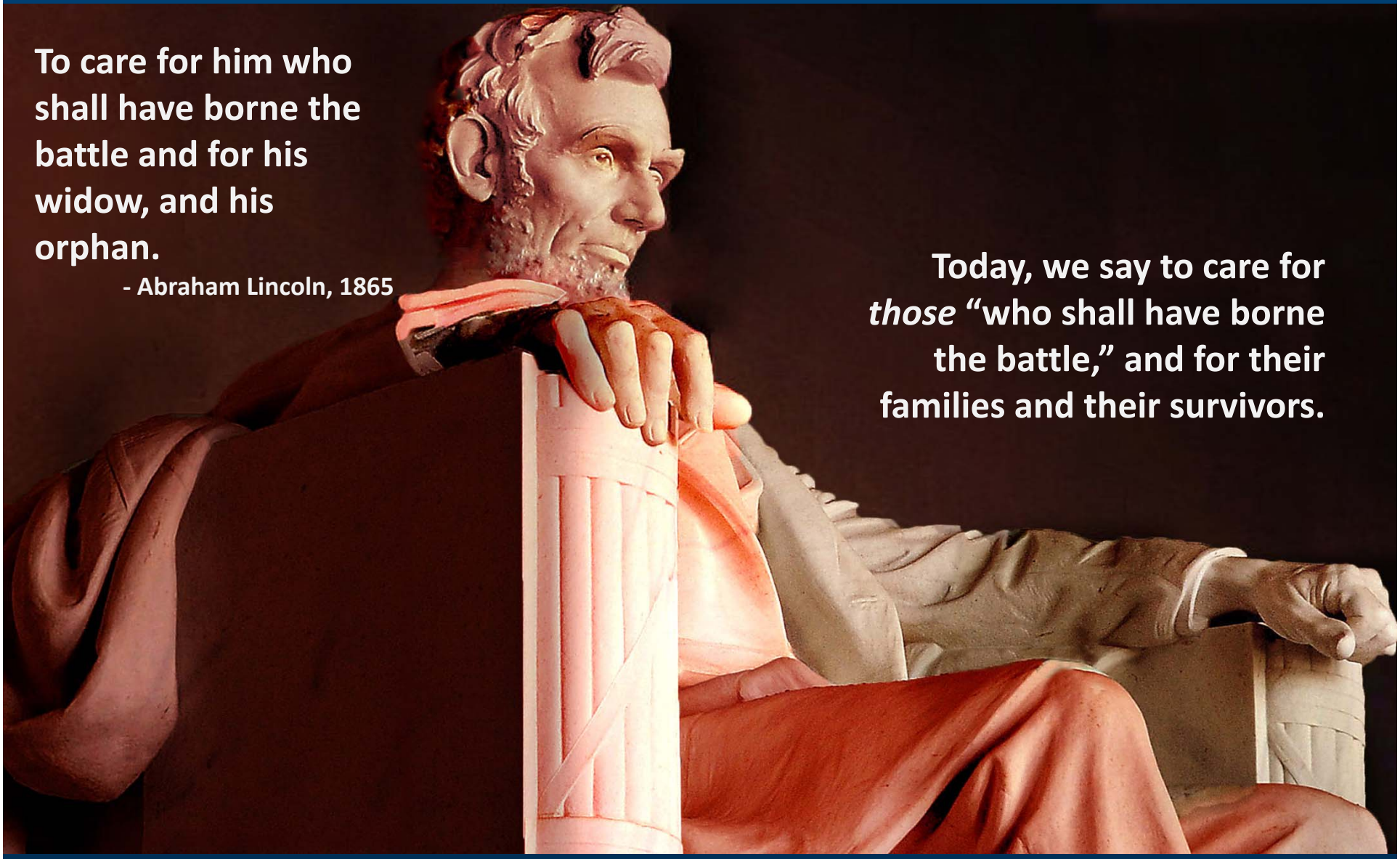
MyVA update to Commission on Care

October 20, 2015

Objectives for today

- Update to the Commissioners on the latest achievements in MyVA
- Provide a detailed look at Support Services Excellence
- Get your thoughts/feedback on things we can do better to increase our chances of success
- Uncover opportunities where we can be working together or coordinating better

Fulfilling our Mission



To care for him who shall have borne the battle and for his widow, and his orphan.

- Abraham Lincoln, 1865

Today, we say to care for *those* "who shall have borne the battle," and for their families and their survivors.

Living our Values

Integrity

Commitment

Advocacy

Respect

Excellence

Our ultimate aspiration…

The Washington Post

Thunderstorms 81/70 • Tomorrow: Thunderstorms 85/67 • Details, B6

TUESDAY, JANUARY 14, 2020

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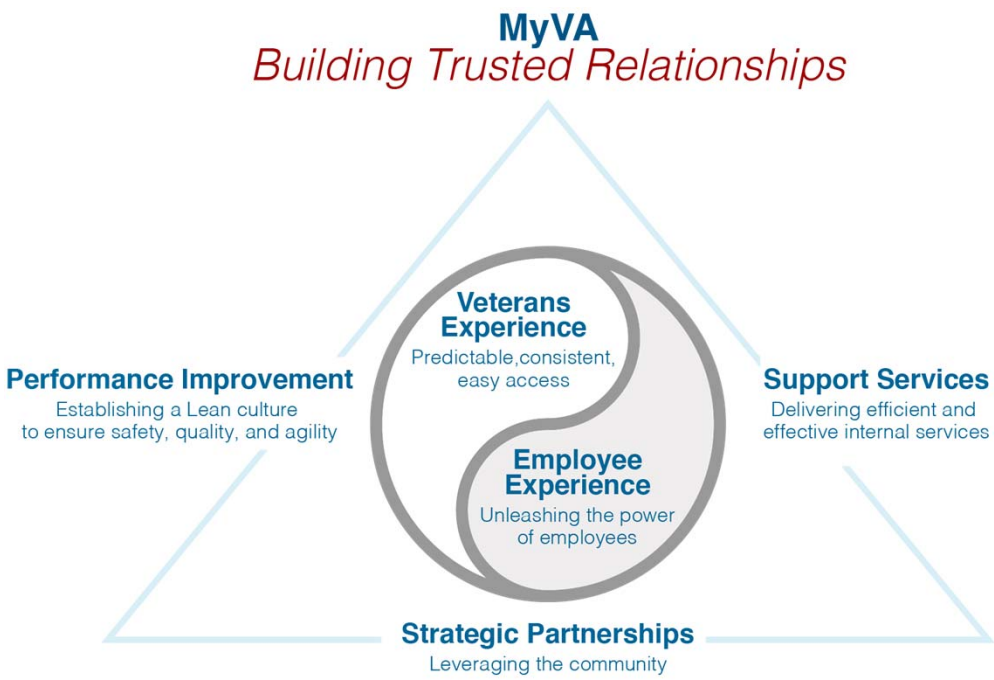
Proud of My VA

VA Now the #1 Federal Agency

The VA has become the model agency for the US Government

MyVA Integrated Plan – Check it out if you haven't!



Progress: Improving the Veterans Experience

- www.vets.gov coming soon!
- The National VA Contact Center
- Customer Data Integration
- Veterans Experience measurement
- Comp & Pen exams
- VHA front line service
- VE District field teams
- Human Centered Design training

Progress: Improving the Employee Experience

- Leaders Developing Leaders (LDL)
  - Aug 5-6 — Top 18 execs
  - Sep 28-30 — 340 field leaders
  - December — 250 VACO leaders
  - Approx. 100 days — Field leaders follow up

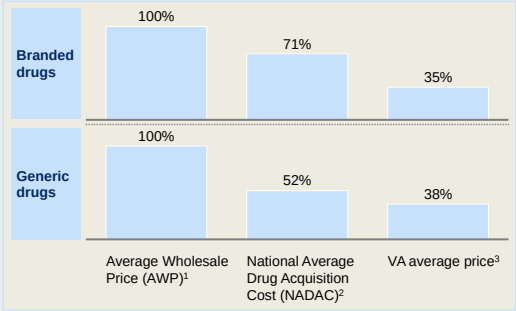
- Expanding other senior leadership development programs
- Recognition - "I CARE" awards
- IdeaHouse – over 5,000 ideas submitted
- Internal communications

Progress: Achieving Support Service Excellence

- Establishing a governance model
- Security quick wins to standardize VA police as well as VAMC facility security
- IT changes coming soon
  - Customer satisfaction/relations at the business units, from national down to facility level
  - Good sound program management at the national level.
- Independent Assessments provide a rigorous diagnostic on supplies IT, and staffing
- Integrated events being planned

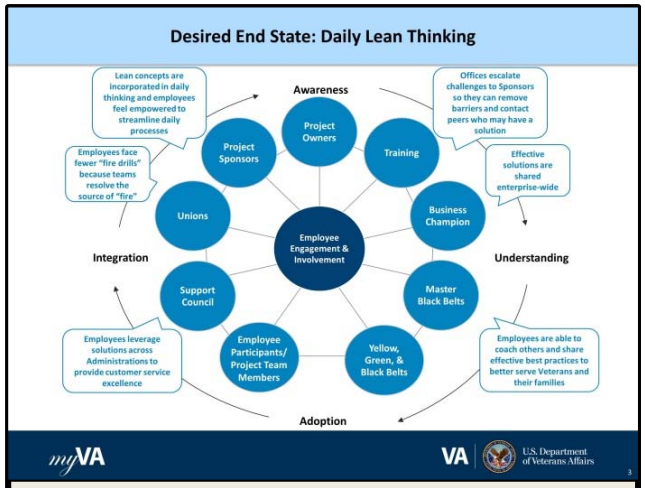
Overall, VA pays low prices for its drugs

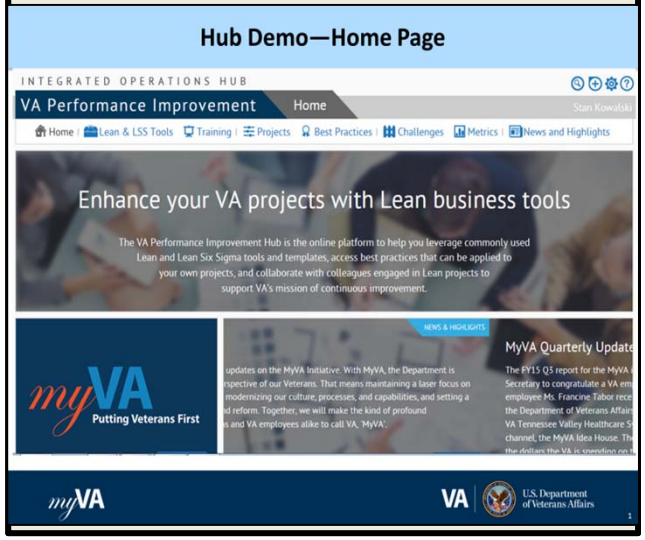
Average unit price per pill as a percent of AWP



Progress: Establishing a Culture of Continuous Performance Improvement

- 4,500 employees trained at 60 locations in VA101
- Veterans Crisis Line improvements
- Lean training
- Knowledge management tool
- Lean symposium, March 2016





Progress: Enhancing Strategic Partnerships

- Strengthening and reinvigorating existing partnerships, e.g., Walgreens
- New partnerships, e.g., Elks, Wounded Warrior Project
- Veterans Economic Community Initiative (VECI)
- Brain Health summit coming in 2016
- Creating tools to make it easier to partner (e.g., MOA template, 101 training, relational database)

Operationalizing MyVA as the Department transformation

- Veteran/Customer Experience
- Employee Experience
- Support Service Excellence
- Performance Improvement
- Strategic Partnership

(FRONT STAGE)

INTEGRATED VETERANS EXPERIENCE

Access to Quality Health Care	Delivery of Timely Benefits	Timely and Accurate Appeals	Access to Memorial Services

(BACK STAGE)

- *Align Requirements, Strategy, and Budget in Operating Model*
- *Attract and Staff Critical Needs*
- *Develop and Retain Passionate Leaders*
- *Implement Design Thinking (Front Stage) and Lean Management (Back Stage)*
- *Transform to customer focused IT*
- *Transform to an efficient and effective Supply Chain*
- *Build and sustain the facilities that our Veterans need*

myVA
Putting Veterans First

Support Services Excellence

Our Mission – To deliver best-in-class services and capabilities to VA's Administrations and functions, so that they can focus on delivering world-class services to Veterans and eligible beneficiaries.

Our Vision – Support Services Excellence transforms enterprise services and capabilities to best-in-class levels, that enable VA to focus on improving the Veterans' experience, empowers VA employees, and delivers efficient and effective internal services.

OMB Benchmarks for Performance

2015 Benchmarking Report for VA: Executive Summary

Customer Satisfaction, by Function
Cross-Agency Comparison

AGENCY	Contracting	Financial Management	Human Capital	IT	Real Property*
DHS	13	22	18	14	22
DOC	19	13	10	11	10
DOD	9	7	16	16	8
DOE	2	3	8	17	9
DOI	15	14	12	5	19
DOJ	7	11	11	13	6
DOL	17	19	14	7	15
DOT	4	15	17	10	11
ED	12	6	22	9	2
EPA	18	16	15	23	7
GSA	5	8	7	8	1
HHS	16	21	23	4	13
HUD	22	23	19	6	16
NASA	1	1	1	3	18
NRC	6	18	3	20	3
NSF		9	4	1	4
OPM	20	20	2	21	21
SBA	11	10	9	22	5
SSA	3	2	5	2	17
State	8	4	13	12	12
Treasury	14	5	6	18	14
USAID					24
USDA	10	17	21	15	20
VA	21	12	20	19	23

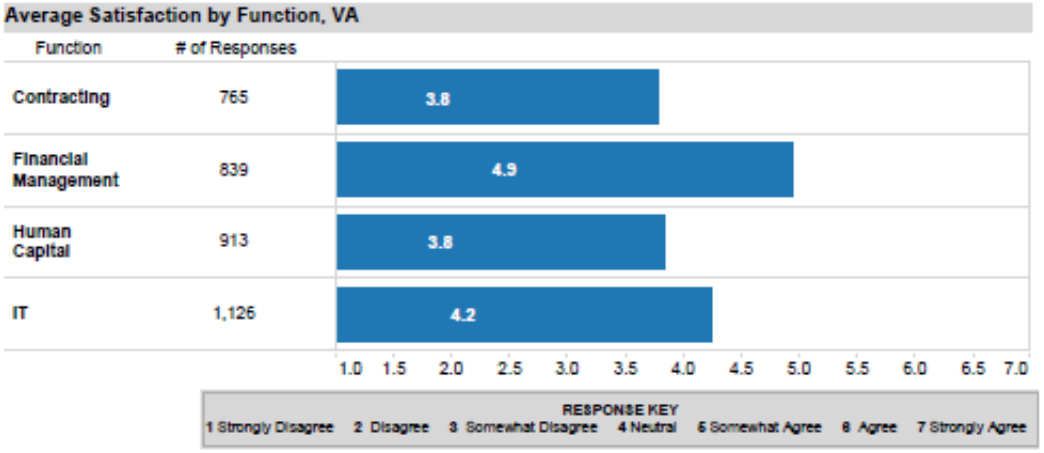
Ranking
1 — 24

The Customer Satisfaction Cross-Agency Comparison Chart displays relative performance across the 23 CFO Act agencies for specific metrics; green represents higher relative performance, red represents lower relative performance, and white indicates that the data was not available.

Customer Satisfaction Survey (CSS): In February 2015, GSA surveyed all GS-13 to GS-15 supervisors and SES at 23 of 24 CFO Act agencies (USAID did not participate). Collectively, the 22,000+ survey responses provide a detailed picture of customer satisfaction for 18 service areas within Contracting, Financial Management, Human Capital and IT Management at each agency.

Tenant Satisfaction Survey (TSS): In July-August 2014, GSA surveyed tenants of the entire Federal government. Collectively, the 280,000+ survey responses provide a detailed picture of tenant satisfaction with specific building attributes, including Building Condition, Personal Workspace, Cleanliness, Elevators, and Security.

OMB Benchmarks for Customer Satisfaction



*Real Property average satisfaction was reported on a different scale from the Customer Satisfaction Survey questionnaire, therefore the agency average score is not displayed in this summary.

VA Overall Satisfaction Ranking out of 23 Agencies

	Contracting	Financial Management	Human Capital	IT	Real Property*
VA	21	12	20	19	23

Customer Satisfaction Survey (CSS): In February 2015, GSA surveyed all GS-13 to GS-15 supervisors and SES at 23 of 24 CFO Act agencies (USAID did not participate). Collectively, the 22,000+ survey responses provide a detailed picture of customer satisfaction for 18 service areas within Contracting, Financial Management, Human Capital and IT Management at each agency.

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OMB Benchmarks for Service Area Satisfaction

2015 Benchmarking Report for VA: Executive Summary

Service Area Satisfaction by Function - VA

Function	Service Area	# of Responses	Govt. Average	
Contracting	Vendor Engagement	399	4.5	4.1
	Contract Administration	572	4.5	3.9
	Simplified Procurement	487	4.6	3.9
	Pre-Award Activity	504	4.2	3.6
Financial Management	Budget Execution	604	4.9	4.9
	Budget Formulation	579	4.8	4.7
	FM Information & Analysis	490	4.8	4.7
	Financial Risk Management	291	4.7	4.6
Human Capital	Training & Development	736	4.6	4.3
	Work - Life Support	601	5.0	4.2
	Other Core HR Services	820	4.5	3.9
	Recruiting & Hiring	839	4.0	3.6
IT	Email	1,126	5.2	4.8
	IT Help Desk	992	5.0	4.5
	IT Equipment	1,126	4.6	4.3
	Network Storage	605	4.7	4.1
	IT Operations & Maintenance	533	4.5	4.0
	IT Devt., Moderniz. & Enhancement	412	4.0	3.5

1.0 1.5 2.0 2.5 3.0 3.5 4.0 4.5 5.0 5.5 6.0 6.5 7.0

RESPONSE KEY
1 Strongly Disagree 2 Disagree 3 Somewhat Disagree 4 Neutral 5 Somewhat Agree 6 Agree 7 Strongly Agree

Customer Satisfaction Survey (CSS): In February 2015, GSA surveyed all GS-13 to GS-15 supervisors and SES at 23 of 24 CFO Act agencies (USAID did not participate). Collectively, the 22,000+ survey responses provide a detailed picture of customer satisfaction for 18 service areas within Contracting, Financial Management, Human Capital and IT Management at each agency.

Benchmarks that we have studied

- Private Sector:
  - United States Automobile Association (USAA)
  - Proctor & Gamble
  - The Cleveland Clinic
  - Johnson and Johnson

- Public Sector
  - Office of Management and Budget (OMB)
  - Department of Defense
  - Department of Commerce
  - Department of Health and Human Services
  - Department of Homeland Security
  - Internal Revenue Service
  - Department of Justice
  - Federal Aviation Administration
  - National Aeronautics and Space Administration
  - Office of Personnel Management (OPM)
  - State of Ohio Shared Service Center
  - Metropolitan Transit Authority of New York City

- Non-Profit:
  - Partnership for Public Service
  - American Council for Technology-Industry Advisory Council
  - Leadership for a Networked World (Harvard Kennedy School)

Support Service Excellence – Operating Principles

1. **Establish a strong governance model** that will determine what work or activities transition from current organizational structures to a future state Support Services Excellence organization, as well as priorities and sequencing for those transitions. Partner with the Administrations and BVA to develop service level agreements that deliver on benchmarks for quality, customer service, and key performance metrics.

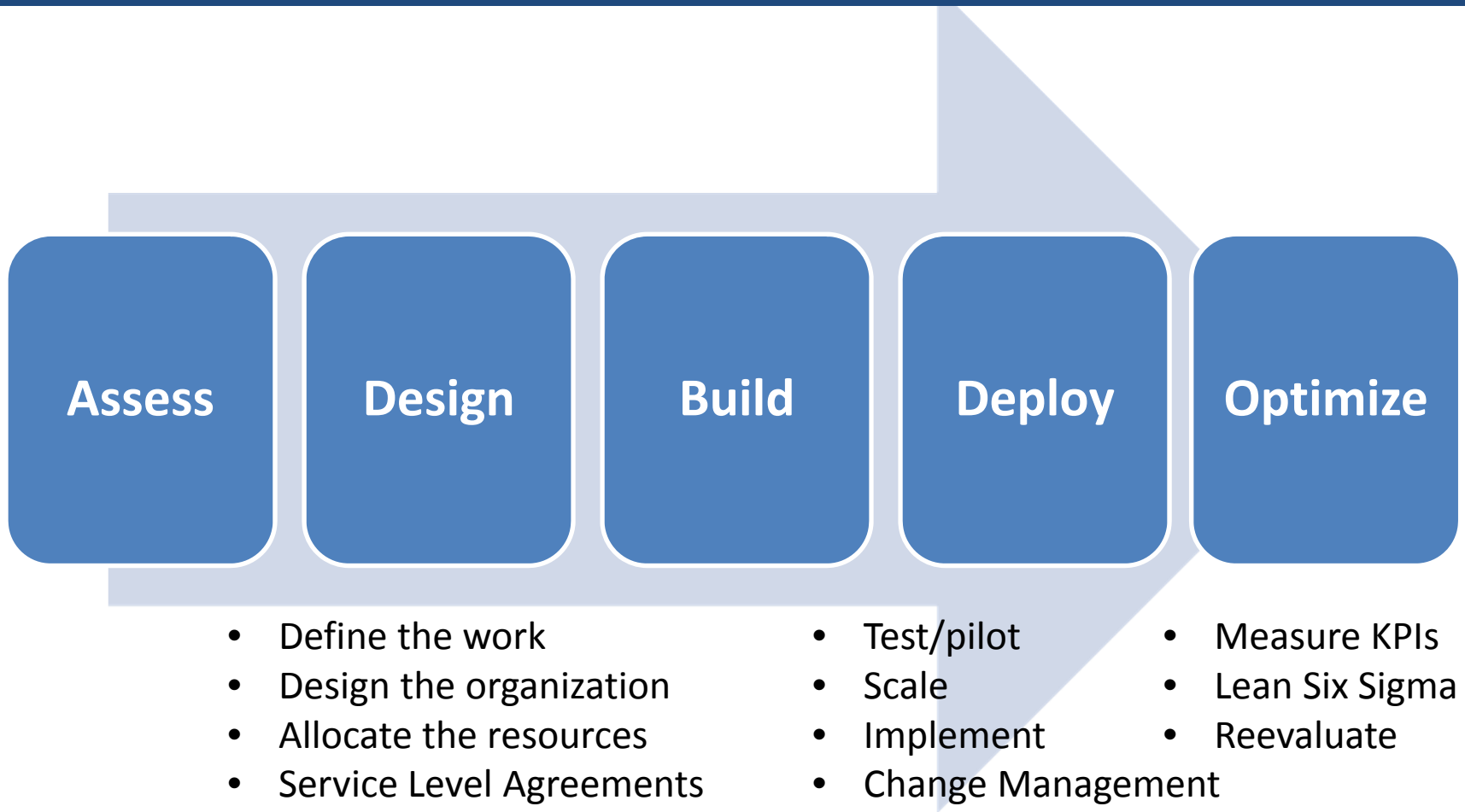
2. Consider moving common, enterprise-wide transactional work to Support Services by **defining the work, the people who do that work, and the end-to-end cost of that work.** Partner on centers of excellence where it best meets core Administration missions and Staff Offices on strategic functional capabilities and service.

3. **Focus on excellence in service delivery**, building the specific people skills, business model, and organization design needed to accomplish this.

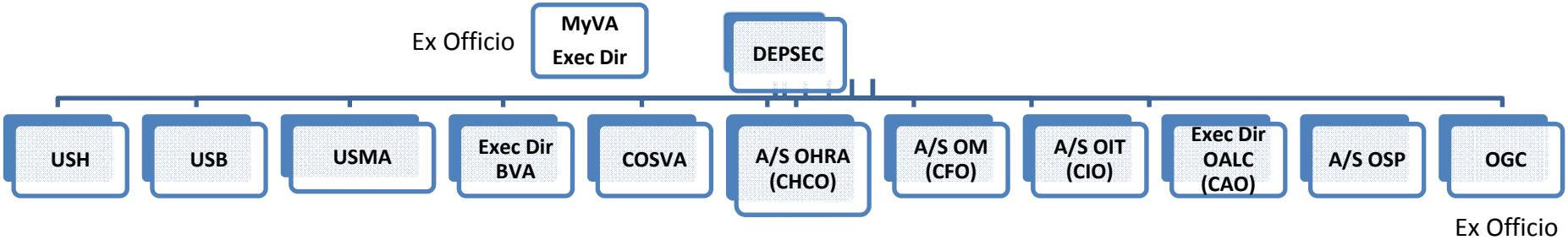
4. Support Services must be a critical enabler of capabilities for the VA Administrations and Staff Offices. **It delivers enterprise services faster and better.** Apply Lean and Six Sigma to **streamline business processes and increase efficiencies.**

5. **Support Services works on the VA Administration priorities** through annual "Joint Business Plans", quarterly reviews, and agreed-to service levels and cost commitments.

Support Service Excellence Strategic Framework



Support Services Governance Board



- Executive Decision Memorandum from SECVA designating DEPSEC as owner
- Similar in construct to proposed Office of Management and Budget governance structure
- MyVA Executive Director as executive sponsor
- Board charter to be coordinated/published
- Board input on Director of Support Services performance plan
- Drive towards consensus but decision rests with DEPSEC
- The Board will,
  - Receive regular updates and provide feedback to SSE program office
  - Represent their organizations as the "Voice of the Customer"
  - Identify risks and opportunities related to planning and implementation
  - Provide input and advice to VA Senior Leadership Council
- First Board Meeting met September 14, 2015
  - Purpose, goals/objectives, roles/responsibilities, frequency, draft charter
- Second Board Meeting October 20, 2015
  - Charter approval, franchise fund and board transition

Potential Support Services Funding Model

- VA Support Services Management Office established through reimbursables; small staff of 20 to lead the nation-wide program and effort
- Transition enterprise work to franchise fund fee-for-service rather than General Administration appropriations (Since 1997, VA has operated a franchise fund under Government Management and Reform Act of 1994, Public Law 103-356. Permanent status was conferred upon the VA Franchise Fund by Public Law 109-114.)
- Analyze potential transition for the six existing VA Enterprise Franchise Centers.
- Evaluate feasibility of long term working capital fund to sustain support services excellence.
- Run Support Services as a business reporting to the Support Services Governance Board ; retain 4% of revenues for innovation and technology investments.

Security and Preparedness Quick Wins

Quick Wins Implementation Timeline

Between now and the end of FY16, each Quick Win team has key milestones they will be workings towards completing

		Progress by Oct. 2015	Progress by Jan. 2016	Progress by Oct. 2016	Benefit Received by Veteran by Dec. 2016
1	Update & Standardize Policies & Procedures	Identify VA policies that need updating		Continue making policy changes	Veterans will have a consistent VA experience
2	Establish S&P Budget Line Item		Consolidate FY18 S&P budget		Veterans will receive high-quality and consistent security services due to appropriately allocated resources
3	Expand & Streamline EM Assessment		VBA & NCA defined assessment criteria	Roll out of consistent EM assessment	Veterans will be confident the facilities are well-prepared for emergencies
4	Create Standard Position Description & Baselines for Police	Complete staffing model & concept paper for Demonstration project	Deployment of basic Police Officer PD	OPM approval for demo and ready to pilot	Veterans will receive consistent protection and customer service from all VA police
4.1	Create Standard PDs & Baselines for EM & Physical Security	Complete EM PD & baselines	Complete ConOps for Physical Security model	Rollout initial baseline staffing model for EM and Physical Security	Veterans will encounter facilities that are properly equipped and prepared to provide emergency and security support
5	Strengthen & Expand Workplace Violence Prevention Program	Draft policy for stakeholders	Finalize and push policy	Hire and train regional specialists	Veterans will interact with employees trained in workplace violence and disruptive behavior
6	Increase LETC Training Capacity	Identify viable training installations	Hire additional trainers		Veterans will feel assured that all hired police are trained to protect them
7	Improve PIV Issuance		Standardize PCIF& staffing requirements	Acquire next generation PIV system	
8	Improve Background Investigation Initiation & Adjudication	Engage stakeholders on business requirements and select primary vendor	Perform Vendor Analysis		Veterans will be confident that VA employees are properly vetted, and investigated, and credentialed
9	Improve Employee Lifecycle Through ICAM		Integrate with HR Smart, Active Directory and TMS	Integrate with PIV, Background Investigation system, eCMS	

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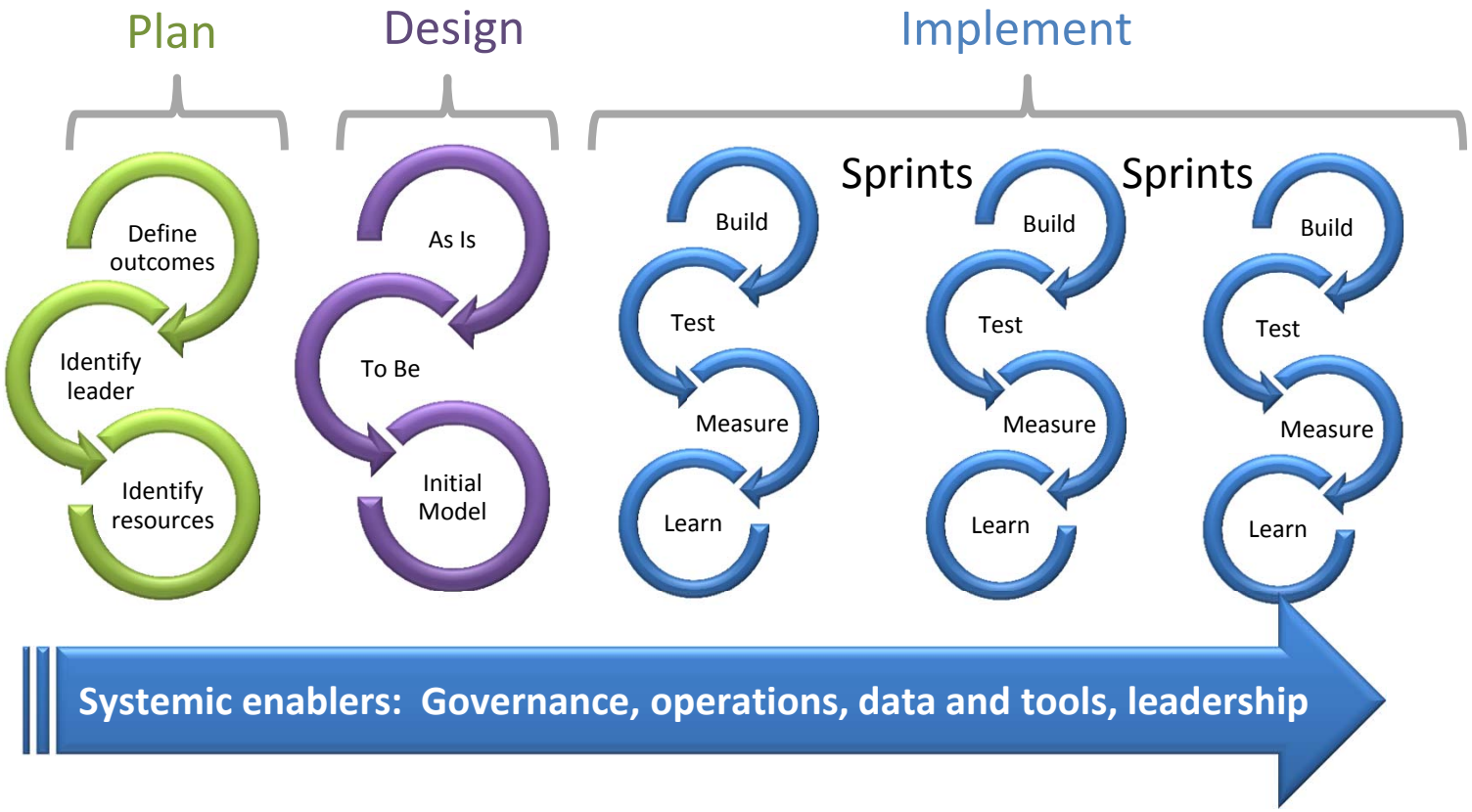
Working Draft, Pre-Decisional Deliberative Document—Internal VA Use Only

Integrating Events Concept Overview

It is an outcome-driven agile process in which cross-organizational stakeholders work together in "sprints" to plan, design and achieve measurable improvements in integrated capabilities that improve the Veteran and employee experience in the field.



- **Intent is to develop and integrate new capabilities for supply chain, HR, IT, finance, contracting, leasing, and facilities management with leadership from Administrations, functional experts, and MyVA team**

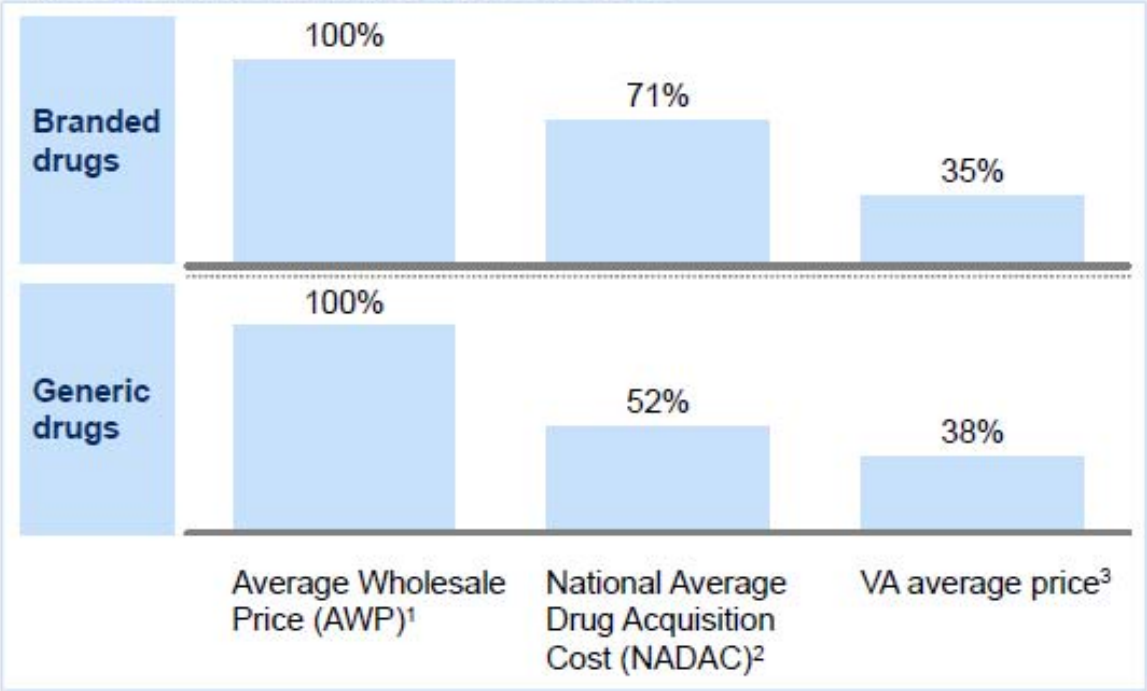
- **One per month with follow-on sprints delivered and evaluated in the field, with decisions to replicate or scale post-sprint**

- **We will hold integrating events for supply chain, HR (in particular hiring), leasing, procurement, IT, finance, and facilities. Perhaps others as the process matures.**

- **October 2015 – Supply Chain**
- **November/December 2015 – HR with focus on hiring**
- **January 2016 - Procurement/Contracting**
- **February 2016 – Leasing/Facilities Management**
- **March 2016 - Finance**

1A Overall, VA pays low prices for its drugs

Average unit price per pill as a percent of AWP



1 Average Wholesale Price information included in VA purchase data
2 National Average Drug Acquisition Cost (NADAC) is a government drug price index based off aggregated invoice surveys from retail pharmacies
3 Weighted average price per pill for each National Drug Code (NDC) purchased in April 2014, data only includes tablets and capsules, excluded drugs with NADAC price change in April 2014, n = 926 branded NDCs, 191 generic NDCs

SOURCE: VHA Pharmacy Benefits Management; NADAC data available at http://www.medicaid.gov

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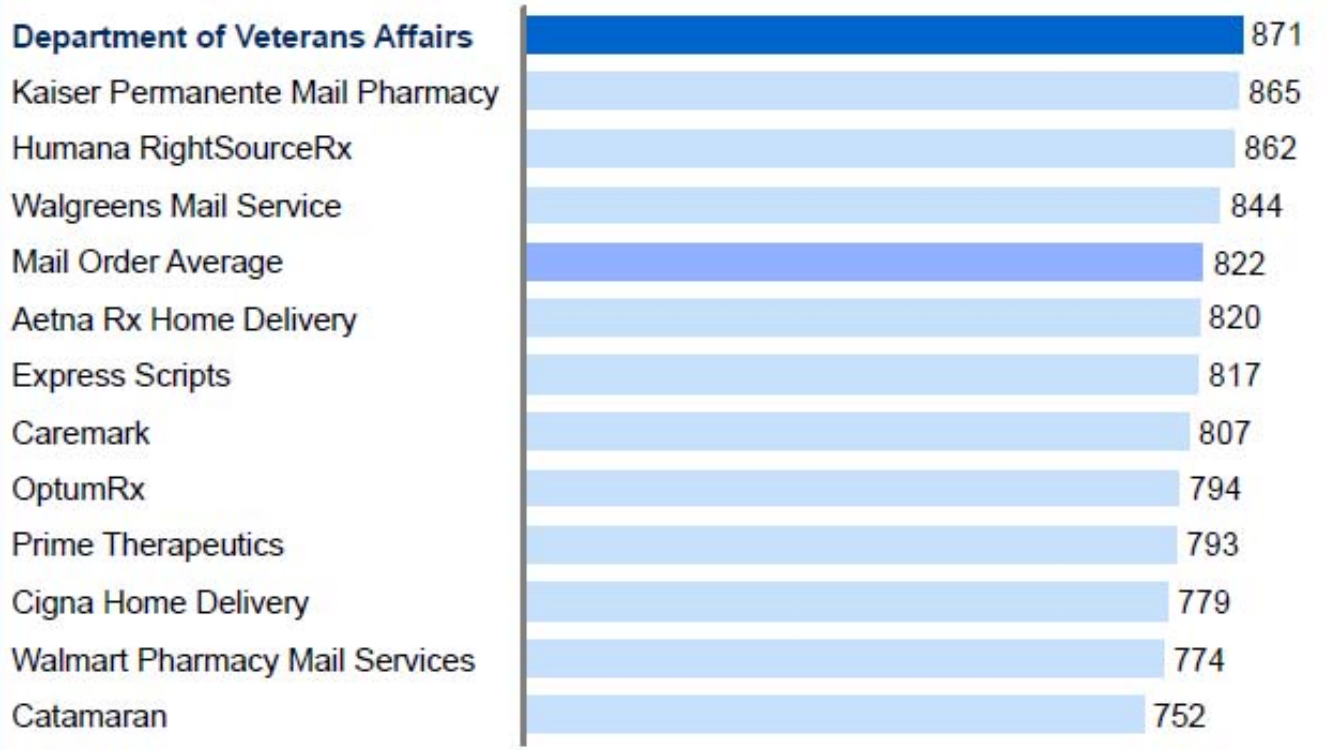
1B Veterans are highly satisfied with VA CMOP service

Results of 2014 J.D. Power's Pharmacy Overall Satisfaction Study (mail order)
Points out of 1,000



SOURCE: JD Power Mail Order Pharmacy Rankings – Overall Satisfaction, 2014, data collected from VA CMOP leadership

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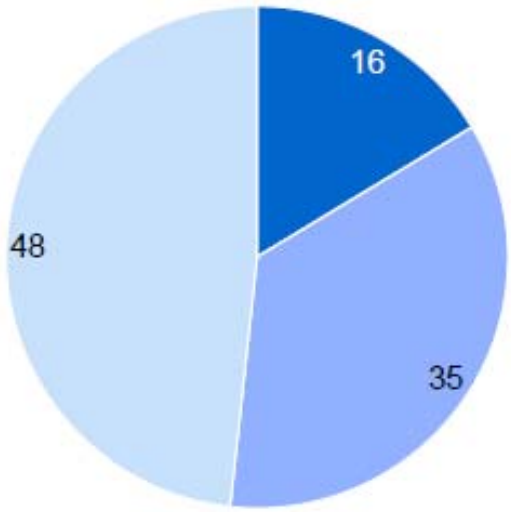
2B A large portion of purchased products cannot be matched to other purchases within or between VISNs

Matched across VISNs
Matched within VISNs
No match

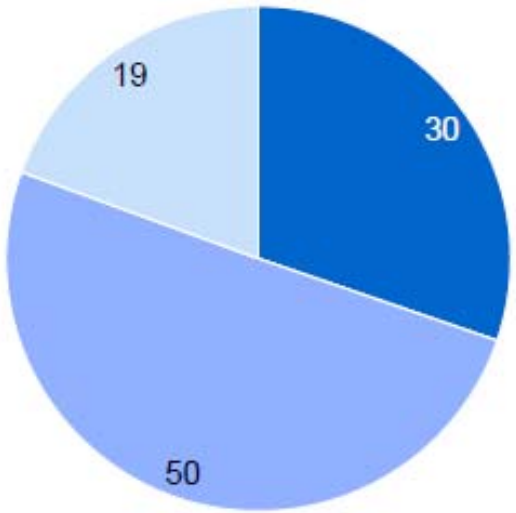
Overview of match rates for products across VISNs

Percent of products

Based on number of products[1]



Based on spend[1]



1 For medical and surgical supplies, all BOC 2632 spend was included. For Prosthetics, only surgical implants, prosthetic limbs, neurosensory devices, biological implants, orthoses/orthotics, and respiratory accessories were considered; DME and equipment were excluded; 64% of in scope prosthetic spend was excluded due to missing data fields (primarily manufacturer and vendor SKU codes)

SOURCE: IFCAP purchase data; VHA Procurement and Logistics Organization

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2C For med / surg supplies, there are long response times for procurement requests with issues

Status of procurement requests (100 % = 1,107)		Average number of steps	Median time to first response Days	Median total duration[2] Days
With VAMC after at least one return from contracting[1]	13%	2.40	21	23
Cancelled by contracting	20%	2.45	39	62
With contracting after at least one return to VAMC	11%	3.21	22	35
With contracting; no return or cancellation to date[3]	57%	1		

1 Returned to Accountable Officer or Control Point in VAMC
2 From first submission to final status
3 Final disposition (awarded or not) was not determined

SOURCE: Data provided by VAMC during site visit

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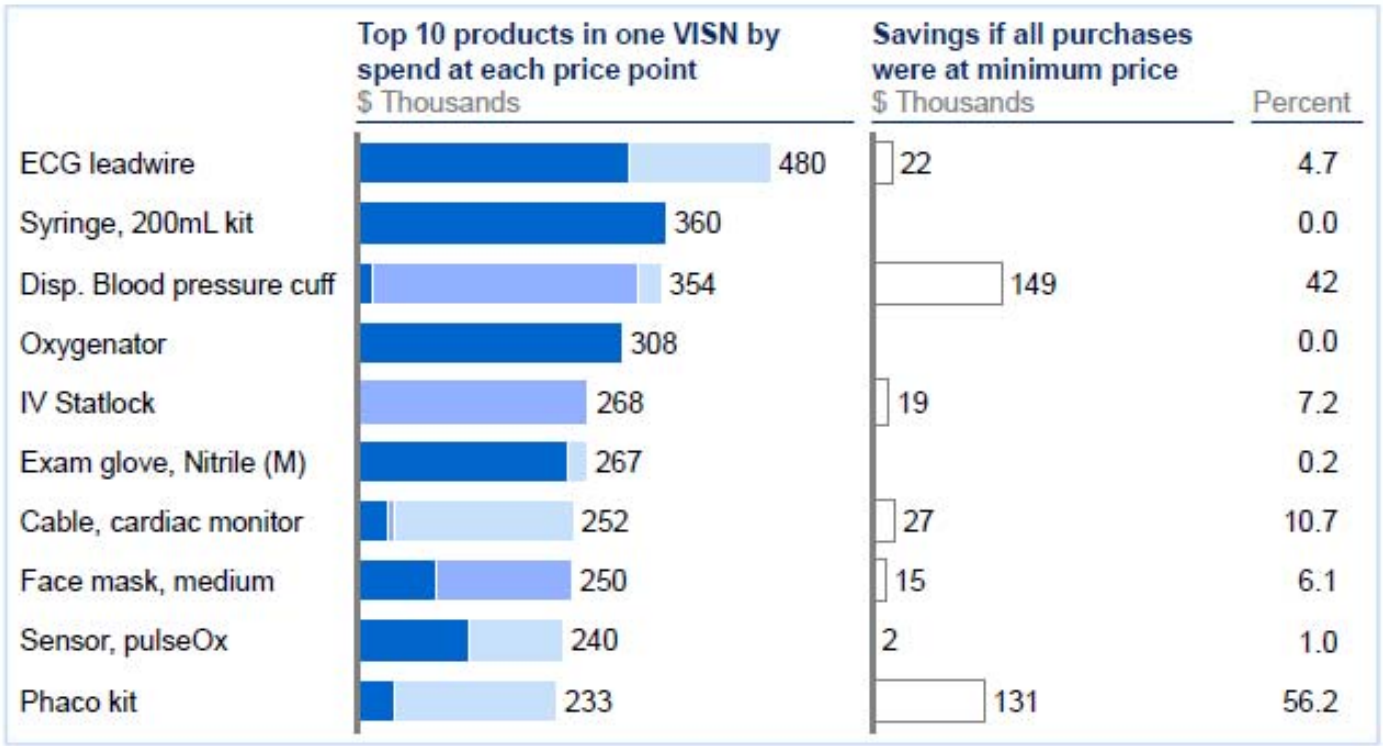
2D Variation in purchase prices for same items leads to additional costs for clinical supply products



1 Some products had more than one mid-price point; the total spend for all middle prices is shown

SOURCE: VHA Procurement and Logistics Organization, IFCAP FY14 medical and surgical supplies purchases for one VISN (total spend in FY14 of $91 M)

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- Supply Chain Integrating Event October 20-22, 2015
- Purpose:
  - Review existing near to mid term initiatives
  - Map current initiatives to Choice Act Assessment Section J findings and recommendations
  - Create longer term vision for integrated system enabling supply chain management and financial management excellence
  - Identify linkage of current initiatives to the vision
  - Develop phased plan to achieve intended end state

Clinical staffing: VHA RN hiring timeline significantly lags private sector

VAMC leadership | VAMC clinical staff | HR / admin | Candidate

VA hiring process	Est. duration Months
Approval for posting	0.5-4[1]
Job posting and screening	0.5
Job posting - external	
Screening	<0.25
Interview and selection	0.75-1
Tentative offer	<0.25
Credentialing	0.5-3[2]
Background check / tests	1
Approval / privileging	0.25-1
Boarding	0.25-2[3]
Firm offer	<0.25-0.5
Leave	0-1[4]
1st day	~4-8 months

Typical private sector process	Est. duration Months
Approval for posting	<0.5
Job posting - all	<0.25-0.5
Screening	<0.25
Interview and selection	<0.25-0.5
Credentialing	<0.25-0.5
Compensation	<0.25-0.5
Tentative offer	<0.25
Background check / tests	<0.25
Leave	0-0.5
1st day	~0.5-1.5 months

1 Length depends on how frequently the committee meets, and whether a request is returned for additional clarification, requiring resubmission
2 Longer than private sector because requirements are typically greater; length varies depending on how easily HR is able to contact references and whether candidates submits all information in a timely manner, 3 Length depends on how often the peer Professional Standards Review Board meets
4 Length can exceed private sector for 2 reasons: (1) onboarding dates are typically set for large cohorts and inflexible, resulting in individual candidates spending several weeks waiting for their start date and (2) length and uncertainty of VHA hiring timeline often means candidates do not put in their leave until their firm offer, delaying their onboarding

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Potential Action Learning Projects

1. **Exec staffing** - how do we fill all critical executive vacancies within the next 120 days (internal and external candidates)?
   1. VHA HQ positions
   2. VISN leader positions
   3. VAMC Directors and “Pentad” positions
   4. VACO/corporate key roles
   5. VBA key roles?

2. **Nurse staffing/hiring** - how we onboard XXX nurses within the next 120 days?

3. **Succession planning** – how do build the bench strength so we don’t have similar staffing issues 5 years from now?

4. **Operating model** – how do we tie strategy to requirements to resourcing/budgets?

5. **Facilities closing** - What do we do with the facilities/space that we don’t need?

6. **SCIP process**

7. **Supply Chain** – how do we define and articulate requirements?

8. **IT** – how do we leverage the Digital Service Team approach to improve the work of IT?

Discussion questions

- **Overall** - Immediate reactions? Does this feel directionally correct? Any major items missing?
- What do you think will work in government? What would you prioritize or sequence first?
- What do you think we should stay away from?
- **In what areas should we be working together more?** Where/how can we help each other?

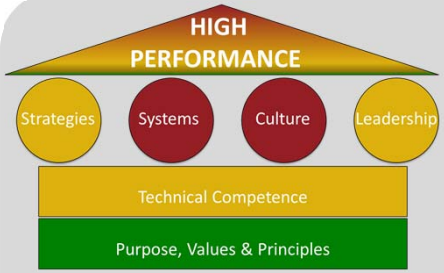
Backup/Appendix:
Highlights from MyVA Integrated Plan

MyVA will be executed in multiple horizons to achieve our ultimate vision

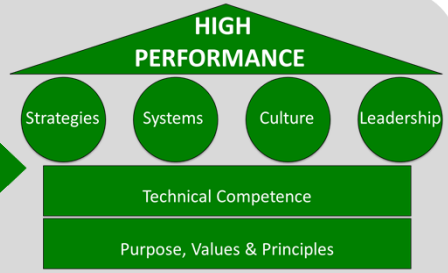
Horizon 1
Leveraging existing priorities

Horizon 2
MyVA as a catalyst to accelerate change

Horizon 3
Optimizing and scaling MyVA



Building a high performing organization



Horizon 1 initiatives that we must continue to leverage for Transformation

- Implementation of the VHA Blueprint for Excellence
- Access Improvement Initiative
- Whole Health Care
- Chronic Integrative Health Management
- Mental Health
- VistA 4
- Welcome to VA
- Leveraging VHA Vet Centers
- Increasing Memorial Affairs Access
- Employment
- Increasing Access To VA Benefits and Services
- Memorial Affairs Legacy Initiative
- National Work Queue (NWQ)
- Improving Appeals Experience
- Maximization of Appeals Board Hearing Dockets for Veterans
- Ending Veteran Homelessness

ACCESS

BACKLOG

HOMELESSNESS

What Veterans should expect to see by the end of Horizon 2 (roughly December 2016)

- A **single Veteran facing website** that Veterans can use to do business with VA (initial capability in fall 2015, with additional incremental capability being built through June 2017, when capability is complete).
- A unified **"VA311"** enterprise-wide approach that Veterans can use to easily find information via telephone.
- Veterans will be able to **update or change their authoritative data in one place**, one time, and have that information available and securely used throughout VA.
- More prominent **VBA presence in VHA facilities** to increase benefits access and enhance service.
- **100+ MyVA** Communities established across the nation.
- More consistent high level of Veteran service in every interaction – enabled by **consistent front-line training** across VA and measured by operational metrics.
- A **Veterans Experience organization** fielded at national and district levels that will provide focus for veteran-centric service design.

What Employees should expect to see by the end of Horizon 2 (roughly December 2016)

- **VA 101 training** will have been delivered to >50% of our employees and **front line Veteran Service training** pilots will have been completed in each of our five Districts; employees have a broader perspective on VA's benefits and services, therefore providing better service to Veterans.
- Expanded **leadership development** programs.
- Vastly improved **employee communications.**
- Completed standardized staffing model, with **vacancies filled for mission critical occupations**.
- **Recruitment and hiring practices** for VA facilities will be improved and streamlined.
- Better linkage of **performance measures** to VA Goals and Objectives.

What we should expect to see by end of Horizon 2 for Support Services Excellence

- Governance and framework established to optimize a subset of **support services** and provide better support to front-line managers and employees.
- Vastly improved **hiring; contracting and supply chain practices; and IT service support** across the enterprise.

What we should expect to see by end of Horizon 2 for Performance Improvement

- **Veterans Crisis Line improvements complete**, enabling focus exclusively on Veterans in crisis.
- 10 percent of VA employees **trained in Lean techniques** (up from 0.28% today) and a fully implemented a **Knowledge Management System,** enabling more sharing of best practices across the Department.
- **Requirements-based budgeting, programming, and resource allocation process** in place, to include a **strategic review of facility and network optimization**.

What we should expect to see by end of Horizon 2 for Strategic Partnerships

- A dynamic **Strategic Partnership Needs Portfolio** to efficiently and effectively triage and leverage external partnership opportunities.
- A **Strategic Partnership relational database** that captures and catalogs engagement activities between VA and external stakeholders at the national, regional, and local level.
- An **external web site** for current and potential strategic partners established.
- An **internal website** that will empower employees to disseminate information, share best practices, and be proactive in engaging with community stakeholders.