

**STATEMENT OF  
IAN de PLANQUE, DIRECTOR  
NATIONAL LEGISLATIVE DIVISION  
THE AMERICAN LEGION  
BEFORE THE  
COMMITTEE ON VETERANS' AFFAIRS  
UNITED STATES SENATE  
ON  
"U.S. DEPARTMENT OF VETERANS AFFAIRS BUDGET REQUEST FOR FISCAL  
YEAR 2016"**

**February 26, 2015**

Chairman Isakson, Ranking Member Blumenthal, and Members of the Committee:

On behalf of National Commander Michael Helm and the 2.3 million wartime veterans of The American Legion, we welcome this opportunity to comment on the federal budget, and specific funding programs of the Department of Veterans Affairs (VA).

The American Legion is a resolution based organization; we are directed and driven by the millions of active legionnaires who have dedicated their money, time, and resources to the continued service of veterans and their families. Our positions are guided by nearly 100 years of consistent advocacy and resolutions that originate at the grassroots level of the organization – the local American Legion posts and veterans in every congressional district of America. The Headquarters staff of the Legion works daily on behalf of veterans, military personnel and our communities through roughly 20 national programs, and hundreds of outreach programs led by our posts across the country.

The American Legion comes before this committee in a unique state of military affairs, as for the first time in over a decade; this country is not officially engaged in combat operations in Afghanistan or Iraq. Though combat operations in Afghanistan may have officially ceased on December 28, 2014, there is no doubt the effects of these wars will continue to be felt in the veterans' communities for many decades, as has been the case with every previous war. The cost of war does not end when the guns fall silent. To paraphrase Winston Churchill this is not the beginning of the end, but rather the end of the beginning.

We cannot allow focus and resources to be diverted from the VA because the limelight fades and the news cameras have gone away. The President's proposed budget would offer an increase of 7.5 percent over the enacted level of Fiscal Year 2015 funding, a healthy increase even as other agencies are forced to tighten belts under the effects of sequestration. However, we cannot think that just because the numbers go up that all of the money is being directed to the proper places. Here is where the importance of true transparency from VA becomes critical. This is where the importance of open and freely available planning reports, such as those proposed in the "Department of Veterans Affairs Budget Reform Planning Act of 2015." (**H.R. 216**) This legislation, recently recommended out of Committee in the House Committee on Veterans

Affairs, would be helpful to the entire community of stakeholders. Many of the questions we will raise delve into matters that would be more clear if VA was more open and straightforward with stakeholders.

This process only works if everyone can see all the pieces on the board. Taking care of veterans is the nation's responsibility. That includes not only the federal government, but state and county governments, veteran and military service organizations, and the citizens themselves. We have to all see how the pieces fit together and we have to all be on the same page if this is going to work and we're all going to maximize our efforts together.

There are areas of concern within the budget proposed by VA, but all of these areas can be worked out if everyone is open and above board.

### **The Veterans Benefits Administration:**

This year, 2015, is to be the year the Veterans Benefits Administration finally "breaks the back of the backlog." To that end, the budget request includes requests to add 770 additional full time employees (FTEs) as claims processing workers and fiduciaries for the pension program. Adding additional workers is an important and needed step. VA employees have been directed to put in mandatory overtime work dating back to at least 2011<sup>1</sup>. Mandatory overtime may provide a useful boost to push an organization through a tough patch, but four straight years of mandatory overtime indicates an organization that's not going through a tough patch, it's an organization that's clearly understaffed.

How many additional employees are appropriate? This is where it's difficult to tell and where a study of VA's resource allocation models would be helpful. At VA's budget roll out, VA officials indicated some of this would be represented in making the Decision Review Officer (DRO) process more robust, something The American Legion strongly supports. DROs can often resolve appeals more rapidly than the appeal process at the Board of Veterans Appeals (BVA) and with greater accuracy and clarity than the average VA rater. Reports have indicated in some offices the DROs have been reassigned to other tasks as the pressure mounts to work on initial claims. It would be the hope of The American Legion that renewed interest in hiring and increasing the DRO force would allow DROs to return to their appeals duties, and help prevent a rising backlog in the appeals area.

Whatever the case may be, better communication from VA to indicate how they intend to use staffing levels to effectively combat the backlog of claims is a must.

*The American Legion strongly supports additional FTEs to improve the VBA workforce.*

### **The Veterans Health Administration:**

One of the key lessons learned through last year's health care access is that VA's reporting must be crystal clear to avoid the problems that occur when things are hidden from the stakeholders. Had VA employees not manipulated the wait time data a more bleak picture of the ability to

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<sup>1</sup> <http://www.stripes.com/va-workers-say-mandatory-overtime-won-t-solve-benefits-backlog-1.221294>

serve veterans would have been painted, but the key stakeholders – veterans and Congress – would have known that additional resources were needed and where. Ensuring proper distribution of resources throughout VA depends on accurate reporting that is free from fear of reprisal for not meeting goals. We cannot create an environment where VA employees fear to report problem areas, for discerning where those problem areas are occurring is the critical factor in determining where resources need to go.

To be fair, Secretary McDonald has expressed a renewed interest in openness and The American Legion believes VA is making a good faith effort to increase honesty, although we would like more clarity regarding the Secretary's request for more flexibility in use of the funds designated for the Choice card program. VA's budget request announces that they will be seeking more flexibility to retarget some of the \$10 billion allotted to the Choice card program with last year's legislation to provide more choice and access in care.

Without an extremely specific accounting, which was not forthcoming in initial presentations of this budget, it would be difficult to support this request. The Choice program, which The American Legion believes is an important temporary measure to address shortfalls in VA's ability to treat veterans, needs to be properly funded to succeed. To reprogram monies designated for this program so early into the program, barely six months into a three year pilot, seems short sighted. It would be the preference of The American Legion to see the program implemented as intended, and if funds remain at the end of the allotted time, then it would be appropriate to address what use those funds could best be put to. If there is money left over, great; that would mean VA was meeting their goal of addressing veterans' needs with their in house resources, to include VA care as well as other assets in their arsenal such as the PC3 program or ARCH, the very successful rural health initiative.

Regarding other important VHA funding, The American Legion notes that VA's budget for medical research is relatively consistent, but positively notes the acknowledgement of the importance of additional areas of Posttraumatic Stress Disorder (PTSD) research including alternative therapies such as yoga, meditation and other treatments alongside cognitive processing therapy (CPT) and prolonged exposure therapy. The American Legion continues to devote extensive focus to the treatment of PTSD and Traumatic Brain Injury (TBI) through the PTSD and TBI Committee of the Veterans Affairs and Rehabilitation (VA&R) Commission. The Commission's work included the production of "The War Within"<sup>2</sup> and a survey conducted in conjunction with the Data Recognition Corporation which presented results last year at a June 24<sup>th</sup> symposium entitled "Advancing Care and Treatment for Veterans with TBI and PTSD."<sup>3</sup> Through that survey, it was reported that nearly 60% of veterans undergoing treatment for PTSD and TBI reported feeling no improvement or felt worse after the traditional treatments.<sup>4</sup> Clearly, there is still much room for improvement in this area.

***The American Legion supports VA becoming a robust leader in complementary and alternative medicine for Posttraumatic Stress Disorder and Traumatic Brain Injury.***

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<sup>2</sup> <http://www.legion.org/sites/legion.org/files/legion/publications/war-within.pdf>

<sup>3</sup> <http://www.legion.org/veteranshealthcare/222891/legion-survey-ptsdtbi-care-not-working>

<sup>4</sup> <http://www.legion.org/veteranshealthcare/222891/legion-survey-ptsdtbi-care-not-working>

## **Construction and Facilities:**

All stakeholders are aware of the much publicized struggles VA has gone through with major construction projects, particularly in Colorado, Florida, Louisiana and Nevada. VA recently came to an agreement with the contracting firm in Colorado and work was able to resume on the VA hospital project in Aurora. That work will likely cost at least \$234 million, and the budget for the project has spiraled from approximately \$600 million to over \$1 billion<sup>5</sup>. The money for these overages has to come out of VA's construction budget, yet where the money to backfill that budget and provide for future projects will come from is still unclear.

In February of 2012, The American Legion presented the following warning about insufficient funding in VA's construction budgets and capital investment plans:

*The SCIP planning process develops data for VA's annual budget requests. These infrastructure budget requests are divided into several VA accounts: Major Construction, Minor Construction, Non-Recurring Maintenance (NRM), Enhanced-Use Leasing, Sharing, and Other Investments and Disposal. The Fiscal Year (FY) 2012 VA budget identified more than 5,000 capital projects needed to close all the identified infrastructure gaps over the ten year period. The VA estimated costs were between \$53 and \$65 billion.*

*The American Legion is very concerned about the lack of funding in the Major and Minor Construction accounts. In FY 2012 The American Legion recommended to Congress that the Major Construction account be funded at \$1.2 billion and the Minor Construction account be funded at \$800 million. However, Congress only appropriated \$589 million and \$482 million respectively to those accounts. Based on VA's SCIP plan, Congress underfunded these accounts by approximately \$4 billion in FY 2012. Clearly, if this underfunding continues VA will never fix its identified deficiencies within its ten-year plan. Indeed, at current rates, it will take VA almost sixty years to address these current deficiencies.<sup>6</sup>*

Even before the setbacks in Colorado and Florida created holes in the construction budgets, there were already grave concerns about the ability to meet the needs that had been identified. Now that the struggling major projects are depleting funds at a greater rate than previously anticipated, the danger to future projects is even more severe.

The American Legion urges Congress and VA to get on the same page about fixing these budget holes before it's too late. We must act now. Whether this will require supplemental appropriations to make the troubled major construction projects whole again without jeopardizing the rest of VA's construction needs, or whether this can be built into the budget is still a topic for discussion. What is clear is that this is going to present a major hurdle to ensuring VA's facilities are able to handle the load. This is a problem that needs a solution.

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<sup>5</sup> <http://kdvr.com/2014/12/17/va-announces-deal-to-start-work-on-aurora-hospital/>

<sup>6</sup> American Legion testimony before HVAC on the VA Budget, February 15, 2012

The hospitals are not the only area of concern in terms of facilities. Last year's Veterans Access, Choice and Accountability Act (VACA) provided a respite for 27 Community Based Outreach Centers (CBOCs). The CBOCs have been an effective tool in reaching veterans, particularly in rural areas where a full scale hospital might not be feasible. Changes in how the leases for these facilities were scored by the Congressional Budget Office (CBO) jeopardized the future of CBOCs within the VHA health care system.

VACA provided relief for the 27 identified CBOCs, but in a sense it has only kicked the can a little further down the road. A long term solution to the CBOC lease conundrum will be required.

***The American Legion urges Congress to provide an annual or permanent exemption for the Department of Veterans Affairs leases from the Congressional Budget Office's scoring process, so as to give VA the flexibility it needs to meet the health care needs of veterans.***<sup>7</sup>

### **Conclusion:**

The past year has made it clear that VA cannot afford to be run as an entity reactive to one crisis after another. Effectiveness stems from long term planning, and to be truly effective that long term planning needs to include all stakeholders. The American Legion has been a strong and active supporter of the Department of Veterans Affairs Voluntary Service (VAVS) since 1946 and today over 7,000 volunteers provide 900,000 hours of volunteer service at VA medical centers, CBOCs, Vet Centers, state veterans' homes, and nursing homes every year.<sup>8</sup> With nearly a million hours of service provided, imagine the cost savings to VA in terms of additional FTEs they do not have to provide.

That kind of coordination only works with open transparency. The American Legion urges VA to adopt an open and freely accessible planning process such as the quadrennial review proposed in H.R. 216 and endorsed by many members on both sides of the aisle in the House of Representatives. We would be happy to see the Senate take up legislation of this type to ensure VA's planning process is robust, includes all stakeholders, and is transparent to allow input and analysis from all concerned parties.

Secretary McDonald has a daunting task ahead of him as he continues to reform the VA and rebuild from the failures that led to last year's crises. There is no reason to go it alone. Congress has long displayed a willingness to provide VA with resources, increasing their budget nearly 75 percent since 2009 alone, and The American Legion has already gone out and conducted a dozen Veterans Crisis Centers and Veterans Benefits Centers in the field to help link VA and veterans up to make the system work. To be truly effective though, we all have to be reading from the same page. This is something that can and will be accomplished, and The American Legion looks forward to making that happen.

Questions concerning this testimony can be directed to The American Legion Legislative Division (202) 861-2700, or [ideplanque@legion.org](mailto:ideplanque@legion.org)

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<sup>7</sup> Resolution 282: Congressional Budget Office Scoring on Department of Veterans Affairs Leasing – AUG 2014

<sup>8</sup> <http://www.legion.org/vavolunteers>