

RICHARD L. DeNOYER, COMMANDER-IN-CHIEF, VETERANS OF FOREIGN WARS OF THE UNITED STATES

STATEMENT OF

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OF
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Chairmen Murray and Miller, Ranking Members Burr and Filner, Members of the Senate and House Veterans Affairs Committees, Distinguished Comrades of the VFW and Auxiliaries, and special guests, it is my honor to be here today to represent the more than 2 million men and women of the Veterans of Foreign Wars of the United States and our Auxiliaries.

We have all experienced this time in our history before. With the war in Iraq over, and the war in Afghanistan drawing down, we know that the American public will soon forget about those who were asked to fight these wars -- the less than one percent who volunteered to stand between us and those who sought to bring terror and destruction to our nation's shores, and that they are committed to continue to do so in a world that will continue to remain both dangerous and unpredictable.

While many Americans have refocused their attention away from the wars and onto other national issues, those of us sitting here today cannot turn our backs on these men and women. They have borne the burden; they and their families have shared the sacrifice, and many have become disabled in defense of our Nation. The VFW will not let these men and women be forgotten.

Your two committees have a long history of taking care of veterans in a bipartisan manner. The VFW gratefully appreciates what you have and continue to do for veterans and their families. We also understand that current budget realities are forcing very hard choices in Congress and agencies and departments across the executive branch. I urge you all to remember in the coming days that Congress's first mandate is the protection of its citizens. To do that, Congress must protect those who have volunteered to protect our nation.

Americans will soon forget what these warriors and veterans have done for our great nation. It is left to you, as Members of these Committees of Veterans Affairs, to ensure that others in the House and Senate do not seek to balance the budget on the backs of veterans and those who

continue to serve. They have committed themselves to protecting us. We can do no less than commit ourselves to protecting them.

TRANSITION TO CIVILIAN LIFE

After years of sacrifice and putting one's life on hold, a service member's reintegration back into civilian life is full of challenges. Through expansion and improvements to existing programs, Congress must continue to work to reduce health care, educational and employment barriers facing veterans. We believe that one of the most pressing objectives to ensure a seamless transition lies within the DOD/VA Interagency Program Office charged with achieving interoperability for records between the agencies. While we understand the tremendous challenges to standardize, prioritize, and decide the specific level of interoperability for different kinds of records, and recognize that progress has been made, the VFW concludes that this process is lagging primarily because of the military's inability to fully wane itself off service-specific, paper-based medical records. The VFW cannot overstate the importance of commissioning an electronic joint health and service record for all military personnel in order to facilitate a seamless transition for members of the military from DOD and into VA services. Traditionally, veterans who wanted to access their VA benefits had to make a concerted effort to enroll, meaning VA was physically unable to reach all veterans eligible to utilize their programs. Though VA is now moving toward mandatory enrollment in its eBenefits and MyHealtheVet portals, the VFW believes that automatically transferring health and service records from DOD to VA will streamline an often labor-intensive process for veterans to access the care and benefits to which they are entitled.

In addition to eliminating this front-end recordkeeping hurdle for VA, additional transitional services demand immediate attention from Congress to ensure that our veterans have the economic opportunities they need to succeed in a post-military career. At a time when our troops are returning from overseas conflicts and our nation's military leaders have acknowledged the need for a leaner active duty force, the VFW encourages Congress to look closely at each of these critical programs, monitor successes and failures, and improve the delivery of critical transitional benefits.

Education: With the support of many of you in here, the VFW helped to pass the landmark Post-9/11 G.I. Bill in 2008 to ensure unprecedented educational opportunities for the men and women returning from today's conflicts. The VFW believes that when veterans use their benefits effectively, our nation prospers. Thanks to the opportunities afforded to our warfighters through the Post-9/11 G.I. Bill, our nation's next Greatest Generation is already taking shape in college classrooms from coast to coast. Unfortunately, the VFW is concerned that many of today's newest student-veterans do not have access to the information they need to make sound academic decisions, making the most of their earned benefits. In fact, a recent Senate investigation demonstrated that many student-veterans may have become victims of potential fraud, waste and abuse at the hands of schools that consistently fail to deliver on their educational promises. The VFW believes both the House and Senate Veterans Affairs Committees sought to scale back the Post-9/11 G.I. Bill over future cost concerns, based on scores from the Congressional Budget Office. In an effort to preserve the Post-9/11 G.I. Bill for the brave men and women who have

earned it, the VFW has become the leading voice in Washington, seeking to ensure proper oversight of the benefit and to improve consumer education for potential student-veterans.

The VFW believes that the main conduits through which VA assesses and approves academic programs—the State Approving Agencies—are woefully under-resourced. In 2006, the SAAs successfully secured a mandatory funding model to ensure their programs would have sufficient funding each year. Unfortunately, when the SAAs' mission expanded under the Post-9/11 G.I. Bill, no additional resources were allocated to support their mission. Without these resources, it is unreasonable to expect the SAAs to adequately monitor and assess all academic programs under their purview, meaning bad actors who choose to abuse veterans for their lucrative benefits will slip through the cracks. The SAAs are one of the only ways through which the VA Secretary can make an informed decision on approval and disapproval of academic programs for the G.I. Bill. The VFW believes that Congress must provide the State Approving Agencies—who are our front-line troops in this battle—with the proper resources to do their jobs effectively.

The VFW also believes that if student-veterans are armed with accurate information and realistic expectations on academic programs, then student-veterans will make responsible educational decisions. We have already seen how mandatory consumer education has improved outcomes for Marines who choose to use their Tuition Assistance benefits, and DOD has mandated similar education across each of the uniformed services. The VFW believes that VA must follow suit, demonstrating a commitment to the success of GI Bill beneficiaries, rather than simply writing checks. VA already has the infrastructure in place through Chapter 36 counseling to offer this kind of front-end consumer education, and evidence suggests that this counseling improves outcomes for the few veterans who know about the benefit and choose to take advantage. With this in mind, the VFW recommends tying Chapter 36 counseling to GI Bill eligibility through an opt-out system. This way, VA will ensure that veterans are informed of their rights to educational counseling at the beginning of the application process, but veterans will still have the option to waive their right to counseling, should they deem it unnecessary.

As a supplement to this front-end consumer education, the VFW also believes that improved disclosures from GI Bill-eligible schools, such as graduation, transfer, drop-out and job-placement rates, coupled with centralized recourse methods for veterans who feel they were taken advantage of by a school, will improve outcomes for today's student-veterans by ensuring proper accountability of the Post-9/11 G.I. Bill benefit and ensuring its viability until all benefit-eligible veterans have taken advantage of this tremendous opportunity.

Recent improvements to the Post-9/11 G.I. Bill have fulfilled most of VFW's requests for improving and expanding the benefit. However, this came at a cost to some veterans. Removal of the interval payments, reducing the payment amount for some private institution tuition, and providing only a portion of the living stipend for online learners, has either reduced the benefit or fails to provide parity for many veterans. Veterans enrolled in college assumed these benefits would be in place for their entire academic career. Now they are not, which places them in a difficult financial situation. VFW believes that Congress and VA should examine grandfathering veterans who had these payments removed. With all of these new changes to educational benefits, Congressional oversight of implementation is critical.

Education benefits for surviving spouses and children continue to erode as the cost of education continues to increase. According to the National Center on Education Statistics, the average cost to attend a four-year public university reached \$19,620 per year in 2011. In 2003, the last increase for Chapter 35 benefits, the average cost of a four-year degree was \$10,674. While Chapter 35 benefits have remained mostly stagnant since 2003, the cost of education has increased by more than 40 percent. To restore the value of this benefit, an increase to \$1,108 per month is in order.

Employment: Unemployment rates for the nation continue to be unacceptably high, and veterans of the conflicts in Iraq and Afghanistan have been hit especially hard. Last month unemployment for Iraq and Afghanistan-era veterans was at 13.1 percent, compared to 7.7 percent among all veterans and 8.1 percent for non-veterans. To further exacerbate this issue, nearly a third of young veterans are unemployed, and more than 20 percent of women veterans from Iraq and Afghanistan are unemployed. With all troops leaving Iraq at the end of 2011, and the President's recent announcements on a total reduction in the active duty force, the VFW is concerned that the prospects for employment for today's veterans will only continue to get worse if proper steps are not taken to reduce veteran unemployment. These young veterans need extra assistance. Without this help, many veterans could become homeless or potential suicide victims, especially those with TBI and other mental and physical wounds.

We applaud Congress, particularly Chairmen Murray and Miller and your committees, for successfully passing comprehensive bipartisan veterans' employment legislation last session with the VOW to Hire Heroes Act. We believe this critical bill will help increase the hiring of veterans, and also provide veterans' advocates like the VFW with the information we need to make informed policy recommendations on how to best improve transitional programs. However, the work is not done. The new initiatives of the VOW to Hire Heroes Act demand tremendous scrutiny from Congress to ensure that they are implemented correctly and that they work.

Beyond these efforts, the VFW believes we must all encourage employers to put veterans at the top of their hiring list by better educating corporate America about the skills and professionalism veterans bring to the workplace. Far too often corporate America sees our fighting men and women as ill-suited for productivity in the civilian workforce. The reality is that the cultural divide between the military community and the rest of society has led to misconceptions that are preventing companies from securing the best possible workforce.

Military recruiters are quick to point out that only 25 percent of today's 18 to 24-year-old youth meet military health, aptitude and physical fitness standards. They are the cream of the crop, and whether they serve in uniform for four years or 30, they have gained unparalleled leadership and team-oriented skills, while securing world-class training and experience that broadly apply across all sectors of the economy. We must all do more to let corporate America know they are missing out on exemplary employees who have what it takes to meet and exceed all expectations. These Americans are an underutilized, job-ready resource, which is why the VFW urges Congress to commission a national "Hire a Vet" public relations campaign, and pull out all stops in an effort to close the civilian-military communication gap. We must demonstrate that our

veterans offer the professionalism, leadership qualities, mission-centric attitude and attention-to-detail attributes that all American employers demand from their employees.

We must also continue to encourage the entrepreneurial spirit that many veterans possess. This can be done by enforcing the three-percent contract set aside rule, and increasing Small Business Administration funding for new Veterans Business Development Centers. These centers will provide veterans with necessary training, business planning, networking, and access to capital. However, we cannot stop simply with Small Business Centers. We must leverage the expertise and business acumen of our nation's most successful civilian entrepreneurs, many of whom are veterans, to encourage the rest of Americans who have never served to step forward as mentors to veterans who want to start their own businesses.

Transition Assistance Program: Through last year's passage of the VOW to Hire Heroes Act, participation in the military transition assistance program, or TAP, is now mandatory across all branches of the service. This satisfies one of VFW's long-standing legislative priorities. We thank your committees for supporting this effort to ensure that all separating service members have a baseline of knowledge with which to make the difficult transition from military to civilian life. Unfortunately, the VFW remains concerned that the overall content of TAP has changed little in the last 25 years. In today's TAP, service members do not have access to a high-quality baseline of information with which to transition out of the military. The VFW understands that the Department of Labor continues to rework TAP, planning to unveil a new product in the near future that will meet the ever-changing needs of our transitioning service members. With this in mind, the VFW calls on Congress to ensure that DOL's revamped TAP provides veterans with the specific tools they will need to satisfy their unique post-military aspirations such as attending college, entering the civil service, pursuing a private sector career, or starting a business.

Vocational Rehabilitation and Employment: First, VA must conduct a work measurement study to identify proper staffing levels and critical skills and competency needs that are truly necessary to provide quality assistance for veterans within the VR&E program. In FY 2011, more than 100,000 veterans participated in the program, but more than one million veterans who qualify for VA disability benefits may be eligible to utilize VR&E benefits in the future, especially as the wars in Iraq and Afghanistan draw to a close and more veterans file claims for disabilities incurred in the line of duty. Recent figures indicate that the workload for VR&E counselors often exceeds the threshold of one counselor to 125 veterans. VA has an obligation to ensure that all veterans who need reemployment services due to their service-connected disabilities must have the proper resources to accomplish this mission moving forward. VR&E must focus on building careers for veterans, not just placement into jobs, and funding for VR&E must reflect that commitment. The VFW recommends Congressional oversight of VR&E to ensure veterans are receiving the highest level of assistance.

VA must also increase oversight of VR&E service contracts to ensure quality services are provided, and that reimbursement is at an appropriate level. VFW believes that VA should provide a clearer picture of success rates in the survey and performance data to ensure proper funding and training levels can be achieved. Currently, veterans who are only using VR&E for employment services do not receive a monthly living stipend while seeking employment, but veterans using VR&E more comprehensively receive living stipends for up to two months past

the completion of their rehabilitation plan. VFW believes these incentives should be realigned to more fairly assist veterans regardless of the services they are receiving. It is also important to extend success tracking from 60 days to the end of the veteran's probationary period. This will provide better assurances that veterans are succeeding in their new career. VR&E should also develop and distribute satisfaction surveys for all veterans who utilize the program.

Lastly, the VFW strongly supports Vocational Rehabilitation for Life now more than ever. The VFW has long believed that any time restrictions on utilizing such an important program prevent independence and an enhanced quality of life for veterans. However, recent economic conditions have demonstrated exactly why our disabled veterans must always have access to this critical program. Industries evolve and some jobs go away altogether. The VFW believes that VA has an obligation to ensure that service-disabled veterans can secure meaningful careers regardless of how long they have been out of the military. Extending Vocational Rehabilitation for Life will ensure VA can uphold this obligation.

Uniformed Services Employment and Reemployment Rights Act (USERRA): Since September 11, 2001, the Department of Defense has called more than 840,000 Reserve Component (RC) members to active duty, and the National Guard Bureau reports that 75 percent of Guard members have deployed, and 25 percent have deployed more than twice. With more than 18 percent of all USERRA violations coming from federal agencies, it is clear that the agencies tasked with investigating USERRA violations need better oversight to improve their timeliness in processing claims. Additional resources are needed to ensure that these claims have proper and timely investigations, and that adjudication of reported violations occurs. However, there is still a serious disconnect between employers and RC members who have been placed on active duty, with many service members and employers not fully understanding the rights given to them under USERRA. This causes many RC members to unknowingly waive their rights by signing binding, pre-dispute arbitration contracts upon employment. To change this we must better educate veterans of their rights, and equip them with an outline of USERRA regulations when they are placed on active duty. To further protect RC members, pre-dispute binding arbitration agreements with employers must have a USERRA exemption. Additionally, processing rights must be the same for the Department of Justice and the Office of Special Counsel to ensure government and civilian employees receive the same treatment. For employers who willfully violate USERRA, harsher penalties must be put in place to include fines and removal from government contracts. We need to do all we can to protect warrior's employment.

VA BUDGET CONCERNS

Current fiscal restraints have put the Federal Budget under a microscope. The Administration and Members of Congress have routinely stated that veterans would not be asked to shoulder the burden of deficit reduction. However, it is still unclear if VA will have to "give back" funds in response to current deficit reduction laws, and if the funding levels requested by VA will truly provide all the services and care that veterans need in a timely manner.

With the Deficit Reduction Super Committee failing to cut \$1.2 trillion in spending over the next decade, an automatic trigger was enacted that calls for across-the-board cuts. There are conflicting laws that make it unclear if VA will be exempt from these rounds of cuts. It is imperative that VA be protected from these budget cuts so that quality and accessible care and

benefits can be provided to our veterans. Chairman Miller and Senator Tester have introduced bills, HR. 3895/ S. 2128, which would ensure VA's preclusion from these cuts. The VFW asks for quick passage. This Congress must protect the VA budget.

Even with Advanced Appropriations, which calculates actuarial-based financial needs for VA health care, budget gimmicks continue to erode the amount appropriated for VA. These gimmicks include \$500 million in carryover from 2011, more than \$1 billion in self-described "operational improvements," the inclusion of a \$1 billion contingency fund, and an unexplained reduction in non-recurring maintenance funds for VA hospitals.

VA uses medical care collection— the process of billing third-party insurance companies for VA-provided care—as part of their annual budget. This would not be a big issue if the amount forecasted to be collected matched what was truly collected. The reality is VA has continually overestimated the amount they collect, leaving VA's budget with less funding than anticipated. In recent years the deficit between anticipated and actual collections had been as high as \$600 million. VA needs a predictable, no gimmicks budget to properly fill gaps in health care services that are causing veterans to wait to receive care.

VA MEDICAL CARE

As the nation's largest integrated health care provider, the Veterans Health Administration has four primary missions: to provide health care and services to America's sick and disabled veterans; to train and educate doctors, nurses and other health care professionals; to conduct world-class research on medical issues including prosthetics and; to serve as the nation's primary health care backup in times of war or domestic emergency.

VA anticipates veteran enrollment to grow beyond 8.5 million veterans in this fiscal year, with more than 6 million unique veterans receiving some type of care. This number has doubled over the last decade and will continue to rise. The increase is due to both improved access as VA has shifted focus from being an inpatient provider into more of an outpatient provider, and to an aging veteran population and the influx of our newest war veterans, especially female veterans. According to VA statistics from the fourth quarter of 2011, more than 741,000 Iraq and Afghanistan veterans have sought VA care out of a pool of nearly 1.4 million. That's nearly a 20 percent increase from the previous year. The VFW and the Independent Budget expect this number to continue increasing. The VFW continues to hear of delays in appointment times, especially with specialty care physicians. We must not fail to provide the care they have earned in a timely manner.

The VFW believes in timely access to quality health care for all enrolled veterans. This issue is not debatable. Achieving the proper balance between access, efficiency and quality is the goal to which we must all apply ourselves. In that regard, the VFW supports VA's efforts to ensure Priority Group 8 veterans have access to VA healthcare, while recognizing the need to make sure any additional workload does not overwhelm a VA facility's capacity to provide timely and quality care to our service-connected disabled veterans. We ask Congress to provide robust oversight of the expansion of VA services to ensure that all veterans who qualify and are enrolled for care receive it in a timely manner.

Accordingly, as part of the Independent Budget, the VFW recommends a funding level of \$57.2 billion for total medical care, an increase of \$3.2 billion over the FY 2012 operating budget level. Additionally, the Administration recommended an advance appropriation for FY 2013 of approximately \$52.5 billion in discretionary funding for VA medical care. When combined with

the \$3.3 billion Administration projection for medical care collections, the total available operating budget recommended for FY 2013 is approximately \$55.8 billion. Full funding will be absolutely necessary for VA to successfully provide care to an increasing number of veterans while continuing to maintain high quality and access standards.

WOUNDED WARRIORS

More than 30,400 service members have been wounded in action since the current conflicts began a decade ago. This does not take into account those service members who are suffering from Traumatic Brain Injury (TBI), Post-Traumatic Stress Disorder (PTSD), or were exposed to harmful environmental toxins, or the invisible psychological wounds of war that may not manifest themselves for years. We must all realize and account for the hundreds of thousands of veterans who never needed a corpsman or medic's assistance on the battlefield, or went to sick call while in garrison, but in the months and years after their service could suffer from the demands that training and fighting wars has on the body and mind.

Traumatic Brain Injuries (TBI): Explosive blasts from roadside bombs and other Improvised Explosive Devices (IED) are the leading cause of fatalities and injuries among our combat forces. Often, TBI or other cognitive impairments are not severe or immediately obvious. Therefore, VA must aggressively research the effects of TBI on cognitive and behavioral function. Research has made clear that undiagnosed conditions are far more debilitating than physical injuries, particularly with regard to employability. The follow-on effects of undiagnosed TBI can lead to a lifetime of unreached potential. The VA must work hard to ensure that effective treatments are readily available. Veterans want to be useful and productive members of society after their military service, regardless of their physical condition. VA must help veterans affected with a brain injury achieve that goal by thoroughly evaluating all potential methods of care, such as Hyperbaric Oxygen Therapy, acupuncture, and bio-neuro feedback, and fund these alternative methods through research, then incorporate those that prove to be effective into treatment regimens. Congress must ensure VA achieves these critical goals by appropriating necessary funds in conjunction with aggressive oversight. This issue is vitally important to our injured service members, and it must be fully addressed without delay.

Centers of Excellence: Many of the events causing TBI on the battlefield are also leaving an alarming number of our service members with serious auditory and vision impairments. Between 2005 and 2010, over a million Iraq and Afghanistan veterans suffered a measurable hearing impairment. VA data tells us that from 2001 until the second quarter of 2011, over 214,000 OIF/OEF/OND veterans are service-connected for Tinnitus, and nearly 200,000 veterans of these conflicts are service-connected because of hearing loss.

The Defense Centers of Excellence (DCOE) also estimates that around half of those suffering with TBI have also experienced some level of vision impairment. Over 46,000 veterans of Iraq and Afghanistan have reported an eye injury, and VA Polytrauma centers report that 80% of all TBI-injured patients complain about some level of visual dysfunction. While these afflictions affecting the visual and auditory systems are obviously pervasive, they are not getting the attention they deserve.

The VFW is concerned that congressional intent behind creating the DCOE system is not being realized. A pronounced lack of funding, and a possible lack of cooperation between agencies, is

resulting in a lack of progress and a diminished contribution. Exacerbating the problem is the fact that Congress reduced funding for this research last year, making what were already difficult choices even more complicated. According to DCOE, many serious opportunities for valuable research are available to them, but they do not have available resources to pursue them. DCOE should have adequate funding to fund research initiatives that have a high degree of promise, and their funding should be restored. We hope your respective committees will work to ensure the best possible outcomes for our service members suffering with the problems these centers were created to address.

Mental Health: We are thankful for the national commitment to mental health concerns and for the role Congress has played through funding, oversight, enhanced programs, and the focus on outreach. This growing commitment has been shown through increased budgets and also by new efforts to address the stigma associated with seeking help. However, a November 2011 committee hearing illustrated the difficult road ahead. In that hearing, we were confronted with evidence that veterans seeking mental health care through VA often have to wait as long as two months before their treatment begins, due to the lack of care providers. Waits of that length erodes the motivation to seek care and decreases the effectiveness of any program when it does begin. Such delays penetrate and break down what could otherwise be a superior treatment regimen for veterans suffering with PTSD, clinical depression, or other mental health conditions. This bottleneck also forces VA to dangerously juggle new and existing patients. At that hearing, we heard testimony that one way VA manages the lack of supply while meeting their access standards is by often using a veteran's first mental health appointment as a paperwork session without providing treatment until a follow-up visit. We fully understand and appreciate VA's challenges in providing the care veterans expect and have earned, but if there is truth to these allegations, it is putting lives in danger and must be addressed without delay. Addressing mental health concerns early can make a world of difference for veterans and their families. Yet the VA Office of Inspector General determined that the integration of mental health services into VA primary care is still lagging, even while the VA's new care treatment paradigm – the Patient-Aligned Care Team – is designed to include a mental health counselor in the overall team effort. The GAO also found that VA is not reporting workload or spending data for mental health services in a thorough and satisfactory manner.

The most recent data available from VA shows that more than half of all OIF/OEF patients treated by VA have suffered some mental trauma, and about a fourth of them have been specifically diagnosed with Post-Traumatic Stress Disorder. However, other research indicates that the number could be even higher. These numbers are staggering in their own right, and our efforts to address the problem cannot be cost driven.

However, as we seek to provide the best possible care for our newest war veterans, we cannot forget the men and women who have served in previous conflicts. No matter what era they served, all who are sent in harm's way are forever changed by their experience. We must fully resolve to bring new advancements to bear in the lives of veterans of previous conflicts that still struggle with PTSD or other mental health challenges, while addressing barriers to quality, accessible care.

To do so, Congress must not shrink back from its commitment to the men and women who have received psychological injuries while bearing the brunt of war. We must continue to hire and train mental health counselors to meet the demand of our veterans, and VA must be more willing to engage and collaborate with the private sector in this area. Organizations like Give an Hour have shown that the civilian sector can understand the specific challenges that come with providing clinical care to veterans, while honoring their service and treating them with dignity and respect. Pilot programs such as the Mobile Vet Centers have put the need on display, and are helping fill the void. We recently learned that VA has put 20 new Mobile Vet Centers on the road, and we greatly appreciate this effort. It only makes sense to expand programs that have a proven track record of success, and this is one such program. We have also seen VA play a constructive role in training doctors and nurses for the larger community. With past successes in mind, the VFW suggests a pilot program to study the feasibility of working with hospitals and universities to train and mature the next generation of mental health counselors. We believe the urgent need warrants such immediate attention, and we are confident that veterans and all Americans would benefit greatly from such a partnership.

The VFW greatly appreciates recent efforts of the First Lady to focus time and attention of our nation's medical schools on the issues of behavioral, cognitive and mental health. In large part due to her efforts, over 130 medical schools across the country have committed to helping train more civilian and military doctors to care for our troops and veterans with TBI, PTSD, or other related injuries. We would like to see VA doing more in this area, and we hope that the Joining Forces initiative will be a springboard to move more in that direction.

We also believe that VA staff at all levels must be constantly trained to identify warning signs, and be attuned to mental health concerns, as part of a response to eliminate missed opportunities to diagnose mental health challenges. Providing this quality of care at facilities, such as Community-Based Outpatient Clinics, where there is currently no uniformity in the availability of mental health treatment, in addition to the VA Medical Centers, will help VA to detect and address mental health concerns early.

Suicide: By its very nature, suicide among military personnel and veterans presents the most serious challenge to VA, the Department of Defense and the Nation. 2008 was the first year on record that the suicide rate among Army ranks exceeded that of their civilian cohorts. In 2009, we lost more military members to suicide than in combat, and that total rose even higher in 2010. We must reverse that trend.

These dangers are especially poignant for the men and women serving in the National Guard and Reserves, who often do not have ready access to military treatment facilities that active-duty service members rely upon. We applaud the inclusion in last year's defense authorization bill of Congressman Holt's legislation to provide enhanced observation for members of the Guard and Reserve. The VFW and others worked for a number of years to secure these new protections, and we will be following their implementation closely. The VFW believes that all service members must have a one-on-one evaluation with a mental health professional before deploying,

and then again at post-deployment at intervals experts believe best-suited to identify both immediate and delayed reactions to the stressors of war and reintegration. As an added measure of protection and to increase awareness about the importance of early detection, family members must also be educated to detect signs of stress. Spousal and parental involvement and education is absolutely essential to this effort. It is all too common for veterans to dismiss or delay treatment options, and family members are often unsure how to respond to an episode or personality change. Educating those closest to veterans to properly identify warning signs is a common-sense way to equip our allies with the best weapons in the fight against mental illness and suicide.

Such efforts will help over time to reduce stigma, but DOD and VA must act specifically – and with urgency – to address and eliminate the stigma associated with seeking care for suicidal thoughts and other mental health concerns. In 2011, DOD reported that almost half of Army soldiers and one-third of Marine Corps personnel—who were studied in Afghanistan and screened positive for a mental health condition—were concerned that they would be seen as weak by their fellow service members. They also found that a fourth of these men and women expressed worry about the impact of a diagnosed mental health condition on their military careers. These numbers are a cause for alarm, and yet we see no direct and robust plans or actions taking shape at VA to address this issue. The VFW urges Congress to address this situation head on by ensuring VA maintains an aggressive outreach campaign to veterans of all conflicts and services, and conducts any necessary research to ensure this outreach also destigmatizes the act of seeking care for these conditions. VA must ensure that mental health is fully integrated into the Patient Aligned Care Teams, and must craft methods to collect data on the effectiveness of VA treatment to alleviate concerns about patient outcomes and timeliness that work to dissuade a veteran who may consider seeking VA care.

Beyond legislative initiatives to combat suicides, DOD and VA must identify programs that show success in communities around our nation, and support them where they already exist and expand them into areas where there is a need. With an average of 18 veterans committing suicide every day, to do anything less is failure.

Women Veterans Health Care: The number of women serving in uniform far exceeds any previous conflict, and today, they play an extraordinary role in the military — roles that expose them to the risk of combat, serious injury and death. To date, more than 140 women have been killed in action, and many have suffered grievous injuries with over 850 wounded in action. Of those who have served, VA estimates that more than 40 percent have already enrolled for health care, a percentage that is expected to nearly double in the next two-to-four years. According to VA, between FY 2002 and FY 2010 approximately 55 percent of the women who deployed to Iraq and/or Afghanistan have utilized VA health care.

It is critical that all VA health professionals gain a clear understanding of the personal experiences and sacrifices of women in today's armed forces, and that specialized programs and services be developed to meet their unique post deployment needs. We recognize VA has made measurable progress on recommendations made in its Provisions of Primary Care to Women Veterans report, but the changing demographics of women veteran patients demands more. VA

needs to ensure that women veterans' health programs are enhanced so that access, quality, safety and satisfaction with care become equal between men and women. They must reevaluate programs and services for women veterans, and increase attention to a more comprehensive view of women's health beyond reproductive needs to ensure that women receive high quality primary care services when they need them. VA must take the lead on researching the effects of combat experiences on the female veteran population. Improving current training and certification models for mental health care providers are critical issues, as well as evaluating comprehensive programs for the treatment of Post-Traumatic Stress Disorder (PTSD) and Military Sexual Trauma (MST). Early intervention and access to a full continuum of mental health services including treatment programs for PTSD, TBI, MST, substance-use disorders, and other mental health conditions are essential to avoiding long-term mental health and other health-related problems.

In 2010, Congress passed Public Law 111-163, which calls for a report on barriers to care encountered by women veterans. Given the unique post-deployment challenges women veterans face, the VFW believes all VA services to include specialized services like polytrauma rehabilitation, transitional services, substance -use disorders, homelessness, domestic violence and post-deployment readjustment counseling, should be evaluated to ensure women have access to these programs. The VFW asks that the report be thorough and include data that examines current programs provided by VA, to include progress in the treatment for PTSD, MST, substance abuse and mental illness, as well as the availability of obstetric and gynecological care. The study must also collect data on waiting times, demographics, geographic distances and other barriers to care. We look forward to reviewing the findings of the report when it is released.

One of the largest hurdles VA faces is outreach to women veterans. Many women veterans do not know they can use VA care and services, or that VA regional offices have women veteran coordinators to help guide them through the benefit process. The VFW believes an aggressive campaign is needed to identify where women veterans receive their care and how VA can help them with their specific post-deployment needs. Television, radio, social media and other high traffic advertising will help remind women veterans that VA is there to serve them.

Properly serving women veterans will take a cultural change within the VA, which for half a century functioned with a "one size fits all" mentality. VA must continue to tailor its programs and services to the specific needs of women veterans by offering them counseling and reintegration services, and provide sensitivity training for claims processors and women veteran coordinators.

Although positive changes have been made within the Veterans Benefits Administration to allow PTSD to be identified as the root cause, a recent report by VA's Office of Inspector General entitled, "Review of Combat Stress in Women Veterans Receiving VA Health Care and Disability Benefits" (Report Number 10-01640-45, 12/16/2010), found that higher proportions of female veterans were receiving disability benefits for mental health conditions, but the numbers were proportionally lower for PTSD and TBI than their male counterparts. VBA denied female disability claims for PTSD more often, unless MST was a factor. We believe that this highlights the critical need for implementing successful training measures that align mental health ratings between men and women. It also demands that VHA and VBA train its claims adjudicators,

health care professionals, and patient coordinators on issues facing women veterans, to include military sexual trauma, substance abuse, PTSD, TBI and suicide prevention. The VFW looks forward to seeing VA solutions to these issues and requests Congress use its authority to ensure that these solutions are effective.

VA has made progress expanding female health care services, but much more needs to be done. Congress must provide continued oversight on all the programs and services provided to women veterans. Improving the health care services VA provides to women veterans, especially those with service in Iraq and Afghanistan must be a priority.

Caregivers: The VFW greatly appreciates the work of both the House and Senate VA Committees in passing Public Law 111-163, commonly known as the caregiver bill. This landmark piece of legislation provides a monthly stipend, respite care, mental and medical health care, and secures necessary training and certifications required for caregivers to meet the specific needs of their loved ones. It also required the VA to conduct a veterans' suicide study in coordination with other federal agencies. At its heart, this legislation acknowledges the fact that a traumatically wounded veterans' family is ideally situated to care for them, and turns that hope into a reality for many. Caregivers of all generations of veterans carry a great burden. We must recognize the vital role they have and will continue to play by affording them the common-sense support this bill promises.

VA has partnered with Easter Seals to provide the training for caregivers, and we have received overwhelmingly positive reports with respect to this partnership. However, we have identified some areas where improvements could be made.

VA's caregiver support coordinators (CSC) are located at each of the 152 VAMC facilities to provide answers and guidance for the veteran caregiver. They also have designated backups in case they are unavailable; however, the backups take these duties on in an additional duty. Because of this, we have heard concerns that the CSC program may not have the capacity to meet the needs of a growing number of veteran caregivers. Providing an on-call, as needed resource, so that family caregivers can adequately perform the task of caring for their loved ones is critical to the overall effectiveness of the caregiver program.

The training that Easter Seals provides comes in three forms: classroom, web-based, and DVD/workbook training. Currently, classroom training is the least utilized training program, though it is praised by those who choose it. We deduce that those who train online do so because they cannot meet the two-day, in-person requirement. The VFW would also like to see VA evaluate the possibility of combining the three training programs, or at least allow everyone taking the web-based or DVD formats to visit in-class training sessions as their schedules permit.

The VFW strongly supports the full expansion of the caregiver program. There is no distinction in the sacrifices made by a severely disabled veteran or their family, regardless of where or when they served. The service of our veterans from previous wars must be honored similarly, and Congress must support and oversee a timely and fair implementation of P.L. 111-163 that provides these caregiver benefits to veterans of all eras.

Burn Pits: Open air burn pits have caused invisible, but grave health complications for many service members. Particulate matter, polycyclic aromatic hydrocarbons, volatile organic compounds and dioxins – the destructive compound found in Agent Orange – and other harmful materials are all present in burn pits, creating clouds of hazardous chemical compounds that are unavoidable to those in close proximity. Congress has banned the use of these burn pits, and we believe that the prohibition is largely honored. However, there is no dispute that burn pits were in constant use for half a decade or more in Iraq, Afghanistan and elsewhere, and hundreds of thousands of service members subsequently inhaled noxious fumes. Exposure is clearly related to their service, and any negative health effects as a consequence should be considered for service-connected disability compensation and health care by VA.

Diagnosis, treatment and compensation are made difficult by the lack of incontrovertible scientific causality between exposure and the negative health effects that are clear from experience and anecdote. The Institute of Medicine (IOM) released a report in the Fall of last year, but that report was hampered by inadequate data and other uncertainties. IOM called for an epidemiologic study of populations exposed to burn pit emissions, and Congress should ensure such a study takes place without delay. In the meantime, there is legislation in both the House and Senate that would require VA to create a registry of all service members exposed to burn pits, so that we know who has been exposed when the time comes to conduct further study, or to provide earned care and benefits. We urge you to pass this legislation as soon as possible. DOD also has a role to play in ensuring these men and women have the best possible care after an environmental exposure, such as that from an open air burn pit. In our view, DOD should be continuing their work to determine who was exposed to a burn pit, and should provide VA with that information. Furthermore, DOD should give service members their best effort to compile and share data regarding what was burned in each of the burn pits that were used in Iraq and Afghanistan. IOM spent considerable time reviewing information about the burn pit at Joint Base Balad in Iraq; however, specifics on the content and volume of the waste burned were not available, and that lack of data directly contributed to the inconclusive nature of their report. So far, VA, through their Office of Research and Development, has taken a passive approach to studying these effects, but has welcomed Vanderbilt University and others to file applications for research funding. We believe VA's actions have not gone far enough. VA must be an active participant in this process, as their involvement is critical to providing the evidence-based care that our veterans deserve.

Veterans Homelessness: Homelessness among veterans is a top priority for the President, Secretary Shinseki, and the leadership of other federal agencies. Encouraging data has been released by the VA and the Department of Housing and Urban Development (HUD) showing that the number of homeless veterans dropped about 12 percent between January 2010 and January 2011. The official VA and HUD estimate that roughly 67,495 veterans spent at least one night in a shelter in 2011 is an improvement over the 76,329 in 2010.

The number of homeless veterans staying in shelters, transitional housing programs or safe

havens also increased last year and as of August 2011, VA and HUD have connected 25,000 homeless veterans with permanent housing and health care.

The success in the program is due in part to VA's decision to discard the notion that a veteran needs to be drug or alcohol free before housing assistance can be rendered. VA has also increasingly recognized that this problem cannot be fixed without partnerships. Therefore, we believe their evolving approach, which stresses cooperation with local governments and nonprofit agencies, is a positive development. Effective programs introduced like VA's Supportive Services for Veterans Families and the HUD -VASH program are critical in finding solutions for veterans transitioning and to prevent at-risk families from becoming homeless.

It is important that these programs receive support from Congress and the community, and the VFW wants to help. Helping veterans who may be homeless or at risk of becoming homeless to access VA benefits is essential to assisting them in reaching long-term goals like vocational rehabilitation and employment.

By assigning case managers who are also responsible for vocational needs, VA is attempting to address more specific needs of homeless veterans. VA must continue to take the lead for this effort to be successful. However, we cannot forget that the causes of homelessness are unique to every individual, and that local pressures are different in every town, city and state in America. With that in mind, we urge VA to continue this work with a firm understanding that this problem cannot be solved from Washington, D.C., alone. VA must increasingly evaluate and improve its strategy of local involvement and cooperation to fully address homelessness among our veterans. We also encourage Congress to continue following the change in strategy to address homelessness among veterans very closely, and to play a constructive role by supporting Secretary Shinseki's efforts through proper oversight and through your active involvement in your home states and congressional districts.

BENEFITS DELIVERY

Those of you who heard our testimony last year may remember that we were highly critical of VBA. We believed that it was mired in the past and unable to find the IT and management solutions it needs to attack and reduce its backlog with both speed and accuracy. While there had been more openness to veteran service organizations, what we have seen is not all that encouraging.

There were a score of pilot programs scattered around the country, testing whether an idea or any idea could make a difference in either working more cases or improving quality. These pilots seemed disconnected. Data collection and evaluation appeared haphazard. There was no vision to draw everything together and work towards the future.

Last summer the Senate confirmed retired Air Force Brigadier General Allison Hickey as the new Under Secretary for Benefits. Within weeks, she conducted a review of the programs in process and determined what was worth pursuing and which should be discarded. Since then she has been a vocal and energetic advocate for change, with near laser sharp focus on what must be done to finally drag VBA into the 21st Century.

Sadly, while VBA has moved ahead with vision and focus, and has made strides to create and implement IT solutions that will allow it to process claims more accurately and rapidly, we cannot ignore the over 1.7 million claim workload that VA had on the first work day of 2012. The workload on January 3, 2012, was 24 percent higher than it was one year before. Only pending pension appeals were lower in 2012 than in 2011. Some of this increase can be attributed to the hundreds of thousands of new claims for disabilities related to herbicide exposure in Vietnam, but not all of them.

While aggravating, these events and other factors did not “cause” the increased workload in 2012. VBA’s inability to effectively cope with its workload had its origins in the inadequate staffing levels given by Congresses of both parties in the 1980s and 90s. Decades of benign neglect fostered a culture that “made due” with the resources at hand, slowly allowing the workload to slip out of control. Congresses since 2000 have worked to correct the staffing inequities in VBA, but it is a huge task to adequately train thousands of new employees into processing of claims.

The VFW is concerned about some of the things that we see. Many of the IT pieces, including the Veterans Benefits Management System (VBMS), show great promise. In the last year development of these programs has accelerated significantly. However, the few roll-out schedules we have seen suggest haste, and that bothers us. VA has a history of taking shortcuts on Alpha and Beta testing complex programs, then dispersing them to the field. In the past, early deployment of Beneficiary Identification Records Locator Subsystem (BIRLS) Redesign and RBA-2000 caused untold problems for field personnel, costing tens of thousands of man hours in lost productivity while problems were identified and corrected. It is imperative that new computer programs are adequately tested and fixed before being distributed to the field.

We are also concerned that in an effort to process claims quickly, VA is failing to provide veterans a clear explanation of their rating decisions. Congress and the courts have told VBA that they must provide veterans an analysis of the evidence used in deciding their claims. After some fits and starts, VA began attaching a copy of the rating decision to the notice letter. The rating not only identified the issue and summarized the evidence, it also stated the decision and explained reasons and bases for their decision. This explanation was specific to the facts in the case and was written by the decision maker.

Today, VBA is implementing a redesigned rating called Simplified Notification Letters (SNL). The new ratings identify the evidence and state the decision (grant, denial, effective date and evaluation). No reasons are given to explain the decision, no evidence is weighed, and no discussion of higher possible evaluations is contained in the rating. The rating does include cryptic codes to the person who actually writes the notice letter, directing them to include essentially standard, generic, paragraphs as an explanation. The justification for this new format, styled Simplified Notification Letters, is that it allows raters to complete their ratings 30 percent more quickly, thus allowing greater production.

The veteran, however, is not served by this process. With eight to 28 percent of decisions being wrong, depending on the office making the decisions, veterans have no way of knowing whether the decision in their case is likely to be correct.

This revised format has already led to increased appeals. The Statement of the Case, a document issued following a Notice of Disagreement, must provide an explanation of the reasons for the decision. Veterans and their advocates know this and, where this revised format is being used, have resorted to filing appeals simply to get the reasons for the decision in their case.

The VFW has opposed the deletion of reasons and bases from rating decisions since this initiative was first floated last summer. We continue to oppose it as contrary to the spirit and letter of the law. We strongly urge Congress to exercise oversight in this area. The VFW would be pleased to offer testimony should your Committees decide to conduct hearings.

Over the last two years VBA has made a concerted effort to review, update and modernize the entire VA Schedule for Rating Disabilities (VASRD), section by section. While we never subscribed to the common misunderstanding that the VASRD had not been revised since 1945, we agreed that routine reviews and updates of the VASRD were far too slow in coming.

VA has completed the initial draft revisions to several sections of the rating schedule. Based on information we have received, the revised sections may be dramatic departures from long accepted rating practices. Our concern is that under the new rating scheme, veterans with identical disabilities may receive different ratings.

By law, the rating schedule is to be based on “the average impairments of earning capacity...” VA is required to determine, as near as possible, the average loss of earnings capacity suffered by individuals with identical disabilities and assign an identical evaluation, which compensates them based on the average loss to each person with that level of disability.

Our concern is that VA is amending its rating schedule to rate disabilities based on functional impairment, rather than the average loss of earnings capacity. Based on our understanding of this approach, Max Cleland, for example, a Vietnam veteran with three amputated limbs, could receive a lower evaluation than another triple amputee simply because he was able to achieve success as the Administrator of the Veterans Administration and a United States Senator.

The VFW and the veterans community are attempting to work with VA to ensure that its revisions to the VASRD are appropriate for all veterans. We urge your Committees to exercise oversight of this process so that all disabled veterans receive the compensation they earned through their sacrifices for our nation. The VFW will not stand on the sidelines on this issue.

APPEALS

Appeals increased from 224,853 to 253,903 in the past year. Most appeals are still sitting in regional offices awaiting action. This increase is not surprising. Last year virtually every VA regional office diverted their Decision Review Officers from appeals work to other tasks, with a heavy emphasis on new herbicide related claims.

VBA has recently approved a reorganization of Veteran Service Centers and many offices have staffed up their appeals teams. However, appeals require substantial development and personal attention. While VBA is now devoting more resources to this area, we expect that the appeals

workload will continue to increase this year. Again, we ask your committees to perform oversight in this area.

VETERANS AFFAIRS CAPITAL INFRASTRUCTURE

With a capital infrastructure that is more than 60 years old on average, the Department of Veterans Affairs (VA) faces a monumental task of maintaining and improving its vast network of facilities to ensure the Veterans Health Administration (VHA) can provide accessible, high-quality health care to our nation's veterans. Currently, VA owns 5,300 buildings and manages hundreds of capital leases. In 2005, VA began using the Federal Real Property Council (FRPC) Tier 1 performance measures to assess its capital portfolio goals. The two measures that directly affect patient services are utilization and condition. In 2004, VA's utilization was at 80 percent, well below capacity, but utilization had grown to 121 percent in 2010. Over the same time period, the assessed condition of VA's infrastructure declined from 81 percent to 71 percent. These trends show that funding for the next few years will be critical for VA to continue fulfilling its missions.

VA has developed their first-ever, businesslike approach, the Strategic Capital Investment Plan (SCIP), to address the critical deficiencies in its infrastructure. SCIP employs six criteria to assess deficiencies, or gaps, in its ability to deliver efficient, high-quality, accessible services and care for veterans. The six criteria are: access, utilization, space, condition, energy, and other (which include safety, security, privacy and seismic corrections). After conducting a gap analysis using these criteria, VA found that 4,808 capital projects needed to be conducted to close all gaps. It was also determined that to close all these gaps the cost would range between \$53 and \$65 billion.

To close the gaps in access, VA would need to invest between \$30 and \$35 billion in major and minor construction and leasing. The remaining \$20 billion would be needed to close the non-recurring maintenance (NRM) deficiencies. It is imperative this funding is provided and these gaps are closed. The health care we have promised, and the safety of veterans and VA staff insist upon it.

The Department of Veterans Affairs maintains approximately 1,100 buildings that are either vacant or underutilized. An underutilized building is defined as one where less than 25 percent of space is used. It costs VA from \$1 to \$3 per square foot per year to maintain a vacant building. Current law incentivizes VA's efforts to properly dispose of excess space by allowing VA to retain the proceeds from the sale, transfer, or exchange of certain properties in a Capital Asset Fund. The law also states that VA must report annually to Congress its short and long-term property disposal plans.

Though oversight is necessary, VA needs every tool available to properly manage its capital assets. VA's Enhanced-Use Leases (EUL) authority has expired, which will reduce their capability to repurpose vacant or underutilized properties for such public-private ventures as veterans homeless shelters and veterans retirement communities. A cost effective solution to VA's

leasing authority must be found, so VA can responsibly use some of the 1,100 under-utilized properties.

INFORMATION TECHNOLOGY

Leveraging technology to automate services and streamline processes represents key opportunities for VA to squeeze more productivity and eliminate unnecessary expenses without diminishing the services provided to our veterans. The importance of the task at hand deserves every effort to ensure success. Today, and increasingly in the future, health outcomes are inextricably tied to IT solutions. Everything from prescriptions to the timely scheduling of appointments, to records sharing and actually providing care all depends on the use of technology. Failure to use technology in a savvy way means missed opportunities to provide cost-effective care and wasted time and money – commodities that are in very short supply at VA.

VA instituted the Project Management and Accountability System (PMAS) in 2009 in response to pervasive project cost and time overruns, which in far too many cases led to the abject failure of important IT projects. To date, PMAS seems to be having mixed results. Success rates are much higher, although the VA Office of Inspector General (OIG) reported in August 2011 that management tools to ensure data reliability, to verify project compliance, and to track project costs have not been well established. Moreover, we have heard on several occasions that adherence to the performance measures within PMAS are not fully followed. VA OIG understands that if the VA's Office of Information and Technology does not fully adopt the foundational elements to manage PMAS, the necessary discipline and accountability to effectively manage and oversee these expensive and critical IT projects will not follow. The VFW fully agrees, and urges VA to provide the detailed implementation plan they committed to without delay.

We also have serious concerns about the slow progress within VBA's Veteran Benefits Management System, and in the complex DOD/VA Bidirectional Health Information Exchange. However, we are optimistic that the culture change within VA from a rigid, specifications oriented mentality to a platform, evolutionary system of continuous improvement will have the effect of changing the way IT solutions are proffered and developed, while also placing more value on collaboration and integration.

TREATMENT FOR CAMP LEJEUNE

The VFW stands firm with Ranking Member Burr that providing health care for victims of the contaminated drinking water supply at Camp Lejeune must happen now. The National Academy of Science Committee report from 2009 concluded there is evidence of association of 14 medical conditions ranging from cancer to neurobehavioral effect caused by the contaminants, or mixture of contaminants found in Camp Lejeune's drinking water. The report also concludes that no more time should be wasted studying the exposure to the water. Decisions need to be made on how to treat the possible health consequences that have been caused by the contamination.

Any solution to provide health care for families of service members must be sincere and not

diminish access or quality for veterans who otherwise qualify for care through VA. Any legislation that is introduced must have a pay-for within its own jurisdiction, and if VA is deemed the appropriate provider for that care, future budgets must reflect the needed funding increase this added care would require.

LONG-TERM CARE

We must also meet the long-term care needs of our veterans. VA has formed an ongoing partnership with state governments and their State Veterans Nursing Home programs. Yet it is essential that Congress and VA recognize that veterans often need a level of care greater than what the Medicare reimbursement rate provides. We cannot allow procedural hurdles or budgetary considerations to result in inadequate care for veterans in our state nursing homes. We ask that you support H.R. 2530, a bill introduced by Congressman Michaud, that would rectify this problem by giving VA the impetus and flexibility it needs to pay these facilities the actual costs of caring for our veterans, which will ultimately improve the quality of life of our veterans in these State Veterans Homes.

The VFW would also bring to your attention that VA last released their Long-Term Care Strategic Plan in 2007 – a plan that guides their action through FY2013. We strongly believe VA should be working in close partnership with Congress and other stakeholders to ensure the best possible plan of action moving forward. Long-term care will continue to be a challenge, and we firmly believe success will require cooperation and transparency.

TELEMEDICINE

Veterans with specialized needs and those living in rural or remote areas must receive greater attention from Congress. Telemedicine provides opportunities to save money, provide better health outcomes, and improve customer satisfaction. While the VFW recognizes the limitations of broadband and mobile infrastructure in many rural areas, we strongly believe VA must be the leader in developing practical telemedicine options that would benefit veterans and the larger medical community. Today, many community-based outpatient clinics (CBOCs) are linked to larger VA facilities and their medical experts through teleconferencing, allowing for consultations and some diagnostic testing, but these efforts need to be aggressively expanded. Technologies such as these could easily be implemented in a veteran's home, and VA should be making a robust and coordinated effort to do so.

Allowing veterans to achieve this level of interaction with clinical treatments from home would lead to significant improvements in quality of life for veterans – especially our severely disabled veterans or those in extremely rural areas – in a way that requires little up-front cost and with the potential for serious cost savings in the long-term. In a similar way, mobile technologies hold the promise of doing incredible things, such as using modified cellular devices to regularly test, analyze and securely transmit to VA the results of glucose levels in the blood. Such alternatives should also be implemented to provide on-demand telemental health options at the discretion of eligible veterans. These and other new technologies would improve the lives of veterans and save VA money. VA has become a leader in telehealth, and we hope VA is keeping their finger on

the pulse of technological advancements with the intent to roll out new methods of diagnosing and treating veterans wherever possible.

RESEARCH AND DEVELOPMENT

At a time when VA is expending tremendous resources to treat veterans across all generations for injuries that are serious and long-term in nature, we must not lose sight of the need to move beyond treating injuries and ailments. The search to find cures for the conditions that plague our veterans, and the relentless push to incorporate cutting edge technologies to replace limbs and enhance quality of life, is a noble and worthy goal that we must not allow to diminish, even in these trying economic times.

Continuing our focus on medical research makes sense on a number of different levels. First and foremost, it unquestionably enhances the quality of life of our veterans. Second, providing a permanent cure, rather than treating an illness or condition, is more effective than providing continuous long-term care. Third, advances made by VA expand the body of medical knowledge as a whole.

While we recognize and are pleased with the ancillary benefits of such research for those outside VA, we agree with Secretary Shinseki that our veterans must be the sole focus of this research. Their needs are too unique and pressing for VA research and development to lose focus, and we urge you to support VA as they advance the science of caring for veterans.

One specific area of research we strongly believe merits further exploration is Hyperbaric Oxygen Therapy Treatment. The Department of Defense (DOD) is on the periphery of this issue, and the VA and Congress have yet to weigh in, while the VFW and other VSOs have continually pressed for a thorough evaluation of this treatment. Available research strongly suggests this treatment will lead to breakthroughs in treating Traumatic Brain Injuries and other serious conditions, and we believe VA must conduct whatever research is necessary to evaluate the potential of new or existing technology as a treatment tool. We also ask you to hold hearings to evaluate alternative therapies, such as Hyperbaric Oxygen Treatment, to evaluate their potential and to consider policy changes to promote innovation and convey the urgency we all feel to treat these life threatening and debilitating injuries.

The funds VHA's Office of Research and Development receives bring return on investment, and we fully support their efforts. We reached a sad benchmark last year, as 240 troops lost one or more limbs in Afghanistan last year – the highest number to date in that conflict. In contrast, medical and prosthetic research received only a miniscule increase in the President's FY2013 budget. The future needs of our veterans– and complicated challenges we are already facing – are too important to ignore. Rather, they must be faced head-on, and the research budget proposed by the Administration does not prepare VA for success. We urge you to increase the research budget lines.

OTHER BENEFITS

VA Home Loan: VA's successful home loan program is an essential benefit that provides eligible service members and veterans the ability to obtain a home loan without a down payment. These

guaranteed loans also protect lenders from loss if for some reason the loan is not repaid. The VFW thanks Congress for passing legislation that waives the home loan fee for service-connected veterans called to active duty, and for increasing loan rates so that the current benefit matches federal housing rates, and is adjusted in high cost areas.

The same cannot be said, however, about VA's adaptive grants and insurance programs. Both programs provide essential benefits to today's service members and veterans, but the value of the benefits have deteriorated substantially over time.

Adaptive Grants: This benefit allows modifications to homes and automobiles to help seriously disabled veterans regain independence and mobility — a key quality of life factor, and readjustment and recuperation aid. Unfortunately, the value of these programs has eroded as rates have not kept pace with current costs in the housing market or the automobile industry. The VFW asks Congress to increase rates to coincide with private sector costs, and to provide automatic annual adjustments, as needed. We would also like to see an additional grant for automobile and home adaptations. Veterans housing and automobile needs change with time and circumstances. What may have worked 10 years ago may not work now. A change in disability may require a home to be configured differently, or an automobile to be modified or replaced. We believe these evolving requirements merit a second supplemental grant to cover the costs of adaptations.

VA Insurance Programs: VA insurance programs were designed to provide coverage to veterans and service members who may have difficulty obtaining affordable coverage in the private sector due to service-connected disabilities. The Service Disabled Veterans Insurance (SDVI) program must be updated to reflect changes in modern medicine, and its benefits must be based on current mortality tables. SDVI premiums are no longer competitive with private industry, and, therefore, no longer provide the intended benefit for eligible veterans.

Congress authorized an increase in the supplemental amount available with the passage of Public Law 111-275, but its intent will not be met under the current rate schedule. Under the current schedule, many service-disabled veterans will not be able to afford the maximum coverage amount. This inequity is compounded by the fact that eligible veterans must pay for supplemental coverage and may not have premiums waived for any reason. The VFW urges Congress to enact legislation that authorizes VA to revise its premium schedule for SDVI based on current mortality rates. Only then will the intended benefit be wholly provided to veterans with service-connected injuries.

Traumatic Injury Insurance: The passage of Traumatic Injury Protection under the Service Members' Group Life Insurance (TSGLI) program was a major VFW victory. Last session, Congress updated the program coverage by removing the requirement that qualifying injuries be incurred in Operations Enduring Freedom or Iraqi Freedom. Those injured during the period from October 7, 2001 to November 30, 2005, regardless of the geographic location or where the injury occurred, are now covered under TSGLI. The VFW thanks Congress for making this critical change and for acknowledging those who were severely wounded prior to the implementation date of December 2005.

Concurrent Receipt: The VFW supports legislation for full concurrent receipt of military retirement pay and VA disability compensation without offset, regardless of the rating percentage.

Current law will allow military retirees with 20 or more years of service and a 50% or higher VA disability to receive both their military retirement pay and their VA disability compensation without offset by 2014. Excluded are those service-connected disabled military retirees with VA ratings of 40 percent and below, and Chapter 61 retirees, who were medically retired with less than 20 years.

The VFW calls on Congress to pass legislation to include all military retirees, especially those who are medically retired. There should not be any distinction between members disabled for combat vs. non-combat related causes, as the impact on their quality of life and future earning power is the same in either case. We strongly believe all veterans should be entitled to receive full disability compensation concurrently with their military retirement pay, regardless of the nature of the disability.

Survivor Benefit Plan-Death Indemnity Compensation: The VFW calls on Congress to repeal the “Widow’s Tax.” Congress for years has promised military spouse survivors that they would repeal the dollar-for-dollar offset that plagues the military Survivor’s Benefit Plan (SBP), a purchased insurance that pays a percentage of military retiree pay to surviving spouses. Unfortunately, the “Widow’s Tax” requires survivors of active duty, or retirees who die from service-connected causes, to forfeit a dollar of their SBP annuity for every dollar they receive from VA’s Death Indemnity Compensation (DIC) program. Survivors grieve enough. All should receive SBP and DIC without offset.

TRICARE: The TRICARE program has afforded active duty military personnel, retirees, and their families a high quality benefit that we believe keeps faith with the unique service they have provided to the nation. Since 2001, the Military Health System, including the TRICARE Management Activity, has risen from \$19 billion in 2001 to over \$51 billion in 2011. The 2012 enacted Military Health System budget was \$52.8 billion, approximately 8.2% of the total Department of Defense (DOD) budget. Moreover, then Deputy Secretary of Defense, William J. Lynn, III testified before the House Budget Committee in 2010, that DOD projected health care costs would increase in the coming years, hitting a total of 10% of the base DOD budget. These numbers represent a real budgetary impact for DOD, and their causes and implications should be addressed. A number of trial balloons have been floated over the past year by the White House, DOD, and even some in Congress, to rein in costs, but every idea or think tank recommendation bypasses any real discussion about real reform cost cutting. Instead, their only “solution” is to make military retirees shoulder all the financial burdens. The VFW takes great exception to these proposals, because it would allow and even encourage government bureaucrats to maintain status quo operations with no mandate to identify redundancies or inefficient operations. This approach fails to take into account the decades of youth, service and sacrifice these men and women gave to our nation. We believe by eliminating wasteful program spending and trimming the bloated bureaucracy, we can save money in a way that does not directly affect the quality or accessibility of care rendered. We must do everything possible before asking those who sacrificed the most to sacrifice even more.

We also question the ‘sky is falling’ response to the fact that providing health care to our current and former military personnel accounts for 10% of DOD’s base budget, which has never included funds provided for fighting the wars in Iraq and Afghanistan. Taking 10 cents out of the dollar to make sure those who risked their lives can enjoy a reasonable standard of health care is a bargain for DOD, especially since those who serve through retirement are all volunteers. The up-front costs for these military members and their families are tremendous, which is why the health care obligation to retired service members and their families must be appropriate to their level of faithful and selfless service to our nation.

Significant changes were made to TRICARE in the National Defense Authorization Act (NDAA) for FY2012 to address DOD’s concerns about rising costs. Because of these recent changes, for the first time in 17 years, DOD can raise TRICARE rates for some individuals. In the future, the annual fees that TRICARE can charge for new military retirees under TRICARE Prime will rise by the rate of inflation. DOD has also recently made changes to the pharmacy benefit, institutionalizing their preference for home delivery by making many drugs free if delivered to the home of the beneficiary, while making some drugs that are purchased in a retail pharmacy more expensive.

Even more drastic changes were proposed. During Senate consideration of the NDAA there was an effort to raise TRICARE rates by the rate of inflation specific to the medical sector – a move that would have doubled the increases over the rate of actual inflation. Additionally, President Obama has proposed – and some Senators have supported – a \$200 annual fee for retirees enrolled in TRICARE for Life – a wrap-around coverage plan that beneficiaries can only access if they pay monthly Medicare Part B premiums. Those fees already cost retirees at least \$100 per month.

These and other changes greatly diminish what the service member gets back in return for risking their lives, and threatens the sustainability of our military. Service members pay the equivalent of enormous in-kind premiums for health care and retirement through their extended sacrifices in uniformed service. Arbitrarily raising TRICARE fees – particularly with no corresponding belt-tightening on the part of the government – will have dire effects on the long-term sustainability of the all-volunteer force. TRICARE is the cornerstone of the benefits provided to career retirees. Eroding these and other benefits will only serve to undermine long-term retention and readiness.

Protection of Military Retirement System: The Pentagon’s Defense Business Board, defense think tanks and members of Congress have proposed changes to the military’s retirement plan that range from implementing a civilian-style 401(k) plan to deferring the receipt of retirement pay until age 60. These plans undermine the incentive to serve 20-plus years in uniform and fail to recognize the physical, personal and financial sacrifice service members and their families face during a full military career.

Equity that non-military cohorts earn in home ownership is lost for service members who move every three to four years. Spouses lose career longevity, precluding them from raises and promotions associated with staying with an employer long-term.

Not included in the financial hardships are the years away from family, the physical toll military training and war have on service members, or the internal turmoil caused from uprooting children from schools every few years. Comparing civilian careers to military service in an effort to justify reducing the military retirement plan is disingenuous and an insult to all who wear the uniform. To maintain a high quality, all-volunteer force it is important to keep personnel benefits, particularly the current retirement system intact.

POW/MIA ISSUES

The VFW has an unwavering commitment to obtain the fullest possible accounting of all still missing and unaccounted for warriors. This is the most sacred of missions, and none of our members will truly rest until we know the whereabouts of everyone who did not return home from war.

The FY 2010 National Defense Authorization Act requires the Joint POW/MIA Accounting Command (JPAC) to identify at least 200 missing servicemen annually by 2015. The new requirement did not initially come with increases in personnel or funding, and whether or not programmed budget increases through FY 2016 come to fruition remains to be determined. The VFW's main concern is that any new mission requirement—such as the resumption of recovery operations this spring in North Korea, which is positive, but cannot be an unfunded mandate—does not eliminate or reduce JPAC's level of commitment to recover our missing from other wars and conflicts, such as in Southeast Asia, Russia, Europe and in the Pacific. Shifting resources elsewhere will only make current work more complicated. Witnesses will be harder to find, and acidic soil conditions will continue to destroy the remains that are left. We urge full funding and staffing for JPAC and the Defense POW/Missing Personnel Office, as well as the other organizations involved in America's Full Accounting Mission, to include the U.S.-Russia Joint Commission on POW/MIAs. We must live up to our commitment to never leave a fellow service member behind.

Madam and Mr. Chairmen, I thank you again for the honor to present the VFW's priorities to you. I would be happy to answer any questions that you or the members of your Committees may have.