

STATEMENT OF SENATOR LARRY E. CRAIG

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**"Wounded Warrior" Insurance: A first look at a new benefit for traumatically injured servicemembers**

Good morning, ladies and gentlemen. The Committee on Veterans' Affairs will now come to order.

Today's hearing is titled: "Wounded Warrior" Insurance: A first look at a new benefit for traumatically injured servicemembers.

As the hearing's title suggests, this is our first opportunity to hear testimony about the traumatic injury protection under Servicemembers' Group Life Insurance benefit, or "TSGLI". More importantly, it is the Committee's first chance to examine whether this program ? barely in operation for a year -- is working as intended.

I refer to this benefit as "Wounded Warrior" insurance for two reasons: First, because it was conceived for the benefit of America's warriors, our men and women in the military who bear the brunt of terrorist attacks that would otherwise be targeted at you, me, or our loved ones. Second, because three young Wounded Warriors of Operation Iraqi Freedom brought the need for this insurance program to my attention.

The three Army veterans met with me in my office in April of last year. One had lost a leg in combat. The second had lost two legs. And the third had lost his sight. They all had spent a considerable amount of time recovering from their traumatic wounds at Walter Reed Army Medical Center. They told me of the financial hardships that wounded servicemembers and their families endure during the lengthy recovery process. They talked about spouses or parents who quit work to be with wounded servicemembers during their convalescence, and bills mounting up from expenses both back home and from living away from home.

They asked that I introduce legislation to create an insurance benefit that would help to bridge the gap in financial assistance servicemembers received from the time of their injuries to the time of their rehabilitation and recovery. And that is what I did. Working with Senator Akaka, who immediately joined me as a sponsor of the legislation, their idea became law in a little over a month.

Legislation typically isn't enacted so swiftly without there being a lot of help along the way. Senior VA and DoD officials immediately answered the call by providing bill drafting assistance and by making their support known early and publicly. What has resulted from all of our collective efforts is that nearly 2,700 servicemembers with traumatic injuries have received payments ranging from \$25,000 to \$100,000 under the wounded warrior insurance program.

They come from every State in America, including 18 who are from Idaho. These are brave men and women who have lost limbs; who are deaf or blind; who are paralyzed or severely burned; or who may still be suffering the effects of a traumatic brain injury. With injuries of this magnitude,

they and their families must be allowed to focus on rehabilitation and recovery, and not on how they'll make the next rent payment or pay the power bill. Wounded Warrior insurance helps to make that possible.

Today the Committee will consider questions that should routinely be asked of any government program: Is the program meeting the intended need and having its intended effect? How well is it being administered? How can it be improved? We have witnesses here today with intimate knowledge of the wounded warrior insurance program who will help us with the answers to these questions.

For my part, there are three elements to the benefit that I consider to be essential if it is to meet its intended purpose:

- 1. Eligible servicemembers must be identified quickly so that payment can be made immediately. Delay in payment would defeat the program's purpose**
- 2. The list of covered injuries must be relatively straightforward so that eligibility may be established expeditiously and not be delayed through a lengthy, drawn-out adjudication process**
- 3. Cooperation between VA , DoD, and the individual military service branches must be present at all times so that seamless service may be provided to our wounded warriors.**

We have two panels of witnesses to help us with these questions today. On our first panel we are joined by the Honorable Michael Dominguez, Principal Deputy Under Secretary of Defense for Personnel and Readiness; and Mr. Thomas Lastowka, Director of the Veterans Benefits Administration's Insurance Service. Mr. Lastowka is accompanied by the Deputy Assistant Director of VA's Insurance Service, Mr. Steve Wurtz.

On our second panel we are fortunate to have Sergeant John Keith, a combat-wounded veteran of Operation Iraqi Freedom who was a recipient of a wounded warrior insurance payment. Sergeant Keith will share with us his personal story following his combat wounds through to his receipt of the payment.

Joining Sergeant Keith is Jeremy Chwat, Associate Executive Director, Policy and Service, of the Wounded Warrior Project. As all of you heard from my earlier remarks, the Wounded Warrior Project was instrumental in the conception of this benefit, so Mr. Chwat's testimony is particularly valuable.