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OVERSIGHT HEARING: REVIEW OF VETERANS' DISABILITY COMPENSATION—REHABILITATING VETERANS

HEARING

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS
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OVERSIGHT HEARING: REVIEW OF VETERANS' DISABILITY COMPENSATION—REHABILITATING VETERANS

TUESDAY, FEBRUARY 5, 2008

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 9:29 a.m., in Room 562, Dirksen Senate Office Building, Hon. Daniel K. Akaka, Chairman of the Committee, presiding.

Present: Senators Akaka, Tester, and Webb.

OPENING STATEMENT OF HON. DANIEL K. AKAKA, CHAIRMAN, U.S. SENATOR FROM HAWAII

Chairman AKAKA. Aloha and welcome to the second in a series of oversight hearings regarding the issue of veterans' disability compensation.

This morning, we focus on the rehabilitation of disabled veterans, including VA's Vocational Rehabilitation and Employment Program (VR&E). VR&E addresses the unique and specific needs of veterans with service-connected disabilities. The goals are to help these veterans transition to civilian life, overcome effects of disabilities, become employable, obtain and maintain suitable employment, and maximize independence in daily living.

As more veterans from Operations Iraqi Freedom and Enduring Freedom return from combat with debilitating conditions such as Traumatic Brain Injury and PTSD, the demand for services will continue to grow. It cannot be overstated. VR&E is essentially charged with providing the most critical of services to our highest category of veterans. It should, therefore, rank among the highest priorities of the Department. VR&E should be a touchstone of excellence within the Department. Unfortunately, that is not always the case.

The role of vocational rehabilitation in the 21st century is an important part of what we will be reviewing in these hearings.

When the concept of vocational rehabilitation for those injured in battle began and through the 1960s, the goal was that a veteran be able to return to work in a shop, factory, farm, or other manual labor field. This may have been a valid perception at that time. Today, we live in the information age. Couple that change with all the positive changes made through the Americans with Disabilities Act and other laws, and veterans with very serious disabilities are able to reenter a vastly different workforce.

This new reality must be reflected in VA's program of rehabilitation. The committee must begin to examine the relationship between disability compensation and vocational rehabilitation. To the extent that the current disability schedule is based on an average loss of earnings capacity, the question arises to whether an individual who completes a program of vocational rehabilitation has had the capacity at least partially restored and whether, therefore, the level of compensation should be reevaluated. This leads directly to the need to look carefully at the distinction between compensation for lost earnings and compensation for quality of life.

This morning, we start to explore the role of the VR&E program in the overall rehabilitation and reintegration of seriously disabled veterans. We need to understand how the VA's medical care and vocational rehabilitation professionals interact with each other. We also need to understand how VR&E is part of the larger rehabilitation process. In addition, we need a great deal more information about the services offered to those enrolled in the program of independent living services and the coordination of those services with the medical side of the house.

There have been a number of important reviews completed on this program. In 2004, a VA task force conducted a comprehensive study of the VR&E program and issued a report with more than 100 recommendations. Both the Dole-Shalala Commission and the Veterans Disability Benefits Commission looked at the VR&E program and made recommendations echoing those of the task force, particularly for increased staffing and better data analysis.

There are many other issues that I will not enumerate on at this time. It is more important that we get to work on this critical program and the many issues that it involves. I have a longer statement available at the table that will appear in the hearing record.

[The prepared statement of Senator Akaka follows:]

PREPARED STATEMENT OF HON. DANIEL K. AKAKA, CHAIRMAN,
U.S. SENATOR FROM HAWAII

Aloha and welcome to today's hearing, the second in a series of oversight hearings dealing with the issue of veterans' disability compensation. This morning, we will be focusing on matters dealing with the rehabilitation of disabled veterans, including, specifically, VA's Vocational Rehabilitation and Employment Program—VR&E.

The mission of the VR&E is defined in chapter 31 of title 38 quite clearly. It is to provide the services and assistance necessary to enable veterans with service-connected disabilities to achieve maximum independence in daily living and, to the maximum extent feasible, become employable and obtain and maintain suitable employment. The program addresses the unique and specific needs of veterans with service-connected disabilities in order to help them transition to civilian life, overcome the effects of disabilities, become employable, obtain and maintain suitable employment, and maximize independence in daily living. The need for VR&E services is well documented by continuing increases in the number of applications for assistance and the number of individuals approved for participation. As more Operations Iraqi Freedom and Enduring Freedom veterans return from combat with serious and debilitating conditions—such as Traumatic Brain Injury and PTSD—the demand for services will continue to grow.

It cannot be overstated: VR&E is essentially charged with providing the most critical of services to our highest category of veterans—those with service-connected disabilities. It should rank among the highest priorities of the Department and be a touchstone of excellence within the structure of benefits and services administered by the Department. Unfortunately, that is not always the case.

The role of vocational rehabilitation in the 21st Century is an important part of what we will be reviewing. The current chapter 31 program had its original roots in the War Risk Insurance Act of 1914. When the concept of vocational rehabilita-

tion services for those injured in battle began, and through the 1960's the dominant notion was that vocational rehabilitation was designed to help an individual regain the ability to return to work in a shop, factory, farm or other manual labor field. This may have been a valid perception at the time, but in the information age and with all the positive changes realized through the Americans with Disabilities Act and other progressive laws, veterans with very serious disabilities are able to reintegrate back into a vastly different workforce with increased levels of productivity. This new reality must be reflected in VA's program of rehabilitation.

This morning, we start to explore the role of the VR&E program in the overall rehabilitation and reintegration of seriously disabled veterans. We must begin to examine the relationship between disability compensation and vocational rehabilitation. To the extent that the current disability schedule is based on an average loss of earnings capacity, a question arises as to whether an individual who completes a program of vocational rehabilitation has had the capacity at least partially restored and whether therefore the level of compensation should be re-evaluated. This leads directly to the need to look carefully at the distinction between compensation for lost earnings and compensation for quality of life.

There have been a number of important reviews completed on this program. In 2004, a VA task force conducted a comprehensive study of the VR&E program and issued a report with more than 100 recommendations. Chief among those were that limited data and analysis hindered effective management of the program and that there was need for a more aggressive approach to serving veterans with serious employment handicaps. The task force recommended placing a priority on services to veterans who have the most serious disabilities that impact quality of life and employment. It also recommended that the system eliminate the need for service connection as a prerequisite for receiving services so as to allow as many disabled veterans as possible to receive services, especially transitioning servicemembers who are found "unfit for duty."

Both the Dole-Shalala Commission and the Veterans Disability Benefits Commission looked at the VR&E program and made recommendations echoing those of the task force—particularly for increased staffing and better data analysis. The Dole-Shalala Commission recommended that education, training and work-related benefits should be initiated early in the rehabilitation process. In this regard, I intend to explore the role of the VR&E program in the overall rehabilitation and reintegration of seriously disabled veterans. We need to understand how the medical care professionals and those in the vocational rehabilitation program interact with each other and how a program of vocational rehabilitation is part of the larger rehabilitation process. In addition, I am interested in learning a great deal more about the services offered to those enrolled in a program of Independent Living Services and the coordination of those services with medical care professionals.

The Veterans Disability Benefits Commission, based on the task force's report and finding that "VR&E should provide more complete vocational assessments to assist in disability and vocational decisions . . . [and] specifically, perform a functional capacity evaluation that would identify what work a veteran could do in the paid economy despite his or her disabilities," agreed with a 2005 Government Accountability Office (GAO) review that VR&E should screen veterans who file for compensation based on individual unemployability.

A good veterans' disability benefits package does not just compensate veterans for what they have lost. It also helps them rehabilitate and reintegrate themselves, focusing on their strengths, and mindful of their wounds. This is what we must deliver.

Chairman AKAKA. I welcome everyone to our hearing and look forward to a productive session.

Now, I would like to call on Senator Tester for any remarks he has.

STATEMENT OF HON. JON TESTER, U.S. SENATOR FROM MONTANA

Senator TESTER. I want to thank you, Mr. Chairman, for holding this hearing on vocational rehabilitation and employment. I want to thank the panelists for testifying here today.

I regrettably have to preside on the floor at 10:00, so I am only going to have about 15 minutes. I will make my comments as short as possible, and I don't say that to minimize this issue. I think this

is a critically important issue for our veterans throughout the Country.

You know, last year, this committee spent a lot of time on the health care side of things—helping servicemembers transition from the military to the VA—and we've got more work to do on that front, but we've got a good start. Now we are able to turn our attention to rehabilitation: to help the VA help our veterans get on with their lives; to move from the wounded warrior standpoint to someone who is skilled and trained; to find employment in the private sector in the workplace.

But, we have our challenges here, too—not enough resources, a cap on the new vocational rehabilitation employment cases at 2,500 a year, and I hope you can address that. It seems a bit arbitrary and insufficient, so I am curious. That would be one of the questions I would ask, and maybe it is one of the things you will address in your statements, but I am curious as to why it was set at 2,500 when we have 200,000 men and women deployed in Iraq and Afghanistan. It seems to me to be a bit arbitrary. At any rate, if you could answer it, that would be great—in your testimony or at the end.

The bottom line is: we need more coordination across the VA. Doctors and therapists who treat our patients on the health care side appear to have little or no input into the vocational rehabilitation and education side of veterans' care. Communication is critical in this day and age. And with the outstanding electronic record keeping that the VA has, I see no reason why we can't do more to improve the care for veterans and improve their rehabilitation.

Finally, the VA continues to be slow to address the needs of today's returning veterans. Shop trades and manual labor training that characterized the vocational rehabilitation program years ago is insufficient for today's wounded warrior, who very often deal with the most advanced in technology that is available to mankind. The VR&E program can do a better job of training veterans to continue to use the skills that they acquired in the military.

With that, Mr. Chairman, I am going to stop. I have got about 15 or 20 minutes maximum that I can listen to the testimony. I apologize for that, but I will be reading your testimony and look forward to really working with you folks, with the rest of the Committee, and with you, Mr. Chairman, to help address the issues of vocational rehabilitation and training. So, thank you.

Chairman AKAKA. Thank you very much, Senator Tester.

This morning, we will begin with Ruth Fanning. She is the Director of the Vocational Rehabilitation and Employment Service with VBA. She is accompanied by Kristin Day, Chief Consultant, Care Management and Social Work with VHA. I want to welcome you to the hearing this morning and ask you to begin with your statement. Thank you.

STATEMENT OF RUTH A. FANNING, DIRECTOR, VOCATIONAL REHABILITATION AND EMPLOYMENT SERVICE, VETERANS BENEFITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; ACCOMPANIED BY KRISTIN DAY, LCSW, CHIEF CONSULTANT, CARE MANAGEMENT AND SOCIAL WORK, VETERANS HEALTH ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

Ms. FANNING. Thank you. Mr. Chairman and members of the committee, thank you for inviting me to appear before you today to discuss VA's Vocational Rehabilitation and Employment Program. My testimony will provide an overview of VR&E with specific emphasis on Independent Living services and the Five-Track Employment Process. I will discuss VR&E services provided to veterans and servicemembers, including members of the Guard and Reserves, and the importance of VR&E's relationships with the Veterans Health Administration, the Department of Labor, and the Department of Defense in carrying out VR&E's role in the recovery and rehabilitation of servicemembers and veterans with serious injuries. I will address recommendations from the President's Commission on Care for America's Returning Wounded Warriors and the Veterans Disability Benefits Commission.

I am pleased to be accompanied by Ms. Kristin Day, Chief Consultant, Care Management and Social Work, Veterans Health Administration.

VR&E provides service-disabled veterans and servicemembers awaiting medical discharge from active military duty with the necessary services to assist them to prepare for, obtain, and maintain suitable employment, or to achieve independence in their daily living. Veterans with service-connected disabilities are provided with a full range of services that include vocational planning, case management, training to build job skills, and job placement assistance.

In response to recommendations made by the VR&E Task Force in 2004, VR&E Service implemented the Five-Track Employment Process. This process standardizes the VR&E program orientation practices, integrates veterans, counselors, and employment professionals through a comprehensive evaluation phase, and places emphasis on employment early in the rehabilitation process. The Five-Track Employment Process enables veterans to make informed choices through one of five employment options that include reemployment, rapid access to employment, self-employment, employment through long-term services, and independent living. Independent living services are provided to help veterans reach the point where a vocational goal may be pursued and to assist veterans to become as independent as possible in daily living within their families and communities.

When a servicemember or veteran experiences a traumatic or serious injury, every aspect of his or her life is potentially affected. Medical services dominate at the onset of a serious injury, and as stabilization and recovery progress, other transition needs emerge. Many severely-wounded veterans and active duty servicemembers are initially treated in a VA Polytrauma Rehabilitation Center. Younger veterans particularly benefit from an approach to rehabilitation that emphasizes a return to employment and independent living from the very beginning of the treatment process.

VR&E program specialists and rehabilitation specialists with Spinal Cord Injury, Traumatic Brain Injury, Polytrauma programs, and the Compensated Work Therapy Programs work together to provide vocational services. After the intensive medical rehabilitation phase, VR&E services continue as an integral part of seriously disabled servicemembers' or veterans' adjustment and reintegration into their communities. To ensure timely VR&E services to the most seriously disabled servicemembers and veterans, each regional office has designated a VR&E OEF/OIF Case Coordinator.

Another tool used to assist the injured servicemember or veteran is the Coming Home to Work Program. Coming Home to Work provides opportunities for eligible servicemembers during medical transition to obtain work experience, determine the suitability of potential careers, and make the transition into competitive employment.

VR&E provides additional outreach to National Guard and Reserve members to ensure their awareness of available benefits and to expedite their enrollment and participation in the VR&E program. Outreach is also conducted through the TAP and DTAP programs.

The Veterans Disability Benefits Commission recently reviewed VA benefits and made several recommendations to enhance services for transitioning disabled OEF/OIF veterans. Many of these recommendations would impact VR&E services provided to servicemembers and veterans, and several would require legislative changes. We are currently in the process of evaluating the Commission's recommendations and formulating responses or actions, as appropriate. We are not prepared to discuss such matters at today's hearing.

VR&E also received recommendations from the President's Commission on Care for America's Returning Wounded Warriors. The Commission recommended financial support for VR&E participants through a system of transition payments and payment of an incentive to encourage program completion. The Commission also recommended that VA conduct a six-month study to address several recommendations, including administration of transition payments. VBA worked with the VA Office of Policy and Planning to contract for the study and VA has advanced a legislative proposal to implement the recommendations made by the Commission on Care for America's Returning Wounded Warriors.

Mr. Chairman, this concludes my statement. I would be pleased to answer any questions from you or any of the other Members of the Committee.

[The prepared statement of Ms. Fanning follows:]

PREPARED STATEMENT OF RUTH A. FANNING, DIRECTOR, VOCATIONAL REHABILITATION & EMPLOYMENT SERVICE, VETERANS BENEFITS ADMINISTRATION

Mr. Chairman and Members of the Committee:

Thank you for inviting me to appear before you today to discuss VA's Vocational Rehabilitation and Employment (VR&E) program. My testimony will provide an overview of VR&E with specific emphasis on Independent Living services and the Five-Track Employment Process. I will discuss VR&E services provided to veterans and servicemembers, including members of the Guard and Reserves, and the structure and importance of VR&E's relationships with the Veterans Benefits Administration (VBA), Veterans Health Administration (VHA), the Department of Labor (DOL), and the Department of Defense (DOD) in carrying out VR&E's role in the

recovery and rehabilitation of servicemembers and veterans with serious injuries. I will also address how recommendations from the President's Commission on Care for America's Returning Wounded Warriors and the Veterans' Disability Benefits Commission would impact VR&E. I am pleased to be accompanied by Ms. Kristen Day, Chief Consultant, Care Management and Social Work, Veterans Health Administration.

OVERVIEW OF VR&E

VR&E provides service-disabled veterans and servicemembers awaiting medical discharge from active military duty with the necessary services to assist them in preparing for, finding, and maintaining suitable employment or achieving independence in their daily living. Veterans with service-connected disabilities are provided a full range of services including vocational planning, case management, training to build job skills, and job placement assistance.

Five Tracks to Employment

In response to recommendations made by the VR&E Task Force in 2004, VR&E Service implemented the Five-Track Employment Process. The Five-Track Employment Process standardizes the VR&E program orientation practices; integrates veterans, counselors, and employment professionals through a comprehensive evaluation phase; and places emphasis on employment early in the rehabilitation process. The Five-Track Employment Process enables veterans to make informed choices through one of five employment options, including re-employment with a previous employer, rapid access to employment through job-readiness preparation and incidental training opportunities, self-employment for those who wish to own their own businesses, employment through long-term services that include formal training and education programs leading to a suitable employment goal, and services to maximize independence in daily living for veterans who are currently unable to work or participate in other programs of vocational rehabilitation.

In 2005, VR&E Service stationed 72 employment coordinators at VA regional offices across the country. Over the past 2 years, the number of employment coordinators has increased to 83. The primary function of the employment coordinator is to provide veterans with services to enhance job-readiness skills and to offer job referral and placement services. The employment coordinator also works closely with the Department of Labor-funded Disabled Veterans Outreach Program Specialists and Local Veterans' Employment Representatives.

Additionally, VR&E Service established Career Resource Centers—"job labs"—within each regional office and developed an on-line employment Web site on the Internet at *www.VetSuccess.gov*. VR&E Service developed working partnerships and signed memoranda of understanding (MOUs) with Federal, State, and private-sector employers who have agreed to train and hire veterans participating in the VR&E Program. These resources and initiatives have provided vital vocational and employment support to program participants, enabling them to make positive training and employment decisions leading to successful employment outcomes.

VR&E also continues to partner with the Department of Labor VETS program to assist veterans to achieve their employment goals. As recommended by the 2004 Task Force, VR&E and DOL entered into an MOU in 2005 and moved forward to establish a joint work group to standardize procedures, develop joint reporting and performance methods, and implement a national model for enhanced collaboration. At the end of January, a joint demonstration project was launched in eight offices to move forward with implementation of all joint work group recommendations.

Independent Living

VR&E may initiate programs of independent living (IL) services to eligible veterans for whom achievement of a vocational goal is not currently reasonably feasible. Independent living services are intended to help veterans reach the point when a vocational goal or participation in an extended evaluation is reasonably feasible or assist veterans to become more independent in daily living within their families and communities.

Independence in daily living translates to the ability of a veteran to live and function within family and community either without the services of others or with a reduced level of those services. Services are tailored to each veteran's needs and may include a discrete service or a comprehensive program of services necessary to achieve maximum independence in daily living.

Some of the independent living services that VA provides include training in activities of daily living, training in skills needed to improve an individual's ability to live more independently, attendant care during a period of transition, transportation when special arrangements are required, peer counseling, housing integral to

participation in a program of special rehabilitation services through an approved independent living center or program, training to improve awareness of rights and needs, assistance in identifying and maintaining volunteer or supported employment, services to decrease social isolation, and adaptive equipment that increases functional independence.

As examples of some of the IL services provided in collaboration with VHA, I would like to highlight four programs: The Home Improvements and Structural Alterations (HISA) and Specially Adapted Housing (SAH) grant programs, VA's Automobile Adaptive Equipment program, and the Visually Impaired Services Team (VIST) program.

Benefits and services related to housing through the Independent Living Program may include adaptations that VA is unable to provide under the HISA or SAH grant programs. The Vocational Rehabilitation Counselor works closely with the Veterans Health Administration (VHA) and/or the SAH agent to conduct assessments and procure services and equipment to address housing-related independent living needs. VHA can provide HISA grants up to $1,200 for nonservice-connected veterans or up to $4,100 for service-connected veterans who need modifications to their homes to facilitate entry and provide access within the home. The Specially Adaptive Housing (SAH) program provides assistance to veterans with specific loss or loss of use of upper and lower extremities, and blindness when accompanied by loss, or loss of use, of an extremity. The SAH grant can be used up to three different times as long as the total does not exceed $50,000. Additionally, a veteran can use a "temporary residence" grant of up to $14,000 if a family member owns the home.

VA's Automobile Adaptive Equipment (AAE) program helps veterans or servicemembers who are service-connected for the loss or loss of use of one or both feet or hands, or who have service-connected ankylosis of one or both knees or one or both hips. Veterans with severe burns resulting in a rating of loss of use of their extremities also qualify. AAE allows veterans with serious disabilities to live more independently and pursue employment by permitting eligible disabled persons to enter, exit, or operate a motor vehicle. The program can provide, among other things, power steering, brakes, windows, doors, mirrors, seats, automatic transmission, van lifts, wheelchair and scooter lifts, shipping costs, and other special equipment necessary to the individual.

VA's VIST offers a wide variety of services, including visual exams, devices to assist with daily living, and computer provision and training, to veterans with visual impairments. VA also offers an array of prosthetic devices and services for patients based upon such factors as enrollment, medical evaluations, and prescriptions. VA assumes responsibility for repairs to the equipment provided. As a result of VIST services, veterans with serious visual impairments are able to work and live more independently.

SERVICES TO SERIOUSLY WOUNDED SERVICEMEMBERS AND VETERANS

When a servicemember or veteran experiences a traumatic or serious injury, every area of his or her life is potentially affected. Serious disabilities, including amputations; burns; spinal cord injuries; traumatic brain injuries; and associated mental disorders, require extensive care and often prolonged recovery periods. Medical services dominate at the onset of an injury, and other transition needs emerge as stabilization and recovery progresses. Adjustment to disabilities due to the traumatic or serious injuries is multifaceted and highly individual. Adjustment issues may include changes in personal relationships, social and economic status, vocational status, and adaptation to the physical changes associated with disability.

Many severely wounded veterans and active-duty servicemembers are initially treated at a VA Polytrauma Rehabilitation Center (PRC). Vocational rehabilitation is often an important component of services provided for those treated within the Polytrauma System of Care. Younger veterans particularly benefit from an approach to rehabilitation emphasizing a return to employment and independent living from the very beginning of the treatment process. VR&E program specialists and rehabilitation specialists with Spinal Cord Injury, the Traumatic Brain Injury (TBI)/Polytrauma programs, and/or the Compensated Work Therapy (CWT) programs, collaboratively provide vocational services, including vocational counseling services and educational support regarding benefits. CWT is a program in which veterans are placed in jobs, and then receive treatment to help them keep these positions. It is integrated with other components of treatment. Most veterans receiving CWT services have mental health diagnoses, but may also have Traumatic Brain Injury.

After the intensive medical rehabilitation phase, VR&E services continue as an integral part of seriously disabled servicemembers' or veterans' adjustment and reintegration into their communities. Working together with military treatment facili-

ties, the Department of Labor, VHA, and other VBA personnel, VR&E provides an optimal program of vocational rehabilitation and employment services to assist with seamless transition from military to civilian life.

EARLY INTERVENTION

Early intervention services for a seriously disabled OEF/OIF servicemember or veteran begins with a VR&E Vocational Rehabilitation Counselor directly contacting the individual to inform him or her about available benefits. This initial contact may occur while the servicemember is receiving treatment at a military treatment facility (MTF), a VA Medical Center, or the individual's home. VHA Social Work Case Managers help coordinate meetings between patients, families, and VBA counselors to begin the application process for veterans. Active duty servicemembers can also benefit from applying for housing grants, vehicle modifications, and VR&E benefits. VR&E staff is equipped to go anywhere necessary to deliver the initial orientation and provide assistance to the wounded warrior and his or her family. Each PRC also has a VBA representative assigned to the program who visits patients and families on a regular basis.

This initial contact allows for the vocational rehabilitation process to begin earlier, during medical rehabilitation, and enables the veteran to make the transition quickly to work or to a program of employment services after he or she is discharged and ready to pursue vocational goals. This early intervention also gives hope to veterans as they adjust to their disabilities and plan for their futures. Research indicates that veterans realize better employment outcomes when vocational rehabilitation is provided in the context of an overall mental or behavioral health treatment plan.

Once the eligible servicemember or veteran completes the initial orientation and the vocational assessment, a plan of services is developed to assist in meeting the individual's vocational or independent living goals. In developing the rehabilitation plan, VR&E staff work closely with MTF and VHA personnel, communicating with medical teams to obtain current information about the veteran's physical capacities and projected recovery timelines. Working in collaboration with VHA, the Vocational Rehabilitation Counselor obtains specialized assessments, including functional capacity evaluations, neuropsychiatric evaluations, and psychiatric evaluations to ensure rehabilitation planning takes disability issues fully into account. Throughout the planning and rehabilitation phase of veterans' VR&E programs, VHA is a vital partner in providing ongoing medical, dental, vision, and mental health care, as well as meeting specialized prosthetic needs. VR&E and VHA also partner to provide ongoing in-service training to staff to maintain VR&E counselors' awareness of current medical trends and to provide ongoing program updates to both VR&E and VHA.

Direct vocational counseling services address the vocational or independent living needs of the veterans and active duty servicemembers. These services are available at PRCs through the Polytrauma Vocational Rehabilitation Program, the VR&E program, and the VHA CWT program, and include: vocational evaluation, career exploration, functional assessment, vocational counseling, education about available resources, training, job placement assistance, and compensated work therapy placements. Working collaboratively, the Polytrauma Vocational Rehabilitation Program and the local CWT program provide linkage to VR&E benefits for both independent living program services and education training/employment services, and VR&E refers veterans for services through the CWT program when appropriate. Vocational services for patients with TBI, spinal cord injuries, burns, polytrauma, and other serious injuries are effectively coordinated through VBA and VHA programs to achieve a coordinated course of care, treatment, and rehabilitation.

Outreach to servicemembers is also provided through the Transition Assistance Program (TAP) and Disabled Transition Assistance Program (DTAP) at the time servicemembers with disabilities are leaving the military. Through the TAP program, servicemembers are informed about the broad range of VA benefits available to them, including VR&E benefits. DTAP provides more detailed benefits information geared toward servicemembers with disabilities, including a detailed orientation about VR&E and all available services. The goal of DTAP is to encourage and assist potentially eligible servicemembers to make informed decisions about VA's vocational rehabilitation and employment benefits. Full DTAP information is also available on VR&E's Web site, *www.VetSuccess.gov*. This site includes all orientation materials from DTAP and the standard VR&E Five Tracks to Employment orientation.

VR&E will collaborate with the new Federal Recovery Coordinators to ensure seamless and timely delivery of services. The Federal Recovery Coordinators provide seriously injured veterans or servicemembers with the opportunity to consult a

VR&E counselor. The results of this discussion will be included in the veteran's or servicemember's Federal Individual Recovery Plan (FIRP), which describes the objectives and resources needed to assist him or her in achieving lifelong needs and goals through recovery, rehabilitation, and reintegration.

Eligible servicemembers who have been determined by VA to have a disability of at least 20 percent are entitled to an evaluation of VR&E benefits regardless of their expected discharge date. Vocational rehabilitation services are introduced to servicemembers during VA educational and vocational counseling available to servicemembers anticipating discharge from the military for any reason. While a servicemember cannot participate in VR&E services until VR&E eligibility is determined, educational and vocational counseling services provide an opportunity to begin the counseling and evaluation process, allowing vocational rehabilitation and employment services for disabled servicemembers and veterans to progress more quickly once eligibility for the VR&E program has been established.

OEF/OIF Priority Services

To ensure timely services, each regional office has designated a VR&E OEF/OIF case coordinator to track all OEF/OIF claims and implement priority processing of their vocational rehabilitation claims. Within one business day of receiving an OEF/OIF VR&E application, the assigned office contacts the servicemember or veteran by phone to offer an initial appointment within five business days. If the servicemember or veteran cannot be reached by phone, the office schedules an appointment within ten business days by mailing an appointment letter to the servicemember or veteran.

For servicemembers and veterans who are recovering from catastrophic disabilities and who need independent living services in addition to planning for their vocational goals, an extended evaluation period may be needed. Individuals who are so severely disabled that a decision cannot be made about whether an employment goal is currently feasible may be provided an extended evaluation of more than the basic 12 months. VR&E Service has authorized field managers to approve extended evaluations for OEF/OIF servicemembers and veterans up to a total of 18 months.

Another tool to assist the injured servicemember or veteran is the "Coming Home to Work" (CHTW) initiative. The CHTW initiative began in September 2004 as a VA Office of Human Resources pilot at Walter Reed Army Medical Center. In November 2005, responsibility for CHTW was transferred to VR&E Service and became an integral part of VR&E's early intervention and outreach efforts to OEF/OIF servicemembers. CHTW was initially established at eight major MTFs and later expanded to 13. CHTW has provided opportunities for eligible servicemembers to obtain work experience, develop skills needed to make the transition to civilian employment, determine the suitability of potential careers, and make the transition into competitive employment positions.

The need for early VR&E outreach through CHTW extends beyond the major MTFs. DOD assigns injured servicemembers pending medical separation to health care facilities across the country. In order to meet the increased need for early VR&E outreach, CHTW is now being expanded to all VR&E field offices. This expansion involves developing a solid working relationship with the military chain of command, government agencies, and the VA local service delivery team. Close coordination and collaboration are vital to the success of VR&E early outreach efforts for disabled servicemembers and veterans.

SERVICES TO NATIONAL GUARD AND RESERVE MEMBERS

National Guard and Reserve members receive the same VR&E benefits as all other servicemembers and veterans with a VA-rated disability, but VR&E provides additional outreach to these groups to ensure their awareness of available benefits and to expedite their enrollment and participation in the VR&E program.

Outreach includes participation in various welcome home events for Guard and Reservists; coordination with the National Guard Transition Assistance Advisors; and forming partnerships with Warrior Transition Units (WTUs) to provide outreach and early access to VA benefits. We also provide regular briefings to the Army Community Based Health Care Organizations, Navy personnel, Navy Physical Evaluation Board Liaison Officers (PEBLOs), and Army Medical Hold transition services personnel.

COMMISSION RECOMMENDATIONS

Veterans Disability Benefits Commission

The Veterans Disability Benefits Commission recently reviewed VA benefits and made several recommendations to enhance services for transitioning disabled OEF/

OIF veterans. Many of these recommendations would impact VR&E services provided to servicemembers and veterans, and several would require legislative changes. We are currently in the process of evaluating the Commission's recommendations and formulating appropriate responses or actions, as appropriate, but are not prepared to discuss such matters at today's hearing.

PRESIDENT'S COMMISSION ON CARE FOR AMERICA'S RETURNING WOUNDED WARRIORS

VR&E received additional recommendations from the President's Commission on Care for America's Returning Wounded Warriors. This commission's recommendations included extending the maximum number of months that a veteran may participate in a VR&E program to 72 months. The extension was recommended to accommodate part-time attendance or temporary suspension of participation in a rehabilitation program. Current program regulations allow part-time attendance up to 96 months.

The Commission recommended financial support for VR&E participants through a system of transition payments and payment of an incentive to encourage program completion. The Commission also recommended that VA conduct a 6-month study to address several recommendations, including administration of transition payments. VBA worked with the VA Office of Policy and Planning to contract for this study. VA has advanced a legislative proposal to implement the recommendations made by the Commission on Care of America's Returning Wounded Warriors.

Mr. Chairman, this concludes my statement. I would be pleased to answer any questions from you or any of the other Members of the Committee.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO VA

Question 1. The Veterans Disability Benefits Commission stated in no uncertain terms that despite repeated efforts at reform throughout the years, VR&E is failing in its primary goal. Would you please respond to this basic finding and briefly address their recommendations aimed at elevating the outcomes of VR&E?

Response. We believe the Vocational Rehabilitation and Employment (VR&E) program is succeeding in its mission of assisting veterans in obtaining and maintaining suitable employment and achieving greater independence in daily living. Last year, approximately 11,000 disabled veterans were successfully rehabilitated through the VR&E program, with over 8,250 veterans reentering employment and earning aggregate annual salaries of approximately $271 million. In support of its vital mission, VR&E has redesigned its program to incorporate the five tracks to employment model and other recommendations of the Secretary's VR&E task force in 2004. The Veterans Disability Benefits Commission recommendations include adding staff, improving performance measurement, expanding eligibility, and offering incentives for completing rehabilitation plans. The recommendations are addressed below.

Recommendation 6.9: Access to vocational rehabilitation should be expanded to all medically separated servicemembers.

Public Law 110–181 enacted in January 2008 extended entitlement to vocational rehabilitation services to members of the Armed Forces with a serious injury or illness incurred in the line of duty that may render the member medically unfit to perform his or her duties. All servicemembers medically separated prior to the enactment of this law are eligible to apply for a Department of Veterans Affairs (VA) service-connected disability rating (or memorandum rating if not yet discharged) in order to establish eligibility for vocational rehabilitation.

Recommendation 6.10: All service disabled veterans should have access to vocational rehabilitation and employment counseling services.

All veterans with a VA service-connected disability rating (or memorandum rating) are currently eligible to apply for vocational rehabilitation and employment benefits and services under Title 38, United States Code, Chapter 31. During the scheduled initial evaluation and counseling process, veterans are found either entitled or not entitled to Chapter 31 benefits. Counseling is provided to assist veterans in identifying vocational goals.

Recommendation 6.11: All applicants for Individual Unemployability should be screened for employability by vocational rehabilitation and employment counselors.

VA has formed a work group to explore ways to integrate VR&E counselors in the individual unemployability (IU) evaluation process.

Recommendation 6.12: The administration of the Vocational Rehabilitation and Employment Program should be enhanced by increased staffing and resources, tracking employment success beyond 60 days, and conducting satisfaction surveys of participants and employers.

VR&E program staffing has been increased and is now above the level recommended by the VR&E task force. A counselor to veteran case load ratio of 1 to 125 was recommended; our current ratio is 1 to 120.

VR&E is developing methods to track employment success for at least 12 months. This will include coordination with the Department of Labor's (DOL) Veterans Employment and Training Service (VETS) to track employment retention and wages following entry into suitable employment. This tracking will also include direct follow-up with veterans to assess needs and address barriers to success.

VR&E is resuming satisfaction surveys of participants and employers.

Recommendation 6.13: VA should explore incentives that would encourage disabled veterans to complete their rehabilitation plan.

VA has advanced a legislative proposal that includes the authorization of incentives to encourage the completion of rehabilitation plans. This proposal was developed in response to the recommendations of the President's Commission on Care of America's Wounded Warriors.

Question 2. The former Chair of the task force will testify that even with VA's efforts to implement their many recommendations, VR&E outcomes are not much different than they were five years ago. The primary approach taken by VR&E *still* seems to first promote a process of education and when completed, to address employment options. She asks the question, which I pass along to you: "Do we have the best model for achieving vocational rehabilitation and successful employment for disabled veterans in the 21st Century?"

Response. Yes. The Five-Track Employment Process enables veterans to make informed choices through one of four employment options, including reemployment with a previous employer, rapid access to employment through job-readiness preparation and incidental training opportunities, self-employment for those who wish to own their own businesses, and employment through long-term services that include formal training and education programs leading to a suitable employment goal. Veterans who are participating in employment through long-term services require retraining to obtain suitable employment. Many of the veterans in the Chapter 31 program have skills that are outdated or are not compatible with or competitive in today's labor market. In today's knowledge-based economy, most occupations require a degree for hire into entry-level positions. VR&E's goal is to assist these veterans in obtaining suitable employment that is consistent with their interests, aptitudes and abilities.

Question 3. To the extent that the current disability schedule is based on an average loss of earnings capacity, a question arises as to whether an individual who completes a program of vocational rehabilitation has had the capacity at least partially restored, and whether, therefore, the level of compensation should be re-evaluated. Do you believe that an individual who completes a program of vocational rehabilitation should have their level of compensation reviewed to account for any earnings capacity that has been restored?

Response. The VA rating schedule is designed to compensate for average earnings loss and specifically to not penalize those who pursue rehabilitation to mitigate or overcome their disabilities. As recommended by the President's Commission on Care of America's Returning Wounded Warriors, VA has contracted for a study to provide information on the appropriate levels of compensation necessary to compensate for any loss in earnings capacity caused by service-incurred or service-aggravated conditions. The contract was awarded in January 2008, and the contractor is scheduled to provide its findings in August. VA looks forward to being informed by the results of this study.

Question 4. A program of vocational rehabilitation and employment must be viewed as a part of a much larger effort. Indeed, many suggest that offering vocational rehabilitation and employment counseling sooner in the rehabilitation process could be beneficial. From a medical care perspective, could you describe when it is most appropriate to begin discussion of vocational rehabilitation? Along those same lines, is an individual required to complete an application for the program before meeting with a VR&E counselor?

Response. Research supports early intervention as the key to successful vocational rehabilitation and return to work. Some of the predictor variables for improved return to work include age, education, time of injury to referral, and mandated voca-

tional rehabilitation. The VR&E program provides early intervention services by partnering with other health and rehabilitation professionals at VA polytrauma sites and military treatment facilities. VR&E counselors stationed within these locations provide early outreach to servicemembers and veterans. Through these early contacts, servicemembers are given hope and vision for future employment, which assists them in adjusting to their new disabilities. An individual is not required to submit an application prior to speaking with a VR&E counselor.

Question 5. There are concerns that the VR&E program selects the most easily rehabilitated individuals, pays for their college education in full, and marks the file closed when the individual finds a job. This raises a question about whether that veteran was truly in need of rehabilitation in the first place. Did the veteran simply access the rich benefits available under Chapter 31 via his or her service-connected disability? In the meantime, resources for more one-on-one guidance, counseling, and assistance are diluted. Could you comment on this concern?

Response. A total of 8,252 veterans were rehabilitated in suitable employment during fiscal year (FY) 2007. Of these, 3,581 had a serious employment handicap. As this data reflects, nearly half of the veterans rehabilitated in suitable employment in FY 2007 had a serious employment handicap. VA guidance defines "serious employment handicap" as a significant impairment of a veteran's ability to prepare for, obtain, or retain employment consistent with such veteran's abilities, aptitudes, and interests. A large number of veterans with serious employment handicaps obtain suitable employment each year because of the counseling, one-on-one guidance, and training services provided through VR&E programs.

Question 6. The 2004 Task Force made 110 recommendations for improvements in the VR&E program. It is my understanding that 89 of them have been implemented and another 12 are planned for implementation. I further understand that the eight remaining recommendations will not be implemented for various reasons. Could you please briefly describe the recommendations you have rejected and the reasons for deciding not to implement them?

Response. The task force recommendations and reasons for not implementing them are addressed below.

Recommendation P–1.2: Remove the limiting periods for use of Chapter 36 counseling benefits.

Counseling services under Chapter 36 are currently available to all servicemembers 6 months prior to separation from service and to veterans for 1 year after separation. The service believes these time frames provide adequate lead-time for a servicemember to receive an evaluation and begin preparation for the transition to civilian employment.

Recommendation P–1.3: Establish a system to accelerate the delivery of rehabilitation services to veterans in most critical need by changing the definitions of U.S.C. 3101 and 3102.

The task force recommended entitlement to VR&E services should be based solely on the disability rating and the requirement to establish an employment handicap be eliminated. VR&E service believes that the determination of an employment handicap is an important component of the VR&E program.

Recommendation O–1.1: Provide the VR&E Service Director greater line-of-sight authority over VR&E field staff and operations, resources and personnel evaluation, selection, assignment, and promotion.

Under the Veterans Benefit Administration (VBA) organizational structure, the VR&E service director provides input and advice to the Office of Field Operations, which has responsibility for managing the day-to-day operations of the regional offices (RO). This structure holds RO and area directors accountable for on-site management and communications/coordination with stakeholders within their jurisdiction. This structure also allows VR&E to focus on national policy and procedures; quality assurance, including oversight of benefits delivery; new initiatives; and enhancements to training programs and support systems.

Recommendation WP–3.2: Provide RO VR&E staffs maximum flexibility to specialize their staff resources.

Allowing maximum flexibility is contrary to efforts to improve the quality and consistency of benefits delivery nationwide. VR&E service believes that standardization and consistency in organization, policy, and procedures are fundamental to the provision of high quality services to veterans.

Recommendation IC–2.3: Change the current methods used to measure VR&E claim timeliness so that the "timeliness clock" starts when the VR&E Division gets the Form 1900 application and a service-connected disability rating from the Veterans Service Center.

Performance measures that direct attention and resources to providing quality rehabilitation services to disabled veterans have been developed. It is important that timeliness be tracked from the date of application to VA to expedite services for veterans.

Recommendation IC–2.5: Implement a new C&P performance measure for veterans' service center memo rating timeliness; incorporate this measure in the performance evaluation criteria for Service Center managers.

VR&E officers and service center managers have established strong working relationships. This has resulted in expedited memo ratings, shared information on veterans with service-connected disabilities, and coordination of services and benefits for Operation Enduring Freedom/Operation Iraqi Freedom (OEF/OIF) severely injured veterans. We do not believe that a performance standard is required at this time.

Recommendation IC–4.2: Hire a systems integration contractor to provide sustaining support to the VR&E Service for process and requirements analysis, technology assessments and recommendations, assistive technology consultation and project management.

The Assistant Director for Project and Program Management and the enhanced program management staff meet this need.

Recommendation IC–4.5: Provide VR&E Service contractors training on the use of WINRS and access to WINRS for data entry and reports.

Enhancements to CWINRS are required to meet current security standards for contractor access to the system. As VR&E moves toward a web-enabled environment in the future, the necessary changes will be incorporated.

Question 7. In response to many recommendations and findings relating to lack of information and data on those who discontinue participation in the program, it is my understanding that VA is currently conducting a survey which is scheduled for completion in September. Could you please give the Committee a brief overview of this survey and how you believe it will give you a better understanding as to why individuals discontinue participation in the VR&E program?

Response. The veterans employability research survey (VERS) is designed to determine why veterans discontinue their VR&E programs at various points. Results will be used to develop procedures to improve program retention and rate of completion.

The target population for VERS consists of five cohort groups of 5,000 veterans as listed below:

- Veterans who applied to the VR&E program, were found to be eligible, but did not show up for an initial appointment.
- Veterans who had to temporarily interrupt the evaluation and planning phase of the VR&E program, and dropped out rather than returning to the program.
- Veterans who continued into the evaluation and planning phase of the VR&E program, but dropped out before a plan was developed.
- Veterans who completed the evaluation and planning phase of the VR&E program, began a plan of rehabilitation, but dropped out or were otherwise discontinued from the program.
- A control group of veterans who successfully completed the VR&E program.

Question 8. A December VA Inspector General (IG) Report found that performance reporting for the Chapter 31 program needed improvement because the methods used to determine program performance did not accurately reflect the number of participants. For example in FY 2006, VA reported a rehabilitation rate of 73 percent by excluding veterans who participated in the Chapter 31 program but who discontinued participation and failed to complete a rehabilitation plan. When those veterans are taken into account, the rehabilitation rate drops to a dismal 18 percent. Do you concur with the IG's findings and, if not, why?

Response. The Inspector General (IG) report noted the confusing wording in the rehabilitation rate calculation. Both the IG and VBA agreed that the definition published for the rehabilitation rate was unclear. VBA agreed to expand the definition/methodology for the calculation of the rehabilitation rate to fully explain the procedures and formula used in capturing this data. VBA and IG consider this recommendation corrected and closed.

The current rehabilitation rate is based upon those veterans who have participated in a program of rehabilitation services leading to employment or independent living goals. The rate is derived by dividing the number of veterans who exit from a plan of services after accomplishing their rehabilitation goals by the total of all those who left the program (including those who did not meet the goals outlined in their rehabilitation plans). We do not believe it appropriate to compare successful rehabilitations to the total of all current participants, as such a measure would recount participants from one fiscal year to the next—include veterans who choose not to pursue a VR&E rehabilitation program—as unsuccessful, and count veterans in the midst of the counseling, entitlement, and rehabilitation phases as "unsuccessful." By measuring the rehabilitation rate based only upon those veterans exiting the program after involvement in a rehabilitation plan developed to assist them to achieve employment or independent living goals, an accurate picture of success is obtained.

Question 9. The IG echoed another of my deep concerns that the annual cap of 2,500 on the number of new participants in the Independent Living Services program may limit VA's ability to provide such services to very seriously disabled veterans in need of help. This is important in terms of returning OEF/OIF veterans who have sustained debilitating injuries in battle and who need timely services. Do you believe that the time has come to eliminate this cap?

Response. In a recent survey of field staff, it was found that the legislative cap did not impede the ability of VR&E counselors to provide independent living services to veterans with severe disabilities.

Question 10. An Independent Living Services program would, by its nature, seem to involve a great deal of medical rehabilitation. Could you discuss how VBA and VHA coordinate efforts when it comes to dealing with the needs of an individual receiving Independent Living Services?

Response. VR&E counselors work with the Veterans Health Administration (VHA) staff both during the evaluation of independent living needs and when an independent living plan of services is developed. During the evaluation process, counselors examine reports of medical treatment; may request assessments by specialized VHA medical staff such as neuropsychologists, occupational therapists, or physical therapists; and consult with medical providers to determine how potential VR&E services may facilitate, enhance, and support other treatment goals. The recommendations of the primary care provider are considered when determining the services included in an individualized independent living plan. Also, ongoing feedback from VHA providers is used to determine the success of independent living goals and substantiate the achievement of independent living objectives.

Question 11. How do you handle this case: a veteran with an employment handicap applies for a program and it is determined that reemployment with a previous employer is an option. The veteran, however, wants to pursue a program of higher education leading, for example, to a law degree. Is that veteran permitted to pursue that goal using Chapter 31 benefits?

Response. The decision to support a veteran's reemployment with a prior employer must also be categorized as a suitable vocational rehabilitation goal to be pursued by a veteran and sponsored by VR&E. The four sub-elements of "suitability" must be addressed to determine if a specific vocational goal is appropriate for consideration in the vocational rehabilitation process:

- Is the vocational goal consistent with the veteran's interests, aptitudes and abilities;
- Does the intended goal aggravate the veteran's disabilities;
- Will the vocational goal be stable and continuing;
- Does achievement of the vocational goal require reasonably developed skills.

Instructions have been published reminding VR&E field staff that a veteran's stated interest alone should never be the sole factor considered in establishing a vocational goal. As such, a veteran's unsubstantiated desire to pursue a law degree would represent an incomplete and insufficient basis upon which to select and develop this as a vocational rehabilitation goal.

Question 12. There has never been any kind of long-term study of the VR&E program. We do not have data on the number of veterans who fail to complete the program and the reasons for those failures. We do not have data on the long-term success of individuals who complete a program. It is, therefore, extremely difficult to draw any firm conclusions about the success of the overall program. This is an area in which additional research and resources could be helpful. What efforts is VA taking to explore such an evaluation?

Response. VR&E is contracting for an outcome-based assessment of the VR&E program. It is anticipated that this study will identify factors that contribute to the success of veterans receiving VR&E services and help identify barriers that affect retention. The Veterans Employability Research Survey (VERS) will also assist VR&E in developing strategies to improve retention and success rates.

Question 13. It has been recommended that individuals who are filing for compensation on the basis of Individual Unemployability be screened by VR&E. Do you have any thoughts on this proposal and what would be involved in terms of increased staffing and resources if this were to be implemented?

Response. The Veterans Benefit Commission has recommended that the IU claims decision process include vocational evaluation by VR&E counselors. To further study this recommendation, VA has formed a work group to explore ways to integrate VR&E vocational rehabilitation counselors into the IU process.

Question 14. The 2004 Task Force noted that the service-connected diagnosis that was most prominent in the Independent Living population was Post Traumatic Stress Disorder. Please describe the type of independent living services that might be appropriately provided to an individual with this diagnosis.

Response. An individualized independent living plan developed with a veteran with Post Traumatic Stress Disorder (PTSD) may include several objectives and services. For example, to improve socialization, a counselor may coordinate a volunteer placement in the community or with a service organization. To improve medication compliance, assistive devices such as a medication reminder may be purchased for the veteran. To improve coping skills and effective ways of managing the manifestations of this disability, the counselor may coordinate with VHA to provide psychotherapy and monitor the veteran's attendance at these sessions. When appropriate and necessary to facilitate the achievement of rehabilitation goals, the veteran's family may be provided therapy of short duration. Family participation in a support group for relatives or friends of individuals with PTSD may also be encouraged.

Question 15. One of the concerns identified by the task force was that the relationship between the VR&E program and the Veterans Health Administration be strengthened to include a "team approach." Specifically, in the area of Independent Living Services, the task force recommended that VHA and VR&E initiate projects to formalize and standardize the processes and administration for improved delivery of services to veterans. Please provide an update on efforts in this area.

Response. VR&E employees work collaboratively with VHA staff to provide needed prosthetic devices, home improvements and structural alterations, and other therapeutic services to veterans who are receiving independent living services. Under the home improvements and structural alterations (HISA) program, disabled veterans may receive assistance for home improvements necessary for the continuation of treatment or for access to the home, lavatory, or sanitary facilities. The VR&E case manager refers veterans who are in need of these services to VHA, and then works with VHA staff and the veteran to ensure that required services are provided and the veteran's needs have been met.

Question 16. The task force also made recommendations focusing on the integration of VR&E with State Vocational Rehabilitation Services and others within the wider world of vocational rehabilitation. What specific initiatives have been made in this area and what is planned for the future?

Response. A memorandum of understanding (MOU) was developed to expand and improve employment opportunities for disabled veterans. The MOU was signed by the Director of VR&E service and the President of the Council of State Administrators of Vocational Rehabilitation (CSAVR). VR&E and CSAVR committed to coordinating and implementing quality services for disabled veterans. It was agreed that State rehabilitation offices and VA regional offices would be encouraged to establish cooperative agreements to provide services to veterans identified as common clients.

Sharing costs, exchanging information, coordinating activities, assisting with carrying out services, and supporting objectives are specific examples of what is occurring at the local level between VR&E offices and State offices.

VR&E and the Rehabilitation Services Administration are working collaboratively to study ways to further enhance partnerships and effective collaboration. These topics will be discussed in a Rehabilitation Services Administration panel at the upcoming VR&E Leadership Conference.

Question 17. With the current conflicts in Iraq and Afghanistan, a younger generation of veterans is potentially going to be re-entering the workforce. What can be done to improve the outreach to these younger veterans, so that they are aware that the VR&E programs exist as benefits to them?

Response. Early intervention is the key. Federal recovery coordinators, disabled transition assistance program (DTAP) representatives and VR&E liaisons are readily available and coordinate services designed to meet the needs of these veterans and their families. The Coming Home to Work program also provides early intervention assistance. These programs help servicemembers transition from military to civilian life by providing tools and support to acclimate to the world of work, develop confidence, make sound career decisions, and re-enter the workforce.

Question 18. In testimony submitted by Easter Seals, they raise a number of concerns and instances where they believe VA is not utilizing invaluable resources and experiences of community-based organizations to respond not only to the growing needs of returning servicemembers but also to those who may not have easy access to VA medical facilities. Please comment on this, especially in the context of their Veterans with Traumatic Brain Injury Project?

Response. Our VR&E offices partner with community service providers in the provision of evaluation, assessment, rehabilitation planning, and placement services for eligible VR&E participants. Many community-based assistance programs located close to veterans' residences are used to provide valuable services to veterans and their families. For example, if a veteran with Traumatic Brain Injury needs community-based services as a part of his/her overall VR&E rehabilitation program, the Easter Seals organization can be used to meet this need through its cognitive rehabilitation program that includes supportive services both to participants and their families. Working within our established contracting parameters and procurement regulations, VR&E field offices contract with organizations such as Easter Seals to meet these specialized needs.

Question 19. Easter Seals also raises concerns related to VA's National Acquisition Strategy (NAS). For the record, please respond to the issues raised by Mr. Carmon about the structure of the application and the delays that have been encountered. Please also respond to his comments about the requirement that applicants were to respond only if they could provide a broad range of vocationally-related services across a large geographic area and the implications of that for veterans in geographically remote areas and on the Easter Seals affiliates that had previously been able to work with VR&E locally as in the past.

Response. Based on recommendations from VA's IG, the Government Accountability Office, and the VR&E task force, we are reducing the number of contracts nationwide to address challenges in administration, costs, and efficiencies in managing our contract providers. The new national acquisition strategy (NAS) uses a nationwide "sub-area" approach, providing VR&E services in 26 sub-areas.

VA conducted a pre-proposal conference in July 2007 for potential offerors. This conference, held in Washington DC, was announced on the Federal Business Opportunities Web site concurrently with the solicitation for NAS services. All interested parties were invited to attend. Over 150 potential offerors attended this conference. A joint venture workshop was held at this conference, hosted by VA's Office of Small and Disadvantaged Business Utilization, which covered sub-contracting opportunities and methodologies for smaller companies to enter into joint ventures to meet the requirements of the NAS solicitation for one or more sub-areas.

Question 20. What efforts has VA made to make veterans aware of the "job resource labs"?

Response. Field offices provide written materials highlighting the availability of the job labs, not only to Chapter 31 participants, but to all veterans. Our rehabilitation counselors and employment coordinators provide information about the job labs during initial orientation and when veterans begin their job search. The public contact and outreach employees at each RO also advise veterans of the availability of the job lab resources when they conduct outreach and transition assistance briefings. Additionally, DOL employment representatives throughout the country, who work together with VA staff in assisting veterans find suitable employment, actively promote the job labs to the veterans they are serving. VR&E offices provide trained support staff to assist veterans in using the computer and other tools to search for employment opportunities.

Question 21. How would you personally rate the success of the Five-Track Employment Process?

Response. The Five-Track Employment Process rates high marks. Veterans and servicemembers become empowered through understanding all the possible employment options available. The Five-Track Employment Process integrates veterans, counselors, and employment professionals through the evaluation and places greater emphasis on employment options early in the rehabilitation process. We continue to work to enhance the delivery of employment options within the Five-Track Em-

ployment Process through expansion of internship opportunities and non-paid work experience and development of employment partners.

Question 22. While I can certainly see the need for VA to provide services and programs that enhance job readiness, I can also see the need to avoid duplication of the Department of Labor's Veterans' Employment and Training Service—specifically in terms of offering job referral and placement services. To what extent do you believe duplication is occurring?

Response. We continue to partner with DOL's VETS program to assist veterans in achieving their employment goals. As recommended by the 2004 task force, VR&E and DOL entered into a MOU in 2005 and moved forward to establish a joint work group to standardize procedures, develop joint reporting and performance methods, and implement a national model for enhanced collaboration. At the end of January 2008, a joint demonstration project was launched in eight offices to move forward with implementation of the joint work group recommendations.

Working together, the VR&E program and DOL's VETS program provide services to veterans with disabilities that enhance job-readiness skills and offer job referral and placement services. The employment coordinators within VR&E work closely with DOL's disabled veterans outreach program specialists and local veterans' employment representatives in this endeavor. Services provided by VR&E and the DOL VETS program provide a collaborative team approach to assisting veterans in achieving employment goals.

Question 23. You note in your testimony that benefits and services provided under the VR&E program relating to housing may include adaptations that VA is unable to provide under the Home Improvements and Structural Alterations or the Specially Adapted Housing grant programs. Could you please supply a specific example of such a benefit or service?

Response. Home modification needs are addressed by the home improvements and structural alterations or specially adapted housing grant program. Working collaboratively with these programs, VR&E counselors provide supportive services related to veterans' individual independent living needs. For example, VR&E may provide a home communications system that enables a veteran with mobility impairments to open doors, operate equipment, and communicate with visitors via the use of electronic adaptive equipment.

Question 24. Are functional capacity evaluations (FCEs) conducted for each individual who is determined to be eligible for the VR&E program and, if not, how is a determination made as to who receives such an evaluation? Are there instances where multiple FCEs are conducted, for example, for a veteran participating in the independent living program or a servicemember receiving medical rehabilitation services?

Response. Functional capacity evaluations (FCE) are useful tools during the vocational evaluation and case management phases. A FCE may be required when: injuries impact employment opportunities, medical contradictions exist, functional abilities and limitations need to be identified, or an individual's goals appear to be unrealistic. FCEs assist our rehabilitation counselors in determining an applicant's rehabilitation potential, ability to transition into the workforce, level of functioning, level of independence, vocational needs, and independent living needs. A veteran may benefit from an additional FCE if his/her disability worsens. The need for an FCE is determined on a case-by-case basis by a qualified vocational rehabilitation counselor. Veterans receiving services to achieve the maximum in independence of daily living will not require an FCE, but may benefit from an in-home assessment to determine the possible need for home modifications. A servicemember actively receiving medical treatment may provide medical documentation from his/her doctor, listing employment limitations in lieu of a FCE. Vocational rehabilitation counselors are trained to understand the vocational implications of disabilities and to evaluate medical records. Based on this training, they are equipped to evaluate when FCEs are necessary in the rehabilitation process and when adequate data is available to proceed without burdening the veteran with unnecessary medical testing.

Question 25. There appears to be increasing concern that the amount of information given to servicemembers through the Transition Assistance (TAP) and, especially, the Disabled Transition Assistance Program (DTAP) is often overwhelming and difficult to process given the challenges and changes involved with leaving the military. Has any thought been given to offering a "refresher" DTAP briefing—for example, 30 or 60 days after the individual is discharged?

Response. All DTAP attendees receive a CD and Quickbook which explain and describe all potential VR&E benefits. We will examine whether an additional refresher DTAP presentation would be beneficial.

Question 26. You noted that the new "Federal Recovery Coordinators" will provide seriously injured veterans or servicemembers with the "opportunity" to consult a VR&E counselor. Why would this consultation not be "required"?

Response. VR&E counselors will work closely with the federal recovery coordinators (FRC) to provide outreach to seriously injured servicemembers and veterans and encourage them to apply and pursue VR&E services. VR&E counselors will personally coordinate with the FRCs to determine when outreach should be conducted to deliver the right service at the right time.

Question 27. You have indicated that the Coming Home to Work (CHTW) program has now been expanded to all VR&E field offices. How has that changed participation and workload for VA?

Response. The CHTW program started as a pilot program at eight military treatment facilities served by seven regional offices: San Diego, Seattle, Denver, Houston, Waco, Atlanta, and Washington, DC. The primary focus of CHTW pilot was providing non-paid work experiences to servicemembers who were pending medical discharge at military treatment facilities. In February 2008, we expanded the CHTW program to all field offices. The scope and mission of the CHTW program have broadened to provide comprehensive outreach, early intervention, and vocational rehabilitation services in addition to non-paid work experiences. Four additional full-time CHTW coordinators will assist the field in providing early intervention and outreach services. These four new coordinators will be based Honolulu, Oakland, Montgomery, and Roanoke. All regional offices have designated a vocational rehabilitation counselor to coordinate the CHTW program for their office. We will continue closely monitor and assess the program to determine the affect of the CHTW program on veteran participation and workload.

Question 28. With respect to the recommendations of the Dole-Shalala Commission, you note that "legislation would be required to remove the requirement that the servicemember must be rated as having a service-connected disability to establish VR&E eligibility." Can you give an example of an individual who is medically separated who does not later establish a service-connected disability?

Response. Veterans who are medically separated and choose not to apply for VA disability compensation benefits are not eligible for the VR&E program.

Question 29. I am not aware of the specifics of the proposal that VA has advanced for an incentive model that would promote vocational rehabilitation. Could you provide more detail for the record?

Response. VA developed a legislative proposal in support of the recommendations of the President's Commission on Care of America's Returning Wounded Warriors that includes incentive payments to promote the completion of vocational rehabilitation programs. Incentives would be paid to veterans at agreed upon milestones marking progress toward the completion of their rehabilitation program.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. RICHARD BURR TO VA

Question 1(a). In 2004, the VA Vocational Rehabilitation and Employment Task Force made over 100 recommendations on how to improve VA's VR&E program. For each of these recommendations, would you please rate on a scale from 1 to 10 the extent to which the recommendation has been implemented (with 10 indicating that they have been fully implemented)?

Response. The VR&E program has completed 90 recommendations and would rank all of them 10, the 8 recommendations not planned to be implemented are ranked 0, and the remaining 12 recommendations are ranked as indicated on the attached document. (See Table 1.)

Question 1(b). For those recommendations that are not yet fully implemented, would you please provide a brief description of the status of the recommendation?

Response. The attached document includes a worksheet on recommendations in progress which identifies the current status of each recommendation. (See Table 1.)

Question 1(c). For the recommendations that have been fully or partially implemented, what impact have the changes had on the outcomes for veterans? For example, has there been an increase in the number or percentage of veterans rehabilitated each year?

Response. The majority of the task force recommendations were related to the development of an updated rehabilitation model, the Five-Track Employment Process model. This model has received high marks for successfully delivering a standardized message to all program participants embarking on service within the VR&E program. Because the recommendations that have been partially or fully implemented are intertwined and implemented during the same or similar timeframes,

we are unable to attribute changes in program outcomes such as "successful rehabilitations" to individual recommendations. However, since 2004, the rehabilitation rate has increased from 65 percent to 73 percent. The rehabilitation calculation was also modified to account for veterans who achieved "maximum rehabilitation gain" as a result of program participation. Program changes include increased focus on veteran choice, comprehensive orientation about program tracks, increased collaboration with DOL VETS and employers, training, and increased emphasis on services to enhance job readiness and employment.

Question 2(a). At the hearing, Hon. Dorcas Hardy testified that "it is not yet clear that the focus of the program has dramatically changed to career development and employment" and that "most of the participants in the VR&E program are still in some kind of formal training, e.g., higher education." Since the Five-Track Employment Process was rolled out nationally, what percent of program participants have opted to participate in each of the five tracks?

Response. 16,284 veterans have entered a program track since 2007 (when data collection techniques were implemented). Of those entering job tracks, 8.3 percent entered the independent living track, 84.3 percent entered the employment through long-term services track, 5.1 percent entered the rapid access track, 1.7 percent entered the reemployment track, and .5 percent entered the self-employment track.

Question 2(b). What is the average length of time spent in the program for veterans entering each track and what are the rehabilitation rates for veterans in each track?

Response. We do not yet have data-tracking systems in place to report average time in each program track or to compute rehabilitation rates for only the subgroup of veterans entered into a program track since 2007, when data collection techniques were implemented.

Question 2(c). Currently, what percent of VR&E participants are enrolled in an undergraduate program of education and what percent of VR&E participants were enrolled in undergraduate programs over the past five years?

Response. At the end of FY 2007, 74 percent of VR&E participants in planned services were enrolled in undergraduate programs. In FY 2005 and 2006, 76 percent were enrolled in undergraduate programs. In FY 2003 and 2004, 77 percent were enrolled in undergraduate programs.

Question 3(a). Ms. Hardy also testified that VR&E has executed a national agreement between VA and the Council of State Administrators of Vocational Rehabilitation, but that "to be successful, each State Agency needs to tailor its own Agreement with VR&E in order to work together to fill the service delivery gaps that one or the other program encounters when working with the same veteran." Would you please describe any collaborative efforts that are underway with State Vocational Rehabilitation agencies at a local level?

Response. A MOU was developed to expand and improve employment opportunities for disabled veterans. The MOU was signed by the Director of VR&E Service and the President of the Council of State Administrators of Vocational Rehabilitation (CSAVR). VR&E and CSAVR committed to coordinating and implementing quality services for disabled veterans. It was agreed that State rehabilitation offices and VA regional offices would be encouraged to establish cooperative agreements to provide services to veterans identified as common clients.

Sharing costs, exchanging information, coordinating activities, assisting with carrying out services, and supporting objectives are specific examples of what is occurring at the local level between VR&E offices and State offices.

VR&E and the Rehabilitation Services Administration are working to further enhance partnerships and effective collaboration. This topic will be discussed in a Rehabilitation Services Administration panel at the upcoming VR&E Leadership Conference.

Question 3(b). What steps, if any, does VR&E plan to take to expand its efforts to work with State Vocational Rehabilitation agencies?

Response. We will continue to foster working relationships with State offices across the country to increase employment opportunities. In January and February of this year, VR&E staff members were in contact with the Director of Business Relations for CSAVR, and we plan to continue to actively work with CSAVR. VR&E will attend the CSAVR spring conferences in Alexandria, VA and Bethesda, MD. The conferences will feature VR&E's partnership with CSAVR and will provide the opportunity to speak about VR&E's program to a wide audience of potential partners.

Question 4(a). Regarding the self-employment track of the Five-Track Employment Process, Ms. Hardy testified that "promotion of self-employment continues to

be a challenge for VR&E" and that "there are several successful private firms that could be of assistance to VR&E employment coordinators." Would you please describe current policies or practices guiding when self-employment may be an option for a VR&E program participant?

Response. Veterans found eligible for the VR&E program attend a group orientation which explains all VR&E services potentially available, including self-employment. Each veteran participates with a vocational rehabilitation counselor in a comprehensive evaluation of his/her interests, aptitudes, abilities, work history, and medical situation. If it is determined that self-employment is potentially a viable vocational goal, the veteran is assisted by his/her counselor in developing a business plan.

Veterans are frequently referred to small business development centers in their local area, where one-on-one assistance with writing a business plan is available. Additionally, VA's Center for Veterans Enterprise (CVE) in Washington, DC, has intergovernmental affairs officers available to personally assist veterans with their specific questions. CVE also has a Web site (*www.vetbiz.gov*) with a plethora of information about starting a business.

VR&E has a number of counselors and employment services staff members in headquarters who work directly with counselors and veterans in the field. Business plans are reviewed, recommendations made, and referrals to local agencies for additional assistance are offered to veterans across the country. VR&E personnel work closely with CVE for expert advice and assistance with business plan reviews.

Question 4(b). Would you please describe any efforts to coordinate with other public and private organizations to promote self-employment where appropriate?

Response. VR&E works directly with the CVE and the Small Business Administration. Both organizations assist VR&E participants expressing an interest in self-employment with the development of a viable business plan. Information about VR&E's self-employment program is provided in printed form as part of the Quickbook series to all separating servicemembers attending DTAP briefings. Self-employment information is also provided in video format to all VR&E applicants during the orientation process. Veterans and servicemembers with Internet access can learn about the self-employment process at *www.vetsuccess.gov*.

Question 5(a). Last year, the Government Accountability Office (GAO) issued a report on disabled veterans' employment, containing the following findings:

Officials in some states we visited raised concerns about the ability of employment programs—including the Five-Track Program—to address the needs of severely disabled program participants returning from recent conflicts in Afghanistan and Iraq. According to VA officials, many recently returning veterans have multiple and severe disabilities, such as speech, hearing, and visual impairments as well as loss of limbs and brain injuries, and behavioral issues due to the stress of combat. Additionally, veterans from recent conflicts are surviving with more of these serious injuries that would have been fatal in past conflicts, a fact that can present major challenges to providing training and securing appropriate job placements. What specific steps have been taken by VR&E to address the needs of this population of severely disabled veterans and what additional steps should be taken to ensure that their needs are met?

Response. VR&E has established collaborative relationships with VA Polytrauma Rehabilitation Centers (PRCs) and the Spinal Cord Injury service. When appropriate, an initial evaluation, extended evaluation, and rehabilitation or independent-living services are provided while the veteran or servicemember is in the PRC. The vocational rehabilitation counselor is included in the regularly scheduled case reviews for each PRC patient and in polytrauma patient discharge planning. Because of the longer recovery periods for severely disabled servicemembers and veterans, VR&E revised the policy on extended evaluation plans to enable counselors to develop an initial plan of services for 18 months (previously limited to 12 months).

VR&E provides regular training to update and increase the knowledge of VR&E field staff. Recent training addressed the needs of OEF/OIF veterans with severe disabilities, including topics such as Traumatic Brain Injury (TBI), blast injury, cognitive assistive devices, and independent living. Training on amputation was held in March. To improve the quality of rehabilitation planning for veterans with TBI, VR&E initiated a project to provide 10 vocational rehabilitation counselors with graduate certificate training in brain injury from George Washington University. Those selected for this training will serve as subject matter experts for other VR&E staff members.

Guidance has been provided on the use of independent living services to meet the needs of veterans for whom achievement of a vocational goal is currently not reason-

ably feasible. These services may be a precursor to employment after independent living needs are addressed and medical stabilization is achieved.

VR&E is monitoring the expansion of VHA's supported-employment program for disabled veterans, the compensated work therapy (CWT) program. The CWT program has proven highly effective for veterans with mental illness, and a current pilot program is being conducted for veterans with TBI. Should this pilot yield positive results, VR&E counselors will use the CWT program for veterans with TBI.

Question 5(b). How many veterans from the conflicts in Iraq and Afghanistan with these types of severe injuries have applied to participate in a VR&E rehabilitation program; how many were determined to be entitled to services; how many received services; and how many have been rehabilitated?

Response. As of March 2008, there were 18,802 active OEF/OIF participants in the VR&E program, including 1,746 in applicant status. Current OEF/OIF participants include 980 veterans rated 100 percent disabled. OEF/OIF veterans who participated in the VR&E program and were rehabilitated total 1,881, including 65 veterans rated 100 percent disabled.

Question 5(c). Does VR&E have counselors who specialize in handling cases involving veterans with these types of severe disabilities? If so, how many of these specialists are there currently and what areas of the country do they serve?

Response. There are 732 counselors in the VR&E program nationwide, all of whom have the expertise and qualifications to address the needs of severely disabled veterans. Vocational rehabilitation counselors provide and coordinate a wide range of rehabilitation counseling and case management services for disabled veterans.

Question 5(d). In providing a program of rehabilitation for these severely disabled veterans, to what extent does VR&E rely on services provided by other public and private providers, such as State Vocational Rehabilitation agencies?

Response. VR&E counselors use all appropriate resources to facilitate the rehabilitation of veterans with severe injuries. These resources may include private for-profit and non-profit providers, contractors, VHA, and State vocational rehabilitation agencies.

Question 6(a). At the hearing, a representative from Easter Seals testified that VA's National Acquisition Strategy has "resulted in significant frustration for community-based organizations that want to be involved in providing the much needed services to veterans as they seek new employment, but are blocked by bureaucratic processes" and that the prerequisite that entities must be able to provide "a broad range of vocationally related services across a large geographic region" has resulted "in application criteria which very few entities could meet." Would you please provide an overview of the current policies that local offices must follow to obtain contract services?

Response. The National Acquisition Strategy (NAS) supplements and complements services performed by VR&E professional staff. VR&E published and distributed guidance and instructions for the mandatory use of the NAS contracts to our VR&E field organization, which standardize procedures for obtaining contractor services. If a NAS contractor is not available to provide the required services, VR&E offices may obtain approval to contract locally for required services.

Question 6(b). What impact are these policies having on the ability of local offices to provide the appropriate services to veterans participating in the VR&E program? Do current policies allow sufficient flexibility for local offices to take full advantage of community-based organizations?

Response. These policies provide a standardized and streamlined method of acquiring VR&E services for veterans. The VR&E guidance mentioned above provides instructions on procuring services locally in the event the NAS contractors are unable to provide the required services. Community-based organizations have the opportunity to contact the NAS awardees to inquire about entering into sub-contracting arrangements to provide the vocational rehabilitation and employment services available through the NAS. They also may submit proposals to meet local contract requirements posted on the Federal Business Opportunities Web site (a mandate for requirements over $25,000) or publicly solicited via other communication media, i.e., e-mail or telephone.

Addendum

Table 1.—Remaining 12 Recommendations and Their Rankings

Recommendation	Number	Comments	Ranking
Program Changes			
Review funding sources and create and maintain an inventory of IL services and assistive technology devices that can be provided across VA.	P-3.6	VR&E Service's IL Coordinator will create and maintain an inventory of IL services and assistive technology. The database is still under development	4
Initiate a study of the population of veterans currently in the VR&E IL program and those receiving IL services as part of a plan; use this data and other research to develop estimates of future demands for IL services.	P-3.7	VR&E Service's IL Coordinator is serving as the Contracting Officer's Technical Representative for the IL Participant Study currently underway. The final report is expected by the end of FY 08.	6
Organizational Changes			
Enhance the functionality of CWINRS on a priority basis to address CFO requirements for internal control and financial management. Enhance the functionality of CWINRS for management and oversight of all discretely procured contractor services and product	O-1.9	CWINRS 2 Functional Requirements Documentation has been reviewed. The contract is projected to be awarded in FY 2008.	3
Develop and implement workforce productivity and staffing analyses to develop a set of analytical tools for estimating future workload, task and labor hour requirements, staff sizing, and skill mix.	O-4.2	Working with the Price Waterhouse Cooper on VA's Management Cost Accounting System currently being developed. Will determine how much this contractor can provide in relation to work measurements and then establish a plan on how and what we will accomplish within the Service.	2
Develop an integrated protocol; for seamless management by VR&E and the CFO of voucher audit operations and establish performance standards to insure timeliness of payments and purchases.	O-1.6	Office of Resource Management (ORM) will work with VR&E Service to establish performance standards on timeliness of payments and purchases that will meet VR&E's requirements.	1
Work Process Recommendations			
Provide dedicated funding to support the administration of DTAP.	WP-6.5	VR&E is projected to receive $4,260,000 for FY2008 implementation of a DTAP Initiative for using contract vendors to provide DTAP briefings.	3
Integrating Capacities			
Conduct an independent review in 6 months of the VR&E Quality Review Process now being implemented.	IC-3.3	VR&E Service intends to conduct a business process assessment of the QA program during FY 2008.	2
Change the final measurement of employment success from 60 days to 90 days with follow-ups beginning at 60 days and at 60-day intervals.	IC-2.8	VR&E expects to receive the first data run from the Department of Labor in September 2008. Once received VR&E will analyze this information in order to determine if VR&E will be able to comply with OMB Common Measures requirement to capture 90 day employment follow-ups. VR&E Service will assess the data from this to determine if implementing the recommended change from 60 to 90 days employment (until determined rehabilitated) makes sense for the VR&E program.	2

Recommendation	Number	Comments	Ranking
Leverage IT capabilities to more efficiently administer Chapter 31 training and education programs, certifications and track the progress of veterans in training and education programs.	IC-4.8	VR&E Service is working with Education Service to leverage some of the existing education service's IT capabilities.	2
Create a systems capability for VR&E to request and track VHA appointments and services for Chapter 31 veterans. This effort should be linked establishing clear priority in VHA for Chapter 31 veterans who need services for timely employment readiness.	IC-4.7	Work with VHA to refine ability to use existing systems such as CAPRI. VR&E Service will send letter to field offices stating the need for them to obtain access to CAPRI.	1
Do not count Independent Living cases in the current formula for computing rehabilitation rate; create a new performance measurement system for IL.	IC-2.7	VR&E Service does not plan to implement the first part of this recommendation as the current rehabilitation rate accurately reflects the veterans who have successfully completed rehabilitation programs. However, VR&E Service has incorporated reviews of IL cases into its regular Quality Assurance schedule. VR&E Service hopes to recommend an IL QA performance target for inclusion in FY 2008.	1
Update the VR&E Program baseline of regulations, manuals and policies through an integrated change control process to be consistent with the new 5-track service delivery system and the recommendations of the Task Force.	IC-1.4	The Manual is currently undergoing revision.	3

RESPONSE TO QUESTIONS ARISING DURING HEARING ADDRESSED TO MS. RUTH A. FANNING (VBA) AND MS. KRISTIN DAY (VHA)

Question 1. What is the biggest deficiency in the VR&E program?

Response. Many improvements have been made to the VR&E program as a result of implementing the task force recommendations. One of the challenges VR&E faces is the lack of post-placement data for veterans beyond 60 days. To address this gap, VR&E is currently developing procedures to provide follow-up for up to 1 year. This additional follow-up will allow a provision of additional services when needed and will enhance data available to assess any additional program enhancements needed.

Question 2. It has been recommended that individuals who are filing for compensation on the basis of Individual Unemployability be screened by VR&E. Do you have any thoughts on this proposal and what would be involved in terms of increasing staffing and resources if this were to be implemented?

Response. The Compensation and Pension Service has formed a work group with VR&E Service to explore ways to increase the role of VR&E input into the IU evaluation process. If VA were required to implement screening and vocational assessment of IU applicants using VR&E staff, it is estimated that an additional 106 FTE would be needed. If VA managed these assessments through contract services, it is estimated that $19,000,000 in contract funding would be needed.

Question 3. Research and report on how VR&E collaborates with Easter Seals and other community based organizations in assisting returning servicemembers, especially in the context of the Veterans with Traumatic Brain Injury Project.

Response. Our VR&E offices partner with community service providers in the provision of evaluation, assessment, rehabilitation planning, and placement services for eligible VR&E participants. Many community-based assistance programs located close to veterans' residences are used to provide valuable services to veterans and their families. For example, if a veteran with Traumatic Brain Injury needs community-based services as a part of his/her overall VR&E rehabilitation program, services of a public or private rehabilitation may be required. Working within our established contracting parameters and procurement regulations, VR&E field offices contact with organizations such as Easter Seals to meet such specialized needs.

Chairman AKAKA. Thank you very much, Ms. Fanning, for your statement.

Knowing how busy Senator Tester is, let me ask Senator Tester to ask questions first and I will follow.

Senator TESTER. Mr. Chairman, you are too kind. Thank you very much. I don't know if I am any busier than you are; I just have a conflict here.

I will go back to the question I had in my opening statement on the 2,500 cap. Can you give me any reason for it, and what your recommendations would be; if you think it is adequate; and if it is not adequate, where should it be?

Ms. FANNING. Well, the Veterans Education and Benefits Expansion Act of 2001 increased the statutory cap from 500 to 2,500 new IL cases per year. So the cap is statutory. We are monitoring that, and in fiscal year 2007 had approximately 2,200 new cases developed during the year.

Senator TESTER. So you are at about 2,200 right now, is that what you said?

Ms. FANNING. We had 2,200 new cases enter into independent living in fiscal year 2007.

Senator TESTER. Is that gross, or is that after they have been weeded out—the 2,200? Is that everybody who has applied?

Ms. FANNING. That is everyone who entered into a new plan of independent living during the year.

Senator TESTER. So what you are telling me here today—and I don't want to put words in your mouth, you can disagree if you want— but what you are saying is that cap is adequate?

Ms. FANNING. I am saying that we have not approached that cap in the last two years, but we are monitoring closely to ensure that we stay within the cap because it is a statutory limit.

Senator TESTER. Okay. And your program—are you making projections, because things have changed a lot since 2001. They are going to change some from last fiscal year. Do you have the ability to make projections out two, three, four, five years from now? Because, if it is statutory, that means we need to change it if, in fact,

we don't want to be behind the curve on it. So do you have those projections? Are you able to make those projections?

Ms. FANNING. I am not able to make those projections at this time. I can tell you that we are monitoring closely. I know that we have about 700 cases in the process of being developed currently, so each month we are looking at what cases have been developed for the year and what is in progress to make sure that every seriously-injured veteran does receive those services as needed.

Senator TESTER. Okay. If you were going to do a self-evaluation of the program as you see it, what is the biggest deficiency you have right now? [Pause.]

When I was on the school board, we interviewed a basketball coach and he said the biggest deficiency he ever had is, he never had a big man. [Laughter.]

So, you've got to have a deficiency in the program. Or, maybe you don't, but it would seem to me that logically there are some needs there. The whole idea—from my perspective on this Committee, because I deal with a lot of veterans in the State of Montana—is for us to help you do your job better. So, if there are things out there—I don't want to get you in trouble with your supervisor or wherever you are in the food chain—but just let me know. If you want to think about it, you can and come back in writing with it, if you want.

Ms. FANNING. I will come back in writing with it. [This was addressed as Question 1 following the 2-page chart.] I can say that many improvements have been made to the program as a result of the task force recommendations. I think the biggest challenge we face right now is doing as much outreach as we can and increasing that even further so that we are bringing as many individuals into the program as possible.

Senator TESTER. Okay. Thank you very much, Mr. Chairman. I appreciate your flexibility.

Chairman AKAKA. Thank you very much, Senator Tester.

Ms. Fanning, we have been concerned about some of the reports that we received about your mission. The Veterans Disability Benefits Commission stated, in no uncertain terms, that despite repeated efforts at reform throughout the years, VR&E is failing in its primary goal. So will you please respond to this basic finding and briefly address their recommendations aimed at evaluating the outcomes of VR&E?

Ms. FANNING. VR&E rehabilitated over 11,000 veterans last year. As I mentioned, we are very much engaged in doing aggressive outreach to get as many veterans and servicemembers engaged in the program as possible. We have focused over the last three years, since the task force recommendations were released: to put in place the Five-Track Employment Process; to focus all of our counselors, as well as the veterans we serve, on employment as the primary outcome goal of our program. I think we have made tremendous progress in that arena.

I am focused—and, as you know, I am new in my position—on taking an overall look at all of the recommendations that have been put in place, evaluating the effectiveness of those and how we can continue to make those improvements to help even more veterans become employed.

Chairman AKAKA. Now, this statement was made by the Veterans Disability Benefits Commission throughout the years, and at this point in time we are worried about the mission and with how close we are to accomplishing that, and would certainly like to see progress in that area.

The former chief of the task force will testify that even with VA's efforts to implement their many recommendations, VR&E outcomes are not much different than they were five years ago. The primary approach taken by VR&E still seems to first promote a process of education, and when completed, address employment options. She asks the question, which I pass along to you, "Do we have the best model for achieving vocational rehabilitation and successful employment for disabled veterans in the 21st century?"

Ms. FANNING. As you noted in your opening remarks, we are in a knowledge-based economy, which has transitioned greatly over the last number of years. We are training veterans to enter careers, and just to give you some data: over 80 percent of those veterans who are rehabilitated are employed in career fields—professional, technical, and managerial fields. So, we are focused on making sure that our services equip veterans not only for a job that is transitional, but for a career that they can grow in and continue to excel in over the course of their own careers.

Chairman AKAKA. From what we gather, it appears that the present veterans or the latest veterans are concerned not only with reemployment, but also on the quality of life in the future, and that is becoming a little louder than before. So it is something that we need to bear in mind as we set up models of programs for them.

It has been recommended, Ms. Fanning, that individuals who are filing for compensation on the basis of individual unemployability be screened by VR&E. Do you have any thoughts on this proposal, and what would be involved in terms of increased staffing and resources if this were to be implemented?

Ms. FANNING. We are in the process of studying this proposal and I would like to take that question for the record so that I can go back and provide more detailed information. [which she has]

Chairman AKAKA. Well, many things will have to be reevaluated. The number of veterans who are returning from Iraq and Afghanistan and other areas is increasing. We are looking at the need for staffing as well as other programs.

One of the concerns identified by the task force was that the relationship between the VR&E program and the Veterans Health Administration needs to be strengthened to stress a team approach, specifically in the area of independent living services. The task force recommended that VHA and VR&E initiate projects to formalize and standardize the processes and administration for improved delivery of services to veterans. Please provide an update on efforts in this area.

Ms. FANNING. VR&E is working very closely with VHA, and as I noted in my opening remarks, with the CWT program; with the polytrauma programs; with the VIST program that serves veterans with visual impairments; and many others—prosthetics; HISA. We have a presence at VHA in order to conduct early intervention and early outreach to servicemembers during that medical treatment phase. We have partnered with VHA to do an extensive amount of

training for our staff, and we have also provided training to VHA's staff, so that we are jointly aware of improvements and changes in our programs, so that we can provide a more collaborative approach to rehabilitation.

Chairman AKAKA. Ms. Day, please describe the type of independent living services that might be appropriately provided to an individual with this diagnosis.

Ms. DAY. Good morning, sir. Our Polytrauma Centers each have an independent living apartment on-site so that our servicemembers, as they move through the rehabilitation process, can actually practice at the center. Many SCI centers, many blind rehabilitation centers have these types of independent living facilities—apartments, if you will—on-site, so that the individual can work closely with the team, identify barriers and challenges to independent living, and resolve those in place before they go out into the community, to maximize their success.

Chairman AKAKA. Ms. Fanning, in testimony submitted by Easter Seals, they raise a number of concerns and instances where they believe VA is not utilizing invaluable resources and experiences of community-based organizations to respond not only to the growing needs of returning servicemembers, but also to those who may not have easy access to VA medical facilities. Please comment on this, especially in the context of their Veterans with Traumatic Brain Injury Project.

Ms. FANNING. I will need to research the collaboration that we have with Easter Seals and respond more formally to that portion of your question. [which she has, Q3] I can say that this year we funded a comprehensive analysis of our independent living program to determine where opportunities exist for us to collaborate more with community agencies such as Easter Seals, and also with VHA. So, as we complete the study, we will be looking at where there are gaps and where we need to reach out even further into the community. We understand that provision of rehabilitation services is really a collaborative effort. We need to maximize the resources that are available in the community.

Chairman AKAKA. Well, I am glad to hear that. While I can certainly see the need for VA to provide services and programs that enhance job readiness, I can also see the need to avoid duplication of the Department of Labor Veterans' Employment and Training Services, specifically in terms of offering job referrals and placement services. My question to you is, to what extent do you believe duplication is occurring?

Ms. FANNING. As with provision of independent living services, I believe that providing job-ready services and job placement services is a team effort with Department of Labor. Currently, we are working with Department of Labor to even further strengthen our relationship. We have just launched a demonstration project in eight sites around the country to look at how we are defining our combined mission, how we are looking at performance metrics together, and how we can have a more integrated model so that we can avoid any duplication of services.

Chairman AKAKA. Ms. Day, a program of vocational rehabilitation and employment must be viewed as a part of a much larger effort, and I am glad to hear the team approach coming forth. In-

deed, many suggest that offering vocational rehabilitation and employment counseling sooner in the rehabilitation process could be beneficial. From a medical care perspective, could you describe when it is most appropriate to begin discussion of vocational rehabilitation? Along those same lines, is an individual required to complete an application for the program before meeting with a VR&E counselor?

Ms. DAY. Yes, sir. VHA has over 5,500 social workers—masters' prepared social workers—that work in virtually every clinical environment of the facility. They are trained and educated about VR&E.

The answer to when is the optimal time to introduce the concept is two-fold. It is important that all veterans understand their benefits and that they all know very early on that this is something that they are entitled to if, in fact, that is the case. But, we have taken a multi-tiered approach to supporting them because oftentimes the most severely injured are not ready to look at their educational benefits very early on. They are struggling with their body image issues and their family relationships and maybe it will take them a little bit more time through their rehabilitation experience to begin to focus on education.

That said, there are many veterans that come home ready to get out the gate and start working on their future and rebuilding a new life, since maybe they aren't going to be in the military service anymore. So, we have a couple of programs that we have put into place. Every VA medical center has an OEF/OIF Case Management Team. It consists of: VA clinicians, nurses, and social workers; a Transition Patient Advocate who serves as a peer counselor; as well as a VBA partner, and that is unprecedented. We are very proud of that. We have a member of our team that can make direct links to VR&E for those people that are ready, especially since we are meeting and greeting them when they come to the VA on their very first visits.

In addition, as mentioned before, we have experts for the more severely injured, and Spinal Cord Injury, in VIST, and our various programs in polytrauma. And, now we are adding to the team the new Federal Recovery Coordinator, who will, over the course of a lifetime, work with the individuals severely injured. So, if they are not ready in the very early stages of their rehabilitation to address their vocational and career opportunities, hopefully they will be as time goes on, when they tap into their resilience and they become stronger. It is a lifelong process and there are going to be peaks, if you will, opportunities to assist somebody in taking that leap into education or into a new career, and the Federal Recovery Coordinator will be there as a partner throughout their lifetime to support that.

Chairman AKAKA. Thank you for that. Ms. Fanning, do you have any further thoughts on that?

Ms. FANNING. I agree with what Ms. Day said. I think our program is very much individualized to the individual servicemember or veteran's needs. Many times, the first contact is at bedside, but we need to be sensitive and we work with VHA to know when the appropriate time to intervene is. Many times, the first contact may be with a family member just to educate them about services that

are available—to provide hope—so that, as their loved one progresses through the rehabilitation process, they know what to plan for.

Chairman AKAKA. Well, our country has been great over the years—and when I say over the years, we can even go back to World War I—in helping veterans in rehabilitation. Over the years, of course, we always expect to see progress made in this up to the present time. And so, we are taking this route of holding hearings in a series in this area to try to move our programs, our models, forward to also increase the team approach that you mentioned and, of course, increase our resources and staffing to meet the needs of our veterans today.

So, I want to thank you so much for your responses. We may have further questions and we will submit them for the record with your responses.

Ms. FANNING. Thank you, sir.

Chairman AKAKA. I thank you so much for your participation today. Thank you.

Our next panelist is a person who has been working in this area over the years. We will hear from the Honorable Dorcas Hardy, the former Chair of VA's Vocational Rehabilitation and Employment Task Force in the year 2004. We look forward to your statement and ask you to begin. Thank you.

STATEMENT OF DORCAS R. HARDY, FORMER CHAIR, VA VOCATIONAL REHABILITATION AND EMPLOYMENT TASK FORCE

Ms. HARDY. Thank you, Mr. Chairman. It is a pleasure to be here to speak with you today about the Department of Veterans Affairs VR&E program. As you are aware, I served as the Chairman of the VR&E Task Force and its report to Secretary Principi, "The VR&E Program for the 21st Century Veteran." I am also a former Commissioner of Social Security and was Chairman and CEO of a rehab technology firm in the 1990s.

When the VR&E Task Force began its work nearly five years ago, a major concern was how best to achieve the stated goals for returning injured men and women to vocational rehabilitation and employment. The primary approach of the Veterans' Affairs' Vocational Rehabilitation and Employment program is a sequential process of formal education, and when completed, to address employment options. Even with the Five-Track Employment Process recommended by our task force now in place, the VR&E employment outcomes are not significantly different than they were when we began. The task force believed in and supports the VR&E program. However, as you stated earlier, perhaps one should ask: Now, five years later, do we have the best model for achieving successful employment for disabled veterans in the 21st century?

Utilizing the 2004 Task Force report, VR&E has made progress in modernizing its operations. Most of the task force recommendations have been addressed in one way or another by the very supportive staff in VR&E. However, significantly improved employment outcomes remain elusive, and last year, of the approximately 90,000 program participants, only 9,000 became employed. This number is similar to earlier years. It appears that many of the pro-

gram operations are the same as in the past, and the program and its processes still take far too long.

I would like to quickly mention three VR&E issues which I think need more attention. Eligibility determination and assessment: The current comprehensive eligibility determination process is still time-consuming and extensive, and still takes as long as 50 days. If an individual is job-ready, or nearly so, and presents to the VR&E, there is no reason to be denied services for as long as two months. The counselors should be able to make an immediate referral to an employment coordinator or a private contractor skilled in job placement, such as Manpower, Inc.

Vocational assessment of participants may indeed be too late in the entire post-discharge process and should be integrated into the DOD and VA disability medical determination and case management processes. We all know that return-to-work discussions should occur at the earliest appropriate point in a disability process, yet VR&E is at the end of the line, only after disability ratings and cash benefits are determined.

Additionally, as the task force discussed, Functional Capacity Evaluation technology, known as FCE, can be used to determine and match individual abilities with required job skills, thereby facilitating discussions of future opportunities for employment. But use of such proven technology has not been integrated into any part of the vocational rehabilitation process.

I understand that the number of new entrants to VR&E has decreased by about 8,000 persons. With the increase in the amount of the GI Bill stipend, which is now larger than the VR&E stipend, I suggest that the application decrease is due to many veterans using their VA education benefits, not VR&E, to pursue higher education, especially if a State provides free tuition to a State-supported institution. Another question here which I think is very important is, why do we need two separate programs for attainment of a college degree? How can we work toward an approach that integrates the GI Bill with the education track of VR&E? The counseling and employment opportunities could and should be available to all applicants in either program.

Regarding employment itself: The new VR&E employment coordinators have been hired, but employment results are not much greater than before. The new VR&E computer job labs in regional offices and Memoranda of Agreement with major corporations, such as Home Depot, have not resulted in any significant number of job placements. Suggested improvements include more robust partnerships with other Federal and State programs as well as the private sector. There need to be more Memoranda of Agreement in place between VR&E, VBA, and all the State vocational rehabilitation agencies to provide more employment options and supports for veterans. I have submitted to your staff such a model agreement from the State of Alabama.

VA and DOL need to consider merging the DOL VETS program and VR&E to better promote employment opportunities. As you may recall, the Service Member Transition Commission chaired by former VA Secretary Principi in the late 1990s made a similar recommendation.

Additionally, self-employment, customized employment, and supportive employment must be clearly recognized as effective options for program participants. For severely disabled veterans, independent living, at least in the short term, may be the appropriate goal before employment, and additional VR&E outreach to the private nonprofit sector could be useful to all independent living veterans. Local representatives of the Centers for Independent Living organization are here today to talk with you.

Additionally, the many new community-based organizations that have sprung up to provide supports for newly-injured servicemembers should become VR&E partners: Wounded Warriors; America Supports You; Families of the Wounded Fund; and many others. If VR&E just compiled and distributed a list of resources and community-based services for all veterans in each State, I am confident this would result in new independent living services and employment partnerships, which benefit the severely-impaired veteran.

In closing, Mr. Chairman, the issues involved with implementing a modern disability rehabilitation and employment system are not unique to the VA's VR&E program for disabled veterans. According to the GAO, there are 192 Federal programs designed to provide supports to persons with disability at an annual cost of more than $120 billion. Eighty-eight percent of those Federal dollars are spent by Social Security and VBA, but only two percent were spent on employment-related programs. This is an uncoordinated stovepipe approach and it is a major part of the problem of disability determination, including ratings schedules, case management, recovery plans, medical and VR services and supports. Your committee has certainly looked at many of these issues.

The entire disability adjudication and support processes, and the related public programs, need to be modernized and we need to demand integrated approaches, better management, and better outcomes. Persons with disabilities should receive early and timely assessments and coordinated access to supports they need for maximizing their capability.

I still believe the VR&E can become the model public sector rehabilitation and employment program, but they are not there yet, and it is nearly four years since they began their transformation. The VR&E task force report was a blueprint for change. Much of the infrastructure is in place. VR&E needs to continue to make course corrections as they proceed and they need a greater sense of urgency.

Thank you, Mr. Chairman.

[The prepared statement of Ms. Hardy follows:]

PREPARED STATEMENT OF HON. DORCAS R. HARDY, PRESIDENT OF DRHARDY & ASSOCIATES, FORMER CHAIRMAN OF THE VOCATIONAL REHABILITATION AND EMPLOYMENT TASK FORCE OF THE DEPARTMENT OF VETERANS AFFAIRS

Mr. Chairman and Members of the Committee, I appreciate the opportunity to speak with you today about the Department of Veterans Affairs' Vocational Rehabilitation and Employment Program (VR&E).

As you are aware, I served as Chairman of the Vocational Rehabilitation and Employment Task Force of 2004 and its report to Secretary Principi: *The Vocational Rehabilitation and Employment Program for the 21st Century Veteran*. I am also a former Commissioner of Social Security and was Chairman and CEO of a rehabilitation technology firm in the 90s.

The United States is at war. At this time there is no more important mission for the Department of Veterans Affairs than enabling our injured soldiers, sailors, and other veterans with disabilities to experience a seamless transition from military service to successful rehabilitation and on to suitable employment. For some severely disabled veterans, this success will be measured by their ability to live independently, achieve the highest quality of life possible, and realize the hope for employment given advances in medical science and technology.

Current efforts of the Departments of Defense and Veterans' Affairs Steering Committee are focused on seamless transition through case management, utilizing Recovery Plans and Recovery Coordinators. Numerous government agencies and private sector commissions have also contributed ideas and plans to enhance the wounded warriors' transition, compensation determination and employment opportunities.

Even when the task force began its work nearly five years ago, a major concern of the task force was how best to achieve these goals for returning injured men and women. As we began our work, it became clear that the primary approach being taken by the Veterans' Vocational Rehabilitation and Employment Program was to promote a sequential process of formal education and when completed, to address employment options. Even with the Five-Track Employment Process now in place, the VR&E outcomes are not significantly different than they were then.

Now five years later, one should ask: Do we have the best model for achieving vocational rehabilitation and successful employment for disabled veterans in the 21st Century?

Utilizing the 2004 Task Force Report, VR&E has made progress in modernizing its operations. During the last four years, the Veterans Benefits Administration has increased its support of VR&E and tried to integrate its services into the many efforts that are being directed to disabled veterans returning from Afghanistan and Iraq. While most of the task force recommendations have been addressed in one way or another, I do not know if one can declare they have comprehensively addressed all the issues.

After many pilot projects, the Five-Track Employment Process and Integrated Service Delivery System appear to be in place, all Vocational Rehabilitation Counselors have been trained, Disabled Transition Assistance Programs (DTAP) briefings have been standardized and include Five-Track system information, a new orientation video for group intake is available, and new employment coordinators and job resource labs are available.

Despite this emphasis, significantly improved outcomes remain elusive and it appears that much of the program operations are the same as in the past. The program and its processes still take far too long.

Today, I would like to focus my comments on several important and outstanding issues which I believe need considerably more attention:

- Eligibility Determination;
- Assessment and participation in the Vocational Rehabilitation and Employment program;
- Employment Focus (both jobs and careers); and
- Independent Living.

DETERMINATION OF ELIGIBILITY

I continue to believe that the VR&E program employment and "life cycle" transitions counseling should be available to all veterans, in particular all disabled veterans at any stage in their post-military careers without regard to the number of years that have passed since they separated from the military.

One might want to establish a priority ranking system for services based on severity of disability. However, any veteran, especially the disabled veteran, who is ready for employment should not be subject to a time-consuming and extensive eligibility determination process which takes more than 50 days. If an individual is job-ready or nearly so, and presents to the VR&E, there is no reason to be denied access for almost two months to the Rapid Employment Track. The VR counselor should be able to make an immediate referral to an employment coordinator or a private contractor skilled in job placement, such as Manpower Inc. (I believe any shortened assessment process may require a statutory change.)

Assessment of program participants continues to be much of the core of the program. Perhaps a first time extensive vocational assessment by VR&E is too late in the entire post-discharge process. Currently both the Department of Defense and VA are working to better coordinate and integrate a disability medical determination and case management process. They are piloting new Recovery Plan processes and using DOD Transition Patient Advocates and new VA Recovery Coordinators.

It is well known that a discussion of employment at the earliest point in any rehabilitation process is critical to a successful Return to Work effort. Vocational Rehabilitation Counselors should be integrally involved in early discussions with veterans. I do not mean a cursory discussion of all VA benefits; an early discussion about returning to employment and significant participation in society is essential (recognizing that medical rehabilitation is obviously paramount). Yet VR&E is "at the end of the line" after disability ratings and cash benefits are determined.

Additionally, as the task force discussed, functional capacity evaluation (FCE) technology can be very helpful in determining and matching individual abilities with required job skills, thereby facilitating discussions of future opportunities for employment. The task force recommended that FCE testing be an integral part of the disability determination process and conducted as early as possible in any assessment (DOD or VA) process. A recommended functional capacity evaluation pilot project to determine the best means to apply this proven technology in the disability determination and VR&E process has not been conducted.

APPLICANTS

In addition to offering VR&E counseling, employment and career transition services to all veterans, at whatever point in time the services may be needed, VR&E service should have a better understanding of the reason for a veteran entering their program. The task force found that most applicants wanted a college education.

I have no data to suggest that request has changed. However, I understand that the number of new entrants to VR&E has decreased (about 8,000 persons). My suspicion is that the increase in the GI Bill stipend, which is now larger than the VR&E stipend, has caused many veterans to use their VA Education benefits to pursue higher education, especially if a State provides tuition to a state-supported institution. Why do we need two separate programs for attainment of a college degree? How can we work toward an approach that integrates the GI Bill with the education option of VR&E—the counseling and employment opportunities would be available to all applicants in either program.

The question that one must ask is: Why do we need two separate programs for attainment of a college degree? How can we work toward an approach that integrates the GI Bill with the education option of VR&E—the counseling and employment opportunities would be available to all applicants in either program.

EMPLOYMENT

It is not yet clear, despite VR&E's addition of 50 or so employment coordinators, that the focus of the program has dramatically changed to career development and employment. Annually, of the more than 90,000 active VR&E cases, no more than 9,000 veterans are "placed" into employment. This result has been steady for many years.

This is just not good enough if we say that the program focus is employment. And there is no information about how long (beyond 60 days) a newly employed veteran stays in the workforce, nor if these veterans have been places in employment through the Rapid Employment Track in the Five-Track Employment Model. Additionally, once a veteran is placed, there is minimal follow-up with the employer as to whether the new job is a correct fit with the veteran's skills and needs; whether any additional accommodations may be needed; or if further placements are available.

Most of the participants in the VR&E program are still in some kind of formal training (e.g., higher education). The obvious challenge is how to move them through to employment. Perhaps employment coordinators should work under incentives based on successful placements. If the number of employment outcomes does not increase, VR&E should revisit the discussion of contracting out all employment activity and only provide vocational counseling.

Part of the new approaches to motivating program participants to focus on employment has been the introduction of Job Labs at most of the VR&E offices. With many other federal programs, such as Department of Labor One Stop Centers also offering computer labs for job searches, it would be very useful to know if such new equipment has made a difference in successful job search and placement. Contracting with professional employment search firms or working with specific companies to develop appropriate jobs throughout an entire Region would appear to be much more cost beneficial.

Memoranda of Understanding regarding available jobs have been created with large employers (e.g., Home Depot). Apparently the number of placements from VR&E has not been large, if at all. There needs to be more communication about

the type of applicants that VR&E trains and the kinds of skills they can offer to such companies. An employer needs to understand the skills of VR&E participants (FCE could be used), as well as any necessary accommodations. Success requires employment coordinator outreach to many more companies, and much more interaction with professional employment agencies.

The task force suggested adoption of a National Agreement between Veterans Benefits Administration/VR&E with the Council of State Vocational Rehabilitation Agencies. This was executed in 2005. But to be successful, each State Agency needs to tailor its own Agreement with VR&E in order to work together to fill the service delivery gaps that one or the other program encounters when working with the same veteran. VR&E has not followed up to initiate more than a few Agreements; State partners could be extremely helpful if a more formal process of service delivery were in place. I have submitted to your Staff a model agreement between the State of Alabama Department of Rehabilitation Services and VBA/VR&E. Such a simple yet useful document should be in place in every State. Please note: only the most relevant portions of the model Memorandum of Understanding with the Alabama Department of Veterans Affairs to direct and facilitate services for veterans are included. (See Addendum) The complete document and additional information may be obtained from Ms. Peggy Anderson, Alabama Department of Rehabilitation Services.

The Ticket to Work Program of the Social Security Administration and VR&E have begun conversations regarding how Employment Networks of the Ticket Program can assist with training and placement of disabled veterans. Though the Ticket Program has not yet been as successful as had been envisioned, I expect that new regulations which will be issued this spring will have a significant impact upon development of a far more successful program of job training and employment.

Another Federal employment program at the Department of Labor also works closely with VR&E. It appears to me that both agencies could claim great success if the DOL VETS program (DVOPs: Disabled Veterans Outreach Program and LVERs: Local Veterans' Employment Representatives) were merged with VA's VR&E program. You may recall that the Servicemember Transition Commission chaired by former VA Secretary Principi in the late 1990s made a similar recommendation. Better employment referrals and opportunities, increased communication with the public and private sectors, and an integrated jobs placement team should surely result.

Promotion of self-employment continues to be a challenge for VR&E. There are several successful private firms that could be of assistance to VR&E employment coordinators. Additionally there are many business persons who, if asked, could assist directly by working with veterans to develop and critique their business plans. Self-employment, customized employment options, and supportive employment (such as the VHA program for TBI and PTSD veterans) especially for severely disabled veterans, must be an integral part of the training of VR&E staff and options for veterans.

INDEPENDENT LIVING (IL)

For many severely disabled veterans, independent living, not full employment, becomes the outcome. Within the allowable four years that a person can utilize IL services, the goal should still be employment, to the best of the ability of the disabled veteran. Individuals may not achieve full employment but many persons can participate in some kind of activity that provides financial remuneration. In cases of Traumatic Brain Injury or severe PTSD, it is recognized that considerable supports may be needed. At this point in the process, the Supportive Employment VHA program should be used as a bridge to full employment.

In such cases, VR&E Counselors often become case managers as opposed to rehabilitation counselors. Consideration should be given to forwarding the cases of severely impaired IL individuals to the caseload of the new VA position of Recovery Coordinators, with monthly or quarterly reports to the originating VR Counselor. Often care and support services are more appropriate at one time than another; veterans need to receive correct services for their current situations. However, the goal should still be rehabilitation to the greatest extent, and hopefully, some kind of economic participation in society. Regardless of which position, VR&E Counselor or Recovery Coordinator has the responsibility, management should consider introduction of a case weighted performance measure for IL counselors.

The private non-profit sector, through Centers for Independent Living, can also be extremely helpful to IL veterans. The Centers are located nationwide, understand local communities and provide supports and services, accommodations, and knowl-

edge of future opportunities for severely impaired persons. It is not clear that they are being fully utilized to assist disabled veterans.

Since servicemembers began returning from Iraq and Afghanistan, many non-profit, community-based organizations have developed throughout the country to provide supports for injured servicemen. VR&E should be known to all of these organizations: Wounded Warriors, America Supports You, Families of the Wounded Fund and many other family-support groups who want to assist with transition and employment needs. If VR&E compiled and distributed a listing of resources and community-based services for all veterans in each State, I am confident the result would be new service and employment partnerships which benefit the veteran.

Mr. Chairman, I would like to close my remarks with some observations about the greater World of Disability, of which the Veterans Benefits Administration is one part—a very large part.

GAO found 192 different programs operated or overseen by some 20 different federal departments or independent agencies that are designed to provide supports for people with disabilities. In FY 2003, more than $120 billion in federal funds were spent on programs serving people with disabilities. Eighty-eight percent (88%) of those federal dollars were spent by the Social Security and Veterans Benefits Administrations. It is especially noteworthy and disheartening that only two percent was spent on employment-related programs.

This uncoordinated "stove pipe" approach is itself a major part of the problem of disability determination, including rating schedules, case management, Recovery plans, and services and supports. To develop a 21st century system for persons with disabilities, there should be a new, single and integrated center of responsibility that can offer people with disabilities a clear and uniform path to finding the support they may need to pursue a path to independence and self-support. The entire disability adjudication and support processes in public programs need to be modernized. We need to demand integrated approaches to these issues, better management and better outcomes. Persons with disabilities should receive early and timely assessments and coordinated access to the supports they need to maximize their capabilities.

In a 2006 report from the Social Security Advisory Board (of which I am a member) entitled "A Disability System for the 21st Century" we stated:

On the disability cash benefit side, we currently have a uniform structure; on the employment support side we have something close to chaos. There are of course, many different kinds of supports including training, medical care and therapy, assistive technology, counseling and more. A variety of providers reflecting different disciplines will need to be involved, but persons with disabilities should have a single point of entry that can help them, as needed, attain and stay on the path to the supports they need.

Our Nation's policymakers need to acknowledge that the current disability programs, though well-intentioned, are badly fractured and disjointed. A unifying point of vision, oversight, and management is desperately needed. To rectify this, consideration should be given to the creation—by the Administration and the Congress—of an entity or entities that can develop and implement detailed legislative proposals for managing and integrating the supports available to people with disabilities in a way that truly offers a coordinated path to achieving community inclusion, independent living, and economic self-sufficiency.

Detailed legislative proposals to build a 21st century system could include, where appropriate, a realignment of functions and responsibilities that are currently carried out by numerous entities. It is now a decade and a half since our Nation declared its adherence to a disability policy that encourages and supports people with disabilities in their quest to achieve independence and self-support that is within their capabilities. It is time to begin to make the necessary administrative and statutory changes that can make that policy a reality . . . the difficulty of that task, while daunting, must not be viewed as a reason for avoiding action.

The issues involved with implementing a modern disability rehabilitation and employment system are not unique to the Vocational Rehabilitation and Employment program for disabled veterans. I still believe that VR&E can become the model public sector rehabilitation and employment program. But they are not there yet; and it is nearly four years since they began their transformation. They need a greater sense of urgency, as well as greater vision.

Mr. Chairman, thank you for the opportunity to address these issues. I will be glad to answer any questions you may have.

ADDENDUM

DEPARTMENT OF REHABILITATION SERVICES AND U.S. DEPARTMENT OF VETERANS AFFAIRS, VOCATIONAL REHABILITATION AND EMPLOYMENT SERVICES

This agreement is entered into between the Alabama Department of Rehabilitation Services, hereafter referred to as ADRS, and the Department of Veterans Affairs, Montgomery Vocational Rehabilitation and Employment Services, hereafter referred to as VA-VRE.

I. Purpose

In order to advance, improve and expand the work opportunities for veterans with disabilities, ADRS and VA-VRE herein commit themselves to working cooperatively in implementing the objectives set forth in this agreement.

II. Statement of Need

ADRS and VA-VRE believe that quality employment outcomes for veterans with disabilities can be increased and improved through a closer working relationship between ADRS and VA-VRE.

III. Terms of Agreement

Through collaboration and cooperation in the development of individualized plans for employment, delivery of planned services, and activities related to either return to work or obtaining employment, ADRS and VA-VRE staff will avoid the duplication of services to eligible veterans with disabilities. Attachment A describes the referral and service delivery process that will be followed by ADRS and VA-VRE staff. The ADRS and VA-VRE will share information and coordinate activities, as appropriate and in accordance with applicable statutes, to carry out and support the objectives of this cooperative agreement. These activities, services and records shared will be provided in a timely and accurate manner.

IV. Authority

Title I and Title VII of the Rehabilitation Act of 1973, as amended.

Title 38 United States Code, as amended.

This agreement does not in itself authorize the expenditure or reimbursement of any funds. Nothing in this agreement shall obligate the parties to expend appropriations or other monies, or to enter into any contract or other obligation. Further, this agreement shall not be interpreted to limit, supersede, or otherwise affect either party's normal operations or decisions in carrying out its mission, statutory or other regulatory duties. Nothing in this agreement shall be interpreted as altering eligibility requirements for any ADRS or VA-VRE program authorized under Title 38 United States Code, as amended or Title I or Title VII of the Rehabilitation Act of 1973 as amended.

V. Effective Date and Termination

This agreement shall become effective when signed by both parties listed below and shall remain in effect until either party chooses to discontinue. This agreement may be terminated at any time upon 30 days advance notice by one party to the other, and may be amended by the written agreement of both parties, and/or their designees.

STEVE SHIVERS
Commissioner, ADRS

RICARDO F. RANDLE
Director, Montgomery VA Regional Office

RICHMOND H. LAISURE
VRE Officer

Attachments:

[Attachment A is included. Attachments B–E, listed below, may be obtained from Ms. Peggy Anderson, Alabama Department of Rehabilitation Services.]

A: Referral and service delivery process
B: ADRS Liaison to VRE Contact Map
C: VA-VRE Referral Forms
  C1—Cover letter
  C2—Data sheet
D: ADRS Forms for Information Sharing
  D1—Confirmation to VRE of Assigned VR Counselor
  D2—Referral & Feedback Form on VRE Referral

E: ADRS Referral Form to VRE

MEMORANDUM OF AGREEMENT BETWEEN ADRS AND VA-VRE

ATTACHMENT A

REFERRAL AND SERVICE DELIVERY PROCESS

General Information

Under the ADRS and VA-VRE Memorandum of Agreement, both entities will coordinate resources to maximize vocational rehabilitation services to veterans with disabilities, in order to facilitate their return to work or their entrance into competitive employment.

Referral and Eligibility

VA-VRE Process

A VA-VRE counselor determines eligibility for Chapter 31 vocational rehabilitation services to veterans with service connected disabilities.

- If the veteran is eligible for VA-VRE services and seeking employment, that veteran will be referred to the appropriate ADRS liaison counselor (see Attachment C). If the veteran is also determined eligible for ADRS services, the VRE rehabilitation plan, as described below, will be shared with the appropriate ADRS liaison counselor.
- If the veteran is ineligible for VA-VRE services, but appears to need ADRS services, the veteran will be referred to the appropriate ADRS liaison counselor and VA-VRE will close the case.

ADRS Process

Referrals from VA-VRE will be made to the designated ADRS liaison counselor (see attachment B). That counselor will then refer the veteran to the appropriate rehabilitation counselor and notify the VA-VRE counselor concurrently (see attachment D).

ADRS counselors will determine ADRS eligibility and specific rehabilitation needs for each veteran referred by VA-VRE staff.

- If a veteran, who is referred to ADRS for services by a source other than VRE, has a VA compensable service connected disability and is eligible for ADRS services, that veteran will be referred by the ADRS counselor to the VA-VRE program. ADRS staff will make the referral, utilizing the formatted referral letter (see attachment E), submitting that letter to the Montgomery VA-VRE office. It will be the veteran's responsibility to complete VA Form 28-1900 which is available on-line or in print.
- If found entitled to services by VA-VRE, the ADRS rehabilitation plan will be shared with the appropriate VA-VRE counselor.

Information Sharing

With a signed release from the veteran, available records and other information will be shared between ADRS and VA-VRE without cost and in a timely manner. Any information shared will be shared in compliance with HIPPA rules.

When VA-VRE is referring a veteran to ADRS for services, the following referral packet of information will be shared:

- Current contact information (see attachment C)
- Current medical and psychological records
- Copy of the rehabilitation plan, if available
- Education and work history information
- Referral cover letter (see attachment C)

Developing Shared Plans

The development of the ADRS rehabilitation plan and the VA-VRE rehabilitation plan will, to the greatest extent possible, be complimentary so as to avoid duplication of services and to streamline the rehabilitation process for the veteran.

VA-VRE Services

VA-VRE will pay or arrange for all required tuition, fees, books, supplies, tools, equipment, subsistence allowance, and provide medical care and treatment in accordance with current VA regulations for all veterans determined entitled to VA-VRE services.

Training

As needed, VA-VRE can authorize training such as on-the-job training, non-paid work experience, apprenticeship, and educational training (for example, certificate or college training) in preparation for suitable entry level employment. Coordination between the VA-VRE counselor and the ADRS counselor is required when developing training plans.

VA-VRE will pay the vendor directly for all required tuition, fees, books, supplies and needed tools and equipment.

Medical

ADRS is not responsible for providing medical services for veterans eligible for VA-VRE programs. If such medical services are required, the ADRS counselor will advise the VA-VRE counselor for referral assistance to a VA medical facility for treatment. However, ADRS may provide medical services to determine and expedite eligibility or to allow the veteran to participate in the rehabilitation program.

Maintenance and Transportation

VA-VRE will pay a subsistence maintenance allowance to veterans in training according to applicable VA-VRE schedules.

VA-VRE generally cannot pay for transportation costs. If transportation services are needed by a VA-VRE/ADRS shared case and cannot be paid by VA-VRE, the VA-VRE counselor and ADRS counselor should discuss the need and ADRS may provide the service in accordance with ADRS policies.

Assistive Technology

In accordance with VA-VRE/ADRS individualized plans, the VA-VRE counselor will purchase, as needed for rehabilitation and employment purposes and in accordance with VA policies and procedures, appropriate assistive technology to accommodate the veteran after evaluation and identification of the assistive technology that will address specific needs for rehabilitation and employment in accordance with appropriate policies and procedures.

ADRS Services

Under this memorandum of agreement, the primary but not the only, services from ADRS for disabled veterans, as set forth by VA-VRE are focused on counseling and guidance, disability-related education and follow-along, suitable employment, job-site or job task accommodation or modification and/or evaluations, job retention assistance and/or return-to-work intervention (i.e. the ADRS RAVE program).

In addition, the case management and service delivery activities of the ADRS counselor will include, but not be limited to, the following:

- The ADRS counselor will notify the VA-VRE counselor if the veteran fails to keep appointments and/or is otherwise uncooperative.
- The ADRS counselor will provide the VA-VRE counselor with copies of case notes in accordance with approved plan, as needed, for shared cases.
- When either agency closes a shared case, each counselor will notify the counselor of the other agency.

Assistive Technology

When VA-VRE is unable to purchase the needed assistive technology for vocational rehabilitation and employment, ADRS may make the purchase in accordance with appropriate policies and procedures.

Return to Work Cases

ADRS will apply best practices procedures from their RAVE (Retaining a Valued Employee) program for all services rendered to veterans who are in a "return-to-work" situation.

Coordination of Employment Activities

ADRS and VA-VRE staff making contact with businesses on behalf of the veterans who are served as shared cases will coordinate their activities so as to encourage collaboration and avoid duplication of services. Each agency will respect the existing proprietary relationships between that agency and current employer accounts, working through the designated "account representative" of the agency that has an active working relationship with the employer. The lead business contact for local employer development and placement will be the ADRS Employer Development Coordinator (EDC).

Joint Activities

With a focus on collaboration and use of similar benefits, ADRS and VA-VRE will jointly initiate the following:

- Staff in-service training focused on an overview of the MOA and review of internal "best practices" for shared cases
- Routine review of the service provision process and employment outcomes for shared cases
- Troubleshooting to streamline services and to focus on continuous improvement
- Tracking and sharing outcome data.

QUESTIONS FOR THE RECORD SUBMITTED BY HON. DANIEL K. AKAKA TO MS. DORCAS R. HARDY, FORMER CHAIR, VA VOCATIONAL REHABILITATION AND EMPLOYMENT TASK FORCE

Commissioner Hardy, I first want to thank you for your very helpful and thoughtful testimony. I do want to clarify one issue.

Under VA's rehabilitation program, an individual is eligible for payment of tuition, fees, books, equipment and all other costs associated with a program of education paid for. Plus, the individual receives a monthly stipend amount of $520.74 for full-time training. Additional amounts are paid if the individual has dependents. Under the GI Bill, individuals enrolled on a full-time basis receive a monthly stipend of $1,101 a month and nothing more. There is no payment of tuition or fees or books or equipment. Nor do rates increase if the veteran has dependents.

Question. Does this cause you to re-evaluate your answer?

Response. Currently, the VR&E education benefit appears to be more generous than the GI Bill. (This may change with new discussions by Congress to significantly expand the GI Bill.) More than 75% of VR&E program participants proceed through a rehabilitation program that includes a goal of a college degree, unfortunately, often taking as long as 10 years to complete their education. VR&E Rehabilitation counselors spend a great deal of administrative time tracking the intricacies of the allowable costs for the education program: tuition, books, fees, etc. I believe that education benefits for all veterans should be administered by one program or entity, as simply as possible. For disabled veterans who are eligible for VR&E, they could be automatically eligible for GI Bill participation, under the same rules as all veterans, adding a voucher for any required equipment/technology due to their disabilities. The VR&E counselors could focus on the counseling and employment needs of the veteran, not the complex and inefficient administrative paperwork associated with education programs, which can more effectively be completed by the GI Bill program. A portion of program savings could be used by VR&E to fund additional counselors; savings could also be shifted to the GI Bill program. (The Committee may first want to consider conducting a brief analysis of the current "students" in each program, including all the costs incurred during a 1-year time frame.)

Chairman AKAKA. Thank you very much, Commissioner. Without question, your statement reveals your background, your experience, and your work in the area of veterans.

Commissioner Hardy, as the task force Chair, you added a special, let me say, final word to the report laying out your perceived challenges for the VR&E program and challenges also for the future. I think it quite safe to say that the future is now. You noted that the task force rejected the idea of moving the VR&E independent living program to VHA at that time. Could you please share your thoughts as to whether or not that idea needs to be re-evaluated at this time?

Ms. HARDY. First of all, Mr. Chairman, I would say that continuous improvement or continuous evaluation in all of our Federal programs is a good management technique, so any analysis probably should be looked at again four years or five years later. But, the reason we agreed on that was because we thought the VR&E program needed to be more focused on how they handled independent living—which they do very well—and who they select for independent living, before something was transferred.

In other words, they've got the independent living perspective—independent living veterans on this side: in the polytrauma; in the SCI; in the TBI centers—where they do an outstanding job. Then, they transition over here to the independent—actually living with their disabilities, some extremely impaired—that coordination is not probably as good as it should be just because it is a huge bureaucracy. But with the recovery coordinators coming on from VA and the other folks at VHA, I think that system can work.

But then, there is another piece here. If you assume they have as many, I think it is 36 months, something like that, 30 months in the IL VR&E position and then they have got to get into some employment, if not full employment, some economic participation in our society to whatever extent that person—it may not be a wage that is going to replace any benefits, but it is participation in society. So there are almost three pieces in this transition.

If you moved and did some more evaluation, thought it should be done, you move the IL piece from VR over to here, you are going to have to have some significant training of VA. Either move those people, some people, or better train VHA, because their focus is medical with some independent living skills. So you could combine those, but I am still trying to move somebody through independent living if at all possible so that they get that vocational side.

Chairman AKAKA. At this time, traumatic brain injuries and PTSD have become signature injuries of the current conflicts. What could VA do to ensure that veterans suffering from these injuries get what they need to live independently and reenter the workforce?

Ms. HARDY. I think I would suggest—remember, I haven't done an in-depth study last week, but based on what I recall and the little that I still know is—a better coordination with what I would call the CWT program. I think it is a special program that works with the severely impaired over at VHA, and so that integration has got to be a lot stronger, because that is where many of the PTSD and TBI veterans are able to learn new skills, participate in internships, participate to some extent in a workforce-like setting, supported work employment, as well.

Chairman AKAKA. The statistics you cite in your testimony on the number of programs for individuals with disabilities, I would say are staggering.

Ms. HARDY. True.

Chairman AKAKA. Particularly disturbing is the very small portion that is devoted to meeting employment needs. It puts into perspective that the issues confronting veterans, VA, and this Committee, are far from unique. Disability adjudication and support processes in public programs clearly cross many lines. The question is, how do you believe this Committee and VA could best contribute to efforts to implement a modern disability rehabilitation and employment system?

Ms. HARDY. I have thought about that a lot, Mr. Chairman, and I do not yet have a perfect answer. The integration is extremely important, and integration with what I call, "the greater world of disability," whether it is through Social Security or whether it is through chronic disease leading to disabilities as one ages, or young folks, whatever.

I am hopeful that these few new VA recovery coordinators we are trying to work across the DOD and VA lines could contribute, at least on the part of the veteran, for the veteran, to what we are all trying to get to: that there is one person throughout their lifetime that they can turn to who knows everything about where to get all these services that the American public is trying to provide to people.

I would hope that you would remember often that there is a tremendous support system: in the private sector; through nonprofit organizations; and the business community, that really wants to help. And we need to be able to integrate, not just laterally, if you will, but up and down the system, throughout our society. People want veterans to participate with everybody else and want to give them the best supports they can. So all of that needs to be part of a better system.

Chairman AKAKA. Well, I really appreciate your thoughts about this and continue to look at improving what we are doing. Your discussion of the need for incorporating a Functional Capacity Evaluation into VA's disability structure, for me, is very interesting. Could you explain in a bit more detail how you envision this testing becoming an integral part of the disability determination process?

Ms. HARDY. Functional Capacity Evaluation (or assessment) can be used to match an individual with the laid-out skills in a particular job, and the ideal situation, it seems to me, would be to perform an FCE test on a person entering into the military system; so, before you become part of our outstanding military, you would have an FCE test that would give you a baseline. Once you change significant assignments, you might want to do another test—during your military service. But, most importantly, if you expected to move on to other work after the military, you would also be tested once again. It would give you a base; it would give you a progress report, so to speak; and you could use that assessment to match with the skills that are needed to do a particular job.

Now, I am not talking about just manual labor or anything else. One of the things that an FCE does is to rate your ability to sit, stand, push, pull, whatever—all of the functions that we all do. It is not a difficult test and it is scientifically valid for most of our physical functions, not yet rating our cognitive functions, and it can be used in assessment.

If you don't have that baseline, if we started tomorrow—obviously you could start right at the disability adjudication process—either part of the integrated process you all are trying to set up at the DOD with VA, or as they move into a process of assessment before a VA disability compensation exam.

Chairman AKAKA. Well, I want to thank you so much for your responses. It has been valuable to this Committee. Let me ask you my last question. Was there anything you heard from this morning's witnesses which you would like to respond to?

Ms. HARDY. I would just like to say that the VR&E program is trying and I think it has an excellent field and central staff. I do strongly believe there has got to be a greater sense of urgency. They are not moving as quickly as I would like to see them, and I think there has got to be a vision of where they want to go. It may get to a point where you want to separate the vocational reha-

bilitation part of it from the actual employment, and you may think that one needs to be contracted out at some point if we are not making better progress.

Chairman AKAKA. Well, again, thank you so much for your valuable thoughts. Let me ask Senator Webb if you have any questions at this time.

Senator WEBB. Thank you, Mr. Chairman. Having just arrived, I think it would probably be impolite to ask a bunch of questions. I have looked over your testimony, however, and I am sitting here as someone who was a recipient of vocational rehabilitation after I was "medicalled" out of the Marine Corps. It is a wonderful program. I think it is one of the great success stories overall when you look back on it, and we are going to do everything we can to make sure it remains successful. Thank you for all of your help and also for your testimony.

Ms. HARDY. Thank you.

Chairman AKAKA. Again, thank you. Your responses have been valuable. We look forward to working with you, also, for the future of our veterans' needs. We need to do this together.

Ms. HARDY. Thank you, Mr. Chairman.

Chairman AKAKA. Thank you.

For our final panel, we have four witnesses. We have John Lancaster, the Executive Director of the National Council on Independent Living. We also have Douglas Carmon, Assistant Vice President of Military and Veterans Initiatives for Easter Seals. We have Richard Daley, Associate Legislative Director for PVA, who is accompanied by Theresa Boyd, their Vocational Rehabilitation Consultant. And, we have Linda Winslow, Executive Director for the National Rehabilitation Association, who is accompanied by James Rothrock, Commissioner of the Virginia Department of Rehabilitative Services.

Thank you so much, all of you, for being here today. Let us begin the statements with Mr. Lancaster.

STATEMENT OF JOHN LANCASTER, EXECUTIVE DIRECTOR, NATIONAL COUNCIL ON INDEPENDENT LIVING

Mr. LANCASTER. Thank you, Chairman. Chairman Akaka, Senator Webb, and other folks here, thank you for the opportunity to comment on the VA's Vocational Rehabilitation and Employment Program. I am John Lancaster and I serve as the Executive Director of the National Council on Independent Living.

I would be remiss, Mr. Chairman, if I didn't acknowledge my old good friend and colleague, Mr. Bill Brew, your Staff Director. We were colleagues at the University of Notre Dame and served together in the Naval ROTC program there, from which we both got our commissions. So, I commend you on a great choice for Staff Director.

I got my disability back on May 5, 1968, serving, as Senator Webb did, in the U.S. Marine Corps. I sustained a Spinal Cord Injury. And I must say that the VA has provided me, over the years, with a lot of necessary supports—financial security, health care, and vocational rehabilitation. I was able to go back to law school and earn a law degree at my university thanks to the support of the VA vocational rehabilitation system.

But, as an individual with a disability, I also know that the VA does—the system does—not always empower or reintegrate veterans with disabilities back into the community in the way that it ought and could. I believe we have heard a lot today from the Honorable Dorcas Hardy, from yourself, and also from Senator Tester, about the need to improve the VA's independent living services. Well, as the Executive Director of the National Council on Independent Living, I can tell you, we have a government-funded program that is here waiting to be of assistance to veterans, and indeed, many of our Centers for Independent Living around the country are already serving veterans.

The National Council on Independent Living is the oldest national cross-disability grassroots organization run by and for people with disabilities. As a membership organization, we advance independent living and the rights of people with disabilities through consumer-driven advocacy. This federally-funded system, funded through the Department of Education through its Rehabilitation Services Administration, has 336 federally-funded Centers for Independent Living all around the country and another 100 or so centers that, while they don't get a direct Federal grant, are getting some monies, generally through their State Vocational Rehabilitation Service, to provide independent living services.

There is literally an Independent Living Center serving people with severe disabilities in every Congressional district in this country except five, and we will get coverage in those five sooner or later with your help.

What do these centers do? These centers are run and operated by people with disabilities themselves. They serve all disabilities—mental health disabilities such as PTSD—physical disabilities such as Spinal Cord Injury, and Traumatic Brain Injury. They serve people with sensory disabilities—blindness, deafness—and there are quite a significant number of veterans returning from these current conflicts with those disabilities, as well. They serve folks with developmental disabilities that might experience mental retardation, cerebral palsy, spina bifida, many other developmental disabilities. They serve all folks with disabilities.

What they offer are four core services. Number one, independent living skills training—not only the type of skills training we heard mentioned earlier—how to manage for yourself in your own apartment or home—but further than that, how to navigate your community; how to get reengaged with services. For example, how do I access my local mass transit system if I am a wheelchair user? Is there any fare benefit for someone with a disability? How do I access the maze of the public housing system if I need housing support? How do I interconnect with all the employment services out there, the one-stop systems, the various other government programs that are offering employment assistance to people? So they train folks on all of these things. So, independent living skills training is the first service that they all provide.

Second, they are all providing peer support: ongoing mentoring with someone with a serious disability who is successfully reintegrated into the community and is working hard; working with someone on a one-on-one basis; mentoring; coaching; working with another person with a severe disability who is still learning how

to cope, if you want to use that word; how to manage their lives in their community.

Third, they are all providing information and referral on services: from Veterans Affairs services to the services that might be generic in a community to people with disabilities, their families, or anybody in the public who might have a question. Maybe it is, "How do I adapt my home so that it is accessible to my physical disability?" It can be any of a number of things.

And fourth, and maybe most importantly, they work with people to provide advocacy services: both individual advocacy, representing an individual with a severe disability that might be being denied benefits for, say, the Social Security Administration or from a local housing authority; or in a job with some potential employment. So, they provide that level of support for someone who is unable to advocate on behalf of themselves; and secondly, they are all doing systems advocacy in their community to change the environment, if you will, the whole atmosphere of the community so that it is more inclusive of people with disabilities and more accessible to people with disabilities.

We do much more, these Centers for Independent Living. CILs are providing assistance in obtaining and increasing housing in the communities. Many are doing home modifications. Many, almost all of them on one level or another, are accessing people with personal care attendant services that may need them. Maybe they are a quadriplegic. Maybe they are somebody with a Traumatic Brain Injury and they need cueing or other supports. So, they will make those connections. Some CILs offer personal care attendant programs. Many are doing employment services and much, much more.

The core belief of our movement is to empower the individual so that they are taking control of their own lives, and that they are directing the services that are being delivered themselves. It is an empowerment model. It is a support model that enables the individual to reengage.

This program has been funded through the Rehabilitation Services Administration since 1978 and it has grown over the years and it has improved. We are serving in excess of 300,000 people with severe disabilities on an annual basis. We are preventing over 2,800 institutional placements in nursing homes in any given year and we are keeping 30,000 to 40,000 people from ever having to go to nursing homes on an annual basis, as well. The nursing home lobby doesn't like us and we are proud of that.

We work with people with severe disabilities of all ages, whether they are children, whether they are working age adults, or whether they are older adults. We recently developed a Veterans task force and they conducted a survey of our membership on the relationship between Centers for Independent Living and the veterans they serve. The results showed that CILs are, indeed, working with veterans to obtain housing, assisting them in navigating the VA system, helping them connect with employment services, providing information and referral, and all the various things that I mentioned earlier.

Unfortunately, these centers, when they receive a referral from the VA, the consumer is typically in crisis mode months or years

after returning home. One clear conclusion that came as a direct result of the survey we did with our centers is the need for a formal connection between Centers for Independent Living and the Veterans Administration. We have a great system that already exists. It hasn't served a lot of veterans, but we are ready and willing to do so. We would like to do so—provide some resources to do training, to plant some people in the centers, and frankly, to do some training at the VA on what we have to offer. I think these would be the type of connections that we would need to make. We stand ready to serve and to make any difference that we can.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Lancaster follows:]

PREPARED STATEMENT OF JOHN LANCASTER, EXECUTIVE DIRECTOR OF THE NATIONAL COUNCIL ON INDEPENDENT LIVING

Chairman Akaka, Ranking Member Burr and distinguished Members of the Senate Veterans' Affairs Committee, thank you for this opportunity to comment on VA's Vocational Rehabilitation and Employment Program. My name is John Lancaster and I serve as the Executive Director of the National Council on Independent Living.

The National Council on Independent Living (NCIL) is the oldest national cross-disability, grassroots organization run by and for people with disabilities. As a membership organization, we advance independent living and the rights of people with disabilities through consumer-driven advocacy.

Centers for Independent Living (CILs) serve our Nation in all but five Congressional Districts. These centers proudly serve veterans and more than 300,000 people with disabilities each year. They are serving an increasing number of newly injured and aging veterans. CILs are non-residential, cross-disability advocacy organizations offering core services of independent living skills training, peer support, individual and systems advocacy, and information and referral.

The core belief of Independent Living, which NCIL and all Centers for Independent Living subscribe to, is that all people have the right to decide how to live, work, and participate in their communities, and that consumer-directed and community-based services are essential to integration and full participation of people with disabilities in all aspects of society.

The reports of the President's Commission on Care for America's Returning Wounded Warriors, as well as the VA's Vocational Rehabilitation and Employment Service Task Force, support this fundamental Independent Living principle and agree on the need to create more IL programs, which increase access to community-based services. Unfortunately, our government provides money for institutional services, but refuses to fund the same services in a community-based setting, even when the cost is significantly less.

NCIL has long worked to garner the supports and services that people with disabilities need to achieve community integration and economic self-sufficiency. In 2006, the NCIL Board of Directors adopted the proposal, *Being American: The Way Out of Poverty* as our employment policy and we continue to work with the World Institute on Disability in seeking consumer and stakeholder input on this collaborative and progressive solution.

NCIL's Veterans' Task Force recently conducted a survey on the relationship between Centers for Independent Living and the veterans they serve. Results showed Centers are indeed working with Veterans to obtain housing, assisting in navigation of the VA system, and providing information and referral. Unfortunately, when Centers for Independent Living receive a referral from the VA, the consumer is typically in crisis mode, months or years after returning home. One clear conclusion that came as a direct result of the survey is the need for a formal connection between Centers for Independent Living and the Veterans Administration.

The Vocational Rehabilitation and Employment Service Task Force Report questions the limited capacity of the Veterans' Administration to manage this heavy and unique task alone. Essential services for veterans provided by CILs include: benefits counseling, which assists veterans in applying for and maintaining veteran benefits and SSDI; transition and reintegration into the workforce; and information on accessible housing and transportation.

The reports of the Veterans' Disability Benefits Commission, the President's Commission on Care for America's Returning Wounded Warriors, and the VA's Voca-

tional Rehabilitation and Employment Service Task Force all agree that improvement of these specific services for veterans is essential to integration and full participation of people with disabilities in all aspects of society. Regrettably, veterans tell us they feel VA programs are woefully inadequate, and Centers report the inefficiency of some VA programs on local, State, and Federal levels and an unwillingness to collaborate with CILs.

Fortunately, Centers for Independent Living welcome a formal relationship with the VA to assist veterans and their families. However, CIL funding has been cut three consecutive years. With additional funding, CILs can use their expertise and existing services to help improve VA programs, as well as, expand capacity for providing veterans essential and timely services. Centers also request more funds be spent on consumer-directed, community-based services than for providing services in an institutional setting.

NCIL also encourages all Veteran Affairs programs to reach out to each and every local Center for Independent Living; and our Veterans' Task Force invites the VA to discuss means of collaboration, concerns and ideas for improving communication and efficiency.

This partnership would benefit our veterans and our Nation. Together we will create an atmosphere that honors and serves our Nation's veterans.

Thank you for your time and attention to this critical issue.

Chairman AKAKA. Thank you very much, Mr. Lancaster.

Now we will hear from Mr. Carmon.

STATEMENT OF DOUGLAS B. CARMON, ASSISTANT VICE PRESIDENT, MILITARY AND VETERANS INITIATIVES, EASTER SEALS, INC.

Mr. CARMON. Chairman Akaka and Senator Webb, on behalf of Easter Seals, I want to thank you for the opportunity to be here today to comment on the challenges to and strategies for improving the rehabilitation and employment of veterans with service-connected disabilities. My name is Doug Carmon and I am Easter Seals' Assistant Vice President for Military and Veterans Initiatives and I am a service-connected disabled veteran. Today, I will summarize our views and ask that you accept our full statement for the record.

My 11 years of active duty service were cut short by a series of injuries that forced me to be medically discharged in 2001. The transition to civilian life was extremely difficult for my family and me. It is my hope that this hearing will help the Committee identify and take steps to eliminate barriers that are still preventing thousands of veterans with disabilities from getting on with their lives.

For nearly 90 years, Easter Seals has provided services that help people with disabilities and their families lead better lives. Last year we served more than 1.5 million children and adults through a national network of 79 affiliate organizations and headquarter initiatives. Easter Seals has a long history of serving veterans through national, State, and local collaborations. We provide a broad range of community-based services and supports around accessibility: adult day services, camping and recreation, child care, job training and employment, medical rehabilitation, mental health, respite and caregiver supports. In fact, the military and veterans' initiatives that I oversee specifically targets veterans with disabilities and their families and is one of four pillars of Easter Seals' Vision for 2010 that are core to our mission and priorities.

I would like to now focus the remainder of my comments on four specific recommendations pertaining to the VR&E program and VA overall.

First, Easter Seals recommends that VR&E amend its approach to outsourced contracting. In 2007, VR&E issued its revised National Acquisition Strategy, or NAS, that outlined competitive procedures for private organizations like Easter Seals to follow to be on an approved vendor list. However, organization of NAS regions, application structure, multiple delays in its release, and now a delay in announcing the selection of approved vendors have caused significant frustration among community-based organizations. Easter Seals strongly encourages the VA to adopt qualification methods like those used by Federal and State VR systems to guide the outsourcing of services.

Second, Easter Seals recommends that the VA, through VR&E, provide more focus on transition points that arise when a veteran moves through the reintegration process due to disability. For a veteran facing this life-altering situation, not finding and accessing appropriate supports often leads to unemployment, financial ruin, dismantled families, and homelessness. Support should be made available not only during discharge, but continuously throughout rehabilitation, gainful employment, and remain a resource to respond to the delayed onset of medical conditions such as PTSD and TBI. Easter Seals recommends that VR&E establish a reintegration coordinator in the civilian sector similar to the recovery coordinator outlined in the Dole-Shalala report. This individual would promote successful community reintegration of service-connected disabled veterans.

Third, Easter Seals recommends that the VA take steps to increase access to and availability of services. Significant challenges arise for veterans when faced with a discharge based on disability. Additionally, a large percentage of our nation's 24 million veterans live in rural communities where VA services are only available through significant travel. Easter Seals urges the VA to assure access to VR&E services to all veterans who apply for assistance within their first 24 months post-discharge. Additionally, the VA should create and fund partnerships with community-based organizations like Easter Seals to expand services where VA resources are not easily accessible or simply nonexistent.

Finally, Easter Seals is concerned about the insular culture often found within the VA. As veterans move from one phase of service to another, they frequently experience needless delays, duplication of efforts, and much frustration. Many simply get lost within the system and never achieve their desired outcomes. Externally, the VA's self-contained culture impedes VR&E from effectively supplementing its capacity. Easter Seals recommends a systemic cultural change that enables veterans to access community-based services in coordination with VA case managers and service providers.

The VA has much to gain by embracing community-based organizations, as they hold the infrastructure to help meet this urgent need and further supplement, not supplant, the efforts of the VA. Easter Seals is poised to significantly expand assistance to veterans with disabilities and their families.

Thank you again for the opportunity to address this committee today and for all that you do for our Nation's veterans.

[The prepared statement of Mr. Carmon follows:]

PREPARED STATEMENT OF DOUGLAS B. CARMON, ASSISTANT VICE PRESIDENT FOR MILITARY AND VETERANS INITIATIVES, EASTER SEALS, INC.

Chairman Akaka, Ranking Member Burr, and Members of the Committee, on behalf of Easter Seals, I thank you for the opportunity to come before you today and provide our view on issues relating to the Department of Veterans Affairs' Vocational Rehabilitation and Employment Program. My name is Doug Carmon and I am Easter Seals' Assistant Vice President for Military and Veterans Initiatives, a veteran with eleven years of active duty service in the U.S. Air Force, and a service-connected disabled veteran.

NEED

The crisis facing our nation in meeting the physical and mental health needs of the 1.6 million members of the armed forces who served in Iraq and Afghanistan is overwhelming and continues to grow. Thousands of injured servicemembers are returning home to communities nationwide with hopes of transitioning to a successful civilian life. While a broad spectrum of public benefits and private resources exist across the country, many servicemembers and veterans with disabilities are experiencing unnecessary barriers to accessing health care, job training and employment, housing, recreation and transportation as they transition back into their civilian communities. Many of these communities are simply not equipped to respond appropriately to this population's unique needs, nor are they aware of how to best coordinate with military and veterans' systems in the process. These barriers often limit the ability of servicemembers' and their families to live, learn, work, and play as full participants in civilian community life.

In the September 2007 Government Accountability Office report Disabled Veteran's Employment: Additional Planning, Monitoring and Data Collection Efforts Would Improve Assistance (GAO–07–1020), the Department of Veterans' Affairs Vocational Rehabilitation & Employment Program (VR&E), was found to be in the process of rolling out its new Five-Track Employment Process system of service provision. While the system was not fully implemented at the time of the report, GAO did note progress in the efforts of VR&E to meet the needs of a new group of veterans. The report also notes that VA staff "expressed concerns about whether employment programs for disabled veterans . . . are prepared to meet the needs of participants returning from recent conflicts in Iraq and Afghanistan, who are surviving with serious injuries that may have been fatal in past conflicts, such as those associated with Traumatic Brain Injury." This observation warrants concern as Post Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury (TBI) are among the leading medical conditions facing our returning heroes. Statistics show that one-in-three Iraq veterans and one-in-nine Afghanistan veterans will suffer from a mental health problem as a result of their service. Additionally, one in every nine American soldiers deployed to Iraq suffers a Traumatic Brain Injury. According to Dr. Evan Kanter, a staff physician for the VA, who wrote in a November 2007 study by Physicians for Social Responsibility, titled "Shock and Awe Hits Home," that "as many as 30 percent of injured soldiers have suffered some degree of Traumatic Brain Injury." These combat injuries significantly complicate a veteran's ability to successfully transition from active duty rehabilitation to civilian life. This is especially true regarding the ability to secure gainful employment as there are some 700,000 unemployed veterans in any given month according to the Department of Labor and cited in GAO report, GAO–06–176. Moreover, unlike injuries to a soldier's limbs, injuries to soldier's brain are often difficult to diagnose and treat in a timely manner.

The GAO commends the VA for its efforts to prepare to meet these demands. However, concerns were noted about assuring that all veterans have "equal access" when wide geographic territories defined a service catchment area. Concern was also expressed about the efficacy of several service approaches that appeared to build infrastructure, but did not provide direct service.

Issues of access to and availability of fundamental services and supports are, unfortunately, a common part of daily experiences for an individual living with a disability in our country. It is reasonable, then, to conclude that such challenges will be a part of life for a veteran with a service-connected disability. Easter Seals believes that these barriers need not be a part of life for these veterans—or for the broad population of individuals with disabilities. We are committed to creating and

implementing solutions to these challenges in work and in life, so that all veterans with disabilities have the opportunity to lead full and productive lives.

EASTER SEALS BACKGROUND

For almost 90 years, Easter Seals has been providing and advocating for services that change the lives of those living with disabilities and their families. Through our network of 79 affiliate organizations, we are the nation's largest provider of disability-related services to individuals with disabilities and their families—touching the lives of more than 1.5 million people annually. We have a long history of helping veterans with disabilities through job training and employment opportunities, adult day services, medical rehabilitation, home modifications for accessibility needs, and recreation. Easter Seals is positioned to offer military and veterans systems of care with viable options to support and augment current transition and reintegration efforts. Additionally, Easter Seals has former servicemembers in leadership positions to guide program development and to train staff on how to be attuned to military and veteran cultural issues. In fact, Easter Seals has made Military and Veterans Initiatives a foundational pillar of Vision 2010, which is the guiding mission for the organization's current work and resource allocation priorities. (See Attachment A)

The vision of our Military and Veterans Initiative is that Easter Seals is a recognized and trusted partner with the Departments of Defense and Veterans Affairs, and is a significant source of essential information, services and support for America's military servicemembers, veterans with disabilities, and their families.

EASTER SEALS CURRENT SERVICE CAPACITY AND EXPERIENCE

Currently, Easter Seals provides a broad range of community-based services and supports—job training and employment, child care, adult day services, medical rehabilitation, mental health services, transportation, camping & recreation, respite and caregiver services, and accessibility solutions and technology for home, work, and independent living—to military servicemembers, veterans with disabilities, and their families in civilian programs throughout the Nation. A summary of a few of these activities follows. (See Attachment B)

Job Training & Employment

Historically, Easter Seals has had considerable experience with the VA in providing employment-related services to veterans with disabilities. Our affiliate in Hartford, CT, provided vocational evaluations and assessments to veterans with disabilities. Easter Seals in Middle Georgia provides direct work experience for veterans with disabilities. On the national level, Easter Seals is piloting projects that facilitate employment through company-sponsored training. With Easter Seals, corporate sponsors also are exploring strategies to hire veterans with disabilities throughout their organizations nationwide. In addition, Easter Seals is developing an educational curriculum to train employers on best practices for understanding and accommodating veterans with disabilities, especially those with PTSD, TBI, and amputations that are trying to reenter the workforce.

Adult Day Services

Several Easter Seals affiliates have contracts with the VA to provide adult day services to older veterans and are exploring potential opportunities for veterans with disabilities, specifically for younger veterans with significant injuries. Easter Seals Greater Washington-Baltimore Region is about to open a new intergenerational facility that will deliver comprehensive services in Silver Spring, MD, approximately one mile from Walter Reed Medical Center. Plans call for the center to have resources for veterans and their families to support them during their time in Washington, DC, and in transition to their respective home towns across the country.

Connect to Community

A significant disconnect in the continuum of care exists between active duty recovery at military treatment facilities and post-discharge reintegration to civilian life and life with a disability for servicemembers with disabilities and their families in communities nationwide. The recent report issued by the President's Commission on Care for America's Returning Wounded Warriors supports the implementation of a comprehensive "Recovery Plan" that will help servicemembers obtain essential services promptly and in the most appropriate care facilities in the Departments of Defense and Veterans Affairs, and civilian settings. Easter Seals is responding to the Commission's call to action for civilian settings through a "Connect to Community" model.

Connect to Community is a dynamic national initiative that will support successful community reintegration of America's wounded servicemembers and veterans with disabilities and their families. A two-tiered approach fosters systems change throughout the country to rally and support communities and regions in responding to the needs of this deserving population, while specifically establishing points of contact that will coordinate and provide services and supports to families. Connect to Community will leverage, integrate, and build community capacity through Federal, State, and local public and private resources to meet specific needs for information, assistance, and essential services during the Seamless Transition phase and beyond from active duty discharge to civilian status and success community integration. (See Attachment C)

PRESIDENT'S COMMISSION ON CARE FOR AMERICA'S RETURNING WOUNDED WARRIORS

An area that you requested Easter Seals' perspective on is regarding the recommendations coming out of the President's Commission on Care for America's Returning Wounded Warriors. While a number of the action steps outlined within each recommendation are focused on efforts within the Departments of Defense and Veterans Affairs, a number of these recommendations hold interesting opportunities for organizations like ours to work alongside these important systems to meet the needs of those returning home that have been incapacitated in some way as a result of military service.

The first recommendation creates a comprehensive recovery plan and aligns with Easter Seals' philosophy of service delivery to the individual. Having a "Recovery Coordinator" to provide umbrella-like oversight or brokering is not unlike a case management approach that our affiliates employ when providing medical rehabilitation services in our service model. This approach enables a professional with specific skill sets and expertise to facilitate a client's movement through a fragmented, often insular system when he or she may not have the knowledge or the capacity to make that journey successfully alone. Easter Seals believes that the Commission's recommendation does not extend to what is arguably the most critical phase of recovery—the full reintegration into the servicemember's home community. Servicemembers returning to their home communities still need these types of supports to successfully transition back into civilian life, as we have seen in our Easter Seals New Hampshire's Veterans Count program. Veterans Count is an innovative statewide initiative that engages area systems of care and service providers to meet the comprehensive needs of this population through convening, communication, and resource sharing. This community support model is funded in part by the Department of Defense and National Guard as a demonstration project, and is considered a best-practices model to successfully reintegrate servicemembers into civilian community life. In considering strategies related to this recommendation, we believe that community-based transition and long-term reintegration supports warrant inclusion in this approach.

Easter Seals believes that community-based organizations like ours offer an important and invaluable resource in responding to the third recommendation—providing treatment and support for servicemembers dealing with PTSD and TBI. Our affiliate network has experience in providing mental health services as well as TBI therapies, as do a number of other national and local organizations—but, sadly, they are not utilized by the VA to meet the growing demand for these types of services. We want to be able to offer these services to supplement what the VA offers to our nation's veterans. Our national network provides access to rural communities that often are home to many veterans who forgo treatment because the VA care facility is too far away from home. For example, we have recently expanded our efforts on a newly launched nationwide Veterans with Traumatic Brain Injury Project to improve access to services for veterans, no matter where they live. The project is a collaborative initiative, privately funded and coordinated by Easter Seals' headquarters that provides computer-based cognitive rehabilitation and supports to veterans of Iraq and Afghanistan with symptoms, or a diagnosis, of mild to moderate TBI. We are offering a remote access home-based participation model nationwide using an online service delivery vehicle to make treatment available in the veteran's very own home, in addition to a number of affiliates that are operating a center-based program. (See Attachment D)

With the increasing numbers of servicemembers returning with PTSD, the Commission report points to a challenge facing the VA in meeting the mental health needs of its constituency due to shortages of mental health professionals. Why, then, not leverage all available resources and work in partnership with organizations like Easter Seals to expand the VA's capacity to meet this growing and compelling need? Easter Seals Michigan has a contract with the State to provide mental health serv-

ices to eligible public populations, which also includes veterans. With increasing awareness of the need to address issues relating to PTSD, Easter Seals Michigan is enhancing its programs to meet this growing need.

Finally, our nearly 90 years of providing services to adults and children with disabilities has more than confirmed the need to recognize that the individual receiving our services is more often than not a part of some broader family system. The Commission's recommendation to strengthen family supports recognizes this truth. Providing services that support families learning to live with and support a servicemember facing newly acquired disabilities is critical to the servicemember's successful recovery. Easter Seals has done this through an innovative programming approach in recreational settings. Easter Seals has significant expertise in providing camping and recreation services, and are tailoring these accessible programs and facilities for servicemembers, veterans with disabilities, and their families. For example, Easter Seals affiliates in Virginia, Delaware, Nebraska, and Iowa will host a camp experience for children of deployed parents this summer in partnership with the National Military Family Association's Operation Purple program that provided over 40 weeks of camps at 34 different locations in 26 states last year. These free summer camps offer families support in managing the heavy emotional and psychological burden that falls on the sons and daughters of servicemembers and provide a nurturing environment to learn coping skills, make new friends, and experiencing life lessons with peers. For the past 2 years Easter Seals Alabama has hosted approximately 25 veterans with disabilities at Lake Martin for Operation Adventure, a sports program put on by the Lakeshore Foundation at Easter Seals Camp ASCCA. The program provides therapeutic recreational therapy to increase confidence, self-esteem, wellness, and skill building. These programs are especially valuable for facilitating health, function, and well-being during times of recovery, adjustments to newly acquired disabilities, and strengthening families.

Additionally, as one of the nation's leaders in providing respite care for families that face the challenges of supporting a member with a disability, we see first hand how important this time is for recovery for those involved in providing support each day. Increasing access to respite services for family members is an important piece of the reintegration puzzle that so many of our nation's military families are struggling to put together.

VETERANS' DISABILITY BENEFITS COMMISSION REPORT

In the executive summary, the Commission identified eight basic principles that should guide the future development of VA benefits for veterans and their families and while we agree with all eight, five closely align with Easter Seals' core principles and experience, as reflected in the objectives of our Military and Veterans Initiative.

> 2. The goal of disability benefits should be rehabilitation and reintegration into civilian life to the maximum extent possible and the preservation of the veterans' dignity.
>
> 4. Benefits and services should be provided that collectively compensate for the consequence of service-connected disability on the average impairment of earnings capacity, the ability to engage in usual life activities, and quality of life.
>
> 6. Benefits should include access to a full range of health care provided at no cost to service-disabled veterans.
>
> 7. Funding and resources to adequately meet the needs of service-disabled veterans and their families must be fully provided while being aware of the burden on current and future generations.
>
> 8. Benefits to our nation's service-disabled veterans must be delivered in a consistent, fair, equitable, and timely manner.

The Commission specifically states that "the goal of disability benefits, as expressed in guiding principle 2, is not being met . . . VR&E is not accomplishing its primary goal." A veteran's "seamless transition" is intrinsic to the effective application of these key principles in order to truly promote and set the stage for successful community reintegration, especially with disability. Community-based organizations offer the infrastructure nationwide to be an extension of the VA's disability services network and work collectively to help achieve this goal.

PERSONAL VR&E AND SERVICE-CONNECTED DISABILITY EXPERIENCE

I am charged with establishing and expanding Easter Seals' services, resources, and outreach to servicemembers, veterans with disabilities, and their families. I also have a very personal stake in the benefits that are afforded to veterans today and in the future. In 1989, I joined the Air Force as a medical service specialist. I was experiencing a successful and promising military career of eleven years of active

duty service. Several injuries toward the end of my career made it difficult for me to perform my duties on a daily basis, and I found myself in front of a medical evaluation board in 2000. Several months later, in early January 2001, I was notified that I would receive an involuntary medical separation discharge on February 24, 2001. I had less than 2 months to get things in order to transition to a whole new life—much different than what my family and I had embraced over the past decade.

I was discharged with a DOD medical evaluation board disability rating of 10 percent. Several of the active duty doctors following my care felt the rating was much too low for my condition. They expressed concern that by rating me below 30 percent, I would be discharged instead of medically retired, which the latter would have provided me and my family access to an array of DOD funded benefits. I was told by active duty staff handling my discharge that I should not worry about my DOD rating and file for a disability rating with the VA as soon as I was discharged. And that I would most assuredly receive a higher, more appropriate rating from the VA. I received my active service severance pay in my final March paycheck and filed for VA disability some 6 weeks later in April.

All of a sudden pay stopped, health care stopped, work stopped. I was not prepared for this swift of a transition from the security provided while on active duty. My wife, two daughters, and I went through numerous hardships—financial, emotional, and physical. It was a painful and difficult transition from athletic and active duty to injured and active duty to, finally, life as a veteran with a disability. We struggled to survive.

Nine months after being discharged I crossed paths with someone who recommended that I contact the local VA VR&E program. I met with a counselor who evaluated my situation, which required special approval because of my 10 percent DOD disability rating. Once I was allowed to enter the program, I began to find direction and set educational goals. My counselor and I put together an education plan for me to achieve an undergraduate degree, and I attended the University of Maryland University College. The VR&E program was likely noted during the Transition Assistance Program (TAP) briefing I received just before I was discharged, but the volume of information provided in such a brief time was overwhelming and of diminished value. Then, 13 long months after filing for VA disability, I received my initial rating of 70 percent. I received a monthly stipend from VR&E for attending school full time and combined with my VA disability pay and family support we were able to just barely get by.

I found the VR&E program to be quite helpful, once I became aware that it was a resource to me. It would have been helpful as a servicemember discharged with a disability to have been required to meet with a VR&E counselor as part of the Seamless Transition program at specified intervals post discharge—3, 6, and 12 months—to assess my situation. Since I received severance pay when I was discharged, a large portion of my VA disability pay was deducted in order to repay the severance pay I received at discharge from the Department of Defense before I was eligible to receive my entire compensation. This repayment caused undue financial hardship on me and my family, as we were already struggling to survive on extremely limited funds, least of all, the 13 months I waited for an initial rating. This repayment should have, at a minimum, been delayed until I was out of the VR&E program and employed, and some type of VA disability compensation should have "kicked in" 3 months after discharge if my official VA rating was still pending.

Over time, my quality of life dramatically deteriorated from my service-connected disabilities and even today, I am challenged by constant pain, sleepless nights, decreased physical dexterity, emotional loss, plus continual family readjustments and strain. The problems I faced during my transition were compounded by the increased physical and mental energies required to problem-solve solutions, as multiple internal and external systems were constantly in play. I only hope for my veteran comrades that personal struggles, such as mine or worse, will be addressed by the recommendations and guiding principles in Veterans' Disability Benefits Commission's report.

SUGGESTED IMPROVEMENT AREAS

1. *National Acquisition Strategy:* One area of great concern for the past 2 years has been the VA's redevelopment of its National Acquisition Strategy (NAS). The NAS outlines the procedure that private, non-military entities, like Easter Seals, had to follow to be included on an approved vendor list. This vendor list would, in turn, be used by local VR&E program staff to identify which organizations have received approval from the VA as sub-contractors for relevant VR&E services. We support the idea that VR&E have a list of vendors that have met certain qualifications of quality and service capacity and NAS was intended to accomplish this end. How-

ever, the structure of the application, the multiple delays of the application release, the rapid response expectation—and now, the delayed release of award for approved vendors on the NAS list—have all resulted in significant frustration for community-based organizations like ours that want to be involved in providing the much needed services to veterans as they seek new employment, but are blocked by bureaucratic processes.

Regarding the NAS itself, applicants were to respond only if they could provide a broad range of vocationally related services across a large geographic region. This prerequisite, though most likely intended to reduce the administrative burden involved with managing multiple contracts, resulted in application criteria which very few entities—or even consortiums of organizations—could meet. While a number of our affiliates were very interested in working with VR&E locally as they had done in the past, only one grouping in the Northeast were able to successfully apply.

Equally troubling was the estimate of expected expenditures on contracting outlined in NAS. The VR&E program, as stated in the NAS, will only be contracting out for $6.5 million dollars of services in FY 2008. While that number in and of itself may seem large, VR&E intends for that amount to suffice to provide for all needed contracted services in the entire 26 global regions included in its purview. This minimal expenditure, unfortunately, represents an opportunity lost for VR&E and falls significantly short of what is truly needed to adequately serve America's returning heroes. Hundreds of organizations just like ours will be blocked from working hand-in-hand with local VA workforce programs to get these deserving service men and women back to work. Again, it is not our intention to replace the work of VR&E; we want to expand its capacity through a pre-existing, proven system that wants to be involved.

Recommendation: Congress must increase funding that reflects the level of need for today's veterans and their families; VR&E must use parallel qualification systems, such as those in the public vocational rehabilitation system to guide the outsourcing process to engage community-based nonprofit organizations.

2. *Transition Point Facilitation:* The stress of managing a newly-acquired disability can be as, or sometimes even more, debilitating than the acquired disability itself. For a veteran facing this life altering circumstance, supports should be made available as soon as possible. These supports should not only begin during a servicemember's demobilization, but continue through his or her rehabilitation, discharge, through finding gainful employment, and remain a viable resource to respond to the delayed onset of symptoms such as those exhibited in PTSD and TBI. These transition points represent an opportunity for positive or for negative outcomes. If effective supports and coordination are in place, the veteran stands a much greater chance to successfully reintegrate "seamlessly" into their chosen home community. If they are not, however, the veteran likely falls through the cracks to unemployment, financial ruin, dismantled families, and homelessness, unaware of resources no matter how well intentioned those resources might be. The veteran specific job labs reported on by the GAO last fall (GAO–07–1020) are the perfect example—an important resource that was minimally utilized because veterans were unaware of their existence. The attempt to re-enter the workforce is a pivotal transition point during community reintegration and would be more effective with someone with a diverse skill set and knowledge whose job was to work through this process alongside the veteran with a disability. Someone who is also coordinating issues such as housing needs, transportation, child care, and others so that they get the "bigger" picture of what the transitioning veteran is experiencing.

Recommendation: VR&E or a designated Reintegration Coordinator must follow up with every veteran and their family at 3, 6, and 12 month intervals post discharge. This follow up creates an opportunity for service gaps to be identified and resolved using a proactive approach versus reactive. Further, it enables latent symptoms of TBI and/or PTSD to be assessed and treated should they arise sometime after discharge. The VA should work to create partnerships with community based organizations to expand its service capacity to regions where VA resources are not easily accessible or non-existent.

3. *Accessibility and availability of service:* A number of significant challenges arise for veterans when they are faced with a discharge based on disability. They are confronted with delays resulting from backlogs for initial VA disability claims processing. Fear of not returning home immediately after deployment if the servicemember marks positive on the post deployment health assessment is now a documented reality. Servicemembers must deal with potentially being discharged with a denial of disability rating with delayed onset of symptoms such as those exhibited in PTSD and TBI. Additionally, a large percentage of our nation's twenty-four million veterans live in rural communities, where VA services are available only

through significant travel by the veteran. This lack of availability compounds disincentives to seek and receive rehabilitative services.

Recommendation: All veterans must have access to VR&E services and assistance during the first 24 months post discharge. This is the most vulnerable time for the veteran; VR&E must establish partnerships with community based organizations to expand services to regions where VA resources are not easily accessible.

4. *Insular Culture:* Many of the systems and departments providing services to veterans within the VA operate in a very insular manner. Specific functions are carried out in silos and stop short of shepherding the veteran to much needed additional resources during their community-based transition, continued recovery and rehabilitation. In addition, regional Veterans Integrated Service Network (VISN) staff reflect this insular operational methodology in attitudes concerning the use and value of utilizing local non-military resources to meet the needs. One significant outcome of this cultural insularity is lost opportunity, for the VA to meet its objectives and, sadly, for the veteran who either gets lost in the system or cannot access the full array of available services in his or her community. More often than not, the experience of our Las Vegas affiliate that I referenced earlier reflects our affiliates' experience in attempting to partner with the local VA—initial resistance and then inability to execute.

Recommendations: The VA must encourage key decision makers in each VISN to embrace collaborative relationships to meet the needs of veterans within their service delivery region. As outlined in the President's Commission on Care for America's Returning Wounded Warriors report, "Recovery Coordinator's" will help injured servicemembers navigate the various array of services and supports they require during rehabilitation. Easter Seals offers the continuation of this approach when the veteran transitions to his or her home community. In partnership with community based organizations, establish a "Reintegration Coordinator" that parallels the work provided by the "Recovery Coordinator," but within veteran communities nationwide. Additionally, Easter Seals would recommend systemic cultural change that encourages veterans to access community based services in cooperation with VA case managers and service providers.

SUMMARY

America's warriors do what they are told to do without question in service to their country. Now, all Americans must rise together to fulfill our promise to care for those who have borne the battle and sacrificed so much, by assuring that our veterans have access to the services they need, wherever they live. Being a veteran who has first-hand experience navigating the VA's extensive systems and a member of one of the nation's largest nonprofit health care organization, I can say with unwavering confidence that the VA has much to gain by embracing community-based organizations, like Easter Seals, in collaborative relationships that compliment the current array of Federal and state benefits to our struggling veterans. It is these community-based organizations that hold the infrastructure to help meet this urgent need and should be viewed as an ally to further supplement, and not supplant, the efforts of the VA. Easter Seals is poised to substantially expand assistance to servicemembers and veterans with disabilities and their families. We have proven service solutions in place or within easy reach to address these immediate and long-term needs. The central challenge facing us in bringing needed information, services and supports to this population is the limited extent, to date, on the part of the Departments of Defense and Veterans Affairs to partner and outsource at substantial levels with private, nonprofit service providers to seed and sustain financial resources to conduct pilot projects and replicate effective models of service delivery nationwide that promote success in attaining individual and family goals and full community participation.

Thank you again for the opportunity to address this Committee and for all that you do for our nation's veterans. I would be pleased to respond to any questions that you may have.

Attachments:

[The named attachments (A–D) were not received by the Committee, and may be obtained from Easter Seals, Inc.]

A: Easter Seals History and Background
B: Easter Seals Services for Military and Veterans' Communities Affected by Disabilities
C: Easter Seals Military and Veterans Initiative
D: Easter Seals Veterans with Traumatic Brain Injury Project

RESPONSES TO WRITTEN QUESTIONS SUBMITTED BY HON. DANIEL K. AKAKA TO MR. DOUGLAS B. CARMON, ASSISTANT VICE PRESIDENT FOR MILITARY AND VETERANS INITIATIVES, EASTER SEALS, INC.

Question 1. If you could change one thing about the VR&E program, what would it be and why?

Response. VR&E should significantly alter its approach to service delivery by actively utilizing the vast array of civilian community-based supports and services available to assist veterans with disabilities to reengage in today's labor force. VR&E is facing a continually growing demand for its services and must expand its capacity to meet this demand—a need which the civilian sector, particularly the community-based non-profit community, should play an important role in addressing.

In order to leverage civilian resources available to veterans with disabilities as they seek to enter the civilian workforce, VR&E should alter its vendor approval process currently known as the National Acquisition Strategy (NAS). The NAS requires an overly complicated and burdensome application process for vendor approval, requiring an expectation of service that far exceeds industry standards for determining creditability in providing vocational rehabilitation services. VR&E should adopt similar processes to the public vocational rehabilitation system, which typically utilizes private, third party accreditation to ensure quality service provision.

The program would gain even greater efficiencies if it would simply accept private service providers that were approved by their respective state's vocational rehabilitation agency as qualified providers eligible to contract with VR&E This approach would leverage already existing quality assurance systems, reduce VR&E administrative burden significantly, and simplify the application process for private entities to serve veterans with disabilities by aligning the requirements to contract with state vocational rehabilitation agencies and VR&E

Question 2. Your personal story is one that is quite compelling. As you were going through the process of being discharged, rehabilitating, and reintegrating back into civilian life, did you experience gaps in services? If so, what impact did they have on your progress?

Response. I was notified in January 2001 that in 6 weeks I would be medically separated from active duty service because of my injury with a 10 percent disability rating. Suddenly I was faced with an array of challenges that were overwhelming to say the least—newly-acquired disability, income, health care, employment, personal and family well-being.

I received such an enormous amount of information in a short period of time during the 3-day Transition Assistance Program (TAP) that much of it was simply unusable at that time. The only thing I took away from the TAP briefing was to file for VA disability compensation, which I did in April 2001. My family and I struggled to survive as I could not find employment and my disability created many new functional obstacles that were extremely difficult to manage.

All of these struggles throughout active duty rehabilitation, discharge, and community integration as a veteran with a newly-acquired disability significantly diminished my ability to navigate and utilize a variety of systems and resources that would have allowed me to more effectively provide as a father, husband, and community member.

I believe a two-part solution for me and thousands of others like me, would be, first, to provide follow-up at regularly scheduled intervals post discharge to "check on" families to assess whether they need additional supports or guidance during their Seamless Transition from active duty to veteran status. Follow-ups would ideally be scheduled at the following milestones: 3 months, 6 months, 12 months, and 2-year timeframes. The longitudinal approach to follow up would be even more important to today's veteran, given the often delayed onset of symptoms for certain medical conditions like Post Traumatic Stress Disorder (PTSD) or Traumatic Brain Injury (TBI).

The second part of the solution would be to access a specific entity or individual with extensive knowledge of available community resources. This function would take a proactive approach in contacting the veteran family, assessing needs, and providing appropriate problem-solving solutions and referrals.

Another area of great concern is the extended length of time it takes to move through the VA's disability rating process. It took 13 months for me to get my initial VA disability rating of 70 percent, and another 5 years to go through the formal appeal process and receive a 90 percent VA disability rating. I was denied access to much-needed benefits and resources because the Department of Defense gave me

a lowly 10 percent disability rating, forcing me out of active duty service with nothing more than a check, instead of medically retiring me with Federal benefits.

If a designated person or organization would have followed-up with me and my family post-discharge to assess our situation and explore potential untapped resources, a great deal of hardship and anguish could have been alleviated. If I were to have been medically retired from active duty instead of medically separated, I would have gained access to more appropriate benefits like health care and immediate retirement pay. If the VA disability ratings process did not take months and even years to award truly appropriate percentages, then we may have been able to eliminate or avoid much of the stress and anguish my family and I were forced to endure on our own.

Question 3. In your written statement you referenced an Easter Seals' project to provide treatment for veterans suffering from Traumatic Brain Injury. I want to hear more—how it was conceived and where do you see it going? If you could also discuss some of the challenges you've dealt with in implementing the project and the way in which you have surmounted them.

Response. In January 2007, Mr. Ernie Ludy watched the Bob Woodruff documentary and became aware of the struggles of returning Iraq and Afghanistan veterans with TBI as they returned to civilian communities and were not able to find appropriate supports and services to meet their continuing rehabilitation needs. Mr. Ludy approached the VA with a $100,000 gift to initiate a TBI intervention program, but his offer was not embraced. So, he turned to Easter Seals in late spring of 2007 after learning that we had been investigating a number of strategies to respond to the needs of veterans as communities were increasingly looking to our affiliates—looking for guidance and assistance in serving this population. One of those significant needs was managing TBI. The idea that Mr. Ludy brought to us was one that fit perfectly into our vision for how Easter Seals could respond to this need.

Easter Seals, with a generous $100,000 grant from the Ludy Family Foundation, launched the Easter Seals' Veterans with TBI Project on July 4, 2007, in four affiliate markets. With an additional $50,000 grant from the W.K. Kellogg Foundation, Easter Seals implemented a nationwide remote access service delivery component. The Veterans with TBI Project helps U.S. servicemembers returning from deployment to Iraq or Afghanistan that may have sustained TBI by providing computer-based cognitive rehabilitation and training through the Brain Fitness Program (BFP) developed by Posit Science. The BFP is a non-invasive computer-based software program that improves cognitive function. In published studies concerning older adults, the BFP has been shown to improve memory by an average of 10 years, and the gains generalize to untrained tasks.

Easter Seals' Veterans with TBI Project includes both center-based and remote access participation and support for servicemembers and veterans, plus opportunities for referral to community resources as needed. It allows participants to be served from nearly any Internet-capable computer nationwide. The BFP is comprised of 40 1-hour sessions that can be completed in as few as 8 weeks and is offered free of charge to eligible servicemembers and veterans. Participants complete a 40-hour computer-based program and are evaluated after completing the program to assess the effects of the cognitive rehabilitation provided. Those participating in the pilot receive a modest stipend and reimbursement for program-related expenses. In addition, veterans in the program and their families are provided with additional supportive services, as needed, through Easter Seals affiliate participating in the project.

As previously noted, the project allows for both center-based and remote access participation. This dual service approach resulted from important learning about our initial implementation strategy. When we began the project in July 2007, the service scope was restricted to four geographically defined markets—Hartford, CT; Dallas and Ft. Worth, TX; and Sacramento, CA. After extensive market and outreach efforts through both veteran and civilian channels, we experienced a lower than expected take up rate for veterans' involvement in the project. After researching why this was the case, we learned that veterans were less likely to come to a facility to participate for a number of reasons, including stigma attached to a TBI diagnosis, reluctance to self-identify as needing TBI support, and many are simply undiagnosed or unaware they have TBI. We also learned that today's veteran is very engaged in online activity, participating in blogs and other Web-social networking structures.

So, in January of this year we expanded the project's scope by offering the Brain Fitness Program remotely via the Internet, with participants receiving support via a remote case manager based in Easter Seals headquarters in Chicago, IL. This approach allows the veteran to participate in the project in the comfort and security of his or her own home and through a medium that they are more familiar using.

As a result we have observed participation rates increase significantly over the past 7 weeks.

Our vision is to elevate this project to a full research demonstration program to evaluate the efficacy of the Brain Fitness Program across a much larger population of veterans suffering with mild to moderate TBI. Posit Science, in partnership with Easter Seals, was asked to submit a research proposal to the Department of Defense on servicemembers returning from Iraq and Afghanistan with TBI. Notification from DOD as to the status of funding for this research is pending.

Question 4. One of the issues you highlighted in your testimony was the need to make sure that someone was watching out for the needs of a veteran at *all* times. You mentioned in your written testimony an initiative called "Connect to Community" which is exploring this approach. Can you describe how this initiative works and how VA could be involved?

Response. The Easter Seals Community Reintegration Demonstration Project, referred to as "Connect to Community" in Easter Seals' written statement, aims to provide multi-year transition support to servicemembers and veterans with disabilities and their families as they leave Department of Veterans Affairs' rehabilitation centers and return to their home communities. Built to augment existing resources, this 3-year demonstration program aims to reduce gaps in the transition process that relate to services, community resources, and individual and family circumstances.

After nearly 5 years of combat engagement in Iraq and Afghanistan, the Nation is welcoming back many troops who have experienced combat-related injuries and permanent disabilities. The systems to assist with transitioning active duty servicemembers with disabilities back into civilian communities have been stressed, underfunded, and face a plethora of organizational barriers, as documented by the President's Commission on Care for America's Returning Wounded Warriors in their final report *Serve, Support, Simplify: Report of the President's Commission on Care for America's Returning Wounded Warriors, July 2007*.

Specifically, the Commission's first recommendation was to "immediately create comprehensive recovery plans to provide the right care and support at the right time in the right place," through the creation of a new staff role—Recovery Coordinator. Their goal is to "ensure an efficient, effective and smooth rehabilitation and transition back to military duty or civilian life; establish a single point of contact for patients and families; and eliminate delays and gaps in treatment and services." Easter Seals believes that recommendations from this report, while on target, do not go far enough to ensure complete community reintegration. A complementary civilian strategy is needed to marshal community-based resources to achieve this vision of reintegration.

With a nearly ninety-year history of providing services and supports to individuals with disabilities in communities across the United States, Easter Seals has much to contribute to our brave service men and women returning with newly-acquired disabilities. As a result, Easter Seals has proactively proposed an effective system of transition supports for servicemembers and veterans with disabilities that works as a community-based extension of VA-based support initiatives. Our concept supports and supplements the recommended framework of the Commission's report, and compliments the Departments of Defense and Veterans Affairs' Recovery Coordinator staff as the community-based representative. Easter Seals' organizational expertise is grounded in community-based solutions for people with disabilities, delivering exceptional services in the very communities that these servicemembers call home. Veterans with disabilities are returning to civilian communities nationwide in large numbers, leaving their active duty status and lifestyle behind them. Having Easter Seals as a key facilitator in supporting their transition process ensures this successful transition.

The demonstration will:

1. Connect directly with servicemembers and veterans with disabilities and their families that are receiving rehabilitation services in Polytrauma Centers that are planning to return to their home communities, in collaboration with Recovery Coordinators;

2. Provide servicemembers and veterans with disabilities and their families with effective and sustained transition planning and support before and throughout community reintegration;

3. Provide families of veterans with disabilities with a centralized helpful and responsive place within the community that they can turn to for information, resources, and support; and

4. Create effective and collaborative relationships that augment existing supports and services provided by military and veteran systems of care, military and veterans' service organizations, and other related organizations serving military

servicemembers and veterans with disabilities and their families with community-based disability related organizations.

Operations (to be coordinated by Easter Seals Headquarters, located in Washington, DC) will have the following structure: Community Reintegration Coordinators (CRCs); Regional Resource Coordinators (RRCs); and Local Resource Specialists (LRSs). CRCs will be stationed at/near the four VA Polytrauma Centers: Palo Alto, Minneapolis, Tampa, and Richmond. Additional sites are Walter Reed Army Medical Center in Washington, DC and the Center for the Intrepid in San Antonio, TX. These CRCs, in close collaboration with Recovery Coordinators, will work directly with servicemembers with disabilities that are receiving rehabilitation services that are planning to be discharged/retired from service and reintegrating back to civilian communities and their families. CRCs will provide an assessment of stabilization needs for each servicemember and their family, and create a reintegration plan to facilitate a truly seamless transition.

RRCs will be based with the CRCs to coordinate and supervise the local resource specialists. They will be responsible for developing state and regional relationships and information resources. LRSs will facilitate individualized community transition activities to support each veteran and their family as they adjust to civilian life, particularly life with a disability, within their home community.

The project anticipates and will evaluate the following outcomes:

- A significant reduction in gaps in transitional supports for servicemembers and veterans with disabilities and their families as they reintegrate to civilian communities nationwide;
- Servicemembers and veterans with disabilities and their families transitioning to civilian communities receive sustained effective support before, throughout, and until full community reintegration is achieved;
- Veterans with disabilities and their families have a meaningful resource of community-based options, information, and referrals to use in adjusting successfully to civilian lives, and life with a disability;
- Creation of effective and collaborative relationships that augmented existing supports and services provided by military and veterans systems of care, military and veterans service organizations, and other related organizations serving servicemembers and veterans with disabilities and their families; and
- Increased awareness of issues facing servicemember and veterans with disabilities and their families within local communities.

Question 5. Mr. Carmon, I want to compliment your organization for recognizing the recommendations of the Dole-Shalala Commission as an opportunity to step forward as a partner to work alongside DOD and VA to meet the needs of those returning home with disabilities. You have taken the position that the recommendation to incorporate a "Recovery Coordinator" into the service model does not go far enough. You argue that it does not extend to the most critical phase of recovery—the full reintegration into the servicemember's home community. Could you provide more details on "Veterans Count," the demonstration program being conducted in New Hampshire? What involvement, if any, does VA have in this initiative?

Response. Easter Seals New Hampshire's collaborative initiative Veterans Count, strives to find solutions to health and social service gaps that exist for veterans and their families throughout New Hampshire. Veterans Count has a vision of developing and creating an integrated system that links National Guard and Reserve personnel with the Department of Health and Human Services and other key community service agencies to find solutions to meet their unmet care needs before they become critical.

Veterans Count is a collaboration including Easter Seals, New Hampshire National Guard, and New Hampshire Department of Health and Human Services. This partnership works to ensure veterans and their families receive exceptional services maximizing their quality of life in recognition of their service and sacrifice for the community. The approach is unique because it works in partnership with Federal, State and local resources to connect veterans and their families to services that meet their medical, social, emotional and financial needs. Family-focused solutions are developed to address the unique struggles of military families during deployment and upon returning home.

Four primary areas of concern for participants and their families have emerged through implementing the project:

- Disability Issues: Due to advances in both combat technology and medical technology, many of these individuals return to civilian life with complex disability issues, including brain injuries, amputations, severe psychological trauma;
- Employment Issues: Members of the Guard and Reserve have returned to civilian employment only to find that they have been reassigned by their employer to

lower positions, or they have lost compensation and benefits, or they have been fired;

• Social Attitudes: Individuals who have been engaged in the military feel a stronger sense of responsibility to serve their country. Ironically, the attitude that helps them endure the difficulties of war becomes a social barrier in civilian life that prevents them from asking for the health care and welfare services they need; and

• Family Issues: Families with a parent or spouse serving in Iraq or Afghanistan struggle with a set of unique problems resulting from frequent and lengthy deployments. Spouses who are left behind, especially those in the Guard and Reserve who remain in their communities, do not have the support network that is available to families living on military installations. As a result, these families are isolated and experience greater stress.

In response to these issues, Veterans Count has developed a number of intervention and assistance strategies. By connecting participants with community-based resources, the project case managers assist veterans with a broad range of support in the civilian community including accessing: disability compensation, vocational rehabilitation, special education, health plans for low-income children, subsidized child care, assistance with scholarships and financial aid for school or training programs and many other services. The program also offers family support sessions, providing counseling to spouses of all military personnel, active duty or reserve, giving them a place to share the experiences of being a military spouse and to receive support regarding children, finances, deployment, school, work and more. Additionally, Easter Seals provides direct services in the areas of medical rehabilitation, vocational services, childcare and transportation for program participants.

Our New Hampshire affiliate is able to bring the resources of Easter Seals to help participants and their families access benefits and services received to solve potential issues brought on by the emotional and physical hardships associated with military service. Through Veterans Count, Easter Seals is working to ensure no one falls through the cracks by cutting through red tape, filling gaps in services and delivering solutions locally, promptly and efficiently.

Chairman AKAKA. Thank you very much, Mr. Carmon, for your statement.

Mr. Daley?

STATEMENT OF RICHARD DALEY, ASSOCIATE LEGISLATIVE DIRECTOR, PARALYZED VETERANS OF AMERICA; ACCOMPANIED BY THERESA BOYD, PVA VOCATIONAL REHABILITATION CONSULTANT

Mr. DALEY. Chairman Akaka, Senator Webb, on behalf of the Paralyzed Veterans of America, I would like to thank you for the opportunity to testify today on the Department of Veterans Affairs Vocational Rehabilitation and Employment Program.

PVA believes that the VR&E program is one of the most critical programs the VA administers in assisting veterans with disabilities to successfully transition to civilian life. The primary mission of the VR&E program is to provide veterans with service-connected disabilities all the necessary services and assistance to achieve maximum independence in daily living, and, to the maximum extent feasible, to become employable and maintain suitable employment.

In fiscal year 2007, VR&E made progress in carrying out its mission. VR&E reported a rehabilitation rate of 73 percent for both veterans determined to have employment handicaps as well as veterans determined to have serious employment handicaps. In 2007, 11,008 veterans achieved their rehabilitation goals through this program.

Progress has also been made in standardizing the Disabled Transition Assistance Program so that the servicemember exiting the military service receives the same clear and accurate information on VA benefits.

The Independent Living Program is a VR&E program that focuses on providing services to veterans with severe disabilities. VR&E has made improvements in the program by hiring a national independent living coordinator and establishing standards of practice in delivery of independent living services. However, VR&E is still forced to abide by an arbitrary cap of 2,500 new cases each year. While VR&E may not reach that cap every year, there are years that it does. In those years, say in the late summer or early fall, veterans with severe disabilities who have been determined to be eligible or entitled to VR&E programs have had to wait until October to receive the full services.

PVA strongly opposes placing a cap on independent living cases. With the removal of the independent living cap and greater focus on serving veterans with severe disabilities, PVA recommends that VR&E be given additional professional full-time employee slots for independent living specialist counselors.

PVA believes in the importance of introducing the idea of employment setting in the vocational setting early on in the medical rehabilitation process. We are hopeful that including discussions of employment expectations along with the medical rehabilitation goals, veterans will be more likely to choose to return to employment sooner.

Following this concept, PVA designed a new vocational rehabilitation program to address these needs. The goal of the program is to provide vocational rehabilitation services under a PVA-corporate partnership that augments the existing vocational programs. PVA formed a partnership with the VA and Health Net Federal Services, the government operations division of Health Net, Incorporated.

We opened our first rehabilitation office in the spinal cord injured center of the VA Medical Center in Richmond, Virginia, in July of 2007. The workload in our pilot office has grown rapidly and our PVA rehabilitation counselor in Richmond is currently carrying a caseload of 73 veterans. The counselor selected for the position is Mr. Rich Schiessler, a Vietnam veteran with more than 17 years of experience as a vocational counselor. Mr. Schiessler's hard work, along with the cooperative spirit and work of the VA personnel, has already resulted in the employment of seven veterans with Spinal Cord Injury.

To highlight one case, Mr. Schiessler met a spinal cord injured veteran who had a long history of unemployment. The counselor was able to find the veteran a part-time job that would allow him to ease back into the workforce. Within a short period of time, the veteran was successful and he wanted to seek full-time work. He currently enjoys his position working for the Governor of Virginia and he reports that he often works more than 40 hours each week. Mr. Schiessler reports that he has not yet experienced a veteran who has refused vocational rehabilitation services.

With the success of our rapidly growing caseload in Richmond, Virginia, PVA plans to open a second vocational rehabilitation office in Minneapolis with the corporate sponsorship of TriWest, a contractor to the Department of Defense. We are confident that our continuing efforts in this pilot initiative, as well as continuing ef-

forts of our VA partners, will result in the 85 percent unemployment rate of PVA members becoming a sad statistic of the past.

Chairman Akaka, Senator Webb, PVA supports the Committee's efforts to review and enhance the existing vocational rehabilitation programs of the Department of Veterans Affairs for current, as well as, future veterans of this nation.

This concludes my statement. I would be happy to answer any questions you may have.

[The prepared statement of Mr. Daley follows:]

PREPARED STATEMENT OF RICHARD DALEY, ASSOCIATE LEGISLATION DIRECTOR, PARALYZED VETERANS OF AMERICA

Chairman Akaka, Ranking Member Burr, and Members of the Committee, on behalf of Paralyzed Veterans of America (PVA) I would like to thank you for the opportunity to testify today on the Department of Veterans Affairs (VA) Vocational Rehabilitation and Employment (VR&E) Program. PVA believes the VR&E Program is one of the most critical programs VA administers in assisting veterans with disabilities to successfully transition to civilian life.

The primary mission of the VR&E program is to provide veterans with service-connected disabilities all the necessary services and assistance to achieve maximum independence in daily living and to the maximum extent feasible, to become employable and to obtain and maintain suitable employment. In fiscal year 2007, VR&E made progress in carrying out its mission. VR&E reported a rehabilitation rate of 73 percent for both veterans determined to have employment handicaps as well as veterans determined to have serious employment handicaps. In FY 2007, 11,008 veterans achieved their rehabilitation goals through the program. Progress has also been made in standardizing the Disabled Transition Assistance Program (DTAP) so that servicemembers exiting military service receive the same clear and accurate information on VA benefits.

VR&E appears to be on target in implementing the Five-Track employment model, which should help standardize orientation activities and put greater emphasis on the employment component of the program. VR&E's internet-based employment services resource, *www.vetsuccess.gov*, with its self-service capability is intended to be a useful employment readiness tool that is easily accessible to veterans seeking jobs.

While VR&E was successful working with newly-disabled veterans in 2007, PVA believes more demands will be placed on its workload in 2008. As the war continues in Iraq and Afghanistan more and more servicemembers will return home with life-altering disabilities. It is our Nation's obligation to provide the very best VR&E services for those veterans with severe disabilities.

The Independent Living (IL) Program is a VR&E program that focuses on providing services to those veterans with severe disabilities. VR&E has made improvements to the program by hiring a national IL coordinator and establishing standards of practice in the delivery of IL services. However, VR&E is still forced to abide by an arbitrary cap of 2,500 new cases each year. The consequence of this cap is that as VR&E approaches the cap limit each year, they must slow down or delay delivery of independent living services for new cases until the start of the next fiscal year. While VR&E may not reach that cap every year, there are years that it does. In those years in the mid-to-late summer, veterans with severe disabilities who have been determined "eligible" and entitled to the VR&E program have had to wait until October to receive full services. PVA strongly opposes placing a cap on Independent Living cases. The continuation of our military efforts associated with Operation Iraqi Freedom and Operation Enduring Freedom will, unfortunately, result in greater numbers of servicemembers who sustain serious injuries and who will need these services. With the removal of the IL cap and greater focus on serving veterans with severe disabilities, PVA recommends that VR&E be given additional professional full-time employee slots for IL specialist counselors. These experienced counselors should be fully devoted to delivering services to those individuals that are determined to have serious employment handicaps.

PVA also believes that VR&E needs to focus more time and attention on those veterans who, after achieving their independent living goals, are ready to consider placement in suitable employment.

Recently PVA has directed some of its organizational effort to assist veterans with severe disabilities to achieve employment goals. After considering the employment possibilities of severely injured veterans and realizing the deficit in existing pro-

grams, PVA made the decision to focus efforts on an initiative to improve the employment rate of its members. PVA has a goal to ensure that all veterans with Spinal Cord Injury or disease are given equitable employment opportunities. PVA believes in the importance of introducing the idea of employment and setting vocational goals early on in the medical rehabilitation process.

We are hopeful that by including discussions of employment expectations along with achievement of medical rehabilitation goals, veterans will be more likely to choose to return to employment sooner. As such, PVA designed a new vocational rehabilitation program to address these ideas. The concept of the program is to provide vocational rehabilitation services under a PVA-corporate partnership that augments the many existing vocational programs. PVA believes the veterans with spinal chord injury (SCI) disability should be introduced to vocational rehabilitation counselors specializing in SCI disability that are able to provide extensive vocational-oriented services early in the medical rehabilitation process. If these counselors can devote more time and are able to continue to provide services as needed, the productivity and employment rates for this group of veterans will improve.

PVA formed a partnership with the VA and Health Net Federal Services, the government operations division of Health Net, Inc. We opened our first vocational rehabilitation office in the SCI Center of the VA Medical Center in Richmond, VA in July 2007. The workload in our pilot office has grown rapidly and our PVA vocational rehabilitation counselor in Richmond is currently carrying a caseload of 73 veterans.

The counselor selected for this position, Rick Schiessler, a Vietnam veteran with more than 17 years of experience as a vocational counselor, has established excellent relationships with the Veterans Health Administration (VHA), Veterans Benefits Administration (VBA), and, especially, VR&E personnel located in Richmond. Mr. Schiessler's hard work, along with the cooperative spirit and work of VA personnel has already resulted in the employment of seven veterans with SCI disability. To highlight one case, Mr. Schiessler met with an individual who had a long history of unemployment. The counselor was able to find this veteran a part-time job that would allow him to ease back into the workforce. Within a short period of time this veteran successfully adjusted to working part-time, and requested full-time employment. He currently enjoys his new position working in the office of the Governor of Virginia and he reports that he often works more than 40 hours each week.

Mr. Schiessler reports that he has not yet experienced any veteran who has refused vocational rehabilitation services.

With the success of our rapidly growing caseload in Richmond, PVA plans to open a second vocational rehabilitation office in Minneapolis with the corporate sponsorship of TriWest Healthcare Alliance, a contractor to the Department of Defense. The success of this expansion will depend on a productive relationship established with the VHA and VR&E. We are confident that our continuing efforts in this "pilot" initiative, as well as the continuing efforts of our VA partners, will result in the 85 percent unemployment rate among PVA members becoming a sad statistic of the past.

PVA remains concerned that the current large caseloads and ever-increasing data entry demands may be affecting the VR&E counselors' ability to deliver effective and timely services. For this reason, PVA supports VR&E initiatives such as process consolidation, if it results in VR&E counselors having more time to engage in face-to-face counseling activities and offers more extensive case management services.

Chairman Akaka, Ranking Member Burr, Members of the Committee, Paralyzed Veterans of America supports this Committee's effort to review and enhance the existing vocational rehabilitation programs of the Department of Veterans Affairs for the current, and future veterans of this Nation.

This concludes my statement. I would be happy to answer questions you may have.

Chairman AKAKA. Thank you very much, Mr. Daley.

I want to tell you that all of your full statements will be included in the record.

And now we will hear from Ms. Winslow.

STATEMENT OF LINDA WINSLOW, EXECUTIVE DIRECTOR, NATIONAL REHABILITATION ASSOCIATION; ACCOMPANIED BY JAMES ROTHROCK, COMMISSIONER, VIRGINIA DEPARTMENT OF REHABILITATIVE SERVICES

Ms. WINSLOW. Thank you. Mr. Chairman, Senator Webb, thank you for inviting me to be here with you today. I am Linda Winslow. I am from North Carolina. I am the Executive Director of the National Rehabilitation Association. We are one of the strongest supporters of the public vocational rehabilitation program. I am pleased to have with me today Jim Rothrock, who is Commissioner of Virginia Rehabilitative Services and he will speak to you momentarily.

National Rehabilitation Association members are qualified rehabilitation counselors, independent living specialists, mental health specialists, and many others. Our members are the qualified professionals who interact daily face-to-face with persons with disabilities, developing individualized plans of action designed to facilitate and expedite the individual's return to work and independence.

Let me share a story about a veteran. Matt is a veteran from Washington State who has quadriplegia and Traumatic Brain Injury. Matt spent seven months in a trauma hospital and now receives outpatient support from the VA hospital in Seattle. He wasn't expected to live after his injury and certainly was not expected to return to work. But now, despite the dire medical predictions, Matt is a single parent raising a ten-year-old daughter. He has returned to school, owns a home, and lives independently. Two months ago, Matt reentered the workforce on a part-time basis and plans to return to work full-time when his daughter is older.

What was the difference for Matt and his family? It was a coordinated team approach between the VA and the public VR program that supported Matt's vision of independence. He receives support from a variety of programs through public VR, including independent living, advocacy, and the services of qualified rehabilitation staff. The services were coordinated. His family was involved. Matt attained his goals and is now working toward a future career.

Matt's case clearly demonstrates the coordinated system approach is a proven model of success and he will be able to receive follow-up services even after he returns to work through the VR program.

Veterans continue to receive benefit from the team approach between VR and VA, with VR providing many gap-filling services that positively impact the veteran's rehabilitation and subsequent employment. These services include connection to business partnerships using the network of business consultants from the 80 public VR programs. These VR specialists work closely with businesses using rehabilitation engineers and assistive technology specialists to accommodate individuals in the workforce. They bring expertise in return-to-work strategies for service men and women who are newly disabled and who seek to return to jobs they held before being called to active duty or to new jobs using the skills they gained in their military service.

We have much to do to serve our wounded warriors and we are very happy to help.

Let me introduce Jim, who will mention the Memorandum of Understanding.

[The prepared statement of Ms. Winslow follows:]

PREPARED STATEMENT OF LINDA WINSLOW, EXECUTIVE DIRECTOR, NATIONAL REHABILITATION ASSOCIATION AND JAMES ROTHROCK, COMMISSIONER, VIRGINIA DEPARTMENT OF REHABILITATIVE SERVICES

Chairman Akaka, Ranking Member Burr and Members of the Veterans' Affairs Committee, thank you for inviting me to testify before you today on the Public Vocational Rehabilitation (VR) Program, a State/Federal/Public/Private Partnership that has been and continues to be one of the most effective career-producing, independence-inducing programs in the history of the workforce world.

My name is Linda Winslow and I am proud to serve as the Executive Director of the National Rehabilitation Association, a public, not-for-profit, nonpartisan national organization founded in 1925, and is one of the longest serving and strongest supporters of the Vocational Rehabilitation Program, a program which over its almost 90-year history, has assisted millions of eligible individuals with disabilities maintain or regain economic and personal independence.

I am pleased to be here today with Jim Rothrock who serves as Commissioner of the Virginia Department of Rehabilitative Services, whose Department works with our wounded warriors through a Memorandum of Understanding (MOU) with the Department of Veterans Affairs.

The National Rehabilitation Association has a diverse membership including qualified rehabilitation counselors and associated qualified rehabilitation personnel representing the public and private sectors, veterans, independent living specialists, OTs, PTs, Speech Therapists, mental health specialists, private providers of rehabilitation, rehabilitation counseling educators and programs, special education professionals and many others.

In response to the Committee's question as to whether the Vocational Rehabilitation Program can assist veterans with disabilities return to economic and personal independence, the answer is a resounding YES.

The Rehabilitation Act of 1973, as amended, Title I of which is commonly known as the VR Program, was originally authorized as the Smith-Fess Act, Public Law 236, signed by President Woodrow Wilson on June 2, 1920. The Act was designed to return injured workers, including veterans of WWI, to suitable remunerative employment. Over the last 87 years, the Act has responded to public input and the changing needs of society. VR now includes services to a wide range of individuals, including but not limited to, individuals with physical, mental and sensory disabilities and intellectual and developmental disabilities. This range includes individuals with Traumatic Brain Injury (TBI) and Post Traumatic Stress Disorder (PTSD) which has taken a toll on so many of our wounded warriors and their families.

We would like to take this opportunity to share one of the many stories about a veteran with disabilities and a family perspective.

Matt is a disabled veteran from Washington State. He is a person with quadriplegia who also has a Traumatic Brain Injury. Matt spent seven months in a trauma hospital and now receives outpatient support from the VA Hospital in Seattle. Matt was not expected to live after the injury and he was certainly not expected to return to work, be an active father or contributing member of his community. Despite the dire medical predictions: Matt is a single parent raising his 10-year-old daughter; he has returned to school; owns a home; and lives independently in the community. Two months ago Matt re-entered the workforce on a part-time basis and plans to return to work full-time when his daughter is older.

What was the difference for Matt and his family? It was the combination of a great team of caregivers, actively involved family members, and a coordinated team approach between the VA system and the Public VR Program that supported Matt's vision of independence. Family members were actively involved and advocated to bring in experts across systems that supported Matt's success. Matt has received support from a variety of programs funded under the Rehabilitation Act, including the Public VR Program, independent living supports, advocacy services and the support of qualified staff trained in programs under the Rehabilitation Act such as the specialists in neuropsychological evaluation and TBI. The systems were coordinated, the family was involved and Matt attained his goals and is working toward a future career. Matt is contributing to our country through his payment of taxes, his role as a father, son, brother and Matt is supporting success for other veterans and their families. As Matt's case clearly demonstrates, a coordinated system approach is a proven model of success for the individual and for America.

The hallmark of the Vocational Rehabilitation Program has always been the qualified rehabilitation counselor and associated qualified rehabilitation personnel, many of whom hold Master's degrees in rehabilitation counseling, rehabilitation engineering and associated disciplines. The VR Program serves a wide range of individuals with disabilities through the network of 80 State VR Agencies and partnerships with community rehabilitation programs (CRPs), and other private providers. The VR Program serves over one million eligible individuals with disabilities per year through comprehensive, multi-faceted, individualized employment plans, placing more than 200,000 eligible individuals with disabilities, including individuals with significant disabilities, into competitive employment each year.

The VR Program is accountable, bipartisan, comprehensive and cost-effective and has the documentation to support this claim. The return on investment of the VR Program is impressive.

Many of the State VR Agencies, including Virginia, have a Memorandum of Understanding (MOU) with the Department of Veterans Affairs, as well as joint cases.

Veterans continue to benefit from the jointly served cases between VR and the Department of Veterans Affairs, with VR providing many "gap-filling" services that positively impact the veteran's rehabilitation and subsequent employment or return to work. These services include strong connections to business partnerships.

The National Employment Team (NET) is a network of business relations consultants from the 80 Public VR Agencies. The NET is actively working with the employment specialists in the Veteran programs to support business partners in meeting their employment needs by hiring and retaining qualified individuals with disabilities, including veterans. These VR specialists work closely with business, rehabilitation engineers and assistive technology specialists to accommodate individuals in the workplace. They bring expertise in return-to-work strategies for service men and women, National Guard and Reservists who are newly-disabled and returning to previous jobs that they held before being called to active duty.

Moreover, the Rehabilitation Services Administration (RSA), which administers the VR Program, is presently sponsoring an Institute on Rehabilitation Issues (IRI) and will publish a "guidebook" on how to enhance services to veterans with disabilities by strengthening the working relationship between Vocational Rehabilitation, VA–VRE and DOL–VETS. The publication draft will be ready for critique and review in May at the National IRI Conference, which takes place in Washington, DC.

In developing the content for one of the chapters focusing on the "customer's opinion" a great deal of information has been gleaned from disabled veterans around the need for increased collaboration, more rapid access to medical information needed for return to work, more comprehensive vocational, rather than medical assessments only, improved job matching and follow-through, improved outreach to family members who may be the first to spot residuals from PTSD or TBI, as it impacts the success or failure of the veteran who has returned to work, and much more.

The Vocational Rehabilitation Program is an accountable, bipartisan, comprehensive, and cost-effective program of supports and services to eligible individuals with disabilities, which includes: career counseling; development; training; and, ultimately, employment that leads to economic and personal independence.

Presently, there are 41 State VR Agencies on an Order of Selection, which means that if the VR Agency projects that there will not be enough resources to serve all eligible individuals with disabilities, then those with the most significant disabilities will be served first.

Moreover, in some States there are waiting lists for the excellent services and supports that the VR Program provides to eligible individuals with disabilities who want to achieve or re-achieve the American Dream.

The State VR Agencies and the qualified rehabilitation counselors and personnel they employ are some of the best in our country.

Our wounded warriors deserve no less than the best. We can help. We want to do more, but we will need additional resources in order for us to serve those most in need, including those who sacrificed so much for us to be here today.

Thank you, Mr. Chairman and Committee Members for this opportunity to assist our country's wounded warriors achieve or re-achieve economic and personal independence.

State VR Director Rothrock and I look forward to working closely with you over the next several months to ensure that every servicemember receives the quality training, services and supports offered by qualified rehabilitation counselors in the Public VR Program through increased collaboration with the Department of Veterans Affairs.

We will be glad to answer any questions that you may have.

Mr. ROTHROCK. Good morning, Senator Akaka——

Chairman AKAKA. Good morning, Mr. Rothrock.

Mr. ROTHROCK. And a specific hello to our friend Jim Webb. You make all Virginians proud and I am certainly glad that I was privileged to vote for you and hope that I can do it many, many, many, many more times.

[Laughter.]

Senator WEBB. Tell him he can take all the time he likes.

[Laughter.]

Mr. ROTHROCK. Can I get out my flip chart? Okay. Again, I am Jim Rothrock and I am the Commissioner of the Virginia Department of Rehabilitative Services. For the last six years, I have had the pleasure and honor to work with Governor Warner and now current Governor Tim Kaine regarding vocational rehabilitation services to our veterans.

Today, I would like to discuss with you two major topics: One, a Memorandum of Understanding we have with our State agency cohort, the Department of Veterans Services in Virginia, and an overview of the current services that we in Virginia provide to veterans.

Although I will be speaking only about Virginia, I think it is important to note that as there are 80 other agencies around the U.S. funded with Federal-State funds on an 80/20, roughly stated, matching basis, these services that we provide in Virginia are likely occurring at some level in most States, if not all other States.

After being reappointed to my position in 2006 by Governor Kaine, one of the first actions I did was to contact my colleague, Vince Burgess, at the State Department of Veterans Services to establish a Memorandum of Understanding. This first MOU acknowledges our efforts to develop staff training programs for DRS and DVS employees, a referral process between our two agencies, and to identify a role for Woodrow Wilson Rehabilitation Center, the first comprehensive rehabilitation center in the U.S. There are eight similar programs across the Nation that could have a major role in our veterans' services.

In Virginia, we are engaged and closer to being ready to serve those wounded warriors who we know will be looking to us in the Commonwealth for services. Now, an overview of those veterans that my agency served last year.

Our VR program, focuses on work, and Commissioner Hardy noted the importance of work; and I would just ditto that. It is critical that we look not at just benefits, but allowing all disabled individuals, particularly those who are veterans, to see the value and be able to reenter work after they are fully integrated into our society.

Our VR program serves 25,000 people each year, and a review of recent data showed that we served 676 veterans last year—414 of these individuals were between 45 and 64 years old. We are not seeing many young veterans. We are seeing those that have come back and have been in society and unfortunately have not been successful in their reintegration. This is spoken to by the fact that 61 percent of the people that we serve have as a disability either psycho-social or mental disabilities, and these disability categories include substance abuse, Post Traumatic Stress Disorder, and the TBI that you mentioned.

Over the past years, we have successfully assisted more than half of these individuals to find stable employment, but could be even more successful, I feel, if our services were offered before they had sunken so deeply into substance abuse, depression, or had their lives sidetracked by Traumatic Brain Injury.

What we are asking today is for you to consider ways that we can support early intervention services to assure that we can collaborate to make sure that the talents of our veterans are fully maximized and they are welcomed into society. However, we VR agencies across the U.S., like so many other agencies, are looking at orders of selection where we are not serving all of our eligible individuals and would look to you to make sure that we can continue to fund these programs that can take individuals and help them successfully transition from the service back into society. After a review of the current President's budget, I would just like to note that we saw what looks like a very significant cut in our program, the first in history, and I would just encourage you that now is not the time to cut these important programs that can help all disabled individuals, but particularly, now is the time to help all disabled veterans also.

Thank you very much for the opportunity to be with you today.

[The prepared statement of Mr. Rothrock follows:]

PREPARED STATEMENT OF JIM ROTHROCK, COMMISSIONER, VIRGINIA DEPARTMENT OF REHABILITATIVE SERVICES

Good morning Senator Akaka and distinguished Members of the Senate Veterans Affairs Committee. And if I may, a personal greeting to my own Senator, Jim Webb. You have shown such leadership in these matters and make all of us proud to be Virginians.

My name is Jim Rothrock and I am the Commissioner of the Virginia Department of Rehabilitative Services. For the past six years I have had the good fortune of working with Governor Warner and our current Governor, Tim Kaine, on rehab issues but have been placing more and more importance on serving veterans.

My relationship with the VR program spans almost 40 years as I have gone from a client to a counselor, to an administrator, and now Chief Executive Officer of this important program for Virginians with disabilities. I should also note that I am a long-time member of the National Rehabilitation Association and feel this is a special honor to represent them and our State/Public Vocational Rehabilitation Program (VR).

Virginia's VR program serves approximately 25,000 individuals each year. More than 4,200 of those served enter competitive employment and either begin or continue, what we hope, are satisfying careers. Our Commonwealth offers 15 million dollars to match an additional 57 million from Congress each year for our VR program. I should note that since July of 2004, we have been in an "Order of Selection"—similar to almost half the VR programs in the U.S. and therein acknowledge that we cannot serve all of those that come to us for VR services.

But, today it is my pleasure to share with you an overview of some of the things that we have developed over the last few years to serve those who have given so much to our country—our veterans with disabilities. After being reappointed to my position in 2006, one of my first actions was to contact my colleague, Vince Burgess at the Virginia Department of Veterans Services to establish a Memorandum of Understanding. This first MOU acknowledges our efforts to better understand and build collaboration between our two agencies assuring that veterans seeking vocational rehabilitation and other disability services are served appropriately.

Subsequent to that, Governor Kaine issued Executive Order 19 that directed all State agencies to partner with our Department of Veterans Services. Mr. Burgess and I have continued to seek ways for our agencies, and our well-qualified staffs, to work together on common goals. Recently, we began an effort to coordinate employment services for all veterans including those that have disabilities. The task force—comprised of representatives from private industry, community colleges in Virginia, other state agencies, and veterans' representatives—is working to assure

that veterans that are looking for work can be employed, regardless of any barriers they may have.

The opportunity to come and meet with you today gives me a brief but welcome respite from our own State General Assembly's actions which are almost as rigorous as those that require your attention at your level. Several of Governor Kaine's agencies are working with members of our General Assembly to fashion new programming to respond to veterans' issues. Of particular importance to this effort is legislation introduced in both chambers which will direct my agency, the Department of Veterans Services, and the Department of Mental Health, Mental Retardation and Substance Abuse Services, to work together to assure that services are available to individuals with substance abuse problems, mental health needs, and the signature disability of our current conflicts—Traumatic Brain Injury.

Virginia is fortunate to have a network of brain injury service providers which has evolved over the last decade, supported with State funds that will coordinate with local and State entities to provide the unique services required by those with Traumatic Brain Injury. Significant other services we hope to offer can be found at our Woodrow Wilson Rehabilitation Center, which was our Nation's first comprehensive rehabilitation center founded in 1947. It is important to note that this first rehab center was housed in what had been a veterans' center, and we pride ourselves in our ability to offer life transforming services to disabled individuals. Our Center has developed an extensive range of expertise in brain injury programming and, particularly, we feel that our Center staff and services can be effective in assessing the level of brain injury in some of our returning wounded warriors. We have been discussing with our State VA hospitals, for the past year or so, referral and vendor relationships that will assure a smooth transition for any disabled veterans who may require our comprehensive rehabilitation services.

As you are also aware, Richmond is the home of the Hunter Holmes McGuire VA Medical Center, which houses one of four polytrauma units in the VA system. Currently our agency is in discussion with the Physical and Medical Rehabilitation staff at the hospital and with medical staff from the Medical College of Virginia to identify additional levels of cooperation. We are hopeful that some of the proposals that we have submitted to the Federal Government will be funded and we can continue to develop specific actions and programs that will be of aid to our wounded warriors. We feel that our discussions will focus on the importance of work for our returning veterans. It has been our experience that veterans are often so focused on receiving their well-deserved benefits that they miss the opportunity to better prepare themselves for work. Coordinating medical and physical rehabilitation efforts with vocational training places our potential programming in what, we think, is a unique work-oriented niche. We surely do not anticipate that any vets would lose any of their deserved benefits; however, we will be focusing on the importance of work and how vocational and avocational activities can ensure that their futures are well-rounded.

The vocational rehabilitation systems across the U.S. offer many services that can compliment VA and Department of Defense services, and we have several examples that I would like to share with you in my discussion. Our Vocational Rehabilitation Program, as noted earlier, serves approximately 25,000 people each year. A review of our client information noted that, currently, we are only serving approximately 700 individuals with some record of military service. Interestingly, most are between 45 and 64 and have some form of psychosocial impairments, which include substance abuse. Several of our counselors are assigned to VA hospitals to provide vocational rehabilitation to eligible clients. One of the major problems we have seen is that when we do receive veterans from our hospitals in Salem, Hampton, or Richmond, the veterans that are referred leave our system when they transition home. In the future we hope to assure that these individuals are transitioning home more effectively—particularly those who have substance abuse as a major disabling condition, or present themselves as homeless. We all know too well the problems that we have heard about homelessness and substance abuse among veterans.

One of the more successful initiatives in Virginia has been the award of $200,000 of Workforce Investment Act funds to TecAccess. As many of you may know, TecAccess is a woman-owned, small business with a home base in Richmond, which provides services to both public and private companies on web and information technology access. The unique characteristic of TecAccess has always been their reliance on qualified employees with disabilities and with this $200,000 of WIA funding, they have been able to train 15 veterans with disabilities; and, as of this date, one-half are already successfully working in the IT industry. Our VR program has been of critical importance to these veterans. Our ability to work to assure that their homes and work sites are made accessible has been a critical element in the success of this WIA initiative. We just recently learned that the Virginia Business Magazine has

named TecAccess as its "small business of the year" and much of this honor is due to their ability to offer career opportunities to some of our disabled veterans.

Another excellent resource that the VR system offers in Virginia is the Commonwealth Workforce Networks. Each month our VR staff that coordinate activities with businesses convene monthly meetings in 17 areas of the State to bring businesses together with those who work with individuals with barriers to employment. These networks greatly increase the likelihood that the *supply* of qualified individuals with disabilities is appropriately matched with the *demands* of Virginia businesses.

Much of the above progress has been made with State funds and may be unique to our Commonwealth. I would encourage you to evaluate how the vocational rehabilitation which serves our entire Nation could be resourced to serve not only those disabled Americans who come to them, but *all* the disabled veterans who may benefit from their services. The VR system across the Nation has a well-developed network of assistive technology and rehab engineering, business development, and core rehabilitation counseling services that will compliment the services of the Federal veterans programs that you are all well aware of.

Thank you for the opportunity to share my thoughts with you, and, moreover, thank you for your leadership to our Nation.

Chairman AKAKA. Thank you very much, Mr. Rothrock.

Mr. Lancaster, with regard to your organization's need for a formal connection between the Centers for Independent Living and VA, my question to you is how do you see this relationship working?

Mr. LANCASTER. Well, personally, Senator, I think what could really be a good match would be: rather than the VA doing independent living services themselves in-house, to hand those over to the federally-funded system that is out there to do the exact same services, which has been around since 1978. We have the know-how. We are operating, like I said, all over the country. I think we are well-positioned to take on this sort of task and to reintegrate people in a really full way back into their communities so that they are not just able to participate in their own apartment and their own home—although that is essential, because if you can't do that, you are certainly not going to get out and about in the community—but to be able to make sure that they can navigate all aspects of their community and to truly make a difference in their communities.

Veterans didn't sign up to serve this country to come home and sit back and not participate nor continue their service and their leadership to their communities and their Nation. So, I think we sit in a unique position to do that. I think it could be done through some protocols or Memorandums of Understanding that could actually establish a hand-off, if you will, from the medical rehabilitation and that sort of thing, for those who need independent living services, to centers in the geographic area of the veteran's home; and to develop, in conjunction with the VA, and most importantly the veteran him or herself, an independent living plan. Then, to proceed in making sure that the goals that the veteran with counseling has established are eventually met by conducting and fulfilling the plan.

Chairman AKAKA. Thank you very much.

Mr. Carmon, in your written statement, you referenced an Easter Seals project to provide treatment for veterans suffering from Traumatic Brain Injury. I want to hear a little bit more about that—how it was conceived and where do you see it going. If you could also discuss some of the challenges you have dealt with in imple-

menting the project and the way in which you have surmounted those challenges, please.

Mr. CARMON. Yes, sir. Thank you, Chairman Akaka. Our Veterans with Traumatic Brain Injury Program is a pilot project. The CEO and founder of the Ludy Family Foundation about a year ago approached the VA, as he had watched the documentary put on by Bob Woodruff about TBI. He was very touched by how veterans were returning from Iraq and Afghanistan, then would go to the polytrauma centers and receive the Cadillac of care. But, then what happened, as shown in that documentary, was that when veterans were going back and reintegrating into home communities, that their rehabilitation was actually reversing. They had regressed in their rehabilitation, because there weren't effective supports available to servicemembers once they got out—away from the foci of where the polytrauma centers were providing those services.

So, the CEO and Chairman of the Ludy Family Foundation went to the VA. He approached them and spoke with them about offering them $100,000 to start a TBI project, and was told, essentially, that they just really did not know how to respond to that. Mr. Ludy then approached Easter Seals and we were able to, from experience that we have—a number of our Easter Seals affiliates across the Nation are providing TBI services to individuals—so we have the experience and knowledge to do that. So, we worked with the Posit Science Corporation out of California, who has a cognitive rehabilitation program that was released in 2005—it is very cutting-edge. In a collaboration between Posit Science, Easter Seals, and the Ludy Family Foundation, on the Fourth of July last year we launched the Veterans with TBI Project.

This project is a pilot project and it was launched in four affiliate markets in California, Texas, and Connecticut. We are really looking at taking the cognitive rehabilitation program and providing rehabilitation to servicemembers free of charge to help them with mild to moderate Traumatic Brain Injury. As we moved forward with the project over the last number of months, we have looked to partner with the VA and other organizations as far as enhancing recruitment and reaching out. A couple of the challenges we came up against was that when we used kind of a top-down approach, we really found some resistance. There really wasn't a lot of interest. But, when we went from the bottom-up, we found that a lot of clinicians that were involved directly with providing services to veterans, were very interested and were providing referrals to our program.

It was a bit disheartening not to be really embraced from the top down. And, as we continue to move forward, we also had identified, through speaking directly with veterans, that a number of them are just not self-identifying that they have mild or moderate Traumatic Brain Injury. So, I am really hopeful that as we continue to move forward and the Department of Defense—as part of the demobilization of units that have been deployed—when they are doing the mandatory screening, that individuals will be identified; and that we can create—using what I mentioned earlier in my statement about community-based organizations—partnership with the VA.

We really want to be that extension and work with the VA to really reach out to individuals with mild to moderate TBI to help them recover and reintegrate into the communities, because it is during that time, that two-year window, that I know from my first-hand experience, that if you don't get in there with early intervention, it is very easy to fall through the cracks and really spiral out of control. Then you are taking more of a reactive stance instead of proactive.

And as we move forward with our TBI project, when we attended a veterans' forum up in Connecticut and a couple of individuals, a couple of soldiers who returned from Iraq and Afghanistan were self-diagnosed TBI—had TBI. They said, specifically, that there were two reasons why they wanted to engage in the program, but they would not. That was because: they were in fear of their disability rating being affected; and also, they were afraid that when they demobilized, that on the survey they marked "no nightmares," none of that stuff—none of the symptoms associated with TBI—they were afraid that the VA or DOD would come after them if they came out and said that they did exhibit that. They were told that when they demobilized, that if they marked "yes" to any of the answers, that they could count on not being able to go back home for at least two weeks, in order to receive a full workup and referral.

So, there are kind of a couple systems there that are in play: the larger system of identifying it; and then, on an individual basis, the individuals that are not wanting to self-identify for fear of losing access to benefits that they find crucial in their transition and reintegration into their communities.

As we have moved forward with the TBI project, one of the strategies that we engaged just last week—we rolled out a nationwide home-based component to the TBI project and we have already seen some very moderate success with that. In only a week's time, we've enrolled almost ten individuals into that program. The ideology behind that is: an individual doesn't have to go to a Vet Center and, essentially, self-identify; they can be in the security of their own home as they go forward. The W.K. Kellogg Foundation helped us launch that second component, so now we have two systems in play with our TBI project. We really want to embrace the VA to become a referral source and work with us in providing cognitive rehabilitation to the servicemembers.

Chairman AKAKA. Thank you, Mr. Carmon.

I have questions, but let me yield to Senator Webb for his questions.

Senator WEBB. Thank you, Mr. Chairman.

Jim Rothrock, always good to see you again and we very much value the work that you have been doing in Virginia for all our veterans down there.

Mr. ROTHROCK. Thank you.

Senator WEBB. We appreciate you coming today.

Mr. Lancaster, Mr. Carmon, thanks very much for your service, and those others of you who have served.

With respect to the PVA, I would say that since I started working in this area in the late 1970s, PVA and DAV have always been out on the forefront when it comes to trying to develop forward-

looking programs for those who have been seriously disabled, and I really appreciate your testimony.

I have also been able to spend time down at the Richmond facility. They are doing great work down there. It was really inspiring to go out and talk to a lot of the veterans.

I have one question that I would like to kind of pose to those of you who would care to give a reaction, given the limits of time. There have been some suggestions that in the vocational rehabilitation area, that caseworkers might be selecting individuals who are not as severely disabled, granting them the educational benefits they desire under vocational rehabilitation and leaving more disabled veterans out of the process, presumably for statistical reasons or something.

I find that quite puzzling, I have to say. I know when I was going through vocational rehabilitation, the other individual who was with our counselor in the law school program was an Army helicopter pilot who had taken a 51-caliber machine gun round that had knocked both his eyes out. He was almost completely blind, a very, very bright guy. He certainly got the full attention and assistance of the people inside the Veterans Administration.

I know that we have a challenge with seriously disabled people when it comes to the reentry process. There is no question about that. But logic would say that the more seriously disabled someone is, the more difficult the challenge is going to be to get them into the process. I would hate to think that there is some sort of an assumption going on inside the system that is saying we are looking at statistics rather than taking care of the people who are more seriously disabled. Do any of you all have a reaction to that?

Ms. BOYD. Senator, I think I can respond for PVA. My background is that I worked for 20 years in the VR&E program for VA. I do not agree with that statement. In fact, VA is held strictly accountable. They have to report on their serious employment handicap rate, which is how many veterans with serious employment handicaps get rehabilitated each year, and I have never known any rehabilitation counselor in the system that would turn away a veteran with a serious employment handicap and not serve them just for the sake of getting higher numbers.

Mr. ROTHROCK. Senator Webb, one of the things that I think—and my comment is parallel to that and not on the point, and I apologize—but, I think one of the problems is that we are seeing young men and women whose disability does not necessarily present itself that well, not at that time.

I met a young man yesterday, in fact, at a brain injury rally we had at our General Assembly in Richmond and he was discharged in 2004 from the military. He was a decorated soldier, had served his country very well. Unfortunately, he had suffered a brain injury—the Traumatic Brain Injury that you mentioned, Mr. Chairman—and he did not even know he was disabled. He was so glad to get out. It was not the time for him to go on and on and on about some of the problems that he might be having, because he wanted to get home.

When he got back to Gretna, Virginia, that is when the problems started happening. He had been released from all connectivity to the VA system and he was now finding himself on his own. At that

time, he had a hard time reconnecting with the VA system and, in fact, had to go to the polytrauma unit in Richmond, at Maguire, to get the type of care he needed. So, I think that is another problem that is really affecting us. It is because so many of these folks don't know or don't accept or don't self-disclose the fact that, "yes, something is wrong with me. I don't know what it is, but I want to go home."

Senator WEBB. Well, that is a very valid concern, particularly when you look at the divide between the time an individual leaves active duty service and the period where they may decide that they want help from the Department of Veterans Affairs. I think Mr. Lancaster may have some thoughts on this, as well.

But, I know when we were first looking at the notion of PTSD back in the late 1970s—actually, the DAV was the first entity in this country that started to focus on it. They had a project, I think it was called the Forgotten Warrior Project that they financed independently that later became sort of assimilated inside what the VA was doing. One of the things that we saw was that PTSD was latent, and so, when you are taking a survey when you are leaving active duty and you check all these boxes, it might be 10 years later, or 20 years later. There were, like, cycles. When I looked at the people I served with, where the problem would manifest itself or submerge; it presents a lot greater challenge for people working on the veterans' side to help them connect that to their experience.

Mr. Lancaster, you have some thoughts on that in the Marine Corps, as well.

Mr. LANCASTER. Yes, Senator. A similar experience to what you are talking about is mine. The other thing that this recent survey that I referenced in my testimony—that we did of our Centers for Independent Living—we found that the largest number of veterans, by category, that our centers were seeing were actually veterans of the Vietnam era, and that they were often ones with psychiatric disabilities, latent PTSD, as well as physical disabilities, and often coming in with problems that they hadn't experienced when they were younger, and that are now showing up later in life, often related to housing, community integration, growing isolation, and things like that. So it is hard to gauge, but I suspect that if trends sort of continue with the increased prevelance of PTSD and Traumatic Brain Injuries, that there are liable to be a lot of latent problems that crop up with veterans from these current conflicts, down the road.

Senator WEBB. And the concern that we have is, the box is not going to be checked, as Mr. Carmon also was saying.

Mr. LANCASTER. Exactly. Right.

Senator WEBB. Thank you very much. Thank you, Mr. Chairman.

Chairman AKAKA. Thank you very much, Senator Webb.

Mr. Daley, PVA's pilot program at the Richmond VA Medical Center, I find is very impressive. Can you explain how PVA was able to do something that VA could not do alone?

Mr. DALEY. Mr. Chairman, may I defer to my expert in this? She helped me prepare the testimony and she is very knowledgeable on the subject, so I think it would serve the Committee better if she would explain about the project. We are very proud of the project; that is number one. We will soon have number two going. We have

three and four in the planning stages and I understand we have plans for five and six—all depending on funding from private sources, which is still not in place at this time. We are out there looking right now. So let me have Ms. Boyd explain the project.

Chairman AKAKA. Ms. Theresa Boyd?

Ms. BOYD. Thank you, Senator. There are a couple of aspects to the program that I think are worth noting, and I think help with the success that we have been able to achieve so far. First of all, our counselor in Richmond is a specialty counselor, well schooled in SCI disability. So, he is very focused. That is our target population, so, we have a specialty counselor.

In addition to that, we take a multi-system approach, which you have heard almost everybody at the table today speak about. We make use of all the existing systems, and I will even point out I am very happy to see Commissioner Rothrock here. He has been very, very supportive of our program in Richmond and has supplied a counselor that we work with on non-service-connected cases of veterans. We have been very, very successful. So we have that linkage. Our counselor in Richmond has been very, very effective in establishing linkages with VHA and getting the medical referrals while they are still in the SCI center receiving medical treatment; so, we can start early discussing vocational options and goals, as the veterans are achieving their medical rehabilitation goals.

We also then work with VA. VR&E has been very supportive. If we have the service-connected disabled veteran, we can bring them in and coordinate services with them. If they are non-service-connected, then we turn to the Virginia Department of Rehabilitative Services to work with us, and other community-based organizations. So, we really do take that multi-system approach, as well, our corporate sponsors also want to employ these veterans. Not only will they give us the funding to open an office, but they are interested in becoming an employment of first choice, as well.

And, of course, our counselor has been very effective establishing relationships with employers. He has probably met with hundreds of employers, and so we have a pool of employers ready and willing to hire our veterans as they are ready.

We also can tap into PVA's extensive national network of its National Service Field Officers; so that is an already-established network that we can tap into.

And finally, perhaps very importantly, is the fact that we are not a rule-based system and we are not a heavily process-laden system. Our counselor can move very quickly. We have very few rules, and the rules that we do have are simple and just follow good rehab methodology. And so, we don't, unlike the government programs, don't have a lot of statute that we have to follow that might make our process lengthy, especially the up-front eligibility and entitlement determination process. We don't have that. There is really no application process. If you are a disabled veteran with a Spinal Cord Injury and you are interested in work, we can move very quickly to work with you.

Chairman AKAKA. Thank you. Mr. Lancaster, you noted in your testimony the unwillingness by VA to collaborate with your centers. Can you pinpoint some specific examples for the record?

Mr. LANCASTER. Well, I would have to go back and review the survey to give you the actual names of the centers. But, there are several centers that have approached VA benefits counselors, and also the hospitals, about these plans. It is kind of a non-receptivity in terms of referral and willingness to engage around issues of both specific veterans and veterans in general.

It is happening kind of at the local level where, often, a call related to a particular veteran might be initiated by one of our peer counselors or independent living skills trainers back to the VA, and not receive good communication, coordination, et cetera.

Chairman AKAKA. Well, thank you very much, Mr. Lancaster. I also want to tell you that we may have other questions that we will submit for the record.

I want to thank all of our witnesses for appearing today. Without question, we really appreciate your responses. As you know, we are trying to work this together, this second in a series that we are looking at to try to bring in the community services, as well. You have certainly been helping our veterans and we are looking for better ways of doing that.

We have heard some excellent suggestions today from you on how to better serve our disabled veterans, as well. This will help the Committee and we appreciate all of this. So, thank you very much for appearing today.

The hearing is adjourned.

[Whereupon, at 11:22 a.m., the committee was adjourned.]