

Ronald R. Aument Deputy Under Secretary for Benefits Department of Veterans Affairs

Statement of
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Department of Veterans Affairs

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Chairman Akaka, it is my pleasure to be here today to discuss our efforts to meet the needs of veterans residing in the Pacific Region. I am pleased to be accompanied by Gregory Reed, Director of the Honolulu VA Regional Office.

The Veterans Benefits Administration (VBA) is responsible for administering a wide range of benefits and services for veterans, their families, and their survivors. Today I will discuss the important services provided by the Honolulu Regional Office. My comments will also focus on the actions we are taking to expedite the processing of claims from Operations Iraqi and Enduring Freedom (OIF/OEF) veterans and VBA's national hiring initiative that will improve our ability to provide more timely, accurate, and consistent determinations on veterans' claims.

Honolulu Regional Office

The Honolulu Regional Office is responsible for delivering VA benefits and services to veterans residing in the Pacific Region, including Hawaii, Guam, American Samoa, and the Commonwealth of the Northern Marianas.

The Honolulu Regional Office administers the following benefits and services:

- Disability Compensation
- Dependency and Indemnity Compensation
- Disability and Death Pensions
- Vocational Rehabilitation and Employment Assistance
- Home Loan Guaranties and Native American Direct Home Loans
- Outreach
- Burial Benefits

More than 107,000 veterans are served by the dedicated employees of the Honolulu Regional Office. Of these veterans, approximately 16,700 are receiving disability compensation. This fiscal year through June, the Honolulu Regional Office provided approximately 3,500 veterans with decisions on their disability claims. Through their aggressive outreach and public contact activities, the regional office employees have this year alone conducted nearly 1,350 personal

interviews and 2,250 telephone interviews, and briefed approximately 850 separating servicemembers.

The Honolulu office recently extended telephone service, benefits counseling, and other inter-island itinerant services to the South Pacific area encompassing the Federated States of Micronesia. Telephone service is also provided to veterans residing in the Republic of Palau and the Marshall Islands by the Honolulu Regional Office.

Priority Processing for OIF/OEF Veterans

Since the onset of the combat operations in Iraq and Afghanistan, VA has provided expedited and case-managed services for all seriously injured OIF/OEF veterans and their families. This individualized service begins at the military medical facilities where the injured servicemembers return for treatment, and continues as these servicemembers are medically separated and enter the VA medical care and benefits systems. VA assigns special benefits counselors, social workers, and case-managers to work with these servicemembers and their families throughout the transition to VA care and benefits systems, and to ensure expedited delivery of all benefits.

Since February 2007, VA has provided priority processing of all OIF/OEF veterans' disability claims. This initiative covers all active duty, National Guard, and Reserve veterans who were deployed in the OIF/OEF theatres or in support of these combat operations, as identified by the Department of Defense (DoD). This allows all the brave men and women returning from the OIF/OEF theatres who were not seriously injured in combat, but who nevertheless have a disability incurred or aggravated during their military service, to enter the VA system and begin receiving disability benefits as soon as possible after separation.

We designated our two Development Centers in Roanoke, Virginia and Phoenix, Arizona, as well as three of our Resource Centers, as a special "Tiger Team" for processing OIF/OEF claims. The two Development Centers assist regional offices in obtaining the evidence needed to properly develop the OIF/OEF claims. Medical examinations needed to support OIF/OEF veterans' claims are also expedited.

We expanded our outreach programs for National Guard and Reserve components and our participation in OIF/OEF community events and other information dissemination activities. An OIF/OEF team at VBA Headquarters addresses OIF/OEF operational and outreach issues at the national level and provides support to the newly designated OIF/OEF managers at each regional office. The OIF/OEF team is also coordinating the development of national memoranda of understanding (MOUs) with each of the Reserve Components to formalize relationships with them, mirroring the agreement between VA and the National Guard Bureau signed in 2005. Having an MOU with each Reserve Component will help ensure that VA is provided service medical records and notified of "when and where" reserve members are available to be briefed during the demobilization process and at later times.

In order to ensure that VA benefits information is provided to all separating servicemembers, including Reserve and Guard members, we are working with DoD to expand our role in DoD's military pre-separation process. Specifically, we are now providing "Claims Workshops" in conjunction with many of our VA benefits briefings for separating servicemembers. At such

workshops, groups of servicemembers are instructed on how to complete the VA application forms. Personal interviews are also conducted with those applying for VA disability benefits.

Expediting the claims process is critical to assisting OIF/OEF veterans in their transition from combat operations back to civilian life. We are also continuing to focus on reducing the pending workload and providing more timely claims decisions to veterans of all periods of service.

National Hiring Initiative

I am especially pleased today to be able to discuss with you our national hiring initiative. We are extremely grateful for the funding support we have received from Congress that has allowed us to undertake this unprecedented hiring program. We have already added more than 800 new employees since April, and our plans call for adding a total of 3,100 new employees by the end of next year. These employees will be placed in critically needed positions in our regional offices throughout the nation.

Along with the multitude of activities involved in a recruitment program of this magnitude, we have begun the critical tasks of training, equipping, and acquiring space to house our new employees. We are accelerating the training of these employees and focusing in specialized areas of claims processing in order to have them "on-line" and productive within a few months. This will be followed by ongoing, carefully structured, and progressively complex training until full journey expertise is achieved.

The Honolulu Regional Office has been authorized to increase its staffing level by over ten percent as a result of this hiring initiative. A number of the new employees are already on board, and the Regional Office is in the process of filling another five vacancies. These additional resources will enable the Regional Office employees to make great strides in improving the delivery of benefits and conducting more outreach in the Pacific Region.

Home Loan Guaranty Services

Since 1993 VA has made almost 600 loans to Native American veterans for the purchase, construction, or improvement of homes on Federal Trust land under the Native American Veteran Direct Loan Program. Far and away our greatest successes under this program have been in the South Pacific. Over 75 percent of all loans made under this program have been to Native American veterans living on the homeland territories of American Samoa, Guam, Hawaii, and the Commonwealth of the Northern Marianas.

We believe that much of the credit for these successes must go to our ongoing partnerships with the Department of Hawaiian Homelands, the Community Development Bank of American Samoa, the Territorial Government of Guam, the Commonwealth of the Northern Marianas (CNMI), the CNMI Department of Community and Cultural Affairs Veterans Affairs Office and the Mariana Islands Housing Authority. These offices have played crucial roles in assisting with outreach and delivery of the VA home loan benefit to veterans located throughout the South Pacific. They have acted as our partners in assisting with loan packaging, appraisals, and construction-related inspections, as well as providing crucial communication links between our staff and the veterans we serve.

With the ongoing activation of Reserve and National Guard members in support of the military operations in Iraq and Afghanistan, servicemembers are becoming eligible for VA home loan benefits faster and in greater numbers. Instead of the time-in-service requirement of six years for members of the Reserves or National Guard, eligibility is established under the Loan Guaranty and Native American Veteran Direct Loan Programs after 90 days or more of active wartime service. Further, as a result of P.L. 108-454, veterans are eligible for VA-guaranteed and direct loans equal to the Freddie Mac conforming loan limit. As of January 2006, that rate increased to \$625,500 for high cost areas such as Hawaii and Guam. VA anticipates that this will make VA guaranteed home loans much more attractive to veterans. As a result, we anticipate continued growth in the Loan Guaranty Program and Native American Direct Loan Program in the Pacific Region.

Mr. Chairman, this concludes my testimony. I greatly appreciate being here today and look forward to answering your questions.