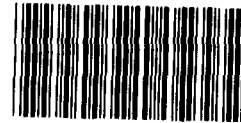


September 1992

# VOCATIONAL REHABILITATION

## VA Needs to Emphasize Serving Veterans With Serious Employment Handicaps



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Human Resources Division

B-250309

September 28, 1992

The Honorable Alan Cranston  
Chairman, Committee on Veterans' Affairs  
United States Senate

Dear Mr. Chairman:

Veterans with serious employment handicaps<sup>1</sup> often have a difficult time obtaining and maintaining suitable employment. At your request, we have examined the Department of Veterans Affairs' (VA's) vocational rehabilitation program to determine whether VA is providing the special services that are required to be given to these veterans. In addition, we reviewed employee productivity standards to determine whether they include the provision of these special services. VA spent about \$145 million on vocational rehabilitation in fiscal year 1991 to serve about 35,000 disabled veterans, including those with serious employment handicaps, and estimates that fiscal year 1992 program costs will increase to \$197 million.

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## Background

While in the vocational rehabilitation program, a veteran receives a subsistence allowance, and VA pays the service provider for school supplies, books, tuition, and other services and equipment that may be required for beginning employment. Veterans are entitled to program services if they have a 20-percent or higher service-connected disability and they have been determined by VA to have an employment handicap. The program was modified in 1980<sup>2</sup> to give special services to veterans with serious employment handicaps. VA guidance developed to implement the 1980 changes requires that special services be given to veterans with serious employment handicaps. These services include the following:

1. Providing special outreach by making telephone calls, sending personal letters, and making visits to veterans who have disability ratings of 50 percent or higher and are less than 56 years of age (VA considers these veterans to have the highest potential for serious employment handicaps).
2. Giving priority in scheduling initial counseling and evaluation appointments to veterans applying to the program whom VA considers to

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<sup>1</sup>In general, VA classifies veterans with a 50-percent or greater disability as potentially having a serious employment handicap. VA determines whether the applicant has a serious employment handicap after evaluating the veteran's history, including the effects of disability, prior training and employment, and other pertinent factors.

<sup>2</sup>Veterans' Rehabilitation and Education Amendments of 1980 (P.L. 96-466), October 17, 1980.

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have the highest potential for serious employment handicaps so that they are seen within 21 days after their application is received.

3. Indefinitely extending the eligibility period within which the training must be started (usually 12 years after discharge from military service or the date VA makes a disability determination) and extending the duration of the rehabilitation program (usually 4 years).

4. Indefinitely extending the period of evaluation (normally not to exceed 1 year) to determine whether achievement of a vocational goal is feasible.

5. Paying for license fees, such as those for self-employment and essential equipment for veterans who require homebound training and/or are self-employed.

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## Results in Brief

VA did not make special outreach efforts or give priority in scheduling appointments to veterans with potentially serious employment handicaps in most of the VA field offices we contacted. Rather, VA sent such veterans the same information package that it sent all veterans entitled to vocational rehabilitation services. Also, most field offices scheduled appointments for veterans, regardless of handicap, on a first-come, first-served basis. VA field office officials told us that they did not provide the special services to veterans with potentially serious employment handicaps because of already heavy work loads and because they were not convinced that providing outreach and scheduling on the basis of a disability rating always identified the veterans with serious employment handicaps.

In general, VA measured productivity by the number of cases its employees processed, regardless of employment handicap. Productivity standards did not recognize, nor are they required to recognize, the unique requirements of working with veterans who have serious employment handicaps. Rehabilitation authorities generally agreed that these people required more complex rehabilitation strategies than less handicapped individuals. For example, more time was usually needed to develop a viable rehabilitation plan that serves the special needs of these individuals, and more types of services were usually required for successful rehabilitation.

If VA focused its outreach on veterans with serious employment handicaps, provided priority in scheduling appointments, and recognized the additional efforts required to serve these veterans in its productivity

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standards, more veterans with serious employment handicaps could be served by the program. As a consequence, however, fewer veterans who do not have serious employment handicaps may be served if the same level of resources is maintained.

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## Scope and Methodology

To assess the services VA provided to disabled veterans who have serious employment handicaps, we (1) contacted officials in VA's central office, nine VA field offices that administer the vocational rehabilitation program, and nine VA medical centers in the vicinity of each of the field offices; (2) reviewed randomly selected files of 100 veterans from four field offices; and (3) reviewed applicable laws and regulations and VA's field office procedures manual. (See app. I for more information on the offices we contacted.)

At the central and field offices, we discussed with officials (1) whether outreach efforts were being made to veterans with the greatest potential for serious employment handicaps, (2) whether the required special services were being provided, and (3) how employee productivity was measured. At the medical centers, we discussed with officials whether outreach efforts had been made by field offices and whether the centers had potential candidates who could benefit from the program. The files of program participants were reviewed to determine whether required services were provided. The applicable laws and regulations and field office procedures manual were reviewed to (1) identify the guidance for providing special services to veterans and (2) determine how employee productivity was measured.

We conducted our review between August 1991 and June 1992 in accordance with generally accepted government auditing standards.

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## VA Makes Limited Special Outreach to Veterans With Serious Employment Handicaps

Seven of the nine field offices we contacted did not make the additional personal contacts with disabled veterans who potentially have serious employment handicaps, as required by VA's procedures. Rather, these veterans received the same outreach as all disabled veterans. After receiving a disability rating of 20 percent or more under the Disability Compensation Program, veterans received an information package about their vocational rehabilitation benefits. The package includes a pamphlet describing the vocational rehabilitation program, a program application, and a preaddressed envelope in which to mail the application to the local VA vocational rehabilitation field office.

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In contrast, the other two offices attempted to telephone all veterans in their area who had received disability ratings of 50 percent or more and were less than 56 years of age to inform them of the vocational rehabilitation program, as required by VA guidance.

Five of the nine vocational rehabilitation field offices did not make special outreach efforts to nearby VA medical centers where many of the veterans who have serious handicaps were treated. Physicians at these medical centers told us that patients benefit from a vocational rehabilitation program because a focus on getting back to work was an important component of successful rehabilitation. Staff at the other four field offices met once or twice a month with local medical center staff to identify patients who might benefit from the program or with patients identified by medical center staff as potential candidates for the program. These offices and the local medical center staff work well together to help get patients into the vocational rehabilitation program at the opportune time.

Officials at eight medical centers told us that some vocational rehabilitation services were provided for severely disabled veterans by state and community programs and VA medical center based programs. Officials at these centers said that other programs were used rather than VA's vocational rehabilitation program because (1) veterans have to wait too long to enter VA's program and (2) veterans and medical center staff often perceive VA's program as primarily for training, when patients want more of a focus on obtaining employment. More than 25,000 veterans who had a disability rating of 50 percent or more were inpatients at VA medical centers in fiscal year 1991.

The principal reasons cited by officials at the five field offices that either did not make additional personal contacts or special outreach at medical centers were that they were (1) too busy meeting the needs of program participants<sup>3</sup> and (2) not comfortable deciding which veterans should get special outreach based on a disability rating. In general, officials who were not comfortable basing outreach efforts solely on disability ratings felt that ratings did not always identify veterans most in need of services.

More veterans with serious employment handicaps could be served by the program if VA followed its procedures. We note that there has been a steady decline in the percentage of veterans with disability ratings of 50 percent or higher who have applied for and have been served by the

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<sup>3</sup>What happens to veterans who apply for vocational rehabilitation is discussed in our report *Vocational Rehabilitation: Better VA Management Needed to Help Disabled Veterans Find Jobs* (GAO/HRD-92-100, Sept. 4, 1992).

program since 1985. By contrast VA's population of veterans receiving disability compensation who have a 50 percent or higher disability rating has remained stable since 1985.

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## Counseling Appointments Not Prioritized, but Other Required Services Were Provided

Veterans with potentially serious employment handicaps did not always receive priority treatment in getting initial counseling and evaluation appointments when they applied to the program, as required by VA guidance. Seven of the nine field offices we contacted scheduled initial appointments on a first-come, first-served basis, regardless of disability rating. Two offices were trying to give veterans with potentially serious employment handicaps priority treatment by scheduling them into the times of veterans who had canceled appointments. By using this system, these offices attempted to see veterans with the greatest potential for serious employment handicaps within 21 days after their applications were received, as required by VA guidance.

Officials at five field offices that were not providing priority scheduling, as required by VA guidance, told us that they were (1) not convinced that veterans with a 50 percent or higher disability rating were in greater need than less handicapped veterans and (2) concerned that veterans with less severe disabilities may not receive needed services if priority appointments were made. Officials at the other two offices not providing priority scheduling told us that this was not necessary because all veterans, regardless of their disability ratings, received appointments within 21 days after their applications were received by the Vocational Rehabilitation and Counseling Division. The time it takes other regional office divisions to process applications is not included in the 21 days.

VA's Procedures Manual identifies other services—the extensions of time for starting and finishing the program, the extended evaluation period, and the additional supplies and services—required for veterans with potential serious employment handicaps. Our review of case files for 100 veterans did not identify any instances where the required services were not provided, when appropriate.

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## Employee Productivity Standards Do Not Differentiate Between Services Provided to Seriously Handicapped Veterans and Other Veterans

In general, VA measures productivity by the number of cases that employees process. None of the nine field offices we contacted had staff productivity standards, nor are any required, that separated work for veterans with serious employment handicaps from work for those less handicapped. Yet rehabilitation officials generally agree that veterans with serious employment handicaps require more complex rehabilitation strategies than those who are less handicapped. For example, counseling psychologists usually need more time to develop a viable rehabilitation plan that will serve the individual needs of veterans with serious employment handicaps, and vocational rehabilitation specialists must usually provide more types of services to successfully rehabilitate these veterans. Supervising officials at seven of the nine field offices were concerned that staff may be reluctant to adequately service these veterans because the productivity standards make no special allowance for the complexities of servicing veterans with serious employment handicaps.

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## Conclusions

The percentage of disabled veterans with potential serious employment handicaps has been declining when compared with percentage of other veterans in the program. In our view, doing the required outreach and giving appointment priority could result in the program serving more veterans whom the Congress has designated as requiring priority. However, fewer veterans with lower disability ratings may be served if the same level of resources is maintained. In addition, recognizing in VA's employee productivity standards that veterans with serious employment handicaps take additional time and effort to service could create more incentive for vocational rehabilitation staff to provide assistance to more of these veterans.

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## Recommendations

We recommend that the Secretary of Veterans Affairs reemphasize to VA field offices that disabled veterans with serious employment handicaps are to be (1) provided special outreach services and (2) given priority when scheduling initial counseling and evaluation appointments. We also recommend that the Secretary recognize the additional time required to provide services to these veterans in the employee productivity standards.



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## Agency Comments

In commenting on a draft of this report, the Secretary of Veterans Affairs concurred with our recommendations; provided us with a plan to implement them; and suggested changes in the report, which we incorporated as appropriate (see app. II). The Secretary said that, in contrast to our findings, nationwide survey results indicated that field staff were in general compliance with VA policy and were conducting special outreach efforts to veterans with potentially serious employment handicaps.

The Chief of VA's Vocational Rehabilitation Operations and Program Coordination, the office responsible for field office surveys, told us that VA's statement about a nationwide survey actually refers to VA's interpretation of the results of surveys conducted periodically (about every 2 or 3 years) at individual rehabilitation field offices. Officials in VA's Vocational Rehabilitation Service told us that their position that field staff were in general compliance with the special outreach policy was based on their observations and recollections that few surveys had reported noncompliance with the policy. These officials acknowledged that they did not have supporting documentation that the outreach policy was being complied with.

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We are sending copies of this report to interested congressional committees, the Secretary of Veterans Affairs, and other interested parties. If you have any questions about the information reported, please contact me at (202) 512-7215. Other major contributors to this report are listed in appendix III.

Sincerely yours,



Joseph F. Delfico  
Director, Income Security Issues

# Locations of Offices Contacted by GAO

Field offices	Local medical facilities				Veterans' files reviewed
	Medical center	Blind rehab. center	Spinal cord injury center	Traumatic brain injury center	
Atlanta	X			X	X
Chicago	X	X		X	
Hartford	X				X
Houston	X			X	
Montgomery	X	X			
St. Petersburg	X			X	
San Diego	X			X	X
San Francisco	X	X		X	X
Seattle	X			X	X

Note: GAO contacted 9 of 57 field offices, 9 of 172 medical centers, 3 of 5 blind rehabilitation centers, 7 of 22 spinal cord injury centers, and the 1 traumatic brain injury center, and reviewed files at 4 of the 9 field offices.

# Comments From the Department of Veterans Affairs



THE SECRETARY OF VETERANS AFFAIRS  
WASHINGTON

SEP 16 1992

Mr. Joseph F. Delfico  
Director, Income Security Issues  
U. S. General Accounting Office  
441 G Street, NW  
Washington, DC 20548

Dear Mr. Delfico:

I have read your draft report, **VOCATIONAL REHABILITATION: VA Needs to Emphasize Serving Veterans With Serious Employment Handicaps** (GAO/HRD-92-133) and agree with your conclusion that the Department of Veterans Affairs (VA) can strengthen its service to veterans with serious employment handicaps. I note your case file review did not identify any instances where required vocational rehabilitation services were not provided, when appropriate. However, I do believe we can improve on the overall timeliness of these services.

Veterans Benefits Administration (VBA) Vocational Rehabilitation Service policy requires us to conduct outreach activities and to provide timely service to all service-disabled veterans. Standard outreach procedures require that any veteran with a service-connected disability rating of 20 percent or more be advised of potential VA rehabilitation benefits. Furthermore, VBA intensifies its efforts to elicit applications for VA vocational rehabilitation services from veterans with disability ratings of 50 percent or more.

During regularly scheduled survey visits, VBA Central Office staff evaluates field station conformity with program policy and procedures. In contrast to GAO's findings, our nationwide survey results indicate that our field staff is in general compliance with VA policy and is conducting special outreach services to those veterans with potentially serious employment handicaps. I recognize the degree of attention given to outreach activities varies among field offices. Nevertheless, the Chief Benefits Director assures me that corrective action is taken when stations are not found to be in compliance with VA policy regarding outreach efforts.

Finally, I agree that one way to emphasize the importance and complexity of these special outreach services is to cite them in employee performance standards. VBA will review and revise their standards to reflect these important responsibilities.

**Appendix II  
Comments From the Department of  
Veterans Affairs**

The enclosure details the actions VBA plans to take to implement your recommendations. It also contains several technical corrections. Thank you for the opportunity to comment on this report.

Sincerely yours,

  
Edward J. Derwinski

Enclosure  
EJD/vz

**Appendix II  
Comments From the Department of  
Veterans Affairs**

Enclosure

**DEPARTMENT OF VETERANS AFFAIRS COMMENTS TO  
GAO DRAFT REPORT, VOCATIONAL REHABILITATION: VA Needs  
to Emphasize Serving Veterans With Serious Employment Handicaps  
(GAO/HRD-92-133)**

**GAO recommends that I reemphasize to VA field offices that disabled veterans with serious employment handicaps are to be (1) provided special outreach services, and ...**

Concur - The Veterans Benefits Administration (VBA) will review and emphasize the proper outreach procedures regarding veterans with serious employment handicaps to all field staff in their monthly nationwide fastline call. The Chief Benefits Director anticipates implementing this recommendation by September 30, 1992. During the next year, VBA will explore ways to strengthen its liaison activities with VA's Veterans Health Administration. In addition, during the next 9 months, VBA will reemphasize vocational rehabilitation officers' responsibility to monitor target control codes for pending motivational activities.

**(2) given priority when scheduling initial counseling and evaluation appointments.**

Concur - To improve compliance with these procedures, VBA will reemphasize to its field staff the requirement for prioritization if appointments cannot be scheduled within 21 days. This should be completed by October 31, 1992. In addition, during the next fiscal year, VBA will include training on issues involved in prioritization in its inservice training program. As an oversight tool, VBA will require a specific statement regarding compliance or noncompliance in all surveys of station operations. VBA Central Office staff will followup the implementation of corrective action in cases of noncompliance.

**GAO also recommends that I recognize the additional time required to provide services to these veterans in employee performance standards.**

Concur - During the next several months, VBA will review existing performance standards and revise them, as necessary, in a manner that accurately reflects the level of service required to assist veterans who may have a serious employment handicap. I anticipate completing this by June 30, 1993.

**Appendix II  
Comments From the Department of  
Veterans Affairs**

**DEPARTMENT OF VETERANS AFFAIRS COMMENTS TO  
GAO DRAFT REPORT, VOCATIONAL REHABILITATION: VA Needs  
to Emphasize Serving Veterans With Serious Employment Handicaps  
(GAO/HRD-92-133)  
(Continued)**

In addition to the comments to GAO's recommendations, we submit the following technical comments to the report.

On page 1, paragraph 2, for "... provides a full range of services aimed at getting jobs ...." substitute: "... provides a full range of services aimed at getting suitable employment -- including counseling, training (subsistence allowance, tuition, books, equipment, and supplies), and job placement services."

Also on page 1, paragraph 2, for "Veterans are eligible for program ..." substitute the words "entitled to" for "eligible for."

On page 1, the footnote should be modified to reflect that VA determines whether a veteran has a serious employment handicap after evaluating the veteran's history, including the effects of disability, prior training and employment, and other pertinent factors.

On page 4, paragraph 1, "In general, VA measured productivity by the number of cases its employees processed ...." The measurement of an individual's performance includes both qualitative and quantitative measures. It is erroneous to imply that the number of cases that a counselor processes is the sole measure of his or her performance. In this regard, a major measure of staff performance is the quality review system, which includes items specifically dealing with serious employment handicaps.

On page 4, paragraph 2, "... more veterans could be served by the program." should be changed to read: "... more veterans with serious employment handicaps could be served by the program."

On page 6, paragraph 1, "After receiving a disability rating under the Disability Compensation Program ..." should be modified to read, "After receiving a disability rating of 20 percent or more under the disability compensation program ...."

Now on p. 2.

Now on p. 3.

Now on p. 3.

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# Major Contributors to This Report

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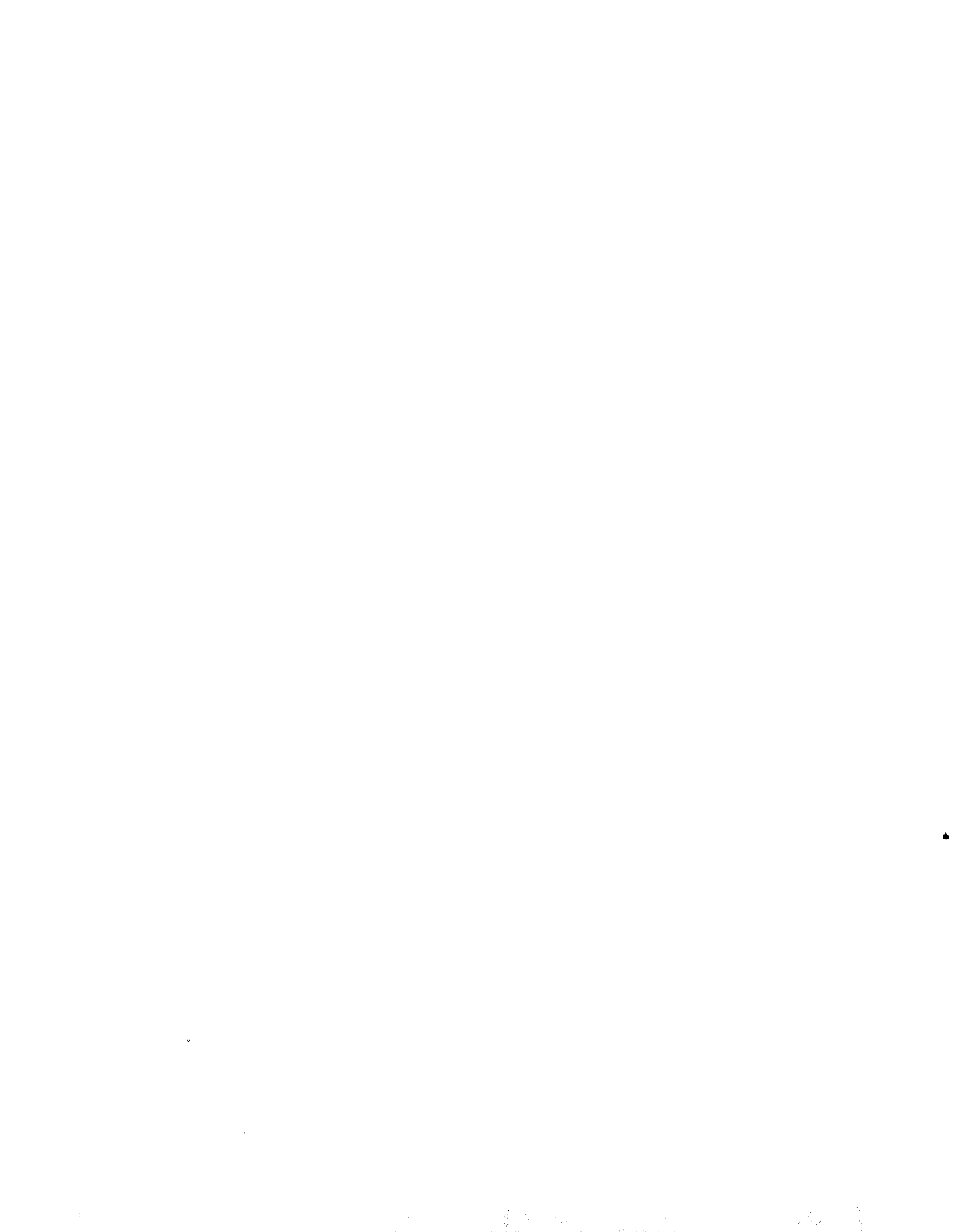
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