

United States Senate
WASHINGTON, DC 20510

July 31, 2024

The Honorable Jon Tester
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510

We write regarding the reported budget shortfall at the Department of Veterans Affairs (VA) of nearly \$15 billion. We were informed on July 16, 2024, of multiple, billion-dollar shortfalls, anticipated across VA. Specifically, a \$2.88 billion shortfall relating to compensation, pension, and readjustment benefit payments at the Veterans Benefit Administration (VBA), and another \$11.97 billion shortfall in medical care accounts at the Veterans Health Administration (VHA). For context, the reported VHA shortfall alone is greater than the entire annual budget of the Environmental Protection Agency.

The sudden nature of the issue, and the sheer financial volume of the request, are both cause for concern and call into question the information previously reported by VA. As members of the Senate Veterans' Affairs Committee, we have an obligation to conduct oversight of the Department. If the problem is not identified and addressed, it is perpetuated. VA must be held to the highest standard in delivering quality, transparent, and efficient care, benefits, and services to our veterans, while acting as exemplary stewards of taxpayer dollars. However, years after the passage of *The Sergeant First Class Heath Robinson Honoring Our PACT Act*, VA appears to be falling well short of their obligation to serve veterans and spend taxpayer dollars responsibly.

While VBA has processed a record number of claims over the last two years, largely due to the new claims arising from the PACT Act, substantial problems persist. In fact, prior to the passage of the PACT Act, there were many legitimate concerns raised over the detrimental impact to the Department's claim workload and broader resource management. The situation at VHA is equally as concerning. The Committee needs to know the cause of this \$11.97 billion shortfall and the extent to which mismanagement of funding provided by Congress contributed to it. Similarly, the Committee needs to know how VA's waffling on their hiring needs and strategy has contributed to this current predicament.

Our Committee is directly responsible for conducting rigorous oversight and this budget shortfall proves that VA is in desperate need of scrutiny and accountability. Our obligation is not absolved because the Senate is departing for a five-week recess.

The VA Secretary needs to immediately testify in-person before the Committee to answer the nearly \$15 billion question before a supplemental is considered. The American people, and especially our veterans, deserve a government operating with full transparency and integrity. They expect results, not a blank check to further bureaucratic mismanagement.

The answers and accountability owed to our veterans cannot wait until the Senate returns on September 9, just days before the VA says that benefits payments will be disrupted. As such, we urge you to immediately schedule a hearing so we can conduct proper oversight and get to the bottom of this concerning report. Once we get these critical answers, then we can quickly take appropriate action to ensure payments continue to our veterans and ensure this unacceptable financial mismanagement does not jeopardize veterans again.

Sincerely,



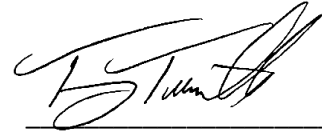
Kevin Cramer
United States Senator



Marsha Blackburn
United States Senator



Thom Tillis
United States Senator



Tommy Tuberville
United States Senator



Dan Sullivan
United States Senator



M. Michael Rounds
United States Senator

CC: Ranking Member Jerry Moran, Senate Committee on Veterans' Affairs