

## **Letter of Transmittal**

To the President of the Senate and the Speaker of the House of Representatives.

I submit this report on the activities of the Department of Veterans Affairs for the fiscal year ending September 30, 1996, as required by 38 U.S.C. § 529.

This review of the Department's performance over the past fiscal year gives me an opportunity to again present the annual record of accomplishment by the world's finest system of programs and services for veterans. Nowhere else in the international community are there comparable levels and the diversity of benefits granted to those who served in the military. VA's charge has been and will remain that, consistent with America's status as a world leader in so many other spheres of activity, we shall continue operating the Department of Veterans Affairs with enthusiasm, innovation, and with dedicated regard for what veterans have contributed to the freedom and democracy we cherish.

In documenting FY 1996, we are mindful that with progress and achievement have come complex challenges and opportunities. Burgeoning technological changes and shifting modes of customer service are at the heart of many VA goals and objectives. We cannot afford nor permit the future to outpace our ability to be in the very thick of contemporary adaptation to our changing world.

Perhaps in no other realm of activity, and one in which VA has a major stake, have there been such dynamic transformations as in health care. Much of this year was spent converting our hospital-based system into a nationwide collection of integrated networks designed to be inherently flexible and better positioned to effect quality care. The administration also submitted two key legislative proposals that would enable VA to pilot-test the retention of Medicare payments on behalf of veterans choosing VA as a provider, and long-sought changes in eligibility criteria.

VA also took action to expand the availability of benefits to veterans with post-service health problems potentially linked to their military experience. Scientific findings supported adding prostate cancer to the list of presumptive diseases that entitle Vietnam veterans exposed to Agent Orange to receive disability compensation. For the first time, legislation is being sought to respond to a scientific panel's view that there may have been specific congenital damage to the offspring of exposed veterans. VA continued to provide treatment and benefits, and conducted medical research addressing the needs of ill and disabled Persian Gulf War veterans.

Steady inroads toward reducing claims backlogs and designs for accelerating several Veterans Benefits Administration processing operations were achieved during this fiscal year. VA fully met its charge to maintain the National Cemetery System with the dignity and respect befitting these 114 shrines to America's veterans. Numerous VA activities were cited for efficiency and innovation achievements under National Performance Review criteria.

Many other dimensions of our Department were illuminated during the year through noteworthy achievement and progress. VA made significant contributions to the scientific community in the form of research findings in the human aging process, hypertension, Alzheimer's disease, and many other health-related areas. VA deepened its commitment to electronic commerce in its acquisition operations and took aggressive steps to broaden access to information on various computer Web sites.

As events overseas and here at home persistently remind us, our men and women in uniform serve with uncommon dedication and dignity, ever-exposed to the perils of military duty. The Department of Veterans Affairs is America's institutional statement of appreciation for that service. The VA system is committed to conveying the tangible expression of that gratitude and, in so doing, reinforces the nation's honor and respect for its veterans.

Jesse Brown  
Secretary of Veterans Affairs

# Table of Contents

	<b>Page</b>
<b>LETTER OF TRANSMITTAL</b>	i
<b>INTRODUCTION</b>	viii
A Brief History .....	viii
Administrators of Veterans Affairs and Secretaries of Veterans Affairs.....	ix
VA Organization.....	x
Mission of the Department of Veterans Affairs .....	x
Secretary's Vision .....	x
National Performance Review.....	x
VA Organizational Chart .....	xiv
<b>THE VETERAN .....</b>	<b>1</b>
Summary .....	1
Number of Veterans and Periods of Service .....	1
Age of Veterans .....	2
Female Veterans.....	2
<b>Characteristics of Veterans</b> .....	<b>2</b>
<i>Education</i> .....	3
<i>Labor Force</i> .....	3
<i>Unemployment</i> .....	4
<i>Income</i> .....	4
<b>HEALTH CARE .....</b>	<b>9</b>
<b>Veterans Health Administration</b>	
Eligibility Reform .....	9
<b>Organizational Performance and Accountability</b> .....	<b>10</b>
<i>Customer Service Standards</i> .....	10
<i>Eligibility Process for VA Medical Care</i> .....	11
<i>Recreation Therapy</i> .....	11
<b>Quality and Functional Status</b> .....	<b>12</b>
<i>Patient Care Services</i> .....	12
<i>Primary Care</i> .....	12
<i>Women Veterans</i> .....	12
<i>Acquired Immunodeficiency Syndrome</i> .....	12
<i>Post Traumatic Stress Disorder</i> .....	13
<i>Readjustment Counseling</i> .....	13
<i>Substance Abuse</i> .....	13
<i>Psychosocial Rehabilitation</i> .....	13
<i>Homelessness</i> .....	14
<i>Therapeutic and Rehabilitative Activities</i> .....	14
<i>Medical Reviews</i> .....	14
<i>Spinal Cord</i> .....	14
<b>Access and Timeliness</b> .....	<b>15</b>
<i>Persian Gulf</i> .....	15
<i>Access Points</i> .....	15
<i>Prosthetic and Sensory Aids</i> .....	16

	<b>Page</b>
<i>Women Veterans</i> .....	16
<i>Sickle Cell Anemia</i> .....	16
<i>Pharmacy</i> .....	16
<b>Efficiency and Cost Reduction</b> .....	<b>17</b>
<i>Cost Distribution</i> .....	17
<i>Procurement and Payments</i> .....	17
<i>Financial Information</i> .....	18
<b>Benchmarking and Re-Engineering</b> .....	<b>18</b>
<i>Benchmarking</i> .....	18
<i>Re-Engineering</i> .....	18
<b>Resource Development</b> .....	<b>19</b>
<i>Improvement in Sharing</i> .....	19
<i>Improvement in Collaboration</i> .....	20
<i>Improvement in Contracts</i> .....	21
<b>Information Management</b> .....	<b>21</b>
<i>Improvement in Information Management</i> .....	21
<i>Improvement and Innovation in Technology</i> .....	22
<b>Infrastructure and Construction</b> .....	<b>23</b>
<i>Improvement in Infrastructure and Construction</i> .....	23
<i>Land and Lease Acquisition</i> .....	23
<i>Enhanced-Use Leases</i> .....	24
<i>State Veterans Home</i> .....	24
<i>Laundry Moderniation and Integrations</i> .....	24
<b>Employer of Choice</b> .....	<b>25</b>
<i>Improvement in Becoming an Employer of Choice</i> .....	25
<b>Employee Education</b> .....	<b>25</b>
<i>Improvement in Employee Education</i> .....	25
<i>Improvement in Academic Education</i> .....	27
<i>Breakthroughs in Research</i> .....	27
<i>Medical Preparedness</i> .....	28
<b>VETERANS BENEFITS</b> .....	<b>30</b>
<b>Veterans Benefits Administration</b>	
<i>Veterans Outreach Services Program</i> .....	30
<i>Modernization and Veterans Service Network</i> .....	31
<b>Education</b> .....	<b>32</b>
<i>Educational Assistance Programs</i> .....	32
<i>Vocational Rehabilitation and Counseling Service</i> .....	33
<i>Customer Satisfaction Surveys</i> .....	35
<i>Loan Guaranty Customer Service Satisfaction Surveys</i> .....	36
<b>Insurance</b> .....	<b>37</b>
<i>Interactive Voice Response System</i> .....	37
<i>Expanded Toll-Free Telephone Service to Claims Decision Makers</i> .....	37
<i>On-Line Microfilm Replacement System</i> .....	37
<b>Compensation and Pension</b> .....	<b>37</b>
<i>Persian Gulf War Case Review</i> .....	37
<i>Herbicide Exposure</i> .....	38
<i>Military Separation Examination Test</i> .....	39
<b>Advisory Committees</b> .....	<b>39</b>
<i>Presidential Advisory Committee</i> .....	39

	<b>Page</b>
<i>Veterans' Advisory Committee on Environmental Hazards</i> .....	40
<i>Advisory Committee on Former Prisoners of War</i> .....	40
<b>Loan Guaranty</b> .....	<b>41</b>
<i>Loan Guaranty Program Function</i> .....	41
<i>Fifteen Millionth Home Loan Guaranteed</i> .....	42
<i>Home Loan Characteristics</i> .....	42
<i>Specially Adapted Housing Assistance</i> .....	43
<i>Housing Homeless Veterans</i> .....	43
<i>Banner Year for Property Inventory Reduction</i> .....	44
<i>Monitoring Unit</i> .....	44
<i>Assistance to Veteran-Borrowers in Avoiding Foreclosures</i> .....	44
<i>Mitigation of Losses on VA-Guaranteed Loans</i> .....	44
<i>Negotiated Interest Rates</i> .....	45
<i>Veterans Eligible through Service in the Selected Reserve</i> .....	45
<i>Lender Appraisal Processing Program</i> .....	46
<i>Energy Efficiency Mortgages</i> .....	46
<i>Native American Veteran Direct Loan Pilot Program</i> .....	46
<i>Home Loan Foreclosures</i> .....	47
<i>Manufactured Home Loans</i> .....	47
<i>Manufactured Home Loan Foreclosures</i> .....	48
<b>VBA Training</b> .....	<b>48</b>
<i>Reader-Focused Writing</i> .....	48
<i>Loan Guaranty Training</i> .....	49
<b>CEMETERIES AND MEMORIALS</b> .....	<b>50</b>
<b>National Cemetery System</b>	
<b>Burial Options for Eligible Veterans</b> .....	<b>52</b>
<i>Interments</i> .....	52
<i>New Cemetery Development and Expansion</i> .....	52
<i>State Cemetery Grants</i> .....	54
<b>Honor, Recognize, and Commemorate Veterans Service</b> .....	<b>54</b>
<i>Headstones and Markers and Presidential Memorial Certificates</i> .....	54
<i>Honor Awards and Recognitions</i> .....	55
<i>Improved Services</i> .....	55
<b>ADMINISTRATION AND MANAGEMENT</b> .....	<b>56</b>
<b>Office of Inspector General</b> .....	<b>56</b>
Investigations .....	56
<b>Audit</b> .....	<b>58</b>
<i>Health Care</i> .....	58
<i>Veterans Benefits</i> .....	59
<i>Acquisition and Construction</i> .....	59
<i>Financial Management</i> .....	59
<i>Information Resources Management</i> .....	60
Health-Care Inspections .....	60
Contract Reviews and Evaluations .....	61
Hotline and Special Inquiries .....	62

	<b>Page</b>
<b>Office of the General Counsel .....</b>	<b>63</b>
OGC Reorganization .....	63
Home Loan Guaranty Issues.....	63
Government Contracting Issues .....	63
Veterans Benefits Issues.....	63
Court of Veterans Appeals .....	64
Information Law Issues.....	65
Medical Care Issues .....	66
Regulations.....	66
Personnel and Labor Relations Issues .....	66
<b>Board of Veterans' Appeals .....</b>	<b>68</b>
<b>Board of Contract Appeals .....</b>	<b>74</b>
<b>Office of Small and Disadvantaged Business Utilization .....</b>	<b>76</b>
<b>Center for Minority Veterans .....</b>	<b>78</b>
<i>Advisory Committee on Minority Veterans .....</i>	<i>79</i>
<b>Center for Women Veterans .....</b>	<b>80</b>
<b>Veterans Service Organizations' Liaison .....</b>	<b>81</b>
<b>Office of the Assistant Secretary for Management .....</b>	<b>82</b>
Budget.....	82
Information Resource Management .....	83
<b>Financial Management .....</b>	<b>86</b>
<i>Government-wide International Merchant Purchase</i>	
<i>Authorization Card Program .....</i>	<i>88</i>
<i>Electronic Invoicing/Electronic Data Interchange/Electronic Commerce .....</i>	<i>89</i>
<i>Direct Deposit/Electronic Funds Transfer .....</i>	<i>89</i>
<i>Electronic Benefit Transfer .....</i>	<i>90</i>
<i>Combo Printing .....</i>	<i>90</i>
<i>Federal Agencies Centralized Trial Balance System .....</i>	<i>90</i>
<i>Vendor Inquiry System .....</i>	<i>90</i>
<b>Acquisition and Materiel Management .....</b>	<b>90</b>
<i>Electronic Commerce .....</i>	<i>90</i>
<i>Inventory Management and Distribution Strategies .....</i>	<i>91</i>
<i>Homeless Veterans Support Program .....</i>	<i>91</i>
<i>Contracting Initiatives .....</i>	<i>92</i>
<i>National Standardization of Medical Products .....</i>	<i>92</i>
<b>Office of the Assistant Secretary for Policy and Planning .....</b>	<b>93</b>
Strategic Planning.....	93
Quality Management.....	94

	<b>Page</b>
Policy.....	95
Statistical Analysis.....	96
<b>Office of the Assistant Secretary for Human Resources and Administration .....</b>	<b>97</b>
Employee Safety and Health.....	97
Labor-Management Partnerships .....	97
Human Resources Management .....	98
New Human Resources/Payroll Delivery System .....	98
Employee Development and Training.....	99
Staffing .....	99
Employment of Veterans .....	100
Affirmative Employment.....	100
Discrimination Complaints.....	101
VACO Renovation Project – Prospectus .....	101
VACO Building Management.....	102
Child Development Center .....	102
Police and Security Service .....	102
VA Law Enforcement Training Center .....	102
Emergency Preparedness .....	102
Enhanced Security .....	103
Franchising Services .....	103
<b>Office of the Assistant Secretary for Public and Intergovernmental Affairs .....</b>	<b>104</b>
News Media .....	104
Public Affairs Field Operations.....	105
Internal Communications and Special Projects .....	105
Intergovernmental Affairs.....	106
Consumer Affairs.....	107
<b>Office of the Assistant Secretary for Congressional Affairs .....</b>	<b>108</b>
<b>Statistical Appendix .....</b>	<b>109</b>

# **Introduction**

## **A Brief History**

The United States has the most comprehensive system of assistance for veterans of any nation in the world. This benefits system traces its roots back to the Pilgrims of Plymouth Colony, who in 1636 passed a law stating that disabled soldiers would be supported by the colony.

The Continental Congress of 1776 encouraged enlistments during the Revolutionary War by providing pensions for soldiers who became disabled. In the early days of the Republic, individual states and communities provided direct medical and hospital care to veterans. In 1811, the federal government authorized the first domiciliary and medical facility for veterans. During the 19th century, the nation's veterans assistance program was expanded to include benefits and pensions not only for veterans but also for their widows and dependents.

Following the Civil War, many state veterans homes were established. The state veterans homes provided domiciliary care and incidental medical and hospital treatment for all injuries and diseases, whether or not of service origin. Indigent and disabled veterans of the Civil War, Indian Wars, Spanish-American War, and Mexican Border period as well as discharged regular members of the Armed Forces were cared for at these homes.

Congress established a new system of veterans benefits when the United States entered World War I in 1917. Included were programs for disability compensation, insurance for service persons and veterans, and vocational rehabilitation for the disabled. By the 1920s, the various benefits were administered by three different federal agencies: the Veterans Bureau, the Bureau of Pensions of the Interior Department, and the National Home for Disabled Volunteer Soldiers.

Congress authorized establishment of the Veterans Administration in 1930 in order to "consolidate and coordinate government activities affecting war veterans"; and thus, the three bureaus became components of the Veterans Administration. Brigadier General Frank T. Hines, who directed the Veterans Bureau for seven years, was named the first Administrator of Veterans Affairs, a position he held until 1945.

The responsibilities and benefits programs of the Veterans Administration grew enormously during the six decades following its establishment. The VA health-care system grew from 54 hospitals in 1930, to include 173 medical centers; more than 375 outpatient clinics; 130 nursing home care units; and 39 domiciliaries in

1996; and the range of services provided by VA health-care facilities grew to include a broad spectrum of medical, surgical, and rehabilitative care. World War II (WWII) resulted in not only a vast increase in the veteran population, but also in a large number of new benefits enacted by the Congress for veterans of the war. The WWII GI Bill, signed into law on June 22, 1944, is said to have had more effect on the American way of life than any law since the *Homestead Act* almost a century before. Further educational assistance acts were passed for the benefit of veterans of the Korean conflict, the Vietnam era, Persian Gulf War, and the All-Volunteer Force.

In 1973, the Veterans Administration assumed another major responsibility when the National Cemetery System (except for Arlington National Cemetery) was transferred to the Veterans Administration from the Department of the Army. The Agency was charged with the operation of the National Cemetery System, including the marking of graves of all persons in national and state veterans cemeteries (and the graves of veterans in private cemeteries, upon request) as well as administering the State Cemetery Grants Program.

On March 15, 1989, the Department of Veterans Affairs (VA) was established as a Cabinet-level agency. President Bush hailed the creation of the new Department saying, "There is only one place for the veterans of America, in the Cabinet Room, at the table with the President of the United States of America."

### **Administrators of Veterans Affairs**

Frank T. Hines	(1930-1945)
Omar N. Bradley	(1945-1948)
Carl R. Gray	(1948-1953)
Harvey V. Higley	(1953-1957)
Sumner G. Whittier	(1957-1961)
John S. Gleason	(1961-1965)
William J. Driver	(1965-1969)
Donald E. Johnson	(1969-1974)
Richard L. Roudebush	(1974-1977)
Max Cleland	(1977-1981)
Robert P. Nimmo	(1981-1982)
Harry N. Walters	(1982-1986)
Thomas K. Turnage	(1986-1989)
Edward J. Derwinski	(1989)

### **Secretaries of Veterans Affairs**

Edward J. Derwinski	(1989-1992)
Jesse Brown	(1993- )

## **VA Organization**

The Department includes 3 administrations that provide for the delivery of services and benefits, 5 assistant secretaries and 13 deputy assistant secretaries who advise and support the Secretary and the administrations, and 7 Department staff offices that provide specific assistance to the Secretary. (See organizational chart at page xiv.)

## **Mission of the Department of Veterans Affairs**

The Department's mission is to serve America's veterans and their families with dignity and compassion and to be their principal advocate in ensuring that they receive the care, support, and recognition earned in service to this nation.

## **Secretary's Vision**

Our vision is as simple as it is noble: It is to provide our veterans with quality health care, timely benefits, and burial with dignity.

## **National Performance Review**

As the government's second largest Department with nearly a quarter-million employees, VA has an enormous stake in the Vice President's National Performance Review (NPR). In three years, VA became an organization striving to be the best in the business. VA developed service standards that meet customers' needs, cut obsolete regulations and directives, and is forming more partnerships with veterans organizations, business, and industry. The result is that VA customers are being served better than ever.

Unique among cabinet departments, VA's functions are almost all aimed at some form of direct customer service. VA continued to implement the *Putting Veterans First* philosophy, making it the cornerstone of each reinvention endeavor. Department-wide, every VA employee received training on this new corporate philosophy that may have at first seemed like stating the obvious, but which soon spurred enthusiastic response as employees and their supervisors accepted the challenge of doing better.

Reinventing VA is all about VA employees – the spokes of the reinvention wheel – accepting this challenge of *Putting Veterans First*. While employees are expected to perform their duties skillfully and compassionately, VA is learning constantly that expectations are exceeded. For example, during FY 1996, 41 VA teams received the Vice President's Hammer Award – the symbol of reinventing excellence. Some of the implemented ideas include a radio frequency computer system for administering medications; a lodging program for veterans who must travel significant distances from their homes to seek VA care; and a robotically-controlled microscope linking pathologists at one hospital with laboratories in

other hospitals, making it possible to render diagnoses over the information superhighway. In FY 1996, VA was presented with over 70 *Hammer Awards*.

The number of *Hammer Awards* received, however, does not begin to reflect the creativity of employees. To illustrate, VA eliminated nearly 900 forms that cluttered the medical system and over 2,000 Departmental directives; an electronic interface with Social Security Administration gives VA instant access to data needed for compensation and pension claims; vendors can go on-line and get payment data instantly; a new prime vendor program for contract medical and surgical services is cutting costs. As part of a government-wide effort, VA created a new format for telephone listings that is easier for customers to use and a VA Home Page on the Internet that includes the most frequently used VA forms. Veterans are receiving more personal attention, like having access to bedside telephones at every health-care facility. At some VA facilities, customers' cars are parked by VA employees and administrative areas and offices were moved from easily accessible floors of buildings to facilitate the expansion of outpatient clinics. One facility created a drive-through flu shot program.

VA's focus is the individual veteran where a VA patient gets all basic care from a primary care team that works with the veteran on a continuing basis. VA is issuing "smart cards" that contain basic patient data and increasing VA cooperative sharing arrangements with the Department of Defense and community providers. All across VA – in benefits offices, insurance centers, clinics, data processing facilities, and national cemeteries – there is a can-do spirit that has taken hold. VA beneficiaries are now given service standards by which they are told what to expect when they do business with VA, and what to do when VA fails to meet their expectations. VA is driving down waiting times, speeding up how long it takes to reach claims decisions, and giving veterans open access to VA employees who can explain things.

Furthermore, VA's expectations are exceeded not only in daily operations but also during crises and disasters. In April 1996, VA insurance specialists coordinated and issued the payment of insurance benefits to eight beneficiaries who were victims of the air disaster in Dubrovnik, Croatia, in which the Secretary of Commerce perished. During May 1996, VA counselors volunteered their time, expertise, and experience in handling post traumatic stress disorder to assist the devastated family members of those killed in an air crash in the Florida Everglades. Then in July 1996, when a Paris-bound passenger flight exploded over the waters off New York State, an emergency VA response team provided urgent mental health services to family members and brought a network of mental health professionals on-line for a 10-day around-the-clock operation. Even in the middle of Alaska's biggest forest fire in the summer of 1996, VA employees volunteered food, clothing, and counseling assistance.

*Putting Veterans First* is demonstrated through these and many other success stories. To ensure that the wheel is not being reinvented constantly, VA shares these best practices. In FY 1996, employees from VA and several other federal agencies formed the Interagency Benchmarking & Best Practices Council to provide "a resource for leveraging information and knowledge on benchmarking and best practices ... and to promote a world-wide, virtual learning organization and community on benchmarking and best practices." In addition, VA actively participated in three NPR-sponsored benchmarking consortium studies – World Class Courtesy, Customer-Driven Strategic Planning, and Downsizing.

In March 1996, VA participated in a government-wide Reinvention Lab Conference, convened by the Vice President, that brought together federal employees from more than 200 reinvention labs to exchange experiences, discuss successful organizational change strategies and identify continuing obstacles. Throughout FY 1996, VA actively took part in NPR's Canadian-U.S. Exchange Program to share reinvention and reengineering experiences between Canadian and U.S. career employees. VA also was instrumental in refocusing the mission of and securing continued funding for Federal Executive Boards (FEBs). FEBs were established in 1961 to ensure interagency coordination outside Washington, DC, and subsequently asked by the President in FY 1996 to assume local responsibility to improve customer service in addition to their other responsibilities. VA currently funds two FEBs – Cincinnati, OH, and San Antonio, TX.

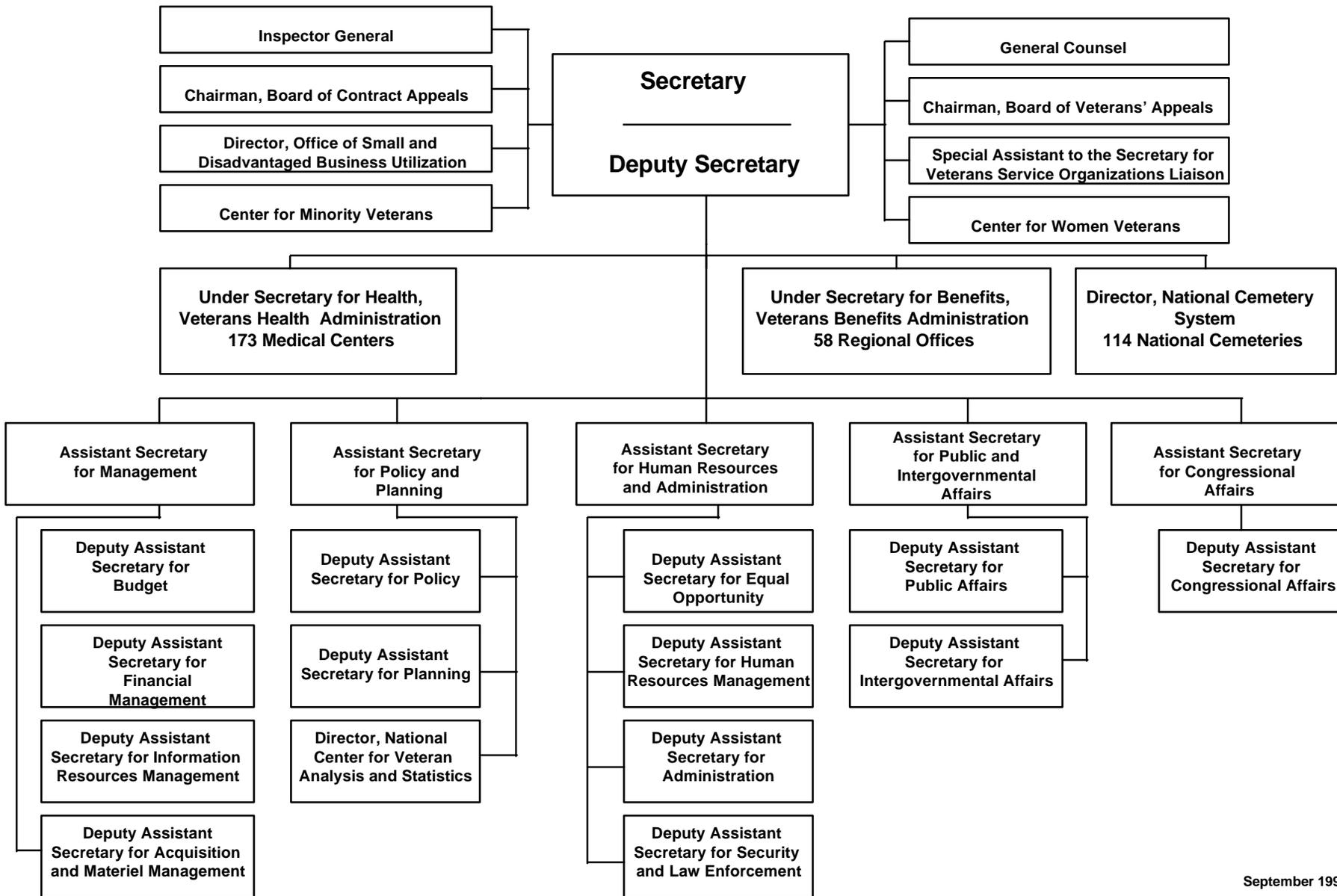
Moreover, VA implemented two White House initiatives to raise public awareness of improved customer service so Americans will know, based on their own personal experience, that the federal government is working better. First, VA committed to make timely access the hallmark of veterans medical care, give veterans and their dependents heightened interaction in benefits delivery, maintain cemeteries as benefit national shrines, and provide the advantages of electronic commerce to veterans and suppliers. VA receives much of its positive feedback electronically through the VA Home Page and VA Online.

Second, NPR, VA, and all other federal agencies took improvements in customer service as a result of reinvention on the road. Specific events were identified and scheduled between June and October 1996 at 26 of the largest U.S. cities. VA participated in 12 events at 11 cities – Baltimore, MD, Boston, MA, Cleveland, OH, Denver, CO, Houston, TX, Los Angeles, CA, Miami, FL, Milwaukee, WI, Phoenix, AZ, Pittsburgh, PA, and Tampa, FL. Examples of the types of events covered included *Hammer Award* presentations, reinvention lab kickoffs, grant openings, fact finding trips, and conferences.

As VA's reinvention wheel turned, the number of supervisors declined by 28 percent, headquarters staff was cut by 19 percent, and a 6 percent reduction

in management control positions. In FY 1996, 5,864 employees retired from VA, 2,220 received buyouts and 3,644 opted for voluntary early retirements without buyouts. VA's employees experienced major changes in FY 1996 which can be best summed up by a veteran paying tribute to those who worked during the 1996 furlough. ("Although VA employees weren't being paid (at the time) they were extremely nice and very courteous. They had to be stressed to the maximum, knowing that they couldn't provide for their families. Given the extreme circumstances, the employees demonstrated team effort and pride in their work. These people and thousands of others like them should be commended for their ability to act and function normally under all the recent abnormal situations.") VA commends all its employees who worked during the furlough and throughout FY 1996 and looks forward to a renewed challenge of *Putting Veterans First* in FY 1997.

# DEPARTMENT OF VETERANS AFFAIRS



# **The Veteran**

## **Summary**

Beginning with our nation's struggle for freedom two centuries ago, approximately 42.2 million men and women have served their country during wartime periods. Most (about 90 percent) served in one or more of the four major conflicts of the 20th century, with World War II veterans alone representing about 40 percent of all American war participants. As of July 1, 1996, an estimated 25.9 million veterans were living in the United States and the Commonwealth of Puerto Rico; 19.9 million of these veterans served during at least one wartime period. (See Table 1.)

## **Number of Veterans and Periods of Service**

The estimate of the veteran population living in the United States and Puerto Rico stood at 25,881,000 as of July 1, 1996. This figure represents an overall decline in the veteran population (317,000 less than the total as of July 1, 1995) as the result of a higher number of veteran deaths (534,000) than separations from the Armed Forces (217,000).

Vietnam era veterans, the largest segment of the veteran population at 8.2 million, declined in population for the third consecutive year. Deaths (55,000) outnumbered separations (30,000). World War II veterans, the second largest segment of the veteran population at 7.1 million, dominated the deaths to veterans (367,000). As of July 1, 1996, there were an estimated 8,248,000 living Vietnam era veterans, representing 32 percent of the total veteran population. Veterans who served during World War II are now the second largest component of the veteran population; numbering 7,066,000, they constituted 27 percent of the overall veteran count. World War II veterans accounted for 69 percent of all veteran deaths (367,000) between July 1, 1995, and July 1, 1996.

Two other major conflicts and the Persian Gulf War contributed to the total count of United States wartime veterans. Living Korean conflict participants totaled 4,396,000 (17 percent of all veterans), Persian Gulf War veterans numbered 1,658,000 (approximately 6 percent of all veterans), and World War I veterans numbered 9,600 (less than one-tenth of 1 percent) as of July 1, 1996.

Approximately 6.0 million veterans (23 percent) served only during peacetime. Almost equal numbers of these peacetime veterans served only between the Korean conflict and the Vietnam era (2.8 million) or only between May 7, 1975, and August 1, 1990, during the post-Vietnam peacetime era (3.0 million).

## **Age of Veterans**

As of July 1, 1996, half of all living veterans were older than 57.4 years of age (the median age) and half were younger. Veterans under 45 years of age constituted 22 percent of the total, while those aged 45 to 64 represented 43 percent. Veterans 65 years of age and older accounted for 35 percent of the overall veteran count. The 80- to 84-year old age group showed the greatest relative increase (23 percent) in number, followed by the 85 and older group (13 percent) over the last year, reflecting the aging of World War II veterans. (See Chart 1.)

Approximately 26 percent of all civilian males 18 years of age and older in the U.S. were veterans on July 1, 1996. This percentage varied by age, reflecting the degree of our nation's involvement in each of the major armed conflicts of this century. For example, of those civilian males aged 70 to 74 years, 76 percent were veterans, clear evidence of the extent of our participation in World War II; among civilian males aged 45 to 49 years, 36 percent were veterans, reflecting America's participation in the Vietnam War. (See Chart 2.)

## **Female Veterans**

The female veteran population of 1.2 million constituted 4.7 percent of all veterans living in the United States and Puerto Rico on July 1, 1996. Female veterans as a percent of all veterans are expected to increase since the number of former military servicewomen continues to increase, although at a slow pace, in contrast to the decline of the male veteran population. In general, the demographic profile of the female veteran population stands in contrast to that of the male veteran population. Differences in age and period of service are notable examples.

The median age of female veterans (45.1) is more than 12 years younger than the median age for male veterans (57.8). The growing involvement of women in the military in recent years is reflected in period-of-service differences between male and female veterans. More than 46 percent of all female veterans, for example, served only during the peacetime period following the Vietnam era (May 7, 1975, through August 1, 1990) or during the Persian Gulf War, in contrast to about 17 percent of male veterans.

## **Characteristics of Veterans**

Data on various characteristics of veterans and nonveterans are obtained from the Current Population Survey (CPS) through a contract agreement with the U.S. Bureau of Census and with the approval of the Department of Labor, sponsor of the survey. CPS data include information on labor force, employment, income, and education of veterans and nonveterans. It is important to note, however, that the CPS population estimates may differ from

official VA estimates because the two sources of estimates are subject to different kinds of statistical error. Also, the veteran population base may differ from one section to another, depending on the reference year, i.e., whether it is fiscal or calendar year.

### ***Education***

Education plays a critical role in the social and economic achievements of individuals. In 1996, as was the case in 1995, significant differences are observed when one examines the distribution of male veterans and nonveterans by highest level of education attained. As is shown in Table 2, among males 20 or older, 14 percent of veterans had not graduated from high school compared to 19 percent of nonveterans. A higher proportion of veterans than nonveterans had completed high school and not attended college (36 percent and 31 percent, respectively) and completed 1 to 3 years of college (28 percent and 25 percent, respectively). Nonveterans, on the other hand, had a slightly higher proportion with 4 or more years of college (25 percent and 22 percent, respectively). An equivalent proportion of veterans and nonveterans had graduated from high school and acquired at least some college education (50 percent). (See Table 2.)

The pattern described above is also observed for Vietnam era veterans and nonveterans aged 40 to 54, and post-Vietnam era veterans and nonveterans aged 20 to 39. Since income and education tend to be correlated, it is worth noting that a higher proportion of Vietnam era veterans than nonveterans had at least some college (60 percent and 54 percent, respectively). But the same is not the case for post-Vietnam era veterans aged 20 to 39 and their nonveteran age counterparts: 49 percent of veterans compared to 53 percent of nonveterans had at least some college.

### ***Labor Force***

About 15 million veterans, representing 59 percent of the non-institutional veteran population, were in the labor force in FY 1996. The veterans' labor participation rate of 59 percent, however, was about 10 percentage points lower than the participation rate of nonveterans 20 years of age or older. While comparing data on labor force and employment for veterans and nonveterans, one should keep in mind that there are significant differences in their sex and age compositions. More than 90 percent of veterans are, for example, male and the proportion of males beyond retirement age is higher for veterans than for nonveterans.

Among male veterans aged 20 years or older, about 14 million, or 60 percent of the male veteran population, were in the labor force in FY 1996. This is in sharp contrast to 83 percent of 54 million nonveteran males 20 or older in the labor force. The difference in the overall participation rate between male veterans and nonveterans reflects the higher proportion of veterans in the

retirement years, 65 or older, who are no longer in the labor force. For male post-Vietnam era veterans and nonveterans aged 20 to 39, and male Vietnam era veterans and nonveterans aged 40 to 54, the labor participation rates ranged from 90 to 94 percent.

The female veteran labor force of 717,000 is only about one percent of the size of the civilian nonveteran female labor force aged 20 or older. The labor force participation rate of female veterans (58 percent) was slightly lower than the participation rate of female nonveterans (60 percent). In the age groups, 20 to 39 and 40 to 54, however, the proportion of female veterans in the labor force was higher than that proportion for female nonveterans. (See Table 3.)

### ***Unemployment***

The unemployment rate of 3.9 percent among veterans 20 or older, both sexes, was lower than the 4.9 percent rate for their nonveteran counterparts. The unemployment rate of 3.8 percent for male veterans aged 20 or older was more than 1 percentage point lower than the rate for their male nonveteran counterparts. While the unemployment rate of male veterans 20 or older was lower than male nonveterans of the corresponding age group, the unemployment rate among the younger males 20 to 39 years of age was higher for post-Vietnam veterans (6.1 percent) than nonveterans (5.7 percent). The substantially higher percentage of college graduates in this age group among nonveterans (23 percent) than veterans (12 percent) probably accounts for much of the unemployment rate difference. However, older male veterans in the labor force had lower unemployment rates than their nonveteran counterparts. The 3.3 percent unemployment rates of male Vietnam era veterans aged 40 to 54 and all male veterans 55 to 64 years of age were lower than the unemployment rate among male nonveterans aged 40 to 54 (3.8 percent) and male nonveterans 55 to 64 years of age (3.4 percent).

Female veterans 20 years of age or older experienced a higher rate of unemployment than their nonveteran counterparts, 5.9 percent compared to 4.8 percent. Among females aged 20 to 39 and 40 to 54, veterans had higher unemployment rates than nonveterans. (See Table 3.)

### ***Income***

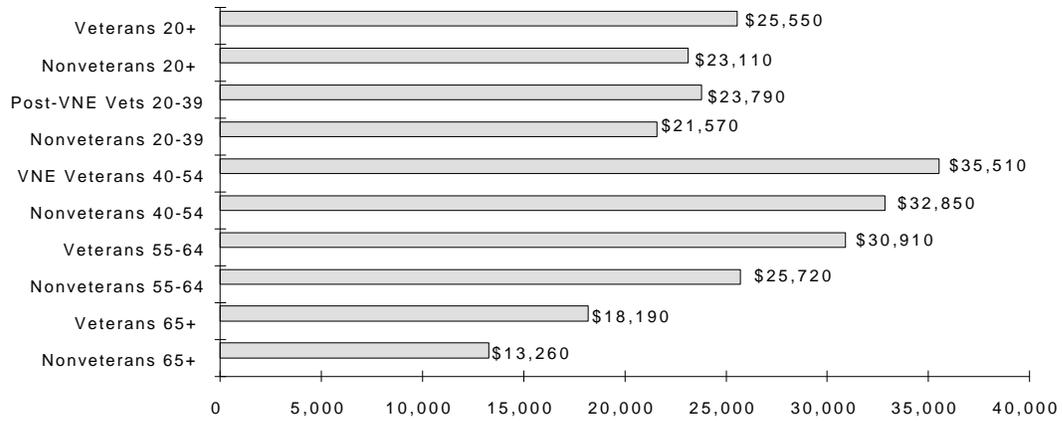
In general, personal income was higher for male veterans than male nonveterans due to differences in their age, and, in part, to differences in education, job skills and training. The median income of \$25,550 for veterans aged 20 or older was 11 percent higher than the median income of \$23,110 for nonveterans 20 or older. For all the groups shown in Chart 3, the median income of \$35,510 for Vietnam era veterans aged 40 to 54 years was the highest, 8 percent more than their nonveteran age counterparts (\$32,850). Similarly, the youngest veterans 20 to 39 years of age, i.e., post-Vietnam era veterans, had a

median income 10 percent higher than the median income of nonveterans of similar ages: \$23,790 for post-Vietnam era veterans compared to \$21,570 for nonveterans. The difference between the income of veterans and nonveterans becomes more pronounced as age increases. The median income of veterans aged 55 to 64, for example, was 20 percent higher than the median income of nonveterans of that age group, \$30,910 for veterans compared to \$25,720 for nonveterans. Similarly, the median income of \$18,190 of veterans aged 65 or older was 37 percent greater than the median income of \$13,260 for nonveterans.





**CHART 3. Median Personal Income (1995) of Male Veterans and Nonveterans by Age, March 1996**



# **Health Care**

## **Veterans Health Administration**

The Veterans Health Administration (VHA) continued its sweeping transformation and re-engineering as outlined in *Vision for Change* and *Prescription for Change*. Building on the foundation laid in FY 1995, VHA implemented the new Veterans Integrated Service Network (VISN) structure, restructured headquarters, and shifted focus on health-care value. FY 1996 brought significant success to the administration – a new accountability standard was set, a new resource allocation model is being implemented, and medical centers focused on increasing customer satisfaction. Reports currently under review may significantly change allocation of research funds and the number and type of residents trained in VA's affiliated medical facilities. In addition, legislation to reform eligibility will bring about even more positive changes.

The concept of health-care value is taking root. VA healthcare facilities are now, more than ever, embracing new ways of providing health care in a way that is convenient, responsive, caring and efficient. The “New VHA” is paying attention to the future by developing and improving its various resources including: human, information, infrastructure, technology, research, and education. VHA is striving to keep the patient at the center of health services delivery while managing a continuum of comprehensive, coordinated services in an efficient and effective manner. VHA believes this will lead to improved clinical outcomes, lower costs through improved efficiency, and increased patient satisfaction especially for patients having chronic diseases.

Throughout the system, an increasing momentum and energy can be felt as the changes initiated in FY 1995 become realized.

### **Eligibility Reform**

Recently enacted legislation to reform eligibility will bring about even more sweeping and fundamental changes in how VA provides care. Public Law 104-262 eliminates the restrictions on providing needed medical services on an outpatient basis. It also requires VA to manage the provision of health-care services through an annual enrollment system according to priority categories established in the law, with the highest priority to those with service-connected conditions. Other provisions allow VA to enter into sharing agreements with any health care provider, including health care plans and insurers, for services, the use of equipment, or space. These changes provide VA with flexibility in how it provides care to veterans. VA will no longer have to needlessly admit patients

and will be able to treat them sooner and closer to where they live. VA believes that, as the law requires, health-care programs will be designed and managed in a manner that promotes cost-effective delivery of health-care services in the most clinically appropriate setting. With savings generated from efficiencies realized, VA will maintain its capacity for providing specialized services to disabled veterans and meet additional demand.

## **Organizational Performance and Accountability**

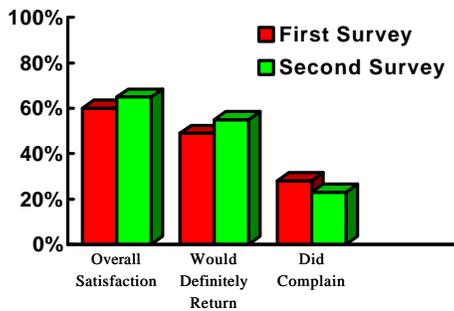
On October 1, 1995, VHA officially implemented its new organization, moving from 4 large regions to 22 smaller networks of facilities. These Veterans Integrated Service Networks (VISNs) form groups of medical centers working together to strengthen referral patterns, stress primary care, and provide accessible, customer-oriented care to veterans in their areas. In conjunction with this reorganization, VHA Headquarters downsized over 20 percent and decentralized much operational decision-making authority to the field.

VHA established a strategic planning process that is intended to produce realistic plans for achieving VHA's goals and objectives as outlined in the *Prescription for Change*. Network plans will describe actions that they intend to take to reach annual goals. Headquarters will rely on these plans to catalogue an inventory of important changes, to develop the VHA national business plan and to support reporting requirements to Office of Management and Budget and Congress.

The success of implementing VHA's strategic goals is assessed through the performance management system that is designed to ensure timely, valid, and reliable information across five Domains of Value. These domains are: customer satisfaction, technical quality, functional status, access and cost/price. The interplay among these Domains of Value allows management to understand, for example, if cost decreases are impacting customer satisfaction. Performance plans with specific improvement goals were developed with VHA's 22 network directors. The performance measures, developed to track performance related to these goals, form the basis of VHA's performance management system. By these actions, VHA made progress towards creating a model health-care system of the future.

## **Customer Service Standards**

VHA's National Customer Feedback Center (NCFC) began surveying patients in FY 1994. The NCFC identified statistically significant improvements in nearly all customer service standards in the second Recently Discharged Inpatient survey. Key measures of overall satisfaction are summarized in the following chart:



### ***Eligibility Process for VA Medical Care***

Customer service was improved through the Data Collection Pilot program that simplifies the application process for veterans whose eligibility for VA medical care (medical care, prescription co-payment exemption, and travel reimbursement) is based on income. The program enables these veterans to complete a single application in a calendar year instead of one for each benefit at the medical facility providing care.

Each veteran's eligibility information is maintained in the centralized Income Verification Match database and is made available to VA medical facilities. The pilot program was launched at VA medical facilities in North Carolina and in Massachusetts. By July 1996, all medical facilities located in VISN 1 were included in the pilot.

### ***Recreation Therapy***

VA supports six national events for the benefit of veterans served by VA medical facilities. These programs enhance the physical, social, mental and emotional well-being of disabled veterans and raise awareness of the rehabilitative value of recreation/creative arts therapies. Examples include the National Disabled Veterans Winter Sports Clinic, co-sponsored by the Disabled American Veterans (DAV), held in Crested Butte, CO, and the Summer National Veterans Wheelchair Games, co-sponsored by the Paralyzed Veterans of America (PVA), held in Seattle, WA.

VA contributed to the success of the 10th *Paralympic Games* held in Atlanta, GA, in FY 1996. VA was asked to assist the Atlanta Paralympic Organizing Committee in assembling a team that consisted of physicians, public affairs personnel, volunteers, and recreation therapists to support the athletes. During ten days of competition, more than 3,500 disabled athletes represented 127 countries. Twelve of these athletes were disabled veterans competing on the U.S. Paralympic Team.

## **Quality and Functional Status**

### ***Patient Care Services***

Effective September 1, 1996, the Office of Patient Care Services was reorganized into 12 Strategic Healthcare Groups to provide a more patient-focused structure that emphasizes multidisciplinary collaboration.

### ***Primary Care***

One of VHA's primary strategic and quality goals is implementing primary care throughout VA. Many of VHA's quality initiatives and improvements in FY 1996 addressed this goal. In FY 1996, a national survey on primary care was developed and conducted. The first survey indicated that significantly more patients were recently enrolled in primary care, bringing VHA's total enrollment to nearly 60 percent. In addition, primary care performance measures are being finalized. These measures include waiting times for primary care appointments, continuity of care, and customer satisfaction.

### ***Women Veterans***

The Women Veterans' Health Program developed and sent to medical facilities and Vet Centers a video entitled *Sexual Trauma Sensitivity* to raise the awareness of VA staff to the issues of sexual trauma. The video demonstrates ways to interact with women veterans who were sexually traumatized.

VHA established the *Mammography Quality Standards* Office at VAMC Durham, NC. Forty-six VAMCs now have mammography equipment. During FY 1995, 27 of these mammography facilities attained full accreditation by the American College of Radiology, and in FY 1996 an additional 15 facilities attained full accreditation. The remaining 4 facilities have provisional accreditation and are continuing with the accreditation process. Full accreditation indicates complete conformity with the Federal *Mammography Quality Standards Act of 1992*, which all private sector facilities must meet.

### ***Acquired Immunodeficiency Syndrome***

VHA is the nation's largest single provider of health-care services for patients with human immunodeficiency virus (HIV) infection and/or Acquired Immunodeficiency Syndrome (AIDS). By the end of March 1996, VA treated more than 24,800 patients since the beginning of the epidemic. During FY 1996, clinical care efforts were directed toward the development of clinical guidelines or recommendations on the promising new anti-retroviral drugs treatment and viral load measurements. Educational efforts focused on anti-retroviral treatment and viral load testing as well as on neurological conditions associated with HIV. Attention was also directed

toward the post-exposure preventive treatment of health-care workers occupationally exposed to HIV, using Public Health Service provisional recommendations.

### ***Post Traumatic Stress Disorder***

A recent study reported on the clinical outcomes and cost effectiveness of treatment in long-term Specialized Inpatient Post Traumatic Stress Disorder (PTSD) Units as compared to shorter term Evaluation and Brief Treatment (EBT) and PTSD Units and general psychiatry units. The study demonstrated that veterans treated by EBT and PTSD Units showed improvements in symptoms and social functioning that were sustained in the year following discharge as compared with the others. In addition, veterans were more satisfied with their care on these units and the care was also somewhat less expensive.

### ***Readjustment Counseling***

Performance-based accountability is being advanced to local veterans through development of performance measures that will enhance the collection of useful program data. A combined study of the prevalence of PTSD in Persian Gulf veterans seeking care at Vet Centers was recently cited by GAO as an example of effective program evaluation. The Vet Center's easily accessible community-based services and client-centered attitude were functions highlighted by the Under Secretary for Health as values that should be adopted by all VHA health-care facilities as part of the reorganization.

### ***Substance Abuse***

Over 25 percent of veterans treated by VA medical facilities have a primary or secondary diagnosis of substance abuse. VA developed a continuum of services to address the complex needs of these veterans. Innovations in care include treatments with Opioid substitutes such as methadone maintenance in over 30 VA facilities. Increasing emphasis is being placed on early diagnosis in the primary care setting. To enhance quality of services, the Program Evaluation and Resource Center conducts ongoing monitoring of the care provided.

### ***Psychosocial Rehabilitation***

In FY 1996, the number of veterans served in Psychosocial Rehabilitation programs exceeded 3,500. The number of programs expanded to 100 Compensated Work Therapy (CWT) Programs, 88 Incentive Therapy Programs, 50 Vocational Rehabilitation Therapy Programs, 28 Therapeutic Printing Programs, and 46 CWT/Transitional Residence Programs. The value of contracts in CWT grew to over \$30 million in FY 1996, which represents a seven fold increase in the value of contracts for CWT and a doubling of the number of programs since 1990. The CWT/Veterans Construction Team, which provides construction supported employment opportunities with government agencies such as DoD and VA, expanded to over \$1 million in contracts per year.

The CWT/Transitional Residence program was authorized 50 residences for those veterans needing psychiatric residential rehabilitation treatment. These residential programs teach the skills necessary for veterans to transition from VA to live and work independently in the communities where the residences are located. Many sub-contracts with the private and public sector are also negotiated through the CWT/National Procurement Office for CWT facilities. Over 5,000 out-sourced contracts with industry were developed to provide sub-contract work for vocational evaluation, supported employment, and direct job placement.

### ***Homelessness***

The VA's Northeast Program Evaluation Center conducted the first one-day census survey to determine the extent of homelessness among veterans in VA's acute inpatient program and domiciliary programs. Results of the survey, available in March 1996, showed that 23 percent of the veterans treated in these bed sections were homeless upon admission and another 7 percent lost housing during their inpatient stay. A report of these findings was transmitted to Congress.

### ***Therapeutic and Rehabilitative Activities***

Clinical algorithms outlining rehabilitative care for rehabilitation of the stroke and lower extremity amputee patients were implemented successfully at 19 VA medical centers. Twenty-five other VA medical centers adopted these clinical methods. Acute and subacute inpatient medical rehabilitation programs continue to participate in the submission of functional outcome and cost efficiency data to the Uniform Data System of Medical Rehabilitation. This national and international data system allows VA medical rehabilitation programs to compare their performance with other VA and private sector inpatient rehabilitation programs.

### ***Medical Reviews***

During FY 1996, potential system problems were identified by the Office of the Medical Inspector that led VHA to address these issues. Actions taken include, forming a task force and a plan to study the incidence of patient abuse, developing a proposed regulation addressing the observation of outpatients receiving certain types of medications, issuing a call for the evaluation and review of disaster plans for currentness, and implementing more realistic simulations in all VHA facilities.

### ***Spinal Cord***

The Scientific Advisory Panel for Spinal Cord Disease finalized recommendations for national reports based on national spinal cord registry data. It is believed that the provision of clinical care will be improved by local use of the registry

---

<sup>1</sup> Included in compliance with 38 U.S.C. § 1718(c)(3).

information. National information from the registry will improve VHA's ability to determine policy, plan effectively, assess utilization patterns, measure outcomes, and improve research.

## **Access and Timeliness**

### ***Persian Gulf***

VA medical facilities continue to provide physical examinations and medical treatment to many Persian Gulf War veterans. More than 180,000 Persian Gulf War veterans received medical attention offered at VA medical centers. During FY 1996, VA established a temporary program for no-cost medical examinations for the spouses and children of Persian Gulf War veterans.

The clinical experience gained treating Vietnam veterans along with VHA's authorization to treat Persian Gulf War veterans at Vet Centers has encouraged early access to readjustment counseling services. Early entrance into counseling is believed to improve the treatment outcome for war-related PTSD. As of the end of July 1996, 72,051 Persian Gulf War veterans were seen at Vet Centers systemwide.

### ***Access Points***

*Readjustment counseling* services were implemented for Native American veterans in two initiatives – one in Chinle, AZ, on the Navajo reservation, and the second outstationed from the Anchorage, AK, Vet Center. Both sites will enhance services to Native American veterans through geographic proximity and cultural familiarity between the service providers and the veteran consumers.

A new 15 bed *Blind Rehabilitation* clinic located at VAMC Augusta, GA, opened in January 1996. With the opening of this clinic, VA has 22 new full-time Visual Impairment Services Team Coordinators. An expanded 8-bed unit for *Bone Marrow Transplant* was opened at the VAMC San Antonio, TX, and was featured at VA's first annual cancer symposium held there in September 1996.

New VA-operated *Nursing Home Care Units* (NHCUs) were established at Baltimore, MD, and Oklahoma City, OK, bringing the total number of NHCUs in VA to 131. The *Geriatric Research, Education, and Clinical Center* (GRECC) at Baltimore, MD, was approved. There are now 16 GRECCs in VA.

A recent survey of VA *hospice services* revealed that the number of inpatient hospice units at VAMCs increased from 45 in 1993 to 56 in 1996. Additionally, all VA medical facilities now have a hospice consultation team.

A new directive was issued that establishes the policy and procedures allowing networks to request new *Community-Based Outpatient Clinics* (CBOC). The first list of requested CBOCs under this policy was submitted to Congress for review. It is expected that 12 new clinics approved under this process will open in FY 1997.

### ***Prosthetic and Sensory Aids***

The decentralized procurement of artificial limbs was accomplished through a collaborative partnership of Prosthetic and Sensory Aids Service and the Office of Acquisition and Materiel Management. A template was developed to use for soliciting local artificial limb contracts. Local contracts will improve access, control, and monitoring of services. Contracts can be tailored to meet local requirements, which will provide a degree of flexibility that is not currently available.

### ***Women Veterans***

All VA medical facilities now have a Women Veterans Coordinator, 75 of these coordinators are full-time. An orientation desk reference for new Women Veterans Coordinators was developed to provide the information, knowledge and skills necessary to define their roles and functions.

A new nationwide toll-free mammography information line (888-492-7844) now expands VA's medical services to women veterans. Helpline staff can answer questions about VHA mammography and refer callers for help in arranging a mammogram at their nearest certified facility or through the women veterans coordinator at their nearest VA medical facility. Facilities that do not have their own mammography equipment make mammograms available to qualified veterans through Food and Drug Administration-certified providers. The telephone number has been noted on VA's Internet home page at [www.va.gov](http://www.va.gov).

### ***Sickle Cell Anemia<sup>2</sup>***

VA continues to support Sickle Cell Anemia services, including counseling and teaching. Testing is available in all VHA facilities, either in their own laboratories or via the special hematology reference lab testing. The last survey indicated more than 17,650 patients were screened and 3,354 educational sessions held for more than 44,394 patients, family members, and visitors.

### ***Pharmacy***

The Consolidated Mail-Out Pharmacy (CMOP) located in Murfreesboro, TN, became operational in FY 1996 and joined the four existing sites located in

---

<sup>2</sup> Included in compliance with 38 U.S.C. § 1754.

Bedford, MA, Dallas, TX, Leavenworth, KS, and West Los Angeles, CA. While not operating at full capacity, the CMOP sites currently support 73 VA medical centers and fill 300,000 prescriptions weekly. The CMOP programs have had a significant impact in improving customer service, timeliness and efficiency. The automated services dramatically cut turnaround time for prescriptions, reduce overall operating expense, and improves customer service. VHA also established a Pharmacy Benefits Management (PBM) service line to coordinate the management of pharmaceuticals. In FY 1996, the PBM issued drug treatment guidelines and established a national formulary. The goal of the PBM is to assure the appropriate use of medications for veterans under treatment by VHA.

## **Efficiency and Cost Reductions**

### ***Cost Distributions***

During FY 1996, VHA implemented a new medical care workload pricing policy called "Blended Rates," which begins to shift resources on the basis of expected patient care workload and efficiency. Blended Rates is a method to set prices for prospective VA medical care workloads. During FY 1996, the Under Secretary for Health issued a policy that gives the VISNs greater flexibility to manage their resources. These actions are significant steps toward a capitation-based allocation system for FY 1998. The VHA capitation-based resource allocation system will enhance VHA's ability for allocating resources in an equitable manner, will encourage use of the most appropriate setting for each episode of care, and will support VHA's special programs and other unique patient populations.

### ***Procurement and Payments***

Significant changes continue in the way VHA manages procurement and payments. A major project was undertaken to begin using the International Merchant Purchase Authorization Cards (IMPAC) program (purchase cards) for all micro-purchases under \$2,500. During FY 1996, the program steadily grew to where 70 percent of all micro-purchases are made by purchase cards.

To take advantage of economies of scale, VHA is pursuing a policy of standardizing medical products so concentrated buying power can be exerted through single award contracts, securing high quality products at the best possible prices. It is believed that significant savings will be achieved using this approach. Standardization initiatives are based on clinical and administrative analysis and procurement history information. User groups in the areas of nursing, surgery, rehabilitation, dentistry, laboratory/pathology, and food/nutrition are identifying products for which system-wide contracts can be pursued.

## ***Financial Information***

The Income Verification Match (IVM) program matches financial information provided by veterans with information obtained from the Internal Revenue Service and the Social Security Administration. During FY 1996, 64 percent of the identified discrepancy cases resulted in changes in the veteran's eligibility category from mandatory (Category A) to discretionary (Category C). The program identifies previously unknown third party health insurance information. The identification of \$8.3 million in billable costs is attributed to the identification of third party health insurance coverage.

## **Benchmarking and Re-Engineering**

### ***Benchmarking***

VA, as one of two lead agencies, is working in cooperation with nine other federal agencies and the Vice President's National Performance Review (NPR) staff in performing and publishing a government-wide benchmarking study on *World Class Courtesy*. The completed study is expected to be available in FY 1997, and follows the VA-led NPR study, *Best Practices in Resolving Customer Complaints*, published in March 1995. VA and other federal agencies will be encouraged to perform a gap analysis of their own methods of ensuring "courtesy" to their customers, and then take those steps necessary to meet and exceed the current best practices.

### ***Re-Engineering***

VA's *design and construction standards program* was re-engineered to move away from big high-tech hospital standards to VA outpatient and primary care, resulting in an increase in the satisfaction of medical center staff. Standards were benchmarked with the private sector to eliminate as many bureaucratic requirements as possible, saving several million dollars each year.

A new system for electronically tracking construction changes was developed. It is the first of its kind in the federal government. The purpose of the Proactive Claims Analysis and Tracking System is to identify recurring construction problems that result in change orders, claims and delays, and then to take positive steps to avoid such problems in the future. This feedback system provides management information that improves the planning, design, and construction process that translates into better facilities for America's veterans. It also empowers VA networks and medical center personnel with a broad information base to make informed and timely decisions.

Ten VA medical centers are pilot testing the *Medical Care Cost Recovery* (MCCR) re-engineering initiative to improve inefficiencies. In the last two years, these sites implemented a pre-registration process that resulted in over 10,000 patient

database changes. In FY 1996, these changes helped increase MCCR receivables by over \$18 million and collections by over \$4.5 million. The 10 pilot sites also implemented scanning of outpatient clinical data into DHCP, tested the feasibility of using an enhanced patient data card to streamline patient registration and intake processes, and began to work on an electronic interchange between medical facilities and their respective Regional Councils.

On August 5, 1996, subsistence contracts were awarded to five prime vendors that will be the procurement sources for VA *medical center food service* departments. The objective of this solicitation is to *privatize* the purchase, storage, and distribution of subsistence products for VA medical centers. This is not only cheaper than the old depot system, but also provides better prices from a larger selection of products. VA will begin negotiations with manufacturers for even greater cost savings and accelerate product standardization.

VHA's Directives and Forms process exceeded \$12 million annually for printing and paper distribution. In FY 1996, VHA was funded to begin to automate the process nationwide, using CD-ROM. The CD-ROM process will result in an immediate cost saving of \$1 million in the first year for directives and forms. It is projected that this project will also reduce VHA Headquarters costs by 50 percent for printing, wrapping, distributing, and storing.

## **Resource Development**

### ***Improvement in Sharing***

In close consultation with the Office of Management and Budget, and the Health Care Financing Administration (HCFA), VHA assumed responsibility for developing a detailed plan to implement a Medicare Pilot Project that will allow VHA to become a Medicare provider. VA submitted proposed legislation to Congress, which obligates both VA and HCFA, within 60 days of passage, to sign an agreement defining the operating parameters of the project.

VA and military health care facilities have over 700 sharing agreements for some 5,000 shared services. VA and the military services have seven joint venture construction project sites at various stages. In October 1995, VA activated a fourth joint venture site in El Paso, TX, with a new outpatient clinic adjacent to the Beaumont Army Medical Command facility. The other three active joint venture sites are in Albuquerque, NM, Las Vegas, NV, and Lawton, OK.

In FY 1995, the VA Under Secretary for Health and DoD Assistant Secretary for Health Affairs signed a Memorandum of Understanding (MOU), encouraging agreements between VA facilities and DoD's managed care support (MSC) contractors to allow VA facilities to treat CHAMPUS beneficiaries on a reimbursable basis. Following the DoD award of the MSC contracts, several of

the agreements were successfully negotiated and implemented. The agreements permit VAMCs to provide care to CHAMPUS beneficiaries by being part of the MCS contractors' provider networks. Agreements with MSC contractors are in place in Palo Alto, CA, and Dallas, TX, for a full range of medical services. The VAMC Charleston, SC, has an agreement for the provision of mental health services. Agreements covering VAMC Jackson, MS, and all facilities in the State of Florida were approved in September, and another involving VAMC San Antonio, TX, is under review. Asheville, NC, Syracuse, NY, and Indianapolis, IN, continue to provide health care services to military retirees and CHAMPUS eligible military dependents on a reimbursable basis. Revenue is used to improve services to veterans.

To expedite the award of sharing agreements<sup>3</sup> under which facilities are able to buy, sell, or exchange specialized medical resources with public or private health-care facilities, additional delegations of authority were made to field facilities in FY 1996. Competitive agreements valued under \$1.5 million and sole source agreements under \$500,000, may be executed by facilities without prior legal and technical review by VA Headquarters.

As a result of sharing agreements made with the Department of Defense, and other federal and state entities, *laundry agreements* were established with a variety of new customers. VA laundry facilities are now processing textiles for over 70 sharing customers and are generating over \$3 million in revenues at their parent medical centers.

The *Employee Education System* (EES) supported a collaborative effort organized by the Government Alliance on Training and Education by providing television and media services for a multi-agency training initiative. The broadcast fulfilled the annual ethics training, required by executive order and targeted at executive management and procurement officials in all government agencies. This broadcast delivered education to 7,000 employees in 29 federal government agencies nationwide.

### ***Improvement in Collaboration***

During FY 1996, *Persian Gulf Veterans' Illness* program officials issued an interim report to the Presidential Advisory Committee on Gulf War Veterans' Illnesses. VA worked closely with other federal departments and agencies pursuing scientific investigations to learn more about the problems of these veterans. The Persian Gulf War Veterans Coordinating Board, chaired by the Secretaries of Veterans Affairs, Defense, and Health and Human Services, revised its comprehensive research strategy to ensure that federal research efforts are designed to answer the varied concerns about veterans' illnesses.

---

<sup>3</sup> Included in compliance with 38 U.S.C. 8110(c)(9).

In FY 1996, VA awarded over \$5 million to more than 20 non-profit or state and local government agencies under the *Homeless Providers Grant* and *Per Diem Program* for the construction or renovation of facilities to be used as transitional housing or service centers for *homeless veterans*. In support of the Secretary's performance agreement with the President, the program also established more than 200 approved per diem beds with nine community providers.

In FY 1996, Mental Health Strategic Health Care Group and the Chesapeake Health Education Program (CHEP) organized the Homeless Veterans Training Conference that was held in tandem with a broader based conference entitled: *Communities Make the Difference: Ending Homelessness Takes All of Us Working Together*.

A formal partnership was formed between VHA and VBA to implement and support an initiative for delivering training and education using distance learning technology. The training is broadcast from a studio and received at 64 VBA facilities via satellite. These programs are also supported by two-way audio and remote site interactive participation through computer and participant keypad technology. Since the first broadcast in April 1996, over 116 hours of instruction were produced and delivered.

### ***Improvement in Contracts***

VHA selected seven corporations to provide *community nursing home* care under multi-State contracts. This single contract replaces hundreds of contracts that had been negotiated at the local level. VA guaranteed a minimum payment while the corporations guaranteed patient admission in 48 hours. Corporations were evaluated on the quality of their homes, programs and services offered, location of facilities, management of human resources, past performance, and pricing.

## **Information Management**

### ***Improvement in Information Management***

VHA is enhancing the telecommunications infrastructure for the VISNs, health-care facilities, and headquarters to improve patient care. The telecommunications infrastructure addresses sending and receiving voice, data, video, and images at acceptable speeds over local and wide area networks, and promotes effective management within the new VISN structure. This infrastructure serves as the foundation for VHA's enterprise information systems interconnectivity.

The Decision Support System (DSS), a three-year old system, is an executive information system that impacts patient management by providing data on patterns of care, patient outcomes, resource consumption, and the costs associated with health care processes. Ninety-seven VA medical centers nationwide are in various stages of implementing DSS. Of those 97 sites, 37 VA medical centers implemented the system and are producing cost and workload data for executive-management decision-making.

A *Veterans Universal Access Identification Card* (VIC) was developed to replace current embossed cards carried by VA veteran patients. This card, which includes a bar code, magnetic strip, and photo of the veteran, was installed and tested at six VA health-care facilities. Installation of the VIC nationwide is expected to be completed by April 1997. Initially, the card will be used for identification and check-in purposes, and in the future it will be used for applications such as identifying the last treatment location, automating requests for patient information, and providing kiosk service to veterans.

### ***Improvement and Innovation in Technology***

The use of *telemedicine* and health-care informatics is recognized as a critical component in improving patient and clinician access, the speed of clinical care, patient and clinician education, patient satisfaction, and reducing costs associated with duplicative clinical resources. Telemedicine technologies are proving especially beneficial in extending scarce resources in rural areas and during off-duty hours, and in allowing patients to assume an active role in their own course of treatment.

During FY 1996, pathologists at the VAMCs Milwaukee, WI, and Iron Mountain, MI, became the first physicians in the United States to render a pathological diagnosis using microscope robotics. VA expects continued rapid growth of telemedicine activities due to its existing organizational and technical infrastructure. VA was active in the Vice President's Joint Working Group on Telemedicine, including participation in the establishment of a national federal telemedicine inventory database.

VA's *Internet Worldwide Web* (WWW) server provides information on VA programs, veterans benefits, VA offices worldwide, and VA automation software. The VA WWW provides an average of 600,000 document retrievals to over 26,000 unique electronic addresses per month. This service is available 24 hours a day, seven days a week via the Internet. Internet mail is also available for specific inquiries and allows timely, individual responses from VA staff.

VA *Online Bulletin Board* continues to be available 24 hours a day, 7 days a week to veterans via a toll-free electronic bulletin board with Internet accessibility. The system allows military personnel in locations around the world to inquire about

benefits. During FY 1996, VA Online received over 125,000 calls, downloaded over 60,000 files and recorded over 18,000 messages by callers. Some of the more popular information modules accessed include the Vietnam Veterans Memorial Wall Directory, OPM Jobs Gateway, and VA Benefits Fact Sheets.

## **Infrastructure and Construction**

### ***Improvement in Infrastructure and Construction***

In FY 1996, 16 contracts, totaling \$243.1 million were awarded. This include 1 architect and engineering contract for design development, 3 contracts for construction documents, and 12 contracts for construction. The construction contracts include the following:

- Clinical improvements in Indianapolis, IN
- Seismic corrections in Memphis, TN
- Building renovation in Tuscaloosa, AL
- Ambulatory care projects in Columbia, MO, Gainesville, FL, Hampton, VA, Phoenix, AZ, Reno, NV (also replacement bed building), and San Juan, PR

Twenty projects were completed, totaling \$605.7 million, including the following:

- Replacement medical center in Detroit, MI
- 100-bed domiciliary in Palo Alto, CA
- 208-bed domiciliary in Leavenworth, KS
- Energy Center in Dallas, TX
- Laundry replacement in Knoxville, IA
- Nursing home care units in Lake City, FL, Palm Beach County, FL, Asheville, NC, Baltimore, MD, and Martinez, CA

### ***Land and Lease Acquisition***

During FY 1996, VA negotiated a no-cost land exchange of 1.01 acres from Vanderbilt University to be used for parking at VAMC Nashville, TN, and a no-cost transfer of 982.3 acres of federal land from the Army for a new cemetery in Chicago, IL. One residential house was purchased in Lyons, NJ, for VHA's

Compensated Work Therapy for the Transitional Residence Program, which now has an inventory of 47 houses.

VA awarded leases to operate outpatient clinics in Austin, TX, Eugene, OR, and Ponce, PR, to establish a Consolidated Mail-Out Pharmacy in Charleston, SC, and to expand a storage facility in Neosho, MO.

VA accepted newly constructed outpatient clinic space for occupancy in Mayaguez, PR, Redding, CA, Rochester, NY, and San Jose, CA. VA also accepted research space in Charleston, SC, and a footwear center in New York, NY.

### ***Enhanced-Use Leases***

The VBA Regional Office Houston, TX, Collocation/Mixed-Use Development obtained a building that was cost-effective and delivered ahead of schedule. This building saved taxpayers over \$6.2 million in capital costs while generating an additional \$10 million savings in annual operating costs.

On June 21, 1996, a preliminary agreement was reached between the State of Indiana and VA concerning the Enhanced-Use lease of a substantial portion of the Cold Spring Road Division of VAMC Indianapolis, IN. In return for the lease, the State of Indiana will provide monetary and in-kind consideration (provision of utilities, maintenance, construction, and other operational services) with a total estimated value in excess of \$15.6 million.

### ***State Veterans Home***

VHA expects to award grants, totaling over \$65.5 million for state veterans' home construction projects that will result in 729 new nursing home beds, 332 of which will replace existing beds at a state home built several years ago. VA will recognize ten new state veterans homes. These new homes will add a total of 1,300 nursing home beds and 220 domiciliary beds.

### ***Laundry Modernization and Integrations***

As part of VHA's ongoing laundry facility modernization program, 16 laundry modernization projects were managed during the year at an estimated value of \$59 million. As a part of VHA's National Management Improvement Program, 9 laundry integrations were initiated in 1995 and 1996; 14 are planned to be completed by 1998. These integrations should achieve cost savings of \$40 million by 1998.

## **Employer of Choice**

### ***Improvement in Becoming an Employer of Choice***

In order to meet the projected need for a 200 percent increase in nonphysician providers, *Nursing* has launched a national workgroup targeted to increase the number and expand the utilization of advanced practice nurses. The nearly 2,000 advanced practice nurses currently employed by VA provide primary care in a variety of clinical settings and have unlimited opportunities to deliver high-quality and cost-effective care to veterans in the community.

*Veterans Canteen Service* (VCS) has moved to transform the retail *Canteen outlets* into the "VA Company Store," providing a recognizable benefit to both patients and caregivers. The Retail Operations Staff accelerated the pace of retail renovations. By the end of FY 1996, VCS completed renovation projects on 10 new retail stores. Tremendous growth occurred in the number of new VCS food courts during FY 1996. Twenty-six food courts were opened. In FY 1996, VCS invested nearly \$4 million to purchase equipment and renovate retail stores, food courts, and vending outlets. This represents funding the taxpayers did not have to spend to improve facilities and enhance the quality of life for patients, employees, volunteers, and visitors.

Today, health care employees are facing significant ethical questions about issues such as "the right to die" and the ethical implications of major technologic breakthroughs in health care. The National Center for *Clinical Ethics* is responsible for addressing these emerging clinical ethical issues. In response to concerns, the center completed a comprehensive revision of the *VHA Informed Consent Policy*. In addition, the VA National Headquarters Bioethics Committee completed four new reports: Multicultural Providers, Professional Conflicts of Interest, Ethics Advisory Committees, and Long-Term Care.

A research protocol to evaluate the potentials of ozone laundering technology was prepared and completed by staff from VHA Headquarters and VAMC Biloxi, MS. The new technology could reduce the amount of chemicals and energy used to process VA's 250 million pounds of textiles by over 50 percent, saving \$5 million a year and would benefit the environment at the same time. Actual textile care processing will begin at VAMC Biloxi in 1997.

## **Employee Education**

### ***Improvement in Employee Education***

As part of VHA's reorganization, the new Office of Employee Education was created to provide an increased focus on the education, training, and competence of VHA employees. The Employee Education System (EES) is currently

transforming itself from 22 independent field units with designated geographic catchment areas, to an integrated and virtual education and training organization.

In partnership with Exerpta Medica, Inc., VHA developed a fully accredited Continuing *Medical Education* series, delivered on a monthly basis, for all healthcare professionals who practice within VA and all DoD hospitals. The series is in the process of expanding to 500 private and public hospitals.

EES and the VA *Women Veterans Health Program* collaborated to produce an ongoing series of satellite broadcasts providing system-wide programs to educate health-care and administrative personnel concerning special needs of women veterans. In addition, clinical problems and health issues of women in the primary care setting were addressed in a national training program for physicians, nurse practitioners, and physician assistants from facilities across the system.

Using review criteria developed by the RAND Corporation, VHA received funding for a 33-month study to evaluate the relative impact of 3 strategies for effective dissemination of the Agency for Health Care Policy and Research (AHCPR) clinical guideline on the prediction and prevention of pressure ulcers. The project is supported under an interagency agreement between AHCPR and VHA. The project is a demonstration of interagency collaboration.

New provider-patient communication training focuses on improving the effectiveness of physician/caregiver-patient communication. Since September 1995, 18 VHA clinicians were trained as faculty. Three workshops entitled *Provider-Patient Communications*, *Difficult Provider-Patient Relationship*, and *Communication -- A Risk Management Tool* were developed. In FY 1996, 33 workshops were conducted at VA facilities, providing training to approximately 600 employees.

The EES has several initiatives tailored to primary care training/re-training, and provides consultation and education in response to facility requests. Other initiatives include regular satellite broadcast programs on selected aspects of primary care, and a national training program on Women Veterans' Health Issues.

*Medical Care Cost Recovery* designed a PC based desktop information system that defines jobs, presents procedures, provides training, allows performance measurement, tailors training to performance deficits, and provides information necessary to support job performance.

### ***Improvement in Academic Education***

In FY 1996, a significant review and refocus of VHA's role in the education and training of health professionals began. Over three years, beginning with the next academic year, VHA will implement the recommendations of the Residency Realignment Review Committee in coordination with academic partners.

VHA will make a shift, over three years, of 1,000 specialty resident positions (approximately 11 percent of VHA medical resident positions); 750 of these will be filled as primary care positions and 250 positions will be eliminated. This plan may serve as a useful model for national efforts for physician work force planning. The realignment of VHA's graduate medical education portfolio will continue the progress that VHA has made towards training a greater proportion of generalist physicians while protecting specialties that are particularly germane to special VHA programs.

### **Breakthroughs in Research**

VHA continues its role as a world leader in medical and health-care research. Notable accomplishments during FY 1996 include:

- In a landmark study, a team of researchers at the VAMC Seattle, WA, reported the discovery of the first human gene associated with aging. The gene causes Werner's syndrome, a rare inherited disorder marked by premature aging. This is an important step in understanding the normal aging process in humans and how this process contributes to aging-related diseases. This gene is also expected to be linked with cancer formation.
- VA investigators reported that mastectomy may not be the best treatment for a certain kind of breast cancer called ductal carcinoma.
- VA investigators indicated newborn mice can be inoculated very early to enable protection against viral diseases. Their finding may change the immunization schedule of newborn humans.
- VA investigators demonstrated the effectiveness of the drug pamidronate in reducing bone destruction in patients with advanced multiple myeloma, a cancer prevalent in older patients. The drug may also slow the growth of the cancer cells.
- VA investigators demonstrated that two independent systems of memory are present in the brain. This new knowledge about how memories are stored and retrieved will likely lead to treatments to improve or repair brain damage in patients.

- VA investigators showed that mice lacking a specific brain receptor drank twice as much alcohol as normal mice and were more aggressive. This finding could help in understanding and treating alcohol dependency.
- Clinical trials of specific anti-HIV drugs can take years to complete because the outcomes measured are progression to AIDS or death. VA investigators determined that treatment-induced changes in blood HIV RNA levels and the CD4+ lymphocyte, taken together, are good predictors of the clinical progression of HIV disease and can be used to predict effective drugs during the first six months of therapy.
- VA Cooperative study determined a drug that relaxes smooth muscles in the prostate is the best drug therapy for benign prostatic hyperplasia (BPH), a common condition in men over 50 years of age. Until recently, surgery was the main therapy used to relieve symptoms of BPH.
- In June 1996, DoD and VA jointly announced the award of \$7.3 million for 12 new research efforts. In addition, VA announced competition for an Environmental Hazards Research Center on Reproductive and Developmental Outcomes to spur additional research on reproductive concerns of veterans and their families.
- VA and the National Institute of Dental Research entered into a joint clinical study entitled "Biomarkers for Oral Cancer." This three year study will examine changes in key biomarkers for malignant transformation in biopsy tissues of persons with oral lesions receiving care from VA.
- In FY 1996, VA's National Center for PTSD reported a study using Magnetic Resonance Imaging comparing the hippocampal volume of Vietnam veterans with PTSD and matched controls, finding an eight percent decrease in volume of the right hippocampus in veterans with PTSD. This documentation of a change in brain structure as a result of PTSD is not only significant in adding to our knowledge of the pathophysiology of PTSD, but is another proof of the biological reality of this disorder.

## **Medical Preparedness**

VA is included in coordinated federal responses to disasters. The Office of Emergency Medical Preparedness (OEMP) coordinates VA's role in providing support and medical care to veterans and other victims of natural and technological disasters, and to military personnel in support of DoD contingencies.

Under the Federal Response Plan and the National Disaster Medical System, OEMP coordinated significant emergency medical support for Hurricane Marilyn.

This included deployment of clinical specialists and emergency management personnel to provide medical care, pharmacy services, and stress counseling. VA also coordinated significant emergency medical support during the Oregon floods and Hurricanes Bertha, Fran, and Hortense that impacted Puerto Rico and the coastal regions of the United States.

# **Veterans Benefits**

## **Veterans Benefits Administration**

The mission of the Veterans Benefits Administration (VBA), in partnership with the Veterans Health Administration and the National Cemetery Service, is to provide benefits and services to veterans and their families in a responsive, timely, and compassionate manner in recognition of their service to the nation.

The climate in which VBA operates today has changed considerably over the last several years. VBA succeeded in meeting the challenge of change by implementing a number of modifications in the way VBA delivers benefits, in the way it is organized, in the way it is physically structured, and in its approach to resolution of short and long-term operating issues, in general – in the way VBA does business.

Some innovations that VBA is pursuing include: A team approach to claims processing, a re-design of Vocational Rehabilitation and Counseling program, and the introduction of state-of-the-art automation practices in the Insurance and Education programs. VBA efforts are designed with one purpose in mind – to continue to accomplish the mission to serve this nation's veterans in a responsive, accurate, efficient, and timely manner.

## **Veterans Outreach Services Program <sup>1</sup>**

During FY 1996, VBA offices made over 11 million public contacts for benefits information and/or claims assistance under the Veterans Outreach Services Program. The Veterans Outreach Services Program seeks to ensure that timely and appropriate assistance is provided to aid and encourage eligible veterans to apply for and obtain the benefits and services that permit rapid social and economic readjustment to civilian life and obtain a higher standard of living for themselves and their dependents. This program also has a long-standing commitment to reaching specific groups of veterans who are targeted for special assistance such as homeless veterans, elderly beneficiaries, and Persian Gulf War veterans.

The program's mission is carried out using various media such as toll-free telephone service, VA Online, the Internet, special mailings, news releases, publication of pamphlets and fact sheets, and benefit seminars or other forums in which information about VA benefits and claims assistance is furnished to attendees. In addition, personal benefits counseling is provided at VA regional and satellite offices, major military installations, VA health-care facilities, and

---

<sup>1</sup> Included in compliance with 38 U.S.C. § 7726.

away-from-office locations such as emergency shelters, senior citizen centers, and itinerant offices.

VA established a special outreach program for Persian Gulf War veterans during FY 1995 as mandated by Public Law 103-466. The Persian Gulf Information Center/Helpline (1-800-PGW-VETS) was opened in February 1995 and has received nearly 175,000 calls. The Helpline provides 24-hour service, 7 days a week and allows callers to obtain information about medical care, the Persian Gulf Registry, medical research involving exposure to environmental hazards, and disability compensation benefits for undiagnosed illnesses, resulting from service in the Gulf.

VA Online is an electronic bulletin board which provides a means of accessing VA benefits information. Through the use of a personal computer and by dialing a toll-free number (1-800-US1-VETS), VA Online was accessed over 110,000 times during FY 1996, and information was downloaded or printed from the bulletin board over 60,000 times.

VBA representatives conducted over 5,500 military briefings during FY 1996, which were attended by more than 230,000 active duty, reserve, and National Guard members. VBA conducted over 85,000 personal interviews with military personnel.

During FY 1996, representatives from VAROs visited approximately 5,000 homeless shelters and made more than 5,000 contacts with community groups and agencies who provide services to the homeless. They also made more than 25,000 contacts with homeless veterans needing or seeking assistance, including more than 7,000 referrals for rehabilitative health services or job assistance offered by VA's Homeless Chronically Mentally Ill Veterans Program and/or the Department of Labor.

VARO employees performed outreach at VA health care facilities conducting more than 280,000 interviews with hospitalized veterans.

## **Modernization and Veterans Service Network**

In 1995, VBA created the position of Chief Information Officer (CIO) responsible for developing and implementing a new direction for the use of VBA's information technology resources. This new direction requires the realignment of VBA information technology resources, both dollars and people, to support only those projects and initiatives that are VBA business program priorities. All non-priority items will either cease or be reduced dramatically. Implementation of program priorities will move VBA into its Veterans Service Network (VETSNET) environment. Initially, VETSNET will provide a user friendly interface and a standard payment accounting system for VBA's C&P and education benefit

programs. The database for this processing will be located at VA's Austin Automation Center. Subsequent phases of VETSNET will automate additional VBA programs and activities based upon results of ongoing business process reengineering efforts.

Among VBA current priority projects are:

- **Stage II Imaging** – The current imaging system at the St. Louis Regional Processing Office is being converted to the new Stage II Imaging technology.
- **Education System Replatform/Redesign** – Education benefit systems, including Chapters 1606, 30, 32, and 35 are being redesigned or replatformed to a client-server environment.
- **Replacement of the Compensation and Pension Payment System (VETSNET project)** – The initial phase of VETSNET, the information system that will replace and improve the current benefit payment system, includes C&P, education, and vocational rehabilitation payment functions.
- **Wang Migration** – Wang applications are being converted to process on the new Stage I platforms. The Wang systems throughout VBA will be discontinued upon completion of these conversions.
- **Year 2000 Issue** – VBA developed contingency plans to minimize the possibility of disruption of benefits delivery as a result of the year 2000 issue.
- **Tracking System** – On June 17, 1996, VBA successfully implemented a nationwide folder tracking system. The Control of Veterans Records System (COVERS) uses bar-coding technology to track the location of approximately 9 million veterans' claims and notice of death folders in VBA's 58 regional offices. The ability to pinpoint the exact location of a folder at all times greatly reduces the instances of lost folders and reduces mail search time considerably.

## **Education**

### ***Educational Assistance Programs***

The consolidation of education claims processing, an effort which began in 1994, was completed during FY 1996. Education claims are now processed in four designated education claims processing sites: Atlanta, GA, Buffalo, NY, Muskogee, OK, and St. Louis, MO. The orderly transfer of this significant workload occurred with minimal delays in service to our education beneficiaries and without disruption to other regional office operations.

On August 29, 1995, VARO Buffalo, NY, began a pilot program to accept education inquiries from veterans, schools, and veterans service organizations in the State of New York through VA Online. Using personal computers and modems, VBA customers gain access to VA personnel when telephone or face-to-face contact is inconvenient or unnecessary. Over half of the inquiries received during the first month of operation were transmitted during non-duty hours. In effect, the office is open 24 hours a day, 7 days a week.

The test was expanded to Ohio and Pennsylvania in early 1996. In addition, VARO Muskogee, OK, began accepting inquiries from parties in Oklahoma and Texas. Plans call for Buffalo to accept inquiries from more states within its jurisdiction in October 1996 as well as open Atlanta, GA, and St. Louis, MO, to limited traffic. When volume estimates are validated and resource requirements are known, nationwide expansion will be scheduled.

Electronic Education Certification Program expansion continued in FY 1996. This personal computer program allows schools to electronically transmit enrollment data to VA, saving both postal and mail room time and resources. Over 1,700 institutions, many with large veteran enrollments, were regularly using this program by the end of 1996.

Intensive efforts began during FY 1996 to redesign the Montgomery G.I. Bill – Selected Reserve (MGIB-SR) payment system. The current system, originally designed as an interim system, has been operational since 1985. It was identified as a system lacking adequate internal controls in 1994 under the *Federal Managers Financial Integrity Act* (FMFIA). The redesigned system will comply with the year 2000 requirements. VBA began coordinating its redesign with the Department of Defense's Defense Manpower Data Center (DMDC), a major contributor to VA's military service information needs. Because DMDC is undergoing a major database redesign, the needs of both agencies can be incorporated into both redesigns and efficiencies can be maximized. The schedule calls for completion in August 1997.

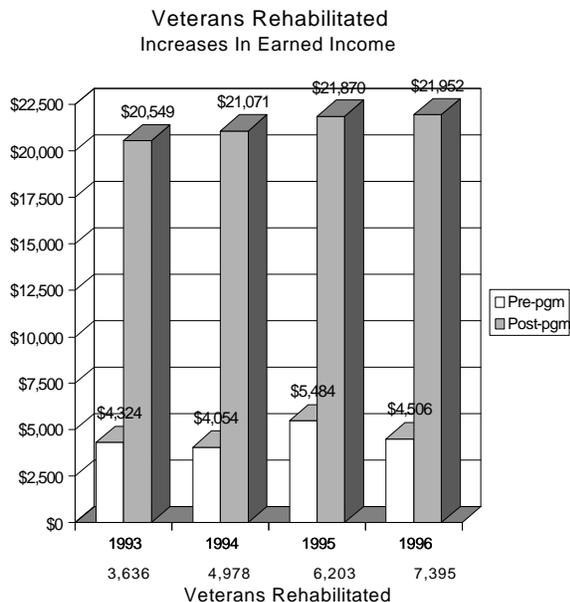
## **Vocational Rehabilitation and Counseling**

The Vocational Rehabilitation and Counseling (VR&C) Service initiated a major program reinvention effort during FY 1996 while simultaneously maintaining high quality services to disabled veterans. A Re-Design Team was empowered to review all service-delivery and managerial functions within VR&C, recommend changes to streamline operations, and diminish non-value added activities. The team reviewed program implementation techniques and interviewed employees to identify specific areas of concern. Four major re-design areas emerged: (1) altering the organizational culture, (2) developing and implementing a program marketing initiative, (3) streamlining business operations, and (4) automating more of VBA's business processes.

VR&C Service initiated the development of an automated Case Management System to facilitate the delivery of rehabilitation services to disabled veterans. This system interfaces with the VA Benefits Delivery Network. It will eliminate redundant computer-based inputs. VAROs Waco, TX, Indianapolis, IN, Newark, NJ, Roanoke, VA, and Seattle, WA, will promote interactive communications for outbased locations, automate interface with RO Finance Divisions, and have the capacity to gather national program data.

The ultimate mission of VR&C is to ensure that disabled veteran clientele complete the "rehabilitation loop" by acquiring suitable employment following completion of their programs of rehabilitation. VR&C recommitted its efforts in this direction through two significant initiatives. The first initiative, the introduction of International Merchant Purchase Authorization Cards (IMPAC), accelerates responsiveness to the needs of disabled veterans by expediting the purchase of goods and services necessary for their participation in rehabilitation programs. The second, focused outside the VA, reinforces VBA's relationship with the Department of Labor's Disabled Veteran Outreach Program representatives (DVOPs) throughout the country. A Memorandum of Understanding was jointly approved between VA and DOL, committing both agencies to active and cooperative efforts in fostering the employment of job-ready disabled veterans.

As these activities progressed from concept to goal formation and from implementation to task completion, ongoing services remained unimpeded and reflected positive data trends. Program outcomes exceeded FY 1995 results as the reinvention effort evolved into a major program focus. FY 1996 total of disabled veterans attaining rehabilitation (i.e., attaining suitable employment), exceeded the FY 1995 total of 6,203 by 19 percent (7,395 veterans). This echoed previous increases of 33 percent from FY 1994 to FY 1995 and 31 percent from FY 1993 to FY 1994. The time spent waiting for a counseling appointment continued a downward trend over the past several fiscal years, decreasing from a high of 71 days (FY 1993) to its current level of 50 days. This reflects a 30 percent total decline in waiting time. (See Chart 1.)



## Customer Satisfaction Surveys

As stated in the 1995 VBA Customer Service Plan, a standard compensation and pension (C&P) customer survey was needed to provide accurate and timely ongoing customer feedback data on C&P claims processing for VBA nationwide, VBA area offices and VBA regional offices. These two claims processes were selected initially because they were major VBA business lines and because earlier customer survey results showed that C&P received the lowest overall satisfaction rating of all major VBA programs.

Survey results will provide data to be used to monitor VBA's performance against customer service standards, to drive area and regional office improvements in customer service, and to provide the customers' views of organizational performance as required by the *Government Performance and Results Act* (GPRA). The data will also provide much-needed customer performance measures for VBA's ongoing business process reengineering (BPR) and restructuring initiatives.

The newly designed "Survey of Veterans' Satisfaction with the VA Compensation and Pension Claims Process" continued to be developed and refined during FY 1996. VBA's Customer Surveys Team in the Office of Resource Management prepared a detailed report on the results of the VARO Roanoke, VA, pretest of this survey. Given the high response rate (68 percent) and the quality of the responses, the pretest proved that self-administered mail surveys are a practical and economical way for VBA to obtain customer feedback and that veterans are willing and able to participate in this effort.

Two contractors were selected to conduct pilots of the survey in 12 additional regional offices. These included: Chicago, IL, Los Angeles, CA, Milwaukee, WI, Muskogee, OK, Philadelphia, PA, Pittsburgh, PA, Phoenix, AZ, Portland, OR, St. Petersburg, FL, Sioux Falls, SD, Washington, DC, and Winston-Salem, VA. The field work for all 12 pilots was completed with acceptably high response rates. After extensive development by the Customer Surveys Team and the contractors, reports showing the results for each of the 12 pilot stations were completed. These reports include easy-to-understand graphics, text, frequency distributions, quadrant and logistic regression analysis, verbatims (written comments), and a complete methodology. Reports were released to the Southern and Eastern Areas and pilot stations; reports for the Central and Western Areas will be released in early FY 1997. Several briefings, both internally and externally to VBA, were presented on the findings of the pretest and pilot surveys.

The next phase of the project, fielding the survey to an additional 43 regional offices in the fall of 1996, is well underway. A contractor was selected to conduct the survey. In addition, a computer-generated sampling frame was created that collects a rolling two-month sample of recently completed claims. This will allow VBA to sample on a more precise and timely basis in the hope of improving response rates even further.

Even though this first in-depth effort centered on the C&P area, lessons learned and "best practices" can be used effectively for other VBA business lines as well. Until surveys are developed for all business areas, field facilities will continue to use focus groups and other public forums, such as town meetings, to solicit customers' opinions as to how well VBA is meeting their expectations for service.

### **Loan Guaranty Customer Service Satisfaction Surveys**

VA loan guaranty program continues to administer two customer surveys: (1) a survey of veterans who recently obtained a VA-guaranteed home loan, and (2) a survey of lenders who participate in the VA home loan program. The 1996 survey of veterans began in FY 1996. VA regional offices nationwide are sending surveys to five percent of all veterans receiving a guaranteed home loan, excluding Interest Rate Reduction Refinancing Loans.

Preliminary results from this survey are positive. Veterans indicated that they were highly satisfied with their real estate agents, builders, appraisers, the condition of the property they were purchasing, and the appraised value of that property. Veterans surveyed in FY 1996, as compared to those surveyed in FY 1995, indicated that they were more satisfied with the information provided by VA and their lenders, that they were treated courteously by VA employees, that their loans took less time to obtain than they expected, and, generally, the experience was more satisfying than they expected.

The preliminary results of VA's latest survey of lenders indicate that lenders too are very enthusiastic about the VA loan program. Data on this survey is currently being processed.

## **Insurance**

### ***Interactive Voice Response System***

The VA insurance program implemented an Interactive Voice Response system allowing customers to access their own insurance records and have account-specific information spoken to them on a variety of subjects such as dividends, premiums, and general policy information. The system became operational in March 1995 and is now providing service to policyholders 24 hours a day, including weekends. Future enhancements are still being pursued to allow customers to access additional data fields, change minor account information, and request computer-generated letters or faxes.

### ***Expanded Toll-Free Telephone Service to Claims Decision Makers***

In December 1995, insurance program toll-free telephone service was expanded to enable claimants to contact insurance claims decision makers. The expanded service provides better and faster communications with VBA's customers on death and disability claims inquiries. Prior to the expansion, calls were taken in the Veterans Insurance Phone Section and a written referral was forwarded to the Claims Division for action and call back. This required an average of 2.5 days. The new claims telephone service reduced the response time to an average of 0.1 days.

### ***On-Line Microfilm Replacement System***

The Insurance Center in Philadelphia, PA, installed equipment that provides the ability to scan and store beneficiary designations. It provides insurance employees with on-line access to beneficiary information, which will facilitate claims processing and enable policyholders who call for beneficiary information to obtain it at the time of their call.

## **Compensation and Pension**

### ***Persian Gulf War Case Review***

Because of continuing concerns over the number of cases in which service connection could not be established for the undiagnosed illnesses of Persian Gulf War veterans, VA's Compensation and Pension Service reviewed a random sampling of 468 cases in which undiagnosed illnesses first appeared after the 2-year presumptive period. Case selection was made from a tracking system used to

monitor Persian Gulf War claims involving undiagnosed illnesses and exposure to environmental hazards.

The review disclosed that 288 cases were misclassified in the tracking system. Of the remaining 180 cases, undiagnosed illnesses appeared anywhere from 3 to 5 years following service in the Persian Gulf. The review also disclosed several instances of failure to develop evidence.

As a result of this review, a complete second review of the more than 11,000 cases in the tracking system was conducted to ensure (1) correct development and adjudication, and (2) accurate coding in the tracking system. Detailed instructions were issued to VA regional offices emphasizing these points. It is estimated that the second review of all 11,000 cases will take 6 months to accomplish.

VA is concerned that Persian Gulf War veterans do not fully understand the complex implications of these claims and are not fully aware of the potential sources of evidence that might serve to establish entitlement to benefits. Therefore, a second review will ensure that all affected veterans have both the necessary information and an opportunity to establish the merits of their claims.

### ***Herbicide Exposure***

The *Agent Orange Act of 1991*, Public Law 102-4, established a presumption of service connection secondary to herbicide exposure for non-Hodgkin's lymphoma, soft tissue sarcomas, and chloracne or other acne-form diseases consistent with chloracne. The statute also directed the VA to enter into an agreement with the National Academy of Sciences (NAS) to review and summarize the scientific evidence concerning the association between herbicide exposure and each disease suspected to be associated with such exposure. When a decision is reached that a positive association exists between a disease and herbicide exposure, VA publishes regulations establishing presumptive service connection for that disease.

On March 14, 1996, NAS issued its second report pertaining to health effects of exposure to herbicides. On May 28, 1996, the Secretary announced that positive associations exist for prostate cancer and acute and subacute (transient) peripheral neuropathies. Final regulations were published in November 1996.

NAS also found limited or suggestive evidence to show an association between herbicide exposure and spina bifida in the children of Vietnam veterans. Since VA did not have the authority to provide benefits based on birth defects in veterans' children, VA proposed legislation that would provide a form of compensation and health-care benefits to these individuals. The Senate included

VA's proposal as part of the FY 1997 VA, HUD, and Independent Agencies Appropriations Act.

### ***Military Separation Examination Test***

During FY 1996, VA and the Department of Defense signed a Memorandum of Understanding to test various separation examination scenarios to determine the most effective method of examination for active duty members awaiting discharge from military service. The goal of this initiative is to promote early and complete resolution of disability compensation claims. This initiative is directly related to overall Department goals of enhanced service and improved customer satisfaction.

Benchmarks for success of this initiative include: (1) reducing the average days to process original disability claims, (2) improving quality of medical examinations, and (3) eliminating redundant medical examinations. Successfully implementing this initiative will result in most potential claims for benefits being identified prior to separation from military service, with medical examinations suitable for disability evaluations completed prior to separation from military service. The completion of an examination meeting the requirements for a disability compensation evaluation will facilitate a prompt disability entitlement decision. If entitlement to benefits is established, payment will be expedited upon confirmation of separation from military service with acceptable character of service.

Three separation points, three VA medical centers, and three VA regional offices are currently participating in this test. A special disability evaluation board was established at the VA Records Management Center in St. Louis, MO, to provide a central evaluation site. Claims are currently being processed under this initiative.

### **Advisory Committees**

#### ***Presidential Advisory Committee***

The VA Interagency Working Group, which is chaired by the Under Secretary for Benefits, was established to respond to the VA-specific issues raised in the President's Advisory Committee On Human Radiation Experiments (ACHRE) report dated October 3, 1995.

On August 14, 1996, VA's Executive Summary responding to the ACHRE report was presented to the White House's Domestic Policy Council. VA agreed with the ACHRE that the radio-epidemiological tables that VA relies upon to determine the likelihood that certain diseases could result from exposure to ionizing radiation are in need of updating and expanding. VA is negotiating a contract with the Institutes of Medicine to accomplish this. VA also concluded that

existing laws and regulations governing compensation for atomic veterans are adequate given that decisions in these cases have more to do with the merits of the individual claim rather than the process and authority to decide them.

### ***Veterans' Advisory Committee on Environmental Hazards***

In FY 1996, management of the Veterans' Advisory Committee on Environmental Hazards (VACEH) was transferred from the Office of the General Counsel to the Veterans Benefits Administration.

The VACEH has statutory responsibility for advising the Secretary on conditions that may be associated with exposure to ionizing radiation. The Committee focused its attention on assessing the health outcomes associated with exposure to radiation at levels thought to be experienced by most of the veterans who participated in atomic testing or service with the occupational forces at Hiroshima and Nagasaki, Japan. The Committee is now beginning to tackle the difficult question of what conditions may be associated with exposure regardless of dose.

The VACEH has been an invaluable resource to the Secretary and has helped lay the groundwork for the radiogenic diseases that are listed at 38 CFR 3.311.

### ***Advisory Committee on Former Prisoners of War<sup>2</sup>***

During the last year the Advisory Committee on Former Prisoners of War held two formal meetings. In December 1995, it met at the Newark Regional Office, and in May 1996, in Washington, DC. The second meeting was held in December 1996 in San Diego, CA.

The Advisory Committee recommended that the Secretary continue and expand the consolidation project begun in June 1995 at the VARO Newark, NJ. POW claims from VARO New York, NY, VARO&IC Philadelphia, PA, and VAM&ROC Wilmington, DE, are sent to Newark for special processing. The Advisory Committee felt that this initiative improved quality of service, timeliness of processing, and customer satisfaction.

The committee continues to express interest in accumulating information and documentation on the incidence of stroke among former prisoners of war. A recent survey revealed that the incidence may be as high as seven times that found in the non-POW population. The committee will receive an updated briefing on this issue at the December 1996 meeting.

---

<sup>2</sup> Included in compliance with 38 U.S.C. § 541(c)(4).

## **Loan Guaranty**

### ***Loan Guaranty Program Function***

The loan guaranty program provides housing credit assistance to veterans and service persons. Assistance is provided through the use of the government's partial guaranty of loans made by private lenders in lieu of the substantial down-payment and other investment safeguards applicable to conventional mortgage transactions. Loans may be used to purchase a home; to purchase a residential unit in certain condominium projects; to build a home; to repair, alter, or improve a home; to refinance an existing home loan; to improve a home by installing solar heating or other energy conservation measures; to buy a manufactured home, with or without a lot; or to buy a lot for a manufactured home the veteran already owns. There is no maximum loan amount for a VA loan. Lenders set maximums based on rules of the secondary market to which they sell their loans. The maximum VA guaranty is currently \$50,750 and lenders are usually willing to make a no-down-payment loan of up to 4 times the guaranty or \$203,000. Veterans must pay a funding fee ranging from 1.25 percent to 3 percent of the loan amount (0.5 percent for interest rate reduction loans). The funding fee can be included in the loan. Veterans receiving VA compensation are exempt from payment of the fee. Since the program's inception in 1944, VA has guaranteed more than 15.2 million loans, totaling over \$533 billion.

In FY 1996, VA assisted 323,138 veterans in home ownership. This figure includes 320,776 guaranteed home and manufactured home loans in the amount of \$32.6 billion, 449 grants for specially adapted housing, totaling \$15.2 million, and approval of 1,913 substitutions of entitlement (See Chart 2.).

**Chart 1. Loan Guaranty Comparative Highlights**

<b>Description</b>	<b>FY 1996</b>	<b>FY 1995</b>	<b>Percent Change</b>
Amount of Loans Guaranteed <sup>1</sup>	\$32,609,037,197	\$25,340,772,343	+28.7
Number of Loans Guaranteed <sup>1</sup>	320,776	263,125	+21.9
Number of Purchase Loans <sup>2</sup>	234,334	228,604	+2.5
Number of Refinance Loans <sup>2</sup>	86,439	34,668	+149.3
Average Home Loan Amount	101,660	96,313	+8.5
Average Interest Rate	7.71%	8.15%	-5.5
G/I Loans Outstanding <sup>3</sup>	3,355,391	3,375,830	-0.6
G/I Loans in Default <sup>3</sup>	113,799	102,137	+11.4
As a percent of Loans Outstanding	3.39%	3.03%	+11.9
Substitutions of Entitlement Properties on Hand	1,913	1,881	+1.7
	8,624	9,321	-7.5

<sup>1</sup> Includes both home and manufactured home origination

<sup>2</sup> Excludes manufactured home origination

<sup>3</sup> End of the fiscal year

***Fifteen Millionth Home Loan Guaranteed***

On September 19, 1996, disabled veteran William M. Black was honored as recipient of the 15 millionth home loan guaranteed by VA. Mr. Black combined a specially adapted housing grant from VA with a VA-guaranteed home loan to purchase and adapt a new home to accommodate his wheelchair needs.

***Home Loan Characteristics***

Over 90 percent of all veterans purchasing a home with VA benefits were able to obtain no-down-payment loans. Loans to finance the purchase of previously occupied housing accounted for 85 percent of the total purchases. These loans averaged \$99,938 and financed homes with an average purchase price of \$99,068.

On newly constructed homes, the average loan was \$117,003 and the average purchase price was \$116,199.

During FY 1996, VA guaranteed 86,439 refinancing loans, of which 78,298 were Interest Rate Reduction Refinancing Loans. Thus, 27 percent of the veterans who obtained VA loans in FY 1996 were able to refinance the loan on the home they already owned. More than 91 percent of those refinancing were able to reduce the interest rate on the VA loan they had previously obtained.

### ***Specialty Adapted Housing Assistance***

Severely disabled veterans declared eligible for grants for specialty adapted housing (38 U.S.C., ch. 21) have distinctive housing needs such as wide doorways to accommodate wheelchairs, ramps instead of steps, and oversized and specialty equipped bathrooms.

During FY 1996, 443 severely disabled veterans, most wheelchair bound, received grants totaling \$14.4 million to buy, build, or modify homes specialty adapted for their use.

The *Veterans' Disability Compensation and Housing Benefits Amendments of 1980* (Public Law 96-385) authorized separate specialty adapted housing grants for disabled veterans who are either blind in both eyes or who have lost, or lost the use of, both hands. These veterans can receive up to \$6,500 to make minor adaptations to their houses. During FY 1996, VA provided 51 grants of this type, totaling \$310,600.

### ***Housing Homeless Veterans***

Section 3735, title 38 U.S.C., was amended by The *Homeless Veterans Comprehensive Service Programs Act of 1992* (Public Law 102-590) and extended to December 31, 1997 (Public Law 104-110), to provide authority for the program of using VA-acquired properties to shelter homeless veterans and their families. Under the program, local government agencies and nonprofit organizations, including veterans service organizations working on behalf of homeless persons, can purchase VA-acquired properties at discounts ranging from 20 to 50 percent. Through the third quarter of FY 1996, 54 properties were sold to homeless providers and another 2 are being used by a VA medical center for a compensated work therapy program. Purchasers include the American Legion, the American GI Forum, the Jewish War Veterans, and other veterans' groups.

The law also provided authority for VA to lease properties with an option to purchase and to donate certain properties. Under the leasing program, properties may be leased to organizations working on behalf of homeless persons for one year at a rent of one dollar. The leases may be renewed for up to two additional lease

terms of one year each and providers may exercise the option to purchase the property at any time during the lease period. As of the third quarter of FY 1996, leases were executed for 52 properties.

### ***Banner Year for Property Inventory Reduction***

During FY 1996, VAROs sold 20,047 properties, generating over \$1.4 billion in proceeds to fund the loan guaranty program and reducing the inventory of properties on hand to its lowest point in over 35 years. At the end of FY 1996, the inventory of properties was only 8,624 properties on hand, down from 9,321 at the beginning of FY 1996. This is the lowest the inventory has been since December 1960.

### ***Monitoring Unit***

During FY 1996, the Loan Guaranty Service Monitoring Unit completed 42 on-site reviews of lenders/servicers, resulting in nearly 3,000 loan reviews. Forty of these reviews were loan origination audits and two were servicing audits. The servicing audits were specifically conducted to determine the level of program participant compliance with policies governing the servicing and disposition of VA vendee loans under the American Housing Trust and Vendee Trust programs. As a result of these audits, VA recovered losses in the amount of \$3,894,661; accepted indemnification agreements in the amount of \$1,809,910; and denied liability on loans with potential claim and acquisition costs, totaling \$37,968, resulting in a total liability avoidance in FY 1996 of \$5,742,539. Cumulatively, as a result of Monitoring Unit activity since its inception, Loan Guaranty Service recovered or avoided losses, totaling \$15,159,961. The high priority placed on monitoring and controlling program participant compliance has not only resulted in the significant recovery of program losses due to unacceptable underwriting and servicing practices, but has helped to substantially strengthen the effectiveness of the credit program operations, thus minimizing VA's risk.

### ***Assistance to Veteran-Borrowers in Avoiding Foreclosures***

During FY 1996, VBA continued to provide financial counseling and other assistance to delinquent veteran-borrowers to help them retain their homes, if possible. The primary measure of VBA's success in this area is the Foreclosure Avoidance Through Servicing (FATS) ratio, a weighted average reflecting the benefit of alternatives to foreclosure compared to the number of loans that would have been foreclosed without VA assistance. For FY 1995, VBA achieved a FATS ratio of 36.44. The goal for FY 1996 was 39.19, which VBA surpassed. More than 1,000 veterans a month received VA assistance in avoiding foreclosure.

### ***Mitigation of Losses on VA-Guaranteed Loans***

VA's supplemental servicing efforts also help to reduce losses to veterans and the government as shown by the Foreclosure Avoidance Through Servicing (FATS)

ratio. Savings resulting from some alternatives vary widely from case-to-case and are hard to measure. However, based only on loans which reinstated due to direct VA intervention between veterans and their mortgage loan holders, and considering the average claim payment on terminated loans, VBA estimates that at a minimum VA avoided claim payments averaging \$7.7 million per month during FY 1996 because of personal supplemental servicing.

### ***Negotiated Interest Rates***

During FY 1996, VA guaranteed 243,462 loans, totaling \$24.6 billion for which interest rates and the number of discount points charged were negotiated between the veteran and the lender. Interest rates and discount points (together producing the "effective rate") on these loans were, overall, competitive when compared to rates on Federal Housing Administration (FHA) and conventional home mortgages over the 12-month period. VA's effective rates on fixed rate mortgages averaged 53 basis points (0.53 percent) lower than the prevailing FHA rates and 13 basis points (0.13 percent) higher than conventional rates.

For negotiated rate mortgages guaranteed by VA during FY 1996 other than refinancing loans, there were no discount points paid on 62.5 percent of the loans. The seller paid the points on 19.4 percent, the veteran paid the points on 15.8 percent, and the seller and veteran each paid part of the points on the remaining 2.3 percent. This indicates that, across the board, the veteran paid points less often in FY 1996 than in FY 1995.

Average discount points (a point equals 1 percent of the mortgage amount) paid on VA negotiated fixed rate loans closed during the 12-month period were 0.70 plus the 1 percent loan origination fee. Average points paid on FHA fixed rate loans were 0.55 plus the 1 percent origination fee. Higher points were paid on conventional fixed rate loans, averaging 0.77 plus the 1 percent loan origination fee, to buy down to lower contract rates, resulting in effective rates comparable to VA and FHA.

In FY 1996, VA guaranteed 131,831 home loans to first time homebuyers with negotiated interest rates. This represents 56 percent of all negotiated rate loans guaranteed by VA during FY 1996.

### ***Veterans Eligible through Service in the Selected Reserve***

VA guaranteed 33,223 loans to veterans eligible on the basis of service in the Selected Reserve, all with negotiated interest rates and discount points, since the enactment of Public Law 102-547. VA guaranteed 10,954 of these loans, totaling over \$1.1 billion during FY 1996.

Ninety-three of the 33,223 loans to Reservists were foreclosed, a foreclosure rate of 0.28 percent. The foreclosure rate for loans to other veterans made since the

enactment of Public Law 102-547 is almost twice as high, at 0.80 percent. Since these statistics reflect only loans less than 4 years old, it is too soon to draw any conclusions about the default rate of Reservist loans versus all other loans.

Sixty-seven percent of loans to Reservists guaranteed by VA in FY 1996 were to first-time homebuyers as compared to 56 percent of loans to all other veterans during this period. This difference indicates that Public Law 102-547 has provided a needed opportunity for Reservists who could not previously obtain a mortgage to enter the housing market for the first time.

### ***Lender Appraisal Processing Program<sup>3</sup>***

The Lender Appraisal Processing Program (LAPP) benefits veterans by reducing the time necessary to process and close home loans. Under LAPP, lenders who satisfy VA eligibility criteria can receive appraisal reports directly from VA-assigned appraisers, review those appraisals, and then underwrite and close those loans automatically. In FY 1996, 111,298 loans were guaranteed under LAPP authority. This represented 47 percent of all eligible VA loans guaranteed, 52 percent more than guaranteed under LAPP in FY 1995. This program continues to be positive and indicates that it is serving its intended purpose to speed the time to loan closing for veterans.

### ***Energy Efficiency Mortgages<sup>3</sup>***

During FY 1996, 772 energy efficiency mortgages (EEMs) were guaranteed by VA. The average amount of money added to these mortgages to finance energy efficiency features was \$3,552. These funds were used to finance the installation of solar heating and cooling systems on 138 homes, replacement of a major system on 300 homes, addition of a new feature on 74 homes, insulation, caulking, weather-stripping and related improvements on 59 homes, and other energy efficiency improvements on 264 homes.

There were 15 foreclosures of EEMs closed since the enactment of Public Law 102-547, a foreclosure rate of 0.63 percent, compared to a 0.96 percent foreclosure rate on all other types of VA loans.

### ***Native American Veteran Direct Loan Pilot Program<sup>3</sup>***

VA continued to make progress implementing the Native American Veteran Direct Loan Program through FY 1996. Efforts to develop positive working relationships with Native American groups and tribes and relevant government entities continued. In addition, VA continues to provide program information and materials to all interested parties and to VA personnel. VA entered into Memoranda of Understanding (MOU) with 9 more tribes to bring the total of

---

<sup>3</sup> Included in compliance with 38 U.S.C. § 3736.

participating tribes to 44. During FY 1996, VA field offices issued commitments on 28 loans under this program and closed 54 loans. In FY 1996, the total more than doubles the total number of loans made under this program since its inception. At the end of FY 1996, 112 loans were made to Native American veterans under this pilot program.

Before VA makes a loan on tribal trust land, the tribe must enter into a MOU with VA concerning a number of issues which could arise in administering the program. During FY 1996, VA entered into MOUs with the Assiniboine and Sioux Tribes of Fort Peck, the Bois Forte Chippewa, the Chippewa Cree Rocky Boy, the Hopi, the Pascua Yaqui, the Shoshone-Pauite of Duck Valley, the Upper Sioux Community of Granite Falls, the Yankton Sioux, and the Zuni Pueblo.

In addition, VA is currently negotiating MOUs with the Apache Tribe, the Bay Mills Chippewa Tribe, the Caddo Tribe, the Colville Tribe, the Confederated Tribes of Warm Springs Reservation of Oregon, the Crow Tribe, the Eastern Band of the Cherokee Nation, the Fort Belknap Indian Community, the Fort Hall Indian Reservation, the Hoopa Valley Tribe, the Makah Tribe, the Mescalero Apache Tribe, the Northern Cheyenne Tribe, the Passamaquoddy Indian Township, the Salt River Tribe, the Salish and Kootenai Tribes of the Flathead Nation, the Tohono O'Odham Tribe, the Uintah Ouray Ute Tribe, the Winnebago Indian Tribe of Wisconsin, and the Yavapai-Prescott Tribe.

VA worked closely with Congress to obtain passage of legislation that authorizes VA to refinance loans made under this program. The original enacting legislation for this program, Public Law 102-547, limited loans for the purposes of purchase, construction, or home improvement. With the enactment of S. 1711, *The Veterans Benefits Improvements Act of 1996*, VA may now offer Native American veterans the opportunity to refinance their direct loans to obtain a lower interest rate.

### ***Home Loan Foreclosures<sup>4</sup>***

During FY 1996, there were 21,116 foreclosures, 87 percent involving the original veteran-borrowers and 13 percent involving transferee-owners. Overall reasons for foreclosure are categorized as follows: (1) extensive obligations (75.6 percent); (2) curtailment of income (14.9 percent); (3) marital difficulties (7.0 percent); (4) illness or death of borrower (2.3 percent); and (5) dissatisfaction with the property (0.2 percent).

### ***Manufactured Home Loans***

Since the inception of the manufactured home loan program in February 1971, VA guaranteed 113,525 manufactured home loans in the amount of \$2.1 billion to veterans. In recent years this program declined in popularity.

---

<sup>4</sup> Included in compliance with 38 U.S.C. § 3733(c)(2).

During FY 1996, only 9 manufactured home loans amounting to \$343,000 were guaranteed. All loans were for the purchase of existing manufactured homes. Loans for the purchase of single-wide manufactured homes accounted for 89 percent of the FY 1996 total. The average loan amount for single-wide units was \$28,234; for the one double-wide unit, the loan amount was \$117,000.

### ***Manufactured Home Loan Foreclosures***

With the establishment of the manufactured home loan program, VA anticipated that the incidence of defaults would exceed that experienced for loans on conventional homes.

During FY 1996, there were 292 foreclosures, 76 percent involving original veteran-borrowers and 24 percent involving transferee-owners. Overall reasons for foreclosure are categorized as follows: (1) extensive obligations (87.7 percent); (2) curtailment of income (8.6 percent); (3) marital difficulties (0.7 percent); and (4) illness or death of borrower (3.0 percent).

## **VBA TRAINING**

### ***Reader-Focused Writing***

Reader-Focused Writing (RFW) is VBA's initiative to incorporate well-researched techniques for improving readability in VBA's written communications. The RFW initiative includes developing training for VBA employees in RFW techniques as well as developing an implementation strategy to convert VBA's existing letters, forms, manuals, etc., to RFW format.

Over the next few years, RFW courses will be developed to meet the needs of VBA writers. In the initial training effort, VBA employees who write or review other people's writing will be trained. Subsequently, the courses will become part of VBA's ongoing training repertoire to be offered to new or newly promoted employees.

In FY 1996, VBA developed and began offering the RFW Tools course over the Veterans Benefits Network (VBA's satellite system). As of November 7, 1996, almost 800 VBA employees from 30 regional offices and VA Central Office will have taken this course. Over a 2-3 year period, all VBA writers will receive this training via the satellite system.

Concurrent with the training effort, VBA documents will be converted using RFW principles. VBA has already improved many commonly used letters by applying RFW techniques. In FY 1996, VBA began to redesign application forms to be more user friendly to their claimants, and began efforts to redesign VBA's manuals to be more user friendly for employees. These efforts will ensure that

employees have all the information they need to expeditiously and accurately process veterans' claims.

### ***Loan Guaranty Training***

Loan Guaranty was the first service to use the new Veterans Benefits Network (VBN) to conduct extensive technician training. In April 1996, Loan Guaranty provided 10 hours of interactive television to approximately 140 appraisers and other Construction and Valuation employees in 21 regional offices, in a course entitled *Proposed Construction Processing*. A second course, *Loan Processing*, was broadcast in September with 14 hours of live, interactive television. This second course, intended for underwriters and other loan processing technicians, was broadcast to 42 regional offices where over 200 students participated. Estimated savings of these two training courses (compared to providing centralized training with the same content to the same number of technicians) is over \$300,000.

In addition to its new emphasis on interactive television training, Loan Guaranty Service used the Internet to disseminate lender training software to program participants. A computer-based training program entitled *Home Safe* was created to assist lenders (banks, mortgage companies, etc.) to train their employees in the details of the VA home loan program. This software was placed on the Loan Guaranty Internet home page where it could be downloaded free of charge by interested program participants. This innovative approach virtually eliminated all distribution costs.

Loan Guaranty Service also broadened its use of self-paced instructional materials. Computer-based tutorials and training materials are being developed and disseminated to regional offices in a number of general and technical areas, including eligibility, claims processing, underwriting, appraisals, loan servicing, and property management. Computer-based training programs are developed in-house in cooperation with the Veterans Health Administration's National Media Development Center, and by outside contractors.

# Cemeteries and Memorials

## National Cemetery System

FY 1996 produced the 14th consecutive annual increase in the interment workload of the National Cemetery System (NCS). During FY 1996, NCS provided the honor of burial to 71,786 veterans and family members at the 114 national cemeteries in the system. In addition to burial operations, NCS maintained the grounds, structures, and roads of these national shrines as well as 34 soldiers' lots, monument sites, and Confederate cemeteries. In FY 1996, NCS serviced 10,715 acres and more than two million gravesites. The organization's maintenance workload increased at the average rate of 152 new gravesites daily during FY 1996.

Moreover, VA expects the number of annual veteran deaths to increase from 537,000 in 1997 to 572,000 in 2000, and then peak at 620,000 in 2008. As veteran deaths increase, NCS projects increases in the number of annual interments in VA national cemeteries from 73,600 in 1997 to 86,400 in 2000 and 106,200 in 2008. During this period, the total cumulative number of graves maintained will increase from 2.2 million in 1997 to 2.37 million in 2000 and more than 3.0 million in 2010. In effect, the maintenance workload of NCS has grown from 1 million graves in 1974 to 2 million in 1994 and is expected to grow to 3 million in 2010. Future decades will also see a commensurate increase in maintenance of infrastructure such as roads, irrigation systems, and buildings.

Evidence of NCS's success in the area of customer service is the high honor earned by Calverton National Cemetery in FY 1996. On September 23, 1996, the Secretary presented the *Robert W. Carey Quality Award* to Calverton National Cemetery, Calverton, NY. The award recognizes the highest level of excellence in quality management among all VA facilities and offices, including hospitals, benefits offices, cemeteries, and other organizations. This is the first time the highest award has gone to a national cemetery.

Calverton National Cemetery is the largest and most active of the 114 national cemeteries in the system. The 1,052-acre facility located on Long Island, approximately 60 miles east of New York City has more than 113,000 occupied gravesites to maintain and annually provides more than 7,300 burials. Calverton, according to the panel of *Carey Award* judges, was cited for its exceptionally strong leadership in quality performance and initiatives to improve customer service through self-directed work teams and focus groups involving both internal and external customers.

Riverside National Cemetery, Riverside, CA, the second most active cemetery in the system, won the *Robert W. Carey Quality Award* in the category of "national

cemeteries.” The panel cited Riverside for team innovations, including replacing backhoes that cost \$30,000 annually for repairs with an excavator that requires no repairs. This replacement has resulted in decreased man-hours for interment operations.

In FY 1996, VA management presented six *Scissors Awards* to National Cemetery System recipients. Like the Vice President’s *Hammer Award*, the *Scissors Award* recognizes successful, innovative efforts to make government work better and cost less. Riverside National Cemetery was recognized for an initiative that allowed their vehicle maintenance facility to service vehicles from several federal facilities and to be considered a “GSA Vehicle Servicing Team,” thereby earning funding for the facility. Willamette National Cemetery in Portland, OR, was cited for in-house development of a turf stabilization mat expressly tailored to their needs. The National Memorial Cemetery of the Pacific in Honolulu, HI, designed and installed special flower holders for the columbarium structure at the cemetery which is used for the inurnment of cremated remains. A member of the Atlanta Area Office earned the *Scissors Award* for researching and recommending an economical alternative to the software procurement program previously employed by the area office on behalf of the 47 national cemeteries in their region. Calverton National Cemetery replaced cumbersome, expensive, and dangerously heavy lumber with plastic chain to barricade open excavations. Ft. Snelling National Cemetery, Minneapolis, MN, following an extensive research effort, modified a commercially available propane heater to “defrost” frozen ground to expedite winter interments.

In the second phase of Reinventing Government (ReGo II), NCS was tasked with exploring the possibility of improving support functions. NCS selected the Headstone and Marker Program as the focus of this reinvention effort and in FY 1996, began to re-engineer the Automated Monument Application System (AMAS). NCS initiated the direct electronic transfer of marker ordering information for national cemeteries and began expansion of electronic ordering to state veterans cemeteries and other federal cemeteries. A pilot project was initiated at Nashville National Cemetery, Nashville, TN, to test process re-engineering for ordering headstones and markers for private cemeteries from field stations where available space exists. The experience of the pilot supported the idea that the ordering function could be economically accomplished outside of the high cost headquarters area.

NCS established two new quality councils in VACO, one for the Memorial Programs Service and another for the entire Operations Support function. These councils work to integrate the quality management effort throughout each organization and to provide a link to NCS’s top-level Executive Quality Council. NCS also developed a “visitor comment card” to collect quantifiable data related to customer satisfaction. NCS continued its active and visible participation in the VA Partnership Council and the VA National Quality Council. The purpose of these

labor-management partnerships is to provide an opportunity for representatives of both VA unions and VA management to work cooperatively to identify areas for change and improvement.

## **Burial Options for Eligible Veterans**

### ***Interments***

At the end of FY 1996, 57 national cemeteries contained available, unassigned gravesites for the burial of both casketed and cremated remains. Such cemeteries can accommodate all requests for interment of eligible veterans and family members, as well as host visitation and patriotic and commemorative events. Thirty-eight national cemeteries had exhausted the supply of unassigned gravesites for the interment of casketed remains but were still able to accommodate requests for burial of family members in the same gravesite as a previously deceased family member, and could also accommodate cremated remains. The remainder, 19 cemeteries, were able to accommodate only subsequent family members in previously occupied gravesites. Such cemeteries also remain important locations for visitation, including patriotic and commemorative events.

NCS records show that, over the past 20 years, almost 80 percent of interments conducted in national cemeteries were from families residing within 75 miles of the facility. As annual interments and the number of total gravesites used continue to increase, cemeteries deplete their inventory of space and are no longer able to provide full service, reducing the burial options available to veterans.

To meet the challenges posed by these trends, NCS has developed plans to: (1) as feasible, develop new national cemeteries in heavily populated metropolitan areas that currently lack a national or state veterans cemetery within a reasonable distance; (2) continue phased development of cemeteries with undeveloped land available for burial areas; (3) acquire land that can be developed for cemeterial purposes adjacent to cemeteries that will exhaust the supply of available gravesites; and (4) encourage use of the State Cemetery Grants Program.

### ***New Cemetery Development and Expansion***

NCS continued to make progress in development of five new cemeteries planned to bring service to areas that are not currently served. The five areas, Seattle, WA, Dallas, TX, Albany, NY, Cleveland, OH, and Chicago, IL, are all large metropolitan areas. Provision of the benefit of burial to the veterans living within 75 miles of these sites will significantly enhance NCS's ability to provide burial options for eligible veterans.

- In FY 1996, the Secretary approved the name of Tahoma National Cemetery for a new facility for veterans in the Seattle, WA, area. Construction continued throughout FY 1996 on a \$7.9 million contract awarded to Aldrich & Associates, Inc., of Bothell, WA, to construct the first phase of the new national cemetery. inurnment of cremated remains.
- At the end of FY 1996, Carter & Burgess, Inc., of Dallas, TX, was completing the master planning process of the Dallas-Ft. Worth National Cemetery, and the Secretary approved the name of the cemetery.
- In July 1996, the Secretary approved the name, Saratoga National Cemetery, for the facility planned for veterans in the Albany, NY, region. The L.A. Group, Inc., of Saratoga Springs, NY, was preparing the master plan for the facility as the fiscal year ended.
- Harry Weese Associates of Chicago, IL, is preparing the master plan and design development for VA's new national cemetery planned for the Chicago, IL, region.
- William Behnke Associates, Inc., of Cleveland, OH, is performing master planning for a 244-acre parcel of land in Guilford Township, OH, for a new national cemetery in northeastern Ohio for veterans and their families.

NCS took a number of significant steps during the course of the year to maintain service at existing cemeteries.

- VA awarded a \$1.37-million construction contract on November 20, 1995, to develop approximately five acres of land donated to expand the capacity of Fayetteville National Cemetery in Fayetteville, AR.
- On January 23, 1996, VA awarded a \$1.32-million construction contract for the development of 3,650 new gravesites on six acres of newly acquired land at Ft. Smith National Cemetery in Arkansas.
- On January 26, 1996, a \$2.34 million contract was awarded to develop new gravesites at Black Hills National Cemetery in Sturgis, SD.
- A \$511,500 contract awarded on July 30, 1996, will provide for the addition of gravesites at Salisbury National Cemetery in Salisbury, NC.

VA accomplished five major land transfers or acquisitions during FY 1996 for the purpose of extending service at existing national cemeteries – Biloxi National Cemetery, Florence National Cemetery, Calverton National Cemetery, Ft. Sam Houston National Cemetery, and Ft. Bliss National Cemetery.

In September 1996, James W. Flett Co., Inc., of Belmont, MA, completed work on a \$3.9 million contract to add 25,000 casket gravesites, 4,296 inground cremation sites and 510 columbarium niches for cremated remains at Massachusetts National Cemetery.

During FY 1996, work continued on 3 significant projects that will provide vitally needed gravesites in future years and a \$9 million contract to develop 28,000 new gravesites at Willamette National Cemetery in Portland, OR. The project focuses on developing 65 acres of recently acquired land that includes roadways, a committal shelter, a vehicular bridge, and an irrigation system. An \$8.2 million design/build contract will see development of 25,000 new gravesites at Houston National Cemetery, Houston, TX, and 108-acres of land and also see completion of a new main entrance as well as interior roadways, two committal shelters, and an irrigation system. A \$2.9 million contract at Indiantown Gap National Cemetery, Annville, PA, will see construction of 15,000 casketed gravesites and 3,000 inground cremation sites as well as roads, landscaping, and public restrooms.

FY 1996 was a record year for NCS in terms of minor (projects less than \$3 million) construction. NCS obligated the budgeted amount of \$9.5 million and then added approximately \$1.8 million in funds re-programmed to support the gravesite expansion program.

### ***State Cemetery Grants***

The State Cemetery Grants Program awarded 18 grants in FY 1996, totaling \$4,757,513 to assist in establishing 2 new veterans cemeteries and to expand and improve other existing state-owned cemeteries for veterans. The State of North Carolina, with the assistance of a \$792,353 grant, is developing a 55-acre cemetery for veterans in Fayetteville, NC. With the help of a \$1.6 million grant, Virginia began work on a 122-acre facility in Amelia County west of Richmond, VA. These 18 grants contributed to the provision of more than 54,000 new gravesites. The federal assistance program complements the mission of the National Cemetery System and since 1980 has awarded more than \$45 million to 19 states and Guam.

## **Honor, Recognize, and Commemorate Veterans Service**

### ***Headstones and Markers and Presidential Memorial Certificates***

NCS provides headstones and markers for the unmarked graves of veterans wherever they are buried. In FY 1996, NCS ordered 319,758 headstones and markers for placement in national, state, and private cemeteries around the world. NCS also processed requests for 257,366 Presidential Memorial Certificates. Presidential Memorial Certificates are provided to surviving family and friends of deceased veterans. The certificates are intended to recognize the invaluable contribution to the nation made by the deceased veterans' military service.

### ***Honor Awards and Recognitions***

Notable achievements during FY 1996 indicated NCS's efforts to continue to maintain national shrines. The Professional Grounds Management Society, in conjunction with Grounds Maintenance Magazine, awarded a Professional Ground Maintenance Honor Award to Beverly National Cemetery in Beverly, NJ. The historic cemetery, established in 1864, comprises 65 acres of burial area, roads, buildings and walls, and boasts more than 2,000 trees. The cemetery was honored along with Disney World, George Washington University, and the Mirage Casino and Hotel in Las Vegas.

Many notable commemorative events, including dedications of new monuments to the veterans of World War II's Battle of Leyte Gulf at Ft. Rosecrans National Cemetery, occurred during FY 1996, underscoring the importance of our national cemeteries as historical and cultural resources. In October 1995, the Virginia Department of Historic Resources notified the National Cemetery System that Richmond National Cemetery in Richmond, VA, and Seven Pines National Cemetery in Sandston, VA, were added to the National Register of Historic Places. In June 1996, the National Park Service added two Maryland national cemeteries – Annapolis and Loudon Park in Baltimore, MD, to the National Register. At the end of FY 1996, 61 VA national cemeteries were listed on the National Register.

### ***Improved Services***

During FY 1996, NCS analyzed information from customer focus groups held in FY 1995 and 1996. The purpose of the sessions was to collect voluntary, first person, anecdotal data that would assist the organization in further assessing its performance. NCS convened focus groups of several distinct customer groups that included relatives of those recently buried in national cemeteries, funeral directors, and members of various veterans organizations. These sessions provided a record of the experiences, opinions, beliefs, attitudes, and perceptions of people who have recent or on-going contact with the national cemeteries.

# Office of Inspector General

Under the authority prescribed by the *Inspector General Act of 1978* (Public Law 95-452), as amended, the Inspector General is responsible for (1) conducting and supervising audits, investigations, and health-care inspections; (2) making recommendations designed to promote economy, efficiency, and effectiveness in the administration of the programs and operations of the Department; (3) detecting and preventing fraud and abuse associated with Department activities; and (4) keeping the Secretary and the Congress fully informed about problems and deficiencies in VA programs and operations and the need for corrective action concerning such problems and abuses.

The following chart highlights the accomplishments of the Office of Inspector General (OIG) for FY 1996:

## OIG Statistical Highlights

<u>Item</u>	<u>FY 1996</u>
Reports Issued:	
Audit	34
Health Care Inspection	17
Special Inquiry	19
Contract Review	81
Potential Monetary Benefits (millions)	\$136.8
Investigations:	
Cases Closed	261
Convictions and Administrative Sanctions	387
Dollar Recoveries/Savings (millions)	\$50.8
Hotline:	
Cases Closed	540
Cases Substantiated	26%

## Investigations

During FY 1996, the Office of Investigations devoted a significant portion of its resources reacting to allegations involving the health-care and benefit programs, drug control, procurement, and employee integrity. Results of these efforts include:

- A company was sentenced to pay a \$10 million fine, serve 5 years' probation, and to complete 2,500 hours of community service. The criminal fine is the largest ever levied in a jury trial in the history of the Department of Justice, Antitrust Division. The company also settled federal and state class-action

civil lawsuits for another \$18 million. The company previously was found guilty of conspiring to raise and fix prices on products sold to VA medical centers and other government agencies.

- A manufacturer and wholesaler of health-care products, equipment, and supplies agreed to pay the government \$6.4 million to settle allegations that it presented more than 3,200 false invoices to VA for payment. The investigation determined the company failed to disclose that products provided to VA were manufactured in non-designated foreign countries, which is in violation of contract requirements.
- A major medical supply company pleaded guilty to a one-count felony information, charging the company with making a false statement to VA. In addition to paying a \$300,000 fine, the company also paid the government \$6.2 million in a civil settlement arising from allegations that it knowingly overcharged VA, the General Services Administration, and other government agencies for medical and clothing items.
- An attorney was sentenced to 24 months' imprisonment and 3 years' supervised release and ordered to pay \$2.8 million in restitution. The attorney pleaded guilty to conspiracy, mail fraud, and misappropriation by a fiduciary. The investigation revealed that the attorney aided and abetted his former law partner in the misappropriation of \$240,935 belonging to veterans, in addition to defrauding 244 other individuals for an additional \$12.5 million.
- A corporation that was awarded a contract to supply heating and plumbing products to the government, including VA, entered into an agreement with the Department of Justice. This was to avert a pending civil suit for overcharging government customers for supplies purchased under the contract. The corporation denied any wrongdoing but agreed to pay \$450,000 to the government to resolve the issue and avoid expensive, protracted litigation. The investigation revealed that the corporation overcharged VA approximately 15 percent on average for supplies purchased under the contract.
- A former state Veterans' Service Officer was sentenced to 63 months' imprisonment, 36 months' probation, and ordered to pay \$250,000 in restitution for conspiracy, embezzlement, and money laundering in connection with a scheme to defraud VA. The subject filed false medical claims for over \$2 million on behalf of veterans and then used deceit and threats of force to make them pay "kickbacks" ranging from two-thirds to the entire amount of the government checks issued to them.

- A VA property management broker was sentenced to 27 months in prison, ordered to pay \$205,000 in restitution to VA and HUD, placed on 3 years' probation, and directed to have no involvement in the sale or purchase of real property. He pled guilty to fraudulently acquiring over 100 homes whose mortgages were guaranteed by VA or insured by HUD, and also pled guilty to equity skimming. While the homes were in foreclosure, the broker fraudulently purchased the properties, intentionally failed to record his deed, and placed short-term tenants in the properties.
- A veteran was sentenced to 39 months' incarceration, followed by 36 months' supervised release, and was ordered to pay \$98,000 restitution for failing to report his household income when applying for a VA pension, resulting in a \$72,671 overpayment. He also submitted a false claim to obtain a Treasury check issued to a deceased beneficiary. The veteran's son was sentenced to 24 months' probation for negotiating the Treasury check with a forged signature.

## **Audit**

During FY 1996, the Office of Audit conducted 50 program and financial audits, reviews, and evaluations in accordance with OIG strategic and annual operating plans. Audit projects were designed to provide information and recommendations that would enhance the delivery of benefits to the Department's beneficiaries and improve the use of appropriated funds. The projects resulted in positive and significant impact on a variety of Department activities. A description of the results of the more significant OIG audit efforts, by program area, follows:

- **Health Care** – OIG issued several significant health-care related audit reports in FY 1996. OIG's review of VHA's Drug Management Program concluded that VHA has made significant improvements in the Drug Management Program. OIG found that as a result, the level of customer service, patient quality of care, drug accountability and security, and operational efficiencies was enhanced. An evaluation of Timeliness of Inpatient Health Care Delivery at VA medical centers concluded that VHA had implemented mechanisms to monitor and improve timeliness and that delivery of inpatient care was on a timely basis. OIG's review of VA's Spinal Cord Injury (SCI) program concluded that the delivery of SCI services could be improved by more consistent implementation of national SCI policies and operating criteria, including those that govern waiting lists, annual exams, treatment plans, and coordination of care. The review of VA's Income Verification Match (IVM) program showed that both VBA and VHA achieved positive cost benefit ratios of \$1 to \$5 and \$1 to \$4 respectively in IVM program operations during FY 1996.

- **Veterans Benefit** – An audit of VBA’s compensation and pension award processing program found that services could be delivered more timely and efficiently by: (1) immediate notification to beneficiaries of award adjustments, (2) elimination of computer delays, and (3) enhanced dial-in inquiry capability. The revised procedures OIG recommended would streamline due process notification procedures and eliminate delays in adjusting benefits that result in overpayments of over \$24 million annually.

As part of a review of VBA’s Veterans Assistance Service, OIG assessed customer assistance provided by telephone. The review showed that VBA was not meeting its customer service standards for telephone assistance. Subsequent to the review, VBA initiated changes to improve telephone assistance service including: (1) use of interactive voice response technology, (2) expanded call distribution, and (3) revised routing of education program inquiries.

- **Acquisition and Construction** – OIG reviewed discounts and fee collections associated with National Acquisition Center (NAC) contracts, and found continued inaccuracies in vendor reports of sales of drugs and medical supplies that leave VA vulnerable in its estimated annual collection of \$10 million in industrial funding fees and \$500,000 in aggregate discounts. An audit of the NAC’s administration of centralized contracting activities concluded that contracting activities were in compliance with federal and VA acquisition regulations and that internal controls governing the solicitation, negotiation, and award of contracts were effective.
- **Financial Management** – Under the *Chief Financial Officers (CFO) Act*, OIG audited the Department’s *Consolidated Financial Statements (CFS)* for fiscal years 1994 and 1995. OIG concluded that VA’s financial statements fairly represented the results of operations, except for cited qualifications. OIG made recommendations to assist the CFO to identify necessary steps to remove the qualifications.

OIG assessed the progress that VHA, VBA, and NCS made toward establishing cost accounting systems. VHA made the most progress, VBA initiated action to develop its system, but NCS had not started due to resource and technical constraints. OIG recommended continued efforts to implement cost accounting systems. OIG also issued management letters that offered observations and advice for improving day-to-day accounting operations and for controlling and protecting assets. Also, OIG reviewed open FY 1996 obligations and identified \$36.5 million in current year obligations that could be canceled and funds used to meet other needs. VHA provided an estimate of \$20 million that could have been deobligated.

- **Information Resources Management** – Audits of VA computers identified several security vulnerabilities requiring correction. An audit of security controls at the Austin Automation Center (AAC) identified: (1) physical control weaknesses that made the AAC vulnerable to unauthorized access by persons intent on causing damage to equipment and/or harm to employees; and (2) electronic control weaknesses that made the computer systems vulnerable to unauthorized access and usage. An audit of the Decentralized Hospital Computer Program (DHCP) found that security procedures were not effective in limiting users' access only to appropriate levels, a number of employees could access, alter, or delete sensitive patient and financial data, and facility Information Security Officers were not always involved in their medical centers' security programs nor did the VAMC directors place sufficient emphasis on security. The final phase of the audit of IFCAP concluded that in many respects the IFCAP system is performing as designed, but significant problems exist with the security procedures dealing with access to the IFCAP system and data within it, and backup and recovery procedures.

### ***Health-Care Inspections***

During FY 1996, the Office of Healthcare Inspections (OHI) completed four nation-wide program evaluations. OIG review of VHA's Papanicolaou (Pap) smear program found that the program operates effectively, but quality management monitors were needed to ensure consistency in specimen collection procedures, verify the accreditation of contract laboratories, and limit the number of slides read by technicians and pathologists. A review of VHA's *Policies and Procedures for Managing Violent and Potentially Violent Psychiatric Patients* concluded that VHA had taken appropriate actions to ensure patient, employee, and public safety as well as to ensure appropriate health-care measures to manage and treat these types of patients. As an additional effort, OIG recommended using Patient Incident Reporting program for both monitoring and planning purposes, and exploring the feasibility of establishing both regional units to care for the most difficult psychiatric patients, and a flagging system to alert VAMC employees when patients with histories of violence present themselves for treatment.

The review of VHA's Patient Representative Program (PRP) concluded that the program functions effectively in most areas and is generally responsive to the concerns of patients and their families or representatives. To strengthen the program, OIG recommended that VHA develop methods for systematic data collection and trend analysis of consumer complaint or compliment information and use the data for problem identification and resolution. OIG also evaluated VHA's Quality Improvement Checklist (QUIC) Program. The program was established to identify both operational and clinical areas in need of improvement at specific VA medical centers through the use of a checklist of key

quality of care indicators. OIG found improvements were needed to address both the accuracy and use of QUIC program data generated from the checklists, areas subsequently addressed by VHA through development of performance measures and ongoing implementation of its Decision Support System.

OIG also completed 54 inspections resulting from Hotline contacts concerning the quality of care and services provided to individual veteran patients at 42 VA medical centers. Many of these inspections were requested by Members of Congress, the Secretary, and veterans or family members of veterans who received care in VA facilities.

### ***Contract Reviews and Evaluations***

During FY 1996, contract review efforts resulted in recovery of approximately \$28 million from contractors based on overcharges identified in drug pricing reviews and post-award audits. These recoveries were accomplished through coordination between the Office of Acquisition and Materiel Management, the Veterans Health Administration, the Office of General Counsel, and the OIG. Potential dollar recoveries associated with on-going work amount to about \$70 million. Results of FY 1996 efforts were as follows:

- A Federal Supply Schedule (FSS) contractor for surgical instruments and supplies agreed to pay the government \$10 million to settle claims that it failed to provide complete, accurate, and current pricing information to VA during negotiations for a 5-year, \$52 million contract. VA's Supply Fund will receive \$6.5 million of the \$10 million settlement. In addition, a corporate responsibility plan was negotiated with the company requiring it to take corrective action, including the development and implementation of a management information system and a requirement for a multi-year compliance review involving a third party.

An FSS generic drug company agreed to pay the government \$7.5 million to settle allegations related to defective pricing. An OIG contract review and investigation disclosed that during contract negotiations, the company failed to provide the VA National Acquisition Center contracting officer with complete, accurate, and current information regarding discounts and concessions given non-FSS customers that resulted in lower prices than those offered the government. VA's Supply Fund will receive about \$6.3 million of the \$7.5 million settlement.

- VA will recover \$3.6 million as a result of OIG contract reviews of two FSS pharmaceutical companies. One pharmaceutical company agreed to pay VA \$1.8 million, and another company has remitted \$1.8 million to VA to resolve contract overcharges due to defective pricing.

- Five pharmaceutical companies acknowledged errors in calculating Federal Ceiling Prices under Public Law 102-585 and agreed to pay over \$603,000 to VA for contract overcharges. The companies also agreed to implement policies and procedures that would incorporate the necessary internal controls to correct the errors, add products to the FSS, and decrease their prices for products already on the FSS.

### ***Hotline and Special Inquiries***

During FY 1996, the OIG Hotline received 19,000 contacts. The majority of these contacts were from veterans and their families seeking information concerning health-care and other VA benefits. For example, many veterans contacted the Hotline regarding the status of their claims for pension or disability compensation. In these instances, the Hotline staff either looked personally into the veterans' concerns or the case was forwarded to the appropriate VBA regional office for review.

The Hotline opened 550 formal cases during FY 1996. While many of these cases were forwarded to the Department for review and response back to the OIG, the more significant cases were performed in-house by IG Special Inquiries, Investigations, Audit, and Healthcare Inspections staff. Most of the Hotline cases involved allegations of poor medical care, excessive delays in claims processing, mismanagement, abuse of government equipment and facilities, and inappropriate expenditures. The Special Inquiries staff focused on high profile cases involving allegations of potential ethics and other employee misconduct violations by high level VA officials.

About 26 percent of the 540 Hotline cases closed during FY 1996 involved allegations that were substantiated. Administrative sanctions and procedural corrections were taken to resolve most of the Hotline issues, whereas special inquiry efforts resulted in disciplinary actions against VA officials and reimbursements to the government. Collectively, special inquiries and Hotline cases served to enhance management and monitoring of VA programs and provided increased assurance that government officials are held accountable for their actions.

In July 1996, OIG Hotline Home Page went on the Internet to inform users of this avenue of complaint, and the types of issues covered by OIG. In addition, complainants can now access OIG Hotline via E-mail.

# **Office of the General Counsel**

The General Counsel serves as the chief legal officer of the Department on all matters of law, litigation, and legislation. The Office of General Counsel (OGC) interprets all laws pertaining to VA and provides necessary legal services.

## **OGC Reorganization**

The consolidation of OGC's field facilities became fully operational at the beginning of FY 1996. Under the reorganization, 52 District Counsel offices were combined into 23 Regional Counsel offices. One of the benefits of the reorganization is the elimination of duplicate administrative support functions. Another benefit is a reduction in the number of field supervisors by more than 50 percent.

## **Home Loan Guaranty Issues**

The United States Court of Appeals for the Tenth Circuit in *Dixon v. United States* upheld VA's position that a veteran whose debts were discharged in bankruptcy must nevertheless repay any loss sustained by VA on a foreclosed guaranteed home loan before the veteran's loan entitlement may be restored. Although a bankruptcy would generally discharge a veteran's legally-enforceable obligation to the government, the court held that the statutory condition for restoration of entitlement is not a "debt" that can be discharged in bankruptcy. Thus, even though the veteran has no legal obligation to repay the Secretary's loss, loan entitlement cannot be restored until the veteran fully reimburses the government's loss.

## **Government Contracting Issues**

OGC handled 75 protests filed with the General Accounting Office and 33 protests filed directly with VA. Additionally, OGC represented VA before the VA Board of Contract Appeals in approximately 175 contract appeals. Appeals ranged from several thousands of dollars to complex multi-million dollar construction claims.

## **Veterans Benefits Issues**

OGC was successful in obtaining a dismissal of a class-action lawsuit brought in a United States district court involving the timeliness of claims adjudications by a VA regional office. It was convincingly argued that contentions such as this are reviewable only in the United States Court of Veterans Appeals.

During FY 1996, the National Academy of Sciences issued a follow-up report on the health related effects of exposure to Agent Orange. OGC played an

important role on the departmental working group that advised the Secretary on the appropriate response to the report. Office attorneys were also involved in drafting Administration-proposed legislation to provide benefits, including health-care services, to the children of Vietnam veterans who were born with disabling *spina bifida* possibly related to exposure of the veteran to Agent Orange. This breakthrough legislation was enacted at the end of FY 1996.

## **Court of Veterans Appeals**

OGC continued to directly represent the Secretary in all cases litigated in the United States Court of Veterans Appeals (CVA). The Court docketed approximately 1,830 new cases in FY 1996, including appeals from decisions of the Board of Veterans' Appeals (BVA), petitions for extraordinary relief, and applications for payment of attorney fees and expenses under the *Equal Access to Justice Act* (EAJA).

Among the significant holdings of the CVA were – (1) a denial of a claim on the merits by the BVA is harmless error where the claim was not well grounded and should not have been adjudicated in the first instance; (2) a veteran's agreement to pay an attorney 20 percent of past-due benefits if his claim is successful is presumptively reasonable; (3) VA's regulation providing that personality disorders may not be service-connected is valid; (4) the Secretary may not challenge an application for attorney fees under EAJA as excessive based upon comparison with fees paid in similar cases; (5) the VA Hearing Officer program is a proper delegation of the Secretary's adjudication authority; (6) a veteran who sells a VA-guaranteed home without securing a release of liability may have future entitlement reduced by a loss due to the buyer's deed in lieu of foreclosure; (7) the requirement of 90 days of active service in order to be entitled to the statutory presumptions of service connection for certain diseases is constitutional; and (8) the BVA is not authorized by statute or regulation to assign an extra-schedular disability rating, but such grant by the Board is non-prejudicial to the veteran and will be upheld by the Court.

Under authority delegated by the Secretary, OGC continued to settle appropriate CVA cases, thereby conserving both VA and Court resources and reducing the litigation backlog. In addition to entering into joint motions for remand with appellants in cases where additional adjudicative actions were necessary in order to resolve issues presented in appeals, OGC concluded litigation through direct settlement in approximately 220 cases during FY 1996, including appeals on the merits and EAJA applications.

Cooperation with the Veterans Consortium Pro Bono Program, an organization funded by Congress to assist the Court in placing unrepresented appellants with qualified attorneys, continued. Appellants are better able to articulate their cases to the Court when they have counsel assisting them. OGC provided

facilities and support services for Consortium case reviewers. Approximately 180 appellants were offered attorney representation by the Consortium in FY 1996.

OGC also provided support to the Department of Justice in representing the Secretary in appeals from decisions of the CVA to the United States Court of Appeals for the Federal Circuit and in cases taken to the United States Supreme Court. OGC attorneys undertook major responsibility in brief writing and in preparing and accompanying Department of Justice attorneys for oral arguments before those courts. Among the significant principles of law enunciated and/or reaffirmed by the Federal Circuit Court were – (1) the EAJA does not authorize an award of attorney fees to cover charges of an unsupervised non-lawyer for representation before the CVA; (2) although the law does not create an automatic presumption that a combat veteran's claimed disability is service-connected, it does lighten the claimant's burden by requiring VA to accept satisfactory lay or other evidence of in-service incurrence or aggravation; (3) although review under the *Veterans' Judicial Review Act* is available only where the notice of disagreement which initiated the underlying appeal to the BVA was filed on or after November 18, 1988, a new diagnosis, even if medically related to a previously diagnosed disorder, can be the basis for a new claim for CVA jurisdictional purposes; (4) the law requires the BVA to determine whether new and material evidence were presented to reopen a claim, even if the regional office did not address that issue; and (5) the CVA's factual determinations as to the merits of veterans' claims are not reviewable by the Federal Circuit.

In addition, the Supreme Court ended six years of litigation by leaving undisturbed an opinion of the Court of Appeals for the District of Columbia which upheld the decision of the Secretary that a study of the health effects of exposure to Agent Orange was not scientifically feasible.

### **Information Law Issues**

OGC is assigned the responsibility of operating the Department's administrative appeals program for the *Freedom of Information Act* and the *Privacy Act*. The former requires that a report for each calendar year describing an agency's efforts to administer the Act, including the total number of appeals processed during that year, and their disposition, be submitted to Congress. During calendar year 1995, OGC received 97 appeals for VA records; 17 were granted in full, 50 were denied, and 30 were granted in part. The *Privacy Act* requires a similar report every two years, including a statement as to the appellate handling of *Privacy Act* access requests and amendment requests. In calendar year 1995, OGC received 34 access appeals; of those, 26 were granted, 2 were denied, and no records were found regarding 6 appeals. For that period, 30

amendment of record appeals were filed; of those, 7 were granted, 3 were granted in part, and 20 were denied.

There is a steady demand for legal advice and training in Information Law throughout VA, including regarding the *Freedom of Information Act*, the *Privacy Act* and several other confidentiality provisions that affect VA records and operations. The greatest demand is for training, which is specific to the operations of particular programs. In an effort to respond to this demand, the office provided a series of tailored training, including training for contracts personnel, security officers, health-care employees involved with paper or electronic records, VA Central Office VBA personnel, out-stationed General Counsel attorneys and personnel working on workers' compensation claims.

### **Medical Care Issues**

In FY 1996, OGC saw the culmination of years of effort by their attorneys when Congress passed major new legislation to fundamentally alter the way VA delivers health care to the nation's veterans. The new law reforms the eligibility rules that govern veterans' access to the VA health-care system, enabling VA to continue the transition to a more modern health-care system in which care is provided on an outpatient basis rather than in hospitals. OGC worked closely with Department policy makers, officials in the Office of Management and Budget, and Congressional staff, to draft and refine what became the most significant VA health-care legislation to pass the Congress in many years.

### **Regulations**

OGC played a central role in assisting the Department in accomplishing the goals of the Vice President's initiative to reinvent the regulatory process. As a result of this effort, VA was able to eliminate more than 250 pages from the *Code of Federal Regulations*. OGC also assisted Department components in drafting numerous rulemaking documents. Moreover, the Office of Regulations Management provided training for Department regulation drafters. As a result, they better understand rulemaking requirements and the rulemaking documents have become better thought out and easier to comprehend. The Office of Management and Budget and the Federal Register have expressed appreciation for the positive changes made.

### **Personnel and Labor Relations Issues**

OGC provided legal support for the national negotiations of a new Master Contract covering labor-management relations between the American Federation of Government Employees, one of the largest federal employee unions, and the Department. The last contract negotiated was in 1982. The

negotiations were the Department's first engagement with interest-based-bargaining as opposed to traditional bargaining techniques.

OGC attorneys conducted extended negotiations with the Internal Revenue Service that resolved an investigation into VA treatment of fee basis appointments under the tax withholding law. The effort led to a precedential Closing Memorandum in which VA agreed to withhold income on fee basis employees in the future. The agreement committed VA to making substantial modifications to the VA payroll system.

The VA ethics program, administered by the OGC, was reviewed by the Office of Government Ethics. The review determined that OGC attorneys were dedicated to providing the most appropriate advice possible, that the VA public financial disclosure program was characterized by "exceptional" compliance, and that the ethics program in general was being well managed. The office also absorbed a significant increase in the number of requests for advice on post-employment law occasioned by "buyouts" and other government reinvention initiatives. Attorneys maintained a high level of timeliness in responding to the requests. New Veterans Health Administration "Networks" and the heightened program flexibility expected of the Network managers occasioned some unique ethical challenges. The OGC ethics staff developed a special ethics training session for the managers.

FY 1996, also saw an upturn in the office workload concerning political activity by employees in their private capacities. It was the first Presidential election year since comprehensive reform of the *Hatch Act* took effect, and many employees consulted the office for advice on the latitude extended to them under the modified law.

## **Board of Veterans' Appeals**

The Board of Veterans' Appeals (BVA or the Board) was established under 38 U.S.C., chapter 71, to render the final decision for the Secretary on all appeals for entitlement to benefits administered by the Department of Veterans Affairs. BVA is also responsible for deciding matters concerning fees charged by attorneys and agents for representation before the Department under 38 U.S.C. § 5904. The Board's mission is to decide cases on a timely and consistent basis and to issue quality decisions in compliance with the requirements of the law, including the precedential decisions of the United States Court of Veterans' Appeals (the Court). The Board is administered and supervised by its Chairman, who is appointed by the President of the United States and confirmed by the Senate and is directly responsible to the Secretary of Veterans Affairs. The Vice Chairman, Deputy Vice Chairmen, and other members of the Board are appointed by the Secretary. Each of these appointments is approved by the President. The Board also includes staff counsel and administrative personnel.

The Board realigned its organizational structure in September 1995 to provide, for the first time, a platform for management based on the current realities of BVA's mission. Previously, statute or regulation dictated that BVA be organized into sections, each led by three Board members who decided cases as panels. The Board's 21 sections were replaced by four decision teams, each staffed with essentially all of the administrative support necessary to process appeals, including the preparation, review, and approval of Board decisions and the scheduling and conduct of personal hearings. Additionally, each decision team was aligned with specific regional offices to improve communication, continuity, and familiarity between the operating units of the Board and the Veterans Benefits Administration. By reducing administrative overhead and increasing the number of Board members and attorneys involved in case review and decision-making, the realignment resulted in a second consecutive year of increased decision production.

During FY 1996, BVA produced a total of 33,944 decisions, the most decisions issued in any single fiscal year since FY 1991. This represents a 20 percent increase over the number of decisions issued in FY 1995, and a 54 percent increase over FY 1994. This increase in productivity is primarily a result of single member decision authority and the Board's organizational realignment. (See Chart 1.)

**Chart 1. Annual Appellate Decisions**

<b>Fiscal Year</b>	<b>Appellate Decisions</b>
1990	46,556
1991	45,308
1992	33,483
1993	26,400
1994	22,045
1995	28,195
1996	33,944

The accompanying chart shows the disposition of the Board's FY 1996 decisions by category of appeal. (See Chart 2.)

**Chart 2. Disposition of Appellate Decisions by Category of Appeal**

<b>Appellate Category</b>	<b>Total</b>	<b>Allowed</b>	<b>Remanded</b>	<b>Denied</b>	<b>Other</b>
Disability compensation	28,738	6,027	12,834	8,314	1,563
Disability pension	1,080	110	526	412	32
Medical	417	51	134	186	46
Insurance	34	4	1	28	1
Death	1,877	171	649	837	220
Training	290	16	99	164	11
Waivers	744	177	341	210	16
Loan guaranty	264	49	119	92	4
Reconsiderations	76	43	20	11	2
Character of discharge	59	12	18	27	2
Miscellaneous	365	94	80	163	28
<b>Totals</b>	<b>33,944</b>	<b>6,754</b>	<b>14,821</b>	<b>10,444</b>	<b>1,925</b>

Hearings held at VAROs numbered 2,445 in FY 1996, while 431 were held in Washington, DC. The Board continued its program of using video-conferencing to conduct personal hearings. Forty-eight video-conferenced hearings were held between Board members in Washington, DC, and appellants located at either the VARO in St. Petersburg, FL, Nashville, TN, or Des Moines, IA. Video-conferenced hearings afford appellants the opportunity for BVA hearings without the expense of traveling to Washington, DC, and without waiting for a Board member to travel to ROs, which might occur only once or twice a year.

Video-conferencing may eventually replace a large percentage of the travel hearings currently conducted by the Board. Some hearings that require travel will be held at most, if not all, regional offices because appellants have the right to request such hearings. Video-conferenced hearings will enhance productivity by reducing travel time for Board members and will benefit appellants by allowing hearings to be held at a time proximate to when the associated case will be reviewed.

In addition to providing a timely alternative to travel hearings, video-conferencing provides the opportunity for improved communication among all parties involved in the Department's adjudication process. This technology proved itself to be exceptionally well suited for training and information exchanges during regularly scheduled sessions held in FY 1996 between the Board in Washington, DC, and the regional office in Des Moines, IA.

In cases in which a formal hearing is not practicable, written arguments may be submitted to the Board by appellants or their representatives. For decisions entered in FY 1996, 84.6 percent (87.3 percent in FY 1995) had representation by one of the accredited veterans service organizations (VSOs), 3.5 percent (3.2 percent in FY 1995) had representation by an attorney or agent, and 11.9 percent (9.5 percent in FY 1995) had no representation.

Before rendering a decision in cases involving complex or unusual medical circumstances, the Board seeks advisory medical opinions from VA sources, including the Under Secretary for Health, the Armed Forces Institute of Pathology, and independent medical experts, who usually serve on the faculties of leading medical schools. In FY 1996, the Board requested 91 opinions from independent medical experts under 38 U.S.C. § 7109. In FY 1995, 379 such opinions were requested. The following chart shows the medical specialties covered by these opinions. (See Chart 3.)

**Chart 3. Medical Opinions Requested  
from Experts External to VA**

Medical Specialty	Number of Advisory Opinions Requested	
	FY 1995	FY 1996
All Specialties:	379	91
Number requested for Appellate consideration	366	90
Reconsideration	13	1
Internal Medicine:		
General	14	3
Cardiovascular	68	18
Gastroenterology	17	5
Pulmonary diseases	34	8
Surgery:		
General	1	1
Orthopedic	71	8
Thoracic	1	0
Otolaryngology & Ophthalmology	16	6
Psychiatry	65	14
Neurology (medical and/or surgical)	39	8
Pathology (medical and/or surgical)	5	0
Other	48	20

BVA's most commonly used timeliness measure for processing appeals is "response time" – the expected time it will take to issue a decision for a new appeal entering the system. Response time was reduced by more than 22 percent in FY 1996, compared with the previous year. As was the case with the number of Board decisions issued, the improvement in response time is primarily the result of the Board's FY 1996 realignment, which placed more attorneys in decision review positions.

The accompanying chart shows the increase in response time from FY 1991 through FY 1994, and the reduction in response time realized in FY 1995 and FY 1996. (See Chart 4.)

**Chart 4. Average BVA Response Time**

<b>Fiscal Year</b>	<b>Response Time (Days)</b>
1991	139
1992	240
1993	466
1994	781
1995	763
1996	595

The Board has continued its efforts to improve efficiency through increased office automation and expansion of its extensive library of on-line research tools. The decision text Compact Disc-Read Only Memory (CD-ROM) installed on the Board's computer network now contains the full text of all Board decisions issued in calendar year 1992 through the mid-point of 1996. This CD-ROM was provided to all VAROs and made available for purchase by the public from the Government Printing Office. Numerous other legal references, including indexes providing citations to documents, full texts of opinions, memoranda, and reference documents that address specific subject matters, are also included in the Board's large computer-assisted research library.

Several initiatives were undertaken in FY 1996 to make the Veterans' Appeals Control and Locator System (VACOLS), available to a wider population. VACOLS, the Board's primary business system, provides real-time case tracking and management information. It has been made available to veterans service organizations appeals representatives to allow them to provide timely information to their clients. It was also installed at BVA's transcription unit in Wilkes-Barre, PA, where a Veterans Information Office was established, using existing personnel assets, to respond to appeal status and other telephonic inquiries.

Significant progress was made in FY 1996 toward establishing a single VA appeals tracking system, rather than the independent systems currently maintained by BVA and VBA. By accommodating the business needs of both the Board and VBA into a single computer application and database, this effort will improve accuracy and currency of appeals monitoring. Beginning in FY 1997, VBA personnel will be able, for the first time, to not only obtain information on docketed appeals, but add or update information contained in those records.

The Secretary is required by 38 U.S.C. § 7101(c)(2)<sup>1</sup> to report, in terms of full-time employee equivalents (FTE), the number of acting Board members designated under 38 U.S.C. § 7102(c)(1)(A) during the preceding year. Two

---

<sup>1</sup> Included in compliance with 38 U.S.C. § 7101(c)(2).

physicians served as acting Board members from time to time during FY 1996, for a total of 0.03 FTE. Twenty-nine attorneys also served as acting Board members from time to time for a total of 4.16 FTE. Thus, the total FTE of acting Board members in FY 1996 was 4.19 FTE. The Board uses a system of written designations of acting Board members by the Chairman to ensure adherence to the statutory requirements regarding the use of acting Board members.

The accompany chart summarizes several of the Board's key operating statistics for fiscal years 1993 through 1996. (See Chart 5.)

**Chart 5. Summary of BVA Operating Statistics**

	FY 1993	FY 1994	FY 1995	FY 1996
Decisions	26,400	22,045	28,195	33,944
Appeals Received	38,147	35,465	39,900	35,121
Appeals Pending	33,728	47,148	58,943	60,120
Response Time	466	781	763	595
FTE	441	442	433	468
Decisions per FTE	59.9	49.9	65.1	72.5
Hearings - VACO	1,172	689	154	431
Hearings - Field	3,533	1,996	553	2,445
Hearings - Video	NA	NA	41	48

## **Board of Contract Appeals**

The VA Board of Contract Appeals is an independent staff office that consists of six Administrative Judges, a Hearing Examiner, a law clerk, and other necessary support staff. The Board was established on March 1, 1979, under the *Contract Disputes Act of 1978*, to consider disputes between contracting officers and federal contractors on VA construction, supply, and service contracts.

Much of the Board's case load concerns disputes arising from the construction or renovation of VA hospitals, nursing homes, and outpatient clinics. Additional activity comes from contracts for the procurement of drugs, computers, and other necessary supplies and services for the VA. The Board's jurisdiction includes applications for attorney fees and expenses for prevailing small contractors under the *Equal Access to Justice Act*.

Proceedings before the Board are adversarial in nature, and on the record, with witnesses under oath and subject to cross examination. The hearings are conducted under rules and procedures comparable to those of the U.S. Court of Federal Claims and to those utilized by Federal District Courts in non-jury, civil cases. The Board issues written decisions consisting of detailed findings of fact and conclusions of law that are published and available from a number of commercial sources as well as the VA's Vendor Bulletin Board System. More informal and rapid procedures are available to contractors with small claims, many of whom appear personally and without attorneys before the Board. Hearings are held in Washington, DC, or at various locations around the United States where the disputed contracts were performed. Board decisions are final within the Department but may be appealed by either the contractor or VA to the United States Court of Appeals for the Federal Circuit.

Board members also serve as triers of disputed facts in Department debarment and suspension proceedings. Additionally, the Board is charged with resolving disputes between drug manufacturers and the Secretary with regard to the *Pharmaceutical Pricing Agreements* provisions of the *Veterans Health Care Act of 1992*. Under the *Administrative Dispute Resolution (ADR) Act*, the Secretary designated the Chairman of the Board as the senior Department official to promote ADR techniques within VA.

In FY 1996, the Board received 388 new appeals and disposed of 435. At the close of the fiscal year, there were 156 cases pending. Appeals disposed of by ADR increased by nearly 65 percent over FY 1995. The Board provides ADR expertise to aid the Department in resolving contract disputes at an earlier stage prior to appeal, thus enabling it to preserve business relationships and avoid protracted, costly litigation.

As the Department's Dispute Resolution Specialist, a variety of services in non-contractual matters were provided to promote ADR and mediation among all VA organizations and medical centers. In these areas, the Board acts as the Department's expert in ADR and mediation information and resources. Board personnel conducted briefings and training sessions throughout the country. Over 1,100 VA personnel received some form of ADR training from Board personnel. The instruction was diverse and ranged from short briefing sessions on ADR and mediation to multiple day sessions on mediation program design and mediation skills training. As time permitted, Board personnel also acted as mediators and mentors for less experienced VA mediators in a variety of disputes, including EEO grievances, and other interpersonal matters. Board members participated in and provided expertise on several VA working groups interested in introducing more communication skills and conflict resolution training to their programs. The Board also represents VA and actively participates in a number of interagency ADR and mediation working groups that focus on sharing resources among federal government agencies.

## **Office of Small and Disadvantaged Business Utilization**

The Office of Small and Disadvantaged Business Utilization (OSDBU) is VA's advocate for small, small disadvantaged, veteran-owned, and women-owned business interests. To promote these interests, OSDBU focuses on community outreach, procurement assistance, vendor and employee education, customer service, and rewards and recognition. OSDBU concentrates on identifying new procurement opportunities, identifying and developing subcontracting opportunities, examining new markets, and reducing barriers to competition.

For the ninth consecutive year, VA prime contract awards to small and small disadvantaged businesses exceeded \$1 billion. This represents 37.9 percent of all procurements. In FY 1996, the Secretary established Departmental goals using total procurement dollars as reported to the Federal Procurement Data System. A nine percent goal was set for procurements with small disadvantaged businesses and a six percent goal was established for women-owned businesses. VA is the only federal agency to establish a goal for contracting with veteran-owned small businesses, which was set at eight percent in FY 1996. VA is recognized as a leader in achieving procurement program preference goals and, in FY 1995, the last full year for which data is available, VA again exceeded approved goal levels.

Exceeding goals is accomplished through planned, coordinated efforts between industry and trade associations working cooperatively with many government agencies. In FY 1996, OSDBU participated in 17 business and procurement trade fairs sponsored by Members of Congress, government agencies, or major trade associations. In these conferences, OSDBU presented workshops on many aspects of federal procurement, met with potential vendors to review business opportunity materials, and answered questions about VA. For major construction projects, OSDBU worked with the Office of Facilities Management to co-sponsor pre-bid conferences, providing information about specific VA solicitations and hosting subcontracting opportunity workshops. OSDBU also arranged individual planning meetings, such as recent conferences with veterans service organizations to promote business opportunities with veteran-owned businesses. In FY 1996, staff responded to more than 4,300 written inquiries and met with representatives from more than 340 businesses.

To ensure maximum awareness of OSDBU efforts and upcoming business opportunities, OSDBU supplements written mailings with electronic information, available on VA's 1-800-SELL-2-VA bulletin board. The bulletin board contained the latest information on calendars of upcoming conferences, expositions, and seminars; points of contact for business specialists in VA

medical centers; the annual business opportunities forecast that includes general guidance about products and services VA purchases; and up-to-date information from the *Commerce Business Daily* publication notices.

During FY 1996, OSDBU participated in planning a major trade fair in Washington, DC, the *Procurement Opportunities Expo '96*. The Director was selected to be a judge for the *Small Business Administration's Dwight D. Eisenhower Award for Excellence*, one of government's most prestigious awards. OSDBU also sponsored VA-specific expositions that showcased small business firms; e.g., the Information Technology session recently held in Washington, D.C. The Director arranged for customer focus groups to identify service improvement areas. The new OSDBU newsletter, *Updates*, is an outcome of this effort.

In FY 1996, OSDBU visited 30 VA medical centers, reviewing the quality of their efforts to enhance competition and expand business opportunities with small, small disadvantaged, woman-owned and veteran-owned businesses. During these visits, OSDBU provided topical training and briefings for clinical and management staff. These field visits were often combined with visits to local Small Business Administration offices, vendor associations, and other VA activities to maximize return on scarce travel dollars.

Providing technical education to ensure excellent performance by the acquisition work force is one of OSDBU's goals. In FY 1996, OSDBU provided the following services: (1) served as faculty in purchase card training courses, and for the quarterly Acquisition Chiefs Symposia as well as adjunct faculty for the monthly acquisition work force national teleconferences; (2) developed and taught classroom courses for the *Federal Procurement Data System*, training multiple personnel from 31 VA medical centers; (3) served as faculty at the *Blacks in Government Training Summit* held this past spring; and (4) selected to review replacement courseware for six classes in VA's *Acquisition Training Program*, in addition to updating and developing written *Federal Procurement Data System* text.

Recognizing achievements in support of procurement preference programs is one of this office's most significant contributions. In FY 1995, the *Socioeconomic Achievement Awards* program acknowledged the excellent work accomplished at 26 VA medical centers around the country in multiple award categories. These stations received commemorative plaques or certificates and were acknowledged in nationwide mailings to OSDBU customers and VA employees. With such outstanding support, OSDBU is making good progress in achieving its goal to become the best in government at *Doing Business with Small Business* !

## **Center for Minority Veterans**

The Center for Minority Veterans was established under Public Law 103-446 on November 2, 1994. In FY 1996, the center emerged as a “Center of Excellence,” focusing VA’s attention on unique needs and special circumstances of minority veterans.

The center conducted training for over 200 of the Minority Veterans Program Coordinators, 8 representatives of veterans service organizations, community-based organizations, and tribal veterans representatives. The main focus of the training was to identify and meet the needs of minority veterans. The center established a one-stop veterans service center operated by the Readjustment Counseling Service on the Navajo Reservation, Chinlee, AZ; coordinated and developed plans to provide counseling services at two other reservations; and assisted in the acquisition of funds to conduct research on the effects of war and racism on Asian and Pacific Islander American veterans.

The center arranged a workshop on issues facing African American veterans and initiated action to identify and work with the National Association for the Advancement of Colored People (NAACP), and the 2,000 committees of the Armed Services and Veterans Affairs. Representatives from the center attended the National Congress of American Indians (NCAI) national convention and participated in the NCAI veterans committee workshop to identify needs of American Indian veterans. The Director attended the annual convention of the American GI Forum in Albuquerque, NM, and toured the community-based operations in San Antonio, TX, to determine how the Forum’s outreach initiatives could benefit other minority veterans around the country.

In FY 1996, a steering committee was established to examine and identify requirements for the collection of statistical data based on race and ethnicity. The steering committee is composed of representatives from Veterans Health Administration, Veterans Benefits Administration, National Cemetery System, and the Office of Policy and Planning.

The center participated in a review of the Matsunaga Study on Post Traumatic Stress Disorders (PTSD) in Native American, Asian, and Pacific Islander American veterans. The review was held at the National Center for American Indian and Alaska Native Mental Health Research in Denver, CO. Representatives from the northern plains and the southwest Indians’ sites were present and provided important feedback on the study’s progress and preliminary findings.

Other accomplishments of the center include: (1) developed and implemented an initiative to provide Internet access to the center; (2) coordinated the translation

of the *Summary of Benefits Pamphlet* into Spanish and its installation onto the Internet under the VA Home Page; (3) participated in four town hall meetings to identify veterans' needs and concerns; and (4) initiated a request for a comprehensive review of all VA programs, directives, and policies to assess their impact on the use of benefits and health care services by minority veterans.

### ***Advisory Committee on Minority Veterans<sup>2</sup>***

The Advisory Committee on Minority veterans met three times during FY 1996. The committee continued to focus its attention on issues related to PTSD and issues concerning access to care by minority veterans. The committee was influential in validating the selection criteria for the 22 Veterans Integrated Service Networks (VISNs) directors. Eight highly qualified minority directors were appointed. Committee members visited VA facilities and met with minority veterans groups during FY 1996. The committee produced two annual reports for the Secretary. The reports contain recommendations for improving the delivery of health care, rehabilitation services, and benefits to minority veterans.

---

<sup>2</sup> Included in compliance with 38 U.S.C. § 542(c)(4).

## **Center for Women Veterans**

The Center for Women Veterans was established by Public Law 103-446 on November 2, 1994. The Director of the Center for Women Veterans reports directly to the Secretary on the activities of the center. The Director ensures that services and access to services are equivalent to those of male veterans; promotes and participates in outreach activities designed to inform and educate women veterans regarding VA benefits and eligibility; promotes the understanding and acknowledgment of contributions of women veterans in defense of our country; and works jointly with VA personnel, women veterans advisory committees, veterans service organizations, women veterans consumers, and other interested parties to enhance and improve VA programs for women.

During FY 1996, the center Director conducted 10 outreach events, including town meetings for women veterans compared to 35 in FY 1995. The reduction in outreach activities was due to travel budget constraints. Educational activities were similarly affected. The center staff was faculty at 12 educational forums; 10 sponsored by VA and 2 by non-VA organizations. In FY 1996, the center participated in over 40 educational activities focusing on women veterans issues.

The center continues to evaluate services provided to women veterans through official site visits, town meetings, the review and investigation of women veterans complaints, and related correspondence.

A women veterans summit was held in September 1996. The summit brought together a cross-section of the veteran community and service providers from within and outside the federal government to assist in identifying current issues impacting women veterans. It is anticipated the proceedings will provide guidance on legislative, programmatic, and community initiatives that assist women veterans in accessing the services and benefits available to them on the local, state, and federal level.

The center worked with Veterans Benefits Administration (VBA) and Veterans Health Administration to ensure that initiatives addressing women veterans issues were incorporated into reorganization plans, to develop educational programs for VBA claims processing staff, encourage research initiatives on women veterans issues. Collaborative activities with Department of Defense, Department of Justice, and Department of Health and Human Services were also initiated.

The center published a comprehensive resource guide on VA programs for women and is in the process of developing additional materials to be used to educate and inform interested individuals of VA programs and services for women.

## **Veterans Service Organizations' Liaison**

The Secretary's Veterans Service Organizations' Liaison is responsible for maintaining the Department's day-to-day contact with the organized veterans community and is the Secretary's principal adviser on matters specifically affecting groups within that community.

During FY 1996, this office played an active role in carrying out the Secretary's commitments to increase customer satisfaction and to improve VA services. Leaders of the respective veterans service organizations were consulted regularly on VA initiatives to reduce claims and appeals backlogs, to meet the needs of homeless veterans, to implement certain efficiencies in VA health care delivery, and to address the unique concerns of such populations as women veterans and Persian Gulf War veterans.

The consultations with veterans service organizations contributed materially to the development of plans which, when fully implemented, will enable VA to provide its services in a more customer-oriented manner. The Veterans Service Organizations' Liaison will continue to work closely with the various veterans service organizations as they monitor the quality and timeliness of VA service delivery.

# **Office of the Assistant Secretary for Management**

The mission of the Office of the Assistant Secretary for Management (O/M) is to provide stewardship over VA resources and to support the Department by formulating financial, information resource, and acquisition plans and policies; analyzing and evaluating service delivery; and maintaining and enhancing Department information systems. O/M's functional areas include financial management, management controls, budget, acquisition and materiel management, information resources management, telecommunications, and performance measurement.

## **Budget**

The Department of Veterans Affairs' (VA) budget provides the resources which allow VA to provide benefits and services to the nation's 26 million veterans and their dependents. The 1996 Appropriation Bill provided VA with \$38.3 billion to fund the various benefit programs as well as support the operation of the health care system, benefits delivery program, national cemetery system, construction and administrative support activities. Enactment of a rescission bill reduced budgetary resources in 1996 by \$24 million. In order to fund higher than estimated compensation and pension benefit costs, a supplemental appropriation of \$100 million was enacted on August 29, 1996.

On March 19, 1996, VA submitted the 1997 budget request to Congress, totaling nearly \$39.3 billion. VA will use over half of these funds to administer the benefit programs including payments to veterans with service-connected disabilities, pensions, education benefits, death benefits, home loan guaranty, and other credit programs. Over 90 percent of the remaining funds will be used to operate VA's medical programs. The Medical Care appropriation request of \$17 billion is \$444 million higher than the final 1996 appropriation level.

The 1997 budget request submitted in FY 1996, shows that VA's 1997 average employment level of 217,747 FTE is 5,980 below the estimated 1996 level. The planned realignment of the health care system accounts for 5,154 FTE of the 1997 employment reduction. In conjunction with the health-care realignment, the medical administration's headquarters staff was reorganized, resulting in an employment reduction of more than 20 percent.

During FY 1996, VA submitted legislative proposals that would provide hospitals with an important source of revenue as well as contribute to improving the level and quality of health care that is provided to our nation's veterans. In August 1996, VA sent to Congress legislation enabling VA, on a pilot basis, to be

reimbursed by Medicare for health care that is provided to Medicare-eligible veterans at VA facilities. Legislation allowing hospitals to retain a portion of the funds collected from third party insurers was also submitted. These revenue initiatives, along with proposals for eligibility reform and procurement streamlining, should result in a health-care system that is vibrant, competitive, and better addresses veterans' health-care needs.

In FY 1996, VA participated in several activities that will enable the Department to successfully fulfill the reporting requirements of the *Government Performance and Results Act of 1993* (GPRA). This Act, which will be fully implemented in 1997, requires all government agencies to plan strategically then report on their performance against pre-established goals and objectives. For example, the Department was a pilot in the Office of Management and Budget's (OMB) reports streamlining project. The goal of the project was to consolidate the reporting requirements placed on agencies, including those by GPRA, into two separate reports – a planning document and a reporting document. The format of the planning document, VA's budget submission, was modified substantially to include all VA program and staff office missions, stakeholders, goals, objectives, performance measures, and resource requirements. The reporting document, *VA's Accountability Report*, was also improved by using the same set of measures defined in the budget as well as by strengthening the link between program goals and measures. As a result of these enhancements, the Department moved forward in meeting its goal to better integrate performance goals, objectives, and measures in planning, budget and evaluation processes.

The Office of Budget continued to refine, enhance, and expand VA's corporate database of performance information. With the testing and addition of performance information for the National Cemetery System in FY 1996, VA's Performance Measurement System now provides performance information for the Veterans Benefits Administration, Veterans Health Administration, and the National Cemetery System. In the future, performance data from the Veterans Integrated Service Networks directors' performance agreements will be available in the system.

## **Information Resources Management**

Master Veteran Record (MVR) is a Department-wide initiative to improve customer service and streamline the core business operations of VA. It will link existing information systems with little or no manual intervention to provide timely and accurate information when and where it is needed. The goal is to share critical pieces of information, not to replicate existing data in a new database. A work group consisting of representatives from Office of Information Resources Management (OIRM) and four business areas (VHA, VBA, NCS, BVA) set out to define the information sharing problem and recommend a

solution. The work group identified eight information sharing needs as a priority: notice of death, change of address, change of family status, change of representation, appeal, bankruptcy, patient care location, and burial location. In FY 1996, business and technical teams completed the Business Analysis and Design report with detailed business-level specifications for four of the most complex MVR areas and designed the messaging network infrastructure. The Business Analysis and Design report recommends piloting notice of death and standardizing procedures for change of address. A notice of death pilot is currently being developed. Full implementation of MVR will depend on the availability of funds and staff resources in the various program offices. Implementation of the original eight information sharing needs will be incremental.

VA has 12 computer matching programs in operation with an estimated real and cost avoidance savings of \$527 million. During FY 1996, VA's Data Integrity Board approved two 12-month extensions and renewed 10 computer matching agreements between VA and other agencies.

Executive Order 12861, *Elimination of One-Half of Executive Branch Internal Regulations*, directs executive agencies to eliminate, over a 3-year period, not less than 50 percent of their internal directives that are not required by law. The Department has surpassed the 50 percent goal, eliminating 2,001 documents (57 percent) out of 3,500 total directives, representing 25,799 pages. This achievement represents the combined efforts of all VA administrations and staff offices.

The VA Vendor Bulletin Board System (VBBS) continued to be enthusiastically received by the private-sector. This system allows access to retrieve a wide range of procurement information on information technology issues. Plans are being made to enhance the VBBS by integrating a capability allowing access from the World Wide Web. Under this new system, vendors will be able to get to the VBBS on a modem or through their local Internet service provider, and will obtain the same information from either method.

The Department of Veterans Affairs Home Page serves veterans and their dependents 24 hours a day, 7 days a week, with one-stop information resource accessible via the Internet anywhere in the world. In a typical month, over 26,000 customers retrieve over 600,000 pages of documents. VA receives over 400 electronic mail queries monthly. WWW.VA.GOV, the web address, is particularly popular among overseas veterans and military personnel who do not have ready access to information on VA programs and benefits.

WWW.VA.GOV has a database of VA facilities which includes the services offered and the addresses and phone numbers of key personnel. Lenders can

utilize VA's Home Loan Lender and Servicing Guides. Educational institutions can get VA's guide to veterans' educational benefits. The server has information on veterans service organizations, VA forms, policies for finance, health, procurement, and personnel, Title 38 regulations, Board of Veterans Appeals decisions, VA medical research projects, clinical innovations, reorganization, medical automation, and numerous other documents and databases. Veterans can access WWW.VA.GOV at public libraries, veterans service organizations, at the office, or in the privacy of their own homes. An increasing number of federal, state, and local agencies offer walk-in access. The US Postal Service is installing Internet connected kiosks in post offices where anyone can visit WWW.VA.GOV. The VA World Wide Web server is rated among the top 5 percent of all sites on the Internet by Point Survey; the McKinley Group has designated the VA World Wide Web server as a "Three Star" site.

During FY 1996, OIRM successfully implemented a new toll-free telephone service to enable VA employees to phone into the VA wide area network and obtain information from VA databases. The benefits of this service over the existing Sprint Public Data Network (PDN) are lower cost, direct access, higher speeds, greater reliability, and more comprehensive customer support for dial-in customers. The new service also enhances network security because customers using dial-in access are required to have an individual user identification and password. This requirement also enhances audit and charge back capability. Dial-in access to the wide area network was moved from the Sprint PDN to the new 800 service in July and a savings of \$70,000 was realized for that month. Wide area network dial-in traffic currently serves 22,000 customers.

The Department's efforts to implement frame relay technology on the wide area network were accelerated in FY 1996. This technology permits the rapid exchange of large volume files between data centers and other federal agencies such as the Department of the Treasury. It also enables personnel at VA medical centers to transmit radiological images such as MRIs and CAT scans in a matter of seconds between hospitals to expedite the diagnosis and treatment of veterans and their dependents. Frame relay service was implemented initially at selected VA sites during FY 1995. The service proved to be so successful and so advantageous to patient care that VHA in FY 1996 committed to implement the technology at all of its sites by the end of the calendar year, several months ahead of its original schedule. As a result, VA clinicians across the country will have the capability to transmit records quickly from one medical center to another to better serve veterans without regard to location. Other benefits of frame relay service include reduced clinician and patient travel, improved consultation techniques and efficiency, and elimination of duplicative patient assessment procedures.

During FY 1996, the Information Technology Support Service, as part of the Franchise Fund Pilot Program, offered on-site, cost-effective training in the most

current personal computer software packages. Instruction on word processing, spreadsheets, electronic mail, presentation software, micro-literacy, database programs, technical and operating systems was offered on a routine basis. The Microcomputer Training Program for Persons with Disabilities provided special courses for adaptive products as well as training in the use of office automation applications while using these products. This training has been extremely helpful for employees who are visually impaired. Customized training is offered for state-of-the-art adaptive systems and is provided at customer sites as well as VA Central Office.

## **Financial Management**

The Office of Financial Management (OFM), working in conjunction with the Office of Human Resources Management (OHRM), continued to make significant progress during FY 1996 on the PAY VA project. As part of the Department's efforts to replace its 30-year old personnel and payroll systems, PAY VA staff focused on system design, customization, and reengineering processes during the fiscal year. In FY 1996, the Department also made an important decision – to establish a single Shared Service Center (SSC) for responding to employee inquiries and processing routine transactions. The Department is also leveraging additional technology processes (e.g., Interactive Voice Response and Expert Systems for Resume and Classification) that will allow VA to move transaction initiation and processing to the lowest appropriate level (e.g., managerial and employee self-servicing). The implementation of this wide range of technology will dramatically change the way VA conducts these administrative processes. Key implementation objectives include: compliance with federal financial systems functional and data standards, and adherence to security and control requirements. Quality and timeliness of services and reduced operating costs are expected outcomes of this major project.

The Financial Management System (FMS), VA's core financial management system, was enhanced during FY 1996 to include functionality that accommodates important and mandatory internal changes. These changes included: the new Veteran's Integrated Service Networks (VISNs) structure of the Veterans Health Administration (VHA), the Franchise Fund, and the addition of the capitalization of real and personal property (automatic data processing (ADP) and other non-expendable equipment) to the Fixed Assets Subsystem, completing the implementation of full fixed assets accounting within FMS. OFM, through a partnership with VHA, also completed a prototype of a new electronic performance support, on-line help function for new and current FMS customers. This new on-line help function, when fully deployed, will help FMS customers use the system and maintain their proficiency, eliminating additional and costly classroom training.

VA received Office of Management and Budget approval in mid-FY 1996 to establish a Franchise Fund pilot program, as provided under the authority of the *Government Management Reform Act*. During FY 1996, six Service Activities included in the Fund (ADP services, Records Storage, Security Investigations, Police Officers Training, Payroll and Personal Computer Training and Adaptive Technologies) began working with the Franchise Fund Office and Franchise Fund Board of Directors to develop operating and financial plans to implement the Fund at the beginning of FY 1997. The Fund Office staff issued test customer billings based on actual usage and established rates, and pro forma financial statements of the Service Activities. They also coordinated the quarterly meetings of the Franchise Fund. The Franchise Fund team participated in numerous conferences and exhibitions, keeping VA highly visible as a provider of quality services. Beginning with FY 1997 Congressional budget, Service Activity funds will be redistributed to VA customers and become part of the customer's base. Reimbursements in FY 1997 will be based on monthly billings, and in FY 1998, customers will have the option to obtain services from other providers or reduce service requirements. Service Activities are negotiating service level agreements with existing customers and aggressively marketing their services to new customers.

As one of the six OMB approved Accountability Report pilot agencies, OFM issued VA's second *Accountability Report* which provides a comprehensive picture of VA's financial position and program performance. The *Accountability Report* eliminated approximately 400 pages of information previously provided in statutory reporting required by the following: *Chief Financial Officers (CFO) Act*, *Federal Managers' Financial Integrity Act*, *Inspector General Act Amendments*, the *Government Performance and Results Act*, *Civil Monetary Penalty Act*, and *Prompt Payment Act*. A copy of the report was placed on the VA Home Page on the World Wide Web for easy access and distribution to veterans and the public. OFM also prepared, as part of VA's FY 1998 budget, the *Financial Management Status Report and Five-Year Plan* which details the strategies and objectives for implementing financial management improvements within VA.

OFM continued to assist staff of the CFO organizations within Veterans Health Administration (VHA) and Veterans Benefits Administration (VBA) with their responsibilities for overseeing financial management activities. During FY 1996, OFM conducted financial program reviews for both VBA and VHA and provided VA's CFO and administrative officials with an independent assessment of financial and Medical Care Cost Recovery (MCCR) operations. Review efforts concentrated on significant areas that impacted financial reporting.

The FY 1996 *Prompt Payment Act* (PPA) ontime performance rate was 82 percent compared to 79 percent for FY 1995. In FY 1996, the Austin Finance

Center (AFC) expanded its pilot test of a fast pay concept for certified invoices under \$1,000. At the end of FY 1996, 56 field stations converted to this fast payment processing. Efforts to further improve PPA performance and related interest penalty payments will be pursued during FY 1997.

Recognizing the need for federal agencies to exchange information on cost accounting issues, OFM personnel submitted a proposal that was subsequently adopted by the CFO Council for the formation of a government-wide Cost Accounting work group. The work group, which includes participants from over 20 federal agencies, has been aggressively working on the implementation of the Managerial Cost Accounting Standards currently being reviewed by the Office of Management and Budget. Subgroups have been developed to work on specific areas of concentration such as Full and Inter-entity Costs, Cost Accounting, Budgeting, the *Government Performance and Results Act* (GPRA), and Cost Accounting Implementation. OFM is the chair of the Cost Accounting Implementation subgroup.

During FY 1996, OFM continued to expand its Electronic Commerce (EC) and Electronic Data Interchange (EDI) initiatives. These initiatives are reducing administrative costs and moving the Department toward a paperless financial operations environment:

- ***Government-wide International Merchant Purchase Authorization Card Program*** – This program was successfully implemented in FY 1995 and saw unprecedented growth in FY 1996. During FY 1996, VA's 25,000 cardholders placed approximately 600,000 transactions on their International Merchant Purchase Authorization Card (IMPAC), representing \$250 million in goods and services. In FY 1996, the number of micropurchase transactions (purchases under \$2,500) on the IMPAC accounted for 70 percent of all transactions.

The dramatic increase in VA's IMPAC program was due in large part to the implementation of the internally developed Credit Card System (CCS). CCS, which was implemented for all VA facilities, allowed the Department to become the first federal agency to interact with Rocky Mountain BankCard System (RMBCS), the contract bank, on a completely electronic, daily cycle. This system provides the AFC with the capability to download RMBCS files, process payments daily through Electronic Funds Transfer (EFT), and automatically post the transactions into the VA's integrated FMS accounting system. In addition, all IMPAC management reports available to VA program officials were also converted to electronic reports. This financial systems reengineering has also enabled VA to take advantage of maximum rebates offered under the IMPAC Credit Card contract. VA earned

approximately \$800,000 in rebates out of the government-wide total of \$1.2 million for the last half of FY 1996.

OFM was selected to receive the prestigious *Heroes of Reinvention Hammer Award* for the successful implementation of the Credit Card System. In just 3 months, this system was responsible for the conversion of close to 70 percent of VA's micropurchase paper invoices and payments to electronic transfers. The *Heroes of Reinvention Hammer Award* was presented at a ceremony in Austin, TX, in November 1996.

- ***Electronic Invoicing/Electronic Data Interchange/Electronic Commerce*** – As a direct result of expanded purchase card use, the number of invoices submitted electronically decreased from 318,000 in FY 1995 to 285,000 in FY 1996. A fully automated electronic process for receiving the purchase card billings, updating accounting records, and making payments was implemented in FY 1996.
- ***Direct Deposit/Electronic Funds Transfer***– The Department achieved a 93 percent participation rate for salary payments (over 220,000 of the 237,000 employees) in FY 1996, up from 90 percent in FY 1995. Although the number of employees on VA's payroll decreased since FY 1995, participation in Direct Deposit/Electronic Funds Transfer (DD/EFT) increased. The increase represents an additional recurring annual savings of approximately \$69,000.

OFM continued work with VBA on a series of DD/EFT promotional enrollment campaign strategies. These were tested in FY 1996 to increase compensation and pension beneficiary participation. The strategies included: presumed enrollment policy, use of shortened enrollment form, and national mailouts encouraging the use of VA's nationwide 1-800 number for call-in enrollments. The results of these tests revealed that during mailout periods, enrollments increased dramatically. In addition, it was determined that easier enrollment methods would lessen the burden on enrollees to complete a sign-up form and encourage even higher enrollment rates. VA is initiating procedures for accepting automated enrollments via the "Quickstart" program. This program and software was implemented in late September 1996 for use by financial institutions to enroll beneficiary account holders into the DD/EFT program by electronically transmitting enrollment transactions to the appropriate paying agency. VA is also completing requirements for accepting DD/EFT enrollments from Chapter 30 Education Program recipients.

The Austin Finance Center (AFC) continued its aggressive pursuit of EFT enrollment for both commercial vendors and employee travelers.

Enrollments increased from 5,400 participants in FY 1995 to 8,700 in FY 1996, an increase of 61 percent.

- **Electronic Benefit Transfer**– OFM continued to serve as a liaison between the Department of the Treasury and VBA on the contracts with Citicorp Bank Services, Inc., for testing the National Electronic Benefit Transfer program in the State of Texas. VA participants (over 1,500) and other agency beneficiaries are receiving monthly payments through this program. Treasury negotiated with Citicorp Bank for expansion of the Electronic Benefit Transfer Program to the Southern Alliance of States in the fall of 1996.
- **Combo Printing**– In April 1996, VA and the Department of the Treasury developed a check printing system capable of including explanations of benefits with the Civilian Health and Medical Program (CHAMPVA) checks. Current annual savings in mail costs for these programs is estimated at \$438,400.
- **Federal Agencies Centralized Trial Balance System**– Federal Agencies Centralized Trial Balance System (FACTS) is being used to automate the submission of the CFO financial statements and to generate government-wide Consolidated Financial Statements. The Department continues to work with Treasury towards paperless Financial Reporting.
- **Vendor Inquiry System**– The Vendor Inquiry System (VIS) was enhanced in FY 1996 with the installation of an Interactive Voice Response (IVR) system that allows customers (vendors as well as field stations) to obtain information about a payment by using their telephone keypad to input selected information about the account and receive a voice response concerning the status. The IVR system handles 45 percent of the 7,500 telephone calls received by the AFC Inquiry Section each month, thereby allowing staff to spend time on more complex cases. In FY 1996, the AFC developed an additional method of accessing the VIS that provides remote users Internet access to view their payment data and the option of downloading the data to their personal computer. Access to the VIS is part of a World Wide Web site that is available at the AFC.

## **Acquisition and Materiel Management**

### **Electronic Commerce**

The Office of Acquisition and Materiel Management (OA&MM) is continuing its efforts to improve the federal government procurement process through Electronic Commerce (EC). In FY 1996, OA&MM implemented a pilot Request for Quotation (RFQ) system at 21 sites utilizing commercial off-the-shelf

software in a personal computer local area network environment. This effort was expanded by enhancing the automated procurement system to include an electronic RFQ capability. The new system was implemented at initial test sites with nationwide implementation scheduled for the beginning of FY 1997. Also in FY 1996, OA&MM implemented an automated vendor registration program which enables vendors to sign-on with the VA EC program through those value added networks linked to VA.

### ***Inventory Management and Distribution Strategies***

The Distribution Programs Division received a National Performance Review Hammer Award for its program called *PROGRESS* - Program to Guide the Reinvention of Enhanced Supply Support which promotes a comprehensive supply support concept at VA medical centers. *PROGRESS* promotes the reorganization of medical center acquisition and materiel management services to eliminate redundant responsibilities accumulated over the years and creates an inventory management activity that provides automatic supply support to customers.

In its second year, the Medical Surgical Primary Distributor Program is being used by 30 VA medical centers and 2 Army facilities. The intent of the program is to provide alternative distribution strategies to assist medical center materiel management staff in delivery of medical and surgical supplies to their facilities. By reducing sources of supply and increasing the number of products available from fewer sources, substantial savings are realized. Planning for the next acquisition strategy is underway with feedback from medical center customers, manufacturers, and distributors.

At the request of and in collaboration with the Nutrition and Food Service (NFS), OA&MM designed and awarded contracts that support a national prime vendor program and regional preferences and requirements. The program replaced the existing VA depot system with a privatized warehouse and distribution system. One Request for Proposals was issued for 17 separate regional clusters. Contracts were awarded in geographical clusters that follow commercial transportation routes and business practices. VA will benefit from the lowered distribution fees, a wider selection of food products, reduced administrative fees, and additional services at no cost. In addition, we have begun, through this program, to standardize our subsistence requirements. This will further reduce costs and will permit VA to maintain quality service at a lower cost to the taxpayer.

### ***Homeless Veterans Support Program***

Since November 1993, OA&MM staff at VACO and VAMC Lyons, NJ, have been involved in locating and distributing excess federal clothing to homeless veterans across the country. OA&MM provided support in: (1) locating surplus

federal personal property, (2) preparing and submitting required documentation to transfer ownership to VA, (3) transporting and storing materiel at the Somerville Asset Management Service, and (4) coordinating shipments to VA activities. During FY 1996, \$6.5 million worth of surplus clothing and supplies were distributed to homeless veterans.

### ***Contracting Initiatives***

OA&MM received a Hammer Award for efforts to reduce the cost of providing supplies and services to veterans receiving care at state veterans homes nationwide.

Six separate contracts were awarded to Multi-State Nursing Home providers and one contract to a single State provider in California. The goal was to reduce the administrative expense of these contracts and ultimately receive better prices, better quality service, and better coverage. Currently, VA has 3,200 individual contracts for nursing home services. These 7 contracts cover 42 states and reduce the number of individual contracts required.

Six separate contracts were awarded, totaling over \$17 million to replace telephone systems at VHA facilities located in Ft. Howard, MD, Boise, ID, Lyons, NJ, Newington, CT, Palo Alto, CA, and Washington, DC. Five of these contracts were awarded to disadvantaged small businesses and contributed to the overall socioeconomic goals of the Department.

### ***National Standardization of Medical Products***

In FY 1996, the Under Secretary for Health directed a national standardization initiative. This program is managed jointly by VHA and OA&MM. An innovative cross-functional team of clinical and acquisition professionals is slashing costs by limiting products and sources to a point that balances clinician preference against concentrated buying power. Standardization reduces the number of brands for the same end use, reduces the number of suppliers, obtains products clinicians want, and leverages volume discounts and better contract terms. Two contracts were awarded to standardize purchases by all VAMCs of transport wheelchairs and hypodermic needles and syringes. Each is a one-year contract with a second (option) year. With strong compliance, savings of approximately \$1.25 million per year will accrue from each contract.

# **Office of the Assistant Secretary for Policy and Planning**

The Office of Policy and Planning implemented a Departmental approach for strategic management in FY 1996. This approach began with the creation of the VA Strategic Management Group to oversee the Departmental strategic management process and directed the initiation of two ad hoc working groups (i.e., communication and mission/vision (goals)). An initial draft of the *Government Performance and Results Act* strategic plan was developed and an enhanced statistical research capability were the primary focus of the year's agenda. The office serves as the central coordinating point for the Department's participation in the Vice President's National Performance Review. As described in more detail in the introduction to this annual report (under "National Performance Review") these projects and initiatives have touched on the complete range of VA programs and services. The following sections summarize key accomplishments in the areas of policy development, planning and quality management, and statistical analysis.

## **Strategic Planning**

In FY 1996, the Office of Planning assisted the Secretary of Veterans Affairs in developing the Secretary's Performance Agreement with the President. The agreement served as the basis for the cascading down of work performance agreements among the Department's top managers.

The Office of Planning is assisting senior management in developing a Department-level strategic management process that will integrate a number of existing processes (i.e., strategic planning, administration planning, budgeting, performance measurement, business planning, the Secretary's Performance Agreement with the President, performance planning, information technology planning, facility planning, legislative planning, and the implementation of the *Government Performance and Results Act of 1993* ). The first step in the process was a senior managers' retreat. The attendees agreed on a model strategic management process and an action plan that included the following: (1) formalize a strategic management process, (2) establish a strategic management group, (3) conduct an environmental scan, (4) revise and expand VA's mission, visions, and goals.

Each of the steps were initiated during FY 1996. The Strategic Management Group met, with the Deputy Secretary as the chair, and indicated it would identify critical VA issues and areas for future development through a number of ad hoc working groups. These groups have addressed the reevaluation of the

Department's mission, vision, and goals as well as a new look at external and internal communications.

One of the first steps in the strategic management process is the conduct of an environmental scan where interested stakeholders external and internal to an organization provide their perceptions of the major strategic issues facing the organization. The Office of Planning conducted such a scan between January and September of 1996. The scan focused on identifying (or confirming) perceived strengths, weaknesses, opportunities, and challenges. It also explored the factors that enable or limit strategic change. Some of the sources of information included: in-person interviews with Congressional staff, veterans service organizations, oversight agencies, VA senior managers, union representatives, and a survey of state directors of veterans affairs.

## **Quality Management**

The Office of Planning managed the fifth annual **Secretary's Robert W. Carey Quality Award Program** which was held in September 1996. This award is VA's highest for organizational effectiveness and excellence. It recognizes those VA organizations that have excelled in customer service and quality management. This year's overall winner was the National Cemetery System's Calverton National Cemetery. The four category winners were: VA Medical and Regional Office Center Togus, ME, for unified health care and benefits; VA Medical Center (VAMC) Chillicothe, OH, for health care; Riverside, CA, National Cemetery, for cemeteries; and the Denver Distribution Center, for support services. In addition, the special achievement winner was VAMC Tampa, FL.

The office supports the Deputy Secretary's **Scissors Award Program** which recognizes accomplishments of individuals or groups within VA that improve processes, timeliness, and quality of service. Over 250 nominations were received in FY 1996, resulting in more than 150 awards. The awards helped to inspire innovative practices that have resulted in significant savings and improved service to our nation's veterans.

The Office of Planning continues to conduct training in quality management. This effort included *Creating a Customer-Driven VA*. Other training included *Team Leader Training* designed to teach team building skills, and the use of tools to analyze and make improvements to VA processes and delivery of service. Also, special training was given to VA's American Federation of Government Employees (AFGE) Executive Council.

The VA National Quality Council (NQC), established in April 1994 by the Secretary of Veterans Affairs and the President of the National VA Council of AFGE, is providing leadership and fostering Total Quality Improvement (TQI)

within VA. The Council supports the integration of TQI in the day-to-day operations of VA. The NQC includes four management members and four union members. The Council is supported by the Office of Planning. The NQC played a crucial role in the steady progress of TQI/TQM in VA by cementing a partnership between management and labor at the highest levels of VA and AFGE.

## **Policy**

In FY 1996, the Office of Policy assessed policy aspects of VA health-care, benefits, and management issues; and established a data group to support the development of policy proposals that would reimburse VA for health services to veterans eligible for Medicare. The office also formulated a policy statement explaining and consolidating VA services for veterans of US operations in Bosnia, and supports VA's Bosnia Operation Group, which oversees implementation of this policy.

Office of Policy concluded an extensive review and analysis of the statutory, regulatory, and policy impediments to efficient VHA management. At the Secretary's request, the office prepared an analysis comparing the effects of selected budget proposals on VA programs. The office also completed work on a number of projects using quantitative analytic methods to examine policy issues, including an economic analysis of eligibility reform and improved estimates of medical care cost inflation.

The Office of Policy represents VA on interagency working groups on National Urban Policy, National and Community Service, and the American Bar Association Commission on Homelessness and Poverty. Staff from the office coordinated VA's participation in second and final year of an AmeriCorps project which assisted homeless veterans in Houston and Los Angeles. The office created a presentation to Congress to refute myths about the cost and quality of VA health care. Policy staff provided support to VA principals representing the Department on the White House Task Force on Disability and its Interagency Veterans Policy Group, VA's Bosnia Operations Group, and organized a top-level briefing for US Army War College staff and students, initiating a relationship between the Department and the college.

In FY 1996, Office of Policy made important professional contributions as part of the Vice President's National Performance Review (NPR) as well as on the Congressionally-mandated Veterans' Claims Adjudication Commission. Policy personnel have also supported various projects directed at assisting homeless veterans, many activities of the Office of Planning's Quality Service, and VBA's Reader-Focused Writing project.

## **Statistical Analysis**

During FY 1996, the National Center for Veteran Analysis and Statistics continued analyses of the National Survey of Veterans (NSV) database. The survey is composed of a nationally representative sample of over 11,000 veterans who were asked detailed questions relevant to policy and planning issues. Analyses included such topics as implications of Medicare cuts to VA, the effect of distance from VA facilities on the usage of VA health care by high priority veterans, profile of service-connected veterans receiving supplemental security disability income, and profile of veterans utilizing rehabilitation programs. In addition to NSV data analyses, administrative data were used to profile characteristics of female and male veterans utilizing VA hospitals and to produce actual and projected numbers of VA inpatients by bed sections and major diagnostic categories.

The National Center also produced veteran population projections by the newly-created Veterans Integrated Service Networks (VISNs) and participated in all interagency planning activities related to next census in the year 2000. Other reports and analyses produced by the National Center included the *Annual Report of the Secretary of Veterans Affairs; VA Summary of Medical Programs; Trend Data*; veteran population data and projections at the national, state, and county levels; analyses of veteran data in the 1990 Census; and special analyses of minority, elderly, homeless, and nursing home veterans.

During FY 1996, the National Center took steps to begin producing and storing reports on CD-ROM. The first project was preserving the published copies of the *Annual Report of the Secretary of Veterans Affairs*, FY 1918 through FY 1995. These reports are now available on CD-ROM. Other reports will be made available on CD-ROM by the third quarter of FY 1997. This change will increase the life span of reports, allow rapid access to information, substantially decrease printing costs, and reduce storage space.

## **Office of the Assistant Secretary for Human Resources and Administration**

The Office of the Assistant Secretary for Human Resources and Administration provides direction and oversight for a diverse group of programs and serves as the principal Departmental adviser on related matters. Programs with VA-wide responsibilities are human resources management and planning, labor relations, occupational safety and health, equal opportunity, and security and law enforcement. General administrative support is provided primarily to VA headquarters offices. This office ensures that organizations under its jurisdiction are pursuing the National Performance Review's main themes of *Putting Customers First*, cutting red tape, and empowering employees to get results.

### **Employee Safety and Health**

The Assistant Secretary serves as the Department's Designated Agency Safety and Health Official and is responsible for managing the VA Occupational Safety and Health Program. The Department continues to emphasize safety and health-related training for employees, including union representatives. Training materials were developed and distributed to each VA medical center to facilitate training of VA employees in safety and health aspects of their jobs.

Several training conferences were conducted during FY 1996, including a conference that stressed the multi-disciplinary aspects of preventing on-the-job accidents and illnesses. That conference was attended by more than 600 participants, including safety and health professionals, employee health specialists, workers' compensation specialists, infection control professionals, and laboratory safety officers.

Safety and health professionals in VA field facilities now have access to the Department's Workers' Compensation and Occupational Safety and Health Management Information System, a computer program that provides weekly updates of workers' compensation records. This information system enables VA personnel to manage more effectively safety programs, track occupational injuries and illnesses, and focus preventive strategies to ensure a safer workplace. Other federal agencies have purchased this information system from VA and are using it in their safety and health programs.

### **Labor-Management Partnerships**

On April 12, 1996, the VA National Partnership Council (VANPC), composed of field and headquarters management representatives and representatives of VA's five major unions, celebrated its second year of operation. Major issues

addressed by the VANPC in FY 1996 included both Veterans Health Administration and Veterans Benefits Administration field facility reorganization, reengineering initiatives and training to accomplish partnership objectives. The training efforts included a national satellite partnership training teleconference as well as a partnership facilitation training program to assist VA facilities in establishing and maintaining partnerships.

Nearly 75 percent of VA facilities have developed partnership agreements. In FY 1996, approximately 170,000 VA employees were represented by 15 different unions.

## **Human Resources Management**

The Office of Human Resources Management (OHRM) assists field facilities in improving their human resources management services through expert advice and consulting services in human resources policy, planning, systems design, and program development. While all major human resources management areas are covered, special emphasis was placed during FY 1996 on aligning the VA human resources program with the business needs of the Department. A major restructuring of the headquarters office reflects the focus on strategic planning, employee development, creative use of technology, succession planning, and one-stop shopping for VA field and central office customers

OHRM developed and issued an internal agency classification guide to support the goals of the National Performance Review. The guide covers two-grade interval GS team leader positions, replacing first-line supervisors with team leaders – a key element in strategies to flatten organizational structures, simplify work processes, and empower employees as they seek to improve customer service. The classification guide is a prototype for draft guidance the Office of Personnel Management (OPM) is developing on team leadership and organizational streamlining.

In August 1996, human resources professionals, line managers, and senior leaders from across the Department met in San Diego, CA, to prepare for the changing role of human resources in the rapidly evolving VA business environment. Workshops and discussions on a range of issues helped position the VA human resources community to support new ways of delivering services to veterans through managed health care and reengineered work processes.

## **New Human Resources/Payroll Delivery System**

The Assistant Secretary for Human Resources and Administration and the Assistant Secretary for Management share joint responsibility for funding and overseeing the PAY VA project – a Department-wide initiative to reengineer the Human Resources/Payroll (HR/P) processes and to use automation technology to

transform the delivery of these services. This project is being accomplished through participation of a wide range of employees and management officials within VA Central Office and field facilities.

During FY 1996, the PAY VA team concentrated on software development, customizing the commercial off-the-shelf product (People Soft) as needed to meet VA's needs, and refining a proposal to establish a single shared service center (SSC) that would provide routine HR/P transactions and information support services to all VA employees. The Veterans Health Administration, the Veterans Benefits Administration, and the National Cemetery System concurred in this proposal, and the Secretary approved the recommendation to establish a SSC to serve the entire Department.

In FY 1996, the PAY VA Steering Committee met and determined that VISN 2 (VAMCs Albany, Batavia, Bath, Canandaigua, Buffalo, and Syracuse in New York), the Austin Automation Center, the Austin Finance Center, and selected VA headquarters organizations will be the initial PAY VA prototype sites. Systems prototyping began in the fall of 1996, and SSC prototyping is scheduled to begin in early 1997. A phased implementation and delivery of services will follow.

## **Employee Development and Training**

In FY 1996, OHRM coordinated participation of VA employees in a variety of management development programs offered by the U.S. Department of Agriculture Graduate School, the OPM, and the Federal Executive Institute. VA headquarters senior executives participated in the government-wide consortium that offers the SES Forum Series. In addition, 69 VA employees participated in Leadership VA, VA's own management development program.

## **Staffing**

VA's national health-care recruitment advertising campaign continued during FY 1996 under the theme *The Best Care...Keeping the Promise to Those Who Served*. As in prior years, recruitment advertisements were placed in a wide variety of professional journals, newspapers, and publications focused toward minority and veteran audiences.

Activities and resources under this initiative were substantially redirected during FY 1996 consistent with the growing emphasis on health promotion and disease prevention, and consistent with the Under Secretary for Health's *Prescription for Change*. Recruitment advertising staff focused on primary care providers such as physicians trained in family practice, internal medicine, and geriatrics, as well as nurse practitioners and physician assistants who help make up a variety of primary care teams. A competitively bid contract for the

continuation of professional health care advertising services at the national level was awarded.

As the Office of Personnel Management (OPM) began charging for certificates of eligibles to fill Title 5 positions, guidance to field facilities highlighted no-cost and reduced-cost options for staffing vacancies with qualified candidates. An OHRM-negotiated agreement with OPM for full delegation to VA of examining authority enabled established VA Delegated Examining Units, like those in Richmond, VA, and West Los Angeles, CA, to expand availability of no-cost VA-issued certificates of eligibles. Field facility and VA headquarters officials are jointly developing short-, mid- and long-range strategies for cost-effective VA use of the examining authority.

## **Employment of Veterans**

As more and more preference-eligible veterans reach retirement age and leave the federal work force, the Secretary continues to encourage VA's management team to seek out veterans and provide opportunities for their employment and advancement. In support of this effort, OHRM continues to issue Human Resources Management letters focusing on veterans' employment issues and providing listings of all VA facilities in rank order based on veteran employment statistics.

As of September 30, 1996, 63,347 or slightly more than 25 percent of VA's workforce were preference eligible veterans, including 14,439 disabled veterans. Additionally, VA's work force includes about 12,050 non-preference veterans, bringing total veteran employment to 30 percent. Vietnam era veterans now make up the largest group of veterans in VA with 42,882, or more than 17 percent of the work force. VA is also very proud to acknowledge 7,041 preference eligible female veterans and 845 women with derived preference who occupy a variety of positions in the Department.

Staffing offices are encouraged to use the many special appointment authorities available to provide employment opportunities for veterans. During FY 1996, VA headquarters and field facilities made 2,679 appointments under the Veterans Readjustment Appointment authority, and 725 disabled veterans with service-connected disabilities of 30 percent or more were appointed noncompetitively to a variety of positions for which they were qualified.

## **Affirmative Employment**

As of September 30, 1996, the representation of women in grades 13-15 increased to 24.5 percent from 23.7 percent. VA's employment of minorities, 34.9 percent, far exceeds the minority representation of 22.1 percent in the civilian labor force. The percentages of minorities that were represented in the

VA work force are: African-Americans 24.0 percent, Asian/Pacific Islander Americans 4.6 percent, Hispanics 5.6 percent, Native Americans 0.8 percent. People with severe disabilities represented 1.8 percent of VA's work force. These statistics are based on VA full- and part-time employees with permanent appointments.

## **Discrimination Complaints**

VA is testing an Early Mediation Pilot Program as a means of initiating Alternative Dispute Resolution for Equal Employment Opportunity (EEO) complaints. The test program is being conducted in the Washington, DC,- Baltimore, MD, metropolitan area as a way of resolving complaints of discrimination, reprisal, and sexual harassment. VA regional offices and medical centers in this area are using trained mediators, by mutual agreement of the parties, soon after an employee contacts an EEO Counselor. It is anticipated that opportunities for reaching consensus in both individual disputes and organizational issues will increase. Nine of the ten mediations completed in FY 1996 resulted in settlements.

Timeliness of complaint processing increased somewhat. The average number of days to closure, 381 days, represented an additional 35 days due to the government-wide furloughs. Without the furloughs, VA closure would have been approximately 346 days, well below the government-wide average of 356 days for FY 1996.

Training activities continued at a high level with over 275 employees trained in 2 courses for EEO Counselors and 4 courses for EEO Investigators. In addition, the office participated in 4 regional Veterans Health Administration EEO Conferences and provided speakers for several facility EEO training conferences.

## **VACO Renovation Project -- Prospectus**

During FY 1996, the renovation of the VA Central Office (VACO) building was completed. The VA Prospectus Project was accomplished in two phases over four and a half years. This project is one of only three GSA National Capital Region prospectus level renovations to be completed in the last ten years. Employee moves into the renovated I Street wing of the VACO Building began in May 1996 and were completed in August. Approximately 2,200 employees are now located in VACO.

Systems furniture was used for open office areas and conventional furniture in enclosed offices. New state-of-the-art fiber optic/copper cable was installed to support the telecommunications systems. New telephone and security systems were also installed. Through these changes, VA was able to achieve the goal of

the Prospectus Project – providing employees with modern and efficient workspace.

## **VACO Building Management**

The commercial facility management contract that was negotiated with the Galbreath Company in FY 1996 was extended for another year. This contract covers the operation and maintenance of the VACO Building. The contract was developed by GSA in coordination with VA and under the terms of the contract VA serves as the Contracting Officer's Technical Representative.

## **Child Development Center**

VA remains the facility manager of the combined Federal Agencies Child Development Center - U.S. Kids. Other participating agencies include the Department of the Treasury, the Executive Office of the White House, and the Export-Import Bank of the United States. U.S. Kids currently has an enrollment of 98 children. A tuition assistance program has been in existence since the center opened to ensure that it is affordable for everyone.

## **Police and Security Service**

In FY 1996, the Office of Security and Law Enforcement (OSLE) conducted 35 site inspections of its field police and security service operations. The inspections ensure that services provided to the facilities for the protection of VA employees, patients, visitors, and property meet the standards set by policy for top quality VA police operations. OSLE continues to conduct investigations involving unlawful activity occurring on VA property.

## **VA Law Enforcement Training Center**

During FY 1996, the VA Law Enforcement Training Center (LETC) in Little Rock, AR, has provided over 51,700 hours of training to VA Police and Security Service personnel nationwide. LETC instructors also conducted the necessary preliminary firearm training of VA police at selected firearm program pilot sites; continued training police personnel from the National Gallery of Art; and began training police personnel from the Indian Health Service Medical Center, on the Pine Ridge, SD, Indian Reservation. This training is accomplished on a reimbursable basis.

## **Emergency Preparedness**

OSLE serves as the designated VA coordinator for National Security and Emergency Preparedness policy and planning. During FY 1996, OSLE, in concert with the VHA Emergency Medical Preparedness Office, coordinated VA disaster response and recovery activities following the hurricanes that hit the

East Coast and Puerto Rico. In addition, OSLE participated in the Catastrophic Disaster Response Group's assessment and report to the President on the adequacy of the Federal Response Plan in managing the consequences of a terrorist incident involving nuclear, biological, or chemical materials. OSLE also assisted in the development of the Federal Consequence Management Response Plan for the 1996 Summer Olympic Games.

### **Enhanced Security**

Following up on initiatives resulting from the Oklahoma City bombing, OSLE continued to work with the Federal Protective Service to ensure that VA facilities nationwide reviewed and changed their security procedures when necessary. The security of the VACO building was tightened with the installation of x-ray machines and magnetometers in VACO and Lafayette buildings. In addition, OSLE coordinated the upgrading and expansion of closed circuit television systems in the buildings housing the main offices of the Veterans Benefits Administration and the Board of Veterans' Appeals. These new camera systems are now connected to the main closed circuit TV system located in VACO, allowing 24-hour monitoring and time lapse recording.

### **Franchising Services**

In FY 1996, Congress designated VA as one of the six Executive branch agencies authorized to establish a franchise fund pilot program in accordance with the *Government Management Reform Act*, Public Law 103-356. OSLE has franchised two of its functions, the Law Enforcement Training Center in Little Rock, AR, and the Security Office. The franchise fund activities, provide product services under operating principles for business-like organizations within the federal government (competition of services, performance measures, customer service agreements, and cost recovery).

# **Office of the Assistant Secretary for Public and Intergovernmental Affairs**

The Assistant Secretary for Public and Intergovernmental Affairs provides executive management of the Offices of Public and Intergovernmental Affairs. Such management comprises coordination of the information VA communicates to its various audiences, especially to the general public through the news media, and the provision of policy guidance in public affairs. The Assistant Secretary manages and directs the Department's intergovernmental and consumer affairs programs. The office supports veterans specific interest groups, special events, and program activities to meet the needs of several audiences – first and foremost, veterans.

## **News Media**

VA places high importance on its ability to work with news media as a key component of the Department's need to communicate to the broadest possible audience. The Office of Public Affairs (OPA) News Service is the national-level focal point for wide-ranging dissemination, liaison, and assessment activities that gather and process facts and data, and otherwise aid VA in presenting authoritative and timely information to the public. In FY 1996, the News Service responded to about 2,700 media inquiries in addition to generating news releases and producing fact sheets and feature materials. Management officials throughout VA are the recipients of daily summaries of news coverage and are also provided guidance for responding to interest about specific issues.

There was a continuation of heavy media attention throughout the year regarding the health problems of Persian Gulf War veterans. In addition to ensuring that comprehensive information was provided about benefit and medical treatment programs, the News Service described research and survey activities, and supported outreach efforts to veterans and their families. Similar communication needs were presented in conjunction with the expansion of Agent Orange-related benefits.

During FY 1996, other VA programs gained high visibility. Among those were VA-sponsored conferences for government and community providers of services for the homeless, the Department's special expertise in assisting women who were sexually assaulted in the military, and new restrictions that limit mortgage-loan discount points charged to home-buying veterans using a VA guaranty.

## **Public Affairs Field Operations**

OPA's seven regional offices provide public affairs support and counsel to VA field facilities in the areas of media and community relations, internal communication, and the means through which productive discourse can aid in developing policies and contending with issues. In addition, OPA's field staff coordinates media liaison and access associated with travel by the Secretary. In FY 1996, numerous facility visits and speaking engagements triggered high degrees of local interest enabling VA to effectively multiply its traditional forms of media activity by arranging personal interviews and news conferences. The field staff was also actively involved in arranging the Secretary's telephone interviews for local radio stations throughout the nation.

As VA facilities achieved new operational efficiency and improved customer service, OPA helped them develop special events and other means of calling attention to these achievements, particularly those being recognized by the administration's National Performance Review program. The New York OPA regional office made refinements in the management of its national program to stimulate broad media interest in VA research accomplishments. Linking to an on-line computer service for journalists was one very productive improvement. During FY 1996, VA reviewed scripts, offered locations, and provided site-specific locales for some 100 film and television projects, many leading to the donation of money and goods to local post funds.

Consistent with VHA's establishment of the VISNs structure, OPA realigned its field boundaries to ensure single-office coverage for each of the networks and to establish counseling ties with this new level of management.

## **Internal Communications and Special Projects**

OPA provides a variety of communication vehicles for the Department's over 255,000 employees to learn about policies and decisions that may affect them. OPA also provides a steady flow of information on employees' accomplishments and achievements. OPA manages the Secretary's daily e-mail and biweekly payslip messages, produces a video magazine, and publishes *Vanguard*, the Department's monthly internal magazine.

During FY 1996, OPA's Internal Communications and Special Projects Office undertook a comprehensive survey of employees to determine if individual needs and interests were being met and whether *Vanguard* is an appealing source of information. The results will be used in FY 1997 decisions about the magazine's content.

OPA produced materials for use by various field facilities in support of the observance of commemorative and other types of events. A principal effort

helped launch a new contact and referral program for Persian Gulf War veterans through the use of TV and radio public service announcements, print media materials, posters and publicity kits. Staff communications support was also devoted to VA's traditional veteran-related national athletic and artistic competitions.

OPA provides support to the goals of the Veterans Day National Committee to foster observance of the holiday at the state and local level and to further stimulate interest in what veterans contributed to our nation. Pamphlets for school teachers and a series of essays and fact sheets on patriotic symbols and events are among the materials supporting these goals.

VA's publication of the 1996 edition of *Federal Benefits for Veterans and Dependents* again placed the booklet among the top three of all titles offered for public sale by the Government Printing Office.

## **Intergovernmental Affairs**

The Office of Intergovernmental Affairs (IGA) continued to broaden its liaison activities with federal, state, local and tribal governments in FY 1996. IGA routinely worked with representatives from the Departments of Housing and Urban Development, Health and Human Services, Labor, Agriculture, and the Office of Management and Budget on issues such as housing, health care, work force development, regulations, and information technology.

IGA initiated a *State Profile* mailing to all Governors of the States and U.S. Territories covering VA activities, statistics, facilities, and funding in their respective region for FY 1995-96. This means of outreach and information sharing will become an annual mailing to the Governors. Also, information on Federal/State/Private Partnerships, highlighting state veterans homes, state veterans cemeteries, homeless grants, resource sharing, and medical research, was provided to all Governors and State Directors of Veterans Affairs.

In FY 1996, *VA Online*, the Department's electronic forum and e-mail service, was made available to VA state directors and state veterans home administrators. In addition to IGA's weekly mailout (a compilation of VA news releases, pertinent executive orders, Federal Register notices, proposed legislation, etc.), special mailings were provided on topics such as Agent Orange decisions, VA's role in the Bosnia Joint Operations Group, VA/DoD research awards to study Persian Gulf illnesses, and various veteran statistics. A survey, coordinated with the Office of Policy and Planning, was taken among all VA State Directors, soliciting their opinions on critical issues facing the Department.

IGA participated in several national meetings, including the *National Conference of State Legislatures* , *Blacks in Government* , the *National Rural Development Partnership* , and the *Service to the Citizen Summit* . Liaison activities and participation in biannual meetings continued with the National Association of State Directors of Veterans Affairs and the National Association of State Veterans Homes.

For the first time, VA is privileged to have a Truman Scholar participating in a year-long fellowship program. Assigned to IGA, the scholar is compiling a database on rural veteran issues, providing staff support to the Deputy Assistant Secretary, and analyzing rural patient needs while traveling with a VA mobile health clinic based at Poplar Bluff, MO. The appointment is made possible via an interagency agreement among the Truman Scholarship Foundation, VA and US Department of Agriculture, which administers the *National Rural Development Partnership* (NRDP). In late FY 1996, VA authorized a \$500,000 wire transfer to the NRDP.

## **Consumer Affairs Service**

Consumer Affairs Service (CAS) initiated the federal government's first interactive customer service available through the Internet. Through a site on the VA Home Page, veterans and their families began contacting VA headquarters with their concerns, inquiries, and compliments. In the first six months of operation, CAS responded to some 1,600 contacts from the United States and 15 foreign nations. Most of these inquiries were resolved through actions of the appropriate regional office or medical center, or through the National Cemetery System.

CAS was instrumental in coordinating the Department's National Consumers Week (NCW) observance. VA field facilities across the nation observed NCW in ways having positive impact on the business of serving customers. Awards were presented to two VA facilities at the National Consumer League's annual conference for *Special Recognition for Outreach to an Underserved Group* . At no cost to VA, CAS coordinated with GSA's Consumer Information Center and the Department of the Treasury to provide over two million veterans and their beneficiaries with free federal consumer information. An insert accompanying VA benefits checks made information available through the GSA Information Center.

## **Office of the Assistant Secretary for Congressional Affairs**

The Office of the Assistant Secretary works with Congress to keep it informed of Department of Veterans Affairs' policies and programs and to encourage favorable action on VA's legislative agenda. The Office of Congressional Affairs (OCA) is the principal point of contact between the Department and Congress and is the oversight and coordinating body for the Department's Congressional relations.

This office serves in an advisory capacity to the Secretary and Deputy Secretary as well as other VA managers concerning policies, programs, and legislative matters in which Congressional committees or individual Members of Congress have expressed an interest. OCA staff maintain regular contact with Congressional staff to inform them of VA policy and legislative proposals and to learn from them of Congressional expectations with respect to the Department's performance of its responsibilities and pending legislation relating to the Department.

In FY 1996, OCA monitored or participated in more than 65 Congressional hearings; and its House and Senate Liaison offices, located on Capitol Hill, handled approximately 8,000 constituent cases that were brought to them by Members of Congress.

## STATISTICAL APPENDIX

<i>SECTION</i>	<i>TABLE NO.</i>	<i>TABLE NAME</i>	<i>PAGE</i>
<b>THE VETERAN</b>			
<b>Veteran Population</b>			
	1	Selected Data on the Veteran Population .....	115
	2	Percentage Distribution of Male Veterans and Male Nonveterans by Educational Attainment and Selected Age Groups -- 1996 .....	115
	3	Labor Force Status and Unemployment of Selected Groups of Veterans and Nonveterans -- Fiscal Year 1996 .....	116
	4	Estimated Number of Veterans Living in the U.S. and Puerto Rico by Age and Period of Service -- July 1, 1996 .....	117
	5	Estimated Number of Veterans Living in the U.S. by State and Period of Service -- July 1, 1996 .....	118
<b>HEALTH CARE</b>			
<b>Veterans Health Administration</b>			
Program Summary	6	Comparative Highlights -- Fiscal Years 1995 and 1996 .....	119
	7	Program Summary -- Inpatient and Outpatient Medical Care -- Fiscal Year 1996 .....	120
	8	Inpatient and Outpatient Dental Care -- Fiscal Year 1996 .....	125
	9	Applications for Medical Care -- Fiscal Year 1996 .....	129
	10	Hospital and Extended Care by Type of Facility -- Fiscal Year 1996 .....	129
Obligations	11	VA and Non-VA Facilities: Average Obligations Fiscal Years -- 1995 and 1996 .....	130

<i>SECTION</i>	<i>TABLE NO.</i>	<i>TABLE NAME</i>	<i>PAGE</i>
	12	Total Health Care: ..... Obligations by Program and Appropriation -- Fiscal Years 1995 and 1996	130
Inpatient Care	13	VA MEDICAL CENTERS ..... (Hospital Care Component), Non-VA and State Home Hospitals: Admissions, Discharges and Deaths, and Remaining by Bed Section -- Fiscal Year 1996	131
	14	VA MEDICAL CENTERS ..... Hospital Care Component and Non-VA (Contract) Hospitals: Patient Movement by Type of Bed Section -- Fiscal Year 1996	132
	15	VA MEDICAL CENTERS ..... Hospital Care Component: Selected Data -- Fiscal Year 1996	133
	16	VA MEDICAL CENTERS ..... Hospital Care Component: Patients Remaining, Percent by Attained Stay, and Diagnostic Group -- September 30, 1996	137
	17	VA MEDICAL CENTERS ..... Hospital Care Component: Patients Remaining, Age, and Diagnostic Group -- September 30, 1996	138
	18	VA MEDICAL CENTERS ..... Hospital Care Component: Patients Discharged, Age, and Diagnostic Group -- Fiscal Year 1996	139
	19	VA MEDICAL CENTERS ..... Hospital Care Component: Patients Discharged, Average Age, and Diagnostic Group -- Fiscal Year 1996	140
	20	VA MEDICAL CENTERS ..... Hospital Care Component: Patients Discharged, Age, and Diagnostic Group -- Fiscal Year 1996	143

<i>SECTION</i>	<i>TABLE NO.</i>	<i>TABLE NAME</i>	<i>PAGE</i>
Inpatient Care	21	VA MEDICAL CENTERS ..... Hospital Care Component: Patients Discharged, Type of Patient, Age, and Length of Stay -- Fiscal Year 1996	146
	22	VA MEDICAL CENTERS ..... Hospital Care Component: Patients Remaining, by Type of Patient, Compensation and Pension Status, and Age -- September 30, 1996	148
	23	VA MEDICAL CENTERS ..... Hospital Care Component: Patients Discharged, by Type of Patient, Compensation and Pension Status, and Age -- Fiscal Year 1996	149
	24	VA MEDICAL CENTERS ..... Hospital Care Component: Patients Discharged, Diagnostic Group, and Length of Stay -- Fiscal Year 1996	150
	25	VA MEDICAL CENTERS ..... Hospital Care Component: Patients Discharged, Compensation and Pension Status, Eligibility Status, Type of Patient, and Gender -- Fiscal Year 1996	156
	26	Operating Costs of VA Inpatient Facilities ..... -- Fiscal Year 1996	157
Homeless Veterans	27	Domiciliary Care for Homeless Veterans ..... (DCHV); Discharges, Operating Beds, Average Length of Stay, and Status at Time of Discharge from DCHV Program -- Fiscal Year 1996	158
	28	Homeless Chronically Mentally Ill: ..... Number of Contacts -- Fiscal Years 1995 and 1996	159
Ambulatory Care	29	Outpatient Medical Care: Visits to VA Staff and Private Physicians on a Fee-for- Service Basis -- Fiscal Years 1987-1996	161

<i>SECTION</i>	<i>TABLE NO.</i>	<i>TABLE NAME</i>	<i>PAGE</i>
Pharmacy	30	Pharmacy Activ ity -- Fiscal Years ..... 1994, 1995, and 1996	162
Construction Projects	31	Construction Status Summary ..... -- Fiscal Year 1996	163
	32	Replacement and Relocation Hospital ..... Construction Projects: Completions and Year-End Status-- Fiscal Year 1996	164
	33	Modernization Construction Projects: ..... Completions and Year-End Status -- Fiscal Year 1996	165
	34	Staff Office Construction Projects: ..... Completions and Year-End Status -- Fiscal Year 1996	165
	35	Nursing Home Care Units ..... Construction Project s: Completions and Year-End Status -- Fiscal Year 1996	166
	36	Research and Education Construction ..... Projects: Completions and Year- End Status -- Fiscal Year 1996	167
	37	Domiciliary Construction Projects: ..... Completions and Year-End Status -- Fiscal Year 1996	168
	38	Parking Revolving Fund Construction ..... Projects: Completions and Year-End Status -- Fiscal Year 1996	168
	39	National Cemetery Construction Projects: ..... Completions and Year-End Status -- Fiscal Year 1996	169
	40	Other Improvem ents Construction ..... Projects: Completions and Year-End Status -- Fiscal Year 1996	170
	41	Veterans Benefits Construction Projects: ..... Completions and Year-End Status -- Fiscal Year 1996	173

<i>SECTION</i>	<i>TABLE NO.</i>	<i>TABLE NAME</i>	<i>PAGE</i>
<b>VETERANS BENEFITS</b>			
<b>Veterans Benefits Administration</b>			
Housing Assistance	42	Guaranteed Loans, Defaults and Claims, and Property Management -- Fiscal Years 1994, 1995, and 1996	174
Insurance	43	Comparative Highlights for Life Insurance Programs for Veterans and Service Persons -- Fiscal Years 1994, 1995, and 1996	175
	44	Insurance in Force -- Fiscal Year 1996	176
	45	Servicemen's and Veterans' Group Life Insurance Statement of Operations (Accrual Basis) -- Fiscal Year 1996	177
	46	VA-Administered Insurance Disbursements -- Fiscal Year 1996	177
Educational Assistance	47	Persons in Training by Entitlement and Type of Training -- Fiscal Year 1996	178
Compensation and Pension	48	Reasons for Terminations of Disability and Death Awards, by Period of Service -- Fiscal Year 1996	179
Compensation	49	Disability: Class of Dependent and Period of Service -- September 30, 1996	180
	50	Death: Class of Beneficiary by Period of Service -- September 30, 1996	181
	51	Disability: Degree of Impairment and Type of Major Disability by Period of Service -- September 30, 1996	182
Pension	52	Disability: Type of Major Disability and Pension by Period of Service -- September 30, 1996	184
	53	Death: Class of Beneficiary by Period of Service -- September 30, 1996	184

*SECTION*                      *TABLE NO*                      *TABLE NAME*    *PAGE*

**CEMETERIES AND MEMORIALS**

**National Cemetery System**

	54	National Cemeteries: Location, Interments, ..... and Status of Gravesites -- September 30, 1996	185
--	----	--	-----

**ADMINISTRATION AND MANAGEMENT**

Fiscal	55	Net Outlays ..... -- Fiscal Years 1995 and 1996	187
	56	Appropriations, Expenditures, and Balances ..... -- Cash Basis -- Fiscal Year 1996	188
	57	Estimated Selected Expenditures by State ..... -- Fiscal Year 1996	190
Employment	58	Employment: Full-time, Part-time, and ..... Intermittent by Facility Type -- September 30, 1995 and 1996	194
	59	Employment: Full-time, Part-time, and ..... Intermittent by Pay System -- September 30, 1995 and 1996	194
	60	Employment: Gender and Veteran ..... Preference -- September 30, 1996	195
	61	Employment: Minority Groups by Grade -- ..... Full-time and Part-time with Permanent Appointments -- September 30, 1996	195
	62	Employment of Women by Pay Category -- ..... Full-time, Part-time, and Intermittent -- September 30, 1996	196
	63	Employment of Individuals with Targeted ..... Disabilities by Pay Category -- Full-time, Part-time, and Intermittent with Permanent Appointments -- September 30, 1996	196

**Table 1 -- Selected Data on the Veteran Population of the U.S. and Puerto Rico**  
(In thousands)

Period of Service	Veteran Population <sup>(1)</sup> as of July 1, 1995	Net Separations from the Armed Forces	Deaths in Civilian Life	Veteran Population <sup>(1)</sup> as of July 1, 1996	Percent Change in Veteran Population	Female Veterans	
						Population as of July 1, 1996	Percent of Total Veteran Population
All veterans.....	26,198	217	534	25,881	-1.2	1,215	4.7
Wartime veterans (2) .....	20,169	217	489	19,897	-1.3	764	3.8
Persian Gulf War service.....	1,450	217	9	1,658	14.4	198	11.9
With no Vietnam era service.....	1,206	187	5	1,388	15.1	184	13.3
With Vietnam era service.....	244	30	4	270	10.7	14	5.2
Vietnam era .....	8,273	30	55	8,248	-0.3	235	2.8
With no Korean conflict or Persian Gulf War service.....	7,509	--	37	7,472	-0.5	214	2.9
With Korean conflict and no Persian Gulf War service.....	303	--	5	298	-1.7	4	1.3
With Persian Gulf War and no Korean conflict service.....	244	30	4	270	10.8	14	5.2
Korean conflict .....	4,499	*	103	4,396	-2.3	94	2.1
With no World War II or Vietnam era service.....	3,460	--	66	3,394	-1.9	76	2.2
With World War II service only.....	518	--	22	496	-4.3	10	2.0
With Vietnam era service and no World War II service.....	303	*	5	298	-1.7	4	1.3
World War II.....	7,433	--	367	7,066	-4.9	272	3.8
With no Korean conflict service.....	6,698	--	336	6,362	-5.0	258	4.1
With Korean conflict service.....	735	--	31	704	-4.2	13	1.8
World War I.....	13	--	4	10	-25.5	1	10.0
Peacetime veterans.....	6,029	--	45	5,984	-0.8	450	7.5
Service between Korean conflict and Vietnam era only.....	2,830	--	31	2,799	-1.1	72	2.6
Peacetime post-Vietnam era service.....	3,041	--	7	3,034	-0.2	366	12.1
Other peacetime service (3) .....	158	--	7	151	-4.4	12	7.9

(1) Includes an indeterminate number of Mexican Border period veterans, 24 of whom were receiving benefits as of September 30, 1996.  
 (2) Comprised of: Persian Gulf War with no Vietnam era service; Persian Gulf War with Vietnam era service; Vietnam era with no Korean conflict or Persian Gulf War service; Korean conflict with Vietnam era service and no World War II service; Korean conflict with no Vietnam era service or World War II service; World War II, and World War I service.  
 (3) Includes veterans who served only between World War I and World War II and those who served only between World War II and the Korean conflict, and those who served before World War I only.  
 \* Less than 500

Note: Detail may not add to totals due to rounding. Excluded are veterans whose only active duty military service occurred since September 8, 1980, and who failed to satisfy the minimum service requirement.

**Table 2 -- Percentage Distribution of Male Veterans and Male Nonveterans by Educational Attainment and Selected Age Groups, 1996**

Description	Number of Veterans (thousands)	Percent of Total					
		High School			College		
		No High School	1 to 3 Years	4 years *	1 to 3 Years	4 years or more **	At least some college
Veterans age 20 and older.....	24,350	5.4	8.6	35.8	28.0	22.2	50.2
Nonveterans age 20 and older.....	64,025	8.7	10.6	30.7	24.8	25.2	50.0
Vietnam era veterans age 40 to 54.....	6,160	0.6	4.0	35.4	34.8	25.2	60.0
Nonveterans age 40 to 54.....	17,900	7.5	9.0	29.1	22.1	32.3	54.4
Post-Vietnam era veterans age 20 to 39.....	3,357	0.2	3.6	46.9	36.9	12.4	49.3
Nonveterans age 20 to 39.....	36,120	4.5	10.6	32.2	29.4	23.3	52.7

\* Only includes high school graduates; nongraduates are represented in the 1-3 years category.  
 \*\* Only includes college graduates with at least a Bachelor Degree; nongraduates are represented in the 1-3 years category.  
 Source: March 1996 Current Population Survey, U.S. Bureau of Census.

TABLE 3

## VETERAN POPULATION

**Table 3 -- Labor Force Status and Unemployment of Selected Groups of Veterans and Nonveterans**  
Fiscal Year 1996

	<i>Number in Labor Force (000s)</i>	<i>Percent Labor Force</i>	<i>Number Unemployed (000s)</i>	<i>Unemployment Rate</i>
Both Sexes--20 or older				
Veterans.....	14,726	59.4	579	3.9
Nonveterans.....	110,858	69.1	5,396	4.9
Males--20 or older				
Veterans.....	14,009	59.5	537	3.8
Nonveterans.....	53,763	82.9	2,663	5.0
Males--20 to 39				
Post Vietnam era veterans.....	2,397	93.6	145	6.1
Nonveterans.....	33,194	90.4	1,896	5.7
Males--40 to 54				
Vietnam era veterans.....	5,865	90.4	195	3.3
Nonveterans.....	16,308	90.1	616	3.8
Males--55 to 64				
Veterans.....	3,084	64.4	103	3.3
Nonveterans.....	3,577	69.1	121	3.4
Females--20 or older				
Veterans.....	717	57.9	42	5.9
Nonveterans.....	57,095	59.7	2,733	4.8
Females--20-39				
Veterans.....	401	79.4	30	7.4
Nonveterans.....	29,937	74.5	1,782	6.0
Females--40-54				
Veterans.....	223	82.6	8	3.6
Nonveterans.....	20,245	76.4	702	3.5

Note: Numbers shown are based upon an average of quarterly figures for fiscal year 1996.

Source: Current Population Survey, October 1995 through September 1996, U.S. Bureau of Census.

### Footnotes to Tables 4 and 5

Note: Excluded are veterans whose only active-duty military service occurred since September 8, 1980, and who failed to satisfy the minimum service requirement. Also excluded are a small indeterminate number of National Guard personnel or reservists who incurred service-connected disabilities while on an initial tour of active duty for training only. Detail may not add to total shown due to rounding.

- (1) Veterans who served in more than one wartime period are counted only once. Total wartime equals the sum of Persian Gulf War (no prior wartime service), Vietnam era (no prior wartime service), Korean conflict (no prior wartime Service), World War II, and World War I. Also includes an indeterminate number of Mexican Border period veterans of whom 24 were receiving VA benefits and 9,600 veterans (660 female veterans) of World War I, all of whom were over 90 years old.
  - (2) Includes 270,000 (14,000 female) who served in both the Persian Gulf War and the Vietnam era.
  - (3) Includes 160 who served in the Persian Gulf War, the Vietnam era, and the Korean conflict.
  - (4) Includes 298,000 (3,800 female) who served in both the Korean conflict and the Vietnam era.
  - (5) Includes 208,000 (3,400 female) who served in the Vietnam era, Korean conflict, and World War II.
  - (6) Includes 496,000 (10,000 female) who served in both the Korean conflict and World War II.
  - (7) Service only between May 7, 1975 and August 2, 1990.
  - (8) Includes those who served only between World War II and the Korean conflict, those who served only between World War I and World War II, and those who served prior to World War I only.
  - (9) Computed from data by single year of age.
- \* Less than 500.

VETERAN POPULATION

TABLE 4

Table 4 -- Estimated Number of Veterans Living in the U.S. and Puerto Rico by Age and Period of Service as of July 1, 1996  
(In thousands)

Age Group (in years)	Total Veterans	Wartime Veterans								Peacetime Veterans			
		Persian Gulf War		Vietnam Era		Korean Conflict		World War II (5,6)	Total	Post- Vietnam Era (7)	Service Between Korean Conflict and Vietnam Era Only	Other Peace- time (8)	
		Total (1)	Total (2,3)	No Prior Wartime Service	Total (2,3,4,5)	No Prior Wartime Service	Total (3,4,5,6)						No Prior Wartime Service
<b>All Veterans</b>													
All Ages.....	25,881	19,897	1,658	1,388	8,248	7,742	4,396	3,692	7,066	5,984	3,034	2,799	151
Under 20 yrs.....	1	1	1	1	--	--	--	--	--	--	--	--	--
20 - 24 yrs.....	207	203	203	203	--	--	--	--	--	4	4	--	--
25 - 29 yrs.....	872	611	611	611	--	--	--	--	--	261	261	--	--
30 - 34 yrs.....	1,229	325	325	325	--	--	--	--	--	904	904	--	--
35 - 39 yrs.....	1,521	291	155	149	143	143	--	--	--	1,230	1,230	--	--
40 - 44 yrs.....	1,849	1,380	171	56	1,324	1,324	--	--	--	469	469	--	--
45 - 49 yrs.....	3,355	3,236	127	22	3,214	3,214	--	--	--	120	102	18	--
50 - 54 yrs.....	2,815	2,277	46	13	2,264	2,264	--	--	--	539	34	503	2
55 - 59 yrs.....	2,318	834	14	6	676	652	176	176	--	1,483	20	1,461	3
60 - 64 yrs.....	2,720	1,944	4	3	276	113	1,822	1,819	9	776	8	740	28
65 - 69 yrs.....	3,002	2,873	--	--	198	23	1,826	1,598	1,252	129	1	63	64
70 - 74 yrs.....	3,046	3,026	--	--	92	7	354	79	2,940	20	--	8	13
75 - 79 yrs.....	1,984	1,968	--	--	48	3	159	13	1,953	15	--	4	12
80 - 84 yrs.....	702	686	--	--	11	--	46	5	680	16	--	2	15
85 yrs. & over.....	260	243	--	--	2	--	13	2	231	16	--	2	15
Median Age (9).....	57.4	62.0	30.2	29.0	49.1	48.8	65.6	64.6	73.9	50.0	36.4	58.0	68.4
<b>Female Veterans</b>													
All Ages.....	1,215	764	198	184	235	227	94	80	272	451	366	72	12
Under 20 yrs.....	--	--	--	--	--	--	--	--	--	--	--	--	--
20 - 24 yrs.....	23	23	23	23	--	--	--	--	--	1	1	--	--
25 - 29 yrs.....	104	73	73	73	--	--	--	--	--	31	31	--	--
30 - 34 yrs.....	151	48	48	48	--	--	--	--	--	103	103	--	--
35 - 39 yrs.....	178	33	25	24	9	9	--	--	--	144	144	--	--
40 - 44 yrs.....	150	88	18	11	77	77	--	--	--	62	62	--	--
45 - 49 yrs.....	102	84	8	4	80	80	--	--	--	18	16	1	--
50 - 54 yrs.....	65	42	3	1	41	41	--	--	--	23	5	18	--
55 - 59 yrs.....	55	17	1	--	12	12	5	5	--	38	3	35	--
60 - 64 yrs.....	58	43	--	--	5	4	38	38	1	16	1	13	2
65 - 69 yrs.....	50	45	--	--	4	2	30	28	15	6	--	3	3
70 - 74 yrs.....	125	122	--	--	3	1	12	7	114	3	--	1	2
75 - 79 yrs.....	96	94	--	--	2	1	6	1	92	3	--	1	2
80 - 84 yrs.....	37	35	--	--	1	--	3	1	34	2	--	1	2
85 yrs. & over.....	20	18	--	--	--	--	2	1	17	2	--	1	2
Median Age (9).....	45.1	53.9	30.4	29.8	46.9	46.7	65.8	64.7	75.4	38.2	36.7	57.5	73.9

See footnotes for this table on the preceding page.

TABLE 5

## VETERAN POPULATION

Table 5 -- Estimated Number of Veterans Living in the U.S. and Puerto Rico by State and Period of Service as of July 1, 1996  
(In thousands)

State	Total Veterans	Wartime Veterans									Peacetime Veterans			
		Total (1)	Persian Gulf War		Vietnam Era		Korean Conflict		World War II (5,6)	World War I	Total	Post-Vietnam Era (7)	Service Between Korean Conflict and Vietnam Era Only	Other Peacetime (8)
			Total (2,3)	No Prior Wartime Service	Total (2,3,4,5)	No Prior Wartime Service	Total (3,4,5,6)	No Prior Wartime Service						
Grand Total.....	25,881	19,897	1,658	1,388	8,248	7,742	4,396	3,692	7,066	10	5,984	3,034	2,799	151
U.S. Total *.....	25,752	19,801	1,649	1,380	8,213	7,708	4,363	3,660	7,044	10	5,950	3,018	2,783	150
Alabama.....	421	328	38	31	135	122	78	63	112	*	93	49	41	3
Alaska.....	64	45	3	2	30	29	8	7	8	*	19	12	7	*
Arizona.....	455	349	24	21	146	131	82	64	133	*	106	58	44	3
Arkansas.....	255	201	22	18	79	72	45	36	74	*	54	26	26	2
California.....	2,783	2,092	139	116	940	872	483	382	721	1	691	374	301	16
Colorado.....	379	290	23	20	145	133	64	52	85	*	89	49	39	2
Connecticut.....	334	255	16	13	98	95	56	49	98	*	79	36	40	2
Delaware.....	78	59	6	5	24	23	13	11	21	*	19	11	8	*
Dist. of Columbia.....	49	39	4	4	14	13	10	8	15	*	11	5	5	*
Florida.....	1,698	1,329	93	74	486	428	314	239	587	1	368	201	156	11
Georgia.....	677	500	51	43	246	227	106	87	143	*	177	104	69	4
Hawaii.....	115	85	7	5	42	38	20	16	26	*	30	18	12	1
Idaho.....	111	85	9	7	36	34	18	15	30	*	25	12	12	1
Illinois.....	1,057	826	67	58	319	312	175	157	299	*	231	103	122	6
Indiana.....	587	449	41	35	181	176	95	85	152	*	138	67	68	3
Iowa.....	287	231	21	18	86	84	51	46	82	*	57	24	32	2
Kansas.....	259	203	15	13	86	81	44	37	72	*	55	28	26	1
Kentucky.....	364	285	28	23	117	111	61	53	98	*	79	38	39	2
Louisiana.....	368	292	34	28	117	109	62	51	103	*	77	34	40	3
Maine.....	153	116	11	9	51	48	25	21	38	*	37	20	16	1
Maryland.....	526	385	32	27	173	163	84	69	126	*	140	80	57	3
Massachusetts.....	585	451	27	22	165	159	101	87	181	*	134	64	67	3
Michigan.....	940	723	67	60	292	286	144	131	246	*	217	105	106	5
Minnesota.....	457	351	26	23	150	147	75	67	113	*	106	48	56	2
Mississippi.....	229	180	24	20	67	60	42	34	65	*	49	24	23	2
Missouri.....	579	451	39	32	183	173	101	87	158	*	129	63	63	3
Montana.....	94	74	7	6	31	29	16	13	25	*	19	8	11	1
Nebraska.....	165	130	12	10	51	48	31	27	44	*	35	16	18	1
Nevada.....	186	139	7	6	64	58	36	29	46	*	47	25	21	1
New Hampshire.....	134	100	8	6	46	43	22	19	32	*	34	19	14	1
New Jersey.....	729	567	34	29	200	194	129	115	229	*	162	69	88	5
New Mexico.....	170	130	12	10	60	54	29	22	43	*	40	23	16	1
New York.....	1,515	1,171	99	84	414	407	252	229	451	1	344	159	176	9
North Carolina.....	703	533	49	41	232	214	117	100	178	*	171	95	72	4
North Dakota.....	58	46	5	4	18	18	10	10	15	*	12	5	7	*
Ohio.....	1,177	914	84	72	355	346	188	168	327	*	263	128	127	7
Oklahoma.....	342	272	21	17	117	108	63	50	97	*	70	32	36	2
Oregon.....	368	286	22	19	124	119	58	47	101	*	82	40	40	2
Pennsylvania.....	1,349	1,059	84	71	377	366	225	198	424	*	290	126	156	8
Rhode Island.....	108	84	6	5	31	29	19	16	35	*	24	12	11	1
South Carolina.....	376	284	31	25	130	116	63	51	92	*	91	52	37	2
South Dakota.....	73	58	7	5	21	20	14	13	19	*	15	7	8	*
Tennessee.....	512	394	38	31	171	160	85	73	131	*	118	58	56	3
Texas.....	1,617	1,239	110	89	579	529	271	217	404	*	378	202	167	9
Utah.....	136	108	9	8	44	41	24	20	39	*	28	12	15	1
Vermont.....	62	46	4	4	20	19	10	8	15	*	16	8	7	*
Virginia.....	698	516	45	37	259	229	119	91	159	*	181	110	67	4
Washington.....	625	471	37	30	232	213	103	80	147	*	155	85	67	3
West Virginia.....	197	159	15	12	59	56	35	31	60	*	38	15	22	1
Wisconsin.....	502	385	34	30	152	149	81	73	134	*	117	50	64	3
Wyoming.....	46	37	3	3	17	16	8	7	12	*	10	4	5	*
Puerto Rico.....	129	96	9	8	35	34	33	32	22	*	34	17	16	1

\* U.S. Total includes all 50 states and the District of Columbia.

Note: Refer to the footnotes for Table 4 "Estimated Number of Veterans Living in the U.S., by Age and Period of Service" located below table 3.

Table 6 -- Comparative Highlights

<i>Description</i>	<i>Fiscal Year 1996</i>	<i>Fiscal Year 1995</i>	<i>Percent Change</i>
<b>Facilities at end of year</b>			
Medical centers (hospital care and outpatient care)	173	173	0.0
Nursing home care units <sup>(1)</sup>	133	131	1.5
Domiciliary care units <sup>(1)</sup>	40	39	2.6
Other Outpatient Clinics <sup>(2)</sup>	398	391	1.8
Independent domiciliary and clinic	1	1	0.0
<b>Employment</b>			
Full-time equivalent	199,038	204,902	-2.9
<b>Obligations (millions)</b>	\$16,791	\$16,548	1.5
Medical care	\$16,373	\$16,126	1.5
Research in health care	\$307	\$289	6.2
Medical administration and miscellaneous operating expenses	\$63	\$69	-8.7
Health professional scholarship program	\$0	\$10	-100.0
Other medical programs	\$48	\$54	-11.1
<b>Inpatients treated <sup>(3)</sup></b>	960,524	1,034,945	-7.2
Acute hospital care	621,495	682,285	-8.9
Rehabilitative care	18,625	19,249	-3.2
Psychiatric care	177,287	193,785	-8.5
Nursing home care	82,390	79,793	3.3
Subacute care	32,691	34,759	-5.9
Residential care	28,036	25,074	11.8
<b>Average daily inpatient census <sup>(3)</sup></b>	74,764	81,071	-7.8
Acute hospital care	13,948	16,392	-14.9
Rehabilitative care	1,642	1,779	-7.7
Psychiatric care	11,037	13,167	-16.2
Nursing home care	33,733	34,163	-1.3
Subacute care	5,085	6,132	-17.1
Residential care	9,319	9,438	-1.3
<b>Outpatient medical visits</b>	29,295,000	27,565,000	6.3
VA staff	28,360,000	26,501,000	7.0
Fee basis	935,000	1,064,000	-12.1

<sup>(1)</sup> Located within VA medical centers.

<sup>(2)</sup> Includes Independent, Satellite, Community-Based, Rural Outreach, and Mobile Clinics.

<sup>(3)</sup> Categories changed since FY 1995.

NOTE: Totals may not add due to rounding.

TABLE 7

## PROGRAM SUMMARY

**Table 7 -- Program Summary  
Inpatient and Outpatient Medical Care -- Fiscal Year 1996**

Location of VA Facility	Inpatient Care--Patients Treated <sup>(1)</sup>								Outpatient Medical Care	
	Hospitals			Nursing Homes			Domiciliaries		Visits to VA Staff	Fee Basis Care <sup>(5)</sup>
	VAMC Hospital Care Component	Non-VA <sup>(2,3)</sup>	State Home <sup>(2,4)</sup>	VAMC Nursing Home Care Component	Com-munity <sup>(2,3)</sup>	State Home <sup>(2,4)</sup>	VAMC Dom. Care Component	State Home <sup>(2,4)</sup>		
<b>Departmentwide: Totals.....</b>	<b>806,977</b>	<b>16,197</b>	<b>2,108</b>	<b>35,304</b>	<b>25,321</b>	<b>19,817</b>	<b>18,879</b>	<b>6,095</b>	<b>28,359,653</b>	<b>934,967</b>
<b>Transfers.....</b>	<b>27,534</b>	<b>--</b>	<b>--</b>	<b>569</b>	<b>880</b>	<b>--</b>	<b>128</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>All facilities: Totals.....</b>	<b>834,511</b>	<b>16,197</b>	<b>2,108</b>	<b>35,873</b>	<b>26,201</b>	<b>19,817</b>	<b>19,007</b>	<b>6,095</b>	<b>28,359,653</b>	<b>934,967</b>
Alabama: Birmingham.....	6,332	18	--	--	90	--	--	--	185,585	3,245
Montgomery.....	1,850	125	--	--	31	639	--	--	51,437	12,940
Tuscaloosa.....	3,304	3	--	263	24	--	--	--	83,971	--
Tuskegee.....	5,161	18	--	211	41	--	22	--	91,037	1,231
Alaska: Anchorage (ROC).....	64	1,062	--	--	77	--	133	--	87,981	29,651
Arizona: Phoenix.....	10,556	174	--	529	215	110	--	--	308,234	7,948
Prescott.....	2,364	4	--	172	107	--	543	--	77,705	--
Tucson.....	6,137	31	--	836	320	--	--	--	223,165	--
Arkansas: Fayetteville.....	3,056	--	--	--	37	--	--	--	91,514	--
Little Rock (PDV).....	14,025	139	--	326	270	93	215	41	317,473	19,921
California: Fresno.....	3,974	28	--	388	72	--	--	--	135,751	4,615
Loma Linda.....	6,517	157	--	275	260	--	--	--	232,080	3,557
Long Beach.....	9,574	70	--	491	227	--	--	--	396,637	365
Los Angeles (IOC).....	--	--	--	--	--	--	--	--	175,306	233
Martinez.....	2,870	434	--	--	80	--	--	--	387,227	10,002
Palo Alto (PDV).....	7,063	152	--	788	443	--	150	--	343,046	14,791
San Diego.....	7,429	248	--	404	209	--	--	--	287,401	36,315
San Francisco.....	7,062	155	768	358	389	981	--	1,248	273,626	20,594
Sepulveda.....	--	237	--	252	36	--	--	--	290,867	5,441
W. Los Angeles (PDV).....	12,741	11	--	312	777	--	1,006	--	472,263	3,860
Colorado: Denver.....	6,993	36	--	330	147	426	--	28	253,060	5,298
Fort Lyon.....	818	45	--	262	21	--	--	--	41,002	129
Grand Junction.....	1,900	--	--	70	74	--	--	--	51,149	1,637
Connecticut: Newington.....	--	10	576	--	--	--	--	688	--	--
West Haven (6).....	7,151	31	--	346	113	--	--	--	324,879	6,273
Delaware: Wilmington.....	3,029	26	--	120	88	497	--	--	106,661	1,099
District of Columbia: Washington.....	8,138	91	--	257	71	377	--	131	305,207	1,122
Florida: Bay Pines.....	9,990	1,348	--	468	408	--	502	--	281,166	39,386
Gainesville.....	7,480	73	--	131	166	174	--	--	268,418	2,376
Lake City.....	5,224	2	--	395	67	--	--	234	110,427	3,110
Miami.....	8,661	140	--	397	160	--	--	--	364,534	--
Tampa.....	10,426	31	--	497	257	--	--	--	460,191	1,221
West Palm.....	3,981	15	--	179	131	--	--	--	229,237	1,763
Georgia: Atlanta.....	6,862	215	--	206	262	--	--	--	262,122	8,653
Augusta (PDV).....	8,851	53	--	90	232	352	--	--	185,833	2,030
Dublin.....	3,555	58	--	163	103	387	597	143	87,307	5,349

See footnotes at end of table.

**Table 7 (continued) -- Program Summary  
Inpatient and Outpatient Medical Care -- Fiscal Year 1996**

Location of VA Facility	Inpatient Care--Patients Treated <sup>(1)</sup>								Outpatient Medical Care	
	Hospitals			Nursing Homes			Domiciliaries		Visits to VA Staff	Fee Basis Care <sup>(5)</sup>
	VAMC Hospital Care Component	Non-VA <sup>(2,3)</sup>	State Home <sup>(2,4)</sup>	VAMC Nursing Home Care Component	Com-munity <sup>(2,3)</sup>	State Home <sup>(2,4)</sup>	VAMC Dom. Care Component	State Home <sup>(2,4)</sup>		
Hawaii: Honolulu (ROC).....	742	1,410	--	--	71	--	--	--	103,417	21,867
Idaho: Boise.....	3,085	32	--	275	83	228	--	97	97,458	2,378
Illinois: Chicago (Lakeside).....	6,800	19	--	--	195	--	--	--	205,179	--
Chicago (West Side).....	8,005	119	--	--	250	--	--	--	286,217	7,034
Danville.....	5,658	50	--	401	93	--	--	--	135,141	693
Hines.....	11,988	74	--	519	522	518	--	17	327,055	1,175
Marion.....	3,243	22	--	181	226	65	--	15	122,687	28
North Chicago.....	3,608	32	--	469	423	--	239	--	159,013	681
Indiana: Fort Wayne.....	--	--	--	137	20	--	--	--	--	--
Indianapolis (MC2).....	6,176	98	--	262	235	380	--	56	273,125	21,712
Marion (6).....	3,898	--	--	67	41	--	--	--	102,875	--
Iowa: Des Moines.....	3,688	8	235	--	123	817	69	180	100,964	9,197
Iowa City.....	5,745	40	--	--	92	589	--	75	121,189	--
Knoxville.....	2,256	--	--	410	72	--	531	--	64,042	--
Kansas: Leavenworth.....	3,062	24	--	149	170	--	553	--	106,848	2,057
Topeka.....	4,073	21	--	366	81	--	--	--	163,726	4,932
Wichita.....	3,407	93	--	92	161	96	--	101	91,412	11,284
Kentucky: Lexington (PDV).....	7,657	25	--	175	153	395	--	--	143,236	--
Louisville.....	7,029	132	--	--	252	--	--	--	172,840	14,143
Louisiana: Alexandria.....	3,556	19	--	244	182	--	--	--	100,946	2,150
New Orleans.....	7,111	90	--	194	149	211	--	130	277,651	2,752
Shreveport.....	6,666	34	--	--	285	--	--	--	162,924	5,046
Maine: Togus.....	3,927	70	--	198	55	628	--	--	146,344	26,464
Maryland: Baltimore (6).....	11,563	35	--	66	147	--	74	--	412,253	7,692
Maryland: Fort Howard.....	--	--	--	64	--	--	--	--	--	--
Maryland: Perry Point.....	--	--	--	177	--	--	--	--	--	--
Massachusetts: Bedford.....	2,373	39	--	289	161	--	152	--	169,893	23
Boston.....	9,852	125	431	--	177	106	--	398	362,236	4,621
Brockton (PDV).....	6,983	--	--	202	513	--	203	--	298,613	--
Northampton.....	2,644	44	98	89	140	397	--	40	150,274	--
Michigan: Ann Arbor.....	5,632	--	--	255	161	--	--	--	199,871	--
Battle Creek.....	4,481	18	--	282	59	--	--	--	151,901	--
Detroit.....	7,048	235	--	154	55	165	--	22	214,342	9,739
Iron Mountain.....	1,680	25	--	169	53	234	--	49	53,172	1,570
Saginaw.....	2,003	16	--	359	42	--	--	--	62,564	--
Minnesota: Minneapolis.....	12,298	478	--	1,019	626	535	--	300	373,366	19,006
St. Cloud.....	2,645	66	--	370	75	--	483	--	104,067	4,647
Mississippi: Biloxi (PDV).....	4,943	62	--	325	174	--	840	--	226,324	2,218
Jackson.....	7,629	72	--	247	228	223	--	--	150,649	9,751

See footnotes at end of table.

TABLE 7

## PROGRAM SUMMARY

**Table 7 (continued) -- Program Summary  
Inpatient and Outpatient Medical Care -- Fiscal Year 1996**

Location of VA Facility	Inpatient Care--Patients Treated <sup>(1)</sup>								Outpatient Medical Care	
	Hospitals			Nursing Homes			Domiciliaries		Visits to VA Staff	Fee Basis Care <sup>(5)</sup>
	VAMC Hospital Care Component	Non-VA <sup>(2,3)</sup>	State Home <sup>(2,4)</sup>	VAMC Nursing Home Care Component	Com-munity <sup>(2,3)</sup>	State Home <sup>(2,4)</sup>	VAMC Dom. Care Component	State Home <sup>(2,4)</sup>		
Missouri: Columbia.....	6,084	18	--	77	265	--	--	--	102,147	841
Kansas City.....	7,657	102	--	--	431	--	--	--	159,710	8,739
Poplar Bluff.....	2,160	--	--	140	19	10	--	--	54,702	809
St. Louis (PDV).....	10,472	1	--	654	244	834	179	--	299,890	6,482
Montana: Fort Harrison.....	3,052	47	--	--	174	118	--	44	50,436	14,277
Miles City.....	654	128	--	158	34	--	--	--	35,596	1,879
Nebraska: Grand Island.....	1,015	7	--	345	18	442	--	49	38,014	--
Lincoln.....	2,276	47	--	--	52	--	--	--	61,680	6,511
Omaha.....	5,932	46	--	--	189	155	--	6	122,044	2,325
Nevada: Las Vegas .....	1,435	129	--	--	46	--	--	--	139,992	1,748
Reno.....	3,574	46	--	264	115	--	--	--	126,149	7,326
New Hampshire: Manchester.....	2,147	33	--	312	64	183	--	--	99,700	3,106
New Jersey: East Orange.....	11,083	7	--	107	92	621	--	4	362,081	3,439
Lyons.....	--	3	--	311	87	--	340	--	--	--
New Mexico: Albuquerque.....	8,722	95	--	236	180	261	--	18	322,058	2,184
New York: Albany.....	5,504	55	--	345	182	--	--	--	218,571	5,329
Batavia.....	--	39	--	22	6	--	--	--	--	--
Bath.....	1,935	17	--	223	101	--	611	--	58,042	10
Bronx.....	6,124	2	--	391	101	--	--	--	262,151	378
Brooklyn (PDV).....	8,310	41	--	328	266	245	146	--	374,794	270
Buffalo .....	7,694	42	--	380	158	--	--	--	319,543	6,016
Canandaigua.....	2,190	6	--	225	31	--	213	--	81,589	28
Castle Point.....	1,891	--	--	242	60	--	--	--	67,722	1,174
Montrose.....	3,082	9	--	291	87	--	300	--	85,220	576
New York.....	7,885	51	--	--	63	--	--	--	333,337	1,184
Northport.....	5,992	--	--	278	132	682	--	--	267,923	967
Syracuse.....	4,867	109	--	109	93	203	--	--	167,099	14,198
North Carolina: Asheville.....	5,738	2	--	217	178	--	--	--	95,250	8
Durham.....	8,771	25	--	399	209	--	--	--	154,679	--
Fayetteville.....	4,120	2	--	97	133	--	--	--	113,985	--
Salisbury.....	3,980	91	--	237	195	--	--	--	117,430	29,823
North Dakota: Fargo.....	2,989	214	--	325	60	43	--	139	57,896	10,646
Ohio: Chillicothe.....	5,603	60	--	628	349	--	--	--	92,502	169
Cincinnati.....	6,531	121	--	132	177	--	196	--	186,819	7,256
Cleveland (PDV).....	9,484	178	--	292	265	484	1,024	234	382,132	7,002
Columbus (IOC).....	--	349	--	--	--	--	--	--	120,388	19,534
Dayton.....	6,421	29	--	418	323	--	512	--	190,812	2,981

See footnotes at end of table.

**Table 7 (continued) -- Program Summary  
Inpatient and Outpatient Medical Care -- Fiscal Year 1996**

Location of VA Facility	Inpatient Care--Patients Treated <sup>(1)</sup>								Outpatient Medical Care	
	Hospitals			Nursing Homes			Domiciliaries		Visits to VA Staff	Fee Basis Care <sup>(5)</sup>
	VAMC Hospital Care Component	Non-VA <sup>(2,3)</sup>	State Home <sup>(2,4)</sup>	VAMC Nursing Home Care Component	Com-munity <sup>(2,3)</sup>	State Home <sup>(2,4)</sup>	VAMC Dom. Care Component	State Home <sup>(2,4)</sup>		
Oklahoma: Muskogee.....	3,791	145	--	--	190	422	--	--	134,082	13,706
Oklahoma City.....	7,801	85	--	6	311	1,095	--	28	256,763	--
Oregon: Portland (PDV).....	9,845	118	--	369	502	--	188	--	309,119	24,180
Roseburg.....	3,846	49	--	256	196	--	--	--	112,211	11,868
White City (DOM).....	--	34	--	--	18	--	1,764	--	23,558	--
Pennsylvania: Altoona.....	2,064	42	--	112	30	628	--	339	57,917	6,876
Butler.....	1,533	10	--	236	92	--	306	--	67,310	1,828
Coatesville.....	3,045	29	--	315	121	226	410	178	97,858	12,219
Erie.....	1,835	21	--	20	150	108	--	127	79,800	1,988
Lebanon.....	3,512	74	--	251	184	--	--	--	117,308	7,157
Philadelphia.....	6,515	104	--	336	109	--	--	--	333,255	4,403
Pittsburgh (Highland Dr.)....	--	34	--	457	206	--	160	--	--	--
Pittsburgh (Univ. Dr.) (6)....	10,919	94	--	128	188	--	--	--	300,446	7,984
Wilkes-Barre.....	4,621	175	--	268	153	241	--	27	182,292	10,322
Philippines: Manila (ROC).....	--	260	--	--	--	--	--	--	7,485	--
Puerto Rico: San Juan.....	11,068	418	--	314	15	--	--	--	367,219	30,600
Rhode Island: Providence.....	3,774	39	--	--	239	301	--	85	190,183	3,162
South Carolina: Charleston.....	5,704	49	--	--	105	--	--	--	172,234	2,389
Columbia.....	5,602	368	--	212	158	519	--	--	195,614	10,522
South Dakota: Fort Meade.....	4,481	25	--	219	89	65	--	--	152,769	--
Hot Springs.....	--	--	--	--	23	--	558	113	--	--
Sioux Falls.....	3,039	123	--	193	60	102	--	--	74,938	7,941
Tennessee: Memphis.....	9,951	--	--	411	243	--	--	--	259,197	466
Mountain Home.....	6,117	76	--	225	292	--	1,214	--	193,321	3,187
Murfreesboro.....	4,796	26	--	231	118	336	--	--	133,923	2,720
Nashville.....	7,173	62	--	--	146	--	--	--	178,903	5,908
Texas: Amarillo.....	3,617	8	--	188	193	--	--	--	177,167	5,946
Big Spring.....	2,735	22	--	102	109	--	--	--	49,014	2,333
Bonham.....	1,039	10	--	146	--	--	536	--	67,928	188
Dallas.....	11,155	166	--	460	350	--	137	--	340,377	11,483
El Paso (IOC).....	--	1,003	--	--	72	--	--	--	105,147	11,479
Houston.....	16,787	28	--	270	386	--	--	--	419,055	1,420
Kerrville.....	--	--	--	368	--	--	--	--	--	--
San Antonio.....	14,458	234	--	440	291	--	--	--	397,158	6,333
Temple.....	10,123	185	--	536	338	--	--	--	409,680	13,454
Waco.....	--	--	--	--	--	--	944	--	--	--

See footnotes at end of table.

TABLE 7

## PROGRAM SUMMARY

**Table 7 (continued) -- Program Summary  
Inpatient and Outpatient Medical Care -- Fiscal Year 1996**

Location of VA Facility	Inpatient Care--Patients Treated <sup>(1)</sup>								Outpatient Medical Care	
	Hospitals			Nursing Homes			Domiciliaries		Visits to VA Staff	Fee Basis Care <sup>(5)</sup>
	VAMC Hospital Care Component	Non-VA <sup>(2,3)</sup>	State Home <sup>(2,4)</sup>	VAMC Nursing Home Care Component	Com-munity <sup>(2,3)</sup>	State Home <sup>(2,4)</sup>	VAMC Dom. Care Component	State Home <sup>(2,4)</sup>		
Utah: Salt Lake City.....	7,520	83	--	--	383	107	--	--	164,028	15,528
Vermont: White River Junction.....	3,326	57	--	108	54	293	--	46	102,474	1,774
Virginia: Hampton.....	4,928	39	--	274	158	--	1,161	--	194,041	2,821
Richmond.....	11,012	13	--	158	250	--	--	--	231,242	6,365
Salem.....	6,379	120	--	382	111	568	--	97	195,307	6,710
Washington: American Lake.....	--	68	--	119	97	--	185	--	--	--
Seattle.....	11,374	188	--	265	375	99	--	160	420,387	21,927
Spokane.....	2,063	96	--	270	123	78	--	--	97,598	5,898
Walla Walla.....	1,417	47	--	208	81	--	--	--	45,644	7,923
West Virginia: Beckley.....	2,215	3	--	56	73	--	--	--	56,090	--
Clarksburg.....	3,575	--	--	--	235	--	--	--	97,460	--
Huntington.....	4,603	48	--	--	252	5	--	132	112,845	10,091
Martinsburg.....	4,846	12	--	242	164	--	687	--	144,768	593
Wisconsin: Madison.....	5,367	28	--	--	19	639	--	91	96,153	--
Milwaukee.....	7,198	165	--	422	179	--	924	--	322,842	14,912
Tomah.....	2,483	3	--	249	165	--	--	--	72,091	--
Wyoming: Cheyenne.....	1,511	55	--	69	39	81	--	86	51,651	2,281
Sheridan.....	2,082	38	--	77	37	--	--	99	32,405	1,852

- (1) Number of discharges and deaths during FY 1996, plus the number on the rolls (bed occupants and patients on authorized leave of absence) on September 30, 1996. Transfers to another facility are included in the count of discharges for each facility.
- (2) As reported by VA authorizing facility.
- (3) Authorized and paid for by VA.
- (4) Supported by VA.
- (5) Medical visits to private physicians authorized by VA on a fee-for-service basis.
- (6) Includes data for two divisions of the VA Medical Center.

**Table 8 -- Program Summary  
Inpatient and Outpatient Dental Care -- Fiscal Year 1996**

State	Facility	Inpatient Care			Outpatient Care		
		Visits	Treatment Cases Completed	Inter-disciplinary Consultations	Staff		Fee
					Visits	Cases Completed	Cases Completed
<b>Departmentwide Totals</b> .....		322,188	43,898	52,629	797,813	152,373	15,149
Alabama: Birmingham.....		2,101	258	492	9,463	1,270	--
Montgomery.....		1,703	3	84	4,335	615	90
Tuscaloosa.....		3,815	442	294	1,595	506	--
Tuskegee.....		5,618	1,374	796	2,724	813	--
Alaska: Anchorage (ROC).....		250	31	--	2,373	372	46
Arizona: Phoenix.....		747	176	256	5,406	1,919	504
Prescott.....		1,943	437	267	1,936	260	23
Tucson.....		928	141	246	5,958	1,230	--
Arkansas: Fayetteville.....		114	33	75	3,757	773	3
Little Rock (PDV).....		7,071	538	1,161	7,540	1,232	37
California: Bakersfield (SOC).....		--	--	--	2,221	413	--
Fresno.....		280	11	26	2,759	459	--
Livermore (SDV).....		629	3	185	1,568	133	--
Loma Linda.....		723	167	71	6,683	1,360	--
Long Beach.....		2,145	548	549	8,800	2,766	--
Los Angeles (IOC).....		--	--	--	4,220	1,305	4
Martinez (SOC).....		--	--	--	3,779	412	689
Menlo Park (SDV).....		2,376	394	503	1,013	209	--
Palo Alto (PDV).....		1,122	300	390	5,111	1,348	132
Sacramento (SOC).....		--	--	--	4,509	956	--
San Diego.....		491	149	23	8,444	2,341	122
San Francisco.....		417	73	269	3,092	76	111
Sepulveda.....		834	2	81	5,393	1,071	34
W. Los Angeles (PDV).....		6,314	701	2,752	11,886	2,365	35
Colorado: Denver.....		666	21	199	9,300	825	80
Fort Lyon.....		2,476	627	194	1,056	433	--
Grand Junction.....		375	92	80	1,257	263	12
Connecticut: West Haven.....		1,090	73	364	8,953	1,271	81
Delaware: Wilmington.....		472	59	107	4,346	725	--
District of Columbia: Washington.....		1,149	144	312	10,980	1,857	127
Florida: Bay Pines.....		2,767	368	733	7,873	1,837	1,610
Daytona (SOC).....		1	--	--	1,934	356	--
Fort Myers (SOC).....		1	--	1	2,528	864	--
Gainesville.....		742	34	108	6,036	991	--
Jacksonville (SOC).....		--	--	--	3,325	536	--
Lake City.....		20,198	737	305	2,757	1,150	9
Miami.....		3,214	33	335	8,682	549	--
Oakland Park (SOC).....		--	--	--	4,452	1,356	--
Orlando (SOC).....		4	--	--	3,299	1,074	--
Pensacola (SOC).....		--	--	--	2,622	1,432	--
Tampa.....		1,021	182	426	8,253	1,927	--
West Palm Beach.....		1,058	16	265	8,196	780	--
Georgia: Atlanta.....		1,534	146	200	9,552	2,292	671
Augusta (PDV).....		212	48	68	212	35	--
Augusta (Uptown)(SDV).....		2,056	596	271	4,297	846	--
Dublin.....		1,721	354	486	915	314	83
Hawaii: Honolulu (ROC).....		2	--	--	2,296	591	167
Idaho: Boise.....		798	254	181	3,411	1,063	93

TABLE 8

## PROGRAM SUMMARY

**Table 8 (continued) -- Program Summary  
Inpatient and Outpatient Dental Care -- Fiscal Year 1996**

State	Facility	Inpatient Care			Outpatient Care		
		Visits	Treatment Cases Completed	Inter- disciplinary Consultations	Staff		Fee
					Visits	Cases Completed	Cases Completed
Illinois:	Chicago (Lakeside).....	441	115	220	973	602	--
	Chicago (West Side).....	4,226	72	62	12,768	2,369	171
	Danville.....	3,308	621	505	2,327	586	--
	Hines.....	5,318	369	887	11,225	899	--
	Marion.....	1,379	189	245	2,953	649	--
	North Chicago.....	5,188	1,111	866	2,639	312	--
	Peoria (SOC).....	1	--	--	1,380	356	--
Indiana:	Crown Point (SOC).....	1	--	--	589	170	--
	Fort Wayne.....	304	40	44	1,298	566	--
	Indianapolis (MC2).....	377	15	55	5,379	1,433	163
	Marion.....	2,768	979	510	1,684	463	--
Iowa:	Des Moines.....	538	36	146	2,691	583	170
	Iowa City.....	398	173	99	4,757	1,053	--
	Knoxville.....	4,184	728	308	909	137	--
Kansas:	Leavenworth.....	1,917	428	418	2,004	353	--
	Topeka.....	1,724	39	1,000	2,555	660	1
	Wichita.....	335	37	79	2,751	827	50
Kentucky:	Lexington (PDV).....	2,989	885	124	2,655	928	--
	Lexington (Cooper Dr.)(SDV).....	3,035	376	37	4,747	1,184	--
	Louisville.....	264	122	94	3,438	1,046	45
Louisiana:	Alexandria.....	883	94	256	2,237	318	--
	Baton Rouge (SOC).....	1	--	--	1,339	165	--
	New Orleans.....	1,265	60	562	5,894	1,392	14
	Shreveport.....	159	33	79	3,325	1,061	31
Maine:	Togus.....	749	169	246	4,161	995	779
Maryland:	Baltimore.....	264	136	123	5,056	1,628	--
	Fort Howard.....	1,560	170	121	605	118	--
	Perry Point.....	2,342	233	288	1,673	231	--
Massachusetts:	Bedford.....	4,247	358	595	4,627	209	--
	Boston.....	1,050	10	343	4,556	1,126	--
	Boston (OPC).....	1	1	--	8,322	901	175
	Brockton (PDV).....	2,245	122	255	4,505	485	--
	Northampton.....	1,380	562	256	2,275	589	--
	West Roxbury.....	391	9	202	3,862	213	--
Michigan:	Ann Arbor.....	1,396	145	784	4,610	787	--
	Battle Creek.....	2,449	291	611	2,348	227	--
	Detroit (formerly Allen Park).....	578	13	85	3,603	218	--
	Grand Rapids (SOC).....	14	2	2	1,421	295	--
	Iron Mountain.....	225	16	65	1,356	261	147
	Saginaw.....	593	2	148	1,497	682	--
Minnesota:	Minneapolis.....	900	6	330	7,316	639	312
	St. Cloud.....	4,559	354	407	2,649	74	1
Mississippi:	Biloxi (PDV).....	4,446	413	151	3,066	964	--
	Biloxi (Gulfport)(SDV).....	2,722	640	34	1,057	270	--
	Jackson.....	2,610	316	476	4,933	1,310	37
Missouri:	Columbia.....	736	89	243	3,219	591	--
	Kansas City.....	1,605	97	94	6,181	984	8
	Poplar Bluff.....	517	95	89	2,014	787	--
	St. Louis (PDV).....	505	76	206	4,370	705	--
	St. Louis (Jefferson Barracks)(SDV).....	1,223	300	293	654	98	--

Table 8 (continued) -- Program Summary  
 Inpatient and Outpatient Dental Care -- Fiscal Year 1996

State	Facility	Inpatient Care			Outpatient Care		
		Visits	Treatment Cases Completed	Inter-disciplinary Consultations	Staff		Fee
					Visits	Cases Completed	Cases Completed
Montana:	Fort Harrison.....	181	36	98	1,273	262	285
	Miles City.....	475	128	1	421	120	--
Nebraska:	Grand Island.....	614	146	173	1,997	194	--
	Lincoln.....	240	30	76	2,260	395	--
	Omaha.....	1,770	14	110	3,749	877	94
Nevada:	Las Vegas.....	--	--	--	4,147	923	176
	Reno.....	183	25	34	1,691	550	4
New Hampshire:	Manchester.....	1,170	60	360	4,029	1,053	--
New Jersey:	East Orange.....	3,360	128	475	6,880	803	10
	Lyons.....	5,802	574	892	3,870	378	--
	Ocean City (OPC).....	1	1	--	982	340	--
New Mexico:	Albuquerque.....	805	133	180	5,589	779	177
New York:	Albany.....	2,780	157	452	7,487	480	89
	Batavia.....	1,028	336	79	1,476	509	--
	Bath.....	2,067	172	32	1,369	104	--
	Bronx.....	4,126	321	230	7,697	633	--
	Brooklyn (PDV).....	674	7	465	7,642	189	--
	Brooklyn (St. Albans)(SDV).....	2,462	252	993	1,595	559	--
	Buffalo.....	4,234	254	498	8,804	1,986	17
	Canandaigua.....	4,235	1,225	674	2,811	426	--
	Castle Point.....	833	107	240	3,859	846	--
	Montrose.....	3,606	207	427	2,729	261	--
	New York.....	2,085	726	103	15,130	2,704	1
	Northport.....	9,664	2,265	680	7,062	1,057	--
	Syracuse.....	469	6	25	3,346	156	381
North Carolina:	Asheville.....	907	291	476	3,447	1,197	--
	Durham.....	672	49	384	4,969	665	--
	Fayetteville.....	524	18	149	6,577	1,259	20
	Salisbury.....	1,669	610	507	3,536	950	78
North Dakota:	Fargo.....	1,208	116	638	2,489	612	277
Ohio:	Canton (SOC).....	1	--	--	2,526	551	--
	Chillicothe.....	4,699	710	681	2,282	593	--
	Cincinnati.....	1,678	295	269	2,961	625	--
	Cleveland (PDV).....	595	127	140	5,566	992	--
	Cleveland (Brecksville)(SDV).....	3,948	734	931	1,741	317	9
	Columbus (IOC).....	--	--	--	6,155	1,632	11
	Dayton.....	8,732	131	339	6,209	561	--
	Toledo (SOC).....	16	1	--	2,208	690	--
Oklahoma:	Muskogee.....	70	2	46	3,067	892	150
	Oklahoma City.....	183	10	96	5,254	435	--
	Tulsa (SOC).....	2	1	--	1,789	903	--
Oregon:	Portland (PDV).....	418	30	154	6,351	736	241
	Roseburg.....	1,085	233	286	1,445	392	109
	Vancouver (SDV).....	1,272	41	101	275	22	--
	White City (DOM).....	4,416	763	65	792	145	--
Pennsylvania:	Allentown (SOC).....	--	--	--	1,569	45	--
	Altoona.....	1,496	715	50	1,160	490	7
	Butler.....	1,599	30	344	1,306	573	2
	Coatesville.....	1,868	787	459	1,496	365	--
	Erie.....	1,327	6	5	2,390	267	2

TABLE 8

PROGRAM SUMMARY

Table 8 (continued) -- Program Summary  
 Inpatient and Outpatient Dental Care -- Fiscal Year 1996

State	Facility	Inpatient Care			Outpatient Care		
		Visits	Treatment Cases Completed	Inter-disciplinary Consultations	Staff		Fee
					Visits	Cases Completed	Cases Completed
Pennsylvania:	[Continued]						
	Lebanon.....	1,303	104	293	2,959	340	190
	Philadelphia.....	1,282	301	428	9,317	2,445	30
	Pittsburgh (Aspinwall)(SDV).....	2,244	320	311	438	97	--
	Pittsburgh (Highland Dr.).....	3,000	229	558	4,422	656	18
	Pittsburgh (University Dr.)(MC2).....	459	69	164	3,938	729	2
	Wilkes-Barre.....	1,559	12	404	4,288	491	15
Puerto Rico:	Mayaguez (SOC).....	1	1	--	3,229	482	--
	San Juan.....	1,789	667	600	9,421	2,067	276
Rhode Island:	Providence.....	67	16	17	4,903	1,628	82
South Carolina:	Charleston.....	734	83	61	4,755	1,132	--
	Columbia.....	1,139	5	308	8,202	1,143	--
	Greenville (SOC).....	9	--	2	2,325	673	--
South Dakota:	Fort Meade.....	699	351	292	1,120	508	--
	Hot Springs.....	1,854	229	--	442	61	--
	Sioux Falls.....	795	267	367	2,614	602	311
Tennessee:	Chattanooga (SOC).....	--	--	--	2,180	33	--
	Knoxville (SOC).....	--	--	--	1,590	343	--
	Memphis.....	1,606	155	485	6,976	1,168	--
	Mountain Home.....	3,085	847	627	3,010	997	--
	Murfreesboro.....	2,984	1,306	423	2,604	534	--
	Nashville.....	6,195	115	276	6,601	2,444	208
Texas:	Amarillo.....	1,341	123	367	1,907	140	--
	Austin (SOC).....	1	--	--	3,167	296	--
	Big Spring.....	837	105	182	2,043	203	278
	Bonham.....	859	225	215	1,471	214	--
	Dallas.....	1,633	279	253	9,110	1,688	372
	El Paso (IOC).....	1	--	--	3,145	474	959
	Houston.....	1,835	143	409	10,736	1,850	216
	Kerrville.....	2,228	232	426	12,286	1,798	563
	Lubbock (SOC).....	--	--	--	1,579	296	17
	Marlin.....	545	46	60	912	235	--
	San Antonio.....	954	183	185	1,719	280	--
	Temple.....	2,303	608	257	7,631	1,503	--
	Waco.....	4,858	597	715	2,902	940	140
Utah:	Salt Lake City.....	713	260	60	4,709	956	107
Vermont:	White River Junction.....	669	63	61	2,229	371	77
Virginia:	Hampton.....	1,934	266	785	6,941	785	--
	Richmond.....	2,425	305	633	7,269	1,575	7
	Salem.....	676	86	179	4,596	997	77
Washington:	American Lake.....	599	312	316	3,700	755	542
	Seattle.....	1,088	269	349	4,550	625	502
	Spokane.....	214	39	15	2,787	549	20
	Walla Walla.....	327	81	157	968	386	123
West Virginia:	Beckley.....	234	4	69	1,965	113	--
	Clarksburg.....	375	1	140	2,353	222	--
	Huntington.....	51	2	16	3,086	557	81
	Martinsburg.....	2,025	15	337	4,212	251	--
Wisconsin:	Madison.....	347	26	136	2,679	369	--
	Milwaukee.....	4,811	301	589	8,227	959	902
	Tomah.....	3,318	293	71	2,130	432	--
Wyoming:	Cheyenne.....	272	10	20	1,917	306	27
	Sheridan.....	1,174	225	396	548	112	--

PROGRAM SUMMARY

TABLES 9 and 10

Table 9 -- Applications for Medical Care -- Fiscal Year 1996

Item	Total Applications Received <sup>(1)</sup>	Disposition					
		VA Medical Care					All Other <sup>(2)</sup>
		Total	Hospital	Nursing Home Care	Domiciliary	Outpatient Care	
<b>Applications--total.....</b>	<b>1,625,404</b>	--	--	--	--	--	--
Veterans--total.....	1,598,253	1,508,896	312,786	5,482	5,497	1,185,131	88,494
Mandatory category--total.....	1,522,348	1,445,466	304,570	5,271	5,465	1,130,160	76,656
Service-connected.....	622,985	594,208	119,460	2,530	1,515	470,703	28,611
Low income.....	740,943	699,246	144,161	2,169	3,340	549,576	41,642
Other mandatory category (3).....	158,420	152,012	40,949	572	610	109,881	6,403
Discretionary category.....	75,905	63,430	8,216	211	32	54,971	11,838
Not agreeing to deductible.....	303	--	--	--	--	--	--
Nonveterans.....	27,151	--	--	--	--	--	--

- (1) Applications received do not equal total dispositions due to the pending applications at the beginning and end of the fiscal year.
- (2) Medically examined, no further care required, cancelled, ineligible, modality not available, referred to other facility, or pending evaluation.
- (3) Includes former POWs, veterans exposed to agent orange/ionizing radiation, World War I and Spanish American War veterans, VA pensioners, and Medicaid recipients.

Table 10 -- Hospital and Extended Care by Type of Facility -- Fiscal Year 1996

Facility	Average Operating Beds <sup>(1,2)</sup>	Average Daily Census <sup>(3)</sup>	Occupancy Rate <sup>(4)</sup>	Admissions <sup>(5)</sup>	Discharges and Deaths <sup>(5)</sup>	Patients Treated <sup>(6)</sup>	Patients Remaining on September 30, 1996
<b>Departmentwide totals (7).....</b>	<b>67,963</b>	<b>74,652</b>	<b>N/A</b>	<b>886,377</b>	<b>891,051</b>	<b>959,809</b>	<b>68,758</b>
Total hospital care.....	45,798	32,219	70.4	820,762	825,472	852,816	27,344
VA total.....	45,798	31,679	69.2	802,996	807,725	834,511	26,786
Medical.....	23,268	16,209	69.7	452,297	449,332	462,965	13,633
Medical service.....	13,466	8,935	66.4	407,570	384,386	391,998	7,612
Intermediate care.....	6,524	5,095	78.1	11,593	28,627	32,691	4,064
Neurology.....	906	529	58.4	20,189	19,120	19,651	531
Rehabilitation medicine.....	955	604	63.2	5,101	9,198	9,718	520
Spinal cord injury.....	1,198	867	72.4	6,479	6,699	7,464	765
Blind rehabilitation.....	219	179	81.7	1,365	1,302	1,443	141
Surgical.....	6,840	3,951	57.8	186,626	187,788	191,547	3,759
Psychiatric.....	15,690	11,519	73.4	164,073	170,605	179,999	9,394
Non-VA.....	N/A	200	N/A	16,034	16,000	16,197	197
State home.....	N/A	340	N/A	1,732	1,747	2,108	361
Total domiciliary care.....	6,829	8,861	N/A	16,456	16,267	25,102	8,835
VA.....	6,829	5,504	80.6	13,680	13,590	19,007	5,417
State home.....	N/A	3,357	N/A	2,776	2,677	6,095	3,418
Total nursing home care.....	15,336	33,572	N/A	49,159	49,312	81,891	32,579
VA.....	15,336	13,642	89.0	22,485	22,623	35,873	13,250
Community.....	N/A	7,414	N/A	18,427	19,072	26,201	7,129
State home.....	N/A	12,516	N/A	8,247	7,617	19,817	12,200

- (1) Based on the number of operating beds at the end of each month (September 1995 -- September 1996). Beds are classified according to their intended use; patients are classified according to the classification of the beds they occupy, rather than on a diagnostic basis.
- (2) Operating beds not reported for non-VA hospitals, state home care facilities, and community nursing homes.
- (3) Number of patient days during the fiscal year divided by the number of days in the fiscal year.
- (4) Average daily census as a percent of average number of operating beds. Not applicable nationally due to community and non-VA hospital beds.
- (5) Excludes intra-VA hospital admissions (transfers).
- (6) Discharges and deaths during the fiscal year plus the number of patients on the rolls at the end of the fiscal year.
- (7) Average Operating Beds, Average Daily Census, and Occupancy Rate totals are for VA facilities only.

Note: Non-VA hospitals excluded state home hospitals, and includes hospital care authorized and paid by VA.

**Table 11 -- VA and Non-VA Facilities: Average Obligations**  
(In thousands)

Type of Facility <sup>(1)</sup>	Average Obligations per Patient Treated		Average Obligations per Patient Day	
	FY 1996	FY 1995	FY 1996	FY 1995
Acute hospital care.....	\$8,985	\$8,468	\$1,093.92	\$965.65
Rehabilitative care.....	\$21,482	\$21,790	\$665.74	\$645.95
Psychiatric care.....	\$9,029	\$8,789	\$396.27	\$354.38
Nursing home care.....	\$19,981	\$20,181	\$133.34	\$129.14
Subacute care.....	\$17,356	\$19,366	\$304.87	\$300.75
Residential care.....	\$9,260	\$10,273	\$76.12	\$74.77

(1) Categories changed since FY 1995. Total obligations for FY 1995 exclude support costs for this activity.

**Table 12 -- Total Health Care: Obligations by Program and Appropriation**

Item	Obligations (In thousands)	
	FY 1996	FY 1995
Total.....	\$16,790,973	\$16,548,285
Medical Care (1).....	\$16,372,856	\$16,125,957
Acute hospital care.....	\$5,584,433	\$5,777,574
Rehabilitative care.....	\$400,093	\$419,435
Psychiatric care.....	\$1,600,741	\$1,703,143
Nursing home care.....	\$1,646,252	\$1,610,277
Subacute care.....	\$567,389	\$673,126
Residential care.....	\$259,616	\$257,581
Outpatient care.....	\$5,504,543	\$4,875,463
Miscellaneous benefits and services.....	\$91,456	\$98,670
CHAMPVA.....	\$718,333	\$710,688
Medical administration and miscellaneous operating expenses.....	\$63,391	\$69,395
Health professional scholarship.....	\$0	\$10,376
Medical and prosthetic research.....	\$307,361	\$289,114
Other medical programs.....	\$47,365	\$53,443
Grants for construction.....	\$47,060	\$53,175
#####	\$305	\$268

(1) Categories changed since FY 1995.

INPATIENT CARE

TABLE 13

**Table 13 -- VA Medical Centers (Hospital Care Component), Non-VA and State Home Hospitals: Admissions, Discharges and Deaths, and Remaining by Bed Section -- Fiscal Year 1996**

<i>Item</i>	<i>Total</i>			
		<i>Medical</i>	<i>Surgical</i>	<i>Psychiatric</i>
<b>Admissions <sup>(2)</sup></b>				
All hospitals (1) .....	820,762	464,141	188,952	165,937
VA medical centers -- Total .....	802,996	452,175	186,913	163,908
Non-VA hospitals -- Total .....	16,034	11,966	2,039	2,029
Federal government hospitals -- Total .....	2,039	1,134	731	174
Army .....	1,817	939	704	174
Air Force .....	180	155	25	--
Navy .....	42	40	2	--
State and local government hospitals .....	4,788	3,414	484	890
Non-public hospitals .....	9,207	7,418	824	965
State home hospitals .....	1,732	--	--	--
<b>Discharges and Deaths</b>				
All hospitals (1) .....	825,472	461,061	190,001	172,663
VA medical centers -- Total .....	807,725	449,112	187,988	170,625
Non-VA hospitals -- Total .....	16,000	11,949	2,013	2,038
Federal government hospitals -- Total .....	2,047	1,140	728	179
Army .....	1,817	941	697	179
Air Force .....	189	161	28	--
Navy .....	41	38	3	--
State and local government hospitals .....	4,800	3,419	484	897
Non-public hospitals .....	9,153	7,390	801	962
State home hospitals .....	1,747	--	--	--
<b>Bed Occupants Remaining</b>				
All hospitals (1) .....	27,140	13,922	3,303	9,542
VA medical centers -- Total .....	26,625	13,838	3,287	9,500
Non-VA hospitals -- Total .....	142	84	16	42
Federal government hospitals -- Total .....	57	26	8	23
Army .....	54	23	8	23
Air Force .....	--	--	--	--
Navy .....	3	3	--	--
State and local government hospitals .....	21	11	--	10
Non-public hospitals .....	64	47	8	9
State home hospitals .....	373	--	--	--
<b>Absent Bed Occupants Remaining</b>				
Total absent bed occupants (i.e., patients on leave of absence)				
remaining on September 30, 1996.....	65	14	1	46
VA medical centers -- Total .....	61	14	1	46
All other hospitals .....	4	4	--	--

(1) Bed section totals exclude data by bed section for state home hospitals, which are not available.

(2) Excludes intra-hospital transfers for VA medical centers, but includes transfer for all other hospitals.

Note: Non-VA hospitals excludes state home hospitals, but includes hospital care authorized and paid by VA.

**Table 14 -- VA Medical Centers--Hospital Care Component and Non-VA (Contract) Hospitals:  
Patient Movement by Type of Bed Section -- Fiscal Year 1996**

Gains--total.....	915,738	522,362	215,327	178,049	16,147	12,012	2,092	2,043	2,128	4,809	9,210	
Admissions.....	780,016	438,682	181,685	159,649	15,996	11,928	2,039	2,029	2,001	4,788	9,207	
Transfers in (5).....	22,980	13,493	5,228	4,259	(6)	(6)	(6)	(6)	(6)	(6)	(6)	
Changes in bed sections.....	112,742	70,187	28,414	14,141	151	84	53	14	127	21	3	
Losses--total.....	922,764	522,976	219,427	180,361	16,169	12,043	2,085	2,041	2,135	4,823	9,211	
Discharges--total.....	753,105	404,018	182,980	166,107	15,493	11,496	1,963	2,034	1,955	4,655	8,883	
To ambulatory care.....	485,076	276,169	137,429	71,478	(7)	(7)	(7)	(7)	(7)	(7)	(7)	
Other.....	268,029	127,849	45,551	94,629	15,493	11,496	1,963	2,034	1,955	4,655	8,883	
Deaths.....	29,141	25,941	3,097	103	468	414	50	4	53	145	270	
Transfers out (5).....	27,534	17,960	5,182	4,392	(7)	(7)	(7)	(7)	(7)	(7)	(7)	
Changes in bed sections.....	112,984	75,057	28,168	9,759	208	133	72	3	127	23	58	
Remaining -- end of fiscal year.....	26,686	13,852	3,288	9,546	142	84	16	42	57	21	64	
Bed occupants.....	26,625	13,838	3,287	9,500	142	84	16	42	57	21	64	
On leave of absence.....	61	14	1	46	--	--	--	--	--	--	--	
Patients treated												
System-wide (net total) (8).....	806,977	445,002	186,365	175,610	16,107	11,998	2,029	2,080	2,065	4,821	9,221	
Sum of hospitals (9).....	834,511	462,965	191,547	179,999	--	--	--	--	--	--	--	
Sum of bed sections (10).....	919,961	520,059	214,533	185,369	--	--	--	--	--	--	--	
Average daily census (11).....	31,594	16,167	3,941	11,486	200	136	29	35	23	60	117	
Total--excluding days on authorized leave of 96 hours or less.....	31,160	15,971	3,885	11,304	--	--	--	--	--	--	--	

- (1) Beds are classified according to their intended use; patients are classified according to the classification of the beds they occupy, rather than on a diagnostic basis.
- (2) Medical bed sections include medicine, neurology, intermediate care, spinal cord injury, rehabilitation medicine, and blind rehabilitation.
- (3) Includes Department of Defense and Public Health Service hospitals.
- (4) Includes Veterans Memorial Medical Center, Manila, Republic of the Philippines.
- (5) Includes only patients transferred as VA beneficiaries.
- (6) Included with admissions.
- (7) Included with "Discharges--Other."
- (8) The number of discharges and deaths during the fiscal year plus the number of patients remaining on the rolls at the end of the fiscal year.
- (9) The number of discharges and deaths during the fiscal year plus the number of patients remaining on the rolls at the end of the fiscal year plus the number of patients transferred to other hospitals.
- (10) The number of discharges and deaths during the fiscal year plus the number of patients remaining on the rolls at the end of the fiscal year plus the number of changes in bed sections (patients transferred from one bed section to another within the same hospital).
- (11) Number of patient days during the fiscal year divided by the number of days in the fiscal year.

Note: Detail may not add to totals shown due to rounding. Non-VA hospitals include contract hospital care authorized and paid by VA. It does not include state home hospitals.

INPATIENT CARE

TABLE 15

Table 15 -- VA Medical Centers--Hospital Care Component: Selected Data -- Fiscal Year 1996

Location	Average Operating Beds <sup>(1)</sup>				Patients Treated <sup>(2)</sup>				Average Daily Census <sup>(3)</sup>
	Total	Bed Section <sup>(5)</sup>			Total	Bed Section <sup>(4)</sup>			
		Medical <sup>(5)</sup>	Surgical	Psychiatric		Medical <sup>(5)</sup>	Surgical	Psychiatric	
<b>Departmentwide: Totals.....</b>	<b>45,798</b>	<b>23,268</b>	<b>6,840</b>	<b>15,690</b>	<b>806,977</b>	<b>445,002</b>	<b>186,365</b>	<b>175,610</b>	<b>31,683</b>
<b>Transfers.....</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>27,534</b>	<b>17,963</b>	<b>5,182</b>	<b>4,389</b>	<b>--</b>
<b>All facilities: Totals.....</b>	<b>45,798</b>	<b>23,268</b>	<b>6,840</b>	<b>15,690</b>	<b>834,511</b>	<b>462,965</b>	<b>191,547</b>	<b>179,999</b>	<b>31,683</b>
Alabama: Birmingham.....	195	136	59	--	6,332	4,212	2,120	--	147
Montgomery.....	162	132	30	--	1,850	1,202	648	--	73
Tuscaloosa.....	345	88	--	257	3,304	1,259	--	2,045	268
Tuskegee.....	556	245	13	298	5,161	2,249	315	2,597	413
Alaska: Anchorage.....	24	--	--	24	64	--	--	64	22
Arizona: Phoenix.....	325	163	71	91	10,556	5,387	2,916	2,253	218
Prescott.....	117	87	--	30	2,364	1,948	--	416	76
Tucson.....	191	102	44	45	6,137	3,535	1,550	1,052	151
Arkansas: Fayetteville.....	99	63	14	22	3,056	2,072	396	588	57
Little Rock (MC2).....	654	300	115	239	14,025	7,857	4,149	2,019	400
California: Fresno.....	167	76	33	58	3,974	2,115	858	1,001	99
Loma Linda.....	265	125	80	60	6,517	4,032	1,511	974	160
Long Beach.....	658	449	114	95	9,574	5,774	2,081	1,719	341
Martinez.....	52	27	12	13	2,870	1,874	544	452	37
Palo Alto (MC2).....	811	332	75	404	7,063	3,469	1,413	2,181	464
San Diego.....	281	114	73	94	7,429	3,726	2,267	1,436	191
San Francisco.....	250	85	108	57	7,062	2,937	3,131	994	154
Travis AFB.....	55	28	12	15	--	--	--	--	17
W. Los Angeles (MC2).....	771	283	113	375	12,741	6,237	2,576	3,928	510
Colorado: Denver.....	276	105	65	106	6,993	3,742	1,685	1,566	198
Fort Lyon.....	150	30	--	120	818	299	--	519	125
Grand Junction.....	85	35	19	31	1,900	1,061	364	475	45
Connecticut: Newington.....	49	29	--	20	--	--	--	--	36
West Haven.....	337	149	52	136	7,151	3,184	1,400	2,567	227
Delaware: Wilmington.....	150	107	29	14	3,029	2,057	879	93	96
District of Columbia: Washington.....	376	226	63	87	8,138	5,017	1,790	1,331	265
Florida: Bay Pines.....	496	257	107	132	9,990	6,033	2,105	1,852	301
Gainesville.....	320	128	117	75	7,480	3,565	2,883	1,032	192
Lake City.....	235	164	27	44	5,224	3,504	919	801	162
Miami.....	500	297	61	142	8,661	5,572	1,625	1,464	323
Tampa.....	452	256	109	87	10,426	5,779	3,067	1,580	292
W. Palm Beach.....	156	102	26	28	3,981	2,399	810	772	103
Georgia: Atlanta.....	316	203	50	63	6,862	4,589	1,455	818	220
Augusta (MC2).....	646	324	71	251	8,851	3,937	2,500	2,414	492
Dublin.....	186	118	17	51	3,555	2,406	315	834	140
Hawaii: Hilo Center.....	16	--	--	16	--	--	--	--	10
Honolulu.....	29	--	--	29	742	--	--	742	23
Idaho: Boise.....	110	61	19	30	3,085	2,067	469	549	59

See footnotes at end of table.

TABLE 15

## INPATIENT CARE

Table 15 (continued) -- VA Medical Centers--Hospital Care Component: Selected Data -- Fiscal Year 1996

Location	Average Operating Beds (1)				Patients Treated (2)				Average Daily Census (3)
	Total	Bed Section (5)			Total	Bed Section (4)			
		Medical (5)	Surgical	Psychiatric		Medical (5)	Surgical	Psychiatric	
Illinois: Chicago (Lakeside).....	281	167	54	60	6,800	4,351	1,451	998	188
Chicago (West Side).....	311	165	62	84	8,005	4,233	2,009	1,763	215
Danville.....	592	372	31	189	5,658	3,953	333	1,372	375
Hines.....	747	471	103	173	11,988	6,710	2,219	3,059	479
Marion.....	102	87	15	--	3,243	2,684	559	--	65
North Chicago.....	523	71	--	452	3,608	1,533	--	2,075	342
Indiana: Fort Wayne.....	71	61	10	--	--	--	--	--	30
Indianapolis (MC2).....	215	119	71	25	6,176	4,177	1,591	408	126
Marion.....	534	150	--	384	3,898	2,394	70	1,434	435
Iowa: Des Moines.....	114	63	31	20	3,688	2,377	1,007	304	77
Iowa City.....	173	95	57	21	5,745	3,307	2,011	427	114
Knoxville.....	237	84	--	153	2,256	1,027	--	1,229	159
Kansas: Leavenworth.....	156	97	6	53	3,062	1,937	286	839	109
Topeka.....	434	177	12	245	4,073	1,827	481	1,765	279
Wichita.....	124	62	40	22	3,407	2,310	723	374	70
Kentucky: Lexington (MC2).....	565	431	58	76	7,657	5,282	1,588	787	445
Louisville.....	229	116	56	57	7,029	3,694	2,187	1,148	159
Louisiana: Alexandria.....	218	109	29	80	3,556	2,453	803	300	149
New Orleans.....	277	125	69	83	7,111	3,811	1,865	1,435	197
Shreveport.....	227	125	65	37	6,666	4,123	1,755	788	146
Maine: Togus.....	182	74	26	82	3,927	2,433	663	831	114
Maryland: Baltimore.....	205	98	61	46	11,563	5,971	1,832	3,760	142
Fort Howard.....	176	147	--	29	--	--	--	--	115
Perry Point.....	425	175	--	250	--	--	--	--	339
Massachusetts: Bedford.....	438	132	--	306	2,373	629	--	1,744	377
Boston.....	418	180	136	102	9,852	4,743	3,481	1,628	315
Brockton (MC2).....	473	211	43	219	6,983	3,561	1,121	2,301	337
Northampton.....	305	124	--	181	2,644	932	--	1,712	230
Michigan: Ann Arbor.....	178	68	66	44	5,632	2,723	1,996	913	129
Battle Creek.....	510	70	--	440	4,481	1,024	--	3,457	400
Detroit.....	376	169	93	114	7,048	3,324	1,959	1,765	191
Iron Mountain.....	73	39	9	25	1,680	1,256	156	268	41
Saginaw.....	95	95	--	--	2,003	2,003	--	--	45
Minnesota: Minneapolis.....	402	193	149	60	12,298	6,701	4,694	903	248
St. Cloud.....	259	65	--	194	2,645	836	--	1,809	181
Mississippi: Biloxi (MC2).....	404	141	34	229	4,943	2,388	1,027	1,528	295
Jackson.....	285	140	65	80	7,629	4,067	2,148	1,414	192
Missouri: Columbia.....	173	105	43	25	6,084	3,964	1,497	623	134
Kansas City.....	295	107	56	132	7,657	3,470	2,427	1,760	200
Poplar Bluff.....	125	75	18	32	2,160	1,561	160	439	47
St. Louis (MC2).....	430	195	72	163	10,472	5,027	2,012	3,433	322
Montana: Fort Harrison.....	96	64	15	17	3,052	2,072	639	341	63
Miles City.....	32	28	4	--	654	549	105	--	10
Nebraska: Grand Island.....	66	50	--	16	1,015	874	--	141	23
Lincoln.....	96	37	23	36	2,276	902	611	763	53
Omaha.....	208	85	73	50	5,932	3,648	1,538	746	139

See footnotes at end of table.

INPATIENT CARE

TABLE 15

Table 15 (continued) -- VA Medical Centers--Hospital Care Component: Selected Data -- Fiscal Year 1996

Location	Average Operating Beds (1)				Patients Treated (2)				Average Daily Census (3)
	Total	Bed Section (5)			Total	Bed Section (4)			
		Medical (5)	Surgical	Psychiatric		Medical (5)	Surgical	Psychiatric	
Nevada: Las Vegas.....	52	25	13	14	1,435	1,032	81	322	32
Reno.....	107	54	21	32	3,574	2,058	940	576	63
New Hampshire: Manchester.....	108	68	24	16	2,147	1,640	364	143	51
New Jersey: East Orange.....	409	269	61	79	11,083	6,597	1,368	3,118	317
Lyons.....	665	301	--	364	--	--	--	--	569
New Mexico: Albuquerque.....	349	179	82	88	8,722	4,293	3,380	1,049	210
New York: Albany.....	278	158	49	71	5,504	3,264	1,201	1,039	208
Batavia.....	80	80	--	--	--	--	--	--	12
Bath.....	186	160	--	26	1,935	1,475	--	460	145
Bronx.....	362	235	65	62	6,124	3,558	1,449	1,117	273
Brooklyn (MC2).....	480	326	55	99	8,310	5,856	1,015	1,439	338
Buffalo.....	475	307	78	90	7,694	4,610	1,698	1,386	317
Canandaigua.....	491	211	--	280	2,190	896	--	1,294	421
Castle Point.....	99	82	17	--	1,891	1,523	368	--	73
Montrose.....	462	149	--	313	3,082	756	--	2,326	400
New York.....	420	236	85	99	7,885	4,236	1,973	1,676	315
Northport.....	453	156	43	254	5,992	2,928	1,176	1,888	341
Syracuse.....	203	113	59	31	4,867	2,673	1,690	504	151
North Carolina: Asheville.....	269	169	57	43	5,738	3,245	1,751	742	200
Durham.....	269	134	82	53	8,771	4,131	3,542	1,098	168
Fayetteville.....	172	97	32	43	4,120	2,619	783	718	131
Salisbury.....	526	285	23	218	3,980	2,060	344	1,576	452
North Dakota: Fargo.....	111	69	20	22	2,989	1,874	785	330	73
Ohio: Chillicothe.....	368	171	--	197	5,603	3,517	--	2,086	286
Cincinnati.....	203	95	39	69	6,531	3,489	1,750	1,292	161
Cleveland (MC2).....	541	232	91	218	9,484	4,317	2,430	2,737	423
Dayton.....	341	213	68	60	6,421	3,800	1,349	1,272	227
Oklahoma: Muskogee.....	101	71	30	--	3,791	2,632	1,159	--	61
Oklahoma City.....	285	139	41	105	7,801	4,589	1,785	1,427	199
Oregon: Portland (MC2).....	363	170	104	89	9,845	5,007	3,361	1,477	280
Roseburg.....	150	44	21	85	3,846	1,820	534	1,492	109
Pennsylvania: Altoona.....	92	74	18	--	2,064	1,577	487	--	55
Butler.....	97	97	--	--	1,533	1,533	--	--	71
Coatesville.....	437	150	--	287	3,045	681	--	2,364	371
Erie.....	95	66	29	--	1,835	1,306	529	--	47
Lebanon.....	409	209	19	181	3,512	1,478	339	1,695	312
Philadelphia.....	258	95	93	70	6,515	3,290	1,452	1,773	187
Pittsburgh (Highland Dr. ).....	415	135	--	280	10,919	5,233	3,206	2,480	313
Pittsburgh (Univ. Dr.)(MC2).....	431	309	122	--	--	--	--	--	320
Wilkes-Barre.....	245	132	33	80	4,621	2,337	840	1,444	158
Puerto Rico: San Juan.....	576	299	95	182	11,068	6,374	3,223	1,471	381
Rhode Island: Providence.....	130	74	29	27	3,774	2,195	908	671	87
South Carolina: Charleston.....	152	76	42	34	5,704	2,978	1,816	910	116
Columbia.....	317	187	50	80	5,602	3,612	1,073	917	225

See footnotes at end of table.

TABLE 15

## INPATIENT CARE

Table 15 (continued) -- VA Medical Centers--Hospital Care Component: Selected Data -- Fiscal Year 1996

Location	Average Operating Beds (1)				Patients Treated (2)				Average Daily Census (3)
	Total	Bed Section (5)			Total	Bed Section (4)			
		Medical (5)	Surgical	Psychiatric		Medical (5)	Surgical	Psychiatric	
South Dakota: Fort Meade.....	132	27	17	88	4,481	2,616	848	1,017	81
Hot Springs.....	98	72	10	16	--	--	--	--	57
Sioux Falls.....	153	84	34	35	3,039	1,764	794	481	99
Tennessee: Memphis.....	528	349	89	90	9,951	5,230	2,843	1,878	326
Mountain Home.....	298	176	62	60	6,117	3,407	1,618	1,092	200
Murfreesboro.....	465	191	24	250	4,796	2,242	720	1,834	383
Nashville.....	313	166	105	42	7,173	4,353	2,116	704	175
Texas: Amarillo.....	108	63	18	27	3,617	2,321	950	346	69
Big Spring.....	149	58	25	66	2,735	1,306	657	772	86
Bonham.....	34	34	--	--	1,039	1,039	--	--	15
Dallas.....	403	180	104	119	11,155	6,139	2,973	2,043	288
Houston.....	728	411	136	181	16,787	8,913	5,192	2,682	521
Kerrville.....	137	107	13	17	--	--	--	--	75
Marlin.....	5	5	--	--	--	--	--	--	--
San Antonio.....	509	250	129	130	14,458	7,569	3,944	2,945	337
Temple.....	994	766	69	159	10,123	6,148	2,393	1,582	723
Utah: Salt Lake City.....	259	107	58	94	7,520	4,021	2,049	1,450	190
Vermont: White River Junction.....	120	72	32	16	3,326	2,049	932	345	82
Virginia: Hampton.....	266	148	34	84	4,928	1,777	860	2,291	210
Richmond.....	536	344	118	74	11,012	6,252	3,087	1,673	378
Salem.....	330	105	39	186	6,379	3,023	1,122	2,234	237
Washington: American Lake.....	202	86	--	116	--	--	--	--	125
Seattle.....	355	165	100	90	11,374	6,174	2,755	2,445	210
Spokane.....	82	57	13	12	2,063	1,612	238	213	40
Walla Walla.....	75	37	3	35	1,417	858	48	511	43
West Virginia: Beckley.....	94	65	29	--	2,215	1,590	625	--	37
Clarksburg.....	148	68	29	51	3,575	1,921	885	769	91
Huntington.....	175	113	42	20	4,603	3,323	849	431	95
Martinsburg.....	241	151	30	60	4,846	2,839	598	1,409	158
Wisconsin: Madison.....	177	107	54	16	5,367	3,088	1,952	327	116
Milwaukee.....	280	158	66	56	7,198	3,517	2,210	1,471	195
Tomah.....	355	90	--	265	2,483	936	--	1,547	284
Wyoming: Cheyenne.....	74	44	15	15	1,511	1,032	395	84	30
Sheridan.....	225	71	--	154	2,082	880	--	1,202	130

- (1) Based on the number of operating beds at the end of each month for 13 consecutive months (September 1995 -- September 1996).
- (2) The number of discharges and deaths during the fiscal year plus the patients remaining on September 30, 1996, plus the number of inpatient transfers. Excludes cause of transfers between bed sections.
- (3) Number of patient days during the fiscal year divided by the number of days in the fiscal year.
- (4) Beds are classified according to their intended use; patients are classified according to the classification of the beds they occupy, rather than on a diagnostic basis.
- (5) Medical bed section includes medicine, neurology, intermediate care, spinal cord injury, rehabilitation medicine, and blind rehabilitation.

**Table 16 -- VA Medical Centers -- Hospital Care Component: Patients Remaining, Percent by Attained Stay, and Diagnostic Group -- September 30, 1996**

Diagnostic Composition of Patients <sup>(1)</sup>	Total	Percent in Each Diagnostic Category for Specified Length of Stay					
		99 Days or Less	100 Days or More	More Than (Years)			
				1	2	5	10
<b>All patients</b> .....	<b>27,472</b>	80.0	20.0	19.4	10.4	4.4	1.5
<b>Psychotic</b> .....	<b>7,352</b>	53.0	47.0	24.6	18.6	8.5	3.7
Alcohol psychoses (291).....	277	52.3	47.7	26.7	19.1	9.4	3.6
Drug psychoses (292).....	80	100.0	--	--	--	--	--
Other psychoses (290, 293-299).....	6,995	52.5	47.5	24.2	17.2	8.6	3.9
<b>Other psychiatric</b> .....	<b>4,582</b>	91.9	8.1	4.4	2.1	1.0	0.4
Alcohol dependence and abuse (303, 305.0).....	1,879	94.7	5.3	1.1	0.2	0.1	--
Drug dependence and abuse (304, 305.1-305.9).....	948	90.1	9.9	1.3	0.1	--	--
Other nonpsychotic mental disorders (300-302, 306-319).....	1,755	89.9	10.1	4.1	2.8	1.5	0.9
<b>Medical and surgical</b> .....	<b>15,538</b>	89.3	10.7	7.1	3.2	1.0	0.2
All infectious and parasitic diseases (001-139).....	318	95.0	5.0	0.9	0.3	--	--
Malignant neoplasms (140-208, 230-234).....	1,736	93.0	7.0	1.3	0.3	0.2	0.1
Benign and unspecified neoplasms (210-229, 235-239).....	103	93.2	6.8	1.9	--	--	--
Diabetes mellitus (250).....	402	89.6	10.4	2.5	0.7	--	--
Other endocrine, nutritional, and metabolic diseases (240-246, 251-278).....	239	95.4	4.6	--	--	--	--
Disorders involving the immune mechanisms (279).....	4	100.0	--	--	--	--	--
Diseases of the blood and blood forming organs (280-289).....	127	96.9	3.1	1.6	--	--	--
Quadriplegia (344.0).....	203	33.5	66.5	48.8	35.0	17.7	4.9
Paraplegia (344.1).....	123	58.5	41.5	26.0	16.3	8.9	0.8
Other diseases of the nervous system (320-343, 344.2-359).....	851	55.6	44.4	25.5	14.8	5.8	1.4
Diseases of the sense organs (360-389).....	81	95.1	4.9	--	--	--	--
Heart diseases (391-392.0, 393-398, 402, 404, 410-414, 420-429).....	1,918	97.2	2.8	0.3	0.2	0.1	--
Cerebrovascular diseases (430-438).....	716	90.6	9.4	3.5	1.4	0.4	0.1
Other diseases of the circulatory system (390, 392.9, 401, 403, 405, 415-417, 440-459).....	776	93.0	7.0	1.0	0.1	0.1	--
Acute respiratory diseases (460-466, 480-487).....	543	91.9	8.1	2.2	1.7	0.7	0.2
Chronic bronchitis and emphysema (491-492).....	176	94.9	5.1	1.1	--	--	--
Other respiratory diseases (470-478, 490, 493-519).....	819	84.0	16.0	5.7	2.9	0.5	0.1
Diseases of the oral cavity, salivary glands, and jaws (520-529).....	27	96.3	3.7	--	--	--	--
Hernia of the abdominal cavity (550-553).....	102	98.0	2.0	--	--	--	--
Alcohol related liver diseases (571.0-571.3).....	86	94.2	5.8	--	--	--	--
Other diseases of the digestive system (530-543, 555-570, 571.4-579).....	1,030	96.1	3.9	0.9	0.3	0.1	--
Diseases of the male genital organs (600-608).....	88	94.3	5.7	--	--	--	--
Other diseases of the genitourinary system (580-599).....	595	89.6	10.4	3.4	1.2	0.5	0.2
Diseases of the breast, gynecological disorders, and complications of pregnancy (610-676).....	13	100.0	--	--	--	--	--
Diseases of the skin and subcutaneous tissue (680-709).....	739	80.5	19.5	4.2	2.6	1.1	0.3
Diseases of the musculoskeletal system and connective tissue (710-739).....	680	93.4	6.6	1.9	1.3	0.1	--
Congenital anomalies (740-759).....	19	89.5	10.5	5.3	5.3	--	--
Symptoms, signs, and ill-defined conditions (780-799).....	1,001	95.3	4.7	1.5	0.8	0.2	--
Injuries and poisonings (800-904, 910-999).....	918	92.9	7.1	1.1	0.4	0.1	--
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909).....	--	--	--	--	--	--	--
Factors influencing health status and contact with health service (V01-V82).....	1,105	89.5	10.5	1.7	0.5	0.1	--
Supplementary classification of external causes of injury and poisoning (E800-E999).....	--	--	--	--	--	--	--

<sup>(1)</sup> The diagnostic categories and selected diagnosis included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)" DHHS Pub. No. 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification.

Note: The data in this table as well as tables 17 and 22 are based on the Annual Patient Census and may vary from AMIS counts.

TABLE 17

INPATIENT CARE

**Table 17 -- VA Medical Centers -- Hospital Care Component:  
Patients Remaining, Age, and Diagnostic Group -- September 30, 1996**

Diagnostic Composition of Patients <sup>(1)</sup>	Age Group						
	Total	Under 35	35 - 44	45 - 54	55 - 64	65 - 74	75 - 84
<b>All patients</b> .....	<b>27,472</b>	<b>844</b>	<b>3,740</b>	<b>5,861</b>	<b>4,495</b>	<b>7,301</b>	<b>4,677</b>
<b>Psychotic</b> .....	<b>7,352</b>	<b>261</b>	<b>1,341</b>	<b>1,645</b>	<b>1,074</b>	<b>1,763</b>	<b>1,142</b>
Alcohol psychoses (291).....	277	2	36	47	50	88	50
Drug psychoses (292).....	80	9	27	29	9	5	1
Other psychoses (290, 293-299).....	6,995	250	1,278	1,569	1,015	1,670	1,091
<b>Other psychiatric</b> .....	<b>4,582</b>	<b>353</b>	<b>1,473</b>	<b>2,036</b>	<b>402</b>	<b>236</b>	<b>77</b>
Alcohol dependence and abuse (303, 305.0).....	1,879	136	670	704	237	111	20
Drug dependence and abuse (304, 305.1-305.9).....	948	135	493	282	33	5	--
Other nonpsychotic mental disorders (300-302, 306-319).....	1,755	82	310	1,050	132	120	57
<b>Medical and surgical</b> .....	<b>15,538</b>	<b>230</b>	<b>926</b>	<b>2,180</b>	<b>3,019</b>	<b>5,302</b>	<b>3,458</b>
All infectious and parasitic diseases (001-139).....	318	12	69	76	54	64	35
Malignant neoplasms (140-208, 230-234).....	1,736	10	44	180	417	667	375
Benign and unspecified neoplasms (210-229, 235-239).....	103	2	4	15	19	34	27
Diabetes mellitus (250).....	402	4	29	67	87	139	72
Other endocrine, nutritional, and metabolic diseases (240-246, 251-278).....	239	2	4	45	30	85	61
Disorders involving the immune mechanisms (279).....	4	--	1	1	--	--	2
Diseases of the blood and blood forming organs (280-289).....	127	--	9	10	27	37	43
Quadriplegia (344.0).....	203	13	23	46	43	54	22
Paraplegia (344.1).....	123	9	12	33	26	24	16
Other diseases of the nervous system (320-343, 344.2-359).....	851	15	52	94	139	276	243
Diseases of the sense organs (360-389).....	81	1	7	7	18	32	14
Heart diseases (391-392.0, 393-398, 402, 404, 410-414, 420-429).....	1,918	2	59	224	403	747	431
Cerebrovascular diseases (430-438).....	716	--	14	69	134	289	181
Other diseases of the circulatory system (390, 392.9, 401, 403, 405, 415-417, 440-459).....	776	2	30	100	174	292	167
Acute respiratory diseases (460-466, 480-487).....	543	3	19	52	82	181	173
Chronic bronchitis and emphysema (491-492).....	176	--	1	13	35	86	38
Other respiratory diseases (470-478, 490, 493-519).....	819	3	31	63	143	339	222
Diseases of the oral cavity, salivary glands, and jaws (520-529).....	27	3	3	8	4	6	3
Hernia of the abdominal cavity (550-553).....	102	2	7	15	22	34	22
Alcohol related liver diseases (571.0-571.3).....	86	--	8	34	22	20	2
Other diseases of the digestive system (530-543, 555-570, 571.4-579).....	1,030	11	92	194	178	311	220
Diseases of the male genital organs (600-608).....	88	1	1	14	22	19	26
Other diseases of the genitourinary system (580-599).....	595	15	27	73	105	178	164
Diseases of the breast, gynecological disorders, and complications of pregnancy (610-676).....	13	--	4	3	2	3	1
Diseases of the skin and subcutaneous tissue (680-709).....	739	18	102	164	138	200	107
Diseases of the musculoskeletal system and connective tissue (710-739).....	680	17	54	132	132	203	134
Congenital anomalies (740-759).....	19	--	3	2	2	8	3
Symptoms, signs, and ill-defined conditions (780-799).....	1,001	12	59	144	180	343	221
Injuries and poisonings (800-904, 910-999).....	918	27	71	135	168	287	199
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909).....	--	--	--	--	--	--	--
Factors influencing health status and contact with health service (V01-V82).....	1,105	46	87	167	213	344	234
Supplementary classification of external causes of injury and poisoning (E800-E999).....	--	--	--	--	--	--	--

(1) The diagnostic categories and selected diagnosis included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)" DHHS Pub. No. 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification.

Note: The data in this table as well as in tables 16 and 22 are based on the Annual Patient Census and may vary from AMIS counts.

**Table 18 -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Age, and Diagnostic Group -- Fiscal Year 1996**

Diagnostic Composition of Patients (1)	Total	Age Group						
		Under 35	35-44	45-54	55-64	65-74	75-84	85 and Over
<b>All discharges</b> .....	808,899	30,627	110,899	169,273	150,349	220,564	113,465	13,722
<b>Psychotic</b> .....	77,197	5,868	23,217	22,264	8,851	10,280	5,882	835
Alcohol psychoses (291).....	6,832	285	1,717	2,452	1,187	937	239	15
Drug psychoses (292).....	3,467	348	1,695	1,035	178	158	50	3
Other psychoses (290, 293-299).....	66,898	5,235	19,805	18,777	7,486	9,185	5,593	817
<b>Other psychiatric</b> .....	116,752	10,458	41,484	47,110	10,723	5,560	1,314	103
Alcohol dependence and abuse (303, 305.0).....	62,068	4,535	22,397	23,219	7,780	3,583	536	18
Drug dependence and abuse (304, 305.1-305.9).....	22,991	3,422	12,154	6,632	621	147	14	1
Other nonpsychotic mental disorders (300-302, 306-319).....	31,693	2,501	6,933	17,259	2,322	1,830	764	84
<b>Medical and surgical</b> .....	614,950	14,301	46,198	99,899	130,775	204,724	106,269	12,784
All infectious and parasitic diseases (001-139).....	13,655	1,033	3,310	3,388	1,731	2,470	1,476	247
Malignant neoplasms (140-208, 230-234).....	52,687	358	1,404	6,046	13,341	20,949	9,650	939
Benign and unspecified neoplasms (210-229, 235-239).....	7,227	189	525	1,004	1,473	2,578	1,353	105
Diabetes mellitus (250).....	14,483	287	1,333	3,097	3,342	4,482	1,786	156
Other endocrine, nutritional, and metabolic diseases..... (240-246, 251-278).....	10,726	190	691	1,530	1,993	3,486	2,364	472
Disorders involving the immune mechanisms (279).....	74	2	18	12	8	29	4	1
Diseases of the blood and blood forming organs (280-289).....	7,042	140	490	796	1,315	2,382	1,666	253
Quadriplegia (344.0).....	802	72	146	227	151	148	48	10
Paraplegia (344.1).....	608	36	83	160	95	164	68	2
Other diseases of the nervous system (320-343, 344.2-359).....	13,879	714	1,645	2,652	2,384	3,903	2,343	238
Diseases of the sense organs (360-389).....	15,082	165	539	1,571	2,862	5,920	3,619	406
Heart diseases (391-392.0, 393-398, 402, 404, 410-414, 420-429).....	103,521	333	3,291	14,748	25,110	38,930	19,040	2,069
Cerebrovascular diseases (430-438).....	20,732	41	365	1,980	4,761	8,610	4,523	452
Other diseases of the circulatory system..... (390, 392.9, 401, 403, 405, 415-417, 440-459).....	29,887	353	1,757	4,649	6,905	10,703	5,005	515
Acute respiratory diseases (460-466, 480-487).....	21,892	393	1,311	2,423	3,538	7,698	5,495	1,034
Chronic bronchitis and emphysema (491-492).....	11,845	20	199	941	2,692	5,222	2,575	196
Other respiratory diseases (470-478, 490, 493-519).....	27,671	582	1,606	3,532	5,665	10,064	5,562	660
Diseases of the oral cavity, salivary glands, and jaws (520-529).....	2,389	162	318	639	495	539	219	17
Hernia of the abdominal cavity (550-553).....	10,638	239	832	1,918	2,447	3,357	1,701	144
Alcohol related liver diseases (571.0-571.3).....	4,364	35	680	1,627	1,142	725	148	7
Other diseases of the digestive system..... (530-543, 555-570, 571.4-579).....	48,553	1,538	5,059	9,598	9,392	14,165	7,817	984
Diseases of the male genital organs (600-608).....	7,696	105	281	945	1,768	3,046	1,415	136
Other diseases of the genitourinary system (580-599).....	25,267	573	1,674	3,560	4,631	8,442	5,489	898
Diseases of the breast, gynecological disorders, and complications of pregnancy (610-676).....	1,375	274	423	251	168	180	76	3
Diseases of the skin and subcutaneous tissue (680-709).....	16,216	468	2,008	3,551	3,258	4,478	2,143	310
Diseases of the musculoskeletal system and connective tissue (710-739).....	29,767	1,760	4,148	6,523	5,955	7,643	3,425	313
Congenital anomalies (740-759).....	965	78	129	224	165	221	136	12
Symptoms, signs, and ill-defined conditions (780-799).....	50,284	1,349	5,228	10,336	10,199	14,668	7,559	945
Injuries and poisonings (800-904, 910-999).....	35,279	1,570	4,310	6,648	6,687	9,821	5,363	880
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909).....	1	--	--	1	--	--	--	--
Factors influencing health status and contact with health service (V01-V82).....	30,343	1,242	2,395	5,322	7,102	9,701	4,201	380
Supplementary classification of external causes of injury and poisoning (E800-E999).....	--	--	--	--	--	--	--	--

(1) The diagnostic categories and selected diagnosis included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)" DHHS Pub. No. 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification.

TABLE 19

## INPATIENT CARE

**Table 19 -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Average Age, and Diagnostic Group -- Fiscal Year 1996**

<i>Diagnostic Group</i> <sup>(1)</sup>	<i>Total Diagnoses</i>	<i>Principal Diagnosis</i> <sup>(2)</sup>	<i>Associated Diagnoses</i> <sup>(3)</sup>	<i>Average Age (Principal Diagnosis)</i>
<b>All diseases and conditions</b> .....	4,102,933	808,899	3,294,044	60.0
<b>I. Infectious and parasitic diseases</b> .....	117,157	13,655	103,502	54.7
Pulmonary tuberculosis (011).....	1,600	651	949	58.0
Tuberculosis, other (010, 012-018).....	287	114	173	57.8
Tuberculosis, late effects (137).....	105	--	105	(4)
All other infectious and parasitic diseases (001-009, 020-136).....	114,947	12,890	102,057	54.5
Late effects of other infectious and parasitic diseases (138-139).....	218	--	218	(4)
<b>II. Neoplasms</b> .....	166,773	59,914	106,859	66.1
Malignant neoplasm of lip, oral cavity, and pharynx (140-149, 230.0).....	5,252	2,777	2,475	63.1
Malignant neoplasm of digestive organs and peritoneum (150-159, 230.1-230.9).....	15,458	9,124	6,334	67.3
Malignant neoplasm of bronchus and lung (162.2-162.9, 231.2).....	24,588	12,425	12,163	66.8
Malignant neoplasm of other respiratory system and intrathoracic organs (160-162.0, 163-165, 231.0, 231.1, 231.8, 231.9).....	3,542	1,932	1,610	64.5
Malignant neoplasm of lymphatic and hematopoietic tissue (200-208).....	12,381	4,400	7,981	63.5
Malignant neoplasm of genitourinary organs (179-189, 233).....	27,041	11,076	15,965	68.4
Malignancies of all other systems (170-175, 190-199, 232, 234).....	58,369	10,953	47,416	65.4
Neoplasms, benign (210-229).....	13,678	4,865	8,813	62.4
Neoplasms of unspecified nature (235-239).....	6,464	2,362	4,102	67.7
<b>III. Endocrine, nutritional, and metabolic diseases and immunity disorders</b> .....	374,295	25,283	349,012	62.9
Diabetes mellitus (250).....	162,088	14,483	147,605	61.3
Diseases of the endocrine glands (240-246, 251-259).....	27,759	1,613	26,146	62.2
Gout (274).....	14,297	774	13,523	66.8
Obesity (278.0-278.1).....	18,880	35	18,845	(4)
Nutritional deficiencies and all other metabolic diseases (260-273, 275-277, 278.2-278.8).....	150,882	8,304	142,578	65.6
Disorders involving the immune mechanisms (279).....	389	74	315	(4)
<b>IV. Diseases of the blood and blood-forming organs</b> .....	95,605	7,042	88,563	65.8
Anemias (280-282.4, 282.7-285).....	69,757	4,819	64,938	67.9
Sickle-cell trait and sickle-cell anemia (282.5-282.6).....	651	158	493	44.9
Other diseases of the blood and blood-forming organs (286-289).....	25,197	2,065	23,132	62.6
<b>V. Mental disorders</b> .....	648,556	193,949	454,607	48.7
Alcohol psychosis (291).....	27,662	6,832	20,830	52.2
Drug psychosis (292).....	14,225	3,467	10,758	44.8
Organic psychotic conditions, excluding alcohol and drug psychosis (290, 293-294).....	37,275	9,709	27,566	71.2
Schizophrenic disorders (295).....	51,978	32,773	19,205	47.8
Other psychoses (296-299).....	52,205	24,416	27,789	50.4
Neurotic disorders (300).....	38,589	5,328	33,261	48.9
Personality disorders (301).....	37,199	1,247	35,952	43.9
Alcohol dependence or abuse (303, 305.0).....	156,627	62,068	94,559	47.5
Drug dependence or abuse (304, 305.1-305.9).....	143,181	22,991	120,190	41.9
Other nonpsychotic mental disorders (302, 306-319).....	89,615	25,118	64,497	48.4

See footnotes at end of table.

**Table 19 (continued) -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Average Age, and Diagnostic Group -- Fiscal Year 1996**

<i>Diagnostic Group</i> <sup>(1)</sup>	<i>Total Diagnoses</i>	<i>Principal Diagnosis</i> <sup>(2)</sup>	<i>Associated Diagnoses</i> <sup>(3)</sup>	<i>Average Age (Principal Diagnosis)</i>
<b>VI. Diseases of the nervous system and sense organs.....</b>	<b>183,516</b>	<b>30,371</b>	<b>153,145</b>	<b>63.8</b>
Quadriplegia (344.0).....	6,035	802	5,233	54.2
Paraplegia (344.1).....	6,676	608	6,068	57.6
Epilepsy (345).....	7,697	1,814	5,883	55.7
Disorders of the peripheral nervous system (350-359).....	20,444	3,181	17,263	59.5
Other diseases of central nervous system (320-343, 344.2-344.9, 346-349).....	72,858	8,884	63,974	62.3
Glaucoma (365).....	12,234	833	11,401	69.1
Cataract (366).....	12,898	8,461	4,437	70.3
Blindness (369).....	6,971	92	6,879	(4)
Disorders of the eye and adnexa (360-364, 367-368, 370-379).....	24,207	3,948	20,259	64.4
Diseases of the ear and mastoid process (380-389).....	13,496	1,748	11,748	59.5
<b>VII. Diseases of the circulatory system.....</b>	<b>901,742</b>	<b>154,140</b>	<b>747,602</b>	<b>65.9</b>
Chronic rheumatic heart disease (393-398).....	5,038	470	4,568	64.8
Hypertensive disease without heart involvement (401, 403, 405).....	252,429	5,146	247,283	62.1
Hypertensive heart disease (402, 404).....	6,245	1,413	4,832	67.1
Acute myocardial infarction (410).....	17,006	10,513	6,493	65.1
Other ischemic heart disease (411-414).....	233,344	47,804	185,540	64.0
Other forms of heart disease (391, 392.0, 420-429).....	205,940	43,321	162,619	68.1
Cerebrovascular diseases (430-438).....	71,854	20,732	51,122	67.8
Atherosclerosis (440).....	14,030	4,656	9,374	65.9
Other diseases of arteries, arterioles, and capillaries (441-448).....	45,029	9,186	35,843	66.5
Varicose veins of lower extremities (454).....	3,416	1,047	2,369	63.9
Hemorrhoids (455).....	8,861	1,595	7,266	57.7
Other diseases of the circulatory system (390, 392.9, 415-417, 451-453, 456-459).....	38,550	8,257	30,293	63.8
<b>VIII. Diseases of the respiratory system.....</b>	<b>281,727</b>	<b>61,408</b>	<b>220,319</b>	<b>66.3</b>
Acute respiratory infections (460-466).....	10,798	2,006	8,792	60.6
Pneumonia and influenza (480-487).....	41,676	19,886	21,790	67.3
Chronic bronchitis (491).....	26,032	10,770	15,262	68.3
Emphysema (492).....	9,728	1,075	8,653	66.6
Other diseases of the respiratory system and upper respiratory tract (470-478, 490, 493-519).....	193,493	27,671	165,822	65.2
<b>IX. Diseases of the digestive system.....</b>	<b>277,658</b>	<b>65,944</b>	<b>211,714</b>	<b>61.2</b>
Diseases of oral cavity, salivary glands, and jaws (520-529).....	24,989	2,389	22,600	56.7
Ulcers of the digestive system (530.2, 531-534).....	27,708	4,102	23,606	64.2
Other diseases of the esophagus, stomach, and duodenum (530.0, 530.1, 530.3-530.9, 535-537).....	61,710	7,420	54,290	61.3
Hernia of the abdominal cavity (550-553).....	28,358	10,638	17,720	62.8
Other diseases of the intestine and peritoneum (540-543, 555-569, 578-579).....	74,288	22,486	51,802	63.3
Alcohol related liver disorders (571.0-571.3).....	19,105	4,364	14,741	55.4
Other diseases of liver, gallbladder, and pancreas (570, 571.4-577).....	41,500	14,545	26,955	58.5
<b>X. Diseases of the genitourinary system.....</b>	<b>184,466</b>	<b>34,319</b>	<b>150,147</b>	<b>64.6</b>
Nephritis, nephrotic syndrome, and nephrosis (580-589).....	35,911	4,865	31,046	64.5
Other diseases of the urinary system (590-599).....	104,067	20,402	83,665	65.2
Diseases of the prostate (600-602).....	31,173	4,521	26,652	69.3
Other diseases of the male genital organs (603-608).....	9,281	3,175	6,106	60.9
Disorders of breast and gynecological diseases (610-629).....	4,034	1,356	2,678	48.5

See footnotes at end of table.

TABLE 19

## INPATIENT CARE

**Table 19 (continued) -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Average Age, and Diagnostic Group -- Fiscal Year 1996**

<i>Diagnostic Group</i> <sup>(1)</sup>	<i>Total Diagnoses</i>	<i>Principal Diagnosis</i> <sup>(2)</sup>	<i>Associated Diagnoses</i> <sup>(3)</sup>	<i>Average Age (Principal Diagnosis)</i>
<b>XI. Complications of pregnancy, childbirth, and puerperium (630-676).....</b>	33	19	14	<sup>(4)</sup>
<b>XII. Diseases of skin and subcutaneous tissue.....</b>	76,253	16,216	60,037	60.4
Infections and inflammatory conditions of skin and subcutaneous tissue (680-698).....	37,940	11,338	26,602	59.8
Other diseases of skin and subcutaneous tissue (700-709).....	38,313	4,878	33,435	61.6
<b>XIII. Diseases of the musculoskeletal system and connective tissue.....</b>	151,045	29,767	121,278	58.3
Osteoarthritis and allied disorders (715).....	38,535	6,210	32,325	65.1
Other arthropathies and related disorders (710-714, 716-719).....	29,489	4,554	24,935	54.0
Dorsopathies (720-724).....	46,954	9,912	37,042	55.7
Rheumatism, excluding the back (725-729).....	15,457	3,773	11,684	58.1
Osteopathies, chondropathies, and acquired musculoskeletal deformities (730-739).....	20,610	5,318	15,292	59.2
<b>XIV. Congenital deformities (740-759).....</b>	5,356	965	4,391	57.8
<b>XVI. Symptoms, signs, and ill defined conditions (780-799).....</b>	232,573	50,284	182,289	61.4
<b>XVII. Injury and poisoning.....</b>	108,551	35,280	73,271	60.7
Fracture of skull (800-804).....	1,482	725	757	47.2
Fracture of neck and trunk (805-809).....	3,623	1,258	2,365	63.3
Fracture of upper and lower limb (810-829).....	11,517	6,609	4,908	63.8
Dislocations, sprains, and strains of joints and adjacent muscles (830-848).....	4,637	2,147	2,490	53.5
Intracranial injury, excluding those with skull fracture (850-854).....	1,756	989	767	62.1
Internal injury of chest, abdomen, and pelvis (860-869).....	957	341	616	58.0
Open wounds (870-897).....	5,787	1,292	4,495	54.7
Burns (940-949).....	1,612	493	1,119	57.8
Poisoning by drugs, medicinal and biological substances (960-979).....	6,218	2,549	3,669	53.3
Toxic effects of substances chiefly nonmedical as to source (980-989).....	835	289	546	54.0
All other injuries (900-904, 910-939, 950-959, 990-995).....	11,764	2,631	9,133	60.8
Complications of surgical and medical care, NEC (996-999).....	47,071	15,956	31,115	62.7
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909).....	11,292	1	11,291	<sup>(4)</sup>
<b>XVIII. Factors influencing health status and contact with health services (V01-V82).....</b>	297,627	30,343	267,284	61.7

(1) The diagnostic categories and selected diagnoses included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)," DHHS Publication No. (PHS) 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification. **Category XV, "Certain Conditions Originating in the Perinatal Period,"** in which no cases occurred, is not included in this table.

(2) Principal diagnosis is that diagnosis designated by the discharging physician as responsible for the major portion of the patient's length of stay.

(3) Associated diagnoses are established diagnoses for which treatment was given, other than principal diagnosis.

(4) Average age is not calculated for totals of less than 100 cases.

Note: This table is based on the Patient Treatment File (PTF) and may differ from tables based on AMIS data. Any difference is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge while AMIS totals exclude transfers from the total discharges.

**Table 20 -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Age, and Diagnostic Group -- Fiscal Year 1996**

Diagnostic Group <sup>(1)</sup>	Age Group of Principal Diagnosis					
	Under 35	35-44	45-54	55-64	65-74	75-84
<b>All diseases and conditions.....</b>	130,532	110,987	169,472	150,563	119,998	113,606
<b>I. Infectious and parasitic diseases.....</b>	2,094	3,316	3,394	1,734	1,388	1,480
Pulmonary tuberculosis (011).....	95	113	167	122	81	68
Tuberculosis, other (010, 012-018).....	17	16	42	13	12	11
Tuberculosis, late effects (137).....	--	--	--	--	--	--
All other infectious and parasitic diseases (001-009, 020-136).....	1,982	3,187	3,185	1,599	1,295	1,401
Late effects of other infectious and parasitic diseases (138-139).....	--	--	--	--	--	--
<b>II. Neoplasms.....</b>	11,409	1,929	7,050	14,814	12,665	11,003
Malignant neoplasm of lip, oral cavity, and pharynx (140-149, 230.0).....	507	80	569	893	441	257
Malignant neoplasm of digestive organs and peritoneum (150-159, 230.1-230.9).....	1,678	171	1,006	2,172	2,042	1,860
Malignant neoplasm of bronchus and lung (162.2-162.9, 231.2).....	2,576	172	1,300	3,395	2,806	2,086
Malignant neoplasm of other respiratory system and intrathoracic organs (160-162.0, 163-165, 231.0, 231.1, 231.8, 231.9).....	397	36	293	621	346	218
Malignant neoplasm of lymphatic and hematopoietic tissue (200-208).....	768	296	741	926	800	818
Malignant neoplasm of genitourinary organs (179-189, 233).....	2,191	168	774	2,583	2,595	2,441
Malignancies of all other systems (170-175, 190-199, 232, 234).....	1,961	481	1,363	2,751	2,199	1,970
Neoplasms, benign (210-229).....	956	445	781	1,012	871	752
Neoplasms of unspecified nature (235-239).....	375	80	223	461	565	601
<b>III. Endocrine, nutritional, and metabolic diseases and immunity disorders.....</b>	3,989	2,075	4,724	5,410	4,297	4,159
Diabetes mellitus (250).....	2,514	1,333	3,097	3,342	2,255	1,786
Diseases of the endocrine glands (240-246, 251-259).....	283	137	291	309	289	268
Gout (274).....	115	37	99	136	167	195
Obesity (278.0-278.1).....	6	13	10	5	1	--
Nutritional deficiencies and all other metabolic diseases (260-273, 275-277, 278.2-278.8).....	1,053	537	1,215	1,610	1,572	1,906
Disorders involving the immune mechanisms (279).....	18	18	12	8	13	4
<b>IV. Diseases of the blood and blood-forming organs.....</b>	1,098	490	796	1,315	1,424	1,666
Anemias (280-282.4, 282.7-285).....	726	223	466	814	1,018	1,350
Sickle-cell trait and sickle-cell anemia (282.5-282.6).....	13	79	50	15	--	1
Other diseases of the blood and blood-forming organs (286-289).....	359	188	280	486	406	315
<b>V. Mental disorders.....</b>	24,308	64,701	69,374	19,574	7,858	7,196
Alcohol psychosis (291).....	779	1,717	2,452	1,187	443	239
Drug psychosis (292).....	411	1,695	1,035	178	95	50
Organic psychotic conditions, excluding alcohol and drug psychosis (290, 293-294).....	1,207	376	604	878	2,215	3,725
Schizophrenic disorders (295).....	4,120	12,529	10,828	3,463	1,190	618
Other psychoses (296-299).....	4,071	6,900	7,345	3,145	1,617	1,250
Neurotic disorders (300).....	852	1,690	1,665	583	289	231
Personality disorders (301).....	260	498	357	92	24	16
Alcohol dependence or abuse (303, 305.0).....	6,821	22,397	23,219	7,780	1,297	536
Drug dependence or abuse (304, 305.1-305.9).....	3,524	12,154	6,632	621	45	14
Other nonpsychotic mental disorders (302, 306-319).....	2,263	4,745	15,237	1,647	643	517

See footnotes at end of table.

TABLE 20

INPATIENT CARE

**Table 20 (continued) -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Age, and Diagnostic Group -- Fiscal Year 1996**

Diagnostic Group <sup>(1)</sup>	Age Group of Principal Diagnosis					
	Under 35	35-44	45-54	55-64	65-74	75-84
<b>VI. Diseases of the nervous system and sense organs.....</b>	<b>5,206</b>	<b>2,413</b>	<b>4,610</b>	<b>5,492</b>	<b>5,916</b>	<b>6,078</b>
Quadriplegia (344.0).....	155	146	227	151	65	48
Paraplegia (344.1).....	113	83	160	95	87	68
Epilepsy (345).....	348	326	418	325	214	168
Disorders of the peripheral nervous system (350-359).....	528	363	762	662	462	373
Other diseases of central nervous system (320-343, 344.2-344.9, 346-349).....	1,463	956	1,472	1,397	1,602	1,802
Glaucoma (365).....	140	24	70	134	224	215
Cataract (366).....	1,417	71	523	1,488	2,229	2,444
Blindness (369).....	19	5	12	10	18	21
Disorders of the eye and adnexa (360-364, 367-368, 370-379).....	693	249	588	834	775	741
Diseases of the ear and mastoid process (380-389).....	330	190	378	396	240	198
<b>VII. Diseases of the circulatory system.....</b>	<b>27,149</b>	<b>5,417</b>	<b>21,402</b>	<b>36,828</b>	<b>31,699</b>	<b>28,608</b>
Chronic rheumatic heart disease (393-398).....	77	22	69	122	97	76
Hypertensive disease without heart involvement (401, 403, 405).....	790	499	1,043	1,106	822	799
Hypertensive heart disease (402, 404).....	246	56	160	296	320	288
Acute myocardial infarction (410).....	1,740	402	1,766	2,599	1,962	1,822
Other ischemic heart disease (411-414).....	8,321	1,776	8,747	13,317	8,734	6,492
Other forms of heart disease (391, 392.0, 420-429).....	7,808	1,035	4,006	8,776	9,958	10,362
Cerebrovascular diseases (430-438).....	3,768	366	1,989	4,776	4,839	4,542
Atherosclerosis (440).....	907	88	607	1,306	939	741
Other diseases of arteries, arterioles, and capillaries (441-448).....	1,776	231	1,024	2,295	2,082	1,665
Varicose veins of lower extremities (454).....	164	88	199	184	177	199
Hemorrhoids (455).....	236	252	417	327	187	161
Other diseases of the circulatory system (390, 392.9, 415-417, 451-453, 456-459).....	1,316	602	1,375	1,724	1,582	1,461
<b>VIII. Diseases of the respiratory system.....</b>	<b>11,155</b>	<b>3,116</b>	<b>6,896</b>	<b>11,895</b>	<b>12,824</b>	<b>13,632</b>
Acute respiratory infections (460-466).....	405	231	335	331	312	333
Pneumonia and influenza (480-487).....	3,213	1,080	2,088	3,207	4,161	5,162
Chronic bronchitis (491).....	2,211	174	840	2,415	2,547	2,395
Emphysema (492).....	248	25	101	277	236	180
Other diseases of the respiratory system and upper respiratory tract (470-478, 490, 493-519).....	5,078	1,606	3,532	5,665	5,568	5,562
<b>IX. Diseases of the digestive system.....</b>	<b>10,475</b>	<b>6,899</b>	<b>13,802</b>	<b>13,504</b>	<b>10,195</b>	<b>9,915</b>
Diseases of oral cavity, salivary glands, and jaws (520-529).....	431	318	639	495	270	219
Ulcers of the digestive system (530.2, 531-534).....	685	326	647	830	738	779
Other diseases of the esophagus, stomach, and duodenum (530.0, 530.1, 530.3-530.9, 535-537).....	1,235	776	1,470	1,538	1,135	1,140
Hernia of the abdominal cavity (550-553).....	1,818	832	1,918	2,447	1,778	1,701
Other diseases of the intestine and peritoneum (540-543, 555-569, 578-579).....	3,793	1,934	3,629	4,019	4,094	4,403
Alcohol related liver disorders (571.0-571.3).....	438	680	1,627	1,142	322	148
Other diseases of liver, gallbladder, and pancreas (570, 571.4-577).....	2,075	2,033	3,872	3,033	1,858	1,525
<b>X. Diseases of the genitourinary system.....</b>	<b>5,984</b>	<b>2,373</b>	<b>4,755</b>	<b>6,567</b>	<b>6,623</b>	<b>6,980</b>
Nephritis, nephrotic syndrome, and nephrosis (580-589).....	846	334	743	984	920	917
Other diseases of the urinary system (590-599).....	3,351	1,340	2,817	3,647	3,898	4,572
Diseases of the prostate (600-602).....	864	38	230	1,007	1,213	1,083
Other diseases of the male genital organs (603-608).....	593	243	715	761	481	332
Disorders of breast and gynecological diseases (610-629).....	330	418	250	168	111	76

See footnotes at end of table.

**Table 20 (continued) -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Age, and Diagnostic Group -- Fiscal Year 1996**

Diagnostic Group <sup>(1)</sup>	Age Group of Principal Diagnosis					
	Under 35	35-44	45-54	55-64	65-74	75-84
<b>XI. Complications of pregnancy, childbirth, and puerperium (630-676).....</b>	13	5	1	--	--	--
<b>XII. Diseases of skin and subcutaneous tissue.....</b>	2,604	2,009	3,552	3,259	2,338	2,144
Infections and inflammatory conditions of skin and subcutaneous tissue (680-698).....	1,833	1,462	2,599	2,280	1,565	1,408
Other diseases of skin and subcutaneous tissue (700-709).....	771	547	953	979	773	736
<b>XIII. Diseases of the musculoskeletal system and connective tissue.....</b>	5,247	4,149	6,534	5,958	4,139	3,426
Osteoarthritis and allied disorders (715).....	1,090	338	835	1,400	1,346	1,127
Other arthropathies and related disorders (710-714, 716-719).....	1,126	754	935	754	488	456
Dorsopathies (720-724).....	1,530	1,804	2,657	2,001	1,044	798
Rheumatism, excluding the back (725-729).....	637	526	901	801	487	375
Osteopathies, chondropathies, and acquired musculoskeletal deformities (730-739).....	864	727	1,206	1,002	774	670
<b>XIV. Congenital deformities (740-759).....</b>	181	129	224	165	118	136
<b>XVI. Symptoms, signs, and ill defined conditions (780-799).....</b>	7,866	5,257	10,375	10,235	7,984	7,610
<b>XVII. Injury and poisoning.....</b>	5,869	4,314	6,661	6,706	5,478	5,371
Fracture of skull (800-804).....	122	260	212	65	27	30
Fracture of neck and trunk (805-809).....	193	127	193	223	233	228
Fracture of upper and lower limb (810-829).....	904	636	1,087	1,060	1,121	1,426
Dislocations, sprains, and strains of joints and adjacent muscles (830-848).....	497	396	489	381	222	147
Intracranial injury, excluding those with skull fracture (850-854).....	145	107	169	156	170	199
Internal injury of chest, abdomen, and pelvis (860-869).....	44	65	78	55	40	52
Open wounds (870-897).....	221	282	328	187	122	126
Burns (940-949).....	67	89	115	98	60	60
Poisoning by drugs, medicinal and biological substances (960-979).....	401	678	663	283	270	220
Toxic effects of substances chiefly nonmedical as to source (980-989).....	45	64	82	40	30	26
All other injuries (900-904, 910-939, 950-959, 990-995).....	414	338	510	451	418	423
Complications of surgical and medical care, NEC (996-999).....	2,816	1,272	2,734	3,707	2,765	2,434
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909).....	--	--	1	--	--	--
<b>XVIII. Factors influencing health status and contact with health services (V01-V82).....</b>	5,885	2,395	5,322	7,107	5,052	4,202

<sup>(1)</sup> The diagnostic categories and selected diagnoses included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)," DHHS Publication No. (PHS) 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification. **Category XV, "Certain Conditions Originating in the Perinatal Period,"** in which no cases occurred, is not included in this table.

Note: This table is based on the Patient Treatment File (PTF) and may differ from tables based on AMIS data. Any difference is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge while AMIS totals exclude transfers from the total discharges.

**Table 21 -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Type of Patient, Age, and Length of Stay -- Fiscal Year 1996**

Type of Patient and Age Group	Total			Short Term <sup>(2)</sup>		Length of Stay (Days)			
	Patients	Average Days of Stay	Median Days of Stay <sup>(1)</sup>	Average Days of Stay	Percent of Total Discharges	1	2-3	4-7	8-14
<b>All patients.....</b>	<b>808,899</b>	<b>17.3</b>	<b>6.6</b>	<b>10.6</b>	<b>98.5</b>	<b>106,751</b>	<b>167,800</b>	<b>197,413</b>	<b>152,195</b>
Under 25.....	3,085	11.9	4.0	8.9	98.2	722	817	601	343
25 - 29.....	9,191	11.8	5.5	10.2	99.2	1,849	2,076	1,768	1,333
30 - 34.....	18,351	13.5	6.8	11.4	98.9	2,798	3,573	3,909	2,987
35 - 39.....	43,569	15.7	7.4	12.0	98.7	5,746	7,898	9,606	7,532
40 - 44.....	67,330	16.0	7.2	11.7	98.8	8,765	12,781	15,225	11,835
45 - 49.....	104,868	16.4	7.0	11.8	98.6	13,971	20,391	23,565	18,465
50 - 54.....	64,405	15.9	6.4	10.4	98.7	9,214	13,797	15,356	11,417
55 - 59.....	54,061	16.4	6.1	9.7	98.7	7,747	12,127	13,625	9,747
60 - 64.....	96,288	15.2	6.0	9.3	98.8	13,587	21,856	24,969	18,226
65 - 69.....	100,703	18.0	6.3	9.8	98.5	13,211	22,120	26,028	19,699
70 - 74.....	119,861	18.9	6.5	10.2	98.3	15,097	25,504	30,419	24,033
75 - 79.....	81,743	20.6	6.8	10.8	98.0	9,475	16,626	20,711	16,755
80 - 84.....	31,722	22.5	7.3	11.6	97.7	3,276	5,929	8,057	6,752
85 and over.....	13,722	21.0	7.6	12.0	97.7	1,293	2,305	3,574	3,071
<b>Psychotic.....</b>	<b>77,197</b>	<b>63.5</b>	<b>13.9</b>	<b>18.1</b>	<b>93.6</b>	<b>3,847</b>	<b>6,610</b>	<b>13,291</b>	<b>17,489</b>
Under 25.....	480	19.1	10.1	14.4	96.7	39	67	101	108
25 - 29.....	1,685	17.9	11.4	15.7	98.7	120	182	336	414
30 - 34.....	3,703	20.8	11.5	15.6	97.7	219	405	765	907
35 - 39.....	9,703	26.3	11.6	15.5	97.2	620	1,013	2,023	2,335
40 - 44.....	13,514	30.4	12.3	16.4	97.0	797	1,387	2,629	3,087
45 - 49.....	14,992	38.4	13.2	17.1	95.9	746	1,344	2,697	3,638
50 - 54.....	7,272	50.1	13.7	17.8	94.8	349	618	1,287	1,694
55 - 59.....	4,169	81.6	15.6	19.5	92.1	193	336	624	872
60 - 64.....	4,682	108.5	18.1	21.4	89.9	167	317	662	928
65 - 69.....	4,720	137.7	19.5	22.3	87.3	146	269	574	961
70 - 74.....	5,560	142.5	20.0	22.7	86.1	232	284	664	1,116
75 - 79.....	4,048	148.6	18.9	22.2	85.2	151	221	551	833
80 - 84.....	1,834	124.3	18.4	21.5	85.3	46	124	233	400
85 and over.....	835	75.6	15.8	20.6	87.9	22	43	145	196
<b>Other psychiatric.....</b>	<b>116,752</b>	<b>18.5</b>	<b>11.7</b>	<b>15.6</b>	<b>98.8</b>	<b>8,081</b>	<b>15,510</b>	<b>23,508</b>	<b>20,997</b>
Under 25.....	658	13.1	7.7	12.2	99.2	87	122	129	104
25 - 29.....	2,749	17.6	12.8	15.8	99.0	212	356	468	496
30 - 34.....	7,051	16.8	11.9	15.2	98.9	554	971	1,336	1,176
35 - 39.....	17,494	17.1	11.7	15.1	98.9	1,297	2,354	3,476	3,010
40 - 44.....	23,990	16.6	11.1	14.9	99.1	1,794	3,351	4,946	4,300
45 - 49.....	34,194	19.1	12.7	16.9	98.7	2,147	4,257	6,475	6,221
50 - 54.....	12,916	19.6	12.1	16.0	98.6	848	1,695	2,575	2,298
55 - 59.....	5,652	17.7	11.1	15.3	98.7	347	767	1,269	991
60 - 64.....	5,071	16.7	9.8	13.9	99.1	328	712	1,234	984
65 - 69.....	3,262	24.4	9.7	13.9	98.4	219	465	791	628
70 - 74.....	2,298	27.1	10.6	14.7	97.9	164	283	525	469
75 - 79.....	1,057	39.7	11.4	15.5	96.3	59	137	214	241
80 - 84.....	257	45.1	12.1	16.4	94.2	15	32	47	59
85 and over.....	103	31.7	11.6	15.3	94.2	10	8	23	20
<b>Medical and surgical.....</b>	<b>614,950</b>	<b>11.3</b>	<b>5.6</b>	<b>8.8</b>	<b>99.1</b>	<b>94,823</b>	<b>145,680</b>	<b>160,614</b>	<b>113,709</b>
Under 25.....	1,947	9.7	3.2	6.4	98.3	596	628	371	131
25 - 29.....	4,757	6.4	3.1	5.0	99.5	1,517	1,538	964	423
30 - 34.....	7,597	6.8	3.6	5.8	99.5	2,025	2,197	1,808	904
35 - 39.....	16,372	8.0	3.9	6.5	99.4	3,829	4,531	4,107	2,187
40 - 44.....	29,826	8.9	4.4	7.1	99.4	6,174	8,043	7,650	4,448
45 - 49.....	55,682	8.9	4.5	7.3	99.3	11,078	14,790	14,393	8,606
50 - 54.....	44,217	9.2	4.9	7.7	99.3	8,017	11,484	11,494	7,425
55 - 59.....	44,240	10.1	5.3	8.2	99.3	7,207	11,024	11,732	7,884
60 - 64.....	86,535	10.1	5.6	8.5	99.3	13,092	20,827	23,073	16,314
65 - 69.....	92,721	11.6	6.0	9.1	99.0	12,846	21,386	24,663	18,110
70 - 74.....	112,003	12.6	6.2	9.6	98.9	14,701	24,937	29,230	22,448
75 - 79.....	76,638	13.5	6.0	10.2	98.7	9,265	16,268	19,946	15,681
80 - 84.....	29,631	16.0	7.0	11.0	98.5	3,215	5,773	7,777	6,293
85 and over.....	12,784	17.3	7.4	11.5	98.4	1,261	2,254	3,406	2,855

(1) One-half of the discharges in the given category has length of stay greater than the median; the other half has less than the median.

(2) Includes hospital stays of 1 to 99 days and conforms to the definition as adopted by the Commission on Professional and Hospital Activities.

**Table 21 (continued) -- VA Medical Centers--Hospital Care Component:  
Patients Discharged, Type of Patient, Age, and Length of Stay -- Fiscal Year 1996**

Type of Patient and Age Group	Length of Stay (Days) (Continued)									Total Days
	15-21	22-30	31-60	61-90	91-180	181-270	271-365	366-730	731 & Over	
<b>All patients.....</b>	<b>65,085</b>	<b>49,014</b>	<b>44,929</b>	<b>11,719</b>	<b>8,337</b>	<b>2,191</b>	<b>895</b>	<b>1,183</b>	<b>1,387</b>	<b>14,018,721</b>
Under 25.....	178	168	161	35	45	6	5	4	--	36,721
25 - 29.....	723	707	523	123	55	22	6	3	3	108,794
30 - 34.....	1,712	1,812	1,091	243	146	48	14	13	5	246,954
35 - 39.....	4,411	4,242	2,898	565	413	141	41	42	34	685,433
40 - 44.....	6,482	5,934	4,380	967	603	162	65	68	63	1,074,019
45 - 49.....	9,319	8,661	6,984	1,773	1,157	264	97	110	111	1,723,839
50 - 54.....	5,059	4,081	3,612	890	587	183	61	69	79	1,026,483
55 - 59.....	3,953	2,751	2,638	663	493	121	49	58	89	887,933
60 - 64.....	6,664	4,326	4,234	1,107	792	173	92	119	143	1,467,765
65 - 69.....	7,330	4,395	4,849	1,331	1,041	242	119	136	202	1,808,776
70 - 74.....	9,082	5,531	6,107	1,717	1,324	378	141	240	288	2,270,837
75 - 79.....	6,382	3,997	4,576	1,395	1,027	258	133	186	222	1,679,958
80 - 84.....	2,612	1,619	2,004	633	444	139	56	92	109	713,471
85 and over.....	1,178	790	872	277	210	54	16	43	39	287,738
<b>Psychotic.....</b>	<b>10,378</b>	<b>8,375</b>	<b>9,002</b>	<b>2,756</b>	<b>2,445</b>	<b>876</b>	<b>403</b>	<b>673</b>	<b>1,052</b>	<b>4,905,567</b>
Under 25.....	53	37	49	9	15	--	1	1	--	9,180
25 - 29.....	233	147	176	48	18	9	1	1	--	30,098
30 - 34.....	483	387	340	98	62	15	8	10	4	76,886
35 - 39.....	1,264	969	937	227	179	59	20	25	32	255,162
40 - 44.....	1,933	1,435	1,389	398	255	79	26	46	53	410,457
45 - 49.....	2,078	1,764	1,587	436	386	105	46	77	88	576,330
50 - 54.....	1,009	824	815	266	190	83	24	45	68	364,402
55 - 59.....	603	472	542	161	177	53	29	35	72	340,282
60 - 64.....	606	574	692	222	217	68	46	67	116	507,914
65 - 69.....	638	535	721	227	250	103	58	80	158	650,081
70 - 74.....	669	598	863	296	297	132	66	132	211	792,066
75 - 79.....	486	390	534	225	253	104	45	93	162	601,616
80 - 84.....	229	164	253	97	104	44	25	43	72	227,963
85 and over.....	94	79	104	46	42	22	8	18	16	63,130
<b>Other psychiatric.....</b>	<b>15,193</b>	<b>17,919</b>	<b>11,623</b>	<b>2,168</b>	<b>1,211</b>	<b>333</b>	<b>99</b>	<b>65</b>	<b>45</b>	<b>2,163,749</b>
Under 25.....	70	87	50	4	4	1	--	--	--	8,617
25 - 29.....	379	492	272	42	23	6	1	1	1	48,330
30 - 34.....	941	1,280	605	102	55	28	3	--	--	118,761
35 - 39.....	2,448	2,866	1,569	239	150	62	15	8	--	299,047
40 - 44.....	3,139	3,673	2,172	332	194	57	20	9	3	398,673
45 - 49.....	4,400	5,321	3,886	907	443	90	28	15	4	652,796
50 - 54.....	1,687	1,927	1,406	262	157	37	13	6	5	253,750
55 - 59.....	716	790	592	92	64	15	3	4	2	100,215
60 - 64.....	606	661	426	71	28	8	5	5	3	84,811
65 - 69.....	376	397	286	40	33	11	4	3	9	79,549
70 - 74.....	274	275	214	40	33	7	2	5	7	62,357
75 - 79.....	116	115	108	26	18	7	3	6	7	41,991
80 - 84.....	27	25	28	8	6	4	1	1	4	11,584
85 and over.....	14	10	9	3	3	--	1	2	--	3,268
<b>Medical and surgical...</b>	<b>39,514</b>	<b>22,720</b>	<b>24,304</b>	<b>6,795</b>	<b>4,681</b>	<b>982</b>	<b>393</b>	<b>445</b>	<b>290</b>	<b>6,949,405</b>
Under 25.....	55	44	62	22	26	5	4	3	--	18,924
25 - 29.....	111	68	75	33	14	7	4	1	2	30,366
30 - 34.....	288	145	146	43	29	5	3	3	1	51,307
35 - 39.....	699	407	392	99	84	20	6	9	2	131,224
40 - 44.....	1,410	826	819	237	154	26	19	13	7	264,889
45 - 49.....	2,841	1,576	1,511	430	328	69	23	18	19	494,713
50 - 54.....	2,363	1,330	1,391	362	240	63	24	18	6	408,331
55 - 59.....	2,634	1,489	1,504	410	252	53	17	19	15	447,436
60 - 64.....	5,452	3,091	3,116	814	547	97	41	47	24	875,040
65 - 69.....	6,316	3,463	3,842	1,064	758	128	57	53	35	1,079,146
70 - 74.....	8,139	4,658	5,030	1,381	994	239	73	103	70	1,416,414
75 - 79.....	5,780	3,492	3,934	1,144	756	147	85	87	53	1,036,351
80 - 84.....	2,356	1,430	1,723	528	334	91	30	48	33	473,924
85 and over.....	1,070	701	759	228	165	32	7	23	23	221,340

Note: This table is based on the Patient Treatment File (PTF) and may differ from other tables which are based on AMIS data. Differences are due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge while AMIS totals exclude transfers from the total discharges.

**Table 22 -- VA Medical Centers -- Hospital Care Component: Patients Remaining  
by Type of Patient, Compensation and Pension Status, and Age  
September 30, 1996**

Type of Patient and Age Group	Total All Patients	Service-Connected Veterans				Nonservice-Connected Veterans			Non- veterans (2)
		Total	10% or More	Less Than 10%	NSC with SC (1)	Total	Pension	No Claim Pending	
<b>All patients.....</b>	<b>27,472</b>	<b>9,620</b>	<b>4,220</b>	<b>186</b>	<b>5,214</b>	<b>17,721</b>	<b>3,217</b>	<b>14,504</b>	<b>131</b>
Under 35.....	844	329	184	8	137	442	7	435	73
35 - 44.....	3,740	1,276	721	29	526	2,436	187	2,249	28
45 - 54.....	5,861	2,515	1,410	47	1,058	3,335	507	2,828	11
55 - 64.....	4,495	1,272	569	34	669	3,208	469	2,739	15
65 - 74.....	7,301	2,258	786	32	1,440	5,040	1,287	3,753	3
75 - 84.....	4,677	1,789	514	30	1,245	2,887	667	2,220	1
85 and over.....	554	181	36	6	139	373	93	280	--
<b>Psychotic.....</b>	<b>7,352</b>	<b>3,150</b>	<b>2,213</b>	<b>71</b>	<b>866</b>	<b>4,189</b>	<b>909</b>	<b>3,280</b>	<b>13</b>
Under 35.....	261	143	107	3	33	109	2	107	9
35 - 44.....	1,341	667	504	10	153	672	77	595	2
45 - 54.....	1,645	832	643	20	169	813	201	612	--
55 - 64.....	1,074	414	305	16	93	658	114	544	2
65 - 74.....	1,763	598	406	10	182	1,165	349	816	--
75 - 84.....	1,142	459	237	12	210	683	154	529	--
85 and over.....	126	37	11	--	26	89	12	77	--
<b>Other psychiatric.....</b>	<b>4,582</b>	<b>1,520</b>	<b>732</b>	<b>40</b>	<b>748</b>	<b>3,051</b>	<b>222</b>	<b>2,829</b>	<b>11</b>
Under 35.....	353	87	24	5	58	260	2	258	6
35 - 44.....	1,473	308	95	16	197	1,162	37	1,125	3
45 - 54.....	2,036	936	522	17	397	1,099	86	1,013	1
55 - 64.....	402	82	44	--	38	320	40	280	--
65 - 74.....	236	71	32	2	37	164	41	123	1
75 - 84.....	77	35	15	--	20	42	14	28	--
85 and over.....	5	1	--	--	1	4	2	2	--
<b>Medical and surgical.....</b>	<b>15,538</b>	<b>4,950</b>	<b>1,275</b>	<b>75</b>	<b>3,600</b>	<b>10,481</b>	<b>2,086</b>	<b>8,395</b>	<b>107</b>
Under 35.....	230	99	53	--	46	73	3	70	58
35 - 44.....	926	301	122	3	176	602	73	529	23
45 - 54.....	2,180	747	245	10	492	1,423	220	1,203	10
55 - 64.....	3,019	776	220	18	538	2,230	315	1,915	13
65 - 74.....	5,302	1,589	348	20	1,221	3,711	897	2,814	2
75 - 84.....	3,458	1,295	262	18	1,015	2,162	499	1,663	1
85 and over.....	423	143	25	6	112	280	79	201	--

(1) Veterans with compensable service-connected disabilities but treated for nonservice-connected disabilities only.

(2) All patients other than veterans, such as active military, humanitarian emergencies, reimbursable cases, allied beneficiaries, donors, etc. A veteran who is admitted as an Office of Workers' Compensation case is classified as a non-veteran.

Note: The data in this table as well as in tables 16 and 17 are based on the Annual Patient Census and may vary from AMIS counts.

**Table 23 -- VA Medical Centers -- Hospital Care Component: Patients Discharged by Type of Patient, Compensation and Pension Status, and Age  
Fiscal Year 1996**

Type of Patient and Age Group	Total All Patients	Service-Connected Veterans				Nonservice-Connected Veterans			Non-veterans <sup>(2)</sup>
		Total	10% or More	Less Than 10 percent	NSC with SC <sup>(1)</sup>	Total	Pension	No Claim Pending	
<b>All patients.....</b>	<b>808,899</b>	<b>277,530</b>	<b>89,585</b>	<b>6,077</b>	<b>181,868</b>	<b>526,297</b>	<b>90,493</b>	<b>435,804</b>	<b>5,072</b>
Under 35.....	30,627	12,562	5,788	296	6,478	16,246	200	16,046	1,819
35 - 44.....	110,899	36,777	16,464	842	19,471	72,996	5,229	67,767	1,126
45 - 54.....	169,273	68,642	29,520	1,325	37,797	99,754	12,157	87,597	877
55 - 64.....	150,349	39,218	11,887	867	26,464	110,295	16,944	93,351	836
65 - 74.....	220,564	69,921	15,854	1,642	52,425	150,420	36,572	113,848	223
75 - 84.....	113,465	45,645	9,141	957	35,547	67,684	16,719	50,965	136
85 and over.....	13,722	4,765	931	148	3,686	8,902	2,672	6,230	55
<b>Psychotic.....</b>	<b>77,197</b>	<b>34,685</b>	<b>23,002</b>	<b>786</b>	<b>10,897</b>	<b>42,126</b>	<b>7,225</b>	<b>34,901</b>	<b>386</b>
Under 35.....	5,868	3,067	2,115	61	891	2,583	49	2,534	218
35 - 44.....	23,217	10,737	7,822	217	2,698	12,386	1,356	11,030	94
45 - 54.....	22,264	10,697	7,268	218	3,211	11,526	2,139	9,387	41
55 - 64.....	8,851	3,323	2,272	94	957	5,507	1,005	4,502	21
65 - 74.....	10,280	4,049	2,356	131	1,562	6,227	1,838	4,389	4
75 - 84.....	5,882	2,519	1,092	55	1,372	3,359	716	2,643	4
85 and over.....	835	293	77	10	206	538	122	416	4
<b>Other psychiatric.....</b>	<b>116,752</b>	<b>36,649</b>	<b>16,644</b>	<b>874</b>	<b>19,131</b>	<b>79,493</b>	<b>5,862</b>	<b>73,631</b>	<b>610</b>
Under 35.....	10,458	2,696	815	78	1,803	7,385	59	7,326	377
35 - 44.....	41,484	9,212	3,018	260	5,934	32,127	1,248	30,879	145
45 - 54.....	47,110	20,027	11,057	400	8,570	27,017	2,092	24,925	66
55 - 64.....	10,723	2,433	924	74	1,435	8,274	1,087	7,187	16
65 - 74.....	5,560	1,686	602	50	1,034	3,870	1,148	2,722	4
75 - 84.....	1,314	553	213	10	330	761	207	554	--
85 and over.....	103	42	15	2	25	59	21	38	2
<b>Medical and surgical.....</b>	<b>614,950</b>	<b>206,196</b>	<b>49,939</b>	<b>4,417</b>	<b>151,840</b>	<b>404,678</b>	<b>77,406</b>	<b>327,272</b>	<b>4,076</b>
Under 35.....	14,301	6,799	2,858	157	3,784	6,278	92	6,186	1,224
35 - 44.....	46,198	16,828	5,624	365	10,839	28,483	2,625	25,858	887
45 - 54.....	99,899	37,918	11,195	707	26,016	61,211	7,926	53,285	770
55 - 64.....	130,775	33,462	8,691	699	24,072	96,514	14,852	81,662	799
65 - 74.....	204,724	64,186	12,896	1,461	49,829	140,323	33,586	106,737	215
75 - 84.....	106,269	42,573	7,836	892	33,845	63,564	15,796	47,768	132
85 and over.....	12,784	4,430	839	136	3,455	8,305	2,529	5,776	49

(1) Veterans with compensable service-connected disabilities but treated for nonservice-connected disability only.

(2) All patients other than veterans, such as active military, humanitarian emergencies, reimbursable cases, allied beneficiaries, donors, etc. A veteran who is admitted as an Office of Workers' Compensation Program case is classified as a non-veteran.

Note: This table is based on the Patient Treatment File (PTF) and may differ from other tables which are based on AMIS data. Any difference is due to corrections made to AMIS subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge while AMIS totals exclude transfers from the total discharges.

**Table 24 -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Diagnostic Group, and Length of Stay -- Fiscal Year 1996**

Principal Diagnosis (1)	Total			Short Term (3)		Length of Stay (Days)				
	Patients	Avg. Days	Median Days (2)	Avg. Days	% of Tot. Discharges	1	2-3	4-7	8-14	15-21
<b>All diseases and conditions.....</b>	808,899	17.3	6.6	10.6	98.5	106,751	167,800	197,413	152,195	65,085
<b>I. Infectious and parasitic diseases.....</b>	13,655	14.9	7.5	11.5	98.8	1,704	2,242	3,298	3,009	1,360
Pulmonary tuberculosis (011).....	651	21.6	13.2	17.8	97.3	16	48	131	178	94
Tuberculosis, other (010, 012-018).....	114	25.3	13.2	18.7	97.3	5	8	19	34	17
Tuberculosis, late effects (137).....	--	--	--	--	--	--	--	--	--	--
All other infectious and parasitic diseases (001-009, 020-136).....	12,890	14.5	7.3	11.1	98.9	1,683	2,186	3,148	2,797	1,249
Late effects of other infectious and parasitic diseases (138-139).....	--	--	--	--	--	--	--	--	--	--
<b>II. Neoplasms.....</b>	59,914	13.6	7.4	11.6	98.8	8,645	11,056	12,209	12,618	5,846
Malignant neoplasm of lip, oral cavity and pharynx (140-149, 230.0).....	2,777	18.4	8.8	14.7	97.2	358	455	520	517	285
Malignant neoplasm of digestive organs and peritoneum (150-159, 230.1-230.9).....	9,124	17.6	11.7	15.3	98.6	624	988	1,584	2,579	1,297
Malignant neoplasm of bronchus and lung (162.2-162.9, 231.2).....	12,425	15.8	10.2	13.8	98.9	1,111	1,860	2,306	3,046	1,610
Malignant neoplasm of other respiratory system and Intrathoracic organs (160-162.0, 163-165, 231.0, 231.1, 231.8, 231.9).....	1,932	19.5	10.2	15.2	97.4	287	310	246	397	239
Malignant neoplasm of lymphatic and hematopoietic tissue (200-208).....	4,400	13.8	7.8	12.3	99.0	608	728	920	897	424
Malignant neoplasm of genitourinary organs (179-189, 233).....	11,076	10.4	5.4	8.2	99.1	1,766	2,691	3,085	1,979	597
Malignancies of all other systems (170-175, 190-199, 232, 234).....	10,953	13.4	7.5	11.6	98.9	1,532	1,997	2,221	2,294	1,130
Neoplasms, benign (210-229).....	4,865	5.7	2.3	5.0	99.7	1,644	1,403	920	565	153
Neoplasms of unspecified nature (235-239).....	2,362	7.5	3.0	6.5	99.4	715	624	407	344	111
<b>III. Endocrine, nutritional, and metabolic diseases and immunity disorders.....</b>	25,283	12.0	6.3	9.5	98.7	2,474	5,896	7,469	4,966	1,763
Diabetes mellitus (250).....	14,483	13.4	6.9	10.6	98.4	1,109	3,026	4,318	3,030	1,104
Diseases of the endocrine glands (240-246, 251-259).....	1,613	14.0	5.0	7.4	98.9	218	469	460	267	85
Gout (274).....	774	7.3	5.4	7.1	99.8	67	233	260	139	34
Obesity (278.0-278.1).....	35	5.3	3.2	5.3	100.0	8	12	10	3	1
Nutritional deficiencies and all other metabolic diseases (260-273, 275-277, 278.2-278.8).....	8,304	9.7	5.6	8.1	99.2	1,034	2,135	2,414	1,524	536
Disorders involving the immune mechanisms (279).....	74	4.8	(4)	3.2	98.6	38	21	7	3	3
<b>IV. Diseases of the blood and blood-forming organs.....</b>	7,042	7.0	4.0	6.1	99.7	1,710	1,831	1,775	1,128	291
Anemias (280-282.4, 282.7-285).....	4,819	6.1	3.2	5.6	99.6	1,382	1,304	1,071	693	184
Sickle-cell trait and sickle-cell anemia (282.5-282.6).....	158	7.2	5.6	7.2	100.0	11	46	55	29	9
Other diseases of the blood and blood-forming organs (286-289).....	2,065	9.2	5.5	7.1	99.7	317	481	649	406	98
<b>V. Mental disorders.....</b>	193,949	36.4	12.8	16.6	96.7	11,928	22,120	36,799	38,486	25,571
Alcohol psychosis (291).....	6,832	35.6	7.0	10.5	97.1	410	1,448	2,075	1,284	563
Drug psychosis (292).....	3,467	11.7	8.1	11.1	99.5	219	531	970	884	401
Organic psychotic conditions, excluding alcohol and drug psychosis (290, 293-294).....	9,709	101.0	17.6	21.6	86.3	278	549	1,443	2,166	1,140
Schizophrenic disorders (295).....	32,773	89.9	15.5	19.6	91.9	1,468	2,301	5,002	7,312	4,603
Other psychoses (296-299).....	24,416	28.5	14.2	18.2	96.7	1,472	1,781	3,801	5,843	3,671
Neurotic disorders (300).....	5,328	19.2	10.6	14.3	98.0	536	645	1,033	1,247	661
Personality disorders (301).....	1,247	14.9	7.6	11.3	98.1	167	213	276	257	120
Alcohol dependence or abuse (303, 305.0).....	62,068	15.6	10.2	14.4	99.2	4,562	9,811	13,707	9,459	7,501
Drug dependence or abuse (304, 305.1-305.9).....	22,991	18.0	13.3	16.0	98.7	1,235	2,326	4,380	4,762	3,669
Other nonpsychotic mental disorders (302, 306-319).....	25,118	26.2	13.8	19.0	97.7	1,581	2,515	4,112	5,272	3,242

See footnotes at end of table.

**Table 24 (continued) -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Diagnostic Group, and Length of Stay -- Fiscal Year 1996**

Principal Diagnosis (1)	Length of Stay (Days)-continued								
	22-30	31-60	61-90	91-180	181-270	271-365	366-730	731 Plus	Total Days
<b>All diseases and conditions.....</b>	49,014	44,929	11,719	8,337	2,191	895	1,183	1,387	14,018,721
<b>I. Infectious and parasitic diseases.....</b>	792	831	220	148	30	9	7	5	203,465
Pulmonary tuberculosis (011).....	58	83	20	20	2	--	1	--	14,084
Tuberculosis, other (010, 012-018).....	8	13	6	2	1	--	1	--	2,880
Tuberculosis, late effects (137).....	--	--	--	--	--	--	--	--	--
All other infectious and parasitic diseases (001-009, 020-136).....	726	735	194	126	27	9	5	5	186,501
Late effects of other infectious and parasitic diseases (138-139).....	--	--	--	--	--	--	--	--	--
<b>II. Neoplasms.....</b>	3,738	3,971	1,017	620	111	36	34	13	814,574
Malignant neoplasm of lip, oral cavity and pharynx (140-149, 230.0).....	200	243	104	80	13	1	1	--	51,048
Malignant neoplasm of digestive organs and peritoneum (150-159, 230.1-230.9).....	806	880	199	124	26	9	7	1	160,901
Malignant neoplasm of bronchus and lung (162.2-162.9, 231.2).....	1,022	1,013	289	126	25	7	7	3	196,628
Malignant neoplasm of other respiratory system and Intrathoracic organs (160-162.0, 163-165, 231.0, 231.1, 231.8, 231.9).....	144	174	71	53	6	3	1	1	37,756
Malignant neoplasm of lymphatic and hematopoietic tissue (200-208).....	328	381	66	35	8	3	2	--	60,785
Malignant neoplasm of genitourinary organs (179-189, 233).....	354	393	97	76	20	5	8	5	114,660
Malignancies of all other systems (170-175, 190-199, 232, 234).....	736	745	166	108	10	4	8	2	147,252
Neoplasms, benign (210-229).....	79	75	14	10	1	--	--	1	27,750
Neoplasms of unspecified nature (235-239).....	69	67	11	8	2	4	--	--	17,794
<b>III. Endocrine, nutritional, and metabolic diseases and immunity disorders.....</b>	962	1,082	312	260	57	13	18	11	304,142
Diabetes mellitus (250).....	640	751	235	198	42	11	14	5	194,560
Diseases of the endocrine glands (240-246, 251-259).....	45	36	14	12	2	--	3	2	22,520
Gout (274).....	17	19	4	1	--	--	--	--	5,629
Obesity (278.0-278.1).....	--	1	--	--	--	--	--	--	186
Nutritional deficiencies and all other metabolic diseases (260-273, 275-277, 278.2-278.8).....	259	275	59	48	13	2	1	4	80,893
Disorders involving the immune mechanisms (279).....	1	--	--	1	--	--	--	--	354
<b>IV. Diseases of the blood and blood-forming organs.....</b>	142	117	26	15	5	--	--	2	49,408
Anemias (280-282.4, 282.7-285).....	77	74	17	12	5	--	--	--	29,214
Sickle-cell trait and sickle-cell anemia (282.5-282.6).....	5	3	--	--	--	--	--	--	1,138
Other diseases of the blood and blood-forming organs (286-289).....	60	40	9	3	--	--	--	2	19,056
<b>V. Mental disorders.....</b>	26,294	20,625	4,924	3,656	1,209	502	738	1,097	7,069,316
Alcohol psychosis (291).....	447	322	75	71	43	15	23	56	243,439
Drug psychosis (292).....	250	175	17	18	2	--	--	--	40,450
Organic psychotic conditions, excluding alcohol and drug psychosis (290, 293-294).....	888	1,301	495	558	253	115	228	295	980,359
Schizophrenic disorders (295).....	3,706	4,148	1,364	1,231	446	221	339	632	2,944,930
Other psychoses (296-299).....	3,084	3,056	805	567	132	52	83	69	696,389
Neurotic disorders (300).....	511	458	108	93	16	9	8	3	102,330
Personality disorders (301).....	100	79	11	16	4	2	1	1	18,609
Alcohol dependence or abuse (303, 305.0).....	10,136	5,665	681	374	114	36	22	--	970,832
Drug dependence or abuse (304, 305.1-305.9).....	4,026	1,947	321	199	103	16	7	--	414,400
Other nonpsychotic mental disorders (302, 306-319).....	3,146	3,474	1,047	529	96	36	27	41	657,578

See footnotes at end of table.

**Table 24 (continued) -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Diagnostic Group, and Length of Stay -- Fiscal Year 1996**

Principal Diagnosis (1)	Total			Short Term (3)		Length of Stay (Days)				
	Patients	Avg. Days	Median Days (2)	Avg. Days	% of Tot. Discharges	1	2-3	4-7	8-14	15-21
<b>VI. Diseases of the nervous system and sense organs.....</b>	<b>30,371</b>	<b>22.0</b>	<b>3.1</b>	<b>7.5</b>	<b>97.2</b>	<b>7,707</b>	<b>9,591</b>	<b>4,942</b>	<b>3,502</b>	<b>1,346</b>
Quadriplegia (344.0).....	802	105.3	15.8	20.3	85.7	46	82	104	160	85
Paraplegia (344.1).....	608	69.4	17.3	23.1	87.3	47	63	65	112	53
Epilepsy (345).....	1,814	10.8	5.8	8.3	99.0	235	437	531	333	134
Disorders of the peripheral nervous system (350-359).....	3,181	8.9	2.7	6.4	99.1	1,051	817	605	366	116
Other diseases of the central nervous system (320-343, 344.2-344.9, 346-349).....	8,884	50.3	9.5	14.0	93.5	829	1,267	1,942	1,879	804
Glaucoma (365).....	833	3.7	1.6	3.7	100.0	284	346	129	51	10
Cataract (366).....	8,461	2.2	0.8	2.1	99.9	3,423	4,402	469	115	19
Blindness (369).....	92	10.9	3.8	10.9	100.0	19	29	19	13	1
Disorders of the eye and adnexa (360-364, 367-368, 370-379).....	3,948	4.3	2.0	4.0	99.8	1,260	1,452	756	314	90
Diseases of the ear and mastoid process (380-389).....	1,748	4.1	2.1	4.0	99.9	513	696	322	159	34
<b>VII. Diseases of the circulatory system .....</b>	<b>154,140</b>	<b>9.6</b>	<b>6.0</b>	<b>8.3</b>	<b>99.4</b>	<b>17,180</b>	<b>36,998</b>	<b>45,667</b>	<b>32,672</b>	<b>9,883</b>
Chronic rheumatic heart disease (393-398).....	470	10.4	7.2	10.2	99.7	48	106	101	120	42
Hypertensive disease without heart involvement (401, 403, 405).....	5,146	8.5	4.6	7.1	99.1	827	1,530	1,383	796	259
Hypertensive heart disease (402, 404).....	1,413	11.9	6.7	9.3	99.1	59	291	529	311	94
Acute myocardial infarction (410).....	10,513	9.5	7.4	8.8	99.6	945	1,285	3,629	3,168	830
Other ischemic heart disease (411-414).....	47,804	7.1	4.9	6.4	99.8	6,164	14,600	14,055	8,922	2,350
Other forms of heart disease (391, 392.0, 420-429).....	43,321	8.8	6.0	7.9	99.5	4,570	9,946	14,131	9,272	2,639
Cerebrovascular diseases (430-438).....	20,732	14.5	7.0	11.6	98.7	1,643	4,500	5,560	4,189	1,638
Atherosclerosis (440).....	4,656	16.5	8.5	13.0	98.1	404	1,006	849	990	498
Other diseases of arteries, arterioles, and capillaries (441-448).....	9,186	13.3	7.8	11.1	98.6	1,143	1,714	1,848	2,323	892
Varicose veins of lower extremities (454).....	1,047	16.9	8.1	13.5	97.9	111	183	226	222	85
Hemorrhoids (455).....	1,595	3.7	1.6	3.6	99.8	575	562	283	128	23
Other diseases of the circulatory system (390, 392.9, 415-417, 451-453, 456-459).....	8,257	8.9	6.8	8.3	99.6	691	1,275	3,073	2,231	533
<b>VIII. Diseases of the respiratory system.....</b>	<b>61,408</b>	<b>12.0</b>	<b>6.7</b>	<b>9.3</b>	<b>99.0</b>	<b>5,811</b>	<b>11,783</b>	<b>19,421</b>	<b>14,029</b>	<b>4,470</b>
Acute respiratory infections (460-466).....	2,006	5.8	4.5	5.4	99.8	302	609	715	279	60
Pneumonia and influenza (480-487).....	19,886	12.3	7.8	10.4	99.2	697	2,635	7,108	5,638	1,762
Chronic bronchitis (491).....	10,770	9.7	6.4	8.1	99.2	618	2,377	4,032	2,441	617
Emphysema (492).....	1,075	13.2	6.8	10.4	98.3	81	202	359	221	77
Other diseases of the respiratory system and upper respiratory tract (470-478, 490, 493-519).....	27,671	13.0	6.1	9.2	98.7	4,113	5,960	7,207	5,450	1,954
<b>IX. Diseases of the digestive system.....</b>	<b>65,944</b>	<b>8.0</b>	<b>5.0</b>	<b>7.2</b>	<b>99.5</b>	<b>11,409</b>	<b>17,259</b>	<b>18,297</b>	<b>11,316</b>	<b>3,462</b>
Diseases of oral cavity, salivary glands, and jaws (520-529).....	2,389	4.6	2.4	4.5	99.9	605	1,002	459	217	52
Ulcers of the digestive system (530.2, 531-534).....	4,102	9.2	6.0	8.4	99.4	338	1,014	1,417	779	242
Other diseases of the esophagus, stomach, and duodenum (530.0, 530.1, 530.3-530.9, 535-537).....	7,420	7.0	4.5	6.3	99.6	1,306	2,157	2,236	1,074	284
Hernia of the abdominal cavity (550-553).....	10,638	3.8	1.7	3.6	99.8	3,700	3,873	1,926	815	173
Other diseases of the intestine and peritoneum (540-543, 555-569, 578-579).....	22,486	8.9	5.6	7.9	99.4	3,225	5,320	6,755	4,214	1,304
Alcohol related liver disorders (571.0-571.3).....	4,364	11.8	7.3	10.6	99.4	485	755	1,143	1,032	428
Other diseases of the liver, gallbladder, and pancreas (570, 571.4-577).....	14,545	9.2	6.2	8.4	99.5	1,750	3,138	4,361	3,185	979
<b>X. Diseases of the genitourinary system.....</b>	<b>34,319</b>	<b>8.4</b>	<b>4.7</b>	<b>7.1</b>	<b>99.4</b>	<b>5,699</b>	<b>9,848</b>	<b>9,313</b>	<b>5,561</b>	<b>1,695</b>
Nephritis, nephrotic syndrome and nephrosis (580-589).....	4,865	14.4	7.0	10.7	98.6	605	964	1,152	1,051	416
Other diseases of the urinary system (590-599).....	20,402	8.6	5.2	7.4	99.5	3,157	5,386	5,747	3,710	1,106
Diseases of the prostate (600-602).....	4,521	5.2	3.6	5.0	99.9	568	1,860	1,431	452	103
Other diseases of the male genital organs (603-608).....	3,175	5.0	2.3	4.7	99.7	945	1,147	625	280	64
Disorders of breast and gynecological diseases (610-629).....	1,356	3.3	2.1	3.2	99.9	424	491	358	68	6

See footnotes at end of table.

**Table 24 (continued) -- VA Medical Centers -- Hospital Care Component:  
Patients Discharged, Diagnostic Group, and Length of Stay -- Fiscal Year 1996**

Principal Diagnosis (1)	Length of Stay (Days)-continued								
	22-30	31-60	61-90	91-180	181-270	271-365	366-730	731 Plus	Total Days
<b>VI. Diseases of the nervous system and sense organs.....</b>	<b>900</b>	<b>1,077</b>	<b>400</b>	<b>428</b>	<b>131</b>	<b>83</b>	<b>128</b>	<b>136</b>	<b>668,186</b>
Quadriplegia (344.0).....	63	98	39	67	22	9	9	18	84,461
Paraplegia (344.1).....	51	75	54	54	16	7	7	4	42,166
Epilepsy (345).....	61	43	16	17	2	2	2	1	19,624
Disorders of the peripheral nervous system (350-359).....	75	92	26	21	5	3	3	1	28,254
Other diseases of the central nervous system (320-343, 344.2-344.9, 346-349).....	583	718	242	257	84	61	106	112	447,065
Glaucoma (365).....	3	5	4	1	--	--	--	--	3,068
Cataract (366).....	15	10	3	4	1	--	--	--	18,389
Blindness (369).....	1	5	4	1	--	--	--	--	1,005
Disorders of the eye and adnexa (360-364, 367-368, 370-379).....	38	22	9	4	1	1	1	--	17,067
Diseases of the ear and mastoid process (380-389).....	10	9	3	2	--	--	--	--	7,087
<b>VII. Diseases of the circulatory system .....</b>	<b>4,868</b>	<b>4,553</b>	<b>1,227</b>	<b>808</b>	<b>150</b>	<b>55</b>	<b>56</b>	<b>23</b>	<b>1,484,317</b>
Chronic rheumatic heart disease (393-398).....	29	17	6	1	--	--	--	--	4,875
Hypertensive disease without heart involvement (401, 403, 405).....	138	135	29	37	7	2	2	1	43,893
Hypertensive heart disease (402, 404).....	41	58	16	10	1	1	--	2	16,795
Acute myocardial infarction (410).....	348	219	46	32	5	3	2	1	100,241
Other ischemic heart disease (411-414).....	888	593	124	78	16	5	4	5	338,857
Other forms of heart disease (391, 392.0, 420-429).....	1,213	1,062	265	152	31	19	15	6	383,272
Cerebrovascular diseases (430-438).....	1,078	1,336	455	259	35	14	20	5	300,237
Atherosclerosis (440).....	340	374	94	73	20	3	3	2	76,643
Other diseases of arteries, arterioles, and capillaries (441-448).....	498	479	132	121	24	6	5	1	122,482
Varicose veins of lower extremities (454).....	83	83	26	20	5	2	1	--	17,685
Hemorrhoids (455).....	13	8	1	2	--	--	--	--	5,977
Other diseases of the circulatory system (390, 392.9, 415-417, 451-453, 456-459).....	199	189	33	23	6	--	4	--	73,360
<b>VIII. Diseases of the respiratory system.....</b>	<b>2,424</b>	<b>2,199</b>	<b>576</b>	<b>442</b>	<b>119</b>	<b>36</b>	<b>65</b>	<b>33</b>	<b>734,008</b>
Acute respiratory infections (460-466).....	21	14	1	3	1	--	1	--	11,583
Pneumonia and influenza (480-487).....	919	776	175	118	29	4	17	8	245,060
Chronic bronchitis (491).....	275	254	72	48	18	5	11	2	104,866
Emphysema (492).....	48	46	22	15	1	2	1	-	14,148
Other diseases of the respiratory system and upper respiratory tract (470-478, 490, 493-519).....	1,161	1,109	306	258	70	25	35	23	358,351
<b>IX. Diseases of the digestive system.....</b>	<b>1,813</b>	<b>1,620</b>	<b>432</b>	<b>263</b>	<b>39</b>	<b>18</b>	<b>11</b>	<b>5</b>	<b>527,562</b>
Diseases of oral cavity, salivary glands, and jaws (520-529).....	16	24	11	2	1	--	--	--	11,041
Ulcers of the digestive system (530.2, 531-534).....	123	127	33	22	5	1	1	--	37,773
Other diseases of the esophagus, stomach, and duodenum (530.0, 530.1, 530.3-530.9, 535-537).....	150	150	34	23	4	--	1	1	51,924
Hernia of the abdominal cavity (550-553).....	70	56	14	7	3	1	--	--	40,462
Other diseases of the intestine and peritoneum (540-543, 555-569, 578-579).....	698	648	175	111	17	13	4	2	201,036
Alcohol related liver disorders (571.0-571.3).....	232	194	57	33	1	1	2	1	51,413
Other diseases of the liver, gallbladder, and pancreas (570, 571.4-577).....	524	421	108	65	8	2	3	1	133,913
<b>X. Diseases of the genitourinary system.....</b>	<b>927</b>	<b>850</b>	<b>213</b>	<b>150</b>	<b>24</b>	<b>13</b>	<b>14</b>	<b>12</b>	<b>289,111</b>
Nephritis, nephrotic syndrome and nephrosis (580-589).....	266	273	58	58	9	2	5	6	70,001
Other diseases of the urinary system (590-599).....	555	489	132	82	13	10	9	6	175,249
Diseases of the prostate (600-602).....	52	42	9	2	1	1	--	--	23,364
Other diseases of the male genital organs (603-608).....	50	42	14	7	1	--	--	--	16,004
Disorders of breast and gynecological diseases (610-629).....	4	4	--	1	--	--	--	--	4,493

See footnotes at end of table.

**Table 24 (continued) -- VA Medical Centers--Hospital Care Component:  
Patients Discharged, Diagnostic Group, and Length of Stay -- Fiscal Year 1996**

Principal Diagnosis (1)	Total			Short Term (3)		Length of Stay (Days)				
	Patients	Avg. Days	Median Days (2)	Avg. Days	% of Tot. Discharges	1	2-3	4-7	8-14	15-21
<b>XI. Complications of pregnancy, childbirth, and puerperium (630-676).....</b>	19	2.8	(4)	2.8	100.0	11	5	2	--	1
<b>XII. Diseases of skin and subcutaneous tissue.....</b>	16,216	17.6	7.1	11.1	97.2	1,399	2,985	4,810	3,473	1,160
Infections and inflammatory conditions of skin and subcutaneous tissue (680-698).....	11,338	10.0	6.6	8.8	99.5	755	2,327	4,022	2,595	771
Other diseases of skin and subcutaneous tissue (700-709).....	4,878	35.1	10.8	16.9	92.0	644	658	788	878	389
<b>XIII. Diseases of the musculoskeletal system and connective tissue.....</b>	29,767	9.7	5.4	8.4	99.2	5,817	6,748	6,893	5,664	1,836
Osteoarthritis and allied disorders (715).....	6,210	10.2	8.6	9.7	99.7	643	672	1,596	2,201	551
Other arthropathies and related disorders (710-714, 716-719).....	4,554	8.6	3.6	7.2	99.2	1,152	1,261	936	598	232
Dorsopathies (720-724).....	9,912	7.9	4.4	7.1	99.5	2,023	2,724	2,496	1,509	475
Rheumatism, excluding the back (725-729).....	3,773	6.2	2.4	5.4	99.6	1,197	1,149	713	398	126
Osteopathies, chondropathies, and acquired musculoskeletal deformities (730-739).....	5,318	15.7	7.2	12.5	98.0	802	942	1,152	958	452
<b>XIV. Congenital deformities (740-759).....</b>	965	7.3	4.2	6.8	99.6	215	256	227	149	60
<b>XVI. Symptoms, signs, and ill-defined conditions (780-799).....</b>	50,284	6.4	3.1	5.5	99.5	13,594	14,806	12,102	5,962	1,699
<b>XVII. Injury and poisoning.....</b>	35,280	13.1	6.0	9.8	98.7	5,873	7,788	8,216	6,466	2,570
Fracture of skull (800-804).....	725	8.2	4.5	7.3	99.3	136	200	208	112	19
Fracture of neck and trunk (805-809).....	1,258	20.1	7.8	13.3	97.1	142	217	287	253	104
Fracture of upper and lower limb (810-829).....	6,609	20.5	8.6	13.5	97.9	756	963	1,461	1,472	649
Dislocations, sprains, and strains of joints and adjacent muscles (830-848).....	2,147	4.6	1.8	4.3	99.7	723	800	381	136	42
Intracranial injury, excluding those with skull fracture (850-854).....	989	22.6	7.1	12.0	96.9	207	130	205	184	76
Internal injury of chest, abdomen, and pelvis (860-869).....	341	12.7	6.8	10.0	98.2	26	65	113	65	27
Open wounds (870-897).....	1,292	9.5	3.8	6.9	99.3	337	325	318	161	55
Burns (940-949).....	493	19.4	9.0	12.1	96.7	60	81	91	109	64
Poisoning by drugs, medicinal and biological substances (960-979).....	2,549	7.8	4.6	7.3	99.6	530	652	639	390	133
Toxic effects of substances chiefly nonmedical as to source (980-989).....	289	28.7	3.3	6.8	99.6	87	70	56	40	16
All other injuries (900-904, 910-939, 950-959, 990-995).....	2,631	9.5	3.7	7.3	98.9	661	717	528	357	143
Complications of surgical and medical care, NEC (996-999).....	15,956	11.5	6.3	9.7	99.0	2,208	3,568	3,928	3,187	1,242
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909).....	1	4	4	4	100	--	--	1	--	--
<b>XVIII. Factors influencing health status and contact with health services (V01-V82).....</b>	30,343	16.9	6.0	13.5	98.3	5,575	6,588	5,973	3,194	2,072

See footnotes at end of table.

**Table 24 (continued) -- VA Medical Centers--Hospital Care Component:  
Patients Discharged, Diagnostic Group, and Length of Stay -- Fiscal Year 1996**

Principal Diagnosis (1)	Length of Stay (Days)-continued								
	22-30	31-60	61-90	91-180	181-270	271-365	366-730	731 Plus	Total Days
<b>XI. Complications of pregnancy, childbirth, and puerperium (630-676).....</b>	--	--	--	--	--	--	--	--	53
<b>XII. Diseases of skin and subcutaneous tissue.....</b>	701	855	322	327	91	41	42	10	284,650
Infections and inflammatory conditions of skin and subcutaneous tissue (680-698).....	370	344	82	55	6	3	6	2	113,420
Other diseases of skin and subcutaneous tissue (700-709).....	331	511	240	272	85	38	36	8	171,230
<b>XIII. Diseases of the musculoskeletal system and connective tissue.....</b>	1,146	1,135	267	191	44	18	6	2	287,339
Osteoarthritis and allied disorders (715).....	302	204	24	8	7	2	--	--	63,257
Other arthropathies and related disorders (710-714, 716-719).....	145	152	32	38	5	1	1	1	39,049
Dorsopathies (720-724).....	290	270	63	47	9	4	2	--	78,177
Rheumatism, excluding the back (725-729).....	82	71	18	15	2	1	--	1	23,335
Osteopathies, chondropathies, and acquired musculoskeletal deformities (730-739).....	327	438	130	83	21	10	3	--	83,521
<b>XIV. Congenital deformities (740-759).....</b>	31	19	5	2	1	--	--	--	7,020
<b>XVI. Symptoms, signs, and ill-defined conditions (780-799).....</b>	848	793	222	191	33	11	17	6	322,816
<b>XVII. Injury and poisoning.....</b>	1,510	1,848	496	382	68	24	18	21	460,713
Fracture of skull (800-804).....	15	18	11	6	--	--	--	--	5,912
Fracture of neck and trunk (805-809).....	72	104	38	24	12	1	2	2	25,294
Fracture of upper and lower limb (810-829).....	387	592	163	120	23	7	9	7	135,158
Dislocations, sprains, and strains of joints and adjacent muscles (830-848).....	18	32	8	7	--	--	--	--	9,831
Intracranial injury, excluding those with skull fracture (850-854).....	56	74	23	21	4	1	4	4	22,335
Internal injury of chest, abdomen, and pelvis (860-869).....	18	18	3	4	2	--	--	--	4,347
Open wounds (870-897).....	35	40	12	7	--	--	1	1	12,311
Burns (940-949).....	32	30	10	12	1	2	--	1	9,587
Poisoning by drugs, medicinal and biological substances (960-979).....	97	88	10	10	--	--	--	--	19,769
Toxic effects of substances chiefly nonmedical as to source (980-989).....	8	8	3	--	--	--	--	1	8,300
All other injuries (900-904, 910-939, 950-959, 990-995).....	85	91	16	23	5	2	2	1	25,122
Complications of surgical and medical care, NEC (996-999).....	687	753	199	148	21	11	-	4	182,743
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909).....	--	--	--	--	--	--	--	--	4
<b>XVIII. Factors influencing health status and contact with health services (V01-V82).....</b>	1,918	3,354	1,060	454	79	36	29	11	512,041

(1) The diagnostic categories and selected diagnoses included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)," DHHS Publication No. (PHS) 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification. **Category XV, "Certain Conditions Originating in the Perinatal Period,"** in which no cases occurred, is not included in this table. Principal diagnosis is that diagnosis designated by the discharging physician as responsible for the major portion of the patient's length of stay.

(2) One-half of the discharges in the given category have length of stays greater than the median; the other half has less than the median.

(3) Includes hospital stays of 1 to 99 days and conforms to the definition adopted by the Commission on Professional and Hospital Activities.

(4) No median was computed since more than one-half of the cases had only one day of stay.

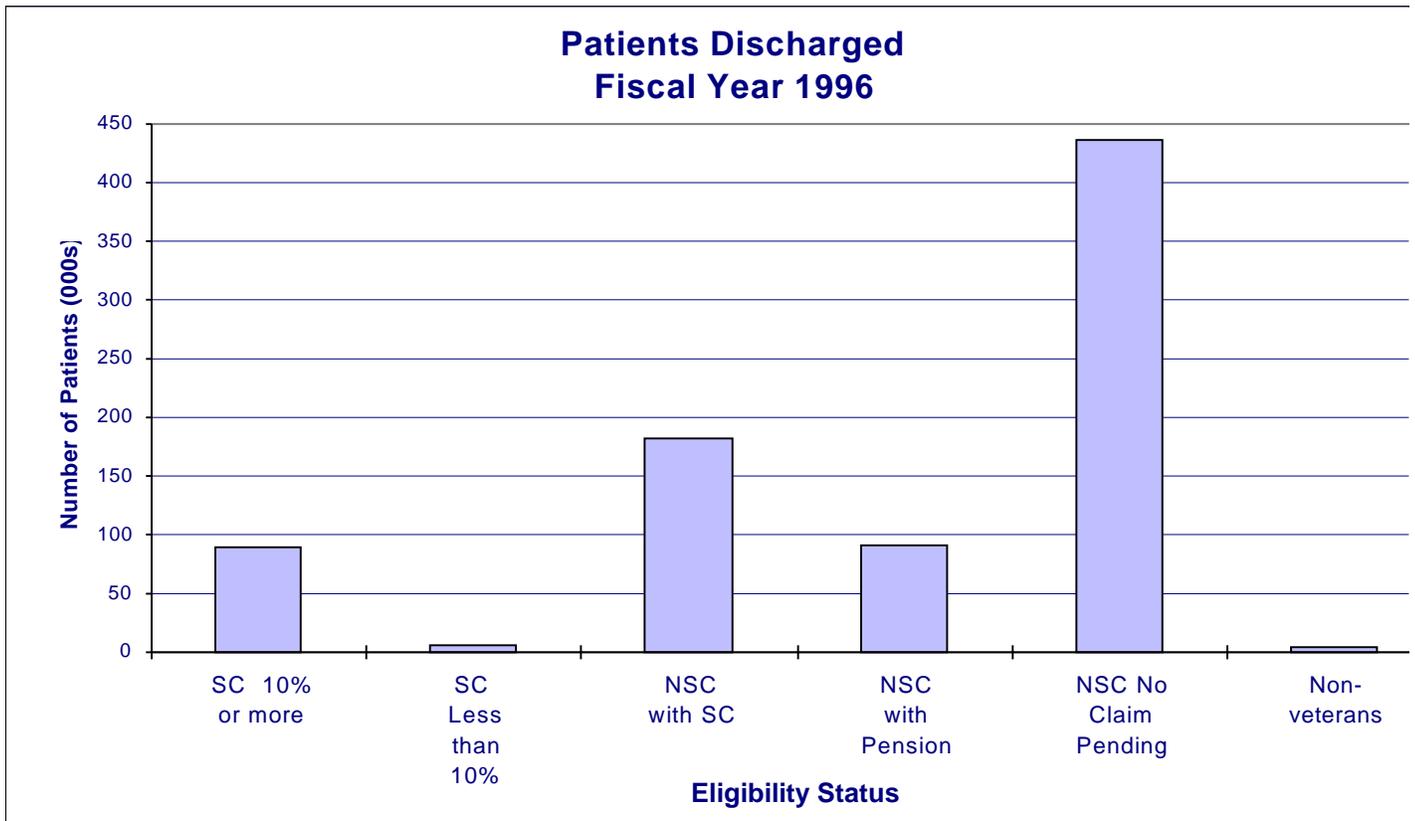
Note: This table is based on the Patient Treatment File (PTF) and may differ from other tables, which are based on AMIS data. Any difference is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge while AMIS totals exclude transfers from the total discharges.

**Table 25 -- VA Medical Centers -- Hospital Care Component: Patients Discharged, Compensation and Pension Status, Eligibility Status, Type of Patient, and Gender -- Fiscal Year 1996**

Eligibility Status	All Patients				Female				Male		
	Total	Psychotic	Other Psychiatric	Medical and Surgical	Total	Psychotic	Other Psychiatric	Medical and Surgical	Total	Psychotic	Other Psychiatric
VA hospitals--total.....	808,899	77,197	116,752	614,950	25,164	3,954	3,325	17,885	783,735	73,243	113,427
Service-connected vets.....	277,530	34,685	36,649	206,196	9,766	2,046	1,291	6,429	267,764	32,639	35,358
10% or more.....	89,585	23,002	16,644	49,939	3,917	1,415	545	1,957	85,668	21,587	16,099
Less than 10%.....	6,077	786	874	4,417	183	28	29	126	5,894	758	845
Nonservice-connected											
With SC (1).....	181,868	10,897	19,131	151,840	5,666	603	717	4,346	176,202	10,294	18,414
Nonservice-connected vets											
With pension.....	90,493	7,225	5,862	77,406	1,986	286	112	1,588	88,507	6,939	5,750
No claim pending.....	435,804	34,901	73,631	327,272	11,225	1,503	1,804	7,918	424,579	33,398	71,827
Non-veterans (2).....	5,072	386	610	4,076	2,187	119	118	1,950	2,885	267	492

(1) Veterans with compensable service-connected disabilities but treated for nonservice-connected disability only.  
 (2) This group includes all patients other than veterans, such as active military, humanitarian emergencies, reimbursable cases, allied beneficiaries, donors, etc. A veteran admitted as an Office of Workers' Compensation Program case is coded as a non-veteran.

Note: This table is based on the Patient Treatment File (PTF) and may differ from other tables, which are based on AMIS data. Any difference is due to corrections made to AMIS subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, PTF counts a transfer between medical facilities as a discharge while AMIS totals exclude transfers from the total discharges.



**Table 26 -- Operating Costs of VA Inpatient Facilities -- Fiscal Year 1996**  
(In thousands)

<i>Activity</i>	<i>Total</i>	<i>Acute Hospital Care</i>	<i>Rehabilitative Care</i>	<i>Psychiatric Care</i>	<i>Nursing Home Care</i>	<i>Subacute Care</i>	<i>Residential Care</i>
<b>Cost--total.....</b>	<b>\$10,058,524</b>	<b>\$5,584,433</b>	<b>\$400,093</b>	<b>\$1,600,741</b>	<b>\$1,646,252</b>	<b>\$567,389</b>	<b>\$259,616</b>
<b>Direct care--total.....</b>	<b>\$6,437,326</b>	<b>\$3,492,194</b>	<b>\$241,393</b>	<b>\$969,914</b>	<b>\$1,224,263</b>	<b>\$353,072</b>	<b>\$156,490</b>
Professional and ancillary:							
Other medical services .....	\$2,732,809	\$1,272,234	\$128,483	\$328,764	\$755,446	\$118,381	\$129,501
Medical services.....	\$424,483	\$350,778	\$5,842	\$10,228	\$28,480	\$24,063	\$5,092
Surgical services.....	\$277,168	\$269,429	\$2,473	\$1,654	\$1,865	\$1,401	\$346
Psychiatry services.....	\$167,462	\$11,409	\$944	\$142,628	\$3,248	\$2,365	\$6,868
Pharmacy services.....	\$425,392	\$305,126	\$12,356	\$42,724	\$39,328	\$21,736	\$4,122
Nursing services.....	\$2,410,012	\$1,283,218	\$91,295	\$443,916	\$395,896	\$185,126	\$10,561
<b>Support--total.....</b>	<b>\$3,621,198</b>	<b>\$2,092,239</b>	<b>\$158,700</b>	<b>\$630,827</b>	<b>\$421,989</b>	<b>\$214,317</b>	<b>\$103,126</b>
Administrative support.....	\$1,055,470	\$539,916	\$42,128	\$211,257	\$152,956	\$76,815	\$32,398
Engineering support.....	\$812,371	\$415,145	\$31,058	\$154,400	\$114,818	\$57,214	\$39,736
Building management.....	\$409,730	\$192,105	\$14,049	\$80,733	\$72,685	\$39,618	\$10,540
Research support.....	\$258,375	\$183,439	\$16,439	\$42,119	\$8,603	\$6,124	\$1,651
Education and training support.....	\$590,205	\$426,588	\$33,749	\$83,509	\$27,886	\$13,257	\$5,216
Asset acquisitions (1).....	\$495,047	\$335,046	\$21,277	\$58,809	\$45,041	\$21,289	\$13,585

(1) Asset acquisitions reflect obligations.

Note: Detail may not add to totals shown due to rounding.

**Table 27 -- Domiciliary Care for Homeless Veterans (DCHV)  
Discharges, Operating Beds, Average Length of Stay  
and Status at Time of Discharge from DCHV Program  
Fiscal Year 1996**

State	Facility	DCHV Beds	Average Length of Stay (Days)	Discharged	Status at Time of Discharge from DCHV				
					Completed Program	Housed ( <sup>1</sup> )	Institution- alized ( <sup>2</sup> )	Employed	Disabled or Retired
Alabama:	Tuskegee*	43	45.1	7	2	4	2	3	3
Alaska:	Anchorage	17	105.3	83	26	20	25	5	22
Arizona:	Prescott	50	137.9	103	50	53	15	46	49
Arkansas:	Little Rock	60	107.8	195	132	129	17	105	48
California:	Palo Alto	50	94.6	171	120	110	23	92	86
	W. Los Angeles	100	142.6	164	99	63	37	23	63
Florida:	Bay Pines	25	160.2	29	21	15	8	15	10
Georgia:	Dublin	20	107.8	63	31	38	10	42	9
Illinois:	North Chicago	60	119.0	181	88	114	48	81	101
Iowa:	Des Moines	20	128.0	49	23	30	6	26	7
Kansas:	Leavenworth	30	166.5	56	40	33	13	31	12
Maryland:	Perry Point*	25	108.9	37	20	22	9	11	6
Massachusetts:	Bedford	40	133.1	105	66	33	48	15	5
	Brockton	50	100.8	153	101	68	49	54	41
Mississippi:	Biloxi	40	155.1	88	46	61	7	57	21
Missouri:	St. Louis	60	110.4	122	68	70	12	82	20
New Jersey:	Lyons	82	122.2	259	175	149	54	72	121
New York:	Brooklyn	50	186.5	90	68	71	7	35	33
	Canandaigua	25	97.2	159	109	88	35	47	24
	Montrose	60	111.7	159	77	94	17	54	27
Ohio:	Cincinnati	50	150.2	114	75	75	10	68	29
	Cleveland	75	120.3	240	101	161	39	103	79
	Dayton	25	111.9	58	33	34	5	34	15
Oregon:	Portland	40	157.5	121	80	52	36	42	41
	White City	51	182.2	106	54	53	21	46	34
Pennsylvania:	Butler	25	130.5	80	53	50	14	19	29
	Coatesville	40	97.4	153	92	88	10	68	48
	Pittsburgh	50	159.5	124	78	77	30	39	16
South Dakota:	Hot Springs	50	125.6	107	74	71	19	46	60
Tennessee:	Mountain Home	25	200.0	53	25	22	9	7	18
Texas:	Dallas	40	128.6	103	63	50	26	21	38
Virginia:	Hampton	28	91.7	99	45	36	45	12	24
Washington:	American Lake	60	103.9	141	73	72	22	38	59
West Virginia:	Martinsburg	60	156.6	141	99	73	51	52	24
Wisconsin:	Milwaukee	35	165.7	57	19	22	17	21	18
Totals		1,561	129.2	3,970	2,326	2,201	796	1,512	1,240

\* Tuskegee and Perry Point, new DCHV sites, were not operational during all of FY 1996.

(1) Housed in own residence or residence of family or friend.

(2) Includes halfway houses, transitional programs, another domiciliary, or other institutions.

**Table 28 -- Homeless Chronically Mentally Ill  
Number of Contacts**

State	Facility	Fiscal Year 1996					Fiscal Year 1995				
		Number of Visits <sup>(1)</sup>	Number of Individuals	Visits per Individual	Clinicians Visited	Visits per Clinician	Number of Visits <sup>(1)</sup>	Number of Individuals	Visits per Individual	Clinicians Visited	Visits per Clinician
Alabama:	Birmingham.....	2,467	208	11.9	4.0	617	2,061	203	10.2	4.0	515
	Tuskegee.....	1,401	277	5.1	2.0	701	846	195	4.3	2.0	423
Alaska:	Anchorage.....	13,271	676	19.6	5.0	2,654	13,793	603	22.9	5.0	2,759
Arizona:	Phoenix.....	1,408	302	4.7	2.0	704	1,421	362	3.9	2.0	711
	Tucson.....	5,890	1,034	5.7	3.0	1,963	4,016	777	5.2	3.0	1,339
Arkansas:	Little Rock.....	5,403	738	7.3	5.0	1,081	4,107	586	7.0	5.0	821
California:	Loma Linda.....	846	364	2.3	1.0	846	186	180	1.0	1.0	186
	Long Beach.....	2,400	776	3.1	2.0	1,200	2,183	635	3.4	2.0	1,092
	Los Angeles (IOC).....	2,295	451	5.1	3.0	765	2,276	501	4.5	3.0	759
	San Diego.....	2,213	553	4.0	3.0	738	2,607	680	3.8	3.0	869
	San Francisco.....	13,475	1,400	9.6	5.7	2,364	11,369	1,127	10.1	5.2	2,186
	Sepulveda†.....	363	134	2.7	2.0	182	--	--	--	--	--
	W. Los Angeles.....	13,247	2,315	5.7	14.0	946	6,812	1,613	4.2	13.5	505
Colorado:	Denver.....	1,487	434	3.4	2.0	744	1,629	431	3.8	2.0	815
Connecticut:	West Haven.....	4,544	321	14.2	3.0	1,515	2,128	297	7.2	3.0	709
Dist.of Columbia:	Washington.....	4,050	1,030	3.9	4.0	1,013	3,911	1,047	3.7	4.0	978
Florida:	Miami.....	3,426	836	4.1	3.0	1,142	2,038	655	3.1	3.0	679
	Tampa.....	2,021	341	5.9	3.0	674	1,290	247	5.2	3.0	430
Georgia:	Atlanta.....	1,871	772	2.4	2.5	748	2,365	642	3.7	2.0	1,183
	Augusta.....	1,932	202	9.6	2.0	966	1,654	131	12.6	2.0	827
Illinois:	Chicago WS.....	1,073	266	4.0	3.0	358	224	98	2.3	3.0	75
	Hines.....	1,038	393	2.6	4.0	260	1,306	439	3.0	4.0	327
Indiana:	Indianapolis.....	2,730	549	5.0	4.0	683	3,311	501	6.6	4.0	828
Kentucky:	Louisville.....	1,598	199	8.0	2.0	799	1,650	216	7.6	2.0	825
Louisiana:	New Orleans.....	3,730	538	6.9	3.0	1,243	4,482	564	7.9	3.0	1,494
Maryland:	Baltimore.....	3,656	954	3.8	4.0	914	1,556	571	2.7	2.0	778
	Perry Point.....	--	--	--	--	--	1,866	223	8.4	2.0	933
Massachusetts:	Boston.....	3,753	996	3.8	4.0	938	2,943	923	3.2	4.0	736
Michigan:	Allen Park.....	2,502	529	4.7	4.7	532	3,266	643	5.1	4.7	695
	Battle Creek†.....	3,132	281	11.1	4.0	783	1,104	96	11.5	4.0	276
Minnesota:	Minneapolis.....	1,319	300	4.4	2.0	660	1,371	307	4.5	2.0	686
Mississippi:	Jackson.....	559	161	3.5	2.0	280	317	91	3.5	2.0	159
Missouri:	Kansas City.....	804	204	3.9	4.0	201	780	162	4.8	4.0	195
	St. Louis.....	1,769	606	2.9	2.0	885	1,938	633	3.1	2.0	969
New Jersey:	East Orange.....	2,757	177	15.6	4.0	689	3,278	224	14.6	3.0	1,093

TABLE 28

HOMELESS VETERANS

Table 28 (Continued) -- Homeless Chronically Mentally Ill  
Number of Contacts

State	Facility	Fiscal Year 1996					Fiscal Year 1995				
		Number of Visits <sup>(1)</sup>	Number of Individuals	Visits per Individual	Clinicians Visited	Visits per Clinician	Number of Visits <sup>(1)</sup>	Number of Individuals	Visits per Individual	Clinicians Visited	Visits per Clinician
New York:	Albany.....	1,416	420	3.4	4.5	315	2,020	461	4.4	4.5	449
	Bath.....	1,562	358	4.4	2.0	781	2,573	581	4.4	2.0	1,287
	Bronx.....	3,054	222	13.8	2.0	1,527	5,316	220	24.2	3.0	1,772
	Brooklyn.....	7,341	1,075	6.8	7.0	1,049	1,480	377	3.9	6.0	247
	Buffalo.....	7,751	460	16.9	4.5	1,722	5,930	417	14.2	5.5	1,078
	New York.....	14,093	990	14.2	6.5	2,168	20,564	1,272	16.2	6.5	3,164
	Syracuse.....	2,490	332	7.5	2.0	1,245	1,192	205	5.8	2.0	596
North Carolina:	Salisbury.....	2,180	466	4.7	2.0	1,090	2,456	532	4.6	2.0	1,228
North Dakota:	Fargo.....	435	169	2.6	2.0	218	369	235	1.6	2.0	185
Ohio:	Cincinnati.....	1,391	236	5.9	2.3	605	1,110	252	4.4	3.0	370
	Cleveland.....	1,303	363	3.6	3.0	434	1,508	378	4.0	2.0	754
	Dayton.....	1,734	334	5.2	3.0	578	1,558	328	4.8	3.0	519
	Toledo.....	3,312	296	11.2	3.0	1,104	3,827	290	13.2	3.0	1,276
Oklahoma:	Oklahoma City.....	290	89	3.3	2.0	145	933	181	5.2	3.0	311
Oregon:	Portland.....	3,019	609	5.0	2.0	1,510	3,309	653	5.1	2.0	1,655
	Roseburg.....	6,216	675	9.2	3.5	1,776	5,712	726	7.9	3.5	1,632
Pennsylvania:	Lebanon.....	1,012	263	3.8	2.0	506	603	222	2.7	2.0	302
	Philadelphia.....	1,305	405	3.2	2.0	653	334	259	1.3	2.0	167
	Pittsburgh.....	4,061	653	6.2	4.0	1,015	2,965	454	6.5	4.0	741
	Wilkes Barre.....	1,287	304	4.2	3.0	429	2,137	429	5.0	3.0	712
Rhode Island:	Providence.....	6,929	188	36.9	3.0	2,310	4,403	89	49.5	3.0	1,468
South Carolina:	Charleston.....	2,718	318	8.5	2.0	1,359	1,895	324	5.8	2.0	948
Tennessee:	Mountain Home.....	1,619	245	6.6	2.0	810	1,923	280	6.9	2.0	962
	Nashville.....	793	155	5.1	2.0	397	801	182	4.4	2.0	401
Texas:	Dallas.....	3,158	890	3.5	3.5	902	5,795	1,068	5.4	3.5	1,656
	Houston.....	2,134	553	3.9	3.0	711	1,503	527	2.9	3.0	501
	San Antonio.....	3,045	257	11.8	3.0	1,015	3,538	236	15.0	3.0	1,179
Utah:	Salt Lake City.....	4,242	546	7.8	3.5	1,212	4,966	529	9.4	4.0	1,242
Virginia:	Hampton.....	2,341	500	4.7	2.0	1,171	2,610	551	4.7	2.0	1,305
Washington:	Seattle.....	1,089	420	2.6	3.0	363	916	310	3.0	3.0	305
	Spokane†.....	1,460	603	2.4	1.0	1,460	55	27	2.0	0.0	(N/A)
	Walla Walla.....	728	187	3.9	2.2	331	964	220	4.4	2.2	438
West Virginia:	Huntington.....	1,595	555	2.9	2.0	798	774	241	3.2	2.0	387
Wisconsin:	Milwaukee.....	10,065	678	14.8	7.4	1,360	6,519	441	14.8	8.4	776
	Tomah.....	2,497	165	15.1	2.0	1,249	1,148	108	10.6	2.0	574
Wyoming:	Cheyenne.....	1,391	268	5.2	2.0	696	1,633	333	4.9	2.0	817
	Totals.....	225,486	34,564	6.5	223.8	1,008	201,423	30,541	6.6	221.5	909

† Site implemented during FY 1995.

‡ Site implemented during FY 1996.

**Table 29 -- Outpatient Medical Care: Visits to VA Staff and Private Physicians on a Fee-For-Service Basis  
Fiscal Years 1987 -- 1996**

Fiscal Year	Total Visits	Category of Visit					Total Fee Basis
		Visits to VA Staff				Non- veterans	
		Total	Veterans				
			Service- Connected	Nonservice- Connected			
1996.....	29,294,620	28,359,653	12,926,578	13,793,318	1,639,757	934,967	
1995.....	27,565,000	26,501,000	12,026,845	13,429,571	1,044,584	1,064,167	
1994.....	25,157,983	24,134,839	10,916,062	12,184,438	1,034,339	1,023,144	
1993.....	24,236,095	23,144,396	10,516,758	11,611,791	1,015,847	1,091,699	
1992.....	23,901,825	22,788,431	10,433,307	11,428,714	926,410	1,113,394	
1991.....	23,034,516	21,932,426	10,109,392	10,985,504	837,530	1,102,090	
1990.....	22,602,540	21,399,342	9,885,926	10,683,641	829,775	1,203,198	
1989.....	22,629,343	21,025,887	9,590,760	10,623,025	812,102	1,603,456	
1988.....	23,232,895	21,473,403	9,396,760	10,805,912	1,270,731	1,759,492	
1987.....	21,634,757	19,837,424	8,759,011	10,104,380	974,033	1,797,333	

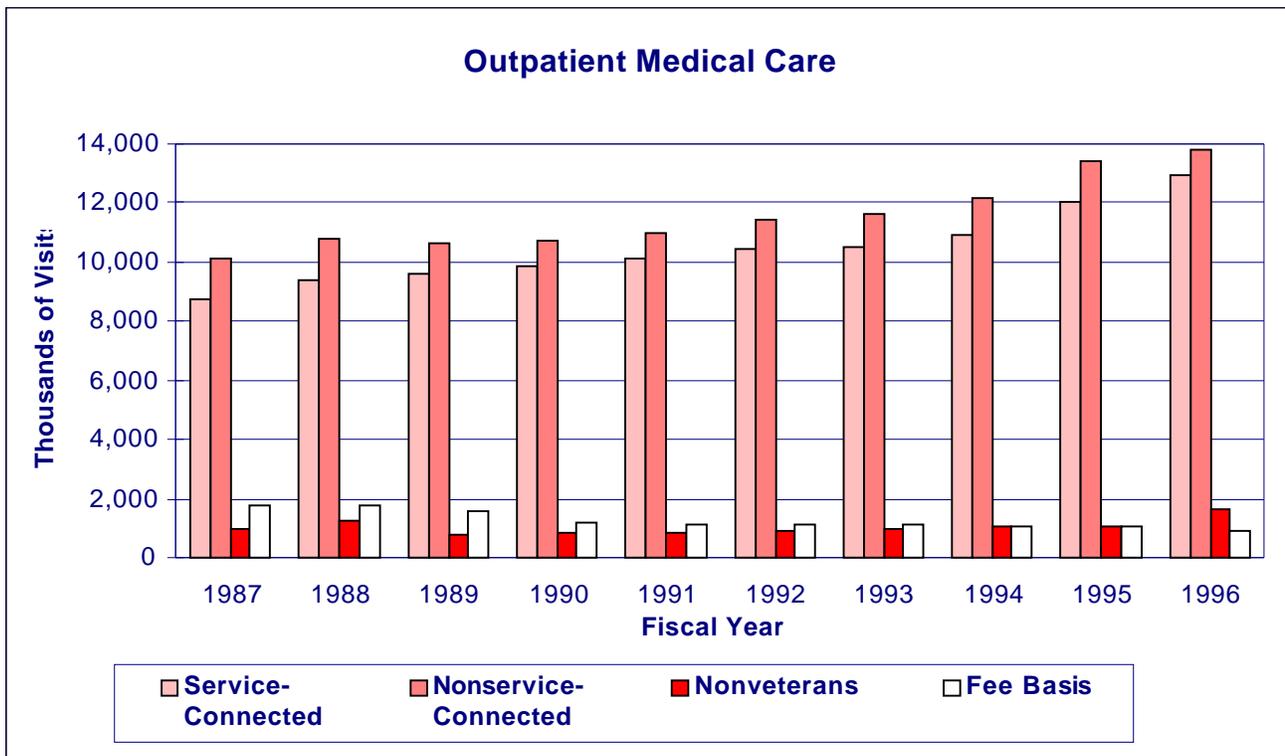


Table 30 -- Pharmacy Activity

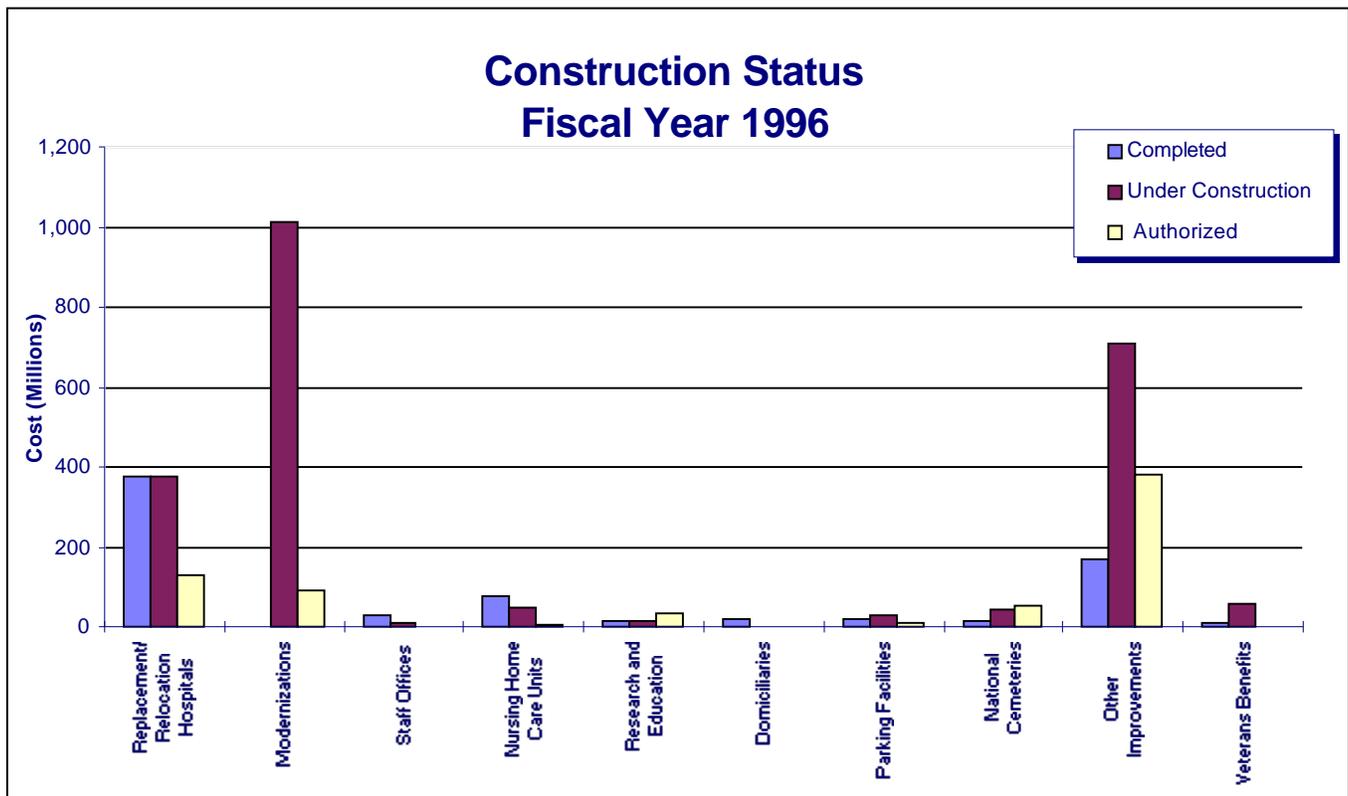
<i>Activity</i>	<i>Fiscal Year 1996</i>	<i>Fiscal Year 1995</i>	<i>Fiscal Year 1994 *</i>
<b>VA pharmacies:</b>			
Prescriptions dispensed -- total.....	66,518,274	66,121,065	64,525,038
Inpatient.....	659,714	781,887	905,532
Ambulatory -- total .....	65,858,560	65,339,178	63,619,506
Methadone.....	1,074,590	1,177,788	1,194,628
All other (including fee-basis filled by VA pharmacies) .....	64,783,970	64,161,390	62,424,878
Unit doses dispensed .....	169,031,353	181,692,554	201,356,295
Primary intravenous admixtures .....	2,006,369	2,021,708	1,995,039
Secondary intravenous admixtures ("piggy-backs").....	8,391,412	8,913,706	9,392,381
Hyperalimentation .....	219,406	232,812	240,582
Fluids and sets .....	10,251,653	9,411,830	9,763,457
Patient oriented activity (hours).....	1,628,741	1,927,036	1,562,873
<b>Fee-basis:</b>			
Prescriptions filled by VA pharmacies .....	2,293,143	2,281,658	2,522,413
Prescriptions filled by participating pharmacies .....	NA	NA	170,210

\* 1994 Ambulatory Prescriptions equate to 72,653,476 in 30-day equivalents.  
Reported figure includes 60-90 days supplies.

NA: Not Available.

Table 31 -- Construction Status Summary -- Fiscal Year 1996

Description	Total		Completed		Under Construction		Authorized but not Under Construction	
	No.	Estimated Construction Cost (Millions)	No.	Estimated Construction Cost (Millions)	No.	Estimated Construction Cost (Millions)	No.	Estimated Construction Cost (Millions)
Totals.....	548	\$3,733.82	128	\$729.04	330	\$2,304.77	90	\$699.99
Replacement/Relocation Hospitals.....	6	\$878.96	2	\$374.86	3	\$375.10	1	\$129.00
Modernizations.....	10	\$1,104.04	0	\$0.00	9	\$1,013.94	1	\$90.10
Staff Offices.....	26	\$38.09	7	\$29.61	19	\$8.48	0	\$0.00
Nursing Home Care Units.....	39	\$131.21	19	\$77.93	17	\$48.33	3	\$4.94
Research and Education.....	14	\$65.52	7	\$15.65	5	\$16.57	2	\$33.30
Domiciliaries.....	2	\$20.01	1	\$19.01	1	\$1.00	0	\$0.00
Parking Facilities.....	6	\$63.83	2	\$21.37	2	\$30.46	2	\$12.00
National Cemeteries.....	43	\$106.25	12	\$12.25	22	\$41.98	9	\$52.02
Other Improvements.....	334	\$1,258.44	63	\$170.13	199	\$709.67	72	\$378.63
Veterans Benefits.....	68	\$67.47	15	\$8.23	53	\$59.24	0	\$0.00



**Table 32 -- Replacement and Relocation Hospital Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
Completions and Year-End Status**

<i>Location</i>	<i>Number of Projects</i>	<i>Number of Beds</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Work in Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total.....	6	2,852	\$1,887,168,408	\$544,576,417	28.9	
A. Projects completed:	2	903	\$1,383,066,408	\$374,862,408	27.1	
Florida: Palm Beach County.....		400	\$123,901,870	\$123,901,870	100.0	March 1996 (C)
Michigan: Detroit.....		503	\$250,960,538	\$250,960,538	100.0	June 1996 (C)
B. Projects under construction:	3	1,549	\$375,102,000	\$169,714,009	45.2	
California: Travis.....		243	\$200,421,000	\$7,348,683	3.7	February 1995 (A)
Pennsylvania: Philadelphia.....		776	\$116,847,000	\$115,430,565	98.8	November 1985 (A)
Tennessee: Mountain Home.....		530	\$57,834,000	\$46,934,761	81.2	March 1985 (A)
C. Projects authorized -- not under construction:	1	400	\$129,000,000			
Florida: Brevard County.....		400	\$129,000,000			

(1) Projects included when approved for development by the Secretary, or when there has been an appropriation of funds available for financing all or part of the project.  
 (2) Construction anticipated, issued, or awarded, including contingencies.  
 (3) Based on general construction only.

**CONSTRUCTION PROJECTS**

**TABLES 33 and 34**

**Table 33 -- Modernization Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
Completions and Year-End Status**

<i>Location</i>	<i>Number of Projects</i>	<i>Project Description</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Work in Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total.....	10		\$1,104,035,196	\$618,702,917	56.0	
A. Projects completed:	0		\$0	\$0		
B. Projects under construction:	9		\$1,013,935,196	\$618,702,917	61.0	
California:Palo Alto PAD.....		Clinical Addition/Bed Towers	\$165,499,235	\$124,499,235	75.2	March 1993
Connecticut:Newington.....		Medical Center Modernization	\$49,993,000	\$25,090,286	50.2	September 1990
Georgia:Atlanta.....		Clinical Addition	\$84,596,000	\$55,271,760	65.3	December 1991
Illinois:North Chicago.....		Environmental Improvements	\$150,541,000	\$92,008,812	61.1	September 1988
Indiana:Indianapolis.....		Clinical Improvements	\$81,269,000	\$67,783,292	83.4	May 1991
Michigan:Ann Arbor.....		Clinical Addition	\$147,799,961	\$51,946,486	35.1	December 1992
New York:New York.....		OP/Clinic Addition & Alterations	\$112,634,000	\$111,185,360	98.7	September 1985
Tennessee:Memphis.....		Seismic Corrections	\$107,600,000	\$5,955,161	5.5	January 1996
Texas:Dallas.....		Clinical Addition	\$114,003,000	\$84,962,525	74.5	September 1993
C. Projects authorized -- not under construction:	1		\$90,100,000			
Ohio::Cleveland.....		Ambulatory Care Addition/SCI	\$90,100,000			

**Table 34 -- Staff Office Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
Completions and Year-End Status**

<i>Location</i>	<i>Number of Projects</i>	<i>Project Description</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Work in Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total.....	26		\$38,164,064	\$30,126,155	78.9	
A. Projects completed:	7		\$29,684,401	\$29,684,401	100.0	
Alabama:Montgomery.....		Renovate District Counsel Bldg.	\$75,000	\$75,000	100.0	January 1996
Arkansas:Little Rock.....		Expand Security Training Center	\$2,956,058	\$2,956,058	100.0	May 1996
Dist. of Columbia:Central Office.....		Repairs and Alterations to VACO	\$25,364,469	\$25,364,469	100.0	March 1996
Illinois:Hines (DPC).....		Install 25 Ton A/C	\$100,000	\$100,000	100.0	April 1996
Missouri:St. Louis.....		Computer Cable Installation	\$747,120	\$747,120	100.0	June 1996
New Jersey:Sommerville.....		Paint Elevated Water Storage Tank	\$136,496	\$136,496	100.0	October 1995
Texas:Austin (DPC).....		Third Floor Renovation	\$305,258	\$305,258		January 1996
B. Projects under construction:	19		\$8,479,663	\$441,754	5.2	
Major Projects:	0		\$0	\$0		
Minor Projects:	19		\$8,479,663	\$441,754	5.2	
C. Projects authorized -- not under construction:	0		\$0	\$0		
Major Projects:	0		\$0			
Minor Projects:	0		\$0			

(1) Projects included when approved for development by the Secretary, or when there has been an appropriation of funds available for financing all or part of the project.

(2) Construction anticipated, issued, or awarded, including contingencies.

(3) Based on general construction only.

**Table 35 -- Nursing Home Care Units Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
Completions and Year-End Status**

<i>Location</i>	<i>Number of Projects</i>	<i>Number of Nursing Home Care Beds</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Work in Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total.....	39	1,949	\$131,208,595	\$107,154,617	81.7	
<b>A. Projects completed:</b>	<b>19</b>	<b>1,067</b>	<b>\$77,933,098</b>	<b>\$77,933,098</b>	<b>100.0</b>	
California: Martinez.....		120	\$17,712,682	\$17,712,682	100.0	August 1996 (C)
Florida: Lake City.....		120	\$6,021,358	\$6,021,358	100.0	November 1995 (C)
Florida: Palm Beach.....		120	\$8,722,819	\$8,722,819	100.0	October 1995 (C)
Illinois: Marion.....		0	\$234,109	\$234,109	100.0	May 1996 (C)
Kentucky: Lexington.....		82	\$2,582,510	\$2,582,510	100.0	August 1996 (C)
Maryland: Baltimore.....		120	\$12,813,309	\$12,813,309	100.0	April 1996 (C)
Michigan: Battle Creek.....		0	\$2,622,586	\$2,622,586	100.0	August 1996 (C)
Mississippi: Biloxi.....		110	\$469,853	\$469,853	100.0	December 1995 (C)
Missouri: Columbia.....		54	\$253,200	\$253,200	100.0	October 1995 (C)
Missouri: St. Louis.....		36	\$2,957,879	\$2,957,879	100.0	October 1995 (C)
New York: Canandaigua.....		25	\$3,030,313	\$3,030,313	100.0	October 1995 (C)
New York: Castle Point.....		0	\$2,505,000	\$2,505,000	100.0	April 1996 (C)
North Carolina: Asheville.....		120	\$7,156,140	\$7,156,140	100.0	January 1996 (C)
North Carolina: Salisbury.....		0	\$1,022,812	\$1,022,812	100.0	January 1996 (C)
North Carolina: Salisbury.....		0	\$2,920,564	\$2,920,564	100.0	December 1995 (C)
Oklahoma: Oklahoma City.....		40	\$1,739,491	\$1,739,491	100.0	July 1996 (C)
South Dakota: Ft. Meade.....		60	\$1,989,468	\$1,989,468	100.0	December 1995 (C)
Texas: Marlin.....		40	\$2,652,308	\$2,652,308	100.0	November 1995 (C)
Washington: American Lake.....		20	\$526,697	\$526,697	100.0	August 1996 (C)
<b>B. Projects under construction:</b>	<b>17</b>	<b>687</b>	<b>\$48,332,697</b>	<b>\$29,221,519</b>	<b>60.5</b>	
Major Projects:	3	240	\$29,087,883	\$15,791,755	54.3	
Alabama: Tuskegee.....		120	\$9,478,858	\$5,842,702	61.6	May 1995 (A)
Arizona: Prescott.....		60	\$6,413,545	\$2,509,699	39.1	September 1995 (A)
Hawaii: Honolulu.....		60	\$13,195,480	\$7,439,354	56.4	July 1995 (A)
Minor Projects:	14	447	\$19,244,814	\$13,429,764	69.8	
<b>C. Projects under design:</b>	<b>3</b>	<b>195</b>	<b>\$4,942,800</b>			
Major Projects:	0	0	\$0			
Minor Projects:	3	195	\$4,942,800			

(1) Projects included when approved for development by the Secretary, or when there has been an appropriation of funds available for financing all or part of the project.

(2) Construction anticipated, issued, or awarded, including contingencies.

(3) Based on general construction only.

CONSTRUCTION PROJECTS

TABLE 36

Table 36 -- Research and Education Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
 Completions and Year-End Status

<i>Location</i>	<i>Number of Projects</i>	<i>Project Description</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Work in Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total.....	14		\$65,524,147	\$22,902,979	35.0	
A. Projects completed:	7		\$15,650,384	\$15,650,384	100.0	
California: Sepulveda.....		Consolidate Research	\$1,731,488	\$1,731,488	100.0	May 1996
Florida: Miami.....		GRECC Addition	\$856,810	\$856,810	100.0	July 1996
Missouri: St. Louis (JB).....		Upgrade Reg Lrs, Rec B-48	\$864,697	\$864,697	100.0	May 1996
North Carolina: Durham.....		Biocontainment Lab	\$415,892	\$415,892	100.0	April 1996
New Jersey: East Orange.....		Relocate/Consolidate Research	\$6,564,029	\$6,564,029	100.0	August 1996
Washington: Seattle.....		Animal Research Facility	\$2,534,999	\$2,534,999	100.0	July 1996
Wisconsin: Madison.....		GRECC Expansion, D-Wing	\$2,682,469	\$2,682,469	100.0	July 1996
B. Projects under construction:	5		\$16,570,394	\$7,252,595	43.8	
Major Projects:	1		\$8,892,715	\$2,737,177	30.8	
West Virginia: Huntington.....		Research Addition	\$8,892,715	\$2,737,177	30.8	September 1995
Minor Projects:	4		\$7,677,679	\$4,515,418	58.8	
C. Projects authorized -- not under construction:	2		\$33,303,369			
Major Projects:	1		\$32,100,000			
Oregon: Portland.....		Research Addition	\$32,100,000			
Minor Projects:	1		\$1,203,369			

(1) Projects included when approved for development by the Secretary, or when there has been an appropriation of funds available for financing all or part of the project.

(2) Construction anticipated, issued, or awarded, including contingencies.

(3) Based on general construction only.

**Table 37 -- Domiciliary Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
Completions and Year-End Status**

<i>Location</i>	<i>Number of Projects</i>	<i>Number of Beds</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total .....	2	401	\$20,013,105	\$19,201,609	95.9	
A. Projects completed:	1	401	\$19,014,959	\$19,014,959		
Kansas:Leavenworth.....		401	\$19,014,959	\$19,014,959	100.0	October 1995 (C)
B. Projects under construction:	1	0	\$998,146	\$186,650	18.7	
Tennessee:Mountain Home.....		0	\$998,146	\$186,650	18.7	June 1996 (A)
C. Projects authorized -- not under construction:	0	0	\$0			

**Table 38 -- Parking Revolving Fund Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
Completions and Year-End Status**

<i>Location</i>	<i>Number of Projects</i>	<i>Description</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total.....	6		\$63,826,834	\$45,639,507	71.5	
A. Projects completed:	2		\$21,369,000	\$21,369,000	100.0	
Florida:Palm Beach.....		Parking for new MC	\$6,879,000	\$6,879,000	100.0	June 1996 (C)
Michigan:Detroit.....		Parking Garage	\$14,490,000	\$14,490,000	100.0	June 1996 (C)
B. Projects under construction:	2		\$30,457,834	\$24,270,507	79.7	
Hawaii:Honolulu.....		Parking Garage	\$12,651,834	\$11,900,347	94.1	July 1995 (A)
Michigan:Ann Arbor.....		Parking Garage	\$17,806,000	\$12,370,160	69.5	May 1994 (A)
C. Projects authorized -- not under construction:	2		\$12,000,000			
Florida:Miami.....		Parking Garage	\$5,000,000			
Puerto Rico:San Juan.....		Parking Garage	\$7,000,000			

(1) Projects included when approved for development by the Secretary, or when there has been an appropriation of funds available for financing all or part of the project.

(2) Construction anticipated, issued, or awarded, including contingencies.

(3) Based on general construction only.

CONSTRUCTION PROJECTS

TABLE 39

**Table 39 -- National Cemetery Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
Completions and Year-End Status**

<i>Location</i>	<i>Number of Projects</i>	<i>Description</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Work in Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Completed (C) or Contract Awarded (A)</i>
Total.....	43		\$106,247,003	\$41,946,204	39.5	
<b>A. Projects completed:</b>	12		\$12,251,300	\$12,251,300	100.0	
California: Ft. Rosecrans.....		Columbarium, Ph 2 & Com. Shelter	\$1,732,901	\$1,732,901	100.0	October 1995 (C)
Golden Gate NC.....		Replace Irrigation Phase 1	\$1,979,782	\$1,979,782	100.0	March 1996 (C)
Golden Gate NC.....		Storm Drains	\$12,250	\$12,250	100.0	December 1995 (C)
Riverside.....		Gravesite Preparation	\$215,913	\$215,913	100.0	March 1996 (C)
Colorado: Ft. Logan.....		Replace Irrigation	\$1,364,831	\$1,364,831	100.0	June 1996 (C)
Massachusetts: Mass. NC.....		Gravesite Development	\$4,106,070	\$4,106,070	100.0	July 1996 (C)
Missouri: Springfield.....		Convert Lodge to Admin	\$212,525	\$212,525	100.0	March 1996 (C)
Mississippi: Biloxi.....		Renovate/Repair Admin Bldg.	\$469,809	\$469,809	100.0	February 1996 (C)
New York: Calverton.....		Install Irrigation System	\$1,065,030	\$1,065,030	100.0	August 1996 (C)
Oklahoma: Ft. Gibson.....		Develop New Gravesites	\$371,350	\$371,350	100.0	June 1996 (C)
Oregon: Willamette.....		Renovate Water Well	\$170,237	\$170,237	100.0	June 1996 (C)
Texas: Ft. Bliss.....		Install Water Well	\$550,602	\$550,602	100.0	May 1996 (C)
<b>B. Projects under construction</b>	22		\$41,978,968	\$29,694,904	70.7	
<b>Major Projects:</b>	3		\$25,841,329	\$19,032,000	73.6	
Oregon: Willamette.....		Gravesite Development	\$9,409,484	\$8,433,485	89.6	June 1995 (A)
Texas: Houston NC.....		Gravesite Development	\$8,377,946	\$6,752,330	80.6	June 1995 (A)
Washington: Seattle NC.....		New Cemetery	\$8,053,899	\$3,846,185	47.8	September 1995 (A)
<b>Minor Projects:</b>	19		\$16,137,639	\$10,662,904	66.1	
<b>C. Projects authorized-- not under construction</b>	9		\$52,016,735			
<b>Major Projects:</b>	4		\$47,718,500			
Florida: Florida NC		Gravesite Development	\$4,868,500			
Illinois: Chicago NC		Establish National Cemetery	\$17,000,000			
New York: Albany NC.....		Gravesite Development Phase 1	\$11,426,000			
Texas: Dallas Ft. Worth.....		Phase 1 Development	\$14,424,000			
<b>Minor Projects:</b>	5		\$4,298,235			

(1) Projects included when approved for development by the Secretary, or when there has been an appropriation of funds available for financing all or part of the project.

(2) Construction anticipated, issued, or awarded, including contingencies.

(3) Based on general construction only.

TABLE 40

## CONSTRUCTION PROJECTS

Table 40 -- Other Improvements Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
Completions and Year-End Status

	<i>Project Description</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Work in Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total.....	334	\$1,270,920,589	\$488,670,823	38.5	
A. Projects completed:	63	\$170,131,087	\$170,131,087	100.0	
Alabama: Tuscaloosa.....	Fire & Safety Improvements B-2 & 5	\$633,934	(4)	100.0	April 1996 (C)
Tuskegee.....	Clinical Improvements	\$2,038,703	(4)	100.0	July 1996 (C)
Alaska: Anchorage.....	Correct DOM Space Deficiencies	\$1,172,000	(4)	100.0	February 1996 (C)
Arizona: Phoenix.....	Laundry Modernization	\$561,708	(4)	100.0	August 1996 (C)
California: Livermore.....	Fire & Safety Corrections	\$3,078,903	(4)	100.0	January 1996 (C)
Loma Linda.....	Remodel Ward 4NW Support	\$366,914	(4)	100.0	September 1996 (C)
Long Beach.....	Seismic Base Isolation B-126 Phase 1	\$20,293,519	(4)	100.0	July 1996 (C)
Palo Alto.....	100 Bed DOM & DARU Phase 2	\$26,438,450	(4)	100.0	November 1995 (C)
San Diego.....	Ambulatory Care	\$513,204	(4)	100.0	December 1995 (C)
Colorado: Denver.....	Remodel Morgue	\$396,617	(4)	100.0	June 1996 (C)
Connecticut: West Haven.....	Psychiatric Emergency Room	\$828,104	(4)	100.0	May 1996 (C)
Florida: Bay Pines.....	Install Grab Bars B-100	\$270,854	(4)	100.0	July 1996 (C)
Palm Beach.....	Hazardous Waste Removal	\$127,048	(4)	100.0	January 1996 (C)
Georgia: Atlanta.....	Parking Lot	\$1,011,781	(4)	100.0	May 1996 (C)
Illinois: Chicago - Westside.....	Renovate Buildings #11A & 11B	\$18,911,089	(4)	100.0	March 1996 (C)
Hines.....	Consolidate Mail OP. Pharmacy	\$591,336	(4)	100.0	July 1996 (C)
Iowa: Iowa City.....	Relocate SICU/Recovery Room	\$2,980,262	(4)	100.0	January 1996 (C)
Knoxville.....	Laundry Replacement	\$4,082,952	(4)	100.0	March 1996 (C)
Kentucky: Louisville.....	Remodel Wards	\$690,258	(4)	100.0	September 1996 (C)
Massachusetts: Boston.....	Emergency Electrical Distribution	\$1,775,228	(4)	100.0	June 1996 (C)
Boston.....	Purchase Mass. Osteopathic Hosp.	\$2,200,000	(4)	100.0	June 1996 (C)
Northampton.....	Sprinkler System	\$1,050,719	(4)	100.0	July 1996 (C)
Michigan: Battle Creek.....	Remodel Basement B-2	\$1,270	(4)	100.0	April 1996 (C)
Minnesota: Minneapolis.....	Expand Eye Clinic	\$350,970	(4)	100.0	July 1996 (C)
Minneapolis.....	2nd Cath. Lab	\$507,324	(4)	100.0	September 1996 (C)
Missouri: Columbia.....	Upgrade Building Sprinkler System	\$1,621,395	(4)	100.0	September 1996 (C)
Columbia.....	Construct Ambulatory Surgery	\$684,098	(4)	100.0	August 1996 (C)
Columbia.....	Amb. Care Addition (Ph 1) Site Work	\$226,709	(4)	100.0	November 1995 (C)
Columbia.....	Amb. Care Addition (Phase 1A)	\$214,017	(4)	100.0	April 1996 (C)
St. Louis.....	Remodel/Expand Radiation Therapy	\$1,391,463	(4)	100.0	April 1996 (C)
Mississippi: Jackson.....	Renovate Lab for Central Access	\$337,438	(4)	100.0	July 1996 (C)
New Hampshire: Manchester.....	Enlarge NHCU Recreation Area	\$647,347	(4)	100.0	January 1996 (C)
New Jersey: Lyons.....	Replace Primary Elec. Dist. Cables	\$2,410,096	(4)	100.0	June 1996 (C)
New Mexico: Albuquerque.....	Renal Dial./Med. Library Reloc.	\$646,693	(4)	100.0	April 1996 (C)
New York: Albany.....	Improve Patient Environment	\$356,606	(4)	100.0	November 1995 (C)
Albany.....	Install Sprinklers Floors 2-4	\$2,207,205	(4)	100.0	April 1996 (C)
North Carolina: Fayetteville.....	Renovate Wards 2C, 3C and 4C	\$2,789,365	(4)	100.0	January 1996 (C)
Fayetteville.....	Expand Laundry	\$743,777	(4)	100.0	July 1996 (C)
Oklahoma: Muskogee.....	Remodel Rooms for TB	\$223,135	(4)	100.0	August 1996 (C)
Oregon: White City.....	Renovate DOM Beds B-218N	\$669,301	(4)	100.0	April 1996 (C)
White City.....	Construct New Infirmary Bldg.	\$2,493,905	(4)	100.0	January 1996 (C)
Pennsylvania: Pittsburgh.....	Renov. ICU for Step Down Unit	\$1,882,546	(4)	100.0	March 1996 (C)
Rhode Island: Providence.....	Renovate Ward 4 B	\$1,338,000	(4)	100.0	June 1996 (C)
Providence.....	Purchase New Bedford OPC	\$757,247	(4)	100.0	May 1996 (C)
Tennessee: Murfreesboro.....	Correct Ambulatory Care Defic.	\$509,559	(4)	100.0	October 1995 (C)

See footnotes at end of table.

CONSTRUCTION PROJECTS

TABLE 40

Table 40 (continued) -- Other Improvements Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
 Completions and Year-End Status

	<i>Project Description</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Work in Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
<b>A. Projects completed (continued):</b>					
Texas: Amarillo.....	Outpatient Clinic Expansion	\$675,252	(4)	100.0	March 1996 (C)
Big Spring.....	Renovate Nursing Units, Phase 2	\$761,000	(4)	100.0	February 1996 (C)
Dallas.....	30 Bed Spinal Cord Injury Unit	\$8,890,164	(4)	100.0	August 1996 (C)
Dallas.....	Energy Center Phase 2	\$18,595,968	(4)	100.0	November 1995 (C)
Dallas.....	Radiology Modifications	\$669,391	(4)	100.0	September 1996 (C)
Marlin.....	Upgrade Emergency Electrical Sys.	\$2,314,833	(4)	100.0	May 1996 (C)
San Antonio.....	Expand Bone Marrow Unit	\$675,697	(4)	100.0	November 1995 (C)
Utah: Salt Lake City.....	Update Animal Surgery B-7	\$505,351	(4)	100.0	March 1996 (C)
Salt Lake City.....	Renovate Bldg. 1 Phase 2	\$13,734,721	(4)	100.0	April 1996 (C)
Vermont: White River Jct.....	Building 8 Renovations	\$652,725	(4)	100.0	August 1996 (C)
Virginia: Hampton.....	Renovate B-33 - Chaplains Service	\$1,089,856	(4)	100.0	January 1996 (C)
Washington: American Lake.....	HVAC	\$681,462	(4)	100.0	October 1995 (C)
Seattle.....	Radiation Therapy Unit	\$2,325,805	(4)	100.0	February 1996 (C)
Spokane.....	Construct Modular OP Unit	\$682,220	(4)	100.0	February 1996 (C)
Walla Walla.....	Medical Support Upgrade	\$567,997	(4)	100.0	May 1996 (C)
West Virginia: Huntington.....	Clinical Improvements B 1, 2 & 12	\$1,398,784	(4)	100.0	October 1995 (C)
Wisconsin: Milwaukee.....	NHCU Environmental Upgrade	\$305,450	(4)	100.0	October 1995 (C)
Wyoming: Cheyenne.....	Expand/Renovate Nursing Units	\$2,581,362	(4)	100.0	July 1996 (C)
<b>B. Projects under construction:</b>		<b>199</b>	<b>\$709,671,801</b>	<b>\$318,539,736</b>	<b>44.9</b>
<b>Major projects:</b>		<b>32</b>	<b>\$532,452,425</b>	<b>\$238,556,512</b>	<b>44.8</b>
Alabama: Tuscaloosa.....	Renovate Bldg. #38	\$10,727,000	\$159,465	1.5	July 1996 (A)
Alaska: Anchorage.....	Elmendorf AFB Joint Venture	\$11,500,000	\$11,100,000	96.5	April 1994 (A)
Arizona: Phoenix.....	Ambulatory Care Addition (Phase 1)	\$25,503,000	\$0	0.0	August 1996 (A)
California: Long Beach.....	Seismic Base Isolation B - 126 Phase 2	\$18,563,681	\$10,484,587	56.5	September 1994 (A)
Palo Alto (MPD).....	Demo. of Bldgs. 101, 102, 103 & 105	\$1,424,156	\$1,349,709	94.8	September 1995 (A)
San Diego.....	Non-Structural Seismic Corr. - Phase 3	\$5,053,000	\$1,863,563	36.9	January 1995 (A)
Sepulveda.....	Seismic Corrections/Clin. Services	\$48,426,804	\$39,796,093	82.2	February 1995 (A)
Sepulveda.....	Seismic Corrections/Boiler Plant	\$4,220,294	\$3,785,878	89.7	June 1995 (A)
Sepulveda.....	Demolition & New Telephone Bldg.	\$4,603,827	\$4,398,141	95.5	August 1995 (A)
Connecticut: West Haven.....	Ambulatory Care Addition	\$39,154,935	\$7,026,325	17.9	September 1995 (A)
Delaware: Wilmington.....	Outpatient Clinic Addition (Phase 2)	\$13,404,074	\$12,224,564	91.2	September 1994 (A)
Florida: Gainesville.....	Ambulatory Care Addition	\$19,806,654	\$324,460	1.6	July 1996 (A)
Illinois: Marion.....	Outpatient/Clinical Addition	\$16,185,581	\$2,618,902	16.2	August 1994 (A)
Indiana: Marion.....	240-Bed Geropsychiatric FAC	\$38,175,439	\$37,444,284	98.1	November 1992 (A)
Massachusetts: Boston.....	Amb. Care Addtn. - Parking Deck	\$2,698,453	\$0	0.0	September 1996 (A)
Missouri: Columbia.....	Ambulatory Care Addition	\$15,611,239	\$3,033,481	19.4	March 1996 (A)
Nevada: Reno.....	Replacement Bed Building/Amb. Care	\$24,810,600	\$0	0.0	May 1996 (A)
New Jersey: Lyons.....	180 Bed Psych. Building	\$29,873,177	\$22,183,197	74.3	September 1994 (A)
New York: Brooklyn.....	Outpatient Addition	\$38,016,893	\$6,312,249	16.6	September 1994 (A)
Brooklyn (St. Albans).....	Modernize Kitchen & Satellite Dining	\$6,115,501	\$3,134,162	51.2	September 1994 (A)
Oklahoma: Muskogee.....	Replace Bed Building	\$29,582,144	\$6,504,171	22.0	September 1995 (A)
Puerto Rico: San Juan.....	Ambulatory Care Addition	\$26,108,000	\$4,824,962	18.5	November 1995 (A)
Texas: El Paso.....	Replacement Ambulatory Care Fac.	\$24,447,293	\$24,245,339	99.2	June 1993 (A)
Temple.....	Bed Replacement Building	\$43,296,000	\$26,519,827	61.3	August 1994 (A)
Waco.....	Renovate Building #7	\$9,984,680	\$9,223,153	92.4	September 1994 (A)
Virginia: Hampton.....	Ambulatory Care Addition	\$25,160,000	\$0	0.0	July 1996 (A)
<b>Minor Projects:</b>		<b>167</b>	<b>\$177,219,376</b>	<b>\$79,983,224</b>	<b>45.1</b>

See footnotes at end of table.

Table 40 (continued) -- Other Improvements Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
 Completions and Year-End Status

	<i>Project Description</i>	<i>Estimated Construction Costs <sup>(2)</sup></i>	<i>Value of Work in Place</i>	<i>Percent Complete <sup>(3)</sup></i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
C. Projects authorized-- not under construction :	72	\$391,117,701			
Major Projects:	11	\$333,075,900			
Arizona: Phoenix.....	Ambulatory Care Addtn. (Phase 2)	\$12,485,000			
Florida: Tampa.....	100 Bed SCI Building/Central Plant	\$42,286,000			
Tampa.....	Satellite Outpatient Clinic	\$11,943,900			
Hawaii: Honolulu.....	Ambulatory Care/Remodel E-Wing	\$37,130,000			
Kansas: Leavenworth.....	Ambulatory Care Addition	\$27,850,000			
Ohio: Cleveland.....	Ambulatory Care Addition	\$73,373,000			
Pennsylvania: Wilkes Barre.....	Ambulatory Care/Enviro. Improv.	\$39,336,000			
Rhode Island: Providence.....	Renovate Building #31	\$11,301,000			
Tennessee: Mountain Home.....	Laundry/Warehouse	\$5,800,000			
Mountain Home.....	Relocate Medical School Functions	\$47,000,000			
Virginia: Hampton.....	Ambulatory Care Addition	\$24,571,000			
Minor projects:	61	\$58,041,801			

- (1) Projects included when approved for development by the Secretary, or when there has been an appropriation of funds available for financing all or part of the project.
- (2) Construction anticipated, issued, or awarded, including contingencies.
- (3) Based on general construction only.
- (4) Same as value of construction issued or awarded when project is physically and/or financially completed.

CONSTRUCTION PROJECTS

TABLE 41

Table 41 -- Veterans Benefits Construction Projects <sup>(1)</sup> -- Fiscal Year 1996  
 Completions and Year-End Status

Location	Number of Projects	Project Description	Estimated Construction Costs <sup>(2)</sup>	Value of Work in Place	Percent Complete <sup>(3)</sup>	Date Construction Completed (C) or Contract Awarded (A)
Total.....	68		\$55,038,790	\$37,081,308	67.4	
A. Projects completed:	15		\$8,229,983	\$8,229,983	100.0	
Delaware:Wilmington.....		Computer Room Renovation	\$123,900	\$123,900	100.0	July 1996 (C)
Georgia:Atlanta.....		3rd Floor Renovation	\$13,714	\$13,714	100.0	August 1996 (C)
Atlanta.....		Computer Room Modernization	\$160,000	\$160,000	100.0	August 1996 (C)
Illinois:Hines.....		Building Security & Access Repl.	\$300,000	\$300,000	100.0	January 1996 (C)
Louisiana:New Orleans.....		Sector Regional Office	\$185,979	\$185,979	100.0	January 1996 (C)
Maine:Togus.....		Cabling Plant Installation	\$119,000	\$119,000	100.0	January 1996 (C)
Minnesota:St. Paul.....		Sector R. O.	\$446,990	\$446,990	100.0	July 1996 (C)
New York:Buffalo.....		Sector R. O.	\$119,473	\$119,473	100.0	January 1996 (C)
Pennsylvania:Philadelphia.....		VA/GSA Jt. Venture - Replace RO	\$6,000,000	\$6,000,000	100.0	July 1996 (C)
South Dakota:Sioux Falls.....		Computer Room Expansion	\$102,000	\$102,000	100.0	July 1996 (C)
Texas:Houston.....		Sector Site Estimate	\$267,400	\$267,400	100.0	January 1996 (C)
Virginia:Roanoke.....		Computer Room Construction	\$121,900	\$121,900	100.0	June 1996 (C)
Roanoke.....		Office Space for R.O.	\$17,727	\$17,727	100.0	January 1996 (C)
West Virginia:Huntington.....		Office Space for VSD & DRNC	\$76,900	\$76,900	100.0	January 1996 (C)
Huntington.....		Computer Room Consolidation	\$175,000	\$175,000	100.0	January 1996 (C)
B. Projects under construction:	53		\$46,808,807	\$28,851,325	61.6	
Major Projects:	2		\$34,374,037	\$18,289,288	53.2	
Florida:St. Petersburg.....		Relocate R.O. to Dept. Grounds	\$20,136,613	\$10,460,631	51.9	January 1995 (A)
Mississippi:Jackson.....		Co-location	\$14,237,424	\$7,828,657	55.0	July 1995 (A)
Minor Projects:	51		\$12,434,770	\$10,562,037	84.9	
C. Projects authorized-- not under construction:	0		\$0			
Major Projects:	0		\$0			
Minor Projects:	0		\$0			

(1) Projects included when approved for development by the Secretary, or when there has been an appropriation of funds available for financing all or part of the project.

(2) Construction anticipated, issued, or awarded, including contingencies.

(3) Based on general construction only.

TABLE 42

## HOUSING ASSISTANCE

Table 42 -- Guaranteed Loans, Defaults and Claims, and Property Management

	Cumulative Thru September 30, 1996 <sup>(1)</sup>	Fiscal Year		
		1996	1995	1994
<b>Guaranteed Loans</b>				
Number of loans -- total .....	15,082,098	320,776	263,125	602,244
Home.....	14,968,573	320,767	263,102	602,220
Manufactured home.....	113,525	9	23	24
Amount of loans (\$000) -- total.....	\$534,832,238	\$32,609,380	\$25,340,773	\$55,141,335
Home.....	\$532,761,211	\$32,609,037	\$25,340,157	\$55,140,529
Manufactured home.....	\$2,071,027	\$343	\$616	\$806
Average loan amount.....	--	--	--	--
Home.....	\$35,592	\$101,660	\$96,313	\$91,562
Manufactured home.....	\$18,243	\$38,097	\$26,775	\$33,607
Amount of guaranty and insurance (\$000) -- total.....	\$212,322,521	\$10,524,977	\$8,383,371	\$18,331,642
Home.....	\$211,332,884	\$10,524,869	\$8,383,099	\$18,331,359
Manufactured home.....	\$989,637	\$108	\$272	\$283
Average interest rate (percent).....	--	7.71%	8.15%	7.23%
Loans outstanding - end of fiscal year.....	--	3,355,391	3,375,830	3,428,939
Substitutions of entitlement.....	48,857	1,913	1,881	1,252
<b>Defaults and Claims</b>				
Defaults reported.....	5,427,859	123,236	120,910	125,463
Loans in default -- end of fiscal year.....	--	113,799	102,137	106,717
Percent of loans outstanding.....	--	3.39%	3.03%	3.11%
Claims pending -- end of fiscal year.....	--	707	579	1,073
Defaults disposed of -- total.....	5,313,353	111,446	125,984	129,848
Cured or withdrawn.....	4,423,388	91,390	101,301	104,507
Percent.....	83.3%	82.0%	80.4%	80.5%
Loans outstanding - average for fiscal year.....	--	3,369,279	3,399,601	3,457,515
Claims vouchered for payment.....	889,965	20,056	24,683	25,341
Percent of loans outstanding.....	--	0.60%	0.73%	0.73%
Servicing efforts -- total actions.....	--	12,717	11,344	10,942
Successful interventions.....	--	5,674	5,650	5,522
Deeds in lieu of foreclosures.....	--	1,247	1,418	1,571
Compromise agreements.....	--	3,711	2,655	2,141
Refundings.....	--	2,085	1,621	1,708
Counseling.....	--	256,068	232,971	207,036
<b>Property Management</b>				
Number acquired.....	891,539	19,532	23,274	24,831
Number sold.....	873,480	20,047	24,686	24,827
Number of properties repaired (over \$1,000).....	--	8,614	10,277	10,955
Average cost of repairs.....	--	\$2,041	\$1,881	\$2,072
Number redeemed.....	9,499	206	240	314
Number on hand -- end of fiscal year.....	--	8,624	9,321	10,973
Number rented -- end of fiscal year.....	--	12	54	59
Rental revenue received.....	--	\$60,273	\$185,127	\$142,355

(1) Since beginning of program.

Note: Detail may not add to total due to rounding.

**Table 43 -- Comparative Highlights for Life Insurance Programs  
for Veterans and Service Persons**

(Numbers of policies and monetary figures in thousands)

<i>Program</i>	<i>Fiscal Year 1996</i>	<i>Fiscal Year 1995</i>	<i>Fiscal Year 1994</i>
<b>U. S. Government Life Insurance</b>			
Policies.....	23	25	27
Amount.....	\$77,180	\$84,592	\$93,511
Death benefits.....	\$7,783	\$7,631	\$9,467
<b>National Service Life Insurance (1)</b>			
Policies.....	2,120	2,219	2,313
Amount.....	\$19,365,295	\$19,862,416	\$20,279,749
Death benefits.....	\$788,987	\$721,704	\$738,437
<b>Veterans Special Life Insurance (1)</b>			
Policies.....	256	263	269
Amount.....	\$2,825,004	\$2,857,543	\$2,883,429
Death benefits.....	\$44,088	\$38,806	\$38,361
<b>Service-Disabled Veterans Insurance</b>			
Policies.....	163	166	169
Amount.....	\$1,492,311	\$1,518,916	\$1,543,830
Death benefits.....	\$39,511	\$38,040	\$35,144
<b>Veterans Reopened Insurance (1)</b>			
Policies.....	98	102	106
Amount.....	\$750,079	\$770,664	\$788,953
Death benefits.....	\$31,388	\$27,462	\$27,604
<b>Veterans Mortgage Life Insurance</b>			
Policies.....	4	4	4
Amount.....	\$207,200	\$224,933	\$222,066
Death benefits.....	\$8,367	\$7,592	\$7,561
<b>Servicemen's Group Life Insurance</b>			
Policies.....	2,637	2,732	2,896
Amount.....	\$506,684,520	\$438,337,205	\$455,662,315
Death benefits (2).....	\$401,378	\$404,943	\$384,960
<b>Veterans Group Life Insurance</b>			
Policies.....	355	349	342
Amount.....	\$28,962,980	\$27,385,820	\$25,357,720
Death benefits (2).....	\$89,788	\$78,851	\$56,701

(1) Includes paid-up additional insurance purchased by dividends.

(2) SGLI and VGLI death benefits are policy year death benefits, ending June 30, 1996.

Table 44 -- Insurance in Force -- Fiscal Year 1996

Item	Participating					
	U.S. Government Life Insurance		National Service Life Insurance <sup>(1)</sup>		Veterans Special Life Insurance <sup>(1)</sup>	
	Number of Policies	Amount of Insurance (\$000)	Number of Policies	Amount of Insurance (\$000)	Number of Policies	Amount of Insurance (\$000)
In force at beginning of year.....	25,108	\$84,592	2,219,497	\$13,163,427	262,851	\$2,135,397
Insurance issued during year.....	--	--	--	--	--	--
Insurance reinstated during year.....	--	--	5,337	\$23,395	1,549	\$6,713
Insurance terminated during year by:						
Death.....	1,547	\$5,530	89,124	\$487,460	4,210	\$32,841
Maturity at endowment.....	307	\$1,405	3,683	\$23,730	2,503	\$17,740
Lapse, expiry, and net changes.....	(64)	(\$80)	2,363	\$139,114	177	\$26,081
Cash surrender.....	188	\$557	9,317	\$44,483	1,180	\$8,828
Total terminated.....	1,978	\$7,412	104,487	\$694,787	8,070	\$85,490
In force at end of year.....	23,130	\$77,180	2,120,347	\$12,492,035	256,330	\$2,056,620
Selected year-end items:						
In force on five-year term plan.....	--	--	549,691	\$4,361,492	23,521	\$212,556
In force on all other plans.....	23,130	\$77,180	1,570,656	\$8,130,543	232,809	\$1,844,064
In force with disability income rider.....	--	--	5,282	\$44,159	11,621	\$100,546
In force under disability premium waiver.....	43	\$337	84,805	\$548,010	10,903	\$91,027
Item	Participating (Continued)		Nonparticipating			
	Veterans Reopened Insurance <sup>(1)</sup>		Service-Disabled Veterans Insurance			
	Number of Policies	Amount of Insurance (\$000)	Number of Policies	Amount of Insurance (\$000)		
In force at beginning of year.....	102,020	\$595,850	166,203	\$1,518,916		
Insurance issued during year.....	--	--	5,396	\$51,673		
Insurance reinstated during year.....	644	\$2,782	48	\$462		
Insurance terminated during year by:						
Death.....	4,386	\$24,043	4,160	\$37,632		
Maturity at endowment.....	155	\$1,254	633	\$4,890		
Lapse, expiry, and net changes.....	162	\$4,630	2,120	\$21,524		
Cash surrender.....	459	\$2,664	1,681	\$14,694		
Total terminated.....	5,162	\$32,591	8,594	\$78,740		
In force at end of year.....	97,502	\$566,041	163,053	\$1,492,311		
Selected year-end items:						
In force on five-year term plan.....	--	--	69,153	\$670,974		
In force on all other plans.....	97,502	\$566,041	93,900	\$821,337		
In force with disability income rider.....	361	\$3,130	--	--		
In force under disability premium waiver.....	7,795	\$40,910	39,733	\$374,312		

(1) Excludes paid-up additional insurance purchased by dividends.

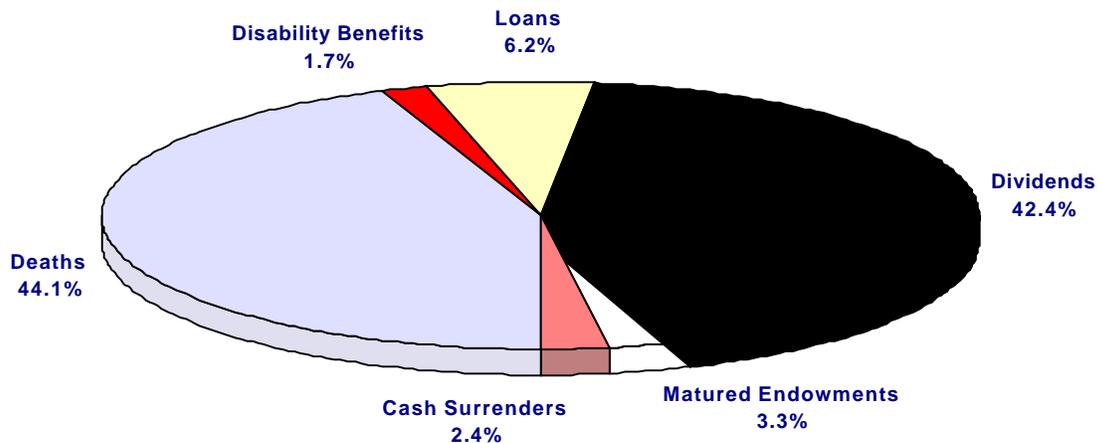
**Table 45 -- Servicemen's and Veterans' Group Life Insurance Statement of Operations (Accrual Basis)**

<i>Item</i>	<i>Policy Year Ending June 30, 1996</i>	<i>Cumulative from September 29, 1965</i>
<b>Income</b>		
Premiums.....	\$536,090,435	\$5,808,192,153
Extra hazard payments.....	\$0	\$513,046,301
Interest earned.....	\$39,826,746	\$591,540,077
Total.....	<b>\$575,917,181</b>	<b>\$6,912,778,531</b>
<b>Disposition of Income</b>		
Death claims.....	\$484,153,032	\$6,129,334,861
Net cost of extra mortality on conversion.....	(\$3,185,906)	\$59,063,929
Expense of administration.....	\$9,752,300	\$161,866,245
Reinsurers Expense and Risk Allowances.....	\$1,406,105	\$17,696,122
Taxes and fees.....	\$1,292,101	\$66,352,337
Term to age 60 reserve (Retired Reserves).....	(\$279,840)	\$44,755,092
Five-year term and conversion cost reserve (VGLI).....	\$100,088,034	\$353,373,835
Contingency reserve.....	(\$17,539,118)	\$76,636,771
Premium stabilization reserve.....	\$230,473	\$3,699,339
Total.....	<b>\$575,917,181</b>	<b>\$6,912,778,531</b>

**Table 46 -- VA Administered Insurance Disbursements -- Fiscal Year 1996**

<i>Item</i>	<i>Disbursements (\$000)</i>	<i>Percent of Total VA Disbursements</i>
Total.....	<b>\$2,087,217</b>	<b>100.0</b>
Deaths.....	\$920,679	44.1
Matured Endowments.....	\$68,043	3.3
Cash Surrenders.....	\$50,580	2.4
Disability Benefits.....	\$35,423	1.7
Dividends.....	\$883,942	42.4
Loans.....	\$128,550	6.2

**VA Administered Insurance Disbursements  
Percent Distribution -- Fiscal Year 1996**



**TABLE 47**

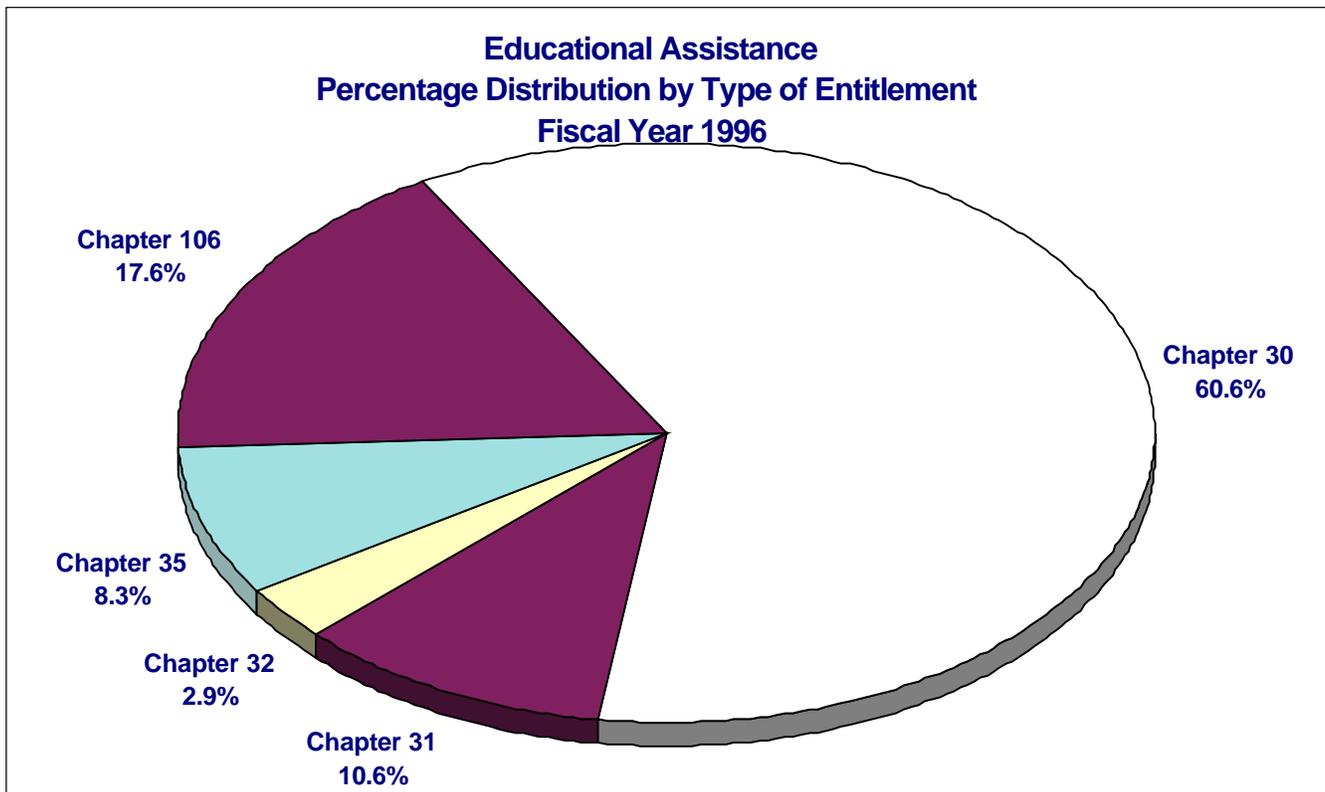
**EDUCATIONAL ASSISTANCE**

**Table 47 -- Persons in Training by Entitlement and Type of Training -- Fiscal Year 1996**

<i>Program</i>	<i>Total</i>	<i>Institutions of Higher Learning</i>	<i>Resident Schools Other Than College</i>	<i>On-Job Training</i>	<i>Other <sup>(1)</sup></i>
Montgomery GI Bill--Active Duty (Title 38, U.S.C., Chapter 30)	296,353	269,650	18,129	5,448	3,126
Montgomery GI Bill--Selected Reserve (Title 10, U.S.C., Chapter 106)	86,196	84,063	783	999	351
Post-Vietnam Era Veterans' Educational Assistance Program (Title 38, U.S.C., Chapter 32) <sup>(2)</sup>	14,185	13,177	717	291	--
Educational Assistance for Children of Totally Disabled or Deceased Veterans (Title 38, U.S.C., Chapter 35)	35,685	34,009	1,625	41	10
Educational Assistance for Spouses of Totally Disabled or Deceased Veterans (Title 38, U.S.C., Chapter 35)	4,969	4,513	377	--	79
Vocational Rehabilitation Program for Disabled Veterans (Title 38, U.S.C., Chapter 31)	51,766	46,417	3,937	426	986

(1) "Other" for Chapter 35 (Spouses) and for Chapter 30 (Veterans), and Chapter 106 (Reservists) is Correspondence Training; for Chapter 35 (Children), "Other" is Special Restorative Training.

(2) Includes Section 901--Educational Assistance Test Program (Institutions of Higher Learning only).



COMPENSATION AND PENSION

TABLE 48

Table 48 -- Reasons for Terminations of Disability and Death Awards, by Period of Service -- Fiscal Year 1996

Reasons for Terminations	All Periods <sup>(1)</sup>			World War I & Earlier <sup>(1)</sup>		World War II	
	Total <sup>(1,2)</sup>	Service-Connected	Nonservice-Connected	Service-Connected	Nonservice-Connected	Service-Connected	Nonservice-Connected
<b>Disability--total.....</b>	133,594	67,020	66,574	212	928	40,709	42,506
Death of a veteran.....	105,507	61,550	43,957	205	882	39,826	32,414
Disability less than 10 percent.....	129	129	--	--	--	1	--
Disability less than permanent and total.....	18	--	18	--	--	--	--
Estate in excess of \$1,500.....	47	27	20	--	--	10	8
Excessive corpus of estate.....	205	--	205	--	4	--	162
Failure to cooperate.....	1,009	728	281	--	1	15	130
Income provisions.....	17,118	--	17,118	--	16	--	7,070
Person entitled is incarcerated.....	155	5	150	--	--	1	27
Veterans on active duty or in receipt of retirement pay.....	573	571	2	--	--	21	1
Failure to return questionnaire.....	516	--	516	--	5	--	323
Miscellaneous (2).....	8,317	4,010	4,307	7	20	835	2,371
<b>Death--total.....</b>	77,312	18,193	59,119	1,074	15,580	6,946	31,071
Death of payee.....	41,926	12,365	29,561	1,043	14,173	6,353	14,269
Dependency not established or discontinued.....	6,803	3,148	3,655	2	27	139	911
Excessive corpus of estate.....	131	--	131	--	40	--	73
Income provisions.....	20,067	170	19,897	--	523	4	12,412
Payee incarcerated.....	80	3	77	--	--	1	45
Person entitled (surviving spouse, child, or parent) married.....	1,748	833	915	1	24	126	488
Failure to return questionnaire.....	707	90	617	--	150	21	326
Miscellaneous (2).....	5,850	1,584	4,266	28	643	302	2,547

Reasons for Terminations	Korean Conflict		Vietnam Era		Persian Gulf		Peacetime
	Service-Connected	Nonservice-Connected	Service-Connected	Nonservice-Connected	Service-Connected	Nonservice-Connected	Service-Connected
<b>Disability--total.....</b>	6,125	14,369	9,827	8,711	2,088	60	8,059
Death of a veteran.....	5,917	7,328	8,798	3,314	479	19	6,325
Disability less than 10 percent.....	--	--	12	--	59	--	57
Disability less than permanent and total.....	--	1	--	16	--	1	--
Estate in excess of \$1,500.....	4	9	6	3	1	--	6
Excessive corpus of estate.....	--	29	--	10	--	--	--
Failure to cooperate.....	7	71	72	78	421	1	213
Income provisions.....	--	5,703	--	4,296	--	33	--
Person entitled is incarcerated.....	--	24	1	99	--	--	3
Veterans on active duty or in receipt of retirement pay.....	15	1	160	--	216	--	159
Failure to return questionnaire.....	--	106	--	82	--	--	--
Miscellaneous (2).....	182	1,097	778	813	912	6	1,296
<b>Death--total.....</b>	1,966	8,178	5,059	4,248	300	42	2,848
Death of payee.....	1,659	838	1,794	281	15	--	1,501
Dependency not established or discontinued.....	98	763	1,983	1,947	116	7	810
Excessive corpus of estate.....	--	13	--	5	--	--	--
Income provisions.....	6	5,539	83	1,396	21	27	56
Payee incarcerated.....	--	14	1	18	--	--	1
Person entitled (surviving spouse, child, or parent) married.....	65	223	352	178	97	2	192
Failure to return questionnaire.....	14	91	37	49	2	1	16
Miscellaneous (2).....	124	697	809	374	49	5	272

(1) Includes all wartime periods prior to World War I. Disability includes 7 nonservice-connected veterans. Death includes 7 service-connected and 245 nonservice-connected veterans.

(2) Includes temporary terminations.

Note: Detail may not add to totals due to rounding.

Table 49 -- Disability: Class of Dependent and Period of Service--September 30, 1996

Class of Dependent	Total		World War I and Earlier <sup>(1)</sup>		World War II		Korean Conflict	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Veteran recipients--total.....	2,252,980	\$988,433,200	403	\$238,900	654,611	\$270,468,800	186,696	\$93,805,700
Veterans less than 30 percent disabled (no dependency benefit).....	1,272,983	\$146,411,300	174	\$27,000	359,784	\$40,221,200	97,169	\$11,028,800
Veterans 30 percent or more disabled.....	979,997	\$842,021,900	229	\$211,900	294,827	\$230,247,600	89,527	\$82,776,900
Without dependents.....	308,100	\$245,350,300	162	\$144,700	99,379	\$70,729,000	28,813	\$24,656,800
With dependents.....	671,897	\$596,671,600	67	\$67,100	195,448	\$159,518,500	60,714	\$58,120,100
Spouse only.....	456,643	\$398,305,400	64	\$66,000	189,926	\$154,125,100	55,967	\$52,775,500
Spouse, child or children.....	168,454	\$152,165,000	3	\$1,200	4,277	\$4,097,500	3,565	\$3,836,600
Spouse, child or children, and parent or parents.....	970	\$1,616,400	--	--	13	\$10,700	24	\$46,000
Spouse, parent or parents.....	866	\$1,402,300	--	--	72	\$87,800	136	\$233,000
Child or children only.....	42,098	\$38,182,200	--	--	1,021	\$986,200	821	\$847,800
Child or children, and parent or parents.....	372	\$590,300	--	--	1	\$1,000	3	\$3,100
Parent or parents only.....	2,494	\$4,409,900	--	--	138	\$210,100	198	\$378,100
Total dependents on whose account additional compensation was being paid.....	1,006,382	--	74	--	200,947	--	65,956	--
Spouse.....	626,933	--	67	--	194,288	--	59,692	--
Children.....	374,219	--	7	--	6,429	--	5,886	--
Parents.....	5,230	--	--	--	230	--	378	--

	Vietnam Era		Persian Gulf		Peacetime	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Veteran recipients--total.....	713,667	\$375,721,800	168,247	\$45,127,000	529,356	\$203,071,000
Veterans less than 30 percent disabled (no dependency benefit).....	352,925	\$41,284,400	117,283	\$13,790,500	345,648	\$40,059,400
Veterans 30 percent or more disabled.....	360,742	\$334,437,400	50,964	\$31,336,500	183,708	\$163,011,600
Without dependents.....	99,665	\$87,484,300	16,338	\$9,125,000	63,743	\$53,210,500
With dependents.....	261,077	\$246,953,100	34,626	\$22,211,600	119,965	\$109,801,100
Spouse only.....	139,637	\$128,112,300	9,363	\$5,621,400	61,686	\$57,605,100
Spouse, child or children.....	95,326	\$91,395,300	20,625	\$13,666,500	44,658	\$39,168,000
Spouse, child or children, and parent or parents.....	668	\$1,145,000	40	\$40,000	225	\$374,800
Spouse, parent or parents.....	459	\$778,900	28	\$30,400	171	\$272,300
Child or children only.....	23,427	\$22,796,800	4,480	\$2,771,400	12,349	\$10,779,900
Child or children, and parent or parents.....	229	\$355,000	24	\$21,700	115	\$209,500
Parent or parents only.....	1,331	\$2,369,800	66	\$60,300	761	\$1,391,600
Total dependents on whose account additional compensation was being paid.....	444,291	--	77,713	--	217,401	--
Spouse.....	236,090	--	30,056	--	106,740	--
Children.....	205,184	--	47,479	--	109,234	--
Parents.....	3,017	--	178	--	1,427	--

(1) Includes 11 Mexican Border service-connected veterans.

Note: Includes special monthly compensation, where applicable. All Numbers and Monthly Values as of September 30, 1996. Detail may not add to totals due to rounding.

**COMPENSATION**

**Table 50 -- Death: Class of Beneficiary by Period of Service -- September 30, 1996**

Class of Beneficiary	Total		World War I and Earlier <sup>(1)</sup>		World War II		Korean Conflict
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value	Number
Cases--total.....	305,655	\$257,950,700	5,783	\$5,052,500	123,487	\$103,553,300	37,135
Compensation.....	4,640	386,400	1	100	2,565	219,800	1,803
Dependency and indemnity compensation.....	300,808	257,379,100	5,782	5,052,400	120,807	103,230,000	35,257
Dependency and indemnity compensation, and compensation.....	207	185,200	--	--	115	103,500	75
Surviving spouse alone.....	261,741	229,917,600	5,239	4,707,200	115,342	99,358,300	32,768
Surviving spouse and children.....	15,685	18,403,800	53	69,700	1,802	2,161,100	725
Surviving spouse, children, and mother.....	247	331,100	--	--	2	3,800	--
Surviving spouse, children, and father.....	30	41,100	--	--	--	--	--
Surviving spouse, children, mother, and father.....	42	57,900	--	--	--	--	--
Surviving spouse and mother.....	1,829	1,846,600	--	--	244	238,200	154
Surviving spouse and father.....	144	140,300	--	--	14	12,300	13
Surviving spouse, mother, and father.....	116	114,300	--	--	3	2,300	4
Children alone.....	8,555	3,973,900	489	275,200	1,596	851,500	475
Children and mother.....	188	117,300	--	--	3	2,200	4
Children and father.....	21	12,300	--	--	--	--	--
Children, mother, and father.....	24	14,300	--	--	--	--	--
Mother alone.....	15,127	2,667,900	2	400	4,251	870,200	2,760
Father alone.....	998	165,900	--	--	197	45,700	162
Mother and father.....	908	146,500	--	--	33	7,700	70
Survivors--total.....	335,316	--	5,873	--	125,899	--	38,277
Surviving spouses.....	279,823	--	5,292	--	117,399	--	33,664
Children.....	34,730	--	579	--	3,717	--	1,372
Mothers.....	18,481	--	2	--	4,536	--	2,992
Fathers.....	2,282	--	--	--	247	--	249

Class of Beneficiary	Vietnam Era		Persian Gulf		Peacetime	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Cases--total.....	91,032	\$76,616,700	3,983	\$3,796,800	44,235	\$37,368,700
Compensation.....	4	300	--	--	267	20,900
Dependency and indemnity compensation.....	91,025	76,613,600	3,983	3,796,800	43,954	37,334,800
Dependency and indemnity compensation, and compensation.....	3	2,800	--	--	14	13,100
Surviving spouse alone.....	73,598	65,265,500	1,000	825,500	33,794	29,994,000
Surviving spouse and children.....	6,736	7,836,200	2,111	2,537,300	4,258	4,916,500
Surviving spouse, children, and mother.....	72	92,800	59	80,600	114	153,900
Surviving spouse, children, and father.....	7	10,600	9	11,500	14	19,100
Surviving spouse, children, mother, and father.....	12	17,100	13	19,000	17	21,900
Surviving spouse and mother.....	1,031	1,045,100	16	16,700	384	392,000
Surviving spouse and father.....	83	80,600	3	2,800	31	31,800
Surviving spouse, mother, and father.....	86	83,000	3	3,300	20	21,800
Children alone.....	2,539	1,101,700	597	255,000	2,859	1,234,200
Children and mother.....	65	39,200	18	12,400	98	60,800
Children and father.....	6	4,100	4	2,400	11	5,800
Children, mother, and father.....	4	2,500	5	2,300	15	9,500
Mother alone.....	5,753	890,900	110	21,300	2,251	439,300
Father alone.....	442	63,500	14	1,900	183	30,400
Mother and father.....	598	84,100	21	4,900	186	37,600
Survivors--total.....	103,801	--	8,637	--	52,829	--
Surviving spouses.....	81,625	--	3,214	--	38,629	--
Children.....	13,316	--	5,106	--	10,640	--
Mothers.....	7,622	--	245	--	3,084	--
Fathers.....	1,238	--	72	--	476	--

<sup>(1)</sup> Includes 20 from the Spanish-American War, Mexican Border Service, and Civil War periods.

Note: All Numbers and Monthly Values are as of September 30, 1996. Detail may not add to totals due to rounding.

**Table 51 -- Disability: Degree of Impairment and Type of Major Disability  
by Period of Service -- September 30, 1996**

Degree of Impairment	TOTAL		Psychiatric and Neurological Diseases		General Medical and Surgical Conditions <sup>(1)</sup>	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Total -- all periods.....	2,252,980	\$988,434,700	430,148	\$356,410,000	1,822,832	\$632,024,800
Zero percent (statutory award).....	17,924	1,201,200	.....	.....	17,924	1,201,200
10 percent.....	885,114	80,859,500	108,356	9,859,500	776,758	71,000,000
20 percent.....	368,502	64,230,500	23,955	4,172,100	344,547	60,058,400
30 percent.....	310,288	91,596,300	69,641	20,338,000	240,647	71,258,300
40 percent.....	185,907	78,921,700	27,626	11,645,100	158,281	67,276,600
50 percent.....	109,575	65,704,400	39,828	23,612,500	69,747	42,091,900
60 percent.....	108,067	108,625,300	19,991	17,929,200	88,076	90,696,100
70 percent.....	61,660	78,433,200	22,534	27,823,300	39,126	50,609,900
80 percent.....	38,859	59,354,300	11,814	18,678,100	27,045	40,676,200
90 percent.....	17,500	30,019,100	5,247	9,289,400	12,253	20,729,700
100 percent.....	149,584	329,489,300	101,156	213,062,800	48,428	116,426,500
World War I (2).....	403	\$238,900	72	\$67,000	331	\$171,900
Zero percent (statutory award).....	3	200	.....	.....	3	200
10 percent.....	83	8,600	6	700	77	7,900
20 percent.....	88	18,200	10	2,100	78	16,100
30 percent.....	57	16,600	10	3,100	47	13,500
40 percent.....	30	12,700	2	800	28	11,900
50 percent.....	27	16,200	10	5,800	17	10,400
60 percent.....	36	36,800	2	1,400	34	35,400
70 percent.....	14	15,700	7	7,200	7	8,500
80 percent.....	16	21,500	3	3,200	13	18,300
90 percent.....	6	8,900	.....	.....	6	8,900
100 percent.....	43	83,500	22	42,600	21	40,900
World War II.....	654,611	\$270,470,300	146,186	\$93,599,300	508,425	\$176,871,000
Zero percent (statutory award).....	9,150	608,500	.....	.....	9,150	608,500
10 percent.....	256,638	23,334,400	48,231	4,379,200	208,407	18,955,200
20 percent.....	93,666	16,249,100	7,517	1,304,700	86,149	14,944,400
30 percent.....	97,612	27,871,500	27,119	7,725,600	70,493	20,145,900
40 percent.....	54,958	22,516,300	9,200	3,754,100	45,758	18,762,200
50 percent.....	35,624	20,805,200	13,108	7,615,300	22,516	13,189,900
60 percent.....	36,337	37,313,300	6,757	6,066,900	29,580	31,246,400
70 percent.....	19,723	24,982,200	7,142	9,167,100	12,581	15,815,100
80 percent.....	12,869	18,798,100	3,574	5,461,900	9,295	13,336,200
90 percent.....	5,350	8,868,900	1,360	2,313,700	3,990	6,555,200
100 percent.....	32,684	69,122,700	22,178	45,810,800	10,506	23,311,900
Korean Conflict.....	186,696	\$93,805,700	33,699	\$34,163,700	152,997	\$59,642,000
Zero percent (statutory award).....	5,356	359,700	.....	.....	5,356	359,700
10 percent.....	64,108	5,866,100	6,844	623,200	57,264	5,242,900
20 percent.....	27,373	4,777,600	1,398	243,700	25,975	4,533,900
30 percent.....	26,294	7,567,200	4,765	1,364,700	21,529	6,202,500
40 percent.....	15,891	6,623,600	1,959	811,400	13,932	5,812,200
50 percent.....	9,495	5,611,600	2,989	1,750,600	6,506	3,861,000
60 percent.....	11,292	12,398,300	1,785	1,739,300	9,507	10,659,000
70 percent.....	6,301	8,400,900	2,044	2,625,600	4,257	5,775,300
80 percent.....	3,936	6,113,100	1,133	1,809,200	2,803	4,303,900
90 percent.....	1,753	2,996,000	473	829,100	1,280	2,166,900
100 percent.....	14,897	33,091,600	10,309	22,367,000	4,588	10,724,600

See footnotes at end of table.

COMPENSATION

TABLE 51

Table 51 (continued) -- Disability: Degree of Impairment and Type of Major Disability by Period of Service -- September 30, 1996

Degree of Impairment	TOTAL		Psychiatric and Neurological Diseases		General Medical and Surgical Conditions <sup>(1)</sup>	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Vietnam Era.....	713,667	\$375,721,800	153,259	\$150,991,000	560,408	\$224,730,900
Zero percent (statutory award).....	895	61,600	.....	.....	895	61,600
10 percent.....	243,276	22,255,300	27,643	2,520,200	215,633	19,735,200
20 percent.....	108,540	18,944,300	6,622	1,155,600	101,918	17,788,700
30 percent.....	104,402	31,590,900	23,716	7,106,800	80,686	24,484,100
40 percent.....	66,104	28,601,200	9,484	4,089,000	56,620	24,512,200
50 percent.....	40,367	24,610,500	15,550	9,375,200	24,817	15,235,300
60 percent.....	36,593	35,464,200	7,500	6,564,700	29,093	28,899,500
70 percent.....	23,977	30,613,600	9,121	11,100,400	14,856	19,513,200
80 percent.....	15,190	23,900,200	4,923	7,990,400	10,267	15,909,800
90 percent.....	7,393	12,957,500	2,381	4,322,600	5,012	8,634,900
100 percent.....	66,930	146,722,600	46,319	96,766,100	20,611	49,956,500
Persian Gulf.....	168,247	\$45,127,000	19,758	\$9,863,400	148,489	\$35,263,600
Zero percent (statutory award).....	97	7,100	.....	.....	97	7,100
10 percent.....	80,119	7,326,800	5,909	539,100	74,210	6,787,700
20 percent.....	36,943	6,446,900	2,587	451,000	34,356	5,995,900
30 percent.....	21,792	6,621,600	3,535	1,054,600	18,257	5,567,000
40 percent.....	13,062	5,715,800	2,338	1,005,300	10,724	4,710,500
50 percent.....	5,427	3,351,000	1,616	967,700	3,811	2,383,300
60 percent.....	4,257	3,560,500	1,015	823,000	3,242	2,737,500
70 percent.....	1,791	2,016,800	590	663,400	1,201	1,353,400
80 percent.....	988	1,392,500	376	552,000	612	840,500
90 percent.....	392	649,500	190	325,100	202	324,400
100 percent.....	3,379	8,038,400	1,602	3,482,200	1,777	4,556,200
Peacetime.....	529,356	\$203,071,000	77,174	\$67,725,600	452,182	\$135,345,400
Zero percent (statutory award).....	2,423	164,000	.....	.....	2,423	164,000
10 percent.....	240,890	22,068,200	19,723	1,797,100	221,167	20,271,100
20 percent.....	101,892	17,794,500	5,821	1,015,100	96,071	16,779,400
30 percent.....	60,131	17,928,400	10,496	3,083,300	49,635	14,845,100
40 percent.....	35,862	15,452,100	4,643	1,984,500	31,219	13,467,600
50 percent.....	18,635	11,309,800	6,555	3,898,000	12,080	7,411,800
60 percent.....	19,552	19,852,200	2,932	2,733,900	16,620	17,118,300
70 percent.....	9,854	12,404,000	3,630	4,259,500	6,224	8,144,500
80 percent.....	5,860	9,128,900	1,805	2,861,400	4,055	6,267,500
90 percent.....	2,606	4,538,200	843	1,498,800	1,763	3,039,400
100 percent.....	31,651	72,430,500	20,726	44,594,200	10,925	27,836,300

(1) Includes tuberculosis (lung and pleura).

(2) Includes 11 Mexican Border Service-connected Veterans and excludes 3 Retired Emergency Officers.

Note: Includes special monthly compensation, allowance to dependents, unemployables receiving compensation at the 100 percent rate but appearing as less than totally impaired (60%-90%), and other special awards, where applicable. All Numbers and Monthly Values are as of September 30, 1996. Detail may not add to total due to rounding.

**Table 52 -- Disability: Type of Major Disability and Pension by Period of Service--September 30, 1996**

Type of Disability and Pension	Total		World War I & Earlier <sup>(1)</sup>		World War II	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Cases--total.....	418,043	\$173,304,200	1,465	\$729,900	247,677	\$84,715,100
Type of disability						
Psychiatric and neurological diseases.....	117,798	54,832,300	391	245,000	61,231	25,732,300
Psychoses.....	32,010	14,287,700	21	10,500	11,573	4,570,700
Other psychiatric and neurological diseases.....	85,788	40,544,500	370	234,500	49,658	21,161,600
General medical and surgical conditions (2).....	230,610	99,636,700	718	346,500	118,732	40,728,400
Considered permanently and totally disabled at age 65.....	69,635	18,835,200	356	138,400	67,714	18,254,400
Type of pension						
P.L. 95-588.....	372,094	167,061,500	1,180	698,000	211,147	79,799,700
Sec. 306.....	45,365	6,192,800	239	28,300	36,080	4,876,500
Old Law.....	584	49,800	46	3,500	450	38,900

Type of Disability and Pension	Korean Conflict		Vietnam Era		Persian Gulf	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Cases--total.....	98,126	\$44,259,400	70,399	\$43,369,400	376	\$230,400
Type of disability						
Psychiatric and neurological diseases.....	29,478	13,870,700	26,595	14,926,300	103	58,000
Psychoses.....	8,544	3,715,500	11,838	5,974,500	34	16,600
Other psychiatric and neurological diseases.....	20,934	10,155,200	14,757	8,951,800	69	41,500
General medical and surgical conditions (2).....	67,222	29,994,400	43,666	28,395,300	272	172,100
Considered permanently and totally disabled at age 65.....	1,426	394,300	138	47,800	1	300
Type of pension						
P.L. 95-588.....	90,530	43,202,400	68,861	43,130,900	376	230,400
Sec. 306.....	7,508	1,049,600	1,538	238,400	--	--
Old Law.....	88	7,400	--	--	--	--

(1) Includes 13 nonservice-connected Mexican Border Service veterans.

Note: Detail may not add to totals due to rounding.

(2) Includes tuberculosis (lungs and pleura).

**Table 53 -- Death: Class of Beneficiary by Period of Service--September 30, 1996**

Class of Beneficiary	Total		World War I & Earlier <sup>(1)</sup>		World War II	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Cases--total.....	331,577	\$63,270,200	68,149	\$10,052,300	211,035	\$35,882,600
Surviving spouse alone.....	301,666	58,585,200	60,826	9,285,400	194,673	33,658,400
Surviving spouse and children.....	9,775	3,098,400	859	268,100	5,286	1,379,900
Children alone.....	20,136	1,586,600	6,464	498,800	11,076	844,400
Dependents--total.....	345,269	--	69,340	--	217,651	--
Surviving spouses.....	311,440	--	61,685	--	199,959	--
Children.....	33,829	--	7,655	--	17,692	--

Class of Beneficiary	Korean Conflict		Vietnam Era		Persian Gulf	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Cases--total.....	38,109	\$11,944,100	14,208	\$5,363,100	76	\$28,200
Surviving spouse alone.....	34,966	11,258,100	11,163	4,368,900	38	14,400
Surviving spouse and children.....	1,477	550,900	2,121	887,100	32	12,400
Children alone.....	1,666	135,100	924	107,000	6	1,300
Dependents--total.....	40,106	--	18,030	--	142	--
Surviving spouses.....	36,443	--	13,283	--	70	--
Children.....	3,663	--	4,747	--	72	--

(1) Includes the Spanish-American War, Mexican Border Service, Indian Wars, and the Civil War periods.

Note: All Number and Monthly Values are as of September 30, 1996. Detail may not add to total due to rounding.

**Table 54 -- National Cemeteries Location, Interments, and Status of Gravesites  
September 30, 1996**

National Cemetery	FY 1996 Interments	Gravesites			Available Sites		FY Depletion Date for Full-Casket Gravesites <sup>(4)</sup>
		Used Cumulative <sup>(1)</sup>	Reserved	Set-Aside (Adjacent)	Cremains <sup>(2)</sup>	Casket <sup>(3)</sup>	
Total:.....	71,786	2,147,739	43,850	38,865	48,910	311,042	
Alabama: Ft. Mitchell.....	298	2,220	--	--	420	3,479	2030+
Mobile.....	13	3,737	179	--	36	6	1963
Alaska: Ft. Richardson.....	154	2,621	--	--	81	413	2030+
Sitka.....	24	835	1	--	47	223	2018
Arizona: NMCA.....	2,097	19,815	5	2	1,804	2,765	2030+
Prescott.....	6	2,966	--	--	--	--	1974
Arkansas: Fayetteville.....	143	4,856	41	1	55	139	2014
Ft. Smith.....	345	8,468	133	--	19	446	2015
Little Rock.....	433	20,699	188	--	158	929	2001
California: Ft. Rosecrans.....	1,867	57,142	1,429	--	1,958	--	1966
Golden Gate.....	833	110,205	4,930	--	11	228	1967
Los Angeles.....	479	75,672	--	--	9	--	1976
Riverside.....	6,517	84,183	--	5,541	4,268	42,817	2011
San Francisco.....	103	26,338	360	--	--	--	1962
San Joaquin Valley.....	1,868	5,636	--	--	1,158	14,739	2030+
Colorado: Ft. Logan.....	2,579	49,703	507	12	935	8,540	2023
Ft. Lyon.....	67	1,518	--	--	--	585	2030+
Florida: Barrancas.....	867	21,266	415	994	633	3,848	2004
Bay Pines.....	958	13,198	--	843	1,684	--	1987
Florida.....	4,203	22,516	--	2	3,817	2,002	2020
St. Augustine.....	2	1,227	13	--	11	--	1949
Georgia: Marietta.....	144	17,009	240	--	10	40	1978
Hawaii: NMCP.....	672	35,915	524	--	2,674	1	1991
Illinois: Alton.....	--	510	30	--	8	1	1961
Camp Butler.....	512	13,025	187	2	290	2,465	2003
Danville.....	221	8,043	--	--	120	7,091	2030+
Mound City.....	46	7,314	44	--	33	486	2014
Quincy.....	1	562	1	--	31	--	1994
Rock Island.....	546	16,405	135	922	63	818	2008
Indiana: Crown Hill.....	--	795	--	--	--	--	1959
Marion.....	148	6,392	--	--	5	3,714	2028
New Albany.....	35	6,041	95	--	89	--	1991
Iowa: Keokuk.....	102	3,399	31	--	169	1,910	2030+
Kansas: Ft. Leavenworth.....	133	18,986	398	5	1,243	29	1982
Ft. Scott.....	147	3,934	24	106	23	1,503	2030+
Leavenworth.....	802	22,447	--	--	868	1,836	2015
Kentucky: Camp Nelson.....	270	8,720	48	--	221	601	2027
Cave Hill.....	58	5,720	3	--	15	--	1939
Danville.....	--	393	1	--	--	--	1952
Lebanon.....	138	2,759	21	--	44	958	2004
Lexington.....	--	1,389	--	--	--	--	1932
Mill Springs.....	58	2,260	21	--	42	352	2022
Zachary Taylor.....	75	11,007	478	--	--	--	1989
Louisiana: Alexandria.....	28	7,697	105	--	43	1	1995
Baton Rouge.....	4	5,071	22	--	262	2	1960
Port Hudson.....	236	8,494	23	--	48	256	2020
Maine: Togus.....	--	5,371	--	--	--	--	1961
Maryland: Annapolis.....	1	2,937	20	--	14	--	1961
Baltimore.....	324	35,587	2,139	--	513	39	1970
Loudon Park.....	3	6,496	--	--	--	--	1970
Massachusetts: Massachusetts.....	1,926	18,785	--	2,722	252	3,608	2030+
Michigan: Ft. Custer.....	1,034	9,010	16	826	543	2,145	2030+
Minnesota: Ft. Snelling.....	4,031	114,337	8,681	3,453	1,918	13,120	2025
Mississippi: Biloxi.....	615	8,627	444	676	265	3,447	2015
Corinth.....	35	6,628	13	--	38	6,836	2030+
Natchez.....	108	5,833	22	--	36	500	2000
Missouri: Jefferson Barracks.....	3,783	100,643	1,185	9	132	8,081	2002
Jefferson City.....	4	1,621	34	--	--	1	1969
Springfield.....	127	10,919	109	--	--	1	1995

See footnotes at end of table.

TABLE 54

## CEMETERIES AND MEMORIALS

Table 54 (continued) -- National Cemeteries Location, Interments, and Status of Gravesites  
September 30, 1996

National Cemetery	FY 1996 Interments	Gravesites			Available Sites		FY Depletion Date for Full-Casket Gravesites <sup>(4)</sup>
		Used Cumulative <sup>1</sup>	Reserved	Set-Aside (Adjacent)	Cremains <sup>2</sup>	Casket <sup>3</sup>	
Nebraska: Ft. McPherson.....	209	5,363	37	--	157	426	2019
New Jersey: Beverly.....	398	39,629	2,419	--	4	2	1966
Finn's Point.....	8	2,749	--	--	104	--	1963
New Mexico: Ft. Bayard.....	89	2,686	--	--	15	2,038	2027
Santa Fe.....	1,203	23,693	282	8	478	183	2001
New York: Bath.....	204	11,068	--	--	353	3,638	2017
Calverton.....	7,349	113,113	--	20,741	5,888	71,120	2024
Cypress Hills.....	5	18,587	48	--	48	2	1954
Long Island.....	2,337	239,707	9,612	--	409	--	1978
Woodlawn.....	130	7,130	140	--	207	462	2000
North Carolina: New Bern.....	29	6,722	67	--	--	3	1992
Raleigh.....	54	5,205	59	153	22	10	1990
Salisbury.....	306	16,962	45	--	23	139	1999
Wilmington.....	25	5,128	43	--	--	--	1987
Ohio: Dayton.....	763	33,221	1	6	73	1,014	2018
Oklahoma: Ft. Gibson.....	448	11,895	67	--	207	4,337	2030+
Oregon: Eagle Point.....	542	5,989	--	--	1,141	2,018	2030+
Roseburg.....	10	2,423	--	--	1	1	1981
Willamette.....	3,270	83,289	1,374	2	5,239	6,971	2017
Pennsylvania: Indiantown Gap.....	1,276	11,345	--	--	116	2,102	2030+
Philadelphia.....	46	10,527	28	--	67	--	1962
Puerto Rico: Puerto Rico.....	1,444	26,053	903	1	749	6,297	2020
South Carolina: Beaufort.....	296	14,322	132	--	254	2,365	2008
Florence.....	197	6,233	42	--	14	246	2030+
South Dakota: Black Hills.....	512	11,503	300	--	216	1,140	2030+
Ft. Meade.....	--	188	--	--	--	--	1948
Hot Springs.....	--	1,481	--	--	--	1	1964
Tennessee: Chattanooga.....	810	31,318	309	--	177	9,892	2017
Knoxville.....	26	8,167	120	--	108	4	1990
Memphis.....	221	36,142	357	--	372	1	1992
Mountain Home.....	271	8,936	--	--	306	503	2020
Nashville.....	155	30,840	293	939	116	--	1993
Texas: Ft. Bliss.....	1,142	26,849	950	1	606	6,997	2005
Ft. Sam Houston.....	3,086	68,098	2,261	--	99	2,881	1998
Houston.....	2,075	34,269	28	--	493	1,170	2030+
Kerrville.....	--	461	--	--	--	--	1957
San Antonio.....	--	3,010	23	--	24	293	1961
Virginia: Alexandria.....	6	4,071	22	--	79	--	1967
Balls Bluff.....	--	25	--	--	--	--	1889
City Point.....	10	5,539	58	--	--	1	1971
Cold Harbor.....	2	977	--	--	6	--	1970
Culpeper.....	229	7,019	10	--	8	1,718	2007
Danville.....	2	2,160	20	--	26	1	1970
Ft. Harrison.....	4	1,114	2	--	41	--	1967
Glendale.....	8	1,302	--	--	20	--	1970
Hampton (VAMC).....	--	22	--	--	--	--	1899
Hampton.....	187	25,236	297	898	18	1	1993
Quantico.....	1,037	9,252	--	--	2,995	40,782	2030+
Richmond.....	22	7,381	143	--	51	--	1963
Seven Pines.....	2	1,138	--	--	4	--	1964
Staunton.....	1	848	4	--	4	--	1983
Winchester.....	19	5,134	25	--	34	1	1969
West Virginia: Grafton.....	--	2,096	34	--	--	2	1961
West Virginia.....	159	1,046	--	--	--	1,239	2027
Wisconsin: Wood.....	939	33,176	--	--	422	40	1997

(1) Includes all types of gravesites including columbaria niches.

(2) In-ground sites suitable for cremated remains and columbaria niches.

(3) Full-casket gravesites available in developed acreage. Excludes reserved and adjacent gravesites set aside.

(4) Cemeteries indicated as depleted may continue to inter eligible family members in already occupied gravesites, previously reserved gravesites, and gravesites previously reserved for cremated remains in gravesites suitable for cremated remains.

Note: Data calculation includes potential sites in undeveloped acreage.

**Table 55 -- Net Outlays -- Fiscal Year 1996 and Fiscal Year 1995**  
(In thousands)

<i>Outlays</i>	<i>Fiscal Year 1996</i>	<i>Fiscal Year 1995</i>
<b>Total.....</b>	<b>\$36,768,130</b>	<b>\$37,509,626</b>
<b>Total Medical Programs.....</b>	<b>\$16,503,995</b>	<b>\$16,430,595</b>
Medical Care.....	\$16,047,971	\$15,933,197
Medical Care Cost Recovery Fund.....	\$108,701	\$101,958
Medical and Prosthetic Research.....	\$232,109	\$251,101
Medical Administration and Miscellaneous Operating Expenses.....	\$56,697	\$70,838
Medical Facilities Revolving Fund.....	(\$526)	(\$3,771)
Grants for Construction of State Extended Care Facilities.....	\$57,156	\$64,142
Grants to the Republic of the Philippines.....	\$377	\$329
Assistance for Health Manpower Training Institutions.....	--	--
Canteen Service Revolving Fund.....	(\$2,119)	\$3,070
Special Therapeutic and Rehabilitative Activities Fund.....	(\$2,734)	(\$3,202)
Nursing Home Revolving Fund.....	--	--
Nursing Scholarship Program.....	\$6,363	\$12,932
<b>Total Benefits Programs.....</b>	<b>\$18,355,492</b>	<b>\$19,277,591</b>
Compensation.....	\$13,221,016	\$13,812,772
Pension.....	\$3,777,433	\$3,946,506
Burial Benefits & Miscellaneous Assistance.....	\$171,702	\$179,387
Emergency Veterans Job Training.....	\$2	(\$21)
Readjustment Benefits.....	\$1,212,385	\$1,191,147
Reinstated Entitlement Program for Survivors.....	(\$2,057)	\$9,237
Loan Guaranty Credit Reform Accounts.....	(\$13,761)	\$191,756
Vocational Rehabilitation Credit Reform Accounts.....	\$581	\$877
Direct Loan Credit Reform Accounts.....	(\$3,632)	(\$3,384)
Guaranty Indemnity Credit Reform Accounts.....	(\$62,846)	(\$116,778)
Education Loan Credit Reform Accounts.....	(\$300)	(\$510)
Veterans Insurance and Indemnities.....	\$42,773	\$36,793
Service-Disabled Veterans Insurance Fund.....	(\$3,188)	\$2,342
Veterans Reopened Insurance Fund.....	\$1,189	(\$1,751)
Servicemen's Group Life Insurance Fund.....	\$8,473	\$22,591
Native American Veteran Housing Loan Program.....	\$5,724	\$6,627
<b>Construction Programs.....</b>	<b>\$637,958</b>	<b>\$573,666</b>
Construction, Major Projects.....	\$477,779	\$431,342
Construction, Minor Projects.....	\$146,715	\$132,822
Construction, Minor Projects (Corps of Engineers).....	--	--
Parking Garage Revolving Fund.....	\$13,509	\$9,314
Pershing Hall Revolving Fund.....	(\$45)	\$189
<b>Trust Funds (Net).....</b>	<b>\$342,631</b>	<b>\$297,987</b>
Post-Vietnam Era Veterans Education.....	\$42,711	\$58,143
General Post Fund.....	\$23,963	\$26,592
National Service Life Insurance Fund.....	\$1,240,346	\$1,249,489
U.S. Government Life Insurance Fund.....	\$15,007	\$17,997
Veterans Special Life Insurance Fund.....	(\$34,042)	(\$36,918)
National Cemetery Gift Fund.....	\$54	\$39
Transitional Housing Loan Program.....	--	--
Proprietary Receipts from the Public.....	(\$945,408)	(\$1,017,355)
<b>Intragovernmental Transactions.....</b>	<b>(\$20,570)</b>	<b>(\$26,651)</b>
<b>General Operating Expenses and Miscellaneous.....</b>	<b>\$948,624</b>	<b>\$956,439</b>
General Operating Expenses.....	\$860,963	\$817,399
Grants for the Construction of State Veterans Cemeteries.....	\$2,339	\$2,582
Supply Fund.....	(\$14,357)	\$32,359
Inspector General.....	\$29,085	\$31,917
National Cemetery System.....	\$70,595	\$72,183

**Table 56 -- Appropriations, Expenditures, and Balances -- Cash Basis  
Fiscal Year 1996**

Account Categories	Appropriations	Outlays		Non-Expenditure Transfers	Restored or Turned-in to U.S. Treasury	Investments	Cash Balance
		Fiscal Year 1996	Cumulative through September 30, 1996				
<b>General and Special Funds:</b>							
Compensation and Pension.....	\$409,816,219,003	\$17,170,150,651	\$408,249,232,382	(\$72,178,031)	\$0	\$0	\$1,494,808,590
Readjustment Benefits.....	\$77,494,784,904	\$1,212,384,889	\$77,250,540,232	(\$45,411,312)	(\$111,067,172)	\$0	\$87,766,187
Veterans Insurance and Indemnities.....	\$610,926,036	\$42,772,716	\$664,188,406	\$53,996,500	\$0	\$0	\$734,130
Medical Care.....	\$235,110,801,724	\$16,047,970,726	\$230,426,453,654	(\$5,033,861)	(\$1,311,087,656)	\$0	\$3,368,226,553
Medical Care Cost Recovery Fund.....	\$497,761,085	\$108,701,109	\$460,446,925	\$0	\$0	\$0	\$37,314,161
Medical and Prosthetic Research.....	\$4,577,960,242	\$232,108,957	\$4,465,085,143	\$21,000,000	(\$27,549,063)	\$0	\$106,326,036
Assistance for Health Manpower Training Institutions.....	\$296,693,000	\$0	\$295,848,182	\$0	(\$844,818)	\$0	\$0
Medical Administration and Miscellaneous Operating Expenses.....	\$1,617,357,633	\$56,697,053	\$1,548,449,737	(\$1,700,000)	(\$52,302,664)	\$0	\$14,905,232
General Operating Expenses.....	\$20,029,100,101	\$860,963,016	\$19,680,664,124	\$33,520,000	(\$222,016,716)	\$0	159939260.3
Construction of Hospital and Domiciliary Facilities.....	\$1,042,596,863	\$0	\$1,032,915,863	(\$9,681,000)	\$0	\$0	\$0
Construction, Major Projects.....	\$8,918,549,460	\$477,779,143	\$7,696,146,975	\$22,214,760	\$0	\$0	\$1,244,617,245
Construction, Minor Projects.....	\$2,874,884,394	\$146,715,331	\$2,575,615,293	(\$69,264,557)	(\$4,000)	\$0	230000544
Construction, Minor Projects (Corps of Engineers).....	\$0	\$0	\$2,126,796	\$2,126,796	\$0	\$0	\$0
Pershing Hall Revolving Fund.....	\$1,000,000	(\$44,933)	\$1,002,147	\$298,140	\$0	\$0	\$295,993
Grants for Construction of State Extended Care Facilities.....	\$721,304,090	\$57,155,652	\$591,104,853	\$0	(\$5,547,812)	\$0	\$124,651,425
Grants to the Republic of the Philippines.....	\$59,763,031	\$376,679	\$45,747,218	\$0	(\$13,405,774)	\$0	\$610,040
Grants for Construction of State Veterans Cemeteries.....	\$62,400,949	\$2,338,818	\$38,499,367	\$0	(\$5,755,015)	\$0	\$18,146,568
Parking Garage Revolving Fund.....	\$144,548,624	\$13,508,511	\$105,234,037	\$4,000,000	\$0	\$0	\$43,314,587
Loan Guaranty Credit Reform Accounts.....	\$4,468,442,742	(\$13,760,933)	\$6,674,099,831	3,362,291,110	\$0	\$0	\$1,156,634,021
Direct Loan Credit Reform Accounts.....	\$3,469,401,504	(\$3,632,092)	(\$1,316,825,735)	(4,784,424,817)	\$0	\$0	\$1,802,422
Canteen Service Revolving Fund.....	\$4,646,000	(\$2,118,663)	(\$49,789,464)	\$0	(\$12,068,086)	\$42,000,000	\$367,378
Rental, Maintenance and Repair of Quarters.....	\$0	\$0	(\$97,127)	\$0	(\$97,127)	\$0	\$0
Service-Disabled Veterans Insurance Fund.....	\$4,500,000	(\$3,188,471)	(\$6,862,439)	\$0	\$0	\$0	\$11,362,439
Soldiers' and Sailors' Civil Relief.....	\$3,528,000	\$0	\$2,011,031	(\$16,969)	(\$1,500,000)	\$0	\$0
Veterans Reopened Insurance Fund.....	\$0	\$1,189,151	(\$525,071,567)	\$0	\$0	\$524,919,000	\$152,567
Special Therapeutic and Rehabilitation Activities Fund.....	\$0	(\$2,734,153)	(\$9,574,008)	\$0	\$0	\$0	\$9,574,008
Vocational Rehabilitation Credit Reform Accounts.....	\$7,559,000	\$581,081	\$4,301,722	\$751,215	(\$1,600,000)	\$0	\$2,408,493
Education Loan Credit Reform Accounts.....	\$1,200,093	(\$300,273)	\$574,454	\$111,104	\$0	\$0	\$736,743
Servicemen's Group Life Insurance Fund.....	\$0	\$8,472,773	(\$9,830,728)	\$0	\$0	\$3,888,999	\$5,941,729
Supply Fund.....	\$129,385,000	(\$14,357,177)	(\$113,508,409)	(\$111,881,400)	(\$15,677,579)	\$0	\$115,334,430
Reinstated Entitlement Program for Survivors.....	\$51,000,000	(\$2,056,898)	\$28,601,184	\$0	(\$10,309,011)	\$0	\$12,089,805
Emergency Veterans Job Training.....	\$160,000,000	\$2,322	\$200,421,734	\$45,500,000	(\$5,078,266)	\$0	\$0
Nursing Home Revolving Fund.....	\$0	\$0	(\$380,492)	\$0	\$0	\$0	\$380,492
Nurse Scholarship Program.....	\$51,110,869	\$6,362,954	\$45,381,048	\$0	(\$750,786)	\$0	\$4,979,036
Guaranty Indemnity Credit Reform Accounts.....	\$2,895,094,767	(\$62,846,379)	(\$1,178,958,654)	(\$7,420,098)	\$0	\$0	\$4,066,633,323
Inspector General.....	\$201,386,677	\$29,084,519	\$193,880,331	\$480,000	(\$1,105,543)	\$0	\$6,880,803
National Cemetery System.....	\$353,262,000	\$70,595,035	\$339,316,477	\$0	\$0	\$0	\$13,945,523

**Table 56 (continued) -- Appropriations, Expenditures, and Balances -- Cash Basis  
Fiscal Year 1996**

Account Categories	Appropriations	Outlays		Non-expenditure Transfers	Restored or Turned in to U.S. Treasury	Investments	Cash Balance
		Fiscal Year 1996	Cumulative through September 30, 1996				
Health Professional Education							
Loan Payment Program.....	\$5,000,000	\$0	\$0	\$0	(\$5,000,000)	\$0	\$0
Native American Veteran							
Housing Loan Program.....	\$5,579,000	\$5,723,669	\$10,922,864	\$9,741,545	\$0	\$0	\$4,397,681
Medical Facilities Revolving Fund.....	\$12,000,000	(\$525,808)	(\$6,335,767)	(\$12,000,000)	\$0	\$0	\$6,335,767
Total: Appropriation and Funds.....	\$775,699,746,791	\$36,446,068,975	\$759,411,577,620	(\$1,562,980,875)	(\$1,802,767,087)	\$570,807,999	\$12,351,613,209
Deduct Proprietary receipts from the Public.....	\$0	\$705,246,352	\$0	\$0	\$0	\$0	\$0
Total: Federal Funds.....	\$775,699,746,791	\$35,740,822,623	\$759,411,577,620	(\$1,562,980,875)	(\$1,802,767,087)	\$570,807,999	\$12,351,613,209
<b>Trust Funds:</b>							
Post Vietnam Era Veterans Education.....	\$1,986,218,812	\$42,710,862	\$2,578,749,617	\$784,848,337	\$0	\$0	\$192,317,532
General Post Fund.....	\$417,950,396	\$23,962,528	\$379,653,190	\$2,885,270	(\$386)	\$39,864,894	\$1,317,196
National Service Life Insurance Fund.....	\$53,450,105,325	\$1,240,346,399	\$41,336,881,563	(\$101,444,000)	(\$89)	\$12,007,182,000	\$4,597,673
U.S. Government Life Insurance Fund.....	\$4,211,885,762	\$15,007,309	\$4,120,503,026	\$9,246,000	(\$1,811,199)	\$98,546,000	\$271,537
Veterans Special Life Insurance Fund.....	\$250,000	(\$34,042,153)	(\$1,636,501,815)	(\$51,150,000)	(\$4,250,000)	\$1,580,244,000	\$1,107,815
National Cemetery Gift Fund.....	\$361,417	\$54,086	\$243,588	\$0	\$0	\$0	\$117,829
Transitional Housing Loan Program.....	\$264,000	\$0	\$31,000	\$0	(\$172,000)	\$0	\$61,000
Sub-Total: Trust Funds.....	\$60,067,035,712	\$1,288,039,032	\$46,779,560,169	\$644,385,607	(\$6,233,674)	\$13,725,836,894	\$199,790,582
Deduct: Proprietary Receipts from the Public.....	\$0	\$240,161,167	\$0	\$0	\$0	\$0	\$0
Total Trust Funds.....	\$60,067,035,712	\$1,047,877,866	\$46,779,560,169	\$644,385,607	(\$6,233,674)	\$13,725,836,894	\$199,790,582
Deduct: Intragovernmental Transactions.....	\$0	\$20,569,513	\$0	\$0	\$0	\$0	\$0
Total: Department of Veterans Affairs.....	\$835,766,782,503	\$36,768,130,975	\$806,191,137,789	(\$918,595,268)	(\$1,809,000,761)	\$14,296,644,893	\$12,551,403,791

Table 57 -- Estimated Selected Expenditures by State <sup>(1)</sup> -- Fiscal Year 1996

State	Total of Selected Expenditures (\$000) (2)	Readjustment Benefits					
		Total Readjustment Benefits (\$000) (2)	Post-Vietnam Conflict (Chapter 32) Amount (\$000)	Education Assistance			
				Montgomery GI Bill			
				Active Duty Chapter 30		Selected Reserve Chapter 106	
				Trained During Fiscal Year	Amount (\$000)	Trained During Fiscal Year (3)	Amount (\$000)
<b>US--Total (2).....</b>	\$40,532,167	\$2,049,837	\$71,839	285,311	\$1,189,575	81,993	\$151,251
Alabama.....	826,484	47,640	1,344	6,187	27,592	2,868	5,667
Alaska.....	120,897	8,490	500	1,217	4,089	227	370
Arizona.....	764,803	52,798	1,691	8,300	33,099	1,141	1,889
Arkansas.....	634,181	20,576	402	2,332	10,083	1,438	2,713
California.....	3,673,517	189,790	7,911	30,196	126,585	5,472	9,668
Colorado.....	685,461	53,597	1,956	7,633	30,765	971	1,821
Connecticut.....	407,060	14,957	602	1,749	7,287	1,093	2,026
Delaware.....	127,051	5,667	174	664	2,463	312	496
District of Columbia.....	1,074,131	5,290	212	802	1,800	125	234
Florida.....	2,586,922	133,284	4,450	21,435	89,049	2,866	4,895
Georgia.....	1,116,408	71,224	3,109	10,578	47,486	2,097	4,181
Hawaii.....	184,080	14,308	962	2,019	7,487	641	881
Idaho.....	161,156	12,704	377	1,734	7,946	583	1,081
Illinois.....	1,407,504	71,874	1,851	12,240	49,447	4,039	7,251
Indiana.....	614,887	33,761	1,216	4,582	17,768	1,728	3,088
Iowa.....	410,031	20,638	552	2,334	10,217	1,380	2,593
Kansas.....	468,991	25,025	940	3,325	14,519	1,276	2,338
Kentucky.....	630,172	32,012	1,099	4,139	17,686	1,121	2,033
Louisiana.....	713,374	38,842	759	4,784	21,692	3,666	7,257
Maine.....	259,026	12,268	294	1,044	4,849	426	735
Maryland.....	645,787	36,083	1,981	6,298	18,167	1,541	2,526
Massachusetts.....	1,112,330	33,692	1,058	3,076	12,847	2,290	4,501
Michigan.....	1,068,736	47,236	2,445	8,355	30,666	1,816	3,085
Minnesota.....	666,780	35,798	1,058	4,101	18,608	2,355	4,750
Mississippi.....	553,337	19,561	381	2,235	10,092	1,985	3,780
Missouri.....	887,238	42,608	1,283	5,564	22,321	1,840	3,337
Montana.....	152,499	11,365	217	1,334	6,043	467	910
Nebraska.....	294,459	18,609	474	2,636	10,315	1,139	2,160
Nevada.....	257,572	13,811	522	1,772	6,169	276	389
New Hampshire.....	172,810	9,587	381	798	3,543	327	650
New Jersey.....	763,000	25,830	1,035	2,797	11,211	1,398	2,430
New Mexico.....	359,202	20,567	616	3,324	13,842	628	1,164
New York.....	2,447,210	75,374	4,062	8,253	39,796	3,069	5,715
North Carolina.....	1,142,522	71,566	2,762	10,097	46,719	1,949	3,798
North Dakota.....	103,495	10,188	196	1,127	5,360	848	1,556
Ohio.....	1,382,694	68,637	2,369	9,717	38,234	2,968	5,818
Oklahoma.....	739,154	43,985	934	5,254	20,156	1,970	3,275
Oregon.....	603,301	33,752	852	3,709	16,762	785	1,522
Pennsylvania.....	1,717,992	63,756	2,112	8,092	35,544	3,112	6,041
Rhode Island.....	180,811	7,121	258	712	2,563	476	783
South Carolina.....	593,491	39,085	1,062	5,305	22,842	1,814	3,395
South Dakota.....	210,948	12,559	257	1,050	5,656	782	1,565
Tennessee.....	1,030,952	41,335	1,282	5,677	23,896	1,481	2,706
Texas.....	2,931,858	162,448	5,114	26,088	102,880	4,602	7,864
Utah.....	258,426	16,333	457	1,770	7,420	1,374	2,666
Vermont.....	113,152	4,335	99	310	1,462	216	443
Virginia.....	1,101,722	84,885	4,013	12,263	49,466	2,257	4,169
Washington.....	907,849	79,205	2,745	9,848	44,938	1,367	2,646
West Virginia.....	463,297	15,131	231	1,364	6,500	860	1,754
Wisconsin.....	700,779	35,204	1,068	4,299	20,029	2,271	4,197
Wyoming.....	102,627	5,447	117	792	3,618	260	438

(1) Expenditures for Compensation and Pension for the 50 states and D.C. were derived from the Federal Assistance Awards Data System (FAADS) and are gross expenditures. Education expenditures come from the COIN EDU 666. Information for Insurance and Indemnities for the 50 states and D.C. are statistical estimates. All other dollar estimates are derived from VA accounting reports.

Table 57 (continued) -- Estimated Selected Expenditures by State<sup>(1)</sup> -- Fiscal Year 1996

State	Readjustment Benefits (continued)							Insurance and Indemnities Amount (\$000)	Hospital Domiciliary and other Construction Amount (\$000)	Medical Services and Admin. Costs Amount (\$000)
	Education Assistance (continued)			Vocational Rehabilitation (Title 38, U.S.C., Ch 31)		Automobiles and other Conveyances for Disabled Veterans (\$000)	Specially Adapted Housing for Disabled Veterans (\$000)			
	Dependents Educational Assistance (Title 38, U.S.C., Ch. 35)			Trained During FY						
	Trained During FY		Amount (\$000)	Trained During Fiscal Year	Amount (\$000)					
	Sons & Daughters	Widow(er)s & Spouses								
<b>US--Total.....</b>	33,491	4,850	\$148,532	51,136	\$488,640	\$26,742	\$12,126	2,059,358	\$626,279	\$17,643,924
Alabama.....	1,018	152	4,549	1,041	8,489	702	159	28,275	8,915	306,145
Alaska.....	74	20	328	402	3,204	7	0	2,743	2,141	52,573
Arizona.....	784	147	3,146	1,441	12,973	813	0	43,134	10,906	281,543
Arkansas.....	633	81	2,896	547	4,484	356	431	17,915	7,149	249,792
California.....	2,624	431	11,268	3,864	34,358	2,663	1,122	223,052	145,377	1,665,917
Colorado.....	655	122	2,781	1,587	16,273	631	311	32,748	2,340	300,618
Connecticut.....	180	16	903	407	4,139	179	38	33,853	25,972	188,720
Delaware.....	88	19	367	278	2,168	24	0	6,233	9,134	60,165
District of Columbia.....	94	3	317	177	2,727	9	0	4,355	5,541	1,005,899
Florida.....	2,344	374	10,172	2,764	24,717	2,344	1,113	179,583	19,784	890,088
Georgia.....	1,247	190	6,336	1,008	10,111	782	621	45,896	13,674	384,566
Hawaii.....	144	30	686	415	4,292	63	5	16,095	20,667	54,191
Idaho.....	158	20	636	308	2,665	109	38	8,426	1,865	55,744
Illinois.....	716	78	2,978	1,009	10,347	468	374	88,956	22,431	800,061
Indiana.....	546	54	1,998	904	9,690	453	190	31,252	13,261	253,972
Iowa.....	272	19	1,019	444	6,257	329	121	24,642	3,683	203,193
Kansas.....	443	94	1,991	483	5,238	162	76	20,506	1,503	244,871
Kentucky.....	684	99	2,796	1,004	8,398	373	228	20,274	4,804	234,859
Louisiana.....	637	83	2,921	754	6,212	592	197	25,128	236	299,877
Maine.....	342	49	1,674	557	4,716	164	203	10,363	169	75,190
Maryland.....	493	64	2,229	1,486	11,181	541	76	44,631	8,903	253,077
Massachusetts.....	589	39	2,771	869	12,515	312	190	57,380	8,628	554,955
Michigan.....	852	92	3,440	846	7,599	491	262	57,438	40,451	476,785
Minnesota.....	439	63	2,049	798	9,333	950	424	41,580	1,501	315,689
Mississippi.....	486	57	2,422	327	2,887	194	348	15,193	8,927	232,359
Missouri.....	626	125	2,895	1,208	12,772	615	255	40,334	10,150	410,336
Montana.....	143	21	656	399	3,540	60	76	8,170	3,249	47,909
Nebraska.....	369	46	1,529	519	4,131	105	0	14,713	153	130,606
Nevada.....	139	24	621	854	6,111	96	0	12,966	670	107,390
New Hampshire.....	195	25	922	374	4,091	556	152	10,617	45	51,643
New Jersey.....	438	32	2,460	751	8,694	531	0	74,367	16,571	278,584
New Mexico.....	350	45	1,401	455	3,544	332	76	14,023	2,027	146,538
New York.....	1,377	150	6,470	1,612	19,330	919	196	143,844	22,324	1,299,813
North Carolina.....	1,475	245	6,754	1,432	11,532	962	660	48,000	4,284	375,427
North Dakota.....	137	13	512	246	2,565	42	38	5,428	324	44,878
Ohio.....	899	128	4,259	1,481	17,957	1,792	7	79,743	7,377	572,680
Oklahoma.....	1,061	195	4,465	1,708	15,155	437	691	23,316	11,174	197,034
Oregon.....	360	53	1,578	901	13,039	502	124	25,904	10,746	265,013
Pennsylvania.....	1,015	116	4,332	1,321	15,727	752	0	108,106	13,875	787,515
Rhode Island.....	175	14	696	229	2,822	43	114	8,854	2,495	76,613
South Carolina.....	730	131	3,354	1,211	8,432	387	386	26,883	3,040	199,538
South Dakota.....	120	28	595	473	4,486	127	114	6,144	3,252	121,278
Tennessee.....	737	93	3,133	1,245	10,319	689	190	30,778	9,319	496,925
Texas.....	3,066	449	13,101	4,119	33,489	1,945	1,105	117,190	85,303	1,120,730
Utah.....	298	33	1,274	511	4,515	160	114	12,172	4,208	137,917
Vermont.....	65	10	279	137	2,052	32	0	4,710	1,074	59,461
Virginia.....	1,378	211	6,460	2,414	20,777	923	317	59,433	3,230	366,175
Washington.....	836	155	3,904	2,257	24,972	585	545	45,559	9,962	302,855
West Virginia.....	294	40	1,444	539	5,203	97	0	11,230	6,531	234,892
Wisconsin.....	585	60	2,483	866	7,426	289	325	43,227	4,596	316,565
Wyoming.....	81	12	286	154	988	53	114	3,996	2,334	54,759

(2) The totals for "Readjustment Benefits" are the sums of the programs shown plus \$33.4 million for the Service Members Occupational Conversion Training Act (SMOCTA) which is not shown.

(3) As reported by station of jurisdiction which may report for more than one state.

Table 57 (continued) -- Estimated Selected Expenditures by State<sup>(1)</sup> -- Fiscal Year 1996

State	Compensation and Pension								
	Living and Deceased Veterans							Living Veterans	
	Total		Burial Benefits (\$000)	Service-Connected		Nonservice-Connected		Total	
	Number	Amount (\$000)		Number	Amount (\$000)	Number	Amount (\$000)	Number	Amount (\$000)
<b>US--Total.....</b>	<b>3,221,995</b>	<b>\$18,152,769</b>	<b>\$58,386</b>	<b>2,508,010</b>	<b>\$15,046,013</b>	<b>713,985</b>	<b>\$3,048,370</b>	<b>2,616,202</b>	<b>\$14,320,026</b>
Alabama.....	78,705	435,508	1,365	54,637	321,092	24,068	113,051	59,279	323,726
Alaska.....	9,100	54,950	50	8,716	52,508	384	2,392	8,604	50,584
Arizona.....	60,491	376,422	1,086	52,245	337,065	8,246	38,271	51,406	300,922
Arkansas.....	50,077	338,748	1,121	34,365	268,419	15,712	69,208	38,208	266,997
California.....	267,704	1,449,380	3,801	220,702	1,263,815	47,002	181,764	220,266	1,104,751
Colorado.....	50,793	296,158	630	44,582	267,830	6,211	27,698	43,408	238,151
Connecticut.....	28,620	143,557	562	24,152	128,647	4,468	14,348	24,456	118,249
Delaware.....	8,687	45,851	208	7,166	39,749	1,521	5,894	7,240	36,482
District of Columbia.....	8,472	53,047	138	5,814	40,745	2,658	12,164	6,642	40,503
Florida.....	240,837	1,364,183	3,353	204,086	1,214,044	36,751	146,786	201,430	1,071,576
Georgia.....	105,844	601,049	1,750	80,451	494,935	25,393	104,364	82,106	450,706
Hawaii.....	13,276	78,819	199	12,135	73,333	1,141	5,287	11,522	63,773
Idaho.....	14,632	82,417	219	12,317	70,836	2,315	11,362	12,715	68,042
Illinois.....	85,231	424,181	2,150	61,241	316,085	23,990	105,946	69,319	338,966
Indiana.....	53,999	282,641	970	41,893	232,257	12,106	49,414	44,500	229,231
Iowa.....	28,633	157,874	666	20,961	122,066	7,672	35,142	23,163	127,336
Kansas.....	30,892	177,086	653	24,055	145,041	6,837	31,392	25,276	141,786
Kentucky.....	57,733	338,223	1,198	38,895	251,385	18,838	85,640	44,386	264,387
Louisiana.....	62,408	349,291	1,179	37,835	236,332	24,573	111,780	45,606	260,382
Maine.....	23,466	161,036	461	17,723	135,279	5,743	25,296	19,652	137,448
Maryland.....	55,210	303,094	1,022	45,683	263,858	9,527	38,214	45,185	233,405
Massachusetts.....	84,799	457,675	1,488	71,944	412,506	12,855	43,681	71,731	373,867
Michigan.....	89,498	446,827	1,454	70,409	362,271	19,089	83,102	74,680	367,616
Minnesota.....	50,632	272,212	1,221	39,123	221,872	11,509	49,119	42,110	224,854
Mississippi.....	46,228	277,297	990	28,072	200,084	18,156	76,223	33,332	209,988
Missouri.....	65,868	383,810	1,409	47,096	292,730	18,772	89,671	52,350	302,842
Montana.....	13,793	81,806	239	10,997	69,418	2,796	12,149	11,994	70,400
Nebraska.....	21,078	130,378	440	16,361	105,136	4,717	24,802	17,457	106,537
Nevada.....	23,830	122,735	398	20,242	106,499	3,588	15,838	20,848	99,539
New Hampshire.....	16,755	100,919	328	14,457	90,266	2,298	10,325	14,540	84,835
New Jersey.....	72,873	367,649	1,309	61,973	327,312	10,900	39,028	61,391	294,413
New Mexico.....	28,356	176,047	401	22,734	150,863	5,622	24,783	23,633	142,658
New York.....	169,677	905,854	3,753	129,449	751,172	40,228	150,929	138,191	735,664
North Carolina.....	110,806	643,245	1,940	81,446	515,945	29,360	125,360	85,595	491,400
North Dakota.....	8,133	42,677	170	6,120	32,940	2,013	9,567	6,854	35,889
Ohio.....	124,064	654,257	2,319	94,773	523,622	29,291	128,316	102,062	530,364
Oklahoma.....	65,587	463,645	1,235	47,911	359,328	17,676	103,082	52,594	374,788
Oregon.....	42,232	267,886	812	33,645	223,648	8,587	43,426	35,948	222,671
Pennsylvania.....	141,158	744,740	2,757	107,327	611,298	33,831	130,685	113,591	594,229
Rhode Island.....	14,563	85,727	346	12,008	75,441	2,555	9,940	12,144	69,620
South Carolina.....	58,530	324,945	1,188	41,524	252,775	17,006	70,982	44,440	241,264
South Dakota.....	11,725	67,714	297	8,461	51,557	3,264	15,860	9,723	56,315
Tennessee.....	78,814	452,595	1,487	53,456	341,626	25,358	109,482	60,045	349,641
Texas.....	248,981	1,446,186	4,346	193,701	1,212,488	55,280	229,352	197,388	1,099,914
Utah.....	16,010	87,797	256	13,746	78,163	2,264	9,378	13,913	72,784
Vermont.....	7,103	43,572	150	5,567	37,250	1,536	6,172	5,894	35,931
Virginia.....	102,438	587,999	1,869	83,683	508,940	18,755	77,190	82,366	441,652
Washington.....	82,127	470,268	1,086	73,056	428,435	9,071	40,747	71,186	381,709
West Virginia.....	31,837	195,514	695	21,321	144,066	10,516	50,753	24,748	155,575
Wisconsin.....	53,517	301,188	1,104	42,516	251,213	11,001	48,871	45,628	254,703
Wyoming.....	6,173	36,090	118	5,238	31,828	935	4,144	5,457	30,961

Table 57 (continued) -- Estimated Selected Expenditures by State<sup>(1)</sup> -- Fiscal Year 1996

State	Compensation and Pension--Continued									
	Living Veterans-Continued					Deceased Veterans				
	Service-Connected		Nonservice-Connected		Total		Service-Connected		Nonservice-Connected	
	Number	Amount (\$000)	Number	Amount (\$000)	Number	Amount (\$000)	Number	Amount (\$000)	Number	Amount (\$000)
<b>US--Total.....</b>	<b>2,216,755</b>	<b>\$12,055,501</b>	<b>399,447</b>	<b>\$2,264,525</b>	<b>605,793</b>	<b>\$3,774,357</b>	<b>291,255</b>	<b>\$2,990,512</b>	<b>314,538</b>	<b>\$783,845</b>
Alabama.....	47,416	248,024	11,863	75,702	19,426	110,417	7,221	73,068	12,205	37,349
Alaska.....	8,302	48,456	302	2,128	496	4,316	414	4,052	82	264
Arizona.....	46,031	270,268	5,375	30,654	9,085	74,414	6,214	66,797	2,871	7,617
Arkansas.....	29,268	215,832	8,940	51,165	11,869	70,630	5,097	52,587	6,772	18,043
California.....	191,941	966,048	28,325	138,703	47,438	340,828	28,761	297,767	18,677	43,061
Colorado.....	39,673	216,255	3,735	21,896	7,385	57,377	4,909	51,575	2,476	5,802
Connecticut.....	22,100	107,384	2,356	10,865	4,164	24,746	2,052	21,263	2,112	3,483
Delaware.....	6,413	32,034	827	4,448	1,447	9,161	753	7,715	694	1,446
District of Columbia.....	4,991	30,956	1,651	9,547	1,830	12,406	823	9,789	1,007	2,617
Florida.....	178,973	958,592	22,457	112,984	39,407	289,254	25,113	255,452	14,294	33,802
Georgia.....	68,975	377,752	13,131	72,954	23,738	148,593	11,476	117,183	12,262	31,410
Hawaii.....	10,817	59,680	705	4,093	1,754	14,847	1,318	13,653	436	1,194
Idaho.....	11,160	58,522	1,555	9,520	1,917	14,156	1,157	12,314	760	1,842
Illinois.....	55,372	258,232	13,947	80,734	15,912	83,065	5,869	57,853	10,043	25,212
Indiana.....	37,901	192,552	6,599	36,679	9,499	52,440	3,992	39,705	5,507	12,735
Iowa.....	18,824	100,120	4,339	27,216	5,470	29,872	2,137	21,946	3,333	7,926
Kansas.....	21,364	117,547	3,912	24,239	5,616	34,647	2,691	27,494	2,925	7,153
Kentucky.....	33,761	200,807	10,625	63,580	13,347	72,638	5,134	50,578	8,213	22,060
Louisiana.....	32,415	181,833	13,191	78,549	16,802	87,730	5,420	54,499	11,382	33,231
Maine.....	15,911	116,794	3,741	20,654	3,814	23,127	1,812	18,485	2,002	4,642
Maryland.....	40,074	205,457	5,111	27,948	10,025	68,667	5,609	58,401	4,416	10,266
Massachusetts.....	65,269	341,459	6,462	32,408	13,068	82,320	6,675	71,047	6,393	11,273
Michigan.....	64,140	303,732	10,540	63,884	14,818	77,757	6,269	58,539	8,549	19,218
Minnesota.....	35,697	186,572	6,413	38,282	8,522	46,137	3,426	35,300	5,096	10,837
Mississippi.....	23,670	155,939	9,662	54,049	12,896	66,319	4,402	44,145	8,494	22,174
Missouri.....	41,477	235,495	10,873	67,347	13,518	79,559	5,619	57,235	7,899	22,324
Montana.....	10,118	60,348	1,876	10,052	1,799	11,167	879	9,070	920	2,097
Nebraska.....	14,551	86,483	2,906	20,054	3,621	23,401	1,810	18,653	1,811	4,748
Nevada.....	18,273	86,288	2,575	13,251	2,982	22,798	1,969	20,211	1,013	2,587
New Hampshire.....	13,140	76,384	1,400	8,451	2,215	15,756	1,317	13,882	898	1,874
New Jersey.....	56,068	266,385	5,323	28,028	11,482	71,927	5,905	60,927	5,577	11,000
New Mexico.....	20,125	123,435	3,508	19,223	4,723	32,988	2,609	27,428	2,114	5,560
New York.....	117,270	625,365	20,921	110,299	31,486	166,437	12,179	125,807	19,307	40,630
North Carolina.....	70,372	405,471	15,223	85,929	25,211	149,905	11,074	110,474	14,137	39,431
North Dakota.....	5,647	28,426	1,207	7,463	1,279	6,618	473	4,514	806	2,104
Ohio.....	85,960	434,270	16,102	96,094	22,002	121,574	8,813	89,352	13,189	32,222
Oklahoma.....	41,529	292,967	11,065	81,821	12,993	87,622	6,382	66,361	6,611	21,261
Oregon.....	30,336	188,599	5,612	34,072	6,284	44,403	3,309	35,049	2,975	9,354
Pennsylvania.....	96,330	499,365	17,261	94,864	27,567	147,754	10,997	111,933	16,570	35,821
Rhode Island.....	10,716	61,749	1,428	7,871	2,419	15,761	1,292	13,692	1,127	2,069
South Carolina.....	35,609	192,659	8,831	48,605	14,090	82,493	5,915	60,116	8,175	22,377
South Dakota.....	7,682	43,591	2,041	12,724	2,002	11,102	779	7,966	1,223	3,136
Tennessee.....	46,421	272,629	13,624	77,012	18,769	101,467	7,035	68,997	11,734	32,470
Texas.....	166,923	932,323	30,465	167,591	51,593	341,926	26,778	280,165	24,815	61,761
Utah.....	12,516	65,257	1,397	7,527	2,097	14,757	1,230	12,906	867	1,851
Vermont.....	4,968	31,001	926	4,930	1,209	7,491	599	6,249	610	1,242
Virginia.....	72,316	386,798	10,050	54,854	20,072	144,478	11,367	122,142	8,705	22,336
Washington.....	65,502	348,632	5,684	33,077	10,941	87,473	7,554	79,803	3,387	7,670
West Virginia.....	18,642	117,741	6,106	37,834	7,089	39,244	2,679	26,325	4,410	12,919
Wisconsin.....	39,003	215,505	6,625	39,198	7,889	45,381	3,513	35,708	4,376	9,673
Wyoming.....	4,803	27,488	654	3,473	716	5,011	435	4,340	281	671

**Table 58 -- Employment: Full-time, Part-time, and Intermittent by Facility Type**

<i>Facility Type</i>	<i>September 30, 1996</i>	<i>September 30, 1995</i>
Total.....	250,899	263,904
Central Office.....	3,490	3,857
Field.....	247,409	260,047
Medical centers (separate).....	133,925	132,289
Domiciliaries and medical centers (1).....	50,751	76,469
Medical centers with 2 hospitals.....	11,031	14,677
Medical centers with 3 hospitals.....	3,727	--
Health care systems.....	25,625	11,733
Regional offices and area offices (2).....	10,317	10,855
Co-located regional office and medical centers (3).....	6,368	6,737
Co-located regional office and insurance centers.....	1,012	1,085
Independent outpatient clinics.....	963	1,075
Automation Center, Benefits Delivery Centers, Systems Development Center.....	1,057	1,118
National cemeteries.....	1,127	1,216
National Acquisition Center and Service and Distribution Center.....	210	221
Miscellaneous (4).....	1,296	2,572

(1) Includes independent Domiciliary at White City, OR.

(2) Includes Manila, PI, independent Outpatient Clinic.

(3) Includes National Acquisition Center, Services and Distribution Center, Denver Distribution Center.

(4) Includes National Cemetery Area Offices, Prosthetic Assessment Information Center, Civilian Health and Medical Program of the Department (CHAMPVA), Finance Centers, Veterans Canteen Service Regional Offices, Veterans Canteen Service Central Office, Debt Management Center, Records Management Center, Consolidated Mail Outpatient Pharmacies, Income Verification Match Program, Quantico Field Support Facility.

**Table 59 -- Employment: Full-time, Part-time, and Intermittent by Pay System**

<i>Pay System</i>	<i>September 30, 1996</i>	<i>September 30, 1995</i>
Total.....	250,899	263,904
General Schedule/Merit Pay.....	136,834	144,568
Title 38 (excludes canteen).....	78,343	80,489
Wage system.....	31,661	34,621
Canteen.....	3,245	3,293
Non-U.S. Citizens--Manila.....	173	183
Senior Executive Service (SES) .....	292	301
Others (1).....	351	449

(1) Includes stay-in-school, purchase and hire, executive pay, hospital administration residents, and experts/consultants.

**Table 60 -- Employment: Gender and Veteran Preference  
September 30, 1996**

<i>Veteran Preference</i>	<i>Total</i>	<i>Males</i>	<i>Males as a Percent of Total</i>	<i>Females</i>	<i>Females as a Percent of Total</i>
Total.....	250,899	114,166	45.5	136,733	54.5
With preference (1).....	64,300	56,414	87.7	7,886	12.3
Without preference.....	186,599	57,752	30.9	128,847	69.1

(1) Includes mother, spouse, and widow or widower of veteran.

**Table 61 -- Employment: Minority Groups by Grade  
Full-time and Part-time with Permanent Appointments  
September 30, 1996**

<i>Grade or Supervisory Level</i>	<i>Total Employment (1)</i>	<i>Percentage of Total Employment</i>				
		<i>Total Minority Employment</i>	<i>African-American</i>	<i>Hispanic</i>	<i>Asian or Pacific Islander</i>	<i>American Indian or Alaskan Native</i>
All pay plans--total.....	213,189	34.9	24.0	5.6	4.6	0.8
GS/GM and equivalent.....	144,524	33.5	23.2	5.4	4.2	0.8
GS-1 through GS-4.....	17,999	49.3	39.6	6.3	2.3	1.0
GS-5 through GS-8.....	63,118	40.2	30.9	5.9	2.4	1.0
GS-9 through GS-12.....	40,861	23.9	13.9	4.9	4.4	0.6
GS/GM-13 through GS/GM-15.....	22,516	19.9	5.1	4.2	10.1	0.4
GS/GM-16 through GS/GM-18.....	30	20.0	3.3	3.3	10.0	3.3
Other pay systems (2).....	36,820	28.6	14.1	5.4	8.6	0.5
Wage system.....	31,845	48.5	39.0	6.7	1.8	1.0
Non-supervisory.....	28,430	48.9	39.3	6.8	1.9	1.0
Leader.....	721	46.9	39.4	5.7	1.2	0.6
Supervisory.....	2,694	44.2	36.7	6.0	0.8	0.7

(1) Excludes Philippine nationals in Manila.

(2) Includes Senior Executive Service, statutory pay plans, veterans canteen officers, assistant canteen officers, non-medical directors, nurses, and nurse anesthetists.

Note: Percentages may not add due to rounding.

**Table 62 -- Employment of Women by Pay Category -- Full-time, Part-time, and Intermittent  
September 30, 1996**

Pay Category	Total Employment	Women	
		Number	Percent
Total -- all pay categories.....	250,899	136,733	54.5
GS/GM -- total.....	136,834	82,572	60.3
GS-1 through GS-6.....	72,066	50,105	69.5
GS-7 through GS-12.....	55,075	29,585	53.7
GS/GM-13 and above.....	9,693	2,882	29.7
Title 38 (excludes canteen).....	78,343	45,031	57.5
Wage system.....	31,661	6,625	20.9
Canteen.....	3,245	2,365	72.9
Non-U.S. Citizens -- Manila.....	173	91	52.6
Senior Executive Service.....	292	37	12.7
Other (1).....	351	12	3.4

(1) Includes purchase and hire, executive pay, hospital administration residents, and experts/consultants.

**Table 63 -- Employment of Individuals with Targeted Disabilities by Pay Category  
Full-time, Part-time, and Intermittent with Permanent Appointments -- September 30, 1996**

Pay Category	Total Employment <sup>(1)</sup>	Individuals with Targeted Disabilities	
		Number	Percent
All pay categories -- total.....	214,112	3,951	1.8
White collar -- total.....	183,046	2,851	1.6
GS-1 through GS-4.....	18,060	799	4.4
GS-5 through GS-8.....	63,240	937	1.5
GS-9 through GS-11.....	31,185	546	1.8
GS-12 through GS/GM-13.....	15,602	279	1.8
GS/GM-14 through GS/GM-15.....	2,654	26	1.0
SES.....	292	4	1.4
Other (2).....	52,013	260	0.5
Wage system -- total.....	31,066	1,100	3.5
WG-1 through WG-3.....	15,256	854	5.6
WG-4 through WG-6.....	4,567	83	1.8
WG-7 through WG-9.....	2,821	49	1.7
WG-10 through WG-12.....	3,910	42	1.1
WG-13 through WG-15.....	1	--	--
Other (3).....	4,511	72	1.6

(1) Excludes Philippine nationals in Manila.

(2) Includes Title 38, executive pay, senior level (formerly GS 16-18 and equivalent), hospital administration residents and expert/consultants.

(3) Includes leaders and supervisory personnel as well as purchase and hires.