

U.S. DEPARTMENT OF VETERANS AFFAIRS

FY 2027 BUDGET SUBMISSION



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

Budget in Brief

April 2026

Overview

President Trump charged Department of Veterans Affairs (VA) Secretary Doug Collins with a simple, powerful obligation— “Take great care of our Veterans.” And that is exactly what VA is doing. Today at VA, the Veteran is the mission, and the mission is the Veteran. The 2027 President’s Budget request and 2028 Advance Appropriations (AA) request for VA will enable the Department to build on the progress of a historic year of transformation. The budget provides increased funding for healthcare services tailored to Veterans’ needs both at VA medical centers and in the community. It prioritizes care for our most vulnerable Veterans, including those at risk of homelessness or suicide. It accelerates VA’s Electronic Health Record Modernization (EHRM) effort, moving the Department from a decades-old legacy system to a modern system that is interoperable with the Department of War (DoW) and other Federal and community care partners. And finally, the budget allows VA to continue building a streamlined, modern organization focusing the Department on its core Veterans First mission: providing the best possible care and services to Veterans, families, caregivers and survivors.

The total 2027 request for VA is \$488.2 billion including all funds, both discretionary and mandatory, a \$34.9 billion (+7.7%) increase above the 2026 enacted level (including collections and the Recurring Expenses Transformational Fund). This includes a discretionary budget request of \$150.6 billion, a \$12.3 billion (+8.9%) increase above 2026. Combined with \$54.6 billion from the mandatory Cost of War Toxic Exposures Fund (TEF), the total request is \$205.6 billion for operational needs. This includes the discretionary Recurring Expenses Transformational Fund (RETF, or Transformational Fund, TF)¹ which will provide \$1.45 billion for construction projects, and \$4.2 billion from Medical Care collections. In addition, there is \$450 million in mandatory funding for Major Medical Facility leases made available by the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act of 2022 (P.L. 117-168).

The 2027 mandatory benefits funding request is \$282.6 billion, an increase of \$20.6 billion (+7.9%) above 2026. This includes \$257.2 billion for Compensation and Pension and \$24.7 billion for Readjustment Benefits.

VA anticipates supporting 443,327 Full-Time Equivalent Employees (FTE) in 2027 using all funding sources.

The 2028 Medical Care Advance Appropriation (AA) request includes a discretionary funding request of \$138.2 billion. The 2028 mandatory AA request is \$307.5 billion for Veterans benefits programs (Compensation and Pensions, Readjustment Benefits, and Veterans Insurance and Indemnities) and \$53.8 billion for the TEF.

The 2027 request will provide the resources necessary to meet VA’s commitment to deliver timely access to world-class health care and earned benefits to Veterans. The request fully funds operation

¹ The Consolidated Appropriations Act, 2016 (P.L. 114-113) created the RETF, allowing VA to transfer unobligated balances of expiring non-emergency discretionary funds in any account to the RETF as directed in the Act.

of the largest integrated health care system in the United States, with over 9.2 million Veterans expected to be enrolled for medical services in 2027. In 2027, it will also provide disability compensation benefits to over 7.4 million Veterans and their survivors, and administer pension benefits for over 178,500 Veterans and their survivors. The 2027 request will also support:

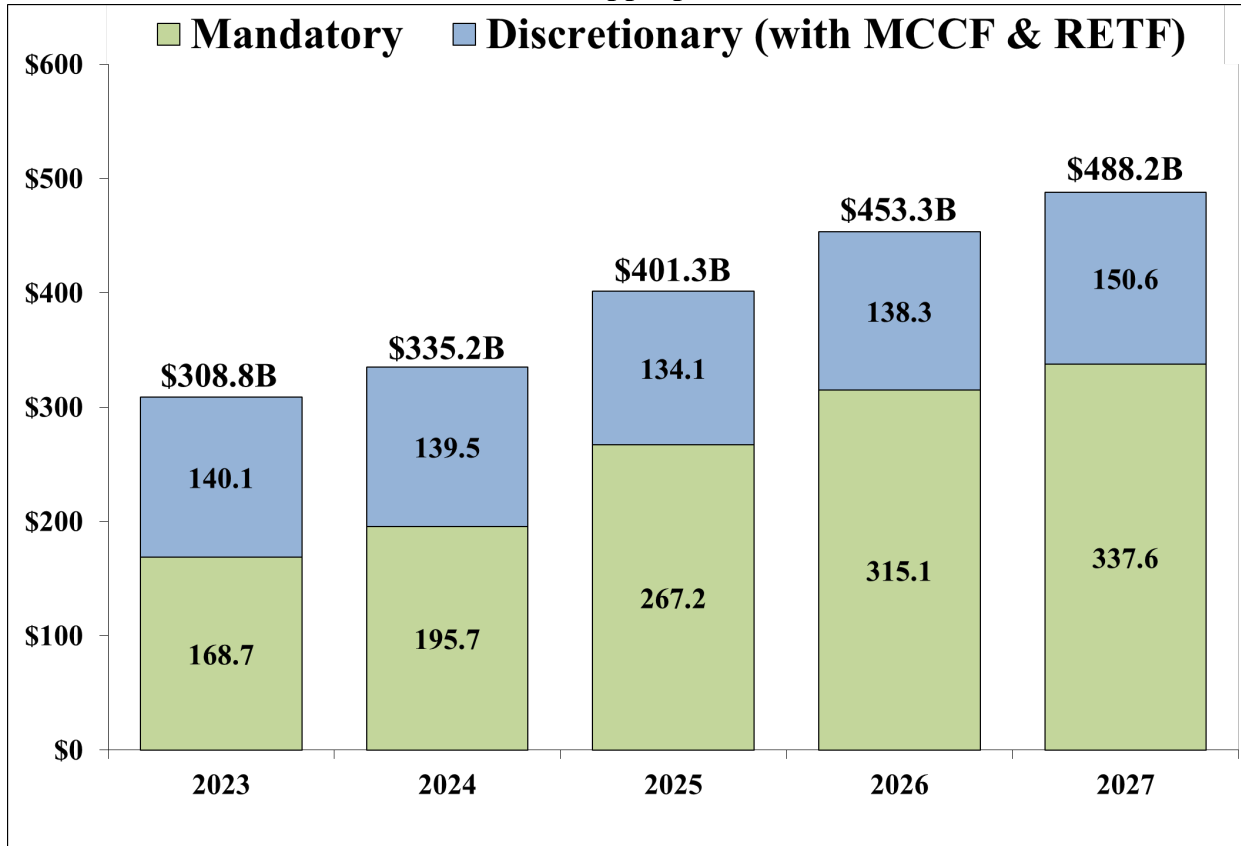
- 7.5 million unique patients treated by VA estimated for 2027.
- 162.6 million outpatient visits estimated for 2027.
- \$5.4 billion for construction (all funds, base discretionary and RETF).
- Education assistance programs serving over 1.3 million trainees.
- Veteran Readiness and Employment (VR&E) benefits for more than 190,000 Veterans.
- Loan Guaranty Service (LGY) credit benefits with a portfolio of 4.1 million active home loans.
- Interment of an estimated 129,501 Veterans and eligible family members in VA national cemeteries by the National Cemetery Administration (NCA).

There are an estimated 17.6 million Veterans living in the United States, its territories, and other locations. These Veterans, their families, caregivers, and survivors are the heart of America, having dedicated their lives to serving and sacrificing for this country in times when they were needed most. VA will continue to listen to the “voice of those we serve” – our Veterans – as we work with Federal, state, and local partners, including Veterans Service Organizations (VSO) to best utilize the funds requested.

VA Funding

Funding for VA has increased significantly, with total funding growing by \$179.4 billion (+58.1%) since 2023, as shown below.

VA Total Appropriations

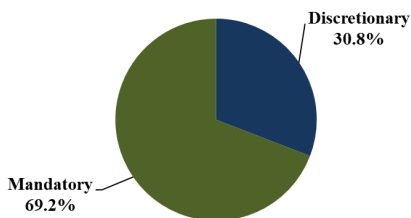


Funding History

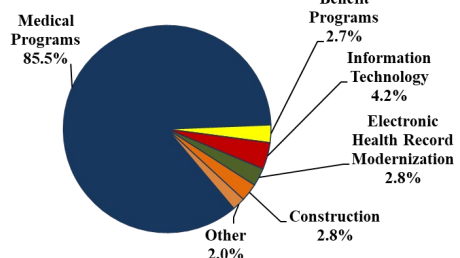
(\$ in Billions)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Mandatory	105.5	112.3	110.9	124.7	137.7	157.5	168.7	195.7	267.2	315.1	337.6
Discretionary	74.3	81.6	86.6	92.0	104.6	113.3	135.0	135.0	129.2	133.4	144.9
Medical Collections (MCCF)	3.5	3.5	3.9	3.4	3.1	3.9	4.1	3.8	4.6	4.0	4.2
Transformational Fund (RETF)						-0.8	1.0	0.7	0.3	0.9	1.5
Total VA	183.3	197.4	201.4	220.1	245.4	273.8	308.8	335.2	401.3	453.3	488.2

Note: Mandatory funding includes \$2.1 billion provided by the Veterans Choice Act 2017 and \$7.3 billion in 2018, as well as resources provided in the PACT Act, Fiscal Responsibility Act of 2023 (FRA) and annual appropriations acts. Funding excludes American Rescue Plan (2021) and the Disaster Relief Supplemental (2025). Totals may not add due to rounding.

Discretionary vs. Mandatory Funding



Discretionary Funding



FY 2027 Request

Regular Appropriations, Collections, Department of War (DoW) Transfers, and RETF

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	Change 2027 vs. 2026	
				\$	%
Discretionary Funding ¹					
Medical Services	69,129	57,241	59,958	2,717	4.7%
Medical Community Care	22,555	34,000	39,727	5,727	16.8%
Medical Support and Compliance	11,719	11,669	11,050	(619)	-5.3%
Medical Facilities	9,548	11,876	12,650	774	6.5%
Direct Care					
Community Care					
Subtotal, Medical Care Appropriations	112,951	114,786	123,385	8,599	7.5%
Medical Care Collections Fund	4,614	4,031	4,207	176	4.4%
Subtotal, Medical Care with MCCF	117,565	118,817	127,592	8,775	7.4%
Medical and Prosthetic Research	935	945	922	(23)	-2.4%
Electronic Health Care Record Modernization	1,306	3,400	4,240	840	24.7%
Information Technology Systems	6,192	6,219	6,308	89	1.4%
Board of Veterans' Appeals	277	280	268	(12)	-4.3%
General Operating Expenses, Veterans Benefits Administration	3,934	3,881	3,811	(70)	-1.8%
National Cemetery Administration	480	499	505	7	1.3%
General Administration	448	429	517	88	20.5%
Construction, Major Projects	961	1,394	3,089	1,695	121.6%
Construction, Minor Projects	692	350	861	511	146.0%
Grants for State Extended Care Facilities	171	275	171	(104)	-37.8%
Grants for Construction of Veterans Cemeteries	60	150	60	(90)	-60.0%
Office of Inspector General	296	296	284	(12)	-4.1%
Loan Administration and Subsidy	320	280	295	15	5.4%
DoW transfers to Joint Accounts (JALFHCC and JIF)	178	180	189	9	5.0%
Subtotal, Non-Medical Care	16,250	18,578	21,520	2,943	15.8%
Subtotal, Discretionary without MCCF	129,200	133,363	144,905	11,542	8.7%
Subtotal, Discretionary (with MCCF)	133,815	137,394	149,112	11,718	8.5%
Recurring Expenses Transformational Fund (RETF) ²	320	896	1,450	554	61.8%
Total, Discretionary (with MCCF and RETF)	134,134	138,291	150,562	12,271	8.9%
Mandatory Funding ³					
Total, Mandatory	267,160	315,053	337,649	22,596	7.2%
Total Funding					
Total VA (Disc & Mand) without MCCF or RETF	396,360	448,416	482,554	34,138	7.6%
Total VA (Disc & Mand) with MCCF	400,975	452,447	486,761	34,314	7.6%
Total, Disc & Mand Funding (with MCCF and RETF)	401,294	453,343	488,211	34,868	7.7%

1. Discretionary Funding includes non-emergency appropriations provided in annual Appropriations Acts and in the 2027 President's Budget Request. The Disaster Relief Supplemental Appropriations Act, 2025, P.L. 118-158, is not included.

2. RETF line displays the estimated resources available in the RETF. These resources do not score as budget authority.

3. Mandatory Funding includes mandatory appropriations provided in annual Appropriations Acts.

Mandatory Funding Details

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	Change 2027 vs. 2026	
				\$	%
Mandatory Funding					
Mandatory Benefits					
Compensation and Pensions	212,553	233,090	257,186	24,096	10.3%
Veterans Insurance and Indemnities	135	132	98	(34)	-25.6%
Readjustment Benefits	18,264	25,250	24,704	(546)	-2.2%
Credit Reform Upward Reestimates and Subsidy	5,556	3,507	620	(2,887)	-82.3%
Housing Liquidating Account	(3)	(1)	(1)	0	-
Subtotal, Mandatory Benefits	236,505	261,977	282,606	20,629	7.9%
Subtotal, Mandatory Base Funding	236,505	261,977	282,606	20,629	7.9%
Section 707 (Major Medical Facility Leases)¹					
Medical Facilities	200	400	450	50	12.5%
Cost of War Toxic Exposures Fund²					
Medical Services	11,884	35,370	35,219	(151)	-0.4%
Medical Community Care	15,694	14,030	16,447	2,417	17.2%
Medical Support and Compliance	-	400	405	5	1.3%
Direct Care					
Community Care					
Medical and Prosthetic Research	59	57	57	-	0.0%
Information Technology Systems	1,364	1,385	1,056	(329)	-23.8%
Board of Veterans' Appeals	-	-	-	-	-
General Operating Expenses, Veterans Benefits Administration	1,426	1,401	1,376	(25)	-1.8%
General Administration	20	33	33	-	0.0%
Contingency Reserve	9	-	-	-	-
Subtotal, Cost of War Toxic Exposures Fund	30,455	52,676	54,593	1,917	3.6%
Subtotal, PACT Act	30,655	53,076	55,043	1,967	3.7%
Total, Mandatory	267,160	315,053	337,649	22,596	7.2%

1. Section 707 of the PACT Act appropriated funds for major medical facility leases for 2023 and annually for subsequent years through 2031.

2. The Fiscal Responsibility Act of 2023 appropriated \$20.3 billion to the TEF in 2024 and \$24.5 billion to the TEF in 2025, the Full-Year Continuing Appropriations and Extensions Act, 2025, provided an additional \$6 billion for TEF in 2025 and the Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extensions Act, 2026 provided \$52.7 billion.

Mandatory funding for Compensation and Pensions will provide a total of \$257.1 billion for Veterans and other beneficiaries for disability compensation benefit payments to nearly 7.4 million Veterans and their survivors and pension benefit payments to over 178,500 Veterans and their survivors in addition to burial benefits. Readjustment Benefits funding will provide \$24.7 billion in education and job training benefits to over 1.3 million Veterans and qualified dependents. VA's

life insurance programs will provide coverage to nearly 5.5 million Veterans. VA’s credit programs will support 545,209 new guaranteed loans within a portfolio of 4.2 million active loans.

Cost of War Toxic Exposures Fund (TEF) Details

“The Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022” or the “Honoring our PACT Act of 2022” (PACT Act, P.L. 117–168) represents the most significant expansion of VA health care and disability compensation benefits for Veterans exposed to burn pits and other environmental exposures in 30 years. As part of the PACT Act, Congress authorized the TEF to fund increased costs above 2021 funding levels for health care and benefits delivery for Veterans exposed to a number of environmental hazards to ensure there is sufficient funding available to cover these costs, without shortchanging other elements of Veteran medical care and benefit delivery. The budget includes a request for \$54.6 billion in mandatory funding for the TEF in 2027 to support an 208,585 FTE, as shown in the tables below.

TEF Appropriation

Accounts (\$ in millions)	2022	2023	2024	2025	2026	2027
	Enacted	Enacted	Enacted	Enacted with Transfers	Enacted with Transfers	Request
Medical Care	34	3,822	17,177	27,578	49,800	52,071
Medical and Prosthetic Research	1	2	46	59	57	57
Information Technology Systems	123	656	1,243	1,364	1,385	1,056
Board of Veterans' Appeals	10	1	4	-	-	-
Veterans Benefits Administration	302	482	1,769	1,426	1,401	1,376
General Administration	30	37	29	20	33	33
Contingency Reserve	-	-	-	9	-	-
Total Toxic Exposures Fund	500	5,000	20,268	30,455	52,676	54,593

TEF FTE

TEF Funded FTEs	2022	2023	2024	2025	2026	2027
	Enacted	Enacted	Enacted	Enacted with Transfers	Enacted with Transfers	Request
Medical Care	-	-	88,563	66,149	180,333	200,399
Medical and Prosthetic	-	6	93	105	141	150
Information Technology	-	12	31	-	-	-
Board of Veterans' Appeals	-	-	-	-	-	-
Veterans Benefits	-	6,004	8,154	8,926	7,847	8,015
General Administration	-	45	56	28	84	21
Total FTE	-	6,067	96,897	75,208	188,405	208,585

Note: FTE displayed here differs from FTE in the OMB Budget Appendix due to changes made after the MAX A-11 Database closed

Combined Appropriation

The VA manages base discretionary funds and mandatory TEF and PACT Act section 707 medical facilities funds in accordance with the legal parameters for both funding streams. The combined funds, as shown below, represent the total appropriated funds to support VA operations.

Combined Appropriation, Base Discretionary, TEF and PACT Act Section 707

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	Change 2027 vs. 2026	
				\$	%
All Funding Sources					
Medical Services	81,013	92,611	95,177	2,566	2.8%
Medical Community Care	38,249	48,030	56,174	8,144	17.0%
Medical Support and Compliance	11,719	12,069	11,455	(614)	-5.1%
Medical Facilities	9,748	12,276	13,100	824	6.7%
Direct Care	-	-	-	-	-
Community Care	-	-	-	-	-
Subtotal, Medical Care Appropriations	140,729	164,986	175,906	10,920	6.6%
Medical Care Collections Fund	4,614	4,031	4,207	176	4.4%
Subtotal, Medical Care with MCCF	145,343	169,017	180,113	11,096	6.6%
Medical and Prosthetic Research	994	1,002	979	(23)	-2.3%
Electronic Health Care Record Modernization	1,306	3,400	4,240	840	24.7%
Information Technology Systems	7,556	7,604	7,364	(240)	-3.2%
Board of Veterans' Appeals	277	280	268	(12)	-4.3%
General Operating Expenses, Veterans Benefits Administration	5,359	5,282	5,187	(95)	-1.8%
National Cemetery Administration	480	499	505	7	1.3%
General Administration	468	462	550	88	19.0%
Construction, Major Projects	961	1,394	3,089	1,695	121.6%
Construction, Minor Projects	692	350	861	511	146.0%
Grants for State Extended Care Facilities	171	275	171	(104)	-37.8%
Grants for Construction of Veterans Cemeteries	60	150	60	(90)	-60.0%
Office of Inspector General	296	296	284	(12)	-4.1%
Loan Administration and Subsidy	320	280	295	15	5.4%
DoW transfers to Joint Accounts (JALFHCC and JIF)	178	180	189	9	5.0%
Contingency Reserve	9	-	-	-	-
Subtotal, Non-Medical Care	19,127	21,454	24,042	2,589	12.1%
Subtotal, All Funding Sources without MCCF	159,855	186,439	199,948	13,509	7.2%
Subtotal, All Funding Sources (with MCCF)	164,470	190,470	204,155	13,685	7.2%
Recurring Expenses Transformational Fund (RETF)	320	896	1,450	554	61.8%
Total, All Funding Sources (with MCCF and RETF)	164,789	191,367	205,605	14,238	7.4%

VA Staffing

The 2027 budget request supports 443,327 FTE (from all funding sources), an increase of 6,183 from the 2026 enacted level. The Veterans Health Administration estimates an increase of 5,860 FTE. The 2027 budget assumes there will be no pay increase for civilian employees in calendar year 2027.

Full-Time Equivalent Employees (FTE)

Accounts All funding sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	Change 2027 vs. 2026	
				#	%
Medical Services	298,938	293,660	298,070	4,410	1.5%
Medical Support & Compliance	65,750	59,590	60,160	570	1.0%
Medical Facilities	26,003	25,350	26,230	880	3.5%
Subtotal, Medical Care	390,691	378,600	384,460	5,860	1.5%
DoW-VA Health Care Sharing Incentive Fund	17	17	17	-	0.0%
Joint DoW/VA Demonstration Fund	2,641	2,593	2,593	-	0.0%
Medical Research	3,828	3,706	3,518	(188)	-5.1%
Canteen Service	2,116	2,170	2,180	10	0.5%
Subtotal Veterans Health Administration FTE	399,293	387,086	392,768	5,682	1.5%
Electronic Health Record Modernization	194	313	313	-	0.0%
Information Technology	7,652	6,994	6,992	(2)	0.0%
Board of Veterans Appeals	1,398	1,300	1,163	(137)	-10.5%
Veterans Benefits Administration	33,697	31,140	31,406	266	0.9%
National Cemetery Administration	2,323	2,305	2,305	-	0.0%
General Administration	3,230	3,013	3,433	420	13.9%
Inspector General	1,135	1,038	992	(46)	-4.4%
Franchise Fund	2,209	2,668	2,668	-	0.0%
Supply Fund	1,279	1,287	1,287	-	0.0%
Total FTE	452,410	437,144	443,327	6,183	1.4%

Note: Includes FTE funded by the TEF.

Note: FTE displayed here differs from FTE in the OMB Budget Appendix due to changes made after the MAX A-11 Database closed.

Secretarial Vision

The 2027 budget request will allow VA to continue the momentum of a historic first year of transformation under President Trump’s leadership. VA transformed from a bureaucratic organization to a service organization where Veterans come first in all we do.

This budget request reflects VA’s efforts to find more effective and efficient ways to serve our mission and maximize our resources. The days of measuring VA’s progress by how much money we spend and how many people we employ, instead of how successfully we serve Veterans, are

over. This budget will enable the Department to deliver timely access to care and benefits for every eligible Veteran, family member, caregiver, and survivor. This budget will provide Veterans with the health care choices they have earned while maintaining and improving the Department's direct health care capabilities. It will allow us to do a better job reaching Veterans at risk of homelessness or suicide, especially those who have had no contact with VA.

President Trump charged VA with a simple, powerful obligation— “Take great care of our Veterans.” That is exactly what we are doing, taking great care of Veterans, their families, caregivers, and survivors. Today at VA, the Veteran is the mission, and the mission is the Veteran. This budget includes key investments to:

Prevent Veteran suicide by reaching vulnerable Veterans and bringing them into VA

Suicide prevention is VA's top clinical priority, and all VA health care facilities provide Veterans same-day emergency mental health care access if they need it. The 2027 budget request includes \$727 million (+\$13 million, +1.8% from 2026) for suicide prevention outreach to ensure VA is reaching as many Veterans as we can. Veteran suicide has been a scourge on our nation for far too long. Most Veterans who die by suicide were not in recent VA care, so making it easier for those who have worn the uniform to access the VA benefits they have earned is key. Under President Trump, we are totally revamping the Department's approach to suicide prevention, with new leadership, a fresh focus on reaching those who need our help, and a serious effort to track the efficacy of the resources the Department spends per year in this area, through all programs, to ensure we have real solutions, not just rhetoric.

Deliver quality, timely and convenient access to care and benefits for every eligible Veteran, family member, caregiver, and survivor

Today at VA, we are putting Veterans at the center of everything the Department does. We are laser-focused on customer service and convenience and delivering timely access to the highest quality care and benefits for every eligible Veteran, family member, caregiver, and survivor. This budget increases medical care funding by \$11.1 billion (+6.6%) from the 2026 enacted level (base discretionary, Toxic Exposures Fund (TEF), PACT Act section 707 medical facilities funds, and medical collections) for health care services tailored to Veterans' needs. We are committed to providing Veterans with the health care choices they have earned while maintaining and improving health care capabilities at VA's facilities.

In FY 2026, VA launched the Community Care Network (CCN) Next Gen initiative to increase competition, upgrade, and modernize the provider network, and enhance services to ensure that Veterans receive the very best health care possible, whether at a VA facility or in their community from a local health care provider. In 2027, new community care contracts initiated in 2026 will improve health care choice and quality for Veterans over the next decade.

End Veteran homelessness

It is unfathomable that there are about 30,000 Veterans who served this country and do not have a roof over their head. It is time to change the model. This budget includes \$3.8 billion (+\$531 million, +16.2% above 2026) to end Veteran homelessness. Additionally, VA will devote \$500

million to build facilities and \$30 million to augment services at the West LA VA Medical Center for homeless Veterans in Los Angeles. We are going to up our game making sure VA reaches as many Veterans as possible, and making sure every outlet in every community is working together to reach Veterans who are homeless or at-risk of becoming homeless. In 2025, VA permanently housed 51,936 homeless Veterans, the highest total in seven years and over 4,000 more Veterans than the previous year. We are proud of the progress VA is making to get Veterans off the streets; however, our work is far from complete. This funding will allow VA to continue the bold Getting Veterans Off the Street initiative, in which every VA health care system across the country hosts dedicated outreach surge events to locate unsheltered Veterans and offer them immediate access to housing programs, health care, and behavioral health services, and VA benefits.

Establish Warrior Independence and Self-Sufficiency Ethos (WISE) Office

To support President Trump's May 2025 executive order to establish a National Center for Warrior Independence for Homeless Veterans on the West Los Angeles VA Medical Center campus, this budget will establish a Warrior Independence and Self-Sufficiency Ethos (WISE) office within the Office of the Secretary (OSVA). WISE leads and develops interventions in preventing catastrophic Veteran life events with a focus on homelessness, severe mental health, addiction avoidance and suicide prevention, across the VA enterprise. The budget provides \$5 million and 20 FTE in OSVA for the WISE office that will improve collaboration and integration with the Department of War.

Build a streamlined and modern organizational structure

To transform from a bureaucratic organization to a service organization, this budget includes several reorganizations and realignments to reduce bureaucracy, eliminate waste, and improve effectiveness and efficiency. These efforts include:

- Reorganization of the management structure of the Veterans Health Administration (VHA), with the goals of improving health care for Veterans, empowering local hospital directors, eliminating duplicative layers of bureaucracy, and ensuring consistent application of VA policies across all department medical facilities. Under the Restructure for Impact and Sustainability Effort (RISE) policymakers will set policy, regional leaders will focus on implementing those policies, and clinical leaders will focus on what they do best: taking great care of Veterans. (see Volume 2).
- Disestablishment of the Office of Enterprise Integration (OEI). (see Volume 3).
- Centralization of the functions related to regulations into the Office of the Secretary (OSVA). (see Volume 3).
- Realign responsibility for reasonable accommodation from OSVA to the Office of Human Resources and Administration (HR&A). (see Volume 3).
- Clarifying reporting responsibilities for VA Police, by aligning reporting of the police to the Assistant Secretary for Operations, Security and Preparedness (OSP). Funding for VA Police will remain in the Medical Support and Compliance account. (see Volumes 2 and 3).

- Streamline all contracting functions so that contracting staff report to the Principal Executive Director for the Office of Acquisition, Logistics, and Construction (OALC). (see Volumes 2 and 3).
- Centralize authority for budget and finance functions under the authority of the Assistant Secretary for Management and Chief Financial Officer (CFO). (see Volume 3).

On March 20, 2026, the Secretary also directed the realignment of the Office of Construction and Facilities Management (CFM) to the Office of Management (OM) and consolidation of all information technology (IT) functions to the Office of Information and Technology (OIT). This directive came after the budget was set for FY 2027, but it will be reflected in future budgets.

Accelerate Electronic Health Record Modernization (EHRM) implementation

VA's EHRM program is underway after being paused for longer than it should have been. The 2027 budget request includes \$4.2 billion (+\$176 million, +24.7% from 2026) for EHRM. This year, VA is actively working on the deployment of the EHRM at 13 more VA Medical Centers in addition to the six that are already using it. That progress will be followed by an updated deployment schedule across all VA facilities by the end of 2031: 26 additional sites in 2027; 28 in 2028; 32 in 2029; 32 in 2030; and 33 in 2033. As we move forward with these deployments, we're using the results of the Fall 2025 Electronic Health Record User Experience Survey to help us improve efficiency—using the input of VA doctors, nurses, and staff who currently use the new EHR. We remain steadfast in our commitment to using the modernized EHR system to improve the delivery of the comprehensive care Veterans have earned and deserve.

Deliver earned benefits to Veterans more quickly

The budget provides \$5.2 billion (-\$95 million, -1.8% from 2026 base discretionary and TEF combined) to continue the Veterans Benefits Administration's (VBA) historic progress in delivering earned benefits to Veterans. VA processed record numbers of disability compensation claims in FY 2025, reaching an all-time fiscal year high of more than three million claims processed. The backlog of Veterans waiting for VA benefits is down by over 60% since President Trump took office. VA also eliminated the backlog of Veteran families waiting for VA health care.

Investing in VA Facilities

VA is making historic investments in the VA medical care facilities. The request for construction totals \$5.4 billion budget (+\$2.2 billion, +61.8% above 2026, including the Recurring Expenses Transformational Fund). This will fund a replacement medical center at Indianapolis, Indiana and Manchester New Hampshire, as well as land acquisition for a replacement health care facility in San Antonio, Texas and gravesite expansion and improvements to four national cemeteries. In addition, the Budget provides \$500 million to support the President's Executive Order calling for a National Center for Warrior Independence (NCWI) at the West Los Angeles VA Medical Center.

Keep the memories of America's heroes alive

The request includes \$505 million (+\$7 million, +1.3% from 2026) to continue the National Cemetery Administration's (NCA) excellence in providing burial and memorial benefits to eligible Veterans, their spouses, and their dependents. In 2025, NCA earned the highest customer satisfaction score ever achieved by any public or private organization measured by the American Customer Satisfaction Index. This achievement underscores their extraordinary dedication, commitment, and professionalism.

Legislative Proposals

Putting the Veteran First and Modernizing VA

Legislative proposals are described in detail in Volume 1 of the 2027 Budget Submission. VA proposes targeted statutory changes designed to modernize appeals, strengthen health care delivery, streamline benefits processing, enhance workforce capabilities, and reinforce institutional accountability. The proposals collectively aim to improve Veteran access, reduce delays, and support more efficient operations across VA.

Veterans Health Administration Medical Care

Discretionary and Mandatory Appropriations and Collections

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Advance Request
Discretionary				
Medical Services	69,129	57,241	59,958	-
Medical Community Care	22,555	34,000	39,727	-
Medical Support and Compliance	11,719	11,669	11,050	-
Medical Facilities	9,548	11,876	12,650	-
Direct Care	-	-	-	96,240
Community Care	-	-	-	42,000
Subtotal, Medical Care Discretionary ^{1/2/3/}	112,951	114,786	123,385	138,240
Mandatory				
Medical Services	11,884	35,370	35,219	-
Medical Community Care	15,694	14,030	16,447	-
Medical Support and Compliance	-	400	405	-
Direct Care	-	-	-	22,224
Community Care	-	-	-	31,536
Subtotal, Toxic Exposures Fund (TEF)	27,578	49,800	52,071	53,760
PACT Act Section 707 (Medical Facility Leases)	200	400	450	600
Subtotal, Mandatory (TEF & Section 707)	27,778	50,200	52,521	54,360
Total Medical Care (Disc & Mandatory)	140,729	164,986	175,906	192,600
Medical Care Collections Fund (MCCF) ^{4/}	4,614	4,031	4,207	4,532
Total Medical Care with MCCF	145,343	169,017	180,113	197,132

1/2/3 Includes only non-emergency discretionary appropriations provided in annual Appropriations Acts. 2025 Enacted is post-transfer among VA accounts but is prior to transfers to the joint VA-DoW health care accounts. 2026 Enacted reflects cancellations and transfers among VA accounts but is prior to transfers to the joint VA-DoW health care accounts.

4/ MCCF includes the amount for transfer to the Joint VA-DoW Medical Facility Demonstration Fund.

FTE

All Funding Sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Advance Request
Medical Services	232,814	115,837	103,645	
Medical Support and Compliance	65,724	57,080	54,186	
Medical Facilities	26,003	25,350	26,230	
Direct Care				167,804
Toxic Exposures Fund	66,149	180,333	200,399	219,696
Total Medical Care FTE	390,690	378,600	384,460	387,500

In total, in 2027 the Medical Care funding request for discretionary and mandatory appropriations, combined, including medical care collections, is \$180.1 billion, an increase of \$11.1 billion (6.6%) above the 2026 level.² In 2027, the Budget requests discretionary appropriations of \$123.4 billion for VA Medical Care, an increase of \$8.6 billion above the 2026 enacted level and \$1.1 billion above the enacted 2027 advance appropriations level. The additional funding requested above the advance appropriations level will support the provision of community care and allow for an increased investment in direct care services.

In 2027, the Budget also requests mandatory appropriations of \$52.1 billion in the Cost of War Toxic Exposures Fund (TEF) to ensure there is sufficient funding to cover costs associated with providing health care and benefits to Veterans exposed to environmental hazards, and includes \$450 million in mandatory appropriations enacted in section 707 of the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act of 2022 (P.L. 117-168) for major medical facility leases. In 2027, VA Medical Care funding is distributed among the four account categories: Medical Services, Medical Community Care, Medical Support and Compliance, and Medical Facilities.

In total, in 2028 the Medical Care funding request for discretionary and mandatory appropriations, combined, including medical care collections, is \$197.1 billion, an increase of \$17.0 billion (9.4%) above the 2027 request. In 2028, the Budget requests advance discretionary appropriations of \$138.2 billion, an increase of \$14.9 billion above the 2027 level. It also requests \$53.8 billion as advance appropriations in the TEF for Medical Care and includes \$600 million in appropriations enacted in the PACT Act for major medical facility leases. In 2028, the Budget proposes to distribute funds among two new account categories, Direct Care and Community Care, to streamline the VHA budget structure.

²

The new Direct Care category will provide for the cost of health care and treatment delivered in VHA facilities or by VHA providers, including clinical staff salaries, pharmacy, prosthetics, medical supplies and equipment, as well as other programs funded in the traditional Medical Services, Medical Support and Compliance, and Medical Facilities categories, such as the Caregiver Support Program, Readjustment Counseling Services, and Veterans Homeless Programs, as well as the maintenance and operations of VHA facilities, including NRM.

The new Community Care category will provide for the direct and indirect costs of VA community care programs. Including direct costs will capture everything that is part of the traditional Medical Community Care category. Expanding to indirect costs will capture additional costs currently funded in the other three traditional categories of Medical Services, Medical Support and Compliance, and Medical Facilities. These indirect costs include care coordination and administrative overhead, as well as other costs for community care.

Appropriations for Med Medical Care

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfer	2027 Request	Change 2027 vs. 2026	
				\$	%
Discretionary Funding					
Medical Services	69,129	57,241	59,958	2,717	4.7%
Medical Community Care	22,555	34,000	39,727	5,727	16.8%
Medical Support and Compliance	11,719	11,669	11,050	(619)	-5.3%
Medical Facilities	9,548	11,876	12,650	774	6.5%
Direct Care	-	-	-	-	-
Community Care	-	-	-	-	-
Subtotal, Medical Care Discretionary	112,951	114,786	123,385	8,599	7.5%
Mandatory Funding					
Medical Services	11,884	35,370	35,219	(151)	-0.4%
Medical Community Care	15,694	14,030	16,447	2,417	17.2%
Medical Support and Compliance	-	400	405	5	1.3%
Direct Care	-	-	-	-	-
Community Care	-	-	-	-	-
Subtotal, Toxic Exposures Fund (TEF)	27,578	49,800	52,071	2,271	4.6%
Medical Facilities, PACT Act Section 707	200	400	450	50	12.5%
Subtotal, PACT	200	400	450	50	12.5%
Total Mandatory Funding	27,778	50,200	52,521	2,321	4.6%
Combined funds, Discretionary and Mandatory					
Medical Services	81,013	92,611	95,177	2,566	2.8%
Medical Community Care	38,249	48,030	56,174	8,144	17.0%
Medical Support and Compliance	11,719	12,069	11,455	(614)	-5.1%
Medical Facilities	9,748	12,276	13,100	824	6.7%
Direct Care	-	-	-	-	-
Community Care	-	-	-	-	-
Total, Discretionary and Mandatory	140,729	164,986	175,906	10,920	6.6%

VA Medical Care Spending Depends on Multiple Funding Sources

When combining discretionary and mandatory appropriations, and medical care collections, with all other sources of funds, including unobligated balances from prior year appropriations and reimbursements, and after accounting for transfers from the Medical Care accounts to the two joint VA-DoW health care accounts, the 2027 Medical Care estimated total obligations level is \$184.5 billion, an increase of \$15.4 billion (9.1%) above the estimated obligations level for 2026. The 2028 Medical Care estimated total obligations level is \$197.4 billion, an increase of \$13.0 billion (7.0%) above the 2027 total obligations estimate. In 2027, approximately 70% of total estimated obligations are from discretionary resources and 30% of the total is from mandatory resources (primarily the TEF).

Total Medical Care Obligations by Funding Source

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Advance Request
Discretionary	119,773	120,059	129,453	-
Toxic Exposures Fund	30,671	47,679	54,454	-
PACT Leases (Sec 705 & 707)	272	1,091	517	-
All other (Choice, others)	-	268	37	-
Direct Care	-	-	-	122,587
Community Care	-	-	-	74,829
Total, Obligations by Funding Source	150,717	169,098	184,462	197,416

Note: columns may not sum due to rounding.

Carryover: Congress recognizes the complexities of estimating medical funding needs several years into the future. The annual budget request is for a single amount by appropriation account, but Congress provides VA with certain flexibilities to carry over funds from one year to the next to help smooth out funding and provide additional funding flexibility if needed. The 2027 budget assumes minimal carryover of discretionary funding (\$2.4 billion, or 2% of 2026 estimated discretionary funds) from 2026 into 2027 to address requirements in 2027, although actual carryover into 2027 may change based on final execution. In addition, the 2027 budget assumes carryover of funding appropriated by the PACT Act for major medical facility and enhanced use leases. These leases can take several years to execute and thus a certain amount of the PACT Act lease funds show as carryover from year to year.

Expected Annual Unobligated Balance at Year End (Carryover)

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Advance Request
Discretionary	4,379	2,379	45	45
Toxic Exposures Fund	591	2,712	329	-
PACT Leases (Sec 705 & 707)	2,020	1,328	1,261	792
American Rescue Plan	20	20	20	20
All other (Choice, others)	322	55	17	17
Total, Unobligated Balance at Year End	7,332	6,494	1,672	874

Multiple funding sources managed across fiscal years enable VA to continue to meet Veterans and other beneficiaries’ health care needs, as shown in the table below for obligations by account category.

Total Medical Care Obligations by Account Category

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Advance Request
Medical Services	88,456	94,497	102,067	-
Medical Community Care	40,718	50,000	57,000	-
Medical Support and Compliance	11,629	11,487	11,966	-
Medical Facilities	9,914	13,114	13,428	-
Direct Care	-	-	-	122,587
Community Care	-	-	-	74,829
Total, Obligations by Account	150,717	169,098	184,462	197,416
% change, year over year		12%	9%	7%

Note: columns may not sum due to rounding.

Modeling Health Care Needs

VA uses three actuarial models to support formulation of most of the VA health care budget, to conduct strategic and capital planning, and to assess the impact of potential policies and changes in a dynamic health care environment. The three actuarial models are the VA Enrollee Health Care Projection Model (EHCPM), the Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) Model, and the Program of Comprehensive Assistance for Family Caregivers (PCAFC) Model.

The EHCPM, which was first developed in 1998, is a sophisticated health care demand projection model that uses actuarial methods and approaches to project Veteran demand for VA health care. The EHCPM projects enrollment, utilization, and expenditures for the enrolled Veteran population in more than 140 categories of health care services 20 years into the future. In projecting future Veteran demand for VA health care, the EHCPM accounts for the unique characteristics of the Veteran population and the VA health care system, as well as environmental factors that impact Veteran enrollment and use of VA health care services.

The 2025 EHCPM (Base Year 2024) was used to build the 2027 and 2028 Medical Care budget request. The 2025 EHCPM was updated using workload through 2024 to reflect information on the enrollee population and their utilization of VHA health care. The 2025 EHCPM supports approximately 87% of the VA Medical Care budget.

In projecting future Veteran demand for VA health care, the EHCPM accounts for the unique characteristics of the Veteran population and the VA health care system, as well as environmental factors that impact Veteran enrollment and use of VA health care services.

Historically, growth in cost requirements to provide care to enrolled Veterans is primarily driven by health care trends, the most significant of which is medical inflation. Health care trends are key

drivers of annual cost increases for all health care providers – Medicare, Medicaid, commercial providers, and the VA health care system. Health care trends increase VA's cost of care independent of any growth in enrollment or demographic mix changes. Enrollment dynamics contribute to a portion of the cost growth; however, their impact varies significantly by the type of health care service. An assumption that VA's level of management of health care delivery will improve over time reduces the cost of providing care to enrollees.

The PACT Act became Public Law No 117-168 in August of 2022, expanding benefits for Veterans exposed to certain toxins in the course of their military service, with a focus on Gulf War era Veterans as well as new groups of Vietnam Veterans who were exposed to Agent Orange. The 2025 EHCPM projects enrollment and workload for Title I, which changes enrollment eligibility timelines, and Titles III and IV, which expand eligibility based on conditions presumed to be associated with hazardous exposures. PACT Act affects VHA enrollment by expanding eligibility for selected Veterans and by either introducing or increasing service-connected ratings for some Veterans, which increases the Veteran's enrollment priority level eligibility.

VHA staffing levels continued to increase throughout the COVID-19 pandemic and recovery period, while direct care workload largely remained below 2019 levels through 2022. This led to a significant increase in direct care unit costs over the course of the pandemic. Although the annual growth in unit costs has returned much closer to historical levels, the higher costs persisted in 2023 and 2024. In response to these changes, VHA is assuming that staffing levels will decrease, which is expected to reduce VHA capacity to provide for the growing demand for VA direct care services.

However, VHA has also observed an improvement in productivity rates in the direct care system, suggesting that more workload may be provided by current staffing levels. Productivity improvements consistent with recent historical experience are assumed to continue through 2027 and remain stable in 2028 and beyond. These changes are assumed to be independent of total enrollee reliance on VA, so that projected changes in VHA capacity are modeled with complementary changes in community care utilization. Only inpatient and ambulatory services available in both VA direct and community care settings are impacted by these staffing-level and productivity changes.

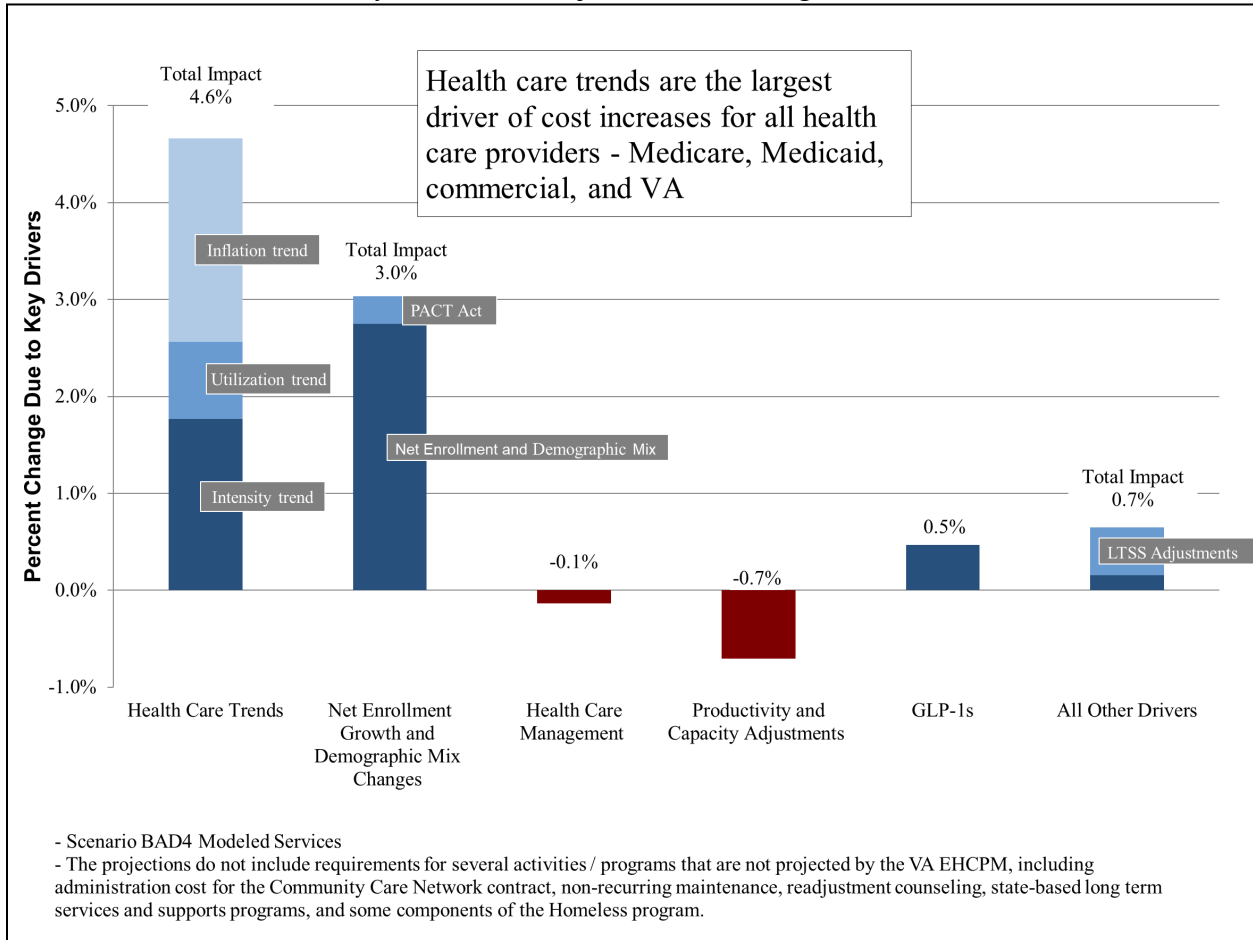
Historical growth for many LTSS programs has been accelerating in the past few fiscal years and has significantly exceeded growth that would be expected based on demographic changes and other factors that would typically be captured in the EHCPM, particularly for Home and Community Based Services. The 2025 EHCPM includes increased projected workload of certain services beyond demographic trends to continue through the budget years.

In recent years, the use of glucagon-like peptide-1 receptor agonists (GLP-1) has increased rapidly, and VA's expectation is that this fast growth will continue. GLP-1 drugs are currently indicated for weight-management and for diabetes, with most of the future growth assumed to be attributed to weight-management prescriptions. The 2025 EHCPM includes increased projected utilization of GLP-1 drugs through 2030.

The chart below quantifies the key drivers of the projected increase in cost requirements from 2026 to 2027 for all modeled services. The total projected budget increase for modeled services is 8%. Health care trends, net enrollment growth and demographic mix changes, and health care

management and their impact on the resources required to provide health care to enrolled Veterans are discussed in detail in the Actuarial Models chapter in Volume II, together with PACT Act, LTSS programmatic adjustments, GLP-1 growth, productivity and capacity adjustments, and all other drivers.

Key Drivers of Projected Cost Change, 2026 – 2027



Veteran Patient Workload

VA administers its comprehensive medical benefits package through a patient enrollment system. The enrollment system is based on priority groups to ensure health care benefits are available to all enrolled Veterans. VA’s goal is to ensure enrolled Veterans receive the finest quality health care, regardless of the treatment program or the location. Enrollment in the VA health care system provides Veterans with the assurance that comprehensive health care services will be available when and where they are needed.

The budget expands health care services for Veterans while bolstering an integrated system of care that both strengthens services within VA and improves VA and Veterans’ relationships with community providers. The 2027 request supports the treatment of an estimated 8.1 million patients,

a 3.0% increase above the 2026 estimate, and 169.9 million outpatient visits, an increase of 5.2% above the 2026 estimate.

Number of Patients, Enrollees, Patients Treated for Inpatient Care, and Outpatient Visits

	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Advance Request
Unique Patients ¹	7,665,003	7,887,814	8,122,481	8,356,921
Unique Veterans Enrolled in VA Health Care	9,219,062	9,302,164	9,389,052	9,477,264
Inpatient - Treated	1,248,714	1,332,183	1,408,325	1,478,991
Outpatient Visits	154,507,000	161,505,000	169,916,000	179,373,000

1/ Unique patients are uniquely identified individuals treated by VA, or whose treatment is paid for by VA, during the year.

2/ Reflects a preliminary 2025 unique enrollee count. A final reconciliation remains in progress at the time of publication.

Medical Care Facilities

As of September 30, 2025, VHA operates a portfolio of approximately 5,705 owned buildings with a total of 153.9 million square feet of space on 15,605 acres of land. The portfolio also includes 1,687 leases with a total of 24.8 million square feet of space. The 2027 request supports the operation and maintenance of these VA hospitals, Community-Based Outpatient Clinics (CBOCs), community living centers, mental health residential rehabilitation treatment facilities (domiciliary), Vet Centers, other sites for outpatient services, and the health care corporate offices.

Medical Care Number of Installations

Installations	2025	2026	2027	2028
	Enacted with Transfers 1/	Enacted with Transfers	Request	Advance Request
Veterans Integrated Service Networks	18	18	5	5
VA Medical Centers (VAMC), Total	172	172	172	172
<i>Included in total VAMC:</i>				
<i>VA Hospitals</i>	142	142	142	142
<i>Community Living Centers (CLC)</i>	135	135	135	135
<i>Mental Health Residential Rehabilitation</i>	122	123	125	125
<i>VA Medical Center-Based Outpatient</i>	172	172	172	172
Health Care Centers (HCC)	11	11	11	11
Community-Based Outpatient Clinics	749	752	753	753
<i>Included in total CBOC:</i>				
<i>Multi-Specialty CBOC</i>	331	331	332	332
<i>Primary Care CBOC</i>	418	421	421	421
Other Outpatient Service (OOS) Sites	438	438	438	438
<i>Included in total OOS:</i>				
<i>Dialysis Centers</i>	70	70	70	70
<i>Community Resource and Referral</i>	34	34	34	34
Vet Centers	302	303	303	303
Mobile Vet Centers	96	96	96	96
Vet Center Outstations	19	22	22	22

1/ Reflects historical data as of September 30, 2025. Data source: VHA site tracking system (VAST).

Medical Care Areas of Focus

VA is committed to providing the best possible care and benefits to Veterans, families, caregivers, and survivors. In 2025, VA provided more than 142.1 million health care appointments between the direct care system and community care networks, a 7.3% increase over the previous year’s record volume of 132.5 million appointments. As VA continues to deliver more care to Veterans, the Department is focused on ensuring Veterans receive the world-class care they have earned and deserve. To fulfill VA’s promise and mission, the 2027 Budget request prioritizes the following five core principles that support VHA efforts.

- Veterans Earned Care Through Their Service
- Access Means Nothing Without Quality and Safety
- No Veteran Should Navigate Our System Alone
- Innovation and Evidence Must Drive Improvements
- Spiritual Health and Mental Health are Health

The following table provides obligations in areas of focus for VA medical care, with summary descriptions for each area below.

**Veteran Medical Care: Key Focus Areas
Total Obligations by Program**

Programs (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Advance Request
Facilities Infrastructure				
Non-Recurring Maintenance (NRM)	2,968	4,902	5,003	5,017
Health Care Initiatives and Specialized Programs				
Rural Health	296	342	349	356
Veterans Homelessness Programs	3,422	3,271	3,802	3,912
West Los Angeles	-	-	30	32
Mental Health and Counseling				
Mental Health Services	15,770	16,489	17,700	18,721
MH RRTP (Mental Health Residential Treatment Programs) Access Expansion	-	100	644	699
Pain and Opioid Management / Jason's Law	172	255	255	261
Substance Use Disorder	251	232	237	242
Suicide Prevention Outreach Programs	556	714	727	743
Women Veterans Health Care				
Program Office & Initiative Budget	120	230	230	230
Women Veterans-Specific Care	1,110	1,246	1,415	1,613
All Care	14,607	16,590	18,780	21,196
Virtual Health Care				
Connected Care	363	462	478	487

Facilities Infrastructure

At the end of 2025, the VHA system included 172 medical centers and nearly 1,200 outpatient clinics. The VA Medical Care request will ensure that VA has an effective and efficient infrastructure in place that enables health care services and benefits to be delivered with high quality and consistency to Veterans and their families, while also supporting Veterans’ need for care in modern facilities that are safe, secure, and accessible.

In 2026, VA directed the largest single-year NRM investment in VA’s history, with \$4.8 billion directed towards maintenance, replacements, and upgrades needed to maintain operational capability and advance health care delivery, all of which translate into safer and high-quality

experiences for Veterans. The 2027 Budget builds on this achievement by investing an additional \$5.0 billion into the NRM program in 2027, further ensuring safe and effective patient care.

Health Care Initiatives and Specialized Programs

VHA operates specialized health care initiatives and programs to connect with and deliver high-quality services and benefits to Veterans with specific needs. These initiatives and programs include establishing national policy to provide neurological care and radiation oncology to Veterans who need them, in addition to ensuring that rural and homeless Veterans nationwide are connected with the VA system to receive the services and benefits that they have earned.

Rural Health

The Budget includes \$349.3 million in funding to support the VHA Office of Rural Health (ORH), which conducts, coordinates, promotes, and disseminates research on issues that affect Veterans who reside in rural communities. ORH will continue to fund five Veterans Rural Health Resource Centers that identify, formulate, and develop best practices to enhance the delivery of health care to Veterans living in rural areas. The 2027 Budget supports continued focus on critical programs that increase access to care for rural Veterans, such as the program Increasing Access for Rural Veterans by Leveraging Clinical Pharmacist Practitioners to Deliver Chronic Obstructive Pulmonary Disease (COPD).

Veterans Homeless Programs and West Los Angeles Initiative

No Veteran should be without a place to call home, and VA is committed to ending homelessness among Veterans. The focus is threefold:

- Conducting coordinated outreach to proactively seek out Veterans in need of assistance.
- Connecting homeless and at-risk Veterans with housing solutions, health care, community employment services and other required supports.
- Collaborating with federal, state and local agencies; employers; housing providers, faith-based and community nonprofits; and others to expand employment and affordable housing options for Veterans exiting homelessness.

In 2025, VA permanently housed 51,936 homeless Veterans across the country, an increase of about 4,000 over last fiscal year and the most in the last seven years. This is in part due to the success of the Getting Veterans Off the Street initiative, in which every VA health care system hosted dedicated outreach surge events to locate unsheltered Veterans and offer them immediate access to housing programs, health care, behavioral health services, and VA benefits. This helped move 25,065 unsheltered Veterans to interim (emergency and transition) or permanent housing.

VA is also working to establish the National Center for Warrior Independence on the campus of the West Los Angeles VA Medical Center. To support this effort, the Budget includes \$30 million to augment wrap-around support services for Veterans at the West LA VAMC who are homeless or at-risk of becoming homeless, as well as to increase access to treatment, for example through increased staffing for Homeless Patient Aligned Care Teams (HPACT) and behavioral health teams.

The Budget also requests \$3.8 billion for Veterans Homeless Programs, which reflects the Administration's commitment to end and prevent Veteran homelessness. VA recognizes a full continuum of care is necessary to end Veteran homelessness, including outreach, interim and permanent housing, treatment options, legal and employment services, and improved efficiency and coordination. In further demonstration of the Administration's commitment, the 2027 Budget establishes a new Warrior Independence and Self-Sufficiency Ethos (WISE) Office in the Office of the Secretary, to facilitate VA enterprise-wide efforts and collaborate with the Department of War to prevent Veteran homelessness and improve outcomes as Veterans receive support. VHA will collaborate closely with WISE to build on VA's momentum in addressing the needs of Veterans who are homeless or at-risk of becoming homeless.

Mental Health and Counseling

VA cannot separate physical, spiritual, and mental health care. All components work together to meet Veterans' health care needs. The 2027 Budget requests significant funding for mental health and suicide prevention programs, and VA remains committed to preventing suicide as VA's top clinical priority, while continuing to ensure VA health care facilities provide Veterans with same-day emergency mental health care access when needed.

Mental Health and Preventing Veteran Suicide

Funding for mental health treatment, including suicide prevention treatment, is estimated to be \$17.7 billion in 2027, and the Budget includes \$726.7 million for suicide prevention outreach programs. Addressing suicide requires a comprehensive approach that focuses on community and clinical interventions. Accordingly, in 2025 VA offered 1.3 million calls, chats and texts to Veterans in need through the Veterans Crisis Line (a 39% increase over the prior year, with a Veteran satisfaction rate of 97%) and continues to expand suicide prevention training with health care professionals both at VA and in the community. In 2018, the first Trump Administration launched RISK ID, a comprehensive suicide risk evaluation screening that helps VA flag and care for at-risk Veterans. In calendar year 2025, VA completed more than 5.3 million suicide risk screenings, approximately 200,000 more Veterans screened than in calendar year 2024.

VA recognizes that Veterans who have contact with VA are less likely to commit suicide. Since January 2025, VA has conducted a new outreach campaign that has led more than 33,000 unenrolled Veterans to sign up for VA care. VA partnered with several large civilian health care providers in February 2025 to launch the Veterans Interoperability Pledge to identify at-risk Veterans and help them get the VA care they have earned. This effort has helped VA identify and contact 140,000 at-risk Veterans, 40% of whom had not recently been to VA.

Some Veterans may not receive any health care services from VA; hence, ending Veteran suicide requires more than just VA's efforts. The Budget funds the Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program (SSG Fox SPGP) to enable an anticipated 150 grantees to provide suicide prevention outreach and education across the Nation to targeted at-risk populations with a projection of serving 12,000 eligible individuals and their family members with direct services. In alignment with VA's National Strategy for Preventing Veteran Suicide, SSG Fox SPGP fosters a public-health approach to suicide prevention that blends community-based efforts with

evidence-based clinical strategies. VHA's national strategy provides a framework for coordinating lanes of effort across the Nation and ensures coordination of efforts to best address suicide as a national public health issue.

Pain and Opioid Management Program

Veterans face disproportionate impacts from opioid-related adverse events. As required by the Jason Simcakoski Memorial and Promise Act (Jason's Law, Title IX of P.L. 114-198), the 2027 Budget includes \$255.5 million in support of the VHA National Pain Management, Opioid Safety, and Prescription Drug Monitoring Program. Providing Veterans access to pain management services within VA is crucial, as pain is the most frequently identified risk factor for Veteran suicide and remains predictive of suicide even after accounting for psychiatric comorbidities. Resources requested in the Budget will support the President's emphasis on preventing the harms of illicit fentanyl and the overdose crisis and its impact on Veterans and their families by decreasing reliance on opioid therapy through availability of alternative treatment options, promoting safer alternatives such as buprenorphine when opioid therapy is necessary, and improving safety of those prescribed opioids through increased compliance with opioid risk mitigation activities.

Substance Use Disorder (SUD) Initiative and Mental Health Residential Rehabilitation Treatment Programs (MH RRTP)

Over the last several years, VHA has embarked on comprehensive efforts to improve access to MH RRTP care supported in part by the SUD initiative budget (for example, through the development of new residential SUD programs, implementation of centralized screening teams, and introduction of procedures to facilitate priority admission within the current 72-hour timeframe). In 2026, VA will expedite access to MH RRTP to enhance access to lifesaving residential treatment through new access standards and improved operational efficiency. This goal further ensures Veterans have timely access to critical mental health and SUD treatment, whether in VA facilities or in the community. The 2027 Budget requests \$644.0 million in community care funds to support this access expansion.

Complementing the MH RRTP expansion initiative, the 2027 Budget also requests \$236.9 million for the SUD initiative budget. This budget supports efforts to ensure Veterans have access to the full range of SUD treatment from the least intensive services, such as peer specialists and mutual support, to the most intensive services such as inpatient withdrawal management and intensive residential treatment. It also directly addresses co-occurring psychosocial challenges aligned with the Administration's commitment to removing barriers to accessing care. The SUD initiative budget is also aligned with VA's commitment to ensure Veterans have timely access to mental health residential treatment.

VA's MH RRTP provide a significant portion of intensive services for Veterans with SUDs and co-occurring conditions. The percentage of Veterans with a SUD served by the MH RRTPs remains high, with more than 97% of Veterans served during 2025 experiencing substance use concerns. Funding is specifically designated to ensure Veterans have timely access to residential treatment within VA or, if needed, in the community. The Budget request supports ongoing efforts to remove barriers to accessing care, streamline admission processes through the implementation of

centralized screening for admission to MH RRTP programs, and ensure sufficient capacity is available to meet the needs of Veterans experiencing substance-use concerns.

Together, these investments will help Veterans obtain the care they need when they need it and ultimately save lives.

Women's Health

Funding for all health care provided to women Veterans is estimated to be \$18.8 billion in 2027, and the Budget includes \$229.7 million for the women's health program office budget to proactively and strategically expand women's specific services for the fastest growing cohort of users of VA health care. The 2027 budget supports the following efforts: expansion, implementation and evaluation of high-quality, comprehensive healthcare for women Veterans at all sites of care across VHA enterprise, inclusive of critical workforce development and sustainment, clinical data informatics, and care coordination, integration, and optimization. OWH supports implementation of women's primary care by specially trained and experienced women's health primary care providers; oversees critical gynecologic services across VHA, including ongoing implementation of expanded eligibility for fertility care benefits; expansion of the VA Advanced Fellowship Program in Minimally Invasive Gynecologic Surgery to grow the VA Gynecology workforce and improve VA's ability to provide direct gynecology care to Veterans; and the development of enhanced menopause care resources and training for clinicians to ensure Veterans have access to cutting-edge menopause care across the enterprise.

Virtual Health Care

VA is leading the way in telehealth innovation to make sure Veterans can access care when and where they need it. Telehealth connects Veterans with their VA care teams and specialists, no matter the distance.

The 2027 Budget invests in innovative virtual care practices through its investment of \$477.6 million in the Telehealth Services and Connected Health programs, which support initiatives such as VA Video Connect for video care in the home, clinical resource hubs to fill clinical gaps in rural and other underserved areas, and the connected tablet program which helps Veterans overcome the digital divide. These programs also support Veteran engagement in health care by developing, deploying, and supporting the use of digital health tools, such as the My HealtheVet (MHV) patient portal, mobile health applications, and connected devices and wearables. Together, these innovative practices make it easier for Veterans to choose health care options that work best for them. This investment empowers Veterans to take charge of their health and be active participants in their care.

Veterans Health Administration Medical and Prosthetic Research

Appropriation and Other Resources

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Medical and Prosthetic Research Appropriation	935	945	922
Toxic Exposures Fund (Mandatory)	59	57	57
Subtotal Intramural Research Total	994	1,002	979
VERA Research Support (Medical Care Support) ¹	788	852	832
Extramural Funding (Other Federal and Non-Federal Funds)	497	497	497
Reimbursements	88	82	82
Total Budgetary Resources	2,366	2,433	2,390

¹ Through the Veterans Equitable Resource Allocation (VERA), Research Support includes funding from Medical Services, Medical Support and Compliance, and Medical Facilities Appropriations to support Research.

FTE

All Funding Sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Medical and Prosthetic Research Appropriation	3,723	3,565	3,368
Toxic Exposures Fund (Mandatory)	105	141	150
Total FTE	3,828	3,706	3,518

Includes Direct and Reimbursable FTE.

The 2027 request for the Medical and Prosthetic Research appropriation is \$922 million, a decrease of \$23 million from 2026. Additionally, VA requests \$57 million in the Toxic Exposures Fund, the same as the 2026 level, to support medical and other research relating to exposure to environmental hazards. The requested funding level invests in areas where VA Research, a critical component of VHA’s function and a contributor to the Nation’s knowledge about disease and disability, can make the largest impact of scientific discovery to improve Veterans’ health. This request will enable the Office of Research and Development (ORD) to support 3,518 FTE.

VA Research uses a combination of VA appropriated funds and other resources to deliver on our promise to improve Veterans’ health through medical research which includes intramural research, Veterans Equitable Resource Allocation (VERA) support, extramural funding, and reimbursable resources. In 2027, grants from other federal organizations, such as the National Institutes of

Health, Department of War (DoW), and the Centers for Disease Control and Prevention, combined with funding from other non-federal sources, is estimated to total \$497 million.

Request Highlights

VA Research is uniquely positioned to address the health care needs of Veterans through biomedical and health systems research, leveraging its capabilities and resources as part of the largest integrated health care system in the country. The requested funding focuses on areas where Veteran needs and VA research capabilities align to improve Veteran outcomes. Key investments that support the VA Secretary's priorities include:

- **Suicide Prevention and Mental Health**

Supports mental health and suicide prevention research, including the Commander John Scott Hannon Mental Health Care Improvement Act (Hannon Act). VA will further develop the precision health approach toward suicide prevention through the curation of VA data to improve phenotyping efforts and the identification of a cohort to develop precision treatment rules based on emulated (that is, large data-driven) clinical trials. VA will create and support common data infrastructure to support use of key datasets to improve suicide prevention care and reduce Veteran suicide. VA will also establish a Suicide Prevention Precision Health Research Center. The peer-reviewed research center will advance precision medicine by: advancing curation of existing VA data to aid in development of relevant phenotypes that may interact with suicide prevention interventions, identification and recruitment of a cohort who will be followed that can enhance phenotype development and risk identification, use collected and administrative data to conduct emulated clinical trials to develop precision treatment rules for suicide prevention, develop policies and procedures for enterprise-wide access to data curated by the Suicide Prevention Precision Health Research Center, and assist planning and development of randomized clinical trials that can provide prospective evidence for developed precision treatment rules.

- **Ending Veteran Homelessness**

Veterans experiencing homelessness have worse health outcomes, including premature mortality, when compared to their housed peers. In addition to having complex social needs, homeless, and homeless-experienced Veterans generally have complex high rates of chronic medical illness, psychiatric problems, and substance-use disorders.

To support the President's commitment to end veteran homelessness, ORD investigators will partner with the Warrior Independence and Self-Sufficiency Ethos (WISE) Office, established under the leadership of the Secretary and new Assistant Secretary for Presidential Programs, along with VHA's Homeless Programs Office's National Center for Homeless Veterans, Office of Rural Health, the DoW, Department of Housing and Urban Development, and other interagency partners.

ORD will develop and test evidence-based interventions to identify the most effective strategies to prevent and reduce Veteran homelessness. WISE will use this research to inform ending Veteran homelessness at the enterprise level, driving strategy, implementation,

program and care alignment, and scaling the expansions of evidence-based interventions within VA. Additionally, this work will inform how WISE will define the measurable accountability outcomes to define success.

Expected outcomes include advancing evidence-based tools and strategies to prevent Veteran homelessness; promoting housing retention and economic security for currently and formerly homeless Veterans; and improving access to coordinated medical and mental health care.

- **Traumatic Brain Injury (TBI) Research**

In accordance with requirements in the Hannon Act, Section 305, ORD will continue TBI research to improve the accuracy of diagnosing remote TBI, enhance chronic care of TBI and its complex comorbidities, and develop treatments for the longer-term consequences most relevant to Veterans. ORD continues to focus on developing objective tools and resources to improve the diagnosis and monitoring of brain health in Veterans who have sustained a TBI that can be integrated within the larger VA health care system. ORD will also focus on improving the medical, mental health, and rehabilitative needs of Veterans with TBIs.

- **Investing in Artificial Intelligence (AI) in Research**

AI supports VA research by providing a mechanism for directly translating new evidence into practice and pilot testing novel tools and solutions to revolutionize care. ORD is involved in leading groundbreaking, interdisciplinary research in AI through novel discoveries in data science, implementation science, systems science, and science of stakeholder engagement to create, validate, and apply computable biomedical knowledge in practice. Research AI initiatives will leverage VA data assets, including the Million Veteran Program, to support research using promising AI capabilities to improve diagnostic accuracy, optimize health care value, and develop personalized treatment protocols. This will also apply to leveraging existing and developing AI tools to support efficiencies and capacities in the execution of research (for example, documentation, programming co-creation) and to continuously assess research portfolio performance and update research priorities based on emerging evidence.

- **Military Environmental Exposure (MEE)**

Expand translational MEE research involving laboratory, epidemiology, and medical investigations. VA will support collaborations to enhance technologies, data and biospecimen repositories seeking to optimize investments. VA will enhance the Million Veteran Program infrastructure to enable access to military records to study the impacts of military exposures and other factors more comprehensively to inform more personalized treatments.

Additionally, and in accordance with Section 501 of the PACT Act, ORD will continue efforts with the Toxic Exposure Research Work Group (TERWG). The TERWG consists of members from VA, DoW, Department of Health and Human Services, and other federal partners involved in research activities regarding the health consequences of toxic exposures experienced during active military, naval, air, or space service.

Electronic Health Record Modernization

Appropriations

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
EHR Contract	725	2,284	2,768
Infrastructure Support	356	553	745
Program Management	253	563	727
Total Appropriated	1,334	3,400	4,240
Rescission of prior year funding	(28)	-	-
Total Appropriations	1,306	3,400	4,240

FTE

All Funding Sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2026 Request
Total FTE	194	313	313

The budget request includes \$4.2 billion for the Veterans Electronic Health Record (EHR), an increase of \$840 million (+24.7%) relative to the 2026 enacted level. This request includes:

- \$2.8 billion for EHR Contract** – This funding level supports VA’s Electronic Health Record Modernization Integration Office (EHRM-IO) sustainment and operations of 19 live sites, and 26 additional sites expected to go-live in 2027 (45 total live sites). Site operations include post go-live support including, but not limited to, help desk, release management, end user training, veteran portal, and application management services. 2027 efforts will require continued hosting of EHRM data with capacity increases to support the additional live sites and associated Veterans Integrated Service Networks (VISN), as well as enterprise and site-based licensing and hardware renewals. Beyond sustaining live sites, EHRM-IO will begin implementations at 28 VA Medical Centers (VAMCs) with expected go-live dates in 2028. This aggressive timeline will support the program’s goal of completing deployments at all sites as early as 2031.
- \$745 million for Infrastructure Readiness** – Funds will ensure that the 28 additional sites planned for go-live in 2028 are prepared to receive the Federal EHR with increased interface development and sustainment, deployment of end user devices, critical testing, and security

services such as forward deployed servers and joint security architecture support. In addition, as more sites go-live through 2027, continued data syndication, cloud services, identity and access management, integration support, and healthcare technology management will be required across the enterprise to allow a smooth transition.

- **\$727 million for Project Management Office (PMO)** – The funding will provide for personnel supporting the increased number of deployments planned for 2027 and effective change management as the Federal EHR system is implemented throughout the nation. The request also supports hiring experts to oversee and manage the technical, functional, and project-based work necessary for ongoing support and expansion of the Federal EHR.

Office of Information and Technology

Discretionary and Mandatory Appropriations

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Discretionary			
IT Systems	6,401	5,919	6,308
Rescission	-	-	-
Transfers	(209)	300	-
Subtotal, Discretionary Appropriation	6,192	6,219	6,308
Mandatory			
Toxic Exposures Fund (Mandatory)	1,364	1,385	1,056
Subtotal, Mandatory Appropriation	1,364	1,385	1,056
Total, Appropriation	7,556	7,604	7,364

FTE

All Funding Sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Direct and Reimbursable (Discretionary)	7,652	6,994	6,992
Toxic Exposures Fund (Mandatory)	-	-	-
Total FTE	7,652	6,994	6,992

For 2027, VA requests \$7.4 billion in total IT budget authority, a decrease of \$240 million (-3.2%) from 2026 enacted. This total includes \$6.3 billion in discretionary IT Systems resources (+\$89 million; +1.4%) and \$1.1 billion in mandatory Toxic Exposures Fund (TEF) resources (-\$329

million; -23.8%). This mix reflects a shift toward sustained discretionary execution while TEF funding is aligned to multi-year delivery schedules.

The 2027 request sustains 6,992 direct and reimbursable discretionary FTE (flat to 2026 enacted) preserving the workforce needed to operate critical systems, deliver modernization, and maintain cybersecurity at enterprise scale.

Ready. Secure. Faster. — Scaling a Veterans First Digital Experience

In 2026, VA advanced a disciplined IT strategy—*smarter, not bigger*—by stabilizing and securing the enterprise foundation. In 2027, VA builds on that progress: using a stronger foundation to deliver modernization faster where execution is most ready and Veteran impact is most immediate representing an execution-driven shift from surge funding to sustained delivery, not a reduction in commitment.

"Ready. Secure. Faster." is VA's 2027 IT value proposition. VA is *ready* to convert prior-year investments into Veteran-facing improvements, *secure* by design as modernization accelerates, and *faster* in reducing avoidable friction—outages, delays, and manual workarounds—in how Veterans access care, benefits, and services.

Turning Stability into Speed: 2027 IT Investments for Veterans

With the 2027 request, VA moves from strengthening the enterprise foundation to delivering more capability—faster—without trading away security or reliability. VA concentrates growth where it most directly improves Veteran service delivery: mission delivery capacity, Zero Trust protections and enterprise visibility, and modernization of the business backbone that removes avoidable delays in care and benefits support.

Ready—Scale execution-ready mission delivery. The largest programmatic growth in 2027 is in Mission Delivery (\$2.4 billion, +\$12 million, +0.5%) relative to 2026 enacted, driven primarily by the Health and Social Services portfolio. Within that portfolio, VA directs its largest increases toward the systems Veterans interact with most directly: tools that support appointment scheduling, telehealth, and clinical care delivery (\$546 million, +\$24 million, +4.5%); platforms that extend access through remote patient monitoring and community care coordination (\$115 million, +\$33 million, +39.7%); and administrative systems that reduce documentation burden on clinical staff (\$167 million, +\$0.7 million, +0.4%). VA funds this growth in part through a deliberate \$44 million reduction in legacy technical infrastructure (\$493 million, -8.1%), redirecting overhead into Veteran-facing capability.

Secure—Protect trust as delivery accelerates. In 2027, VA makes targeted security and resilience investments to keep modernization safe and services steady under real-world demand. Within the Delivery Solutions portfolio, VA increases Security and Compliance (\$791 million, +\$74 million, +10.3%) and strengthens Zero Trust execution (\$248 million, +\$29 million, +13.5%) to improve enterprise visibility, detection, containment, recovery, and auditability—reducing avoidable outages and helping Veterans access appointments, claims, and self-service tools reliably

during peak periods. VA also increases the Infrastructure Readiness Program (IRP) (\$327 million, +\$38 million, +13.1%) to sustain lifecycle replacement and reduce technical debt as the enterprise modernizes. Together, these investments help prevent cyber incidents and aging infrastructure from becoming prolonged downtime or rework that slows delivery, while strengthening protection of Veteran information and improving day-to-day service reliability.

Faster—Remove execution bottlenecks that delay care and benefits. The 2027 request increases Mission Support planned obligations to \$292.1 million (+\$37 million; +14.6%), centered on Financial Management Business Transformation (FMBT) and iFAMS implementation and expansion (\$186 million, +\$51 million, +38.0%). This funding advances enterprise financial and acquisition modernization by supporting configuration, data migration, interfaces, cloud infrastructure, automation, and change management — the work that turns deployments into durable cycle-time improvements. Procure-to-pay timelines can shorten, execution data can become more reliable, and the supplies and services that support care and benefits can move faster and more predictably—reducing administrative friction that can cascade into service delays for Veterans.

Together, these choices turn stability into speed. VA scales execution-ready delivery that Veterans experience directly, hardens security and resilience and continues to pilot AI tools that improve operational efficiency and support more responsive care and benefits delivery — all with discipline and measurable results for Veterans.

Appropriations Language: Authority to Deliver "Ready. Secure. Faster."

In 2027, VA requests two targeted updates to the IT Systems appropriation to deliver Veteran-facing technology improvements faster and more predictably while preserving strong congressional oversight. These updates are designed to reduce execution risk during continuing resolutions, improve responsiveness to emerging cybersecurity needs, and better align funding with multi-year technology delivery timelines.

First, VA requests removal of the statutory requirement to fund IT Systems through three subaccounts (Development, Operations and Maintenance, and Pay and Associated Costs). The current structure can limit VA's ability to move resources quickly when priorities shift across a complex enterprise IT portfolio. Removing the statutory subaccounts would allow VA to align funding to actual delivery needs—keeping critical systems stable, accelerating deployable modernization work, and responding to emerging cyber risks. VA would continue to provide Congress clear execution visibility through routine reporting on DME, O&M, and Pay spending, along with execution plans and updates.

Second, VA requests a three-year period of availability for the IT Systems appropriation. One-year funding does not align well with how modern IT and cybersecurity work is planned, contracted, and delivered. A three-year availability would better match funding to real delivery timelines, reduce year-end obligation pressure, improve acquisition planning, and lower schedule and procurement risk—including during continuing resolutions when requirements and acquisition strategies are already in place.

Together, these changes strengthen VA's ability to deliver on the 2027 commitment: *Ready* to execute where Veteran impact is highest, *Secure* by design, and *Faster* in getting improvements into production—while preserving transparency and accountability to Congress.

Board of Veterans' Appeals

Appropriations

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Board of Veterans' Appeals (Discretionary)	287	280	268
Transfer	(10)	-	-
Total Budget Authority	277	280	268

FTE

All Funding Sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Total FTE	1,398	1,300	1,163

The Board requests \$268.0 million for 2027, \$12.0 million (-4.3%) less than 2026, to support program operations. The majority of the Board's budget (93%) funds personnel costs to support 1,163 FTE, which are a combination of Veterans Law Judges (VLJs), decision writing attorneys, and legal operations staff who are vital to adjudicating appeals. This will enable the Board to decide about 102,000 appeals in FY 2027.

The Board adjudicated 123,962 appeals in 2025, marking the third consecutive record-setting year in decision output. Nearly 118,000 of those cases were on behalf of Veterans and dependents, with the remaining adjudications comprised of third-party contract appeals, attorney fee disputes, and other non-Veteran appeals. More than 87% of appeals were adjudicated under the newer Veterans Appeals Improvement and Modernization Act of 2017 (AMA, P.L. 115-55) appeals system and the remaining 13% were legacy system appeals, matching their relative proportions in the pending inventory. Pending appeals dropped for the third year in a row and is now at its lowest level since the appeals surge in 2020, with the number of Veterans and dependents waiting for a Board decision now below 165,000. At projected funding levels, the Board estimates issuing 118,000 decisions in 2026 followed by 102,000 decisions in 2027. As the number of AMA appeals filed continues to rise and pending legacy appeals draw closer to final resolution, the vast majority of workload will be dedicated to fully resolving AMA appeals at least six years faster than Veterans have historically experienced under the older and slower legacy system.

This request supports continued resolution of legacy appeals and adjudication of the appeals associated with the AMA. In 2027, the Board will continue to predominately adjudicate AMA appeals and maintain the much shorter wait times achieved during the past year. Although the older legacy appeals in the Department continue to linger because of continuously changing evidence allowed under the legacy rules and procedures, those numbers have fallen below 25,000 across VA and over 95% are previously adjudicated appeals cases that take much longer to fully resolve (historically, 7-10 years). Because nearly 90% of the Board’s output has been dedicated to more swiftly resolving AMA appeals, wait times and full resolution rates under the newer AMA appeals system have significantly improved during the past year, especially in the Direct and Evidence dockets. For example, the average days pending for all Veteran appeals on the Direct Docket is now below 220 days and the average days to complete the longest waiting appeals is below 290 days, well below the 365-day goal for that docket. Similarly, the average days pending in the Evidence Docket is now below 300 days for Veterans and dependents—over eight months faster than the published goal of 550 days. For the AMA Hearing Docket, the average wait times have already crested and have started to decrease over the past few months, with that decrease in wait times expected to continue until under the established two-year goal. The Board remains steadfast in its commitment to serve as many Veterans, their dependents, and survivors as possible and continues to look for new and innovative ways to conduct operations and achieve new efficiencies as funding levels support fewer projected personnel based on natural attrition trends.

Board of Veterans’ Appeals Appeals Workload Estimates				
	2025 Actual	2026 Request	2026 Estimate	2027 Request
Board Full Time Equivalent (Cumulative FTE – Base Funded)	1,398	1,320	1,300	1,163
Legacy Appeals				
Start of Year Appeals Pending	8,963	22,988	20,777	16,274
Appeals Received	27,642	12,154	9,779	9,762
Appeals Decided (-)	15,828	16,065	14,282	12,600
End of Year Appeals Pending	20,777	19,087	16,274	13,436
Appeals Modernization Act (AMA)				
Start of Year Appeals Pending	191,842	167,947	168,367	166,484
Appeals Received	84,659	79,903	101,835	103,671
Appeals Decided (-)	108,134	101,935	103,718	89,400
End of Year Appeals Pending	168,367	145,915	166,484	180,755
Total Appeals				
Start of Year Appeals Pending	200,805	190,945	189,144	182,758
Appeals Received	112,301	92,057	111,614	113,433
Appeals Decided (-)	123,962	118,000	118,000	102,000
End of Year Appeals Pending	189,144	165,002	182,758	194,191
Note: AMA workload includes approximately 21,900 third-party appeals that were not filed by a Veteran or Dependent.				

Veterans Benefits Administration

Appropriations

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Advance Request
General Operating Expenses (Discretionary)	3,899	3,881	3,811	NA
Appropriation Transfer from OIT	35	-	-	NA
Toxic Exposures Fund (Mandatory)	1,426	1,401	1,376	NA
Subtotal, GOE and TEF	5,359	5,282	5,187	NA
Loan Administration and Subsidy (Discretionary)	320	280	295	NA
Mandatory Benefits				
Compensation and Pensions ¹	212,553	233,090	257,186	283,807
Insurance Benefits ²	135	132	98	91
Readjustment Benefits ¹	18,264	25,250	24,704	23,566
Credit Reform Upward Reestimates and Subsidy ³	5,556	3,507	620	-
Veterans Housing Liquidating Account	(3)	(1)	(1)	-
Subtotal, Mandatory Benefits⁴	236,505	261,977	282,606	307,463
Total, Mandatory and Discretionary	242,184	267,539	288,088	307,463

¹ Includes advance and annual appropriations in years where amounts in addition to advance appropriations were requested.

² Includes advance and annual appropriations in years where amounts in addition to advance appropriations were requested.

³ 2025 and 2026 include upward re-estimates. The 2027 request does not include re-estimates, which are calculated at the fiscal year end.

⁴ Does not include trust funds, proprietary receipts, or intragovernmental transactions.

FTE

All Funding Sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Advance Request
General Operating Expenses	24,771	23,293	23,391	NA
Toxic Exposures Fund (Mandatory)	8,926	7,847	8,015	NA
Total FTE	33,697	31,140	31,406	NA

The VBA 2027 budget requests \$5.2 billion in discretionary and mandatory funding for the administration of a variety of benefits and services for Veterans, their dependents, and survivors . This includes \$3.8 billion for discretionary VBA General Operating Expenses (GOE), which is \$70.0 million (-1.8%) below 2026; and \$1.4 billion in mandatory Toxic Exposures Fund (TEF) funding, which is \$25.0 million (-1.8%) below 2026. With the combined GOE and TEF funding, VBA will deliver \$282.6 billion in mandatory benefit payments and services to Veterans and other

beneficiaries at an operating cost of about two cents for every dollar of benefits delivered. In addition, VBA requests \$294.6 million for discretionary Loan Administration and subsidy appropriation, which is \$14.6 million (5.2%) above 2026.

Discretionary Funding by Line of Business

VBA delivers services to Veterans through seven lines of business. Discretionary funding by line of business is shown below.

Discretionary Funding by Line of Business

Line of Business (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2027 vs 2026	
				\$ change	% change
Disability Compensation	2,614	2,836	2,666	-170	-6.0%
Pension & Fiduciary	388	296	288	-8	-2.6%
Education	400	314	392	77	24.5%
Veteran Readiness & Employment	361	310	363	53	17.1%
Housing	83	29	23	-6	-21.8%
Insurance	10	0	0	0	-13.5%
Military to Civilian Readiness	79	95	79	-16	-16.9%
Total Discretionary Appropriation	3,934	3,881	3,811	-70	-1.8%

Key Discretionary Investments

Disability Compensation Claims Backlog Reduction: In July 2025, VA completed more than 300,000 disability compensation ratings claims in a single month for the first time ever. VA processed claims faster in 2025 than in 2024, completing them 17.8% faster even as receipts were 10% higher than the same time the previous year. To address the backlog and improve service delivery, VA will allocate \$67.0 million in overtime funding to support critical staffing needs in 2027. This investment will allow for extended working hours for existing employees, enabling them to process more claims, conduct additional assessments, and complete pending reviews at an accelerated pace. By leveraging claims processing overtime, the workforce can operate beyond standard schedules without the delays associated with onboarding new staff. This targeted approach ensures resources are immediately deployed where they are needed most, eliminating bottlenecks, reducing wait times, and restoring timely access to essential services.

Implementing the Dole Act: The VBA funding request for 2027 supports implementation of the Senator Elizabeth Dole 21st Century Veterans Healthcare and Benefits Improvement Act (P.L. 118-210, the Dole Act) signed into law on January 2, 2025, including:

- ***Veteran Employment Through Technology Education Courses Program (VET TEC)*** The Dole Act reauthorized and extended the VET TEC program through September 30, 2027, focusing on high-tech training for Veterans and service members. It provides tuition and housing stipends to Veterans who are completing training in the subject of information technology, cybersecurity, and software development. The program authorizes VA to enroll up to 4,000 trainees each fiscal year and will admit Veteran trainees who will begin programs

by September 30, 2027.

- ***State and Tribal Outreach Grant Program:*** The Dole Act established a State and Tribal Outreach Grant Program and authorized up to \$10 million annually to enhance outreach to veterans, spouses, and caregivers. It focuses on underserved areas, funding county/tribal veteran service officers for VA benefit assistance.
- ***Improvements to Home loans for Native Americans:*** Sections 231 and 232 the Dole Act improved the VA loan program for Native Americans.

Veteran Readiness and Employment: The VR&E program provides comprehensive services to assist Service members and Veterans with service-connected disabilities and employment barriers in preparing for, obtaining, and maintaining suitable employment. Program demand has grown significantly, with caseloads increasing by 49.8% from 131,179 participants in 2023 to 196,467 in 2025. VBA projects continued growth of approximately 19.0% by 2027, reaching an estimated 233,798 participants. VBA plans to increase total obligations in the VR&E program by \$53.0 million, primarily due to the addition of 300 FTEs—most of which are Vocational Rehabilitation Counselors (VRCs)—to comply with Section 248 of the Consolidated Appropriations Act, 2024 (P.L. 118-42), requiring VA to maintain a ratio of one FTE for every 125 Veteran participants.

Supporting Education Programs: Funding for VBA education programs will grow by \$77.2 million (+24.5%) from 2026 to 2027 to meet the increased workload demand, which is expected to grow to 5.78 million education claims completed in 2027, from 5.2 million completed in 2025, an increase of 667,000 (+13%). The requested funding level of \$392 million for Education in 2027 will support an increase of 346 FTEs. Additionally funding will enable VBA to meet the expansion of education benefits resulting from the Supreme Court of the United States decision in [Rudisill v. McDonough](#) which will expand eligibility for educational benefits for 1.04 million Veterans, Service members, and their families. Additionally, the United States Court of Appeals for Veterans Claim decision in [Perkins v. Collins](#) in April of 2025 has further expanded benefits.

Reducing Improper Payments and Preventing Fraud: The VBA Pension program reported a reduction in overall improper and unknown payments in 2025 and expects to reduce improper payments further in 2026 to become compliant with Payment Integrity Information Act of 2019. VBA performs regular data matches with other Federal agencies such as the Social Security Administration (SSA), the Department of the Treasury, and DOW to identify potential overpayments or duplicative payments. VBA report quarterly progress publicly on [PaymentAccuracy.gov](#), where root causes for the improper payments, mitigation strategies, milestones, and statuses within the corrective action plans and recent accomplishments are reported. VBA takes proactive measures to protect Veterans from having their benefits stolen by fraudsters. In 2027, as part of the task force to eliminate fraud under the March 16, 2026, Executive Order 14395 “Establishing the Task Force to Eliminate Fraud, VBA will continue to build new tools and models to identify and prevent payment redirect fraud; will continue to identify vulnerabilities and risk factors in VBA business processes. VA will continue to support the Office of Inspector General (OIG) by conducting research and analysis to identify fraud incidents and schemes, the recovery of improper payments, and warning Veterans about fraud schemes by sharing information on how to protect against fraud.

Key TEF Investments

Toxic Exposures Fund: The request includes \$1.4 billion in TEF resources in 2027, which will support timely processing of the additional Compensation and Pension workload resulting from the PACT Act and a planned 8,015 FTE in 2027. The \$1.4 billion in no-year funding allocates \$1.2 billion to payroll and \$136.6 million for non-pay costs.

Loan Administration and Subsidy Appropriation

The 2027 request for loan administration and subsidy is \$294.6 million, an increase of \$14.6 million (+5.2%) from 2026. Funding will support an increase in the Native American Direct Loan program appropriation for FTE, outreach efforts, and subsidy costs.

Discretionary Loan Administration and Subsidy Appropriation

Accounts (\$ in thousands)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Housing Loan Program	316,742	266,737	285,437
Native American Direct Loan Program	2,719	6,865	5,968
Vocational Rehabilitation Loan Program	461	507	513
Loan Administration Subtotal	319,922	274,109	291,917
Native American Direct Loan Subsidy	-	5,845	2,604
Vocational Rehabilitation Loan Subsidy	78	45	35
Discretionary Subsidy Subtotal	78	5,891	2,639
Total Discretionary Credit	320,000	280,000	294,556

Payments to Veterans and Beneficiaries

The number of direct benefits payments to Veterans has increased annually because of legislation, expanding Veterans’ benefits and VA’s successful efforts to adjudicate claims more quickly. 2027 is expected to follow this trend, as shown in the Number of Beneficiaries table below.

Veterans Benefits: Direct Payments

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Request
Compensation	191,297	217,316	242,533	269,274
Pensions	3,021	2,897	2,695	2,499
Education Benefits	13,714	18,277	20,544	22,487
Veteran Readiness and Employment	2,653	3,616	4,000	4,300
Total	210,685	242,106	269,772	298,560

Excludes contract exams, OBRA payments to GOE, burial obligations, and other costs.

Overview of VBA Workload

VBA continues to serve millions of Veterans across multiple benefits programs. The following chart shows the historical and projected change across VBA’s primary lines of business.

Number of Beneficiaries

Business Line	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request	2028 Request
Compensation Beneficiaries	6,709,018	7,053,331	7,368,829	7,718,229
Pensions Beneficiaries	220,067	199,626	178,502	159,625
Education Program Trainees	931,917	1,185,781	1,343,202	1,404,021
Veteran Readiness and Employment Beneficiaries	121,603	179,722	190,837	202,568
New Housing Loans and Refinancings	501,490	568,111	545,209	518,797
Insured Persons	5,484,195	5,487,041	5,482,120	5,476,629

Disability Compensation: VBA has increased claims production through process optimization and automation to help keep pace with increases in claims receipts. The following table provides a summary of workload projections:

Projected Compensation Workload and FTE Requirements

	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Compensation Direct Labor FTE	13,315	14,153	14,191
Rating Receipts Compensation Claims	2,525,429	2,803,875	2,921,957
Rating Production Compensation Claims	2,849,218	2,901,364	2,970,929
Year-End Inventory Compensation Claims	599,508	502,019	453,047

Pension, Dependency and Indemnity Compensation (DIC), Burial and Fiduciary Programs: The following table provides a summary of the VBA pension and DIC rating workload and FTE projections. This summary includes data for only pension and DIC claims considered to be part of VBA’s overall disability claims inventory, i.e., “rating claims.”

Projected Pension, DIC & Burial Workload and FTE Requirements

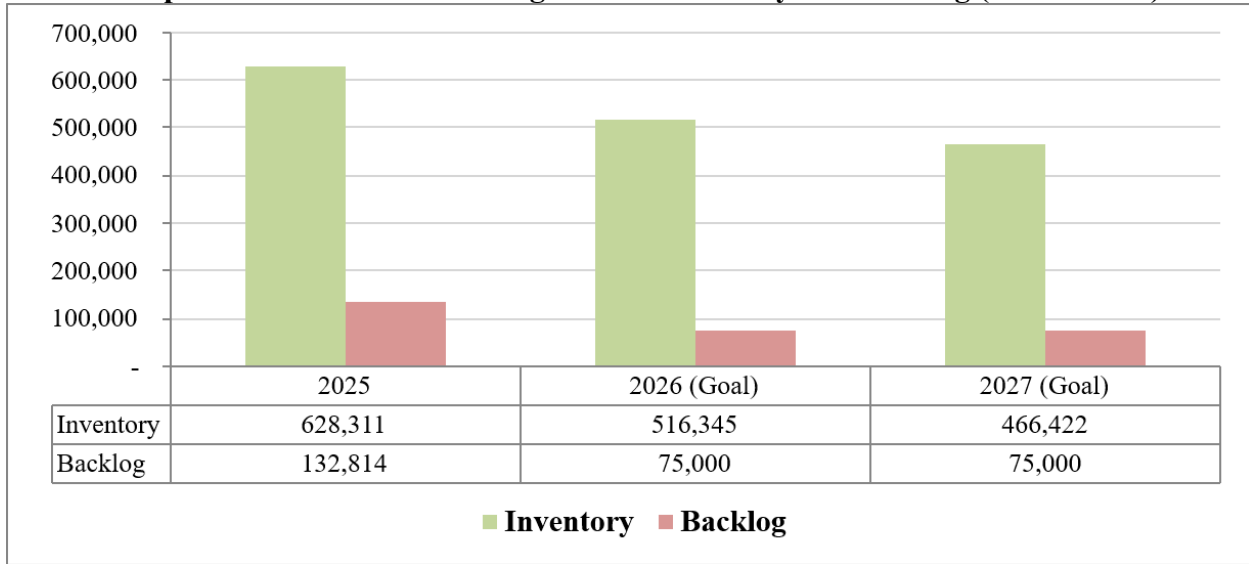
	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Pension, DIC & Burial Direct Labor FTE	833	738	773
Total Receipts Pension, DIC & Burial Claims	304,864	307,098	308,058
Rating Production Pension, DIC & Burial Claims	340,254	323,602	309,422
Year-End Inventory Pension, DIC & Burial Claims	37,943	21,442	20,078

Projected Fiduciary Workload and FTE Requirements

All Funding Sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Direct Labor FTE	1,215	1,215	1,215
Field Examinations			
Initial Appointment Field Examinations	29,707	35,064	35,064
Follow-up Field/Alternate Examinations	35,483	32,464	32,464
Total Field Examinations	65,190	67,528	67,528
<i>Initial Appointments as a Percentage of Total</i>	<i>45.6%</i>	<i>51.9%</i>	<i>51.9%</i>
Accountings	40,646	43,829	43,829
Fund Usage Reviews	17,482	18,620	18,620

Disability Compensation & Pension Rating Claims Inventory and Backlog: The backlog of claims older than 125 days peaked at over 400,000 in early 2024 as a result of the PACT Act’s expansion in eligibility for certain Veterans. The inventory of claims and the backlog declined rapidly in 2025 and—as part of the Critical Veteran Service Initiatives (CVSI) to reduce backlog and improve the timeliness of benefits delivery—VBA is investing in claims processing overtime, as well as automation initiatives, during 2026 and 2027. VA has established a goal to reduce the claims inventory to 516,345 by the end of 2026 and 466,422 by the end of 2027. VA’s backlog goal by the end of 2026 is 75,000 claims which it anticipates sustaining by the end of 2027. Achieving these goals is dependent on improved management and accelerated claims processing times.

Compensation & Pension Rating Claims Inventory and Backlog (End of Year)



National Cemetery Administration

Budgetary Resources

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Operations and Maintenance	480	499	505
Grants for Veterans Cemeteries	60	150	60
Major Construction	155	213	475
Minor Construction	276	86	107
Facilities Operations and National Cemetery Gift Funds	1	1	1
Compensation and Pension (Headstones & Markers, Graveliners, Burial Receptacles, Caskets & Urns)	127	132	140
Total, Budgetary Resources	1,099	1,082	1,288

*Discretionary Funding includes non-emergency appropriations provided in annual Appropriations Acts. The Disaster Relief Supplemental Appropriations Act, 2025, P.L. 118-158, is not included.

**Discretionary Funding includes \$1.5 million for Identifying Unknown Remains of Veterans.

FTE

All Funding Sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Total FTE	2,323	2,305	2,305

VA honors Veterans and their family members with final resting places in national shrines with lasting tributes that commemorate their service and sacrifice to our Nation. The 2027 budget request positions NCA to meet Veterans’ emerging burial and memorial needs in the decades to come through the continued implementation of the following policies in support of five overarching goals:

1. Veterans and eligible family members will have increased access to burial benefits.
2. More Veterans and eligible family members will use VA burial and memorial benefits.
3. Veterans will be memorialized through enhanced tributes befitting their service and sacrifice to the Nation.
4. Stakeholders will place greater trust in NCA based on enhanced accountability.
5. Stakeholders will be served more efficiently and effectively by NCA’s internal capacity.

NCA’s 2027 Request supports VA’s Strategic Theme of “Veterans First” by aligning under the following strategic drivers.

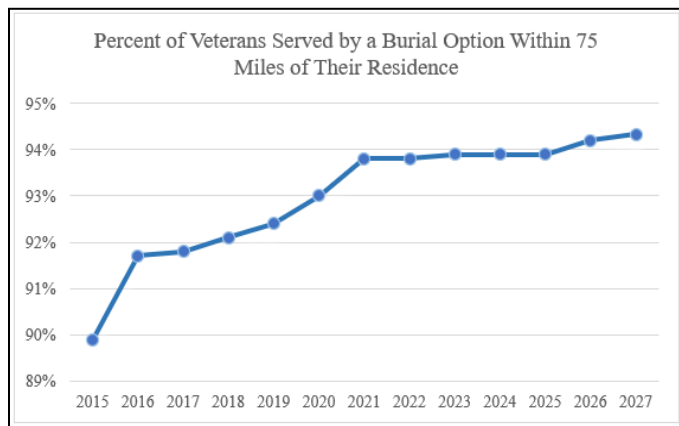
- Timely Access: provide 95% of Veterans with access to a burial option within 75 miles of their home;
- Well-Being of the Veterans at the Center of the Enterprise: meet or exceed “NCA Operational Standards and Measures” at all VA national cemeteries and deliver world class customer service to all of NCA’s customers; and
- Final Salute: Use innovation to memorialize Veterans through enhanced tributes befitting their service and sacrifice to the Nation.

VA requests \$505 million for the NCA Operations and Maintenance account. The Operations and Maintenance appropriation will fund the operation of 158 national cemeteries and 35 soldiers' lots and monument sites and their maintenance as national shrines. It also directly funds the costs of administering seven related programs: Veterans’ Cemetery Grants (VCGP), Headstones and Markers, Presidential Memorial Certificates (PMC), Outer Burial Receptacles (OBR), Casket and Urn reimbursements, First Notice of Death (FNOD), and Commemorative Urns and Plaques. The purchase and transportation costs of the headstones and markers, medallions, pre-placed crypts and OBRs, casket and urn reimbursements, and commemorative urns and plaques are funded from the Compensation and Pension appropriation.

VA’s 2027 request includes funding to support 2,305 FTE, which reflects no increase from the FY 2026 level. Approximately 63% of all NCA employees are Veterans, and nearly 88% are in the field providing direct support to Veterans and their families ensuring they receive dignified, respectful, and courteous service.

In 2027, VA requests \$15.1 million in non-payroll for existing cemeteries facing workload increases and project expansions in 2027. Annual Veteran deaths are projected to be 502,786 in 2027 and are then projected to slowly decline. The number of interments at VA national cemeteries is expected to be approximately 130,000 in 2027. NCA anticipates its outreach programs will lead to greater utilization of its national cemeteries. NCA must maintain its inventory of gravesites in perpetuity. The total number of gravesites increased from nearly 3.7 million in 2018 to over 4.4 million in 2026 and is expected to be over 4.5 million in 2027. NCA maintains more than 25,000 acres with the total developed acreage projected to be nearly 10,200 in 2027, an increase over the 10,090 developed acreage in 2026. As NCA’s workload increases, the 2027 budget request is essential for NCA to continue to provide world-class customer service to Veterans and their families, meet emerging burial and memorial needs, and to maintain cemeteries as national shrines.

VA is nearing its goal to provide 95% of Veterans with access to a burial option in a national, state, or tribal Veterans cemetery within 75 miles of their homes. In 2027, 94.33% of the Veteran population will be served with such access. Increasing and maintaining the availability of state, territory, and tribal Veterans cemeteries is a means to increase existing burial access for all Veterans nationwide and provide a more convenient burial option to those Veterans who may not currently have reasonable access to a national cemetery, particularly in rural locations, or who prefer to be interred on tribal lands.



NCA Construction

Major Construction: Construction projects to develop new national cemeteries will enhance burial services and provide new burial options to Veterans and their families. Construction projects also keep existing national cemeteries open by developing additional gravesites and columbaria or by acquiring and developing additional land. In 2027, NCA requests \$475 million in major construction funds, which includes \$449 million for four gravesite expansion and cemetery improvement projects at Great Lakes National Cemetery, National Cemetery of the Alleghenies, Fort Snelling National Cemetery, and Ohio Western Reserve National Cemetery. An additional \$6 million is requested for major land acquisition, and \$20 million is requested for advanced planning and design activities such as master planning and design for new cemeteries and expansions to maintain access to existing national cemeteries.

Minor Construction: NCA requests \$107 million in the 2027 minor construction budget to provide funding for gravesite expansion and columbaria projects to keep existing national cemeteries open and for projects that address infrastructure deficiencies and other requirements necessary to support national cemetery operations. In addition, NCA is committed to reducing the number of critical Facility Condition Assessment (FCA) infrastructure deficiencies related to safety and/or compliance and will address the growing list of FCA deficiencies rated D and F.

NCA Grants for Construction of Veterans Cemeteries

NCA seeks to maintain and increase the availability of state, territory, and tribal Veterans cemeteries which serve as a complement to VA’s system of national cemeteries. In 2027, NCA requests \$60 million for Grants for Construction of Veterans Cemeteries to provide expansion, establishment, and improvements grants to state, territory, and tribal organizations. The Grants program plays a crucial role in achieving NCA’s strategic target of providing 95% of Veterans with reasonable access to a burial option. In addition, the Grants program is a cost-effective alternative to VA construction and recurring operating expenses. With the number of state, territory, and tribal Veterans cemeteries increasing from 80 to 125 over the last 15 years, the need to provide expansion grants for existing cemeteries has also grown, in both number and dollar amounts.

General Administration

Appropriations

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Office of the Secretary	18.16	36.20	39.90
Office of General Counsel	142.31	139.00	131.90
Office of Management	80.03	76.30	76.20
Office of Human Resources & Administration / Operations, Security & Preparedness	121.49	-	-
Office of Human Resources & Administration	-	89.60	173.30
Office of Operations, Security & Preparedness	-	30.00	35.60
Office of Enterprise Integration	30.72	-	-
Office of Public and Intergovernmental Affairs	15.93	16.20	15.60
Office of Congressional & Legislative Affairs	9.90	11.50	13.90
Office of Accountability and Whistleblower Protection	29.56	30.20	30.60
Total, Discretionary Budget Appropriations	448.10	429.00	517.00
Toxic Exposures Fund (TEF, Mandatory)	19.83	33.00	33.00
Total, Discretionary and Mandatory	467.93	462.00	550.00

FTE

All Funding Sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request 1/
Office of the Secretary	79	136	164
Office of General Counsel	681	657	597
Office of Management	253	245	245
Office of Human Resources & Administration / Operations, Security & Preparedness	362	-	-
Office of Human Resources & Administration	-	223	227
Office of Operations, Security & Preparedness	-	118	144
Office of Enterprise Integration	86	-	-
Office of Public and Intergovernmental Affairs	68	66	64
Office of Congressional & Legislative Affairs	44	49	59
Office of Accountability and Whistleblower Protection	136	127	135
Total Direct Funded FTE	1,709	1,621	1,635
Reimbursable FTE, all offices	1,493	1,308	1,775
Subtotal Direct and Reimbursable FTE	3,202	2,929	3,410
TEF FTE, all offices	28	84	84
Total General Administration FTE	3,230	3,013	3,494

1/ Discrepancy between the chapter and MAX A-11 database is due to VA no longer consolidating non-construction procurement activities to the Supply Fund and Franchise Fund no longer supporting OALC as previously planned.

For 2027, VA requests \$517 million and 3,412 FTE for the GenAd account. This FTE request includes 1,637 direct funded FTE and 1,775 reimbursable FTE. The appropriation request is 20.5% percent (\$88 million) above the 2026 Enacted Budget with transfers. The increase of 467 reimbursable FTE (35.7%) above the 2026 enacted budget is to support work in Office of Employment Discrimination Complaint Adjudication (OEDCA), Office of Resolution Management (ORM), contract law and revenue law group under OGC, realignment within the HRA, and reorganization currently ongoing in OALC. The 2027 request will continue to provide leadership, program management, budgetary oversight, accountability, and process improvements throughout the Department.

Highlights of the GenAd Staff Office requests for 2027 are:

- \$39.9 million in budget authority and 164 FTE (budget authority) to the Office of the Secretary of Veterans Affairs (OSVA) to provide executive direction for all VA programs to transform VA into a premiere customer experience organization that delivers care and benefits to Veterans. The funding includes \$5 million and 20 FTE to establish the Warrior Independence and Self-Sufficiency Ethos Office, \$2 million and 10 FTE to realign the Regulatory Oversight and Management Office, and \$900,000 and 4 FTE to realign the Center for Faith from OPIA to OSVA. The request also includes an increase of \$1.1 million

and 162 FTE to the reimbursement budget. The increase is to support the Office of Employment Discrimination Complaint Adjudication (OEDCA) that reports directly to the Secretary, and Office of Resolution Management (ORM), which provides tools available to all employees, to engage and manage workplace conflict effectively, thereby preempting disputes and complaints. Funding for both OEDCA and ORM is provided through statutory authority to collect reimbursements from the customers it serves.

- \$131.9 million in budget authority and 597 FTE (budget authority) for the Office of General Counsel (OGC). OGC will reduce its FTE in 2027 to fund the Guardianship contract. OGC will continue its efforts to address an expanding legal workload that includes an increasing number of cases before the United States Court of Appeals for Veterans Claims (CAVC), and legal and litigation support for VA Intellectual Property. The request also includes \$1.5 million and 2 FTE for reimbursable budget related to Contract Law and Revenue Law.
- \$76.2 million in budget authority and 247 FTE (budget authority) for the Office of Management (OM). OM will continue to support a centralized grant management office, enhance support for audit tasks relating to the new financial system, improve Strategic Capital Investment Planning, expand the Enhanced Use Lease program, maintain staff for actuarial analysis and modeling, and provide leadership in the development and execution of the Department's budget.
- \$173.3 million in budget authority and 227 FTE (budget authority) for the Office of Human Resources and Administration. The request includes a one-time increase for VA's FY 2027 required contribution of \$90 million to continue support of the Office of Personnel Management's Core Human Capital (HCM) initiative in FY 2027 that will consolidate outdated and inefficient human resources systems into a single, modern Core HCM platform. This single, modern platform will encompass personnel action processing, employee system of record, position management, and workforce analytics, among other human resource functions. This amount includes estimated licensing fees for the new system, data migration, and warehousing of legacy data.
- \$35.6 million in budget authority and 144 FTE (budget authority) for the Office of Operations, Security, and Preparedness. The request includes an increase of \$5.6 million and 26 FTE to establish this new assistant secretary-level office.
- \$15.6 million in budget authority and 64 FTE (budget authority) for the Office of Public and Intergovernmental Affairs. The budget request is a net 2 FTE decrease from 2026. This includes the realignment of Center for Faith (4 FTE) from OPIA to OSVA, and 2 FTE increase to fund outreach activities, Tribal government conferences, and the Public Affairs Training Academy. Outreach activities enable VA to communicate effectively with Veterans and the public and local governments by positively enforcing its commitment and readiness to serve America's Veterans of all generations.

- \$13.9 million in budget authority and 59 FTE for the Office of Congressional and Legislative Affairs. The budget request increases staff by 10 FTE to meet increased workloads and improve relationships and communications with associations representing state and local governments and with elected officials.
- \$212.1 million in reimbursable authority and 721 in reimbursable FTE for the Office of Acquisition, Logistics, and Construction. The increase of \$34.5 million and 258 FTE in reimbursable funding is a result of the strategic and operational reorganization that is taking place in 2026. Starting in 2027, departmental leasing function will be transferred under the Office of Real Property from VHA to oversee the minor leasing programs and lease administration.
- \$112.8 million in reimbursable authority and 255 in reimbursable FTE for the Veterans Experience Office. The office has been designated as Lead Agency Partner for the President’s Management Agenda Cross Agency Priority Goal on Improving Customer Experience with Federal Services.
- \$30.6 million in budget authority to support 135 FTE (budget authority) for the Office of Accountability and the Whistleblower Protection. The budget request increases its staff by eight FTE to meet increased workloads. OAWP will continue to implement the oversight and compliance requirements within the VA Accountability and Whistleblower Protection Act of 2017.

Construction

Discretionary and Mandatory Appropriations

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Major Construction	961	1,394	3,089
Minor Construction	692	350	861
Subtotal, Construction Appropriation (Discretionary)	1,653	1,744	3,950
Recurring Expenses Transformational Fund (RETF)			
Construction, Major Projects	-	896	1,300
Construction, Minor Projects	320	-	150
Subtotal, RETF Investments	320	896	1,450
Total, Discretionary Appropriations and RETF Balances	1,973	2,640	5,400
PACT Act Section 707 (Major Medical Facility Leases) Medical Facilities¹	200	400	450
Total, Discretionary and Mandatory Budgetary Resources	2,173	3,040	5,850

¹ Section 707 of the PACT Act appropriated funds for major medical facility leases through 2031.

The request for construction is \$4.0 billion, including \$3.1 billion for major construction and \$861 million for minor construction. When the major and minor construction funds are combined with \$1.45 billion from the RETF, a total of \$5.4 billion will be available in 2027.

Major Construction projects include funding for:

- Replacement medical center, new central utility plant, replacement of multi-specialty outpatient clinic and associated parking, Indianapolis, Indiana (\$1.6 billion)
- Replacement medical center, new central utility plant, community living center, and other facilities and associated line items, Manchester, New Hampshire (\$1.3 billion in RETF)
- Support implementation for the National Center for Warrior Independence (NCWI), West Los Angeles, California (\$500 million)
- Initiate funding for land acquisition to support efforts for a replacement healthcare facility in San Antonio, Texas (\$30.0 million)
- Expansion and improvements to national cemeteries totaling \$449.1 million in Bridgeville PA; Minneapolis, MN; Rittman, OH; and Holly, MI.

VA’s capital requirements are primarily driven by Veterans’ need for care in modern facilities that are safe, secure, and accessible. VA’s Strategic Capital Investment Planning (SCIP) process serves as the basis VA capital investment funding decisions since FY 2012. Projects prioritized through the SCIP process will correct infrastructure and safety deficiencies and address service gaps.

Office of Inspector General

Appropriations

Accounts (\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Total, Budget Authority	296	296	284

Base funding only; excludes carryover.

FTE

All Funding Sources	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Total FTE	1,135	1,038	992

The OIG requests \$284 million for 992 FTE in 2027 to fulfill statutory oversight requirements for all VA programs, services, and operations, including health care and benefits delivery, procurements and acquisitions, information technology and security, construction, leadership and

governance, and financial stewardship. The budget supports a spectrum of audits, inspections, and reviews that identify potential improvements to VA program outcomes, strengthen the integrity of high-risk activities, and deter misconduct. These programs also support and enhance the OIG’s capacity to detect criminal activity and conduct timely and thorough investigations when serious instances of fraud, waste, and abuse are discovered.

Recurring Expenses Transformational Fund

Planned Use of RETF

(\$ in millions)	2025 Enacted with Transfers	2026 Enacted with Transfers	2027 Request
Construction, Major Projects	-	896	1,300
Construction, Minor Projects	320	-	150
Total, Recurring Expenses Transformational Fund	320	896	1,450

The Recurring Expenses Transformation Fund (RETF, or Transformational Fund (TF)) was authorized in Sec. 243 of the Consolidated Appropriations Act, 2016 (P.L.114–113). Unobligated balances of expired non-emergency discretionary funds appropriated in 2016, or any succeeding fiscal year may be transferred to the RETF five years after balances expire. The RETF is available for facilities infrastructure improvements, including nonrecurring maintenance, at existing VHA hospitals and clinics, and for information technology systems improvements and sustainment.

The 2027 budget anticipates transfers totaling \$1.45 billion in unobligated balances into the RETF. Those funds will be used for major and minor construction projects. RETF major construction funds totaling \$1.3 billion will support a new replacement medical facility in Manchester, NH (\$1.18 billion) and associated project management support (\$118 million). \$150 million of the RETF will support minor construction projects for VHA.

Department of Veterans Affairs
Office of the Assistant Secretary for Management
www.va.gov/budget