



DEPARTMENT *of* VETERANS AFFAIRS

The Department of Veterans Affairs (VA) is responsible for providing military veterans and their families, caregivers, and their survivors with the benefits, care, and support they have earned through sacrifice and service to the Nation. The President's 2027 Budget for VA honors the Nation's sacred obligation to veterans by: investing in world-class healthcare; improving delivery of benefits, including disability compensation claims processing; prioritizing veteran mental health services and suicide prevention programs; supporting efforts to end veteran homelessness; and bolstering other benefits to enhance veterans' prosperity.

The Budget requests \$144.9 billion in discretionary budget authority for VA for 2027, an \$11.5 billion or 9-percent increase from the 2026 enacted level.

THE PRESIDENT'S 2027 BUDGET:

Investments

- **Medical Care (+\$10.6 billion, discretionary and mandatory).** The Budget provides a total for medical care of \$175.5 billion in 2027. This is comprised of \$123.4 billion in discretionary medical care funding and \$52.1 billion in mandatory funding from the Toxic Exposures Fund. The Budget supports programs to provide world-class healthcare to veterans, including:
 - Restructuring the contract vehicle for VA to purchase care for veterans from community providers to increase competition and align with industry standards and best practices, which will be instrumental in improving access to healthcare services and care delivery at a lower cost;
 - A \$644 million investment to expedite access to lifesaving residential rehabilitation treatment programs for eligible veterans experiencing mental health issues, substance use disorders, or homelessness; and
 - \$3.8 billion for the Homeless Programs Office, to advance the efforts to support veterans at-risk or experiencing homelessness to receive healthcare, mental health services, housing assistance, and employment services transitional housing and support services to enable veterans and their families to regain permanent and sustainable housing.
- **Electronic Health Record Modernization (EHRM) (+\$800 million).** The Budget provides \$4.2 billion in discretionary funding to support VA's EHRM modernization efforts. VA's EHRM modernization program is moving the Department from a decades-old legacy system to a modern system that is interoperable

with Department of War (DOW) and other Federal partners, as well as participating community care providers, allowing veterans to receive care at any provider knowing that their clinicians would be able to easily access their full medical history. The EHRM program, when fully implemented, would improve the transition from servicemember to veteran and would enable closer VA-DOW collaboration, which is a priority for the Administration. The Department has made accelerated VA EHRM rollout—which had stalled under the Biden Administration—a top priority effort.

- **VA Major Construction.** The Budget supports the President’s Executive Order (E.O.) 14296, “Keeping Promises to Veterans and Establishing a National Center for Warrior Independence,” which calls for a National Center for Warrior Independence (NCWI) at the West Los Angeles VA Medical Center and outlines the President’s commitment to establish a new and expanded VA medical center in New Hampshire. The Budget also supports a replacement medical center in Indianapolis, Indiana, and the purchase of land for a new medical center in San Antonio, Texas. The Budget also provides \$449.1 million in funding to provide over 90,000 new gravesites at the following cemeteries: Great Lakes National Cemetery in Holly, Michigan; Fort Snelling National Cemetery in Minneapolis, Minnesota; Ohio Western Reserve National Cemetery in Rittman, Ohio; and the National Cemetery of the Alleghenies in Bridgeville, Pennsylvania. These projects would provide VA with an additional 15 years of burial capacity. Additional major construction projects include:
 - \$500 million in funding that would be used for construction of the actual NCWI facility, a mix of supportive housing, sober living facilities, and transitional housing, including accessible and trauma-informed spaces for women veterans and veterans with high-acuity needs. This initiative represents a transformative commitment to addressing veteran homelessness through expanded access to care, housing, and services designed to restore veterans’ independence and dignity. This initiative’s goal is to house up to 6,000 homeless veterans at this center by 2028.
 - A new VA-owned medical center providing comprehensive outpatient services in Manchester, New Hampshire, to support a population of approximately 85,000 veterans. The existing Manchester VA Medical Center was constructed in 1948 and opened in 1950, and it is now well past its useful life. The new medical center would provide a variety of outpatient services including medical/surgical specialties, urgent care, mental health, radiology, rehabilitation, primary care, surgery, pathology and laboratory, and necessary support services. The Budget includes \$1.3 billion in funding to support the necessary design work, site preparation, and construction of a new Central Utility Plant.
 - The Indianapolis project, VA’s top major construction priority, which would allow VA to expand its capacity beyond its current location constructed in 1932. The Budget includes \$1.98 billion to support the replacement of the existing medical center with an 840,000 square foot bed tower to fulfill acute care requirements, multispecialty clinic, primary care, and utility infrastructure. In addition, the Budget would fund \$30 million to initiate land acquisition for a replacement medical center in San Antonio, a necessary first step to address the growing veteran population in that area.
- **Veterans Benefits Administration.** The Budget provides \$130 million for automation and artificial intelligence investments modernizing veterans claims processing by reducing errors and delivering benefits to veterans faster. These tools limit the costly practice of relying on surge staffing and extra labor costs while using taxpayer dollars more efficiently. The result—faster decisions for veterans delivered with greater accuracy.
- **Information Technology (IT) Systems (+\$389 million).** The Budget provides \$6.3 billion in discretionary resources to protect VA’s core mission systems that deliver healthcare, benefits, and cemetery services to veterans. The funding would allow VA to accelerate cybersecurity efforts, continue implementation

of a modern integrated financial and acquisition system, support EHRM rollout, and strengthen digital platforms for mental health, community care, and housing to ensure timely, reliable access to benefits. In addition, the Budget would provide:

- \$1.3 billion to target high-impact healthcare delivery and access capabilities, such as improving scheduling and referral processes that strengthen continuity of care for veterans, expanding community care billing capabilities to improve payment speed and accuracy, and implementing interoperable health records;
- Measurable improvements in veteran access, clinical outcomes, and operational efficiency—ensuring every dollar drives technology that delivers real-world impact; and
- \$10 million to transfer projects and staff from the recently disestablished Office of Enterprise Integration.

Program Cuts, Restructuring, and Eliminations

- **Warrior Independence and Self-Sufficiency Ethos (WISE) Office.** To deliver on the President’s commitment to end veteran homelessness as stated in E.O. 14296, “Keeping Promises to Veterans and Establishing a National Center for Warrior Independence,” the Budget supports establishment of the WISE Office to drive results, accountability, and action across the Department. Led by an Assistant Secretary reporting directly to the Secretary, WISE would:
 - Align the VA enterprise’s efforts to help veterans achieve long-term self-sufficiency, independence, and stability;
 - Review and streamline existing programs, identify and fix what is not working, and strengthen benefits and healthcare delivery, while improving data sharing to identify at-risk veterans sooner; and
 - Focus the Department on delivering outcomes and ensuring veterans get timely support and positive results.

WISE would evaluate all programs across the VA enterprise, to find areas in need of improvement in benefit and healthcare delivery. The office would develop pilot efforts to test new approaches to serving veterans. It would also oversee the implementation and sustainment of the NCWI and improve data sharing with DOW to identify at-risk veterans in order to address prevention.

- **Creating Efficiencies in the Veterans Health Administration (VHA).** Over the next two years, VA will implement the VHA Restructure for Impact and Sustainability Effort (RISE). RISE would streamline VHA’s organization to improve healthcare for veterans, empower local hospital directors, and eliminate duplicative layers of bureaucracy.
- **Restoring Readiness, Supporting Veterans.** The Budget empowers the Joint Executive Council (JEC) as the principal forum for aligning VA and the DOW to solve shared challenges in caring for America’s service members and veterans. Reflecting both Secretaries’ renewed commitment, JEC leadership would be this decade’s pioneers for achieving bold change and common-sense action with the alignment and the full support of the Administration. These joint efforts would begin with a focus on improving medical readiness and data integration, ensure continuity of quality care, and better alignment of joint workforce capabilities and purchasing power. The JEC also would ensure the continuity of success by laying a foundation of cross-agency governance and support of the shared agenda through redefining the scope of work that the Federal Electronic Health Record Modernization office, while ensuring full

support for VA's accelerated EHRM deployment schedule. This JEC would be the blueprint for future Federal interagency achievement and continued VA and DOW success.

- **Outreach to Veterans in the Compact of Freely Associated States (COFA).** VA will continue its efforts to reach veterans residing in the COFA states (the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau), ensuring that eligible veterans utilize the Foreign Medical Program to enhance their access to healthcare close to home.
- **Defund and Eliminate Divisive and Wasteful Diversity, Equity, and Inclusion (DEI) Initiatives.** The Budget continues targeted cuts to eliminate DEI programing, and to reduce nonessential outreach activities in line with the President's E.O. 14151, "Ending Radical and Wasteful Government DEI Programs and Preferencing." These cuts ensure VA funding is used for critical VA missions: providing healthcare; benefits; and cemetery services for America's veterans. 🇺🇸