



**STATEMENT
BY
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**FOR THE JOINT HEARING OF THE
SENATE AND HOUSE COMMITTEES
ON VETERANS' AFFAIRS**

**LEGISLATIVE PRIORITIES FOR THE SECOND SESSION
Of the
113TH CONGRESS**

March 12, 2014

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CURRICULUM VITAE

CMSgt (Ret.) USAF John McCauslin was elected as the Air Force Sergeants Association (AFSA) International President during the Association's International Convention in Dallas, Texas, in August 2005. He was reelected International President during the 2006, 2007, and 2008 Professional Airmen's Conferences. He resigned his elected office in early January 2009. On 1 June 2009, he became the Chief Executive Officer replacing the retiring incumbent. Chief McCauslin joined AFSA in 1977 as a lifetime member and has been active within the organization. He was elected to his first term as the AFSA International Trustee, Retired/Veterans Affairs in 2003.

He enlisted in the US Air Force in June 1955. After basic training, he was first assigned to Gunter AFB, Alabama, where he underwent medical training. Later in his career he became the Command Senior Enlisted Advisor, Fifth Air Force, Yokota AB, Japan, followed by Command Senior Enlisted Advisor to Commander In Chief to the United States Air Forces Europe, Ramstein AB, Germany, where he retired after 32 years of service.

Chief McCauslin's educational background includes both military and civilian achievements. The Chief obtained a Bachelor of Arts degree in History and Sociology from Chaminade University, Hawaii, in 1976. He also achieved a Masters of Arts degree in Management/Supervision and Education from Central Michigan University in 1978.

Following Chief McCauslin's retirement from the Air Force in 1987, he was the AFSA Special Assistant to the Executive Director and subsequently, Chief Field Operations for the Air Force Association (AFA). After his retirement, he followed his passion for volunteerism to enhance the quality of life for our Air Force members and their families.

His awards and decorations consist of a Legion of Merit, a Bronze Star Medal with one oak leaf cluster, a Meritorious Service Medal with two oak leaf clusters, an Air Force Commendation Medal with one oak leaf cluster, an Air Force Outstanding Unit Award, a Vietnam Campaign Medal, a Republic of Korea Service Medal, an Air Force Marksmanship Ribbon, and the State of Virginia Meritorious Service Award. In addition, he is the recipient of the Outstanding AFSA Division Award for Division 16, Outstanding Young Men of America, Outstanding Jaycee President and Outstanding Parent/Teachers President.

DISCLOSURE OF FEDERAL GRANTS OR CONTRACTS

The Air Force Sergeants Association (AFSA) does not currently receive, nor has the association ever received, any federal money for grants or contracts. All of the Association's activities and services are accomplished completely free of any federal funding.

Chairmen Sanders and Miller, on behalf of the 110,000 plus members of the Air Force Sergeants Association, I thank you for this opportunity to offer the views of our members on legislative priorities for the Second Session of the 113th Congress. This hearing will address issues critical to those who have served and are serving our Nation.

For nearly 53 years, the Air Force Sergeants Association has proudly represented active duty, guard, reserve, retired, and Veteran enlisted Air Force members and their families. Your continuing effort toward improving the quality of their lives has made a real difference and our members are grateful. In this statement, I have listed several specific goals that we hope this Committee will pursue in the coming year on behalf of current and past enlisted members and their families. The content of this statement reflects the views of our members as they have communicated them to us. As always, we are prepared to present more details and to discuss these issues with your staffs.

How a Nation fulfills its obligations to those who serve reflects its greatness. Since 1973 with the inception of the all volunteer force, we have continued to meet our objectives in recruiting. It is evident that today's treatment of the military influences our ability to recruit future service members, since a significant percentage of those wearing the uniform today come from of military families.

It is important that this Committee view America's Veterans as a vital National resource and treasure rather than as a financial burden. As you deliberate on the needs of America's Veterans, this Association is gratified to play a role in the process and will work to support your decisions as they best serve this Nation's Veterans. We believe this Nation's response for service should be based on certain principles. We urge this Committee to consider the following principles as an underlying foundation for making decisions affecting this Nation's Veterans.

GUIDING PRINCIPLES

1. *Veterans Have Earned a Solid Transition from Their Military Service Back into Society:* Our Nation's all-volunteer force has served with great pride and distinction. This country owes its Veterans dignified, transitional, and recovery assistance. This help should be provided simply because they faithfully served in the most lethal of professions in some of the most hostile or remote locations. After writing a blank check to their country, payable up to their life, all Veterans should be afforded favorable chances to excel upon returning to the civilian sector.

2. *Most Veterans Are Enlisted:* The total Veteran population in the United States and Puerto Rico, as of Sept. 30, 2013, was 21,972,964. The latest Census Bureau data says 21.2 million of them are living in the United States and about 90 percent of them are enlisted personnel. While on active service, there is an obvious need for differentials between ranks in order to execute the unique missions of the military. Aside from the obvious (such as pay), additional differences include education, training, fellowships and other opportunities. We should factor in the unique circumstances of

enlisted Veterans, especially in the area of service member and their family's needs once they have completed their tour of service to our country.

3. Changing Demographics of Veterans Require Change in Focus

According to Department of Veterans Affairs (VA) projections, the Veteran population will decline to slightly more than 14 million by 2040. During the same timeframe, the overall percentage of women Veterans will increase from 10 to 18 percent. This growing presence of women veterans in VA health care facilities highlights the need for further transformation in the type of services and programs the department offers to ensure they can address their unique needs.

4. *Decisions on Veterans' Funding Should be Based on Merit.* Funding for military Veterans must, of course, be based on fiscal reality and prudence. However, Congress and, in turn, the VA must never make determinations simply because "the money is just not there" or because there are now "too many" Veterans. Funding for Veterans' programs should be viewed as a National obligation—a "must pay" situation. If Congress can vote, fund, and send our servicemembers to war, they need to facilitate, fund, and provide care for those who have returned.

5. *Remember that the Guard and Reservists are Full-fledged Veterans Too!* AFSA strongly supports pending legislation to identify all Guardsmen and Reservists as full-fledged Veterans. In Iraq, Afghanistan, and around the world, reserve component members are valiantly serving their Nation, ready to sacrifice their lives if necessary. Since September 11, 2001, record numbers have been called up and continue to support operations. For example, nearly half of all US forces that served in Iraq were Guardsmen and Reservists. Without question, enlisted Guard and Reserve members are full-time players as part of the "Total Force." Differences between Reserve Component members and the full-time force, in terms of VA programs or availability of services, are well overdue for review and updates.

5. *The VA Must Openly Assume the Responsibility for Treatment of the Maladies of War.* We are grateful for VA decisions in recent years that show a greater willingness to judge in favor of the service member. VA focus on health care conditions caused by battle should be based on presumption and correction, not on initial refutation, delay, and denial. It is important that the decision to send troops into harm's way also involves an absolute commitment to care for any healthcare condition that may have resulted from that service. Many Veterans call and write to this Association about our government's denial, stonewalling, or reluctant recognition of illnesses caused by conditions during past conflicts. We applaud past decisions of your Committees toward reinforcing a commitment to unconditional care after service, and encourage you to do the same in the future.

6. *Taking Care of Families:* Taking care of families is as essential as taking care of our Veterans. This is especially true for family members who now serve as the primary caregivers of ill or injured Veterans. By taking care of these family members, we honor a commitment made by our country to our Veterans and military members.

ANNUAL FUNDING OF VETERANS PROGRAMS

2015 Independent Budget: AFSA concurs with funding levels recommended by The 2015 Independent Budget (IB), a document co-authored by the VFW, AMVETS, DAV, and PVA. I understand you are already aware of these recommendations, so I will not comment on them here. We endorse the IB because we believe this careful review of Veterans programs reflects a more realistic assessment of the resources VA will need for the coming fiscal year. As in past years, I'm confident you will give the recommendations contained in this document the consideration they deserve. We appreciate that because with the future cessation of operations in Afghanistan and the reshaping of our military forces by the Department of Defense (DoD), many former service members will soon turn to the VA for their care.

Annual VA Funding: Fiscally speaking, these are troubling times and the VA is not immune to the budgetary challenges faced by other federal agencies. VA and in particular, the Veterans they serve have benefited from the great work of these two Committees. Each year since FY 2010, Congress has provided significant increases in VA appropriations. As the VA faces the growing demand being placed on its benefit programs and healthcare systems, it is incumbent upon Congress and the Administration to ensure that VA has the tools necessary to effectively meet those demands. Our members continue look to you for leadership in this area, and they will support you if it becomes necessary to confront any who fails to understand the importance of caring for those who have served in our military. Veterans and their families who are served by VA should never be forced to sacrifice the earned health care and benefits that were promised to them, and in order to retain the valuable but costly progress you have directed over the past several years, we must continue to ensure the proper outlay of funds for investment in essential VA programs and departmental infrastructure. Veterans have paid their dues in full—proper funding of VA is the one way we have as a Nation to ensure their sacrifices are repaid in kind. We remain concerned with VA's ability to meet the needs of America's transitioning Veterans including employment initiatives to help our Veterans find jobs during these challenging economic times. We will monitor this transition very carefully, and trust the Members of these Committees will as well.

Advanced Funding of VA Programs: No patriot should be turned away or have their benefits delayed and it is imperative that VA is provided the full complement of resources to address this shift in the Nation's obligation. Equally important is the timeliness of VA funding for all VA programs. AFSA was an early supporter of the original advance funding legislation that sought to secure timely and predictable funding for the VA health-care system. Passed by Congress in October 2009, the bill put VA health care on a two-year budget cycle and funds VA medical accounts one year in advance. The value of this decision became clear in October 2013 when the budget battle rumbling through the Nation's Capital resulted in a government shutdown. Thanks to the foresight of these Committees, Veterans who rely on the VA for their healthcare continued to be served. Unfortunately, the 2009 law did not protect other Veterans' benefits and services including disability compensation, Dependency and

Indemnity Compensation for surviving spouses, insurance programs, home loan guarantees, education support—even the burial of deceased veterans from the uncertainty and disruptions caused by budget and debt ceiling battles.

The continued dysfunction with the budgetary process exposes the compelling need for Congress to go further and fund these VA accounts in like fashion. A number of legislative solutions have been offered. Last year, House Veterans' Affairs Committee Chairman Jeff Miller (R-FL) and Ranking Member Mike Michaud (D-ME) introduced H.R. 813, the "Putting Veterans Funding First Act," to extend advance appropriations to all VA discretionary accounts. The Senate companion bill, S. 932, introduced by Senators Mark Begich (D-AK) and John Boozman (R-AR) would also align all of VA's remaining discretionary programs and services, which comprise only 14 percent of VA's total budget, with the same one-year advance appropriations cycle currently used for VA's medical care accounts. Chairman Sanders included this language in his recent omnibus bill, S. 1982, the "Comprehensive Veterans Health and Benefits and Military Retirement Pay Restoration Act of 2014." Each bill offers a common-sense approach to ensure arbitrary budget cuts don't jeopardize the care and benefits America has promised our Veterans and I want to thank Chairmen Miller and Chairman Sanders, Ranking Member Michaud and Senators Begich and Boozman publicly for introducing this legislation. I hope the remaining Committee members will find it appropriate to support their efforts. Four years ago, Congress and the Administration came together to enact advance appropriations for VA health care. The demonstrated success of the 2009 advance appropriation initiative and the likelihood that future budget stalemates will occur, should prompt you to vote to extend advance appropriations to all VA discretionary and mandatory programs. This legislation needs *to be brought up for an immediate vote, passed and signed into law by the President. America's veterans deserve no less.*

Sequestration: Like our partner Associations represented here today, we remain concerned how this budgetary decision will affect the availability of Veterans' benefits now and in the future. Although the VA's budget is largely exempt from these automatic cuts, it can impact other Veterans-related programs because many of VA's efforts are closely tied to those of other federal agencies who are subject to sequestration. For instance, the Department of Labor's Veterans Employment and Training Service are subject to reductions and this could affect VA's transition support services. Likewise, cuts to the Department of Housing and Urban Development may result in a reduction of the vouchers used to house homeless Veterans. VA has made tremendous progress in lowering the number of homeless Veterans on our streets and it would be an absolute travesty if sequestration undermined these herculean efforts by Secretary Shinseki. *We hope our Nation's leaders can find other alternatives to sequestration that help control the budget deficit without adversely affecting those who serve in our military or our Veterans.* Our members have made it clear they just want to see a solution that works, and they are frustrated because they want to be sure of what's going to happen to themselves and their families. Please do all you can to help provide this certainty for them.

VETERANS HEALTH CARE

Integrated Electronic Health Record (iEHR): About this time last year, I recall VA Secretary Eric Shinseki and then DoD Secretary Leon Panetta pledging to Congress that their departments would work together to develop a "single, joint, common Integrated Electronic Health Record" by 2017. Unfortunately it appears this goal remains elusive. Conceived as a simple goal to improve the care of Veterans, this is something seemingly well within the grasp of modern technology but over the past several years has consumed billions in taxpayer dollars. At last word, DoD and VA were abandoning their joint effort, choosing instead to "strike it out on their own". This action left Veterans wondering why the two departments were throwing in the towel on this important endeavor. This is not the first time the two departments have stepped back from an effort like this. Plans to create an iEHR go back to the mid 1980s at least. Numerous times this effort has been set aside usually followed by a new pledge, publically and with vigor, that the two Secretaries will "resolve this problem once and for all." Eventually the superfluous hype begins to lose its meaning and it is time for action.

In the end it all boils down to leadership, or the lack thereof. If DoD and VA are truly committed to making the joint electronic health record a reality, we would have one by now. Civilian healthcare systems have one, why can't we? An iEHR remains critical for continuity of health care, VA claims processing, transparency, and because of the enormous demand for mental health care and other medical services arising from the drawdown of forces in Afghanistan and scheduled cuts in our Armed Forces. *AFSA recommends the Committees' continue to press both departments for a comprehensive review of the accomplishments, current plans and future of the integrated Electronic Health Record project, and urge them to re-commit to the successful completion of an iEHR at the earliest practicable date.*

Suicide Prevention and Mental Health Services: The mental health of our courageous men and women who have served the Nation should be the highest priority for VA, and even one suicide is one too many. The increasing loss of Veterans to suicide is arguably the most challenging issue facing the VA, but in reality, suicide prevention is everyone's business. Nationally, suicide is a growing American problem and we need some honest information about the nature and extent of the problem—particularly where it involves Veterans. Confusing data about Veteran suicide is published with great regularity, and some of it appears to be a deliberate skewing of the facts. For instance, a myth exists that most Veterans who commit suicide are younger Veterans but current data shows the average age of a male Veterans who took their own life was 59.6 years of age; consistent with the national percentage of non-veteran men of that age, according to VA data. Veteran suicide is a national tragedy made worse by the fact that the vast majority of Veterans that take their lives are not enrolled in VA health care. The department estimates that over a million uninsured Veterans could qualify for VA healthcare; but because they don't know, or are told misinformation, they may forego a lifetime of earned care and benefits. If we hope to make meaningful progress in preventing Veteran suicide, this problem must be addressed nationally, not just in VA.

In recent years VA has launched a number of initiatives to raise awareness among veterans. These include VA's 24/7 suicide prevention hotline which has proved to be effective by extending the department's reach to more at-risk Veterans. The department's media campaign has provided access to the National Suicide Crisis Line number to Americans nationwide, and suicide prevention coordinator outreach work has touched many community members, and VA employees and employee families. Vet Centers, which created by the work of these Committees, deliver psychiatric care in local communities, and coupled with peer support initiatives, each of these programs are making a difference.

Much more can be done. VA should pursue new ways to deliver mental health services, including establishing protocols with DoD to seamlessly transfer high risk service members with mental health or drug or alcohol abuse conditions directly (live hand-off) to a designated VA or partner provider prior to discharge from the military to ensure continuity of care. We ask you to support additional funding for collaborative, mid- and long-term research between DoD and VA on mental health care, and encourage you to conduct an oversight hearing to assess the effectiveness of implementation of Executive Order 13625, "Improving Access to Mental Health Services for Veterans, Service Members, and Military Families" and determine other actions that may be needed. Again, one suicide is too many. We need to do all we can to ensure the mental well-being of our Veterans before we can ever hope to curb the tragedy of Veterans taking their own lives.

Wounded Warriors: Thousands of service members have been wounded in action over the past twelve years. Thousands of others have suffered service-connected illness and injuries in related support actions. As a Nation, we have no greater responsibility than to care for our warriors now suffering from the maladies of war. We are pleased high levels of funding for Wounded Warrior care and hope this trend never wanes. Continued emphasis and funding is needed for VA programs that address Traumatic Brain Injury (TBI) and Post-Traumatic Stress Disorder (PTSD), the two "*signature injuries*" of the most current conflicts. Oftentimes TBI and PTSD do not produce visible signs until long after the battle is over. Nor are they easy to treat. There is no "one size fits all" treatment and VA must research and ensure a variety of effective ones are readily available. At the same time, greater numbers of Veterans are returning from the battlefield with significant visual and auditory-impairments. We are concerned that VA may not have adequate resources to address the influx of Veterans with auditory and visual disabilities, and believe this area of care merits further study by these Committees.

Care for Women Veterans: We applaud the actions of your Committees in recent years for championing women Veteran issues! The unique health care requirements of women Veterans must be addressed with a sense of higher urgency from Congress. According to a recent VA Fact Sheet, the total Veteran population in the United States and Puerto Rico, as of September 30, 2013, was 21,972,964. The population of women Veterans numbered 2,271,222. Currently, women make up more than 19 percent of the active duty Air Force and approximately 21 percent of the Air Force Reserve. We

currently have more than 214,000 women serving in the DoD today, many of whom served in Iraq and Afghanistan. Of those who have served, VA estimates that more than 40 percent have already enrolled for healthcare, a percentage that is expected to double in the next 20 years. They too, suffer from the same effects of battle as many of their fellow male service members; such as PTSD, TBI, and Wounded Warrior issues that come with wearing the uniform. While these and many other conditions are indiscriminate of sex, the fact remains that there are needs unique to females in and after service. As the number of women Veteran's increases, VA must not only be funded accordingly to meet their specific health care needs, but program developments must also match the shifting demographic.

Defense Centers of Excellence: VA should actively support the efforts of many Defense Centers of Excellence (DCOE) which have been created to address specific areas of military related medicine. Their participation with each of the individual DCOE's will contribute to the diagnosis and treatment of the many types of severe injuries Veterans are experiencing as a result of the conflicts in Iraq and Afghanistan.

Family Caregivers: Thanks to the past work of the Committees, catastrophically disabled OEF/OIF veterans whose spouses serve as primary care givers, receive additional allowances due to the severity of their service-connected multiple disabilities. Spouses who are full-time caregivers are precluded from earning a retirement or Social Security benefits in their own right. However, when the Veteran dies, the surviving widow's income is reduced to the same Dependency and Indemnity compensation rate that other surviving spouses of veterans receive when the death was service connected. The percentage of replacement income can be as little as 15 percent whereas the income replacement of other federal survivor benefit plans is closer to 50 percent. To ensure fairness, AFSA recommends the Committees increase the income replacement rate for widows of catastrophically disabled Veterans to a more appropriate level.

At the same time, AFSA strongly supports the full expansion of the caregiver program to include Veterans of other engagements. There should be 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 we encourage Congress to pass legislation that expands caregiver benefits to Veterans of all eras.

Support the judicious use of VA-DoD sharing arrangements: AFSA supports the judicious use of VA-DoD sharing arrangements involving network inclusion in the DoD health care program, especially when it includes consolidating physical examinations at the time of separation. It makes no sense to order a full physical exam on your retirement from the military and then within 30 days, the VA orders its own complete physical exam with most of the same exotic and expensive exams. The decision to end that duplication process represents a good, common-sense approach that should eliminate problems of inconsistency, save time, and take care of Veterans in a timely manner. Initiatives like this will save funding dollars. However, AFSA recommends that these Committees closely monitor the collaboration process to ensure these sharing

projects actually improve access and quality of care for eligible beneficiaries. A word of caution, DoD beneficiary participation in VA facilities must never endanger the scope or availability of care for traditional VA patients, nor should any VA-DoD sharing arrangement jeopardize access and/or treatment of DoD health services beneficiaries. The VA and DoD each have a lengthy and comprehensive history of agreeing to work on such projects, but follow-through is lacking. We urge these Committees to encourage joint VA-DoD efforts, but ask you to exercise close oversight to ensure such arrangements are implemented properly.

Support VA Subvention: With more than 40 percent of Veterans eligible for Medicare, VA-Medicare subvention is a very promising venture, and AFSA offers support for this effort. Under this plan, Medicare would reimburse the VA for care the VA provides to non-disabled Medicare-eligible Veterans at VA medical facilities. This funding method would, no doubt, enhance elderly Veterans' access to VA health care and enhance access for many Veterans.

Other Healthcare Issues: Other Veteran's health-care issues not addressed in this statement but included in our Associations top priorities are:

- **Limit user fees and prescription co-pay increases at VA medical facilities**
- **Require the VA to accept licensed civilian medical/dental provider prescriptions**
- **Pursue the VA to have chiropractic care where possible**

GENERAL VETERANS ISSUES

Disability Claims and Backlog: As the saying goes the biggest house in the room is the room for improvement and nowhere in VA does this adage hold more truth than in the area of claims processing.

When I addressed the Committees last March there were more than 1.5 million total claims pending (initial, secondary, appeals, education, pension, etc.). While down somewhat, today that figure remains above a million. To their credit, VA processed a record number of claims last year and for a while they were making great progress but it has been unable to catch up to the rising demand. With the prospect of thousands of service members being forced to separate in the near future, this problem is likely to get worse before its gets better. Frankly this disturbs me because access to VA health care and compensation and pension benefits are the lifeline for many Veterans with significant disabilities and eligibility for these programs begin with the claims process. AFSA supports a comprehensive, integrated strategy for improving the claims-management system with primary emphasis on quality decisions at the initial stage of the process. I don't profess to be an expert here, but I am aware larger VSOs have already made recommendations to these Committees in this area—changes our

organization can and will support. One suggestion I have lies in the area of the accuracy of claims processing because we should be focused on the “*quality*” of claims, not just the “*quantity*.” I’m told the accuracy rate of completed claims at some of VA’s regional facilities barely eclipses 50 percent where at others it reaches upwards of 90 percent or more. The latter facilities clearly have a winning model that should be benchmarked across the entire department. Instead of throwing more resources (money, people) at facilities with less than satisfactory ratings, we should bolster capacity at facilities with high performance ratings, and shift some of the workload there.

Transition Assistance Program: Nothing says, “*Welcome Home,*” like a job. To ensure Veterans have this information, we support programs that ensure transitioning service members to receive information about employment opportunities and or enhance their employability in the civilian sector. One such program, the “*VOW To Hire Heroes Act*” made the Transition Assistance Program, or TAP as it’s commonly referred to, mandatory for service members. This interagency workshop is coordinated by the DoD, Department of Labor (DoL) and VA to help them secure meaningful employment at the end of their service. Recently, the American Taxpayer Relief Act of 2012 (ATRA) extended the Work Opportunity Tax Credit (WOTC)—an important component of the VOW Act extended the WOTC for tax-exempt organizations hiring qualified Veterans before January 1, 2014. Further extensions are necessary, and I understand Chairman Sander’s Omnibus bill includes language to do that. We encourage you to monitor important transition programs to ensure they provide Veterans with information and tools that are current, relevant and useful for successful transition into the civilian sector. Greater emphasis on the participation of military spouses should also be considered, because they too play a key role in the successful transition of the entire military family.

Policy Consistency: We appreciate your Committees’ efforts to reduce the pervading feeling among Veterans that our government’s approach to providing adequate service to an ever-growing number of Veterans is to shrink the number of patients by excluding more classes of Veterans. Please continue to resist any effort that limits Priority 8 Veterans who deserve to have the VA option available to them.

Provide a Written Guarantee: Many Veterans are frustrated and disappointed because existing programs they thought they could depend on have been altered or eliminated due to changing budget philosophies. That has created a perception among service members and Veterans that the covenant between the nation and the military member is one-sided--with the military member/Veteran always honoring his/her obligation, and hoping that the government does not change the law or the benefits upon which they depend. We urge your Committees to support a guarantee in writing of benefits to which Veterans are legally entitled by virtue of their service. This would demonstrate that the government is prepared to be honest and consistent with its obligation to its service members and “*Keep America’s Promise to America’s Military* “

State Veterans Homes: The State Veterans Home program has proven itself to be the most cost-effective source of high quality long-term health care services for the nation's Veterans who need skilled nursing, domiciliary, adult day health care and other specialized programs to meet their needs. The cost of providing care at these facilities is roughly half of what it cost for VA. These Committees were instrumental in passing the "Honoring America's Veterans and Caring for Camp Lejeune Families Act of 2012" which authorized the VA to enter into contracts or agreements with State homes, to pay for nursing home care provided to certain Veterans with service-connected disabilities. This provision was authored by Ranking Member Michaud and Chairman Miller and on behalf of the thousands of Veterans residing in these homes, I thank you for this important quality of life change.

Additional savings are possible by allowing similar reimbursement of adult day health care services at State Veteran Homes. Adult day care is integral part of the continuum of care for our Veterans and this change would help to preserve their individual choice and independence. Currently only three states have adult day health care programs within their facilities but plans are in the works at other state homes to provide this care in the future. The VA is already reimbursing community nursing homes for adult day health care to service-connected disabled Veterans nationally and the department has established a prevailing rate for skilled nursing care at all State Veterans Homes. Therefore we recommend that the VA reimburse all State Veterans Homes providing adult day health care at 65 percent of the prevailing rate for a daily visit. And we urge the VA to include adult day health care under the existing VA-SVH provider agreements thereby providing full cost of care to Veterans with service-connected disabilities. The long overdue regulation in this area is hampering State Veterans Homes from full implementation. Why does it take the VA nearly 4 years to write a regulation?

On a related matter, every state operates at least one State Veterans Home, and more are planned or projected annually to meet a growing demand of long term care programs and facilities for American's elderly, sick and disabled Veterans. Subchapter III of Chapter 81, Title 38, United States Code, authorizes the State Extended Care Facilities Grant Program, funded by VA through congressional appropriations, to assist the States through grants for construction of new State Veterans Homes and for significant renovations of existing facilities, at a cost not to exceed 65 percent of the total cost of any such project proposed by a State and approved by the Secretary of Veterans Affairs. Currently there are over \$3 million in Priority One projects and millions more in grant applications awaiting funding, but last year the Administration requested only a fraction of funds needed for these programs. It doesn't take a rocket scientist to figure won't get the State Veterans Home program where it needs to be at that rate. This Association simply asks that you consider providing a greater level of funding for the program in the coming year, at least \$100 million in order for the Department of Veterans Affairs and several states to help reduce the structural backlog of worthwhile projects.

Protect VA Disability Compensation: Despite being clearly stated in law, Veterans' disability compensation has become an easy target for former spouses and lawyers seeking money. This has been allowed to transpire despite the fact the law states that

Veterans' benefits "shall not be liable to attachment, levy, or seizure by or under any legal or equitable process, whatever, either before or after receipt by the beneficiary." Once a rare occurrence, we hear this is happening with increasing frequency. Now is the time to consider enactment of a specific probation to preclude the award of VA disability dollars to former spouses or third parties during civil proceedings.

Homeless Veterans: Fighting in a war can be a harrowing experience, but imagine coming back and not being able to find a home. Although flawless counts are impossible to come by, the Department of Housing and Urban Development (HUD) estimates that 57,849 Veterans are homeless on any given night—down from about 62,619 one year ago. Over the course of a year, approximately twice that number may experience homelessness. Only 7 percent of the general population can claim Veteran status, but nearly 13 percent of the homeless adult populations are Veterans. Of particular concern are those who have young children—many of the women Veterans because we understand their numbers are increasing. Another at risk group are younger vets—those who have served in Iraq and Afghanistan because unemployment rates in this group are much higher than the National average. Approximately 12,700 veterans of Operation Enduring Freedom (OEF), Operation Iraqi Freedom (OIF) and Operation New Dawn (OND) were homeless in 2010. The number of younger homeless Veterans is increasing, and they constitute about 8.8 percent of the overall homeless Veteran population.

The VA is taking decisive action to end Veteran homelessness by 2015 and it is clear their efforts are having a positive effect on this problem. Thanks to your efforts, the department has more resources to provide opportunities for Veterans to return to employment which is an important element in preventing homelessness. Compensated Work Therapy (CWT) is comprised of three unique programs which assist homeless Veterans in returning to competitive employment: Sheltered Workshop, Transitional Work, and Supported Employment. Veterans in CWT are paid at least the federal or state minimum wage, whichever is the higher. The Homeless Veteran Supported Employment Program (HVSEP) provides vocational assistance, job development and placement, and ongoing supports to improve employment outcomes among homeless Veterans and Veterans at-risk of homelessness. Formerly homeless Veterans who have been trained as Vocational Rehabilitation Specialists (VRSS) provide these services.

In terms of providing direct housing support, VA's Homeless Providers Grant and Per Diem Program provides grants and per diem payments (as funding is available) to help public and nonprofit organizations establish and operate supportive housing and service centers for homeless Veterans. This important partnership goes far in reducing the number of homeless vets on our streets each night. The HUD-VA Supportive Housing (VASH) Program is a joint effort between the Department of Housing and Urban Development and VA. HUD has allocated nearly 38,000 "Housing Choice" Section 8 vouchers across the country. These vouchers allow Veterans and their families to live in market rate rental units while VA provides case management services. The Acquired Property Sales for Homeless Providers Program makes all VA foreclosed properties available for sale to homeless provider organizations—at a 20 to 50 percent discount—

to shelter homeless Veterans. And the Supportive Services for Veteran Families (SSVF) Program provides grants and technical assistance to community-based, nonprofit organizations to help Veterans and their families stay in their homes. VBA's Acquired Property Sales for Homeless Providers makes all of the properties VA obtains through foreclosures on VA-insured mortgages available for sale to homeless provider organizations at a discount of 20 to 50 percent, depending on time of the market. VA's Health Care for Homeless Veterans (HCHV) Program offers outreach, exams, treatment, referrals, and case management to Veterans who are homeless and dealing with mental health issues, including substance use. Offered at 135 facilities nationwide, this program and others like it are helping to meet the healthcare needs of our homeless Veterans.

More can be done and will be needed if we truly hope to eradicate the Nations homeless program once and for all. The most effective programs for homeless and at-risk Veterans appear to be community-based, nonprofit, "Veterans helping Veterans" groups and greater focus needs to be placed on expanding these opportunities. Veterans who participate in these types of collaborative programs are afforded more services and have higher chances of becoming tax-paying, productive citizens again. More can be done and will be needed if we truly hope to eradicate the Nations homeless program once and for all.

Legitimate, Sincere Veterans Preference: Commendable moves in recent years by VA and DoL have enhanced the job preferences available to Veterans. However, we need to ensure that OPM guidelines that allow selective hiring practices within the federal government are removed. Some Veteran applications are never even considered for employment in the federal government, due to allowed restrictive qualification wording and narrowed hiring practices. We continue to urge your Committees to support any improvement that will put "teeth" into such programs so that those who have served have a "leg up" when transitioning back into the civilian workforce.

Additionally we hope these Committees will look at ways how the additional 5 Veterans preference points given to disabled Veterans can be extended to those who are clearly eligible, but do not yet have a completed claim by VA. Wounded Warriors aside, if a military member stood before you, absent an arm as a result of their military service, why on God's green earth do they need to fill out paperwork to prove there are a disabled Vet and entitled to the full 10 points? Current statues require a determination by VA before the additional points can be given. With claims processing taking years to complete, that's an awful long time to make someone wait for the addition consideration. It's unnecessary and this simple action would complement the work of the Administration and these Committees to enhance employment opportunities for our Veterans.

Concurrent Receipt: AFSA continues its advocacy for legislation that provides concurrent receipt of military retired pay and Veterans' disability compensation for all disabled retirees without offset. In accordance with current law, retirees with 50 percent or greater disabilities were receiving their full retired pay and VA disability as of January 1st of this year. Congress should now focus on eliminating this unjust offset for Veterans with lesser disabilities and in particular, individuals who were medically retired with less than 20 years of service due to a service-connected illness or injury. They are not treated equally! Currently 3 bills are pending in the 113th Congress to address this issue. They are: H.R. 303, H.R. 333, and S. 234 by Representative Gus Bilirakis (R-FL), Representative Sanford Bishop (D-GA), and Senate Majority Leader Harry Reid (D-NV) respectively. I understand the issue of concurrent receipt actually falls under the purview of the Armed Services Committees, but it is so closely linked with the efforts of these Committees, I urge you to support it as well.

Veterans Status for Certain Reserve Component Members: AFSA supports full Veteran status for Reserve component members with 20 years or more of service, who do not otherwise qualify for Veterans status under current law. Due to military funding and accounting protocols, many reservists performed operational missions during their careers but the orders purposely were issued under other than Title 10 authority to comply with funding and accounting protocols. Ironically, these career reservists have earned specified veterans' benefits, but they can't claim that they are veterans—at least not by the letter of the law. H.R. 679, the "Honor America's Guard-Reserve Retirees Act of 2013" introduced by Representative Tim Walz (D-MN) and Senate companion measure S. 629 by Senator Mark Pryor would address this issue this legislation would not cost a penny; it does not extend any benefit to these individuals that they have not already earned. It simply bestows upon them the honorarium of being called a Veteran. S. 1982 the Veterans omnibus measure by Chairman Sanders contains similar language and I urge Members of Congress to take a hard look at this legislation and stop denying these individuals the dignity of being called a Veteran.

Retirement Benefits: In recent years, the President, some Members of Congress and many senior civilian leaders repeatedly said they will "not balance the budget on the backs of Veterans." Despite this pledge, the Bipartisan Budget Agreement approved in December 2013 reduced annual cost-of-living allowance (COLA) increases for working age Veterans and surviving spouses. We appreciate the efforts of these Committees to reverse these cuts for the majority of Veterans, but anyone who enlists as of January 2014 will continue to see a drop in their COLAs. We question the logic of this decision because the world will remain a very dangerous and unpredictable place even after America ends its involvement in Afghanistan, and future military retirees will be required to serve just as long and perhaps sacrifice even more than their predecessors. That said, we hope you will continue to fight for a full repeal of the COLA penalty.

With roughly 20 percent of Congress having served in the military, the Legislative Branch far exceeds the National average in that only 1 percent of US Citizens have served in the military. Unfortunately that means that 80 percent of Congress and 99

percent of the Nation don't understand one subtle, but ever so important nuance of military service.

A Veteran is someone who has dedicated their life to their country.

A military retiree is a Veteran who has dedicated a lifetime.

A military retiree should be treated as a National treasure and senior military leaders often speak of the importance of "keeping the faith" with military members - particularly where **earned benefits** are concerned. Benefits like retired pay and healthcare. Right now, Airmen are asking "Where is the faith?" And they are looking to you, the Members of Congress, to provide that answer. A large portion of the success of the all-volunteer force can be directly attributed to the benefits we provide military members in return for their service and sacrifice, regardless of length. It will only serve to undermine long-term retention and readiness when current service men and women hear the talk of how their predecessors...the Veterans, the military retirees, the National treasures...might get treated by their country instead of fulfilling their promised benefits.

Stolen Valor of 2013: Those who serve our country in uniform take a solemn vow to protect this nation and put their lives on the line so we can continue to enjoy the freedoms we have today. They deserve our honor; our respect, our support and our prayers but they do not deserve to have their service and sacrifice devalued and desecrated by impostors. Too many in this country wrongfully claim military service or high military honors in order to garner unearned benefits like a job, a donation, political favors or a scholarship for their children. We applaud last year's passage of legislation by Representative Joe Heck (R-NV) and Senator Dean Heller (R-NV) to help keep these scammers in check by making it illegal to profit from lying about military service. AFSA members are pleased that the valor and integrity of our military awards, along with the men and women who have earned them, are once again protected by law

POW/MIAs: AFSA remains committed to provide the fullest possible accounting of missing military members from all past and future military actions, and promotes international compliance in recovery efforts. We urge the members of these Committees to fully support efforts to account for Americans who are listed as Prisoners Of War (POW), or Missing in Action (MIA). Over the past year there have been many embarrassing revelations and unflattering reports about Joint POW/MIA Accounting Command (JPAC) and the Defense POW/Missing Personnel Office, the two agencies with primary responsibility for recovery and identification efforts. These claims are bolstered by a Government Accountability Office audit released in July 2013 which cited leadership failures and bureaucratic infighting as problems plaguing Pentagon recovery and identification efforts. Congress **should** establish a Select Committee on POW/MIA Affairs. This Select Committee would investigate all unresolved POW/MIA cases, hold hearings on POW/MIA issues, and look for ways to better identify, search for, and return remains of fallen service members. Currently there are more than 83,000 Prisoners of War (POW) or Missing in Action (MIA) who are either unaccounted for or still missing.

Full accounting of those MIA is not just a term for us, it is a commitment to the memory of those missing in action and their families. We, as a Nation, owe these families our very best efforts to account for all missing members of our Armed Forces.

SUPPORT OF SURVIVORS

SBP/DIC Offset: With current military deployments and increasing casualties, it is imperative that we plan to properly take care of those who may be left behind if a military member makes the ultimate sacrifice. We commend these Committees for previous legislation, which allowed retention of Dependency and Indemnity Compensation (DIC), burial entitlements, and VA home loan eligibility for surviving spouses who remarry after age 57. However, we strongly recommend the age-57 DIC remarriage provision be reduced to age 55 to make it consistent with all other federal survivor benefit programs.

We also endorse the view that surviving spouses with military Survivor Benefit Plan (SBP) annuities should be able to concurrently receive earned SBP benefits and DIC payments related to their sponsor's service-connected death. In multiple Congresses, a majority of House and Senate members acknowledged they share the view, but a solution continues to elude us. SBP-DIC offset repeal remains our #1 focus item for survivors. We thank Congressman Joe Wilson, (R-SC) for introducing H.R. 32 in the 113th Congress which addresses this issue as well as the 192 cosponsors who have already endorsed this effort. We extend the same appreciation to Senator Bill Nelson (D-FL) for his Senate companion bill; S. 734, and the 32 members of the chamber supporting this legislation. I challenge the members of these Committees to work with your colleagues in the House and Senate Armed Services Committees to end the SBP-DIC offset in 2014. Even in a budget-constrained environment, fair treatment for survivors of service members who gave their lives for their country must not be given such a low funding priority.

Dependency and Indemnity Compensation (DIC) Equity: VA's Dependency and Indemnity Compensation, which is paid to survivors of those who paid the ultimate sacrifice, is set at a flat rate for all. AFSA believes DIC rates should be established at 55 percent of the compensation paid to 100 percent service-disabled Veterans, placing them on equal footing with the survivors of disabled civil service employees.

Special Survivor Indemnity Allowance: The fiscal year 2008 NDAA (Public Law 110-181) created the Special Survivor Indemnity Allowance (SSIA) for surviving spouses' whose military Survivor Benefit Plan (SBP) annuities were being offset, in whole or in part, by Dependency and Indemnity Compensation (DIC) which are paid by the VA. It also applies to the widows of members who died on active duty whose SBP annuity is partially or fully offset by their DIC. Congress approved this legislation in lieu of repealing the SBP/DIC offset.

SSIA began as a \$50 monthly payment on October 1, 2008, and was scheduled to increase by \$10 each year through 2013 when the benefit expired. In 2009, a provision

in the Family Smoking Prevention and Tobacco Control Act (Public Law No: 111-31) extended the allowance another five years and increased projected monthly rates. Provisions in the House version of FY 2012 NDAA would have extended the benefit through 2021, and raise monthly rates slightly through FY 2017, but the provision was dropped in Joint Conference. Needless to say we were disappointed with this action and continue to call on Members of Congress to eliminate this unjust offset altogether.

CHAMPVA Dental Plan Participation: AFSA supports a plan that allows Survivors qualified for CHAMPVA health care to be allowed to enroll in a proposed CHAMPVA Dental program. The proposal, which is modeled on the TRICARE Retiree Dental Plan, would have no PAYGO offset requirement since it would be fully funded by enrollees' premiums.

Final Paycheck: Finally, it is time to end the government's practice of electronically withdrawing the last full month paycheck of military retirees upon their death. Automatically withdrawing these funds can inadvertently cause essential payments to bounce and place great financial strain on a beneficiary already faced with the prospect of additional costs associated with their loved one's death. H.R. 1360, the "Military Retiree Survivor Comfort Act" introduced by Representative Walter Jones, (R-NC) would allow survivors to retain the full month's retired pay for any month the retiree was alive for at least 24 hours. To offset the cost associated with his proposal, a provision of the bill would delay the first SBP annuity payment until the month after the retiree dies. Congress passed a similar law in 1996 allowing surviving spouses to retain Veterans disability and VA pension payments issued for the month of the Veteran's death. AFSA strongly believes military retired pay should be treated no differently.

CEMETERIES

National Cemeteries: VA's National Cemetery Administration (NCA) is responsible for providing final honors to many of our nation's Veterans. Thanks to your efforts, many expansion projects and construction projects have been completed, are underway or are being planned to ensure everyone who served this nation in uniform has a final resting place. We encourage your continued oversight of the National Cemetery Administration to ensure the Nations solemn obligations in this area are maintained.

Clark Veterans Cemetery: We applaud last year's passage of legislation authored by Senator Kelly Ayotte (R-NH) that authorized the restoration of the Veterans Cemetery at former Clark Air Force Base in the Philippines and places it under the care of the American Battlefields Monuments Commission (ABMC). More than 8,000 American Veterans and their families are interred at this cemetery which fell into disrepair after the US returned the base to the Philippine government in 1991. For years it was an abandoned and forgotten American Military Cemetery with over a hundred years of history as rich as any other of our nation's military cemeteries. The US and Philippine governments recently signed a long-awaited memorandum of understanding (MOU) that will govern cooperation between the two nations in the restoration, operation, and maintenance of the cemetery. We understand some funding considerations may

remain and we will be quick to alert you if they do. I would especially like to thank Senator Ayotte for aggressively pursuing this initiative as well as Chairman Miller, Vice Chair Bilirakis and Representative Walz for raising awareness of the problems at the Clark Cemetery by visiting and assessing the site first-hand. The Clark Veterans Cemetery is sacred ground, and the brave Americans who are buried there deserve the dignified and well-maintained final resting place your efforts will provide in the years to come.

EDUCATION

Post 9/11 GI Bill: Arguably the best piece of legislation ever passed by Congress in recent times and thanks to the efforts of many of you here, the Post-9/11 GI Bill (Chapter 33) is providing unprecedented educational opportunities for thousands of men and women who served in uniform since 9/11 and many of their family members. Last year VA provided educational benefits to nearly a million students with more than half of the recipients receiving their education via the Post-9/11 GI Bill.

AFSA asks the Committees to consider other potential improvements to the Post 9/11 GI Bill these include:

- Authorizing in-state tuition rates for all non-resident student Veterans enrolled in public colleges and universities;
- Allowing use of Post 9/11 benefits to cover costs required in the pursuit of a degree;
- Expanding the VetSuccess On Campus program so that more Veterans can get benefit from academic and career counseling support;
- Amending the educational counseling provisions in Chapter 36, 38 U.S.C. to mandate such counseling via appropriate means, including modern technologies, and permit Veterans to opt out of the program;
- Raising the \$6 million cap in the counseling provision to meet the enormous demand of new GI Bill enrollments; and
- Requiring all programs receiving funding under the GI Bill be “Title IV” eligible. In other words, post-secondary academic programs should be required to meet Department of Education accreditation and other requirements

Providing in-state tuition rates at federally supported State universities and colleges—regardless of residency requirements, is an important goal for AFSA due to the mobile nature of the military. Because they move so often, Veterans and their families often have a difficult time establishing residency for purposes of obtaining in-state tuition rates. We applaud last month’s unanimous decision by the House to approve Chairman Jeff Miller and Ranking Member Mike Michaud’s, H.R. 357, which would force schools to ease such residency rules for vets or risk losing GI Bill eligibility entirely. We hope Congress finalizes the effort to ensure student Veterans attending public schools receive a reasonably-priced education at the public school of their choice—just as the Post-9/11 GI Bill intended them to do.

Education Benefits for Survivors and Dependents: VA's Survivors & Dependents Assistance (DEA) Program (Chapter 35) provides education and training opportunities to the spouse and eligible children of certain Veterans. Whereas most VA educational programs increased payment rates in recent years, the DEA program has not. As a result, the value of this benefit continues to erode as college costs continue to climb. Congress should boost these rates to closely match the current cost of a four-year public university.

The Gunnery Sergeant John D. Fry Scholarship Program: Established by an amendment to the Post-9/11 GI Bill, the Fry Scholarship program made Post-9/11 education benefits available to the children of service members who die in the line of duty after Sept. 10, 2001. Unfortunately, surviving spouses are ineligible for "Fry Scholarships." At the time the legislation was under consideration, no one stopped to think that the surviving spouses themselves would need a robust benefit in order to attain the skills and education to provide for their children and prepare them for college. Senator Jeff Merkley's (D-OR) "*Spouses of Heroes Education Act*," S. 1039, and corresponding House companion measure, H.R. 3441, offered by Representative Dina Titus (D-NV) seek to extend these benefits to surviving spouses. Bearing in mind we can never fully repay the debt we owe to the spouses of our heroes who made the ultimate sacrifice. Last year hearings held and at the time all seemed to agree this is something that should be done. We can never fully repay the debt we owe to the spouses of our heroes who made the ultimate sacrifice, but we can ensure that they are able to go back to school and provide a foundation for their families. Let's not delay this any further, and commit to passing this important change in 2014.

CONCLUSION

Chairman Sanders, Chairman Miller, in conclusion, I want to thank you again for this opportunity to express the views of our members on these important issues as you consider the FY 2015 budget. We realize that those charged as caretakers of the taxpayers' money must budget wisely and make decisions based on many factors. As tax dollars must be prioritized, the degree of difficulty deciding what can be addressed, and what cannot, grows significantly. However, AFSA contends it is of paramount importance for a nation to provide quality health care and top-notch benefits in exchange for the devotion, sacrifice, and service of military members during their prime adult working years, particularly while the nation remains at war. So too, must those making the decisions take into consideration the decisions of the past, the trust of those who are impacted, and the negative consequences upon those who have based their trust in our government.

We sincerely believe the work the House and Senate Veterans' Affairs Committees do is among the most important on the Hill. Year after year, these two Committees have illustrated the value of non-political cooperation with the full focus of your efforts on the well-being of those who have served and are serving this nation. On behalf of all AFSA members, we appreciate your efforts and as always, we stand ready to support you in matters of mutual concern. Respectfully submitted this 12th day of March, 2014. (End)