

**STATEMENT OF
LARRY A. POLZIN
DAV NATIONAL COMMANDER
BEFORE THE
COMMITTEES ON VETERANS' AFFAIRS
U.S. SENATE AND U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.
FEBRUARY 26, 2013**

Messrs. Chairmen and Members of the Committees on Veterans' Affairs:

It is indeed an honor and a privilege to appear before you today to present the legislative and policy agenda of DAV (Disabled American Veterans) for the coming year. At the outset, I want to welcome the many new Members of Congress, and to thank all the returning Members of these Committees on behalf of the more than 1.4 million members of DAV and our valued Auxiliary for the support you have given wounded, injured and ill veterans and their families and survivors.

DAV also wants to recognize our former Senate Committee Chairwoman Murray for her Committee leadership and her devotion to veterans' care. From her advocacy in improving mental health, to meeting the needs of the severely disabled and their family caregivers, to addressing the deficits in programs of care for women veterans, to maintaining the adequacy of VA's budget and overseeing VA's work, Chairwoman Murray applied a steady hand while accomplishing her goals and achieving the national goals of DAV. Although we will miss her leadership as our Chairwoman, we are very pleased that Senator Murray will remain an active Member of this important Senate committee as she takes the reins as Chairwoman of the Budget Committee. We at DAV want Senator Murray to know the high esteem in which we hold her and the work she did in this leadership position.

We also welcome Senator Sanders to the Chairmanship. He has been a valuable Member of the Committee since his election to the Senate, and we are confident Chairman Sanders will continue the record of service and support for America's wounded, injured and ill veterans, along with the return of Ranking Member Senator Burr. DAV also welcomes back Chairman Miller to his leadership position on the House Veterans Committee. Congratulations go out to Ranking Member Michaud on his election to his leadership position.

We believe that the interests of veterans will be well protected with the dedicated leadership on these Committees.

On a personal note, I want to let the Committees know at the outset that I am a service-connected, Vietnam-era veteran of the United States Marine Corps. I was assigned to the 1st Engineering Battalion, 1st Marine Division.

Messrs. Chairmen, my friend Don Samuels, my immediate predecessor as National Commander and I share an experience that most other DAV National Commanders do not: following our own military service we both became career DAV employees, and we both retired

from those full-time jobs. Working as a National Service Officer (NSO) I represented or supervised others representing tens of thousands of veterans before the government to ensure their rights and benefits were protected. I personally spent 25 rewarding years working for DAV in this capacity, and similar to immediate Past Commander Samuels, only after that time did I began working on the fraternal side of this great organization. Following my retirement from the DAV professional staff I became active in the California Department of DAV, serving in several line positions including my election as Commander, Department of California, in 1996. I have also been privileged to serve with others at the national level of DAV as a member of our National Executive Committee, and I have played additional roles on other key DAV committees at the department and national levels.

As an NSO I saw DAV from the inside-out, and as a National Commander I have helped shepherd DAV's work from the outside-in. DAV is not only a sentinel to ensure veterans' needs are respected and protected, but DAV maintains its primary focus on service, a mission we hold very dear. In this time of federal deficits and national debt, DAV is able to accomplish a very optimistic mission while not relying on the government for any funding at all – in fact we do not accept federal funding as a firm policy, but depend solely on the charitable generosity of the American people and corporate supporters. DAV is now 93 years strong; the American people have seen our value and are openly willing to continue supporting DAV and our work.

As a consequence of all of this experience within and around this great organization, I feel I gained a unique insight on DAV's goals, understand the logic of our focused mission, and know with certainty why DAV is a national asset.

As part of our mission we strongly support and supplement the work of the Department of Veterans Affairs (VA) through many of our programs. VA provides vital services in health, benefits, housing, insurance, employment, and many other services too numerous to detail here to the men and women who served our nation. Over the past several years we seem only to hear the negative stories related to VA, such as, "I have waited so long to get my disability claim decided," or "it took me weeks to get a health care appointment." DAV recognizes the flaws in the system, and we work hard to identify and correct them, but it is important for us to remember that the Veterans Health Administration (VHA) employs hundreds of thousands of dedicated staff who provide high-quality health care services to millions of veterans each year and saves the lives of veterans every single day; and VA's benefits arm improves the quality of life of every veteran who touches VA.

Messrs. Chairmen, from time to time we hear stories that suggest VA may be a "9:00 to 5:00" operation. I suppose it may be true in some cases where misunderstandings occur, or mistakes are made, but let me take a moment to relate a personal experience of mine that gave me a very different impression of VA and a very happy outcome for me and my family. Last June I was in Pittsburgh with fellow DAV members to attend the DAV Department of Pennsylvania state convention. When my convention duties were done, my wife and I had an early Sunday morning flight back to our home in California. Long before dawn, we were up and packed. As we made our way down to the hotel lobby with our luggage I became acutely ill. I was suddenly dizzy, disoriented, and unable to control my legs or even keep my balance. Frankly, I thought I might be having a stroke or heart attack. The next thing I knew, I was in an

emergency vehicle headed to a hospital. The EMT attending to me in the vehicle knew I was a veteran and asked if I preferred to be taken to the local emergency room or the Pittsburgh VA on University Drive. I learned later that Pittsburgh is one of several cities that allow veterans to choose VA for emergency services rather than other designated emergency receiving hospitals. Since I am enrolled at the Greater Los Angeles VA, and for many years have been highly satisfied with my care there, I told him to take me to the VA.

I had never been in the Pittsburgh VA facility or to any VA hospital in an emergency at 6 o'clock in the morning. On arrival at the University Drive facility, and not knowing what to expect so early Sunday morning, I was met by a team of VA physicians, nurses and technicians. After their quick but thorough assessment, blood work, X-rays, and scans, a young female physician informed me I suffered from two blood clots in my lower abdomen and leg, and that I needed surgery immediately. Of course I consented and was taken to the operating room shortly thereafter. By 11 o'clock that morning, I was in a state-of-the-art recovery room coming out of anesthesia, and I was fine. I truly believe those staff on duty at the crack of dawn that June morning saved my life. By the end of that week I was back on my feet and headed home to California; grateful that VA was there when I needed lifesaving emergency care, even on a Sunday morning.

So Messrs. Chairmen and Members, I hope that when someone says to you that VA is only a "9:00 to 5:00" operation – that veterans need not try to apply for care at night or on weekends – please recall my story, which I am certain is repeated many thousands of times a year at VA facilities all over this country. I received care from VA that morning that was second to none; care that saved my life. Without hesitation I would recommend VA health care to any veteran.

VA HEALTH CARE: A LIFESAVING HEALTH-MAINTENANCE RESOURCE

The nation needs to sustain a viable health care system for the lifetime of care that will be needed by thousands of wounded, injured, and ill veterans from current and prior wars. The federal resources provided to VA must be sufficient to meet the specialized needs of wartime veterans who suffered polytrauma, traumatic brain injury (TBI), amputations, blindness, burns, spinal cord injury, mental health challenges, and other terrible conditions brought on by war. Also, we must ensure that VA is prepared to handle the influx of new veterans streaming into the health care and benefits administrations while continuing to care for previous generations of wartime veterans.

Wartime service members, like many generations of veterans, enlisted in our military services for the good of the nation, to advance the liberty of strangers in foreign lands, protect our freedoms at home, and to keep our nation strong. The men and women who serve and their families make great sacrifices during military service and, for many, those sacrifices continue throughout their lives. They are put in harm's way because of the actions and decisions of our government; therefore, Congress and the Administration are responsible, morally and legally, for the well-being of veterans, their families and survivors. In our current overseas wars, more than 6,600 military personnel have died from wounds, illnesses, and accidents in Iraq and Afghanistan, and hundreds of thousands of service members have been wounded in action,

became disabled, or made seriously ill as a result of their service to our nation. After coming home, almost 700,000 of these veterans have appeared in VA facilities for health care or other attention. The men and women of DAV will continue to fight to ensure that our government fulfills its promises to them and to generations to come.

Messrs. Chairmen, DAV and the veterans we represent are grateful for the support that your Committees and Congress have provided to the VA health care system. VA has received substantial annual funding increases for its health care programs for a decade, and more importantly, VA has become one of the highest quality health care systems in the world. Yet, despite VA's successes, access problems continue to confront many veterans seeking care for certain conditions and at certain locations.

We call upon these Committees to vigorously provide oversight of VA to ensure that it is properly carrying out its mission to our nation's veterans and to their families and survivors. DAV wants funds provided by Congress to be used effectively by VA for direct medical care and support services, and not wasted or squandered. We remain committed to working with Committee Members and staff to report our concerns when we sense problems and to work with you to find solutions so that veterans may be better served.

The VA health care system, the VHA, is the largest direct provider of health care services in the nation. Many DAV members rely solely on this system for their lifelong care. Providing basic and specialized services is an integral component of VA's core mission of providing comprehensive veteran-centered health care. VHA conducts veteran-focused research and has developed expertise in the areas of blind rehabilitation; TBI; prosthetics services for veterans with limb loss; spinal cord injury/dysfunction services; post-deployment mental health challenges, such as post-traumatic stress disorder (PTSD); and war-related polytrauma injury care.

As DAV members we vigorously defend this unique system developed to care for those who have served our nation and its citizens. Each year we advocate for sufficient, timely, and predictable funding for VA to ensure it has the resources to fully carry out its mission and to protect, enhance, and strengthen the system that provides care to over six million veterans annually. We recognize and applaud the continued oversight by your Committees to improve the system and to ensure resources provided are spent wisely and focused on direct patient care. We fully support you in those efforts and want to do our part to help ensure a sustainable system for current and future generations of veterans who will need VA.

DECADES OF CHALLENGES AHEAD

There is no shortage of challenges for VA in the upcoming decades. VA confronts a rapidly aging health care capital infrastructure; rising long-term care needs of our declining World War II and Korean War veteran generations; an aging Vietnam-era population; and a new generation of war veterans returning home from Iraq and Afghanistan with long-term polytrauma, TBI, and significant post-deployment mental health needs, among other challenges. We must ensure barriers to care and delivery delays in benefits are minimized and that veterans

who need VA services receive the basic and specialized services they need; when and where they need them.

VA is making significant strides in both the Veterans Benefits Administration (VBA) and VHA to improve benefits delivery and health care services, respectively, and DAV applauds those efforts. Unfortunately, we have a new generation of war veterans streaming into the system now, an alarming suicide rate in the military and veteran communities; increasing rates of women veterans enrolling in VA, especially those in childbearing years; and significant new demand for specialized post-deployment mental health services and for more timely and accurate disability claims decisions. These pressures almost create the “perfect storm,” and VA will have little choice but to attempt to respond to all of these forces coming together. Your support of VA can and must guide the success of those efforts.

THE FISCAL YEAR 2014 INDEPENDENT BUDGET, BY VETERANS FOR VETERANS

As of today, Congress has yet to receive the Administration’s fiscal year (FY) 2014 budget request. We understand its delivery may be delayed until March, or possibly later. Nevertheless, we urge your Committees to closely monitor VA’s current medical care program funding to ensure VA has received sufficient funding for the remainder of this fiscal year, and to carefully examine the VA’s budget proposal when it is released for the FY 2014-15 periods, to be sure that the government continues to provide sufficient, timely, and predictable funding for VA health care to meet its obligations to our nation’s heroes.

In absence of the Administration’s budget request for FY 2014, DAV and our *Independent Budget* (IB) co-authors (AMVETS, Paralyzed Veterans of America, and Veterans of Foreign Wars of the United States) are calling for \$58.8 billion in VA Medical Care funding. For Medical and Prosthetic Research, the IB requests a funding level of \$611 million. The IB recommends approximately \$2.8 billion for VA’s General Operating Expenses. For total construction programs, the IB recommends \$2.3 billion, \$1.1 billion for major construction programs, \$1 billion for minor construction projects, and \$151 million for VA grants to state veterans homes and state veterans cemeteries. DAV and its IB co-authors recommend a total discretionary funding level of \$68.4 billion in FY 2014. More detail on our recommendations for both policy and budget matters can be found at www.independentbudget.org. Our staffs stand ready to provide you additional or clarifying information on our concerns about the budget, and we hope to testify soon before your Committees on these issues.

CRITICAL INFRASTRUCTURE NEEDS GO UNMET

We are deeply troubled by VA’s continuing failure to adequately address its enormous unmet needs in health care infrastructure. The Government Accountability Office (GAO) reported last June that the FY 2013 advance appropriation would cut VA’s non-recurring maintenance expenditure by \$1.3 billion and reduce equipment purchases by \$400 million. In addition, VA’s FY 2013 budget request for major and minor construction combined was only \$1.1 billion, \$2.6 billion less than the IB recommended last year. Our recommendations for infrastructure funding were based directly on VA’s own analysis and estimates of its capital

infrastructure needs. Although Congress has funded a significant number of new VA major medical facilities in recent years, the vast majority of existing VA medical centers and other associated buildings on average are more than 60 years old. Aging facilities create an increased burden on VA's overall maintenance requirements and add even more routine operational costs. Unless Congress effectively responds by approving additional capital funding, we fear that VA's declining infrastructure will adversely affect quality of care and efficiency of operations and risk a diminution of the care and services provided to wounded, injured, and ill veterans.

Last summer, VA released an Appropriations Committee-directed study of its infrastructure needs in its research facilities. The study was conducted and reviewed by outside experts. The report of the study concluded VA needed almost \$800 million to upgrade, restore and, in some cases, replace research facilities in over 100 VA academic health centers. VA has made no public statements with respect to this report or its intentions to address these deficits. We eagerly await the Administration's budget to determine if VA intends to begin the restorative process and address, at minimum, the most urgent needs identified. The IB recommends Congress appropriate \$50 million in FY 2014 for up to five replacement research facilities, and \$175 million to aid in maintenance and repair of the most pressing of these priorities.

THE GOVERNMENT FISCAL POLICY STALEMATE CANNOT BE SOLVED ON THE BACKS OF VETERANS

The current fiscal climate seems concentrated primarily on reducing spending across domestic agencies. DAV members are extremely grateful for this nation's generosity and for the benefits available to those who have suffered injury or illness during their military service; however, we are deeply disturbed to hear of even a possibility of delay in receipt of wounded and injured veterans' disability compensation benefits or any lost access to VA health care. DAV believes delay means denial, and we will not stand idly by and allow this to happen. During this session of Congress there will surely be tough choices and decisions to be made by Members in both Chambers and by the President, but we ask each of you and this Congress as a whole to stand up for our nation's veterans, take the appropriate actions you must, but remember to keep the promises you have made to the men and women who served.

Reductions in VA funding and personnel could have devastating consequences on the lives of our nation's veterans and their families. Therefore, we ask the Members of these Committees to make doubly clear to the Administration, Congress and the American people that veterans have paid their debts in advance, and made their contributions with military service to this country, and should not be forced to settle for an inferior VA that struggles to meet their needs.

Messrs. Chairmen, America's veterans, more so than any other group, have lived up to their responsibilities by putting their lives on the line in defense of our country and its cherished ideals. We are willing to sacrifice for the good of our nation, as long as that sacrifice is shared by one and all. And no one knows more about sacrifice than those who were wounded or injured serving in our nation's military forces, and their loved ones who must care for them thereafter – exemplified by the very men and women seated before you today.

Just as America's citizens have responsibilities to the nation, America's leaders and policy makers have responsibilities to our nation's citizens. Today, this concept of shared, mutual responsibility lies at the very heart of the ongoing debate about the size and scope of the federal government. As an organization that provides services at no cost to veterans and their families and survivors, or to the government, DAV understands that government cannot be all things to all people. Regardless, there can be no question that it is, and must always remain, the primary responsibility of the federal government to care for our nation's veterans, their families and survivors, and in particular those who were wounded, injured and made ill consequent to that service. That responsibility begins right here in this room, with the Members of these Committees.

BUDGET GIMMICKS AND ADVANCE APPROPRIATIONS

In last year's FY 2013 budget submission, VA requested an authorized level for Medical Care of \$55.7 billion, compared to DAV's and the *Independent Budget's* recommendation, \$57.2 billion, leaving a shortage of \$1.5 billion. While VA's year-to-year request for VA health care was more than most federal programs received in the Administration's entire FY 2013 budget submission, it extended a recurring theme in funding practice that has seen annual increases trending down from 10.2 percent in FY 2010 to 7.2 percent in FY 2011 to 5.0 percent in FY 2012 to 4.3 percent in FY 2013 and now down to 3.3 percent for the pending FY 2014 advance appropriation level. While there are certainly many possible factors to explain this spiraling down of VA health care funding growth, careful scrutiny is merited when continuing reports from around the country suggest that veterans are experiencing growing problems accessing VA health care; that VA medical centers and clinics are deferring equipment purchases; holding off maintenance contracts; and delaying procurements; and that VA facilities have placed "unofficial" hiring freezes into effect. In this environment, it is imperative that VA's base medical care funding level be carefully examined to determine whether it is sufficient to meet both known and projected demand.

Moreover, when we reviewed details underlying VA's FY 2013 funding request last year, some of the same recurring gimmicks appeared once again, such as the practice of relying on "operational improvements" or "management efficiencies" to reduce the actual funding needed based on workload expected. VA's last four submitted budgets, including those for advance appropriations, have relied on undocumented and mostly unrealized future "savings" that have swelled in budget requests from \$1.1 billion in FY 2011 to \$1.4 billion in FY 2014. We have no reason to expect a different approach will be taken in the coming FY 2014-15 budget request of the President.

The GAO last year issued a report (GAO-12-305) that examined VA's methodology for estimating and tracking "savings" and confirmed our concerns that there were significant problems in how these calculations were made and documented. GAO found that only two of VA's six proposed "operational improvements" contained in the FY 2012 budget were reasonable in terms of the premises of their formulation.

This GAO report echoed similar GAO reports (GAO-06-359R and GAO-06-958) delivered to Congress in February 2006 after a budget crisis in 2005 had forced VA to make two

supplemental requests for almost \$3 billion in additional medical care appropriations for FY 2005 and FY 2006.

Unfortunately, it has become apparent that VA and OMB are once again using projected improvements or efficiencies to reduce appropriations requests, which the *Independent Budget* co-authors and GAO have concluded could lead to future funding shortfalls. In its report to Congress last June (GAO-12-689) after reviewing the Administration's FY 2013 and FY 2014 advance appropriations budget submissions, GAO concluded that, "...VA estimated savings for fiscal year 2013 using the same methodologies it used in the past, some of which GAO previously found lacked analytical support or were flawed." In addition, GAO reported that, "...VA's fiscal year 2013 estimate for NRM [non-recurring maintenance]—\$710 million—does not appear to correct for the long-standing pattern where VA's NRM spending exceeds VA's NRM estimates." In conclusion, GAO stated that, "Until these issues are addressed, VA's estimates of NRM and operational improvements may not be reliable and are of limited use for decision makers."

We share GAO's concerns about whether such "savings" will in fact be achieved or verified. Should such savings not materialize, the resulting shortfall will undercut VA's ability to provide health care for all veterans seeking such care.

CONGRESSIONAL BUDGET OVERSIGHT IS ESSENTIAL

DAV also believes that Congress must provide aggressive oversight of any revisions to the Medical Care estimates for FY 2014 and future years that differ from those previously submitted or approved as advance appropriations. We have serious concerns about whether the Administration is properly reviewing prior year advance appropriations estimates. For the second year in a row, the Medical Care revision was virtually identical to the previous year's advance appropriations request despite VA's having another year's worth of updated data to review. We are also concerned about the continued trend in VA of revising downward the medical care collections estimates. In its FY 2012 budget submission, the Administration projected collections of approximately \$3.3 billion for FY 2013; however, last year that estimate was revised down to approximately \$3.0 billion, a net loss to the system of \$300 million in health care funds.

In order to ensure sufficient and timely funding for veterans health care, Congress needs to strengthen oversight of the advance appropriations process. Under the provisions of P.L. 111-81, the GAO was required to study and report on the Administration's VA medical care budgets submitted in 2011, 2012 and 2013. In each of these years, GAO reported significant findings that Congress has received and should be considering in determining VA health care funding levels and the accuracy of VA's Enrollee Health Care Projection Model that underlies its budget projections. In order to continue gaining access to such valuable information, we ask Congress to immediately assign GAO to undertake a similar study for the FY 2014 budget cycle, and to enact legislation this year to permanently authorize the GAO reporting requirement.

While Congress has statutory authority to enact advance appropriations for VA health care, Congressional budget rules generally prohibit advance appropriations and require that a budget waiver be approved for each year in which any advance appropriations are made. While Congress has provided waivers against points of order for each of the past three budget cycles, in

order to ensure that advance appropriations for VA health care continue in the future, Congress should amend the Congressional Budget and Impoundment Control Act of 1974 to provide a permanent waiver against points of order for any advance appropriations provided to the Department of Veterans Affairs.

ADDITIONAL VA ACCOUNTS SHOULD BE ADVANCE-APPROPRIATED

Finally, although advance appropriations policy for VA medical care funding has been successful in helping the VA health care system operate more efficiently and rationally during unrelated budget stalemates, other VA accounts have gotten snared in budget paralysis. Particularly in the light of ongoing disputes over the coming effects of sequestration, debt ceiling extensions, and potential government shutdowns, we believe Congress should consider expanding the advance appropriations process to the remaining VA appropriations accounts. For example, although VA medical care funding may provide assurance that a new outpatient clinic will open without delays because appropriations are available to support it, the fact that VA's IT funding is still provided through the regular annual appropriations process can mean that computers or other IT systems on which all VA facilities rely might not be available until Congress completes work on the regular appropriations acts. Similarly, some of the funding for VA's Medical and Prosthetic Research program directly contributes to excellent clinical care and supports VA's affiliation relationships with over 100 schools of medicine and other health professions, but it is funded apart from medical care advance appropriations, so that program is subject to budget stalemate as well. Moreover, the funding for VA construction accounts, providing VA capital infrastructure and large investments in facilities improvements, would be more efficient and cost effective if it were provided through advance appropriations. Finally, the Veterans Benefits Administration's ability to address the backlog of pending claims and transform itself into a modern 21st century organization is being hindered by the predictable annual budget fights and seemingly endless continuing resolutions. Given the universally recognized success of advance appropriations in VA health care, Congress and VA should determine whether some or all of the other VA appropriations accounts should be managed through advance appropriations.

CONTINUING RESOLUTIONS DO NOT CARE FOR VETERANS

Messrs. Chairmen, as you well know, once again last year Congress failed to fully complete the appropriations process for FY 2013 in regular order, instead choosing to fund the federal government through a six-month continuing resolution, whose authorization period ends next month. As a result of the enactment of advance appropriations the prior year; however, the VA health care system is generally shielded from the overdue process.

DAV remains concerned that VA health care spending in the second half of FY 2013 may be negatively impacted by the next continuing resolution if the FY 2014 advance appropriation issue is not resolved soon. The unacceptable manner in which the advance appropriations funding was handled in last year's continuing resolution only deepens our concern.

EXPANDING MENTAL HEALTH CARE SERVICES

Chairman Miller, you recently endorsed a VA-TRICARE outsourcing alliance to serve the mental health needs of newer veterans that VA is, admittedly, struggling to meet today. Having offered little to bolster the confidence of DAV's members and millions of other veterans and their families that mental health services are, in fact, being effectively provided by VA where and when a veteran might need such care, we urge VA to work with the Committee to ensure that, if mental health care is expanded using the existing TRICARE network or some other outside network, veterans must receive direct assistance by VA in coordinating such services, and the care veterans receive must reflect the integrated and holistic nature of VA mental health care.

When a veteran acknowledges the need for mental health services and agrees to engage in treatment, it is important for VA to determine the kind of mental health services needed and whether the most appropriate care would come from a VA provider or a community-based source. This type of triage is crucial, because effective mental health treatment is dependent upon a consistent, continuous-care relationship with a provider. Once a trusting therapeutic relationship is established between a veteran and a provider, that connection should not be disrupted because of a lack of VA resources, a local parochial decision, or for the convenience of the government.

Moreover, it is imperative that if a veteran is referred by VA to a community mental health resource we would insist the care be coordinated with VA. Because of a high degree to which this particular patient population also has difficulties with physical functioning and general health, these patients will very likely need other health services VA is able to provide. A critical component of care coordination is health information sharing between VA and non-VA providers. Information flow increases the availability of patient utilization and quality of care data and improves communication among providers inside and outside of VA. Not obtaining this kind of health information poses a barrier to implementing patient care strategies such as care coordination, disease management, prevention, and use of care protocols. These are some of the principal flaws of VA's current approach in fee-basis and contract care.

THE VITAL NATURE OF DISABILITY COMPENSATION

Messrs. Chairmen, as I indicated earlier in this statement, a sacred obligation of our government and core mission of DAV is the VA's provision of benefits to relieve the ill effects of disability on veterans and their families. For those benefits to effectively fulfill their intended purpose they must be adequate and they must be granted in a timely manner. The ability of disabled veterans to maintain themselves and their families often depends on the timely delivery of these benefits. The need for benefits among disabled veterans is usually urgent. While awaiting action by VA, they and their families may suffer hardships; protracted delays can lead to deprivation, bankruptcies, home foreclosures, and even homelessness. Tragically, innumerable veterans have died from their service-related disabilities while their claims languished at VA, in some cases for years. This sad fact alone proves disability benefits are crucial; providing for veterans disabled as a result of their service to our nation should always be a top priority of the government.

As the House and Senate address the major challenges facing our nation, we urge you to continue focusing on the unfinished work of reforming the veterans' benefits claims processing system. For DAV and many other veterans organizations, ensuring that disabled veterans and their dependents and survivors receive all the benefits they have earned, without undue delay, remains among our highest legislative priorities for 2013.

REFORM: THE ENORMOUS CHALLENGE OF DISABILITY CLAIMS

The problems plaguing the VBA claims system are well known: the number of claims filed each year is growing, as are the number of issues presented in each claim; the complexity of claims filed is increasing; the backlog of claims pending is staggering; and the quality of the claims decisions remains far too low. Over the past dozen years, the number of veterans filing claims for disability compensation has more than doubled, rising from nearly 600,000 in 2000 to over 1.4 million in 2012; and this year VBA expects to receive another 1.4 million claims. Yet despite the hiring of thousands of new employees, the number of pending claims for benefits, often referred to as the backlog, continues to grow.

While attention remains focused on the size of the claims backlog, it is important to recognize that eliminating the backlog does not necessarily reform the claims processing system, nor does it guarantee that veterans will be better served by VA. The backlog is a symptom, not the root cause of VBA's claims processing problems. In order to achieve real and lasting success, the VBA must remain focused on creating a claims processing system that is carefully designed to decide each claim right the first time.

As of February 9, 2013, there were 899,242 pending claims for disability compensation and pensions awaiting decisions by VBA. Compared to four years earlier, that is an increase of 507,614 claims pending, more than a 130 percent increase. Over the past year VBA's expanded capabilities and efforts have slowed and almost stopped the rise of the backlog, which has leveled off; total claims pending are only two percent higher than one year ago. However, as of February 9, 2013, the number of claims taking longer than 125 days, VBA's official target for completing claims, was 630,829, which is double the number from two years prior, although this rising number has also slowed and is about 9 percent greater than one year ago. More than 70 percent of all claims pending at VBA have been there more than the target of 125 days, and the average time it takes VBA to process claims is now more than 270 days. But more important than the number of claims processed is the number of claims processed correctly. The VBA quality assurance program, known as the Systematic Technical Accuracy Review (STAR), which is publicly available on VA's ASPIRE Dashboard, shows that over the most recent 12-month period ending in November 2012, rating claims accuracy has been 86.3 percent, a slight improvement over the prior year. During the most recent three-month period the error rate has risen slightly.

Recognizing that its infrastructure was outdated and ineffective, and that a rising workload could no longer be managed, VBA leadership in 2010 determined that it would be necessary to completely and comprehensively rebuild and modernize its claims infrastructure and processes. The Secretary of Veterans Affairs established an ambitious goal of zero claims

pending more than 125 days, and all claims completed to a 98 percent degree of accuracy standard, and VBA outlined a three-year strategy to achieve that goal. Notwithstanding the fact that the VBA has attempted to modernize its claims processing system without success numerous times over the past half century, we see hopeful signs of progress toward a successful transformation.

Perhaps most encouraging has been VBA's decision to partner with DAV and other VSOs that help veterans file claims and possess significant knowledge and experience in the claims process. Because DAV and other Veterans' Service Organizations (VSOs) collectively hold power of attorney (POA) for millions of veterans who are filing or have filed claims, VBA recognized close collaboration with VSOs could reduce its workload and increase the quality of its work. We can make VBA's job easier by helping veterans prepare and submit better claims, thereby requiring less VA time and fewer resources to develop and adjudicate them. We have been increasingly consulted on initiatives proposed or underway in VBA, including fully developed claims (FDC), disability benefit questionnaires (DBQs), the Veterans Benefits Management System (VBMS), the Stakeholder Enterprise Portal (SEP), the update of the VA Schedule for Rating Disabilities (VASRD), and many of the pilots being conducted at VA Regional Offices. Consistent with the path set forth by both VBA and VA leadership, VBA must continue to reach out to its VSO partners, both at the national and local levels, in order to consolidate and sustain a fruitful partnership that result in better service and outcomes for veterans.

Over the past three years, VBA has made significant progress in designing, testing, developing, and now deploying a comprehensive new claims processing system. At the same time, through expanded resources and greater focus, VBA has slowed the rise of the backlog of pending claims for the first time in years. The question now is whether VBA's transformation process, which is centered on a new IT system, a new organizational model, and a new culture of quality, will be able to simultaneously improve accuracy and increase production so that every veteran can expect each claim for benefits to be decided right the first time. It will be imperative that Congress provide sufficient funding to meet these challenges and aggressively oversee the implementation of VBA's transformation plans in order to finally fix the claims processing system. In particular, we urge these Committees to oversee the work in VBA to accomplish the following objectives:

- Increase the quality and hours devoted to annual training, strengthen certification examinations, and develop accountability measures for employees who repeatedly fail to pass the examinations.
- Change how VBA measures and rewards performance at every level in order to create a culture focused on quality and accuracy, rather than solely on speed and production.
- Properly balance resources provided to each of the three processing lanes in VA's "I Labs" initiative so that both complex and simple claims receive equitable consideration.
- Encourage the use of private medical evidence by releasing disability benefits questionnaires for medical opinions and PTSD claims, and by passing legislation requiring VA to give due

deference to private medical evidence that is competent, credible, probative, and otherwise adequate for rating purposes.

- Faithfully implement sections 504 and 505 of Public Law 112-154 to modify VA's duty to notify and assist claimants as Congress intended, in order to protect veterans' rights during the claims process.
- Ensure that standardized notification letters, or any other automated rating process, continue to provide sufficient, specific, and individualized information to veterans and their advocates of the reasons and bases for rating decisions.
- Ensure that the VBA is provided with sufficient funding to complete the development and implementation of the Veterans Benefits Management System, as well as the digital conversion of all active paper claims files.

DAV – DEDICATED TO A SINGLE PURPOSE: EMPOWERING VETERANS TO LEAD HIGH-QUALITY LIVES WITH RESPECT AND DIGNITY

Messrs. Chairmen and Members of these Committees, I now turn to a topic that fills me with great pride—the dedication of DAV members, some of whom are also employees of our organization.

Everyone behind me in this beautiful hearing room knows DAV well, because collectively with our 1.2 million fellow members, we *are* DAV. We take great pride in making individual contributions to the work of our Chapters and Departments across this country, helping our communities, helping VA, and in so many ways helping other veterans who have served and sacrificed. This is not only our mission, but our reward.

Messrs. Chairmen, in this part of my testimony not only will I bear witness to what we at DAV expect from Congress in the form of legislation and other support, but I will also summarize some of our work that you may not know about, but that is important to America's veterans, their families and survivors, and also represents how DAV cares for our fellow veterans, and for our country.

FULFILLING OUR PROMISES TO THE MEN AND WOMEN WHO SERVED

Messrs. Chairmen, DAV's core mission is carried out through our National Service Program. Our unparalleled program is the backbone of DAV, arcing from the local chapter level through the 52 state DAV Departments to our national offices here and in Cold Spring, Kentucky.

Our Chapter Service Officers, Department Service Officers, Transition Service Officers and National Service Officers have never wavered in their commitment to serve our nation's wounded, injured, and ill veterans, their families and survivors, or any veteran for that matter. No one has more impact on our organization's ability to meet our primary mission. No one has more impact on our organization's stellar reputation. No one has more impact on empowering disabled

veterans to become productive members of society again. And I believe no one has a tougher task than those DAV service officers assisting veterans and their families and survivors in their claims for benefits from the government.

In addition to the long hours, often frustrating circumstances and tedious tasks, to be effective, DAV National Service Officers must gain a solid understanding of the claims process in its complex entirety, undergo intense training and education in title 38 law and regulations, and college-level classes associated with our representational duties – much of which they receive through the national organization – guided, monitored, and supervised by our professional National Service Department headquarters personnel in Washington D.C.

DAV NATIONAL SERVICE PROGRAMS

To fulfill our mandate of service to America's wounded, injured, and ill veterans and the families who care for them, DAV employs a corps of more than 250 National Service Officers, all of whom are wartime service-connected disabled veterans who successfully complete their training through VA's Vocational Rehabilitation and Employment Service. The military experience and personal claims and treatment experiences of DAV NSOs through military health care and VA not only provide a significant knowledge base, but also help promote their passion for helping other veterans through the labyrinth of the VA system. DAV NSOs are situated in all VA regional offices as well as in other VA facilities throughout the nation.

Our NSOs undergo a rigorous 16-month on-the-job training program as well as structured and continued training and education throughout their DAV careers. During the course of the on-the-job training program, NSO trainees learn applicable laws and regulations pertaining to VA benefits and complete a series of academic courses which include courses in anatomy and physiology, medical terminology, English composition, legal writing, and public speaking. These dedicated NSOs, many of whom are veterans of war in Iraq and Afghanistan, sustain DAV's legacy of providing the best and most professional benefits counseling and claims assistance available anywhere. With the generous support of a grateful American public and public-spirited businesses, DAV is proud to provide these services, without cost, to any veteran, their dependents, or their survivors in need.

During 2012, DAV NSOs interviewed over 187,000 veterans and their families; reviewed more than 326,000 VA claims files; filed over 234,500 new claims for benefits; and obtained more than \$5.1 billion in new and retroactive benefits for the wounded, injured, and ill veterans we represented before the VA. Our NSOs also participated in more than 287,000 VA Rating Board actions.

APPELLATE REPRESENTATION OF DENIED CLAIMS

DAV employs 10 National Appeals Officers (NAOs) whose duty is to represent veterans in their appeals before the Board of Veterans' Appeals (BVA) here in the nation's capital. In FY 2012, our NAOs provided representation in 31.1 percent of all appeals decided before the BVA, a caseload of approximately 13,789 appeals. Almost 47 percent of the cases represented by DAV resulted in remands. These remands resulted in additional consideration or development for over

6,400 claimants who had appealed cases that were not adequately considered by VA regional offices. In more than 29 percent of the cases, involving over 4,000 appellants represented by DAV, the claimants' appeals were allowed, and the denials were overturned. This means that approximately three-quarters of the appeals represented by DAV NAOs resulted in original decisions being overturned or remanded to regional office rating boards for additional development and re-adjudication. DAV's remand and allowance rates were above BVA's average of 45.8 percent and 28.4 percent, respectively.

Additionally, DAV works closely with two private law firms that have agreed to provide *pro bono* services to veterans pursuing their appeals from adverse decisions of the BVA. In 2012, these *pro bono* attorneys offered free representation before the United States Court of Appeals for Veterans Claims in nearly 1,300 denied appeals and provided representation in over 1,000 of those cases. Since the inception of DAV's *pro bono* program, our attorney partners have made offers of free representation to more than 3,700 veterans and have provided free representation in over 2,200 cases.

DAV: ON DUTY AT WALTER REED AND OTHER KEY MILITARY FACILITIES

Given the significant number of severely disabled service members under care at Walter Reed National Military Medical Center (WRNMMC) in Bethesda, Maryland, DAV continues to provide direct on-site assistance to wounded and injured active duty personnel. Our personnel are also in place at other important military treatment facilities throughout the nation. As of November 2012, these military facilities have cared for almost 1,600 individuals with traumatic amputations; including hundreds with multiple amputations; and, in at least four cases, the losses include all four limbs. Most of these amputees, 83 percent, have lost one or both legs, mostly from blasts of improvised explosive devices. These deadly homemade bombs are also the cause of most of the genitourinary wounds suffered by over 1,400 U.S. personnel. The total number of Iraq and Afghanistan veterans wounded in action as of February 7, 2013 was more than 50,400, of whom over 2,500 suffered traumatic burns; 142 lost at least one eye, and five lost both eyes.

These sobering facts of modern war mean that current media attention is fixated almost exclusively on the newly wounded, but in historical terms our new casualties remain relatively light compared to other combat eras. To put this in some perspective, especially for newer members of these Committees, the VA reports that Vietnam veterans are its single largest veteran cohort, with an enrolled population of over 300,000 who were wounded in Vietnam, of whom almost 5,300 lost limbs and nearly 1,100 sustained multiple amputations. As we all know, over 58,000 names are engraved on the Vietnam Memorial – names of our personnel who gave their all. Earlier in history, the Normandy Allied campaign during the summer of 1944 cost our military forces 29,000 deaths, with 106,000 wounded, missing, or captured.

TRANSITION SERVICES FOR NEW VETERANS

The DAV's Transition Service Program (TSP) is in its 13th year, initiated shortly after the formation of the joint VA-Department of Defense (DOD) Benefits Delivery at Discharge (BDD) program, an initiative to provide transition assistance to separating military service members who incurred disabilities during their military service. The BDD program was

developed to provide a smoother transition from the military to civilian society. The BDD program helps service members within 60 to 180 days of their military discharge to file claims for VA or DOD disability compensation (when approved, payments for these disabilities are generated shortly following discharge), and for transitioning into the VA health care system as may be needed. Our NSOs and TSOs provide free counsel and claims representation to service members who are eligible to participate in the BDD program. This program helps ensure that service members do not find themselves in a situation where the military benefits are discontinued, but their retirement or VA compensation benefits have not yet begun to flow. We support this program and any program that ensures new veterans and their families are not underserved in the transition process.

For benefits counseling and assistance to separating service members in filing initial claims in the BDD program, DAV has assigned 35 TSOs. These TSOs provide these services at military separation centers under the direct supervision of DAV NSO Supervisors. Our TSOs have been trained specifically to perform transition presentations, military service medical record reviews, and claims-initiating activities at military separation centers at more than 80 military installations within the continental United States.

The success of the BDD program stems from the fact that claims are rated based on current medical evidence as documented in the military treatment record and current cooperative examinations that are conducted at the BDD intake sites. The BDD program is a win-win situation for both transitioning service members and for the federal government, and is a more humane method of dealing with seriously injured military service members.

The DAV's TSP contributes to our goal of maintaining our preeminent position as a provider of professional services to veterans. In 2012, our TSOs conducted 2,760 briefing presentations to groups of separating service members, with 63,215 total participants in those sessions. Our TSOs counseled 31,761 persons in individual interviews, reviewed the military service treatment records of 30,192 individuals, and submitted benefits applications for 18,214 personnel to DAV NSOs for filing with the VA.

DAV continues to work toward ensuring access to service members within the now-revised Integrated Disability Evaluation System (IDES). IDES is the result of a pilot project from a recommendation of the President's Commission on Care for America's Returning Wounded Warriors and was launched jointly by DOD and VA in 2007. The IDES has three features: a single, comprehensive medical examination; a single-source VA disability rating; and, enhanced case management methods. This program aims to help injured and ill service members gain faster access to TRICARE health services and VA benefits by developing a single medical examination used by both DOD and VA, with a single-source disability evaluation done by VA and accepted by DOD.

DAV MOBILE SERVICE OFFICE PROGRAM

The DAV's fleet of 10 Mobile Service Offices (MSOs) puts DAV NSOs on the road to assist veterans where they live and increase accessibility to the earned benefits our nation provides to veterans. The specially equipped mobile offices visit communities across the country

on an advertised and scheduled basis. This outreach effort generates a considerable amount of claims work from veterans who may not otherwise have had an opportunity to seek assistance at DAV National Service Offices.

To support the MSO effort, DAV has received ongoing financial contributions from the Harley-Davidson Foundation. The mission of this project, entitled “Harley’s Heroes,” is to help DAV reach millions of veterans of all war generations and to show the respect DAV and the Harley-Davidson Corporation share for them. It also ensures veterans gain access to DAV benefits counseling and claims assistance when and where they may be needed.

DAV also uses its MSOs for outreach to veterans in other public awareness programs, such as attending public air shows, Native American reservation events, NASCAR races, military retiree conventions, the Vietnam Moving Wall appearances, homeless veterans “stand-downs,” community fairs and parades, Veterans Day and Memorial Day activities, veterans job fairs, and information seminars of many types.

During 2012, our MSOs traveled 108,288 miles to appear in 878 cities and towns, including 183 Harley-Davidson dealerships. DAV NSOs interviewed 17,352 veterans and other potential claimants during these appearances.

These specially equipped MSOs, along with our disaster relief teams, are also used to deploy into areas devastated by disasters, enabling DAV to provide much-needed assistance directly to displaced service-disabled veterans and their families. They have been used at ground-zero following the attacks on the World Trade Center, around the Gulf Coast following Hurricanes Katrina and Rita, after a destructive tornado in Greensville, Kansas, following a destructive storm in North Carolina, and most recently in New York and New Jersey following Hurricane Sandy.

When a DAV MSO comes to your state or district, I would encourage the Members of these Committees and your staffs to stop by to learn first-hand the services that DAV is providing to your constituents. I would also highly recommend that you refer any of your constituents who may need assistance with their VA claims to visit our MSOs when they are in your areas.

VOLUNTARY SERVICE PROGRAMS

Equally vital to the success of our mission to empower veterans to lead high-quality lives with respect and dignity, are the activities of almost 13,600 DAV and DAV Auxiliary members who selflessly volunteer their time to assist America’s wounded, injured, and ill veterans. Our Voluntary Services Program is as strong as ever, making sure sick and disabled veterans are able to attend their medical appointments, providing them comfort and companionship and getting them the care they need and earned. Our volunteers are in VA medical centers and clinics in large numbers, and they visit wounded, injured, and ill veterans at home, going where the government cannot or will not go. DAV is leading the way in voluntary services, a fact that makes all of us proud to be a part of this organization, and makes me even prouder to have been chosen to lead this great organization.

Between October 2011 and September 2012, these valuable members of DAV and its Auxiliary served our nation by providing more than two million volunteer hours of essential services to hospitalized veterans in VA facilities and transporting veterans to their medical appointments, saving taxpayers about \$44 million in costs if federal employees had been required to provide similar services. Many DAV members volunteer at VA medical centers, clinics and community care units, and serve as Hospital Service Coordinators and drivers in DAV's nationwide Transportation Network, about which I will provide more detail later in this testimony.

LOCAL VETERANS ASSISTANCE PROGRAM

In an effort to meaningfully touch the lives of more veterans in need of assistance, DAV created the Local Veterans Assistance Program (LVAP). Opportunities have always existed for individuals to assist veterans and their dependents – and DAV and our DAV Auxiliary members have answered that call in full measure. We see examples of this each and every day aimed at meeting the principal objective of our organization – to fulfill our promises to the men and women who have served.

Our LVAP volunteers contribute time and energy for a variety of activities that include, but are not limited to:

- Chapter and Department Service Officer work.
- Specific outreach efforts, such as DAV's air show outreach programs, Harley's Heroes, and National Guard mobilizations and demobilizations.
- Direct assistance to veterans, families, and survivors, including engaging in home repairs and maintenance, and grocery shopping, among many other supportive activities.

Since its inception five years ago, nearly 3,500 volunteers have participated in DAV's LVAP for a total of over one million hours of volunteer service. DAV is constantly seeking new ways to recruit and engage DAV members and volunteers, and we believe this new program will work to the advantage of all whom we serve.

THE NEXT GENERATION

Sadly, Messrs. Chairmen, we are rapidly losing our veterans from the World War II era; and DAV is proportionately witnessing the loss of DAV volunteers from that population. Ever looking forward, DAV has sought to reward and develop a new generation of younger VA volunteers. A decade ago, we created a youth volunteer scholarship program to ensure the future of a viable DAV volunteer effort. In remembrance of former VA Secretary and former DAV Executive Director, the late Jesse Brown, we launched a special scholarship program in his name. Annually, the DAV Jesse Brown Memorial Youth Scholarship Program honors outstanding young volunteers who participate in the VA Voluntary Service Program to donate their time and compassion to wounded, injured and ill veterans. Since its inception, DAV has awarded 139 individual scholarships valued at \$968,000, to enable these exceptional young people to pursue their goals in higher education through the value of volunteering. We at DAV

are very proud of the Jesse Brown Memorial Youth Scholarship Program, and I am personally proud to report that our friends at the Ford Motor Company most recently donated \$45,000 to this scholarship program to enable us to continue awarding these scholarships to worthy student-volunteers this year.

Another corporation that has come forward to help veterans of all eras is the Golden Corral Corporation, which, this past November opened its doors for the 13th year in a row to all veterans on Golden Corral's "Military Appreciation Monday," serving almost 425,000 cost-free meals to veterans of the armed forces. These nationwide events also yielded nearly \$1.3 million in donations to DAV chapters and departments in 2012. Since 2001, Golden Corral restaurants have served more than 3.6 million "thank you" meals to our nation's veterans, and helped raised in excess of \$7.3 million in donations for DAV chapters and departments to use in veteran outreach and service programs in their communities.

DAV's new "Just B Kids" scholarship program enables more children than ever to attend the highly acclaimed Camp Corral. The weeklong camping experience is operated through the philanthropic efforts of longtime DAV partner Golden Corral. This new program, which will be funded through a grant from the DAV Charitable Service Trust, provides children, who are facing immense hardships at home, a week to enjoy the great outdoors at Camp Corral.

Generous fundraising efforts by Golden Corral, Ford, Harley Davidson, and others continue to help support DAV initiatives and programs throughout the year, well beyond volunteerism itself, and provide DAV great resources to outreach to local veterans so we can help them get the benefits and services they earned from a grateful nation.

NATIONAL TRANSPORTATION NETWORK

Messrs. Chairmen, DAV is extremely proud of the service provided by our volunteers, many of whom are disabled veterans themselves, or the family members of disabled veterans. These volunteers, some of whom are seated before you today in this hearing room, continue to serve the needs of our disabled veterans on a daily basis. Many of our nation's wounded, injured and ill veterans are aided because of the time these volunteers donate. Everyone at DAV applauds the efforts of DAV volunteers to our newest generation of veterans.

DAV utilizes 192 Hospital Service Coordinators at 197 VA health care facilities across the nationwide system to oversee our National Transportation Network. This program provides free transportation to and from VA health care facilities to veterans who otherwise might not be able to obtain needed VA health care.

From October 2011 through September 2012, DAV's National Transportation Network logged more than 27 million road miles and transported 777,199 veterans to VA health care facilities. More than 9,000 volunteer drivers spent 1.9 million hours transporting veterans. Since our national transportation program began in 1987, almost 15 million veterans have been transported over 556 million miles, for a total of more than 30.9 million volunteer hours by our DAV drivers.

In 2012, DAV donated 117 vans to VA facilities at a cost of almost \$3 million. In 2013, we plan on donating 110 vans at a cost of \$2.8 million. From 1987 through 2012, we have donated 2,586 vans at a cost to DAV of \$56.6 million.

DAV's efforts were aided in August 2012 by the support of the Ford Motor Company with the gift presentation of eight new vehicles to DAV for the Transportation Network. Since 1996, Ford has donated 164 vehicles to support our work. The DAV is proud that Ford Motor Company continues to honor its commitment through its generous donations through the instrument of DAV to the men and women who have served our nation in uniform, who have preserved liberty for us here at home, and saved countless peoples around the world.

DAV's commitment to our National Transportation Network is lasting and sure. We have deployed DAV vans in every state and nearly every Congressional district serving our veterans and your constituents.

NATIONAL DISABLED VETERANS WINTER SPORTS CLINIC

DAV is a collaborator in another outstanding program that directly impacts the lives and well-being of seriously wounded and injured veterans. Working in cooperation with VA Recreation and Voluntary Services, DAV co-sponsors the annual National Disabled Veterans Winter Sports Clinic. For a quarter century now, this exceptional physical rehabilitation program, held in the mountains of Colorado, has transformed the lives of America's most severely wounded, injured, and ill veterans. This unique program – often referred to as “Miracles on a Mountainside” – helps severely injured veterans to re-build confidence, compensate for their injuries, and regain balance in their lives. This event promotes rehabilitation and restoration by coaching and encouraging veterans with severe disabilities to conquer adaptive skiing, skating, ice hockey, fly fishing, and other sports, and shows them by example that they are not “disabled” and thus barred from adaptive recreational activities and sports of all kinds. Veterans from all eras have attended our clinics, including many who were wounded and injured in the Iraq and Afghanistan campaigns. Often, this seminal event offers some veterans their very first experience in winter sports and gives them motivation to take their personal rehabilitation to a higher level than they may ever have imagined. Participants have included veterans with multiple amputations, traumatic brain and spinal cord injuries, severe neurological deficits, and even total blindness.

For anyone who has attended “Miracles on a Mountainside” and observed our first-time participants, it is an inspiring sight, unlike anything you will see anywhere in the world. I can assure you, miracles do still occur. These wounded heroes experience life-changing events at our National Disabled Veterans Winter Sports Clinic, and so do all the inspired observers and VA volunteers who participate. I invite all Members of these Committees to come and experience the “Miracles on a Mountainside” with me and other DAV leaders this year. Our next clinic will occur from March 31 to April 5, in Snowmass Village, Colorado. If you want to see miracles, please come.

DAV CHARITABLE SERVICE TRUST

Organized in 1986, the Charitable Service Trust (CST) is a tax-exempt, not-for-profit, charitable grant-making arm of DAV. Under the umbrella of DAV, the CST is dedicated to one purpose: empowering veterans to lead high-quality lives with respect and dignity.

DAV established the Trust to advance initiatives, programs, and services that might not fit easily into the scheme of what is traditionally offered through VA, state veterans' programs, or by the veterans' service organization community. Grant-making is targeted to not-for-profit entities based in the United States. Since the first grant was awarded in 1988, nearly \$73.2 million has been expended in service to our nation's heroes, their dependents and family survivors. The CST's mission of service is accomplished by:

- Making sure wounded, injured, and ill veterans gain transportation to VA medical facilities for treatment.
- Providing food, shelter, and health care aid to homeless and needy veterans.
- Meeting the special needs of veterans faced with profound injuries including paralysis, amputation, post-traumatic stress disorder, and brain injuries.
- Supporting physical and psychological rehabilitation projects aimed at some of America's most severely injured veterans.
- Bringing hope to the forgotten and suffering families of veterans.

Priority for grants is generally afforded to service projects providing direct assistance to wounded and injured veterans and their family members. Each year brings dramatic new changes in the lives of veterans that present greater challenges to our mission of service to veterans and their families. DAV's CST will continue to do all it can to meet their needs.

As my testimony demonstrates, DAV remains committed to its focused mission, established 93 years ago. DAV is proud that it can direct its resources to the most needed and meaningful services for America's wounded and injured veterans and their families. There is no non-profit organization that tries to do more for injured veterans, their families and survivors than DAV.

Since by national policy DAV neither seeks nor accepts government grants or government contracts of any kind, DAV is able to carry out these good works I am reporting to you today only through the continuing support of our members, our benevolent corporate partners, and a generous American public that remain faithful to our work and grateful for all that our veterans have done for this country. We are the humble instrument of their collective charity and take that responsibility very seriously. We would never abuse that faith.

60TH ANNIVERSARY OF THE KOREAN WAR'S END

DAV is also proud to serve as a sentry to keep the living memory of those whose heroic deeds during wartime service otherwise might be lost to history. I call your attention to a case in point: this coming July marks the 60th anniversary of the end of the war in Korea. As a nation we tend to forget that over 400,000 victorious World War II veterans were – incredibly – called back

to active duty military service beginning in 1950, to fight again, against yet another foreign aggressor nation, North Korea – with an army backed by Chinese and U.S.S.R. resources, war materiel, and troops.

Korea was an especially cruel war, taking 54,200 American lives and wounding hundreds of thousands more; ironically many of them having survived combat in World War II. Almost six million American military personnel participated or supported our presence in Korea. Some, perhaps unwounded by enemy fire, literally froze to death in the entrenchments of brutal Korean winters. Our 7,140 POWs were routinely tortured by their captors; 2,701 died, and many of them were summarily executed while in captivity or were intentionally starved. Others still live with the scars brought by that “police action,” a precursor to the long war of attrition that came later in the small insignificant Southeast Asian country called Vietnam. Some of our combat veterans in Korea, even a few who had served in World War II, came back to Asia once again to serve in Vietnam.

A few of those surviving Korean War veterans are here with me today as honored DAV members, along with a few of our remaining comrade brothers and sisters from World War II. Korean veterans have bequeathed to the nation their haunting but beautiful memorial on the National Mall, near the Lincoln Memorial, but their service and sacrifice still need recognition no less than those who served in Vietnam, the Persian Gulf, Iraq, or now, in Afghanistan. Veterans of Korea are American heroes, too, but in the shadow of World War II they never got proper recognition in our nation’s only truly “Forgotten War.” But we at DAV will never forget.

In making these remarks on Korea, I was reminded of the words of former Senator Bob Kerrey of Nebraska, a former Member of your Committee, Chairman Sanders, on the 30th anniversary of his award of the Congressional Medal of Honor for gallantry as a Navy SEAL in Vietnam; and I quote:

I discovered again [in going back to Vietnam in 1990] something rather remarkable about the people of this great country – that though I still believed the war was a tragic mistake and that we made lots of errors along the way, the people of South Vietnam repeatedly said to me, “We know you came here to fight and put your life on the line for strangers, and that you were willing to die for us will not be forgotten.”

I ...listened to [then-President] Kim Dae-Jung of South Korea say the very same thing in even more personal ways. Our Nation can be heroic by recognizing that we might write laws that give all of us a chance at the American dream, and by recognizing that as a great nation there will come a time when we must risk it all, not for the freedom of people that we know, but for the freedom of strangers.

When it comes to explaining our American role in the world, and the devotion of our war veterans to the cause, whatever it is, from World War II to the present, no one could have explained it better than Senator Kerrey.

MISSING BUT NOT FORGOTTEN

Our veterans should never be forgotten, Messrs. Chairmen, and especially our lost heroes. DAV has long been committed to the fullest possible accounting of American prisoners of war and those still missing in action today, including our men from Korea, the War in Vietnam, and even World War II. Similar to other DAV priorities already articulated, we insist that reliable and continuing funding for these efforts is crucial, even in today's restricted budgetary climate. The same as with benefits earned by our nation's wounded and injured veterans who are safe at home, the United States owes our unreturned heroes and their loved ones our best efforts to bring them back to U.S. soil, whether alive or deceased. We will never agree to leave them behind, forgotten. DAV supports full funding of this important humanitarian mission of the Departments of Defense and State, and we will remain committed until the fullest possible accounting can be achieved. It is important for America and all those who serve; past, present, and future, to know that our government remains committed to bringing home all our military heroes. DAV believes no one should ever be left behind.

THE AMERICAN VETERANS DISABLED FOR LIFE MEMORIAL

An important priority for DAV this coming year is the construction of the American Veterans Disabled for Life Memorial. As you know, this long overdue Memorial to honor all of the American men and women who have been permanently disabled as a result of their military service to our nation, was authorized more than a decade ago by Public Law 106-348. To build the Memorial, Congress authorized the Disabled Veterans' LIFE Memorial Foundation (DVLMF) to raise private funds to design and construct the Memorial, after which it will be turned over to the National Park Service to operate. The Memorial will be located here in Washington, D.C., just west of the Rayburn Building, as directed by Public Law 109-396. The Foundation successfully raised all the private funds necessary to build the Memorial and received all of the design and planning approvals several years ago, but has been prevented from beginning construction until street infrastructure improvements are made by the District of Columbia.

Over the past decade, Congress has continually demonstrated its strong bipartisan support by reauthorizing the Memorial in 2007 (P.L. 110-106), authorizing a U.S. Mint commemorative coin with the coin surcharge proceeds going to support the Memorial's construction in 2008 (P.L. 110-277), and appropriating almost \$4 million to the District of Columbia (P.L. 110-161 and P.L. 111-6) for street infrastructure changes necessary to accommodate the location of the Memorial as well as address security concerns about nearby Congressional office buildings. Thanks to strong bipartisan support from outgoing Transportation Secretary Ray LaHood and leaders in both the Senate and the House, the U.S. Department of Transportation awarded a \$6 million grant last August to complete all the necessary street infrastructure improvements. The first phase of that street work has been completed, and public utility companies, including Verizon and PEPCO, have completed or currently are implementing utility relocations to clear the way for the Memorial's construction to begin. Barring any unforeseen delays, work on the final phase of street construction is scheduled to begin next month. The Memorial Foundation continues to work with all stakeholders in this project, including the National Park Service, the

Architect of the Capitol, the U.S. Capitol Police Board, and the House Superintendent's Office, to ensure that there are no remaining concerns which might delay construction moving forward.

Messrs. Chairmen, DAV has championed this Memorial for disabled veterans since its conception 15 years ago, and we have been joined in this endeavor by The American Legion, VFW, AMVETS, Paralyzed Veterans of America, Military Order of the Purple Heart, Iraq and Afghanistan Veterans, and many other veterans' organizations. America's disabled veterans, their families and caregivers eagerly await this tribute to their sacrifice. With continued bipartisan support from the House and Senate, we look forward to the Memorial's completion and dedication in October 2014, and we hope you will be able to join us then to celebrate that historic occasion.

NATIONAL LEGISLATIVE PROGRAM

Messrs. Chairmen, DAV was founded in 1920 as a nonpartisan, nonprofit veterans' service organization. Since then, promotion of *meaningful*, *reasonable*, and *responsible* public policy for wartime service-disabled veterans has been at the heart of who we are and what we do. Fulfilling promises is the right thing to do. Regardless of your politics and whether you agree with our government's foreign policy decisions, our service men and women voluntarily put their lives on the line to ensure our safety and to protect the basic freedoms we enjoy as citizens of the United States.

What is right for our nation and our citizens is to take care of those who served and sacrificed for our collective freedom. We do this by never forgetting the sacrifices of the men and women who served. We do this by keeping our promise to them: through Congress and VA, to provide the resources and services they need to enjoy the best quality of life possible, as they make the difficult transition back to civilian life.

Major policy positions of DAV are derived from resolutions adopted by the delegates to our annual National Conventions. Since our first National Convention in 1921, DAV's legislative program has guided our advocacy for disabled veterans in conformance with the collective will of our members. Our 2012-2013 mandates cover a broad spectrum of VA programs and services, and they are available for you and your professional staffs to see on DAV's website, at <http://www.dav.org/voters/documents/Resolutions.pdf>. I invite your staffs to consider the content of these resolutions in crafting legislation for the 113th Congress.

As DAV has testified in the past, we are concerned that some of the benefits Congress enacted are exclusive to veterans of recent service in Iraq and Afghanistan. While we understand that these are special circumstances that may require legislative consideration to ease transition challenges from military to civilian life, DAV represents wartime veterans of all ages and of any periods of service. We remain dismayed that previous generations cannot take advantage of a number of these new improvements enacted into law, and we ask your Committees to reconsider the trend to exclude older veterans from the new and expanded benefits you have awarded to younger veterans, especially the stipend and extensive health care benefits for veterans' family caregivers under Public Law 111-163. I defy anyone to tell me that the struggles of a family caregiver of a severely disabled veteran from the war in Vietnam are "easier" and less

burdensome than those of a caregiver of a similar veteran of Afghanistan. They both struggle; they both suffer. They both need our support. Congress should not leave one of them behind while benefitting the other.

With the realization that we will receive ample opportunities this year and next to more fully address many of DAV's specific legislative resolutions during hearings before your Committees and personally with your staffs, I shall only highlight key ideas in this statement. I assure you that all of these concepts are covered by DAV national resolutions. Working together with our VSO partners, and relying upon the strength of our grassroots members and supporters, DAV will work aggressively and proactively to advance these key legislative priorities, while continuing to look for opportunities to promote all DAV legislative and policy goals. These are our key priorities, and on behalf of our 1.2 million members, I ask that you consider them.

Health Care Services

- Ensure sufficient, timely, and predictable funding for VA health care programs in the FY 2014 appropriation and the FY 2015 advance appropriation bills.
- Develop and promote new legislation and policies that will strengthen and expand advance appropriation for VA health care, including new accountability measures.
- Develop and build support for a comprehensive long term plan to address VA's aging health care infrastructure needs, including VA research facilities.
- Expand caregiver services to meet the needs of veterans' caregivers from all eras.
- Improve timely access to veterans suffering from TBI, and mental health care and counseling services, with particular focus on newer veterans in transition.
- Strengthen and expand women veterans health care programs and services.
- Develop a comprehensive plan reforming VA long-term support and services.
- Provide priority access and timely, quality health care services to service-connected disabled veterans.
- Repeal VA and Department of Defense co-payments for medical care and prescription medications.
- Repeal beneficiary travel deductibles for service-connected disabled veterans and support increased reimbursement rates.

Employment and Economic Opportunities

- Develop and enact legislation to transfer veterans' employment programs from the Department of Labor to VA as part of a new Veterans Economic Opportunity Administration that also includes, vocational rehabilitation and employment programs (VR&E), education and business programs.
- Strengthen veterans' VR&E.
- Improve delivery of transition services to all separating service members.
- Support legislative measures to assist disabled veteran-owned businesses.
- Provide survivors of veterans who are service-disabled veteran-owned small business owners, but rated less than 100 percent service-connected, a reasonable transition period to restructure their businesses following the deaths of veteran owners.

- Eliminate the current 12-year eligibility limit for veterans to take advantage of their vocational rehabilitation benefits.

Disability Compensation and Other Benefits

- Complete the ongoing reform of VA's benefits claims processing system, with the focus on quality, accuracy, accountability and timeliness.
- Develop and promote legislation and policies to expand the use of interim ratings for veterans filing complex and multi-issue disability compensation claims.
- Ensure that any revisions to the VA Schedule for Rating Disabilities (VASRD) being considered by VBA remain faithful to longstanding statutory policy underlying the purpose of the VA disability compensation system.
- Eliminate inequitable policies that prohibit the concurrent receipt of VA disability compensation and military retired pay and that require Dependency and Indemnity Compensation and military Survivor Benefit Plan payments to be offset.
- Provide for a 10-year protection period for service-connected disability evaluations.
- Reduce the 10-year rule for Dependency and Indemnity Compensation.
- Exclude veterans' disability compensation from countable income for purposes of eligibility for benefits and services under other government programs.
- Award interest payments for VA retroactive awards of one year or more.
- Oppose any proposal that would offset payments of Social Security Disability Insurance benefits or any other federal benefit by the amount of VA compensation.
- Contest any scheme to means test disability and death compensation.
- Resist any change that would redefine service-connected disability or restrict the conditions or circumstances under which it may be established.
- Oppose any recommendations by any commission to reduce or eliminate benefits for disabled veterans.

General Issues

- Extend military commissary and exchange privileges to service-connected disabled veterans.
- Provide space-available air travel aboard military aircraft to 100 percent service-connected disabled veterans.
- Award educational benefits to dependents of service-connected veterans rated 80 percent or more disabled.
- Exempt the benefits paid to wartime service-connected disabled veterans from the "Pay-Go" provisions of the Budget Enforcement Act.
- Reduce premiums for Service Disabled Veterans' Insurance consistent with current life expectancy.
- Provide fullest possible accounting of POW/MIAs from all wars and conflicts.

IN CONCLUSION

Messrs. Chairmen, and especially for the newest Members of these Committees, I hope my testimony today demonstrated to you that DAV does not come before these Committees or Congress at large with our hands out to ask Congress for special favors, profits, tax advantages, or unearned benefits. We are not a special interest; we are a broad, general interest of the American people. We believe our members, and all veterans who were harmed as a consequence of their military service, earned their benefits and paid for them in full, and in advance. It is true that some of our injured and wounded veterans do need a hand up in their post-service lives – for transition services; rehabilitation and health care; prosthetics for lost limbs; insurance for the uninsurable; education; housing, including housing those who become homeless; business opportunities; compensation for the living, and pensions for the survivors of those we have lost – all these earned with service and sacrifice. These benefits and services help veterans restore themselves and prepare them for a future as productive citizens, or to comfort them if they lost their ability to work as a consequence of military service, or to keep them from slipping into poverty. Given what veterans have done for this country since its founding, we believe it's a small price to pay, but it's also the price of freedom.

As our testimony today shows once again, DAV not only advocates on behalf of our nation's wounded and injured veterans, but we also continue to give back to our nation and to our fellow veterans through the programs detailed in my statement, in volunteerism, transportation, service, therapeutic recreation, claims representation, disaster relief, and all the other good works in which DAV engages on a broad national scale. In absence of DAV, the government might well save a few dollars by providing fewer services and benefits to veterans and by cutting some corners, but the whole nation would suffer the greater loss from the void that would leave behind.

Messrs. Chairmen, I hope that I have been able to demonstrate to you and your colleagues that DAV devotes its resources to the most needed and meaningful services for our wartime veterans. These services aid wounded and injured veterans directly and support and augment VA programs. I believe DAV is one of VA's most valuable partners in caring for veterans. I trust you can see why the men and women of DAV and its Auxiliary are so proud of this great organization and all that it does for VA, veterans, their families and survivors every day of every year.

In closing, let me again say that it has been my honor and a highlight of my life to appear before you today to be the voice for DAV, to present our legislative goals for 2013 and present the major issues and concerns of the Disabled American Veterans. I know that all of us present in this room and all DAV and DAV Auxiliary members nationwide share a deep and abiding respect for the brave men and women who serve our country so selflessly, especially those still in harm's way overseas, not only in Afghanistan and Iraq, but in many other dangerous and challenging assignments the world over.

As these Committees deliberate during this, the first session of the 113th Congress, please keep in mind that wounded and injured veterans, and their loved ones, caregivers and survivors, have paid a high price for the freedoms we all cherish, and that some take for granted.

The only action that we ask in return to repay their sacrifices and their service to our country is for this government to honor its sacred obligations and keep its historic promises to America's veterans, their families, and their survivors. The defenders of our nation deserve nothing less and will ask for nothing more.

My staff and I are prepared to further discuss any matters of your interest that are relevant to DAV, my testimony, or to respond to your questions. It was my honor to address this joint hearing.

May God bless the United States of America, our Congress, our people, our military personnel deployed on land and aboard ship around the world, and all veterans who were wounded or injured in service to our nation.