

# GAO Highlights

Highlights of [GAO-14-149T](#), a testimony before the Subcommittee on Economic Opportunity, Committee on Veterans' Affairs, U.S. House of Representatives

## Why GAO Did This Study

The IL track—one of five tracks within VA's VR&E program—provides a range of non-employment related benefits to help veterans with service-connected disabilities live more independently when employment is not considered feasible at the time they enter the VR&E program. These benefits can include counseling, assistive devices, and other services or equipment. This testimony is based on GAO's report issued in June 2013, and describes (1) the characteristics of veterans in the IL track, and the types and costs of benefits provided; (2) the extent to which their IL plans were completed, and the time it took to complete them; and (3) the extent to which the IL track has been administered appropriately and consistently across regional offices.

GAO analyzed VA administrative data from fiscal years 2008 to 2011, and reviewed a random, generalizable sample of 182 veterans who entered the IL track in fiscal year 2008. In addition, GAO visited five VA regional offices; interviewed agency officials and staff; and reviewed relevant federal laws, regulations, and agency policies, procedures, studies, and other documentation.

## What GAO Recommends

In its June 2013 report, GAO recommended that VR&E explore options to enhance coordination with VHA, strengthen its oversight of the IL track, and reassess its policy for approving benefits. VA agreed with these recommendations.

View [GAO-14-149T](#). For more information, contact Dan Bertoni at (202) 512-7215 or [bertonid@gao.gov](mailto:bertonid@gao.gov).

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## VA VOCATIONAL REHABILITATION AND EMPLOYMENT PROGRAM

### Independent Living Services and Supports Require Stronger Oversight

## What GAO Found

Of the 9,215 veterans who entered the Department of Veterans Affairs' (VA) Independent Living (IL) track within the Vocational Rehabilitation and Employment (VR&E) program from fiscal years 2008 to 2011, most were male Vietnam era veterans in their 50s or 60s. The most prevalent disabilities among these veterans were post-traumatic stress disorder and tinnitus ("ringing in the ears"). GAO's review of 182 IL cases from fiscal year 2008 shows that VR&E provided a range of IL benefits to veterans; the most common benefits being counseling services and computers. Less common benefits included gym memberships, camping equipment, and a boat. GAO estimates that VR&E spent nearly \$14 million on benefits for veterans entering the IL track in fiscal year 2008—an average of almost \$6,000 per IL veteran.

About 89 percent of fiscal year 2008 IL veterans were considered by VR&E to be "rehabilitated" by the end of fiscal year 2011; that is, generally, to have completed their IL plans. These plans identify each veteran's independent living goals and the benefits VR&E will provide. The remaining 11 percent of cases were either closed for various reasons, such as the veteran declined benefits, or were still active. Rehabilitation rates across regions varied from 49 to 100 percent, and regions with larger IL caseloads generally rehabilitated a greater percentage of IL veterans. On average, IL plans nationwide were completed in 384 days; however, completion times varied by region, from 150 to 895 days.

GAO identified four key areas where VR&E's oversight was limited. First, some regions may not be complying with certain case management requirements. For instance, while VR&E is required to coordinate with the Veterans Health Administration (VHA) on IL benefits, VR&E counselors have difficulty obtaining timely responses from VHA. This has resulted in delayed benefits or VR&E providing the benefits instead of VHA. Second, VR&E does not systematically monitor regional variation in IL caseloads and benefits provided. Instead, it has relied on its quality assurance reviews and ad hoc studies, but these are limited in scope. Third, VR&E's policies for approving IL expenditures may not be appropriate as regions were permitted to purchase a range of items without Central Office approval, some of which were costly or questionable. In one case GAO reviewed, Central Office review was not required for expenditures of \$17,500 for a boat, motor, trailer, and the boat's shipping, among other items. Finally, VR&E's case management system does not collect information on IL costs and the types of benefits purchased. VR&E also lacks accurate data on the number of IL veterans served. While the law currently allows up to 2,700 veterans to enter the IL track annually, data used to monitor the cap are based on the number of IL plans developed, not on the number of individual veterans admitted. Since veterans can have more than one IL plan in a fiscal year, one veteran could be counted multiple times towards the cap. VA plans to make modifications to its case management system to address this, but officials noted that it could take up to 3 years to obtain funding for this project.