

Ranking Member Larry E. Craig

Statement of Senator Larry E. Craig

Ranking Member, U.S. Senate Committee on Veterans' Affairs

Hearing on: Oversight of VA Adjudication Process

Good morning. Welcome to all of you. I would like to thank Chairman Akaka for holding this very important hearing on VA's claims processing and appeal system.

For the men and women who have served their country in the Armed Forces, we must ensure they are swiftly and properly compensated for any disabilities resulting from that service. This is particularly important during a time of war, when we have thousands of troops from Operation Iraqi Freedom and Operation Enduring Freedom separating from service each year.

Every disability claim is extremely important; however, as I have previously stated, I believe that -- during a time of war -- our focus must be on the needs of those returning veterans who for the first time are applying for their disability benefits.

That is why I asked VA at several hearings last Congress whether disability claims from those veterans were being processed by VA on a priority basis. At that time, VA was already providing expedited decisions to OIF/OEF veterans who became severely disabled during service.

But as we all know, some disabilities -- such as symptoms of traumatic brain injuries or mental health problems -- may not manifest until months after leaving service. So -- as you will hear today -- VA is now giving priority to disability claims from ALL OIF/OEF veterans, regardless of when their claim is filed. I think this is a significant improvement, and I commend Secretary Nicholson for instituting this policy.

That said, I think it is clear to everyone here that the system overall is struggling and that some veterans are waiting far too long for decisions.

In recent years, VA has taken a number of measures to try to improve this situation, by consolidating certain types of work, creating special teams, streamlining work processes, and instituting new training policies. There also has been a significant focus on hiring additional staff.

In fact, as you can see from the chart behind me, the size of the claims processing staff has been trending upward for the past 10 years. With the additional employees VA

has requested for fiscal year 2008, staffing will have increased 61% since 1997. Also during that period, funding for the compensation and pension service will have increased by 118%.

Despite those dramatic increases in staffing and funding -- and VA's other efforts to improve performance -- the number of pending cases has been rising and timeliness has been deteriorating. Although I hope that further increases in staff will help turn things around, I don't believe that simply adding more employees is a long-term solution to this problem.

For many years, experts have stressed that significant improvements may not be possible without fundamental changes to the design and operation of this system. In fact, in 1996 the Veterans' Claims Adjudication Commission concluded that "the problems with the existing system are so many and varied that it cannot be fine tuned into a system that will consistently produce timely and high-quality adjudicative products."

After years of struggling to improve the performance of the existing system, it may be time to acknowledge that those experts are correct -- that we need to make fundamental changes to the system before we will ever see true, lasting improvement.

In that regard -- as you can see from the chart behind me -- a number of specific reforms have been suggested over the years, such as closing the evidentiary record during the appeals process, offering lump sum payments to veterans with minimally disabling conditions, updating the disability rating schedule, and removing redundant procedural requirements.

It has also been suggested that VA could improve productivity and consistency by consolidating claims processing into fewer than 57 offices. Over the years, some offices have chronically under-performed, while others have routinely met or exceeded expectations. If veterans' would receive better service by shifting claims processing to higher-performing offices, that would seem to be an option well worth considering.

But, whether it is that recommendation or others, I hope the committee will take a serious look at what options we haven't tried yet -- options that may help ensure the long-term ability of the system to provide timely, accurate decisions to our nation's veterans.

Thank you all again for being here today. I look forward to an engaging discussion.

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