

Chairman Daniel K. Akaka

OPENING STATEMENT

Hearing to Review Veterans' Claims Processing

July 14, 2010

This morning the Committee continues our work on reviewing the VA disability compensation system. Having had several hearings on many aspects of the claims problem, I can say with certainty that it is the most challenging problem facing VA today. Compensating disabled veterans is among VA's most solemn obligations, and fixing the current system demands our very best thinking.

VA's veterans' disability compensation system consists of two separate but linked elements – one, how VA compensates veterans for service-connected disabilities, and, two, how VA processes claims from individuals regarding those disabilities. Today, we will focus on claims processing and hear about several of VA's short and long-term claims processing improvement initiatives, some of which are showing promise.

Agreeing on the desired outcome of claims processing is easy: timely and accurate resolution of claims. The issue is how VA meets that goal. We cannot continue to accept a flawed system because we have not been able to agree on the perfect solution or because changing the system will be difficult. Last month, I introduced a bill intended to move the discussion forward. The proposed S. 3517, the Claims Processing Improvement Act of 2010, draws from recommendations from veteran service organizations, years of Committee oversight, and proposals from the Administration. Since we will have ample discussion on the bill during today's hearing and before the Committee considers the bill in early August, I will highlight just a few of the elements.

A central part of S. 3517 is a pilot program that is intended to have VA test some significant modifications to the current system for rating disabilities. This provision would require VA to use universally accepted medical codes to identify disabilities and develop a new method of rating claims. The current system is outdated and frequently overly complicated. Because over fifty percent of veterans from the current conflicts who have received VA health care have muscle and skeleton conditions, the pilot program would begin with conditions in this area.

S. 3517 would also allow VA to issue partial ratings, so veterans with multiple disabilities can start to get compensation and health care earlier. The bill also would establish a fast-track for fully developed claims, so claims that are ready for approval do not have to wait to be completed. VA would also give equal deference to private medical opinions during the rating process. Right now, private medical opinions carry little weight.

The bill also includes a number of other changes to cut down delay and replace red tape with common sense solutions. I look forward to hearing from the witnesses and my colleagues on how we can improve or add to these provisions. I am open to workable changes.

Finally, I note that a year and a half into this Administration, VBA still lacks a confirmed Under Secretary for Benefits. This lack of leadership comes at a very pivotal time for VBA and must be resolved quickly.

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