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April 29, 2025

The Honorable Pamela J. Bondi
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear Attorney General Bondi:

As part of the committee's oversight responsibilities, the House Committee on Veterans' Affairs continuously conducts oversight of the Department of Veterans Affairs' (VA) management of taxpayer resources and its obligation to deliver timely and effective care and benefits to our nation's veterans. In line with this oversight, I respectfully request that you review a pattern of troubling actions taken by the following former Biden administration VA officials: Secretary of Veterans Affairs Denis McDonough, Under Secretary for Benefits Joshua Jacobs, Under Secretary for Health Dr. Shereef Elnahal, and any other officials involved in the formulation, justification, and communication of VA's supplemental appropriations funding requests for fiscal year (FY) 2024.

According to two recent reports released by the VA Office of Inspector General (OIG), the Biden administration's \$12 billion supplemental appropriations request for the Veterans Health Administration (VHA), and its \$2.9 billion supplemental appropriations request for the Veterans Benefits Administration (VBA) were marred by financial mismanagement, internal communication failures, and potentially misleading representations to both Congress and the public.¹ These OIG reports raise significant concerns about whether VA leadership under the Biden administration knowingly withheld material budget information, submitted inflated funding requests, provided false testimony to Congress, or otherwise acted to obstruct congressional oversight.² Most concerning, Congress appropriated almost \$9 billion in additional funds for VBA and VHA because of these misrepresentations.

¹ U.S. Department of Veterans Affairs Office of Inspector General, *The Causes and Conditions That Led to a \$12 Billion Supplemental Funding Request*, Report No. 24-03127-66 (March 27, 2025), i–iii; U.S. Department of Veterans Affairs Office of Inspector General, *Review of VA's \$2.9 Billion Supplemental Funds Request for FY 2024 to Support Veterans' Benefits Payments*, Report No. 24-03692-76 (March 27, 2025), i–ii.

² *Causes and Conditions*, 24-03127-66, ii–iii.

The OIG found that VHA's \$12 billion request was based on flawed budget modeling and inaccurate staffing and care projections. Throughout 2023 and early 2024, VHA's Chief Financial Officer and various program offices raised internal warnings about higher-than-expected costs, especially in staffing, community care, pharmacy, and prosthetics.³ Further, internal mitigation efforts initiated during a January 2024 "financial sequester" failed to achieve their goals. Despite this, VHA did not inform Congress of the alleged shortfall until July 2024 and moved forward with a \$12 billion supplemental appropriations request in August 2024.⁴ In November 2024, VHA acknowledged the actual shortfall was most likely closer to \$6.6 billion, suggesting the original request had been significantly overstated.⁵

The facts surrounding VBA's \$2.9 billion supplemental request are equally concerning. On July 19, 2024, Secretary McDonough informed Congress that without immediate supplemental funding, over seven million veterans and beneficiaries risked not receiving their earned benefits.⁶ The repeated refrain from VA officials being: "If we are one dollar short, we can't pay any veteran [their benefits]"⁷. At face value, this request appeared to Congress to most likely be justified, in part due to a recent expanded eligibility for benefits to millions of veterans suffering from toxic exposure as authorized by the PACT Act [*P.L. 117-168*], as well as the *Rudisill v. McDonough* Supreme Court ruling which changed how qualifying periods of service impact beneficiaries benefits allowing veterans to receive benefits from multiple eligible service periods without forfeiting any.

However, OIG investigators later found that VBA failed to include over \$1.2 billion in prior-year recoveries in its internal budget status reports—funds that could have offset most, if not all, of the alleged shortfall. Although VBA leadership knew by late September that additional funds were unnecessary, they did not notify Congress until October 28, 2024, after Congress appropriated additional funds to VBA to account for the alleged shortfall.⁸ This delayed disclosure and the omission of available resources in key budget documents call into question the accuracy and integrity of VBA's budget justification process.

My committee takes seriously its responsibility to oversee how VA manages the hundreds of billions of taxpayer dollars entrusted to its care. The suggestion that senior VA officials submitted materially inaccurate funding requests, failed to disclose critical budget information in testimony before Congress and letters written by the former VA Secretary, and

³ Ibid., v–vii.

⁴ Ibid., viii.

⁵ Review of VA's \$2.9 Billion Supplemental Funds Request, 24-03692-76, ii–iii.

⁶ Ibid., iv–v.

⁷ Accountable or Absent?: Examining VA Leadership Under The Biden-Harris Administration Before the House Committee on Veterans Affairs, 118th Congress (2024), Hearing Transcript p. 30

⁸ Ibid., v–vi

delays in informing Congress of revised funding needs, in my opinion, warrant immediate and independent review by your office. These failures undermined the appropriations process, misled lawmakers, and—most importantly—put the benefits and services America’s veterans rely on at risk.

I respectfully request that the Department of Justice review whether Secretary McDonough, Under Secretary Jacobs, Under Secretary Dr. Elnahal, or any other VA officials engaged in conduct that violated federal law, including the submission of false statements to Congress, obstruction of oversight, fraud, or misappropriation of federal funds.⁹ If any criminal or civil violations occurred, those responsible must be held accountable.

My committee remains committed to ensuring transparency for the taxpayers we serve, while doing our part to restore integrity to VA’s budget processes, and safeguarding veterans’ access to the care and benefits they have earned.

Please have your staff contact mine if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Bost", with a stylized flourish at the end.

MIKE BOST
Chairman

Cc: The Honorable Mark Takano, Ranking Member

⁹ 18 U.S.C. § 1001 (2006).