STATEMENT OF THE HONORABLE DOUGLAS A. COLLINS SECRETARY DEPARTMENT OF VETERANS AFFAIRS (VA)

BEFORE THE

SENATE COMMITTEE ON APPROPRIATIONS SUBCOMMITTEE ON MILITARY CONSTRUCTION, VETERANS AFFAIRS, AND RELATED AGENICES JUNE 24, 2025

Chairman Boozman, Ranking Member Ossoff, and distinguished members of the subcommittee, thank you for the opportunity to testify today.

Since becoming the Secretary of VA, I have met many of the men and women who show up to work every day at the Department with a deep dedication to our mission—delivering health care and benefits to millions of Veterans who have served our Nation. They have my sincere thanks, and I cannot wait to meet more of them in the months ahead.

In this same period, I have come to learn what many of you on this subcommittee also realize: VA needs reform. We must do a better job of delivering timely care to Veterans, getting to "yes" so Veterans can get the benefits they have earned, and making sure the money Congress appropriates to VA is not diverted to non-mission critical or even wasteful programs.

In 2024, discussions in Congress about the need to reform VA were often just a thinly veiled request for more employees. But the Department's history shows that adding more employees to the system does not automatically mean better results.

The Biden Administration's record is a perfect example. During those 4 years, VA failed to address nearly all its most serious problems, such as benefits backlogs and rising health care wait times. The numbers speak for themselves:

The number of VA employees grew by more than 52,000 full-time equivalents from fiscal year (FY) 2021 to FY 2024. Did all those extra people make things better for Veterans? No. In fact, VA's performance got worse, as health care wait times rose and the number of Veterans waiting for disability benefits increased.

Something must change, and it is up to us to make that change. Under President Trump, we are working to solve problems that have persisted at VA for decades. Our goal is to create a Department that works better for the Veterans, families, caregivers, and survivors we serve.

I have never been shy when it comes to addressing tough issues head-on, and I will not ignore the elephant in the room here today. As everyone here is aware, we are conducting a thorough review of the Department's structure and staffing across the enterprise.

As I have said countless times, this review is aimed at finding ways to improve care and benefits for Veterans without cutting care and benefits for Veterans. Our goal is to increase productivity and efficiency, eliminate waste and bureaucracy, and improve the delivery of health care and benefits to Veterans.

We are going to maintain mission-essential jobs like doctors, nurses, and claims processors; and reduce administrator, advisor, and middle manager posts to eliminate duplicative, unnecessary layers of bureaucracy that do nothing to serve our Veterans and hinder our mission.

Our goal is to ensure we have employees where they are needed, cut unnecessary overhead, and strategically reduce staff to ensure VA's budget is mostly going directly to Veterans. We will accomplish this without making cuts to health care or benefits to Veterans or VA beneficiaries.

Year after year, calls for VA reform come from every corner—lawmakers, the media, watchdogs like Inspectors General and the Government Accountability Office (GAO), Veterans Service Organizations, and individual Veterans across the country.

This year, finally, we have embarked on a historic effort to reform VA. We have been emphatic that we will not be cutting benefits and health care—only improving them. And we are engaging career subject matter experts, senior executives, and political leadership to restructure the Department so it works better for Veterans.

We are doing what literally all VA stakeholders agree needs to be done. So, what has the reaction been? We have been met with a barrage of false rumors, innuendo, disinformation, and speculation implying we are firing doctors and nurses, forcing staff to work in closets and showers, and that there is "chaos" across the Department.

Why? Because we canceled some duplicative contracts for work VA can and should be doing in-house, and we let go of one half of 1% of non-mission critical employees.

To hear our critics tell it, the Department was perfect until we started making changes in January 2025. Everyone knows that is not true.

The fact is that VA health care has been on GAO's high-risk list for more than a decade. GAO even says VA faces "system-wide challenges in overseeing patient safety and access to care, hiring critical staff, and meeting future infrastructure needs." We are working hard to fix these and other issues, and we need your help. We want to work with Congress to fix VA. But our shared goal needs to be making things better for Veterans rather than protecting the Department's broken bureaucracy.

VA is not a Federal jobs program. It is an organization whose sole purpose is to serve Veterans. We must never lose sight of that.

And despite major opposition from many in the media, union bosses, and some in Congress, we are already making significant progress to better serve Veterans, including:

- Making sure Veterans get the health care choices they were promised under the Maintaining Internal Systems and Strengthening Integrated Outside Networks Act.
- Decreasing VA's disability claims backlog by 25% (https://news.va.gov/press-room/record-breaking-va-claims-production-brings-backlog-under-200k/) since January 20, 2025, after it increased 24% during the Biden Administration.
- Processing record numbers of disability claims (https://news.va.gov/press-room/va-processes-one-million-disability-claims-faster-than-ever-before/),
 reaching 1 million claims processed for FY 2025 as of February 20, 2025, faster than at any point in history.
- Implementing <u>major reforms</u> (<u>https://news.va.gov/press-room/va-announces-major-survivor-benefits-reforms/</u>) to make it easier for survivors to get benefits, after <u>serious problems</u> (<u>https://edition.cnn.com/2025/03/19/politics/veteransuicides-va-benefits-invs</u>) during the Biden Administration.
- Accelerating the deployment (https://news.va.gov/press-room/va-names-nine-additional-facilities-that-will-deploy-federal-ehr-in-2026/) of its integrated electronic health record system, after the program was nearly dormant for almost 2 years under the Biden Administration.
- Phasing out treatment for gender dysphoria (https://news.va.gov/press-room/vato-phase-out-treatment-for-gender-dysphoria/). Frankly, this commonsense reform should have been done years ago.
- Ending Diversity, Equity, and Inclusion (DEI) at the Department
 https://news.va.gov/press-room/va-ends-dei-stops-millions-in-spending-on-dei/),
 reversing the divisive Biden-era policies and stopping more than \$14 million in DEI spending.
- Bringing nearly 60,000 VA employees <u>back to the office</u>
 (https://news.va.gov/press-room/va-announces-return-to-in-person-work-policy/),
 where we can work better as a team to serve Veterans.

But we are just getting started. We have an obligation to make VA work better for the Veterans, families, caregivers, and survivors we are charged with serving. That is exactly what we have been doing and exactly what we will continue to do.

As I previously stated, we appreciate your help and support and look forward to working with you and your Senate colleagues to improve the lives of those who have worn the uniform. Today, I ask for your help on three pressing issues:

- 1. We ask you and your colleagues to confirm our highly qualified nominees many of whom are Veterans as quickly as possible. Five nominees are currently awaiting full Senate confirmation, three of whom have been waiting nearly 2.5 months for the Senate to act.
- 2. We ask that you pass President Trump's One Big Beautiful Bill, which would benefit all Americans by providing the largest working- and middle-class tax cut in history.
 - 3. We ask that you approve President Trump's FY 2026 Budget Request.

President Trump is committed to balancing the budget while providing adequate funding for critical non-defense discretionary priorities—securing our borders, caring for our Veterans, and continued infrastructure investment. Reaching balance requires:

- Resetting the proper balance between Federal and state responsibilities with a renewed emphasis on federalism;
- Eliminating the Federal Government's support of woke ideology;
- Protecting the American people by deconstructing a wasteful and weaponized bureaucracy; and
- Identifying and eliminating wasteful spending.

The budget levels reflect the reforms necessary to enable VA to fulfill its statutory responsibilities in the most cost-effective manner possible.

The budget provides increased funding for health care services tailored to Veterans' needs, both at VA medical centers and in the community. The budget ensures that the Nation's Veterans are provided with the world-class health care they deserve. In addition, Veterans who qualify for access to care with local community providers would be empowered to make the choice to see them, rather than having to drive, in some cases, hours to access the nearest VA facility.

VA discretionary budget request for FY 2026 is \$134.6 billion, and \$52.6 billion for Toxic Exposures Fund, for a total request of \$187.2 billion. This is an increase of \$27.6 billion (+17%) above the FY 2025 enacted level.

VA is committed to ending Veteran homelessness. The budget includes a new effort, Bridging Rental Assistance for Veterans Empowerment (BRAVE), which will provide \$1.1 billion to support the President's commitment to end Veteran homelessness. VA will be directly responsible for programs and financial support to provide rental assistance and other support services.

The budget request also includes \$3.5 billion for the Electronic Health Record Modernization (EHRM) program. VA's EHRM effort is moving the Department from a decades-old legacy system to a modern system that is interoperable with systems at the Department of Defense and other Federal partners, as well as participating community care providers, allowing clinicians to easily access a Veteran's full medical history anywhere they seek care. Acceleration of the EHRM rollout is now a top VA priority effort. The FY 2026 funding will enable VA to complete planned deployments in FY 2027.

Thank you for your time and attention, and I look forward to your questions.