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# Veterans' Benefits: The Vocational Rehabilitation and Employment Program

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## Summary

Vocational Rehabilitation and Employment for veterans (VR&E) is an entitlement program that provides job training and other employment-related services to veterans with service-connected disabilities. In cases where a disabled veteran is not able to work, the VR&E program provides independent living (IL) services to help the veteran achieve the highest possible quality of life. The VR&E program is administered by the Veterans Benefits Administration (VBA), part of the Department of Veterans Affairs (VA).

To be entitled to VR&E services, a veteran must have been discharged under conditions other than dishonorable and be found to have either (1) a service-connected disability rated at 20% or more and an employment handicap, or (2) a service-connected disability rated at 10% and a serious employment handicap. After a veteran is found to be entitled to VR&E, a vocational rehabilitation counselor helps the veteran identify a suitable employment goal and determine what services will be necessary to achieve that goal. The veteran is then assigned to one of five reemployment tracks:

- *Reemployment* for veterans who wish to return to work they held prior to their military service;
- *Rapid Access to Employment* for veterans who already have the skills necessary to compete in the job market and only need short-term services such as job search assistance;
- *Employment through Long-Term Services* for veterans who require postsecondary or vocational training to reach their employment goals;
- *Self-employment* for veterans who have the skills to start businesses; or
- *Independent Living* for veterans for whom employment is not a viable goal.

Veterans may change tracks if a disability worsens or if their employment objective changes. Services may be provided by the VA, though they are more frequently purchased from an outside provider.

VR&E benefits are typically limited to 48 months, though the benefit period can be extended under certain circumstances. In most cases, veterans are entitled to a subsistence allowance while they are enrolled in an education or training program.

In FY2016, approximately 29,340 veterans developed a new plan of service with VR&E and 11,531 veterans completed rehabilitation. In FY2016, costs for mandatory VR&E benefits were approximately \$1.3 billion. Discretionary support services and other administrative costs were approximately \$218 million.

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Vocational Rehabilitation and Employment for veterans (VR&E) is an entitlement program that provides job training and related services “to enable veterans with service-connected disabilities to achieve maximum independence in daily living and, to the maximum extent feasible, to become employable and to obtain and maintain suitable employment.”<sup>1</sup> The program is administered by the Department of Veterans Affairs (VA). The VR&E program provides comprehensive services to enable veterans with service-connected disabilities and employment handicaps to become employable and maintain suitable employment.<sup>2</sup> For severely disabled veterans for whom employment is not possible, the program strives to help them achieve the highest quality of independent living possible with a future chance of employment, given medical and technological advances.

This report provides an overview of the VR&E program. After a brief background section, it describes how the program establishes individual veterans’ entitlements and the scope of benefits and services available to qualified veterans. The final section provides participation and outcome data.

## Background

### History

In 1918, Congress enacted P.L. 65-178, the Vocational Rehabilitation Act, to provide for the retraining of disabled persons who served in the U.S. military and naval forces. The rehabilitation program was administered by the Federal Board for Vocational Education. In 1921, control of veterans’ rehabilitation was transferred to the newly created Veterans’ Bureau. In 1930, Congress created the Veterans Administration by combining three bureaus: the Veterans’ Bureau, the Bureau of Pensions, and the National Homes for Disabled Volunteer Veterans. In 1943, Congress enacted P.L. 78-16, which broadened eligibility and provided that any eligible veteran may receive up to four years of training specifically directed to restoring employability.

In subsequent years, the scope of the veterans’ rehabilitation program has been modified and expanded to better fulfill its mission. The program has undergone several name changes and has usually been housed with the education services in the Department of Veterans Affairs (VA). In 1999, the VR&E program acquired its current name with the intention of emphasizing employment services and job placement.

In 2004, the Secretary of Veterans Affairs responded to continuing criticisms of VR&E’s operations from congressional committees, the Government Accountability Office, and others by forming a task force to evaluate the program. The task force report found little evidence that the program’s efforts to obtain jobs for rehabilitated veterans had been effective.<sup>3</sup> Among its 110 recommendations, the task force emphasized that VR&E should focus on employment and place more emphasis on its clients’ skills rather than their disabilities. In response to these

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<sup>1</sup> See 38 U.S.C. 3100.

<sup>2</sup> The VBA website defines suitable employment as “Employment that does not aggravate the Veteran’s disabilities, is stable, and is consistent with his or her pattern of abilities, aptitudes, and interests.” See <http://www.vba.va.gov/bln/vre/def.htm#se>.

<sup>3</sup> Department of Veterans Affairs, VA Vocational Rehabilitation and Employment Task Force, *Report to the Secretary of Veterans Affairs: The Vocational Rehabilitation and Employment Program for the 21<sup>st</sup> Century Veteran, 2004*.

recommendations, VR&E developed the five-track employment process discussed later in this report.<sup>4</sup>

## Authorization and Administration

The VR&E program is authorized by Chapter 31 of Title 38 of the U.S. Code. Veterans' benefits are often referred to by their authorizing chapter of Title 38. As such, VR&E benefits are often described as "Chapter 31" benefits.<sup>5</sup> The VR&E program is administered by the Veterans Benefits Administration (VBA) within the VA.

## Financing and Costs

VR&E costs are divided between mandatory and discretionary spending. VR&E funds are appropriated with other VA-administered readjustment benefits in the Military Construction-Veterans Affairs appropriations bill.

VR&E benefits and the subsistence allowances for VR&E beneficiaries are mandatory spending. Costs for these activities in FY2016 were \$1.315 billion.<sup>6</sup> This total consists of \$741 million for VR&E benefits in the form of tuition, books, and other direct assistance as well as \$573 million in subsistence allowances for individuals who were enrolled in an eligible training program.<sup>7</sup> **Table 1** presents benefit costs from FY2012 through FY2016.

**Table 1. Vocational Rehabilitation and Employment Program Benefit Costs, FY2012-FY2016**

(nominal dollars in millions)

|                                | FY2012       | FY2013       | FY2014         | FY2015         | FY2016         |
|--------------------------------|--------------|--------------|----------------|----------------|----------------|
| Tuition, Books, Supplies, etc. | \$489        | \$564        | \$632          | 702            | \$741          |
| Subsistence Allowance          | \$302        | \$367        | \$448          | 441            | \$573          |
| <b>Total</b>                   | <b>\$791</b> | <b>\$931</b> | <b>\$1,080</b> | <b>\$1,144</b> | <b>\$1,315</b> |

**Source:** Department of Veterans Affairs Budget Justifications, FY2014 through FY2018, available at <http://www.va.gov/budget/products.asp>. Each year's funding is taken from the "Summary of Appropriations Highlights" table in the budget justification two years subsequent to the year listed.

**Notes:** Table reflects actual costs for mandatory benefits. Totals may not equal sum of components due to rounding. Costs do not include administrative expenses and other discretionary services.

The VR&E program's discretionary costs, which cover VR&E staff, counseling from such staff, and other expenses, were \$218 million for FY2016. In FY2016, the VR&E program reported that it employed 1,538 full-time equivalents.<sup>8</sup>

<sup>4</sup> Testimony of Ruth Fanning, Director, VA's VR&E Service, before the Senate Committee on Veterans' Affairs, February 5, 2008, available at <http://www.va.gov/OCA/testimony/svac/080205RF.asp>.

<sup>5</sup> Other examples include the Post-9/11 G.I. Bill (Chapter 33) and the Montgomery G.I. Bill-Active Duty (Chapter 30).

<sup>6</sup> In many cases, FY2016 data were the most recent available for this program. In the interest of consistency, FY2016 data are used throughout this report. Some estimates for FY2017 funding are available in the VA budget justification that is cited throughout this report.

<sup>7</sup> Department of Veterans Affairs FY2018 Budget, Volume III: Benefits and Burial Programs and Departmental Administration, p. VBA-85, <http://www.va.gov/budget/products.asp>.

<sup>8</sup> Department of Veterans Affairs FY2018 Budget, Volume III: Benefits and Burial Programs and Departmental Administration (continued...)

## VR&E Application Process

There are two determinations between a veteran's application for VR&E and his or her receipt of services: *eligibility* and *entitlement*.

### Eligibility

A veteran must apply to the VA to establish eligibility. To be eligible for VR&E services, a veteran must<sup>9</sup>

- have served on or after September 16, 1940;
- have received, or will receive, a discharge under conditions other than dishonorable;<sup>10</sup> and
- have a service-connected disability rating of 10% or more.<sup>11</sup>

Active duty service members are eligible for VR&E services if their service-connected disabilities are reasonably expected to be rated at a minimum of at least 20% following their discharge.

### Duration of Eligibility

Veterans are eligible for VR&E services for 12 years after separation from active military duty. In cases where a veteran was notified of a service-connected disability rating after separation, eligibility extends 12 years from the date of notification.

The period of eligibility may be extended if the VA determines that the veteran has a serious employment handicap, has not yet been rehabilitated to the point of employability, has been rehabilitated but still cannot perform the duties required, or needs more services because the occupational requirements have changed. An objective evaluation is required for these circumstances to be determined.<sup>12</sup>

For independent living services, if the medical condition is so severe that achievement of the vocational goal is not feasible and that goal is necessary to ensure that the veteran will achieve maximum independence, the period of eligibility may be extended.<sup>13</sup>

### Entitlement

Once eligibility is established, an applicant completes a comprehensive evaluation with a Vocational Rehabilitation Counselor (VRC). The evaluation includes

- an assessment of the veteran's interests, aptitudes, and abilities;

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(...continued)

Administration, p. VBA-264, <http://www.va.gov/budget/products.asp>.

<sup>9</sup> See 38 U.S.C. 3102-3103.

<sup>10</sup> For more information on discharge criteria, see CRS Report R42324, *Who Is a "Veteran"?*—Basic Eligibility for *Veterans' Benefits*, by Scott D. Szymendera.

<sup>11</sup> For an in-depth discussion of the VA's disability evaluation process and policies, see archived CRS Report RL33991, *Disability Evaluation of Military Servicemembers*, by Christine Scott and Don J. Jansen.

<sup>12</sup> See 38 U.S.C. 3013(c).

<sup>13</sup> See 38 U.S.C. 3103(d).

- an assessment of whether service-connected disabilities impair the veteran's ability to secure and maintain suitable employment; and
- identification of services necessary to maintain a career or achieve maximum independence.

An applicant is entitled to VR&E services if the evaluation finds that he or she has

- a service-connected disability rated at 20% or more and an employment handicap; or
- a service-connected disability rated at 10% and a serious employment handicap.

An *employment handicap* is an impairment of a veteran's ability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interests.<sup>14</sup>

A *serious employment handicap* is a significant impairment of a veteran's ability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interests.<sup>15</sup>

To be entitled to VR&E services, the veteran's service-connected disability must contribute to the employment handicap and VR&E must be able to identify, observe, and measure it.

### **Non-entitlement**

A veteran who applies for VR&E services but is not found to be entitled to services is to be informed about appeal rights and the appeals process. The VA will also use the information gathered in the application process to recommend other services.<sup>16</sup>

## **Case Management and Rehabilitation Planning**

After a veteran is found to be entitled to VR&E services, a case manager is assigned to work with the veteran. The case manager works in conjunction with a VRC and the veteran to determine an employment goal and assess obstacles to employment. A written rehabilitation plan is then developed, describing the goal of the VR&E program and the services required to achieve the goal.<sup>17</sup> The required services may be provided by the VRC or the case manager may provide referrals for other services. The plan is reviewed with the participation of the client at least once a year.<sup>18</sup>

## **Services Provided by VR&E**

The most common services provided by VR&E agencies are funding for higher education, career counseling, and short-term employment services like job search assistance. The full range of services that VR&E agencies are required to make available to entitled clients, however, is much broader and includes a variety of specialized services for workers with disabilities.<sup>19</sup>

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<sup>14</sup> See 38 U.S.C. 3101(1).

<sup>15</sup> See 38 U.S.C. 3101(2).

<sup>16</sup> For an overview federal employment programs for veterans, see CRS In Focus IF10490, *Veterans' Employment*, by Benjamin Collins.

<sup>17</sup> See 38 U.S.C. 3106.

<sup>18</sup> See 38 U.S.C. 3106(b).

<sup>19</sup> Additional required services may include corrective assistive devices, travel expenses, and independent living (continued...)

## **Service Delivery Tracks**

Each VR&E beneficiary is assigned to a service delivery track based on the veteran's objective and services needed. If necessary, a veteran may change tracks while enrolled in the VR&E program.

### **Reemployment Track**

The Reemployment Track is for veterans who wish to return to work with their previous employers. In addition to the case management and counseling that all VR&E beneficiaries receive, veterans on the reemployment track may receive assistance from the VA to make their workplace more accessible. They may also receive counseling on workplace rights for veterans.<sup>20</sup>

A veteran on this track is considered rehabilitated when he or she has completed the employment program and maintained suitable employment for 60 days.<sup>21</sup>

### **Rapid Access to Employment Track**

The Rapid Access to Employment Track emphasizes the goal of immediate employment and is available to separating veterans who already have the skills necessary to compete in the job market in suitable occupations. On this track, VR&E services may include job readiness preparation, resume development, or job search assistance. The VRC may also counsel veterans on this track in disability rights and assist an employer in providing accommodations to a disability.

A veteran on this track is considered rehabilitated when he or she has completed the employment program and maintained suitable employment for 60 days.

### **Self-Employment Track**

This track is for veterans who have limited access to traditional employment and need flexible work schedules and a more accommodating work environment because of their disabling conditions or other special circumstances. Veterans may be provided with assistance in the development of a business plan, training in the operation of small businesses, financial assistance, and guidance on obtaining adequate resources to implement the business plan.

A veteran on this track is considered rehabilitated when he or she has completed the self-employment program and maintained a viable business for one year.

### **Employment through Long-Term Services Track**

This track targets veterans who need long-term employment training to prepare them for suitable employment. Formal classroom courses are the most common long-term service, though training

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services. See 38 U.S.C. 3104, 3109, and 3120.

<sup>20</sup> In addition to the rights afforded by the Americans with Disabilities Act of 1990 (ADA; 42 U.S.C. 12101-12213), disabled veterans are also entitled to additional rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA, 38 U.S.C. 4301-4335).

<sup>21</sup> Rehabilitation criteria are from the Government Accountability Office (GAO) report *VA Vocational Rehabilitation and Employment: Better Incentives, Workforce Planning, and Performance Reporting Could Improve Program*. January 2009. Rehabilitation criteria are also available at 38 C.F.R. 21.283.



may also include on-the-job training, apprenticeships, internships, or other workplace preparation programs. While counselors have the authority to approve a wide variety of programs, statute specifies that “to the maximum extent practicable,” courses under the VR&E program should be courses that are approved for the GI Bill.<sup>22</sup>

Services last as long as is necessary for the beneficiary to attain the objectives set out in his or her employment plan, but may not exceed 48 months (or the equivalent when pursued on a part-time basis).<sup>23</sup> In limited circumstances (such as a veteran’s disability worsening during the rehabilitation process and the original employment objective becoming unviable), a rehabilitation program can be extended beyond 48 months. Extensions must be approved by a counseling psychologist and a VR&E officer.<sup>24</sup>

A veteran on the employment through long-term services track is considered rehabilitated when he or she has completed a training program and maintained employment for 60 days.

### **Independent Living Services Track**

The Independent Living (IL) Services Track is for veterans who may not be able to work immediately and need additional rehabilitation to enable them to live more independently. The short-term focus of the program is on allowing veterans to participate in family and community life, but it also aims to increase their ability to possibly return to work in the longer term.<sup>25</sup> Veterans on this VR&E track may be provided with assistive technology, independent living skills training, and connections to community-based support services.

Unlike the other VR&E tracks, the IL track is limited in the number of veterans it can serve. Currently, 2,700 veterans are permitted to begin an IL program each year.<sup>26</sup> This limit is waived for veterans who have been adversely affected by a natural or other disaster, as determined by the VA.<sup>27</sup>

IL programs for veterans are typically limited to 24 months. This limit can be extended if the VA determines that an extension would substantially increase a veteran’s level of independence in daily living. The limit may also be extended for veterans who served after September 11, 2011, and have a severe disability.

### **Monetary Benefits for VR&E Participants**

In addition to training benefits and other employment services, veterans who are entitled to VR&E services are also eligible for certain financial benefits.

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<sup>22</sup> See 38 U.S.C. 3104(b)

<sup>23</sup> See 38 C.F.R. 21.70(b)(1).

<sup>24</sup> See 38 C.F.R. 21.78.

<sup>25</sup> See 38 U.S.C. 3109.

<sup>26</sup> This limit of 2,700 was established by the Veterans Benefits Act of 2010 (P.L. 111-275). The cap was previously increased to 2,500 by the Veterans Education and Benefits Expansion Act of 2001 (P.L. 107-103) and to 2,600 by the Veterans’ Benefits Improvement Act of 2008 (P.L. 110-389).

<sup>27</sup> See 38 U.S.C. 3120(e)(2). This change was made by Section 701(c) of P.L. 112-154, Honoring America’s Veterans and Caring for Camp Lejeune Families Act of 2012.

## **Subsistence Allowance**

Many veterans who are receiving benefits under the VR&E program are also eligible for a monthly subsistence allowance. Veterans who are only receiving (1) initial evaluation, (2) placement or post-placement services, and (3) counseling from the VR&E program are not eligible for a subsistence allowance, nor are veterans who are enrolled in a training program less than half-time.<sup>28</sup>

The VR&E subsistence allowance varies by the type of program the veteran is enrolled in and whether or not the veteran has dependents. As of October 1, 2017, the monthly allowance for a veteran enrolled full-time at an institute of higher learning with two dependents is \$902.<sup>29</sup> The subsistence allowance is increased each year proportionate to the rate of inflation.<sup>30</sup> The subsistence allowance continues as long as the veteran is enrolled in an eligible program and continues for two months after the program of training has been completed. In cases where a veteran is displaced as the result of a natural or other disaster while receiving a subsistence allowance, the subsistence allowance is extended for an additional two months.<sup>31</sup>

Typically, veterans are not permitted to participate in both the VR&E program and another VA educational program (such as a G.I. Bill program). However, veterans who are eligible for both VR&E services and the Post-9/11 GI Bill (also known as Chapter 33 benefits) may collect the housing allowance offered under Chapter 33 while receiving training and other benefits under VR&E. This policy was instituted to eliminate the incentive for disabled veterans to choose the Post-9/11 G.I. Bill (which typically offers a higher cash allowance but fewer services) over the VR&E program (which offers a lower cash allowance but more supportive services).

Unlike the VR&E subsistence allowances, which are the same for veterans nationwide, Chapter 33 housing allowances are determined by a veteran's geographic location. In many cases, Chapter 33 housing allowances are greater than VR&E subsistence allowances: as of October 1, 2017, the Chapter 33 housing allowance ranges from about \$825 per month in lower-cost locations to more than \$3,000 per month in some higher-cost locations.<sup>32</sup>

In FY2016, the VA reported that VR&E subsistence allowance benefits totaled \$573 million.<sup>33</sup> This estimate includes VR&E beneficiaries who collected the traditional subsistence allowance as well as VR&E beneficiaries who collected the Chapter 33 housing allowances in place of the VR&E subsistence allowance.

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<sup>28</sup> See 38 U.S.C. 3108 and 38 C.F.R. 21.260(d).

<sup>29</sup> A complete list of subsistence rates for VR&E participants as of October 1, 2017, is available at <https://www.benefits.va.gov/VOCREHAB/docs/SAFY18.pdf>.

<sup>30</sup> See 38 U.S.C. 3108.

<sup>31</sup> See 38 U.S.C. 3108(a)(2)(B). This change was made by Section 701(b) of P.L. 112-154, Honoring America's Veterans and Caring for Camp Lejeune Families Act of 2012.

<sup>32</sup> The allowance under Chapter 33 is equal to the basic housing allowance for a service member with dependents in pay grade E-5. Allowances are determined by zip code. Full list of allowances by locality are at <http://www.defensetravel.dod.mil/Docs/perdiem/browse/Allowances/BAH/PDF/2018/2018-With-Dependents-BAH-Rates.pdf>.

<sup>33</sup> U.S. Department of Veterans Affairs, FY2018 Budget Submission, Volume III: Benefits and Burial Programs and Departmental Administration, p. VBA-85, <http://www.va.gov/budget/products.asp>.

## **VR&E Loans**

Veterans who are entitled to VR&E benefits may also be eligible for interest-free loans. These loans are only available to veterans who have a plan of service with VR&E and “would otherwise be unable to begin, continue or reenter his or her rehabilitation program.”<sup>34</sup> The maximum loan amount is equal to twice the weekly subsistence allowance for a veteran with no dependents (\$1,214 in FY2016).<sup>35</sup>

Repayment of the loan is made in monthly installments from future wages, pensions, subsistence allowances, educational assistance allowance, or retirement pay. The VA reported that 2,402 loans totaling approximately \$2.4 million were made in FY2016 and that the default rate was “close to zero percent.”<sup>36</sup> The VR&E loan program cost \$464,000 in FY2016, of which \$367,000 was for administrative expenses.<sup>37</sup>

## **VR&E Participation and Outcome Data**

**Table 2** shows participation data from FY2011 through FY2016. The categories for “applicants,” “eligible,” “completed evaluation,” “entitled to services,” and “new plans of service” trace the number of individuals who continued through each stage of the application process, and in many cases, a single veteran may be counted in multiple categories. The “rehabilitated” category includes veterans who secured and maintained suitable employment or completed an independent living program. “Participants” include veterans in any stage of the VR&E process after the applicant and evaluation phases have been completed. It includes veterans who began a VR&E plan in a prior year as well as those in interrupted rehabilitation plan status.

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<sup>34</sup> See 38 C.F.R. 21.274(c).

<sup>35</sup> See 38 U.S.C. 3112.

<sup>36</sup> U.S. Department of Veterans Affairs, FY2018 Budget Submission, Volume III: Benefits and Burial Programs and Departmental Administration, p. VBA-107, <http://www.va.gov/budget/products.asp>.

<sup>37</sup> Ibid.

**Table 2. Vocational Rehabilitation and Employment Program Statistics, FY2011-FY2016**

| VR&E Category        | FY2011  | FY2012  | FY2013  | FY2014  | FY2015  | FY2016  |
|----------------------|---------|---------|---------|---------|---------|---------|
| Applicants           | 65,239  | 72,605  | 80,812  | 87,094  | 88,439  | 112,155 |
| Eligible             | 62,726  | 69,683  | 78,159  | 83,760  | 86,019  | 124,099 |
| Completed evaluation | n/a     | 61,622  | 66,749  | 71,910  | 63,817  | 66,575  |
| Entitled to Services | 41,229  | 45,167  | 54,440  | 53,706  | 34,129  | 36,673  |
| New Plans of Service | 27,821  | 30,806  | 34,806  | 32,626  | 28,814  | 29,341  |
| Rehabilitated        | 9,862   | 9,949   | 10,397  | 10,680  | 10,992  | 11,531  |
| Participants         | 116,295 | 121,236 | 135,815 | 123,383 | 131,607 | 137,097 |

**Source:** Table prepared by CRS using data from the Department of Veterans Affairs, Veterans Benefits Administration, *Annual Benefits Report* for FY2011-FY2016. Reports are available at <http://www.va.gov/REPORTS/abr/index.asp>.

Due to the multi-year nature of many rehabilitations and the complex and diverse nature of the VR&E population, the data in **Table 2** cannot be used to calculate the share of program participants who have been rehabilitated. Historically, the most precise indicator of efficacy may have been the VR&E rehabilitation rate, which was based on the share of veterans exiting the program who were rehabilitated. The VA is in the process of replacing the rehabilitation rate with a more comprehensive “positive outcomes performance standard.”<sup>38</sup> Data using this new standard are not currently available.

**Table 3** shows the types of programs that beneficiaries participated in during FY2016. The table only includes individuals who were concurrently receiving a subsistence allowance while they completed an educational program. It does not include individuals who were receiving training without an accompanying subsistence allowance nor does it include individuals who received nonmonetary benefits from VR&E such as counseling or job search assistance.

**Table 3. Training Programs of VR&E Beneficiaries, FY2016**

Data are limited to individuals who received a subsistence allowance

| Program                     | Individuals   | Share of Beneficiaries |
|-----------------------------|---------------|------------------------|
| Undergraduate School        | 59,336        | 74.5%                  |
| Graduate School             | 10,939        | 13.7%                  |
| Vocational/Technical School | 3,893         | 4.9%                   |
| College, Non-degree         | 1,942         | 2.4%                   |
| Other <sup>a</sup>          | 3,506         | 4.4%                   |
| <b>Total</b>                | <b>79,616</b> | <b>100.0%</b>          |

**Source:** Department of Veterans Affairs, Veterans Benefits Administration *Annual Benefits Report* for FY2016, VR&E Section, p. 203. [https://www.benefits.va.gov/REPORTS/abr/ABR-All\\_Sections\\_FY16\\_06292017.pdf](https://www.benefits.va.gov/REPORTS/abr/ABR-All_Sections_FY16_06292017.pdf).

<sup>38</sup> U.S. Department of Veterans Affairs, FY2018 Budget Submission, Volume III: Benefits and Burial Programs and Departmental Administration, p. VBA-279, <http://www.va.gov/budget/products.asp>.

- a. Includes veterans enrolled in extended evaluation, independent living, paid on-the job training, non-pay work experience in government, non-paid on the job training, apprenticeships, improvement of rehabilitation potential, high school, or a farm co-op.

**Table 4** presents more detail on VR&E participants who completed the rehabilitation process in FY2016. About 85% of veterans who were rehabilitated achieved an employment outcome. Among rehabilitated veterans who achieved an employment outcome, the average annual wage after rehabilitation was \$46,208.<sup>39</sup>

**Table 4. Outcomes for Veterans Rehabilitated Through the VR&E Program, FY2016**

|   | Number        | Share of<br>Rehabilitated<br>VR&E Participants |
|---|---------------|--|
| <b>Rehabilitated VR&amp;E Participants</b>      | <b>11,531</b> | <b>100%</b>                                    |
| Achieved Employment Outcome                     | 9,816         | 85%  |
| Completed Education Rehabilitation <sup>a</sup> | 563           | 5%   |
| Completed Independent Living Program            | 1,152         | 10%  |

**Source:** Department of Veterans Affairs, Veterans Benefits Administration *Annual Benefits Report* for FY2016, VR&E Section, p.208-209. [https://www.benefits.va.gov/REPORTS/abr/ABR-All\\_Sections\\_FY16\\_06292017.pdf](https://www.benefits.va.gov/REPORTS/abr/ABR-All_Sections_FY16_06292017.pdf).

- a. An education rehabilitation is when a veteran pursues additional education or training instead of obtaining employment after completing his or her training under the VR&E program.

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<sup>39</sup> Department of Veterans Affairs, Veterans Benefits Administration *Annual Benefits Report* for FY2016, VR&E Section, [https://www.benefits.va.gov/REPORTS/abr/ABR-All\\_Sections\\_FY16\\_06292017.pdf](https://www.benefits.va.gov/REPORTS/abr/ABR-All_Sections_FY16_06292017.pdf).