percent in 1996, workload reduction of over 35 percent, significant improvements in measurable patient safety, and control of the cost of medical treatments at a time when the cost of healthcare was climbing exponentially across the country—a \$4 billion dollar project that returned \$7 billion on investment.

But, while this was underway in our Health Administration, our Benefits Administration, VBA, which handles compensation, education, vocational rehabilitation, insurance, loan guarantees, pensions, fiduciaries—the very kind of data tracking requirements that are well-suited to automation—didn't receive any investments in information technology. VBA was and still is largely paper bound. As a result, VBA is not as fast or as agile, accurate or consistent, reliable or persistent in keeping up with an explosion in disability claims—1 million claims, each with an average of four issue items, in 2009; 1.2 million in 2010; 1.4-1.5 million this year. Hence, a large backlog in claims, years in the making, has continued to grow.

Well, crashing into that backlog to take it down was going to require resources and time. We had to pull claims processing apart into its fundamental pieces—people, process, technology—and address each one, each a different requirement, and then put them back together in ways that gained us momentum quickly. We increased VBA's budget by 27 percent in 2011. We will begin to fully automate claims processing next May, and we will then begin taking down the backlog. I have committed to ending the claims backlog by 2015, putting in place a system that processes all claims within 125 days at a 98 percent accuracy level.

Beyond VBA's 27 percent plus up, we went to work putting together budget proposals that would address longstanding priorities. Thanks to President Obama, we have prevailed in those budget debates and garnered the required resources to begin to transform VA for the needs of this 21st century.

In January 2009, when I was confirmed, I inherited a congressionally enhanced budget of \$99.8 billion—larger than any Army budget I had during my tenure as Chief of Staff. The following year, the President increased VA's budget by 16 percent, to \$115 billion, the largest single-year, VA budget hike in over 30 years. This year, the 2011 budget grew to \$126.6 billion. The President's 2012 budget request for next year, currently before Congress, is for \$132.2 billion. Very few organizations have had this kind of resourcing support, a 30 percent growth in funding during tough economic times.

The President also gave me just two pieces of guidance—make things better for Veterans, and transform your department so that it better serves them throughout the 21st century—allowing me, as Secretary, the freedom to make decisions and to act.

With those authorities, we have addressed some longstanding issues regarding combat PTSD, Gulf War Illness, and Agent Orange. These decisions were going to add hundreds of thousands of disability claims to the already overburdened and backlogged process I just described, but I didn't know how to ask Vietnam, Gulf War, and combat Veterans, at large, to wait one more day after decades of their suffering. So, we have added three additional diseases to the list of presumptives for Agent Orange, nine for Gulf War Illness, and verifiable PTSD for all generations of combat Veterans, making it easier for them to file claims and receive the compensation they earned. These decisions were the right things to do.

Besides cleaning up these longstanding issues from previous conflicts and eliminating the claims backlog, we are now going after some longer range targets—increasing Veterans' access to services and benefits, ending Veterans homelessness, and improving attitude and advocacy for Veterans.

Access: We have re-energized our outreach programs to increase the number of Veterans enrolled in VA healthcare. We have hired an additional 3,500 mental health professionals since 2008; today, we have over 20,000 mental health staff. We have built more than 30 new Community-Based Outpatient Clinics, are building five new hospitals, and have invested heavily in telehealth. We have also improved our outreach to women Veterans, adding women's program coordinators at each major medical center. No matter which door Veterans enter, we want them to receive quick, accurate, and courteous service and the highest quality, safest, and most affordable healthcare in the country.

There are over 22 million Veterans in this country. Only 8.3 million have chosen to enroll with VA. I'm working to understand this lack of market penetration, but in the past two years, we have added 800,000 Veterans to our rolls, a 10 percent uptick.

Homelessness: I'm sure some of you have wondered, "why homelessness?" Because homeless Veterans show the gaps in our system. We have to bring to bear all the capabilities resident inside VA—primary medical and dental care, mental health, substance abuse treatment, education, case management, housing, and jobs counseling. Just like artillery fires, nothing is held in reserve—allocate it all and operate at the top of our game in a full court press. Fire for effect. Our progress has been significant; since 2008, VA has helped permanently house over 29,000 homeless Veterans, and another 30,000 have been assisted through the homeless call center. We intend to reduce the number of homeless Veterans to below 60,000 by June 2012, with the goal of ending this national embarrassment.

We are also conducting justice outreach to support the creation of Veterans courts, which would remand Veterans facing minor charges, petty crimes, and repeated substance abuse offenses to VA for treatment in lieu of incarceration. And we're working with the 1,310 state and federal prisons to afford Veterans, being released from prison, an opportunity to break the cycle of incarceration-homelessness-incarceration which plagues many of them. We are committed to ending Veterans homelessness by 2015.

Attitude: Two and-a-half years ago, many Veterans and stakeholders told me that some in VA had an attitude problem, and I agreed. So, since last December, with input and recommendations from a variety of

panels, work groups, and senior leaders, we settled on five core values that underscore the moral obligations inherent in VA's mission: Integrity, Commitment, Advocacy, Respect, Excellence.

A little history. I happen to be the one three-star allowed in the room as a note-taker in February 1997, when the Army four-stars settled on the Army's values. There's a longer story here, but those values were not crafted by a staff officer in the bowels of the Pentagon. The eight or nine most powerful military commanders in the world took each other on in ways I had never witnessed over seven words: "What do you mean by honor?" "How do we measure integrity?" "Why isn't competence on this list?" After three hours, they settled on loyalty, duty, respect, selfless service, honor, integrity, and personal courage; competence didn't make the cut. The experience, sitting at the back of the room watching these senior leaders work it out, was an invaluable lesson. I wondered then how many other institutions, civilian or military, devoted their board rooms to similar debates. The future of the Army was at stake, and these leaders wanted to get it right.

Having watched how those seven words have influenced behavior and performance in the Army in the years since, I was convinced that we would not be able to transform VA without a similar debate. It has taken six months with our top 200 leaders doing multiple iterations of refinement. VA has its five core values: Integrity, Commitment, Advocacy, Respect, and Excellence. "I Care."

Nearly three million Americans have joined the military since 9/11, knowing full well that they would be deploying to combat. Hundreds of thousands of them have deployed multiple times. This 9/11 generation and their families are defined, just as every previous generation of America's Veterans has been defined, by the virtues of selfless service, sacrifice, and devotion to duty. These men and women are the flesh and blood of American exceptionalism—the living, breathing embodiment of our national values and our special place in the world.

Over the past 32 months, I've rediscovered what was so very special about General Bradley. He single-handedly modernized the Veterans Administration in the wake of World War II, laying the foundation for much of what exists today in terms of benefits, programs, and services through his leadership—lessons he learned on the fields of friendly strife at West Point, and on the field of battle as his combat formations were required to constantly adjust—to demonstrate agility in the face of a rapidly changing and expanding environment.

As I sit for a period of time at General Bradley's desk, I seek your support for VA's initiatives to better serve Veterans as the President directed—today, tomorrow, and well into the 21st century. I am privileged to have this mission.

God bless those who serve and have served the Nation. God bless West Point and the great foundation it provided for all of us. And may God continue to bless this wonderful country of ours.

Thank you

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