

PENDING LEGISLATION HEARING

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WEDNESDAY, MAY 19, 2010

United States Senate,
Committee on Veterans' Affairs,
Washington, D.C.

The Committee met, pursuant to notice, at 9:30 a.m., in Room SR-418, Russell Senate Office Building, Hon. Daniel K. Akaka, Chairman of the Committee, presiding.

Present: Senators Akaka, Murray, Brown of Ohio, Begich, Brown of Massachusetts, and Burr.

OPENING STATEMENT OF CHAIRMAN AKAKA

Chairman Akaka. The hearing of the Committee on Veterans' Affairs of the United States Senate on pending health and benefits legislation will come to order. Aloha.

Today we will look at legislation pending before the Committee. The bills on the agenda reflect the desire among members of both parties to better serve the veterans who have served us so well. As we begin this legislative cycle, I will briefly note the progress the Committee has already made in this Congress.

Last October, advance funding legislation from this Committee was enacted to finance VA health care one year ahead of the regular appropriations process. This was a major change and one long overdue. Earlier this month, the

President signed the Caregivers and Veterans Omnibus Health Services Act. This new law creates a program to support the caregivers of wounded warriors. It will also improve health care for veterans in rural areas, help VA adapt to the needs of women veterans, and strengthen VA's workforce. At this point, we must focus on proper implementation.

Turning to the agenda before us, I will leave it to the witnesses and the various members on this Committee to talk in more detail about the bills. I note briefly a series of small and technical bills that I introduced. While they will likely not garner much attention this morning, they are a direct result of Committee oversight of VA's claims benefits process.

These bills address specific problems involving VA pension, survivor benefits, claims for veterans who are unable to understand and complete an application, and judicial review.

While we work with the administration to fully attack the claims process, it is my hope that these small but important steps will improve the quality and timeliness of benefits decisions.

Finally, I note that there are bills on the agenda that carry significant mandatory costs which trigger PAYGO issues. We are working with CBO to get firm numbers on those costs, but it is important to be aware of the

challenges of moving legislation that has mandatory spending.

I offer my thanks again to my colleagues and to the witnesses who are here.

I want to welcome our witnesses and thank you for being here today. Secretary Jefferson, as I believe you have been advised, you will not be permitted to testify today since the Department's testimony was not received until shortly before 5 o'clock yesterday, over 31 hours late. Given this late submission, I was inclined to exclude Labor's participation and that of other witnesses who did not comply with Committee rules since the members have not had the opportunity to review the testimony. I do not suppose that you are directly responsible for this situation.

[Laughter.]

Chairman Akaka. But as the designated witness, you have to be the one to hear the Committee's concerns and carry them back to the Secretary and his top managers. If the Department is to participate in the legislative process, there must be at a minimum timely submission of testimony on pending legislation.

Other witnesses, including the VA, were able to review and comment on a large list of pending legislation and testimony that was submitted by the Committee's deadline of Monday at 9:30 a.m. I will be following up to learn exactly

what happened with respect to today's hearing and to identify ways to keep problem from occurring again.

Moving on, we have VA witnesses Tom Pamperin, Associate Deputy Under Secretary for Policy and Program Management, Veterans Benefits Administration; Dr. Robert Jesse, M.D., Principal Deputy Under Secretary for Health at the Veterans Health Administration. They are accompanied by Richard J. Hipolit and Walt Hall, both assistant general counsels for VA.

I thank you all for being here this morning. Mr. Pamperin, you may begin with your testimony.

DRAFT

STATEMENT OF THOMAS J. PAMPERIN, ASSOCIATE DEPUTY UNDER SECRETARY FOR POLICY AND PROGRAM MANAGEMENT, VETERANS BENEFITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; ACCOMPANIED BY RICHARD J. HIPOLIT, ASSISTANT GENERAL COUNSEL, AND WALTER A. HALL, ASSISTANT GENERAL COUNSEL

Mr. Pamperin. Thank you, Mr. Chairman, and good morning. I am pleased to be here today to provide the VA's views on pending legislation.

I will not be able to address a few of the bills on today's agenda because we did not have sufficient time to develop and coordinate the administration's position and cost estimates, but with your permission we will provide that information in writing for the record. Those bills are S. 3286, S. 3314, S. 3325, S. 3330, S. 3348, S. 3352, S. 3355, S. 3367, S. 3368, S. 3370, and Senator Burr's draft bill to improve VA's multifamily transitional housing program. Similarly, for most of the bills I will address today, we request permission to provide cost estimates for the record at a later date.

Chairman Akaka. We will look forward to those for the record.

Mr. Pamperin. Very good.

[The information follows:]

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Mr. Pamperin. VA supports S. 3107, the cost-of-living adjustment. Current economic assumptions project no increase in the cost of living. If that assumption holds true, there would be no benefit costs associated with this bill.

While VA cannot support a number of bills in their present form, we can support them with modification and would be glad to work with the Committee on them.

S. 1866 would extend eligibility for burial in a national cemetery to the parents of certain veterans. On October 8, 2009, VA provided testimony to the Subcommittee on Disability Assistance and Memorial Affairs, House Committee on Veterans' Affairs, on a similar bill, H.R. 761. At the request of that Committee, VA provided technical assistance clarifying the impact of the provisions of the bill. The amended bill, which addresses VA concerns, was incorporated into H.R. 3941.

S. 3192, the Fair Access to Veterans Benefits Act of 2010, would require the Court of Appeals for Veterans Claims to extend "for such time as justice may require" the 120-day period for appealing a board decision.

Although the VA supports extension of the 120-day appeal period under certain circumstances, we have several concerns. Because the bill would not limit the length of time that an appeal period could be extended, appellants

could potentially be able to appeal to the board at any time after it was issued--even decades later--as long as good cause was shown.

To avoid these and other potential problems resulting from an unlimited appeal period and retroactive application, the administration is developing a proposal that would take a more focused approach.

S. 3234, the Veteran Employment Assistance Act, would create programs aimed at improving employment, training, and placement services furnished to veterans, especially those serving in Operation Iraqi Freedom and Operation Enduring Freedom.

Section 8 of the bill would authorize VA, in consultation with DOL and the Department of Interior, to establish a program to award grants to States to establish a veterans conservation corps.

VA supports efforts to expand volunteer and employment opportunities for veterans. However, VA does not support the provision of these services through grant programs unless funds are expressly appropriated for that purpose.

VA does not support S. 1780, the Honor America's Guard and Reserve Retirees Act, which would deem certain persons who have otherwise performed qualifying active duty to have been on active duty for purposes of VA benefits who are entitled under Chapter 1223 of Title 10 of the United States

Code to retired pay. Active service is the foundation for providing VA benefits. In recent years, the Guard and Reserve have played an important role in the Nation's overseas conflicts. Virtually all those who served in recent conflicts were called to active duty and qualify for benefits. This bill, however, would extend the same status to those who were never called.

S. 1939, the Agent Orange Equity Act, would expand the category of veterans who are afforded the presumption of service connection for exposure to Agent Orange. Agent Orange was not sprayed overseas and did not affect high-altitude airplanes.

Although it is not par of today's agenda, the administration is developing an administrative proposal to would cover many health care, benefits, and management issues. The VA's proposal will include proposals to change voc rehab, promote greater efficiency, and permit extension of the delimiting date for education, and provide Veterans Group Life Insurance to those insured for less than the maximum amount.

I would turn it over to Dr. Jesse.

[The prepared statement of Mr. Pamperin follows:]

Chairman Akaka. Thank you very much, Mr. Pamperin.
Now we will receive the testimony of Dr. Jesse.

DRAFT

STATEMENT OF ROBERT JESSE, M.D., ACTING PRINCIPAL
DEPUTY UNDER SECRETARY FOR HEALTH, VETERANS HEALTH
ADMINISTRATION; ACCOMPANIED BY RICHARD J. HIPOLIT,
ASSISTANT GENERAL COUNSEL, AND WALTER A. HALL,
ASSISTANT GENERAL COUNSEL

Dr. Jesse. Thank you. Good morning, Mr. Chairman and members of the Committee. It is my pleasure to appear before you for the first time today as the Acting Principal Deputy Under Secretary for Health, and I am pleased to be here with Mr. Pamperin to discuss three bills on the agenda that pertain specifically to Veterans Health Administration.

I do not yet have a clear position on S. 3325, which would prohibit collection of co-payments for telehealth or telemedicine visits of veterans, and I request permission to provide views and cost estimates for the record at a later date.

[The information follows:]
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Dr. Jesse. S. 2751 would designate the VA medical center in Big Spring, Texas, as the George H. O'Brien, Jr., Department of Veterans Affairs Medical Center. We defer to Congress in the naming of Federal facilities in honor of individuals, and we thank the Committee for honoring distinguished veterans like Mr. O'Brien and the like.

S. 3035, the Veterans Traumatic Brain Injury Care Improvement Act of 2010, would require the Secretary to submit to Congress a report on the feasibility and advisability of establishing a Polytrauma Rehabilitation Center or Polytrauma Network Site for VA in the northern Rockies or the Dakotas.

VA shares the Committee's concern for providing treatment facilities for polytrauma in this region. We heard the concerns raised earlier this month by Ms. Karen Bohlinger, the Second Lady of Montana, and the challenges she and her son have faced in receiving accessible care for TBI. We were heartened to hear that her son is receiving good care in Seattle, and we believe their experience may be made a little easier with the enhancement of a Polytrauma Support Clinic Team VA is establishing in Fort Harrison, Montana. This VA facility will have a strong telehealth component and meets the needs and the workload volume of veterans with mild to moderate traumatic brain injury in Montana, the Dakotas, and northern Rockies.

Since we have already conducted an evaluation of the needs for TBI facilities in the northern Rockies and Dakotas and we are already taking action to improve both access to care and quality of care available in the region, VA believes that further legislation is not necessary.

I would like to say further that VA is planning to spend about \$13 million over the next 10 years to staff and maintain the enhanced Polytrauma Support Clinic Team at Fort Harrison, and I would be pleased to provide the Committee with more detailed information about our findings and decisions regarding the needs of veterans in the northern Rockies and Dakota region.

S. 1940 would require the Secretary to complete a study of the effects on children of exposure of their parents to herbicides used in support of military operations in the Republic of Vietnam during the Vietnam era. Mr. Chairman, VA supports a greater scientific understanding of the effects on children of parents exposed to herbicides in Vietnam. However, VA is unable to support S. 1940 because it would be extremely difficult at this time to assemble data that would result in a scientifically valid conclusion. The challenges of such a study include developing methods and techniques to track and locate subjects across multiple generations and accounting for diverse health effects. We believe it would be very difficult to identify, locate, and

obtain consent of enough participants to render any findings valid, and moreover, such a study would take more than 1 year to complete.

These are concerns we have about this legislation, and I hope they may help explain why VA believes that the study S. 1940 would require is not currently feasible. We estimate the costs of conducting the study would be approximately \$6.3 million over 5 years.

This concludes my statement, and I would be pleased to answer any questions you or the Committee might have. Thank you.

[The prepared statement of Dr. Jesse follows:]

/ COMMITTEE INSERT

DRAFT

Chairman Akaka. Thank you very much, Dr. Jesse.

Mr. Pamperin, can you please elaborate on VA's statement that S. 1939 would make many veterans whose service during the Vietnam War would not have placed them at risk of exposure to herbicides eligible for presumption of a service connection?

Mr. Pamperin. Sir, I would be happy to. Tactical herbicide was used to defoliate trees. We already provide for presumptive service connection for naval personnel and Air Force personnel who were in brown water where we can demonstrate that they were ashore or even if they transited for only a very short time in Vietnam. But many of these ships were hundreds of miles away from the shore. In fact, a very senior naval officer told me when he was working for VA that when he was a submarine commander, they would make it a point to go inside the tactical zone so that they could get the Vietnam Service Medal. They were submerged at the time.

So we do not believe that herbicide would have extended hundreds of miles offshore, nor would it have affected high-altitude aircraft.

Chairman Akaka. As a follow-up question, do you have an estimate on the number of veterans who would become eligible under this legislation?

Mr. Pamperin. We have a limited amount of information.

When the Court of Appeals for Veterans Claims had held that the Vietnam Service Medal warranted the Agent Orange presumptive, we did a cost analysis. The Navy was not able to give us a list or a definitive number of the number of military personnel that were affected. However, what they did tell us was, given the known deployment of ships that they estimated naval people would be affected at about 800,000. In terms of Air Force, we have not done that kind of study, but we can get back to you on it.

Chairman Akaka. Dr. Jesse, I believe that expanding the use of telehealth solutions is important as it increases access to care for veterans, especially those in rural areas. I know VA has not had an opportunity to officially comment on the bill sponsored by Senator Begich, but perhaps you can speak generally. Do you know if the Department realizes any savings by expanding the delivery of care through telehealth?

Dr. Jesse. Sir, I do not think I can speak to that directly, but we could get back to you for the record on that. I am sorry.

Chairman Akaka. Thank you.

[The information follows:]

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Chairman Akaka. Secretary Jefferson, what insights can you offer on the employment situation among individuals who have been separated from service for more than 10 years?

Mr. Jefferson. Well, sir, we know that the people of veterans with the highest unemployment rate are those 20 through 24, and for those veterans as they are older, the rate is much more aligned with the average unemployment rate for Americans.

Having said that, we are always looking at ways that we can reach out to any cohort of veterans to provide them better services or any services which can be customized to their unique situation.

Chairman Akaka. Dr. Jesse, if Senator Casey's bill were enacted today, do you believe the Department would be prepared to implement it? Or do you believe further guidance from the Nuclear Regulatory Commission would be required?

Dr. Jesse. Sir, I am sorry. I am not sure which bill that is.

Chairman Akaka. Yes, this has to do with the Veterans Health and Radiation Safety Act of 2010, S. 3330.

Dr. Jesse. Sir, we do not have comments on that prepared.

Chairman Akaka. All right. Thank you very much. Now I am going to call on our Ranking Member for any

comments he has.

OPENING STATEMENT OF SENATOR BURR

Senator Burr. Mr. Chairman, I appreciate that. I apologize to our witnesses that I was a few minutes late. Traffic in Washington is a little unpredictable at about 9:30. I would ask that my opening statement be included in the record, and I will let the Chair go to others for questions. I will wrap up.

Chairman Akaka. Your statement will be included in the record. Thank you.

[The prepared statement of Senator Burr follows:]
/ COMMITTEE INSERT

DRAFT

Chairman Akaka. At this time let me call on Senator Murray for any comments or questions she may have.

Senator Murray. Well, Mr. Chairman, thank you very much, and before I ask questions, I do want to talk for a minute about a bill that is before the Committee this morning. It is the Veteran Employment Assistance Act of 2010, and Secretary Jefferson just spoke to the issue of high unemployment for men and women who have been serving us in Iraq and Afghanistan.

We are seeing a lot of our Nation's most dedicated and disciplined workers coming home, and they cannot find a job and do not have an income to provide stability and do not have work that provides really critical self-esteem and pride as they transition home. So last month, I did introduce the Veteran Employment Assistance Act to help those veterans transition from the battlefield into the working world.

It is a bill that is really designed to make sure that our veterans do not have to go from fighting to keep us safe to fighting just to get an interview, which is what I heard from many of them as I talked to them. It includes new business opportunities, it expands some of our existing programs, and I think really builds a bridge for our veterans into family-wage jobs. It does include an expansion of the post-9/11 GI bill to include job training

and apprenticeship programs. This is something our veterans are telling me is very important to them.

We set up a Veterans Business Center within the Small Business Administration so veterans can begin to get some skills and capital to begin to build their own small business.

We expand some innovative programs like the Conservation Corps Program in Washington State, and we provide our National Guard members with the transition that they deserve at a time when they are seeing repeated service in Iraq and Afghanistan that is hindering many in their ability to keep a job or get a job when they return.

I think this is really an important bill right now as our economy is beginning to turn. I think we have got to take some very real comprehensive steps to make sure that the men and women who served us are getting jobs and employment as they come home and are part of our recovery as well.

This is a bill I have worked long and hard on, and I really appreciate your including it today, Mr. Chairman, and I want to thank Senator Mark Begich and Senator Sherrod Brown, who are cosponsors, and I look forward to working with you to get it through the Committee.

Secretary Jefferson, I did want to ask you about it today and to ask you what you are hearing some of the

hurdles are that our veterans are seeing as they come home and try to get a job back in the civilian world.

Mr. Jefferson. Senator, first let me just say that this is a very helpful bill and a bill that is very timely. The fact that it provides additional skills for veterans, the fact that it promotes entrepreneurship and the opportunity for veterans to create their own businesses, and also it promotes increased hiring by employers. So I just wanted to say up front that we strongly support the goals of this.

We hear a lot of things from veterans. One of the things first is that their preparation for transition to meaningful careers after leaving the service needs to be enhanced, and that is one of the reasons that, for the first time in 17 years, we are completely modernizing and transforming our Transition Assistance Program and making the emphasis there on acceleration.

A second thing that we are doing is we are working to change the cultural conversation in this country so that employers are aware of the tremendous benefits that veterans have to offer. I am not sure, Senator, if you and the other members have had the privilege of seeing the last March issue of Fortune magazine, but it says, "The new face of business leadership in America," and it is a veteran. And we are engaging with major organizations such as Fortune to

tell that story.

We are also doing significant engagement with employers and business associations. This afternoon, for example, we are speaking to Business Executives for National Security. One of the major associations representing the top CEOs in America want to help veterans and service members, and we are going to talk to them about why to hire a veteran, how to hire a veteran, and we want to form a partnership with them.

So we have a lot of things happening. Veterans want access to meaningful careers. They want preparation for those careers. They want to have the skills and the training so once they obtain those careers they are retained and they are assimilated into that new culture. We want to work with you and all of the members on this Committee and your staff to look at ways that we can maximize the impact of this bill.

Senator Murray. I really appreciate that, and I have to say that, having worked along with this bill with a lot of our veterans and hearing their stories, I think we incorporated into our legislation a lot of things we can do legislatively to help them, and I am looking forward to the passage of this. But I agree with you that culturally we need to see a change, too. I was astonished at how many veterans told me that they leave the word "veteran" off

their resume today because they say their resume goes to the bottom of the stack. And that is so disheartening to me.

Mr. Jefferson. Yes.

Senator Murray. They have tremendous skills, and oftentimes they do not know how to write their skills on a resume or they are worried that their employer will not hire them. And I think creating that culture both for them to be able to transition and write their skills so the business world sees them, but more importantly so the business world recognizes the tremendous skills they have.

Mr. Jefferson. And, Senator, if I may say, there are three specific things that you just alluded to or mentioned specifically in your comments which are exactly what we are doing and are exactly what needs to be addressed.

The first you talked about was preparation, so having them be able to produce cover letters and resumes that get them in the door. That is one.

Number two relates to the conversations we are having this afternoon with Business Executives for National Security, the relationship with Fortune magazine, changing the cultural conversation so CEOs are aware of the value of hiring veterans.

And the third is something we are doing next month, developing a relationship with the Society of Human Resource Managers, speaking at their national conference where there

will be, I believe, 10,000 human resource professionals there and to communicate to them the value of hiring a veteran, how to find veterans, how to translate their resumes, and how to retain them once they are on board.

We look at all elements of the equation and make targeted interventions to obtain better results.

Senator Murray. Well, thank you, and I am delighted to work with you on that.

Mr. Jefferson. We are excited about it, Senator. Thank you.

Senator Murray. Thank you very much.

Chairman Akaka. Thank you very much.

Senator Brown?

Senator Brown of Massachusetts. Thank you, Mr. Chairman. And, Mr. Chairman, it is good to be back, and thank you for your leadership once again. I will be bouncing back and forth. I have a couple of other hearings. But I wanted to come and obviously support you and your efforts that you are continuing.

And, Mr. Pamperin, much of today is about increasing benefits for our veterans, and I am wondering if you could just tell me what benefits you feel might be at risk at this point in time. Any specific issues we need to focus on that we are missing or that are falling through the cracks?

Mr. Pamperin. Benefits that are currently being

delivered that might be taken away?

Senator Brown of Massachusetts. Right, things that you are saying, "You know what? We have got to keep our eye on this."

Mr. Pamperin. We would be glad to give you a more extensive response in the future. My concern is that the Nation clearly--

Senator Brown of Massachusetts. Can I interrupt just for a second? I may have kind of thrown that out there. I guess what I am concerned with is making better use of current law, things that we have in place that we may not be exhausting properly, we may not be getting the full benefit of. For example, in Massachusetts, we are very active in veterans issues. We have the welcome home bonus. We have re-employment rights. We have anti-discrimination opportunities. We have a one-stop shop for all of our returning veterans pre- and post-mobilization.

Is there anything that we are doing or the veterans have now for benefits that you need my help on or the Chairman's help on to kind of push through the door back to the veterans?

Mr. Pamperin. Well, sir, taking off on Senator Murray's concerns and Mr. Jefferson's comments, clearly we have veterans preference, and I think to have that re-emphasized to people not only in the Federal Government but,

again, something that honors the service of people who have served now for 8 years in conflict. Beyond that, I would ask that I be able to provide additional--

Senator Brown of Massachusetts. Well, and then I will go to Richard. What I would like to get with the Chairman's blessing is if there is something you need help with, I would like to know that, too. It is great to implement new programs, but we have a lot of programs right now that are not being fully exhausted. So if there are some that you are aware of and you say you need some congressional or senatorial support, please let us know through the Chairman, number one.

Sir, did you want to add to that?

Mr. Hipolit. I just wanted to mention that the Secretary is very concerned right now about making sure our adjudication process works efficiently, and we are looking at various ideas to assure that veterans get their benefits as quickly as possible through the adjudication process. So there may be ideas that come out of that review that we might need legislative help with. So we would be sure to advise the Committee if that was the case.

Senator Brown of Massachusetts. I can tell you, as somebody who is a JAG, and serving also in this new capacity and my prior life as well, one of the top efforts that our office works on is veterans benefits, trying to put a

benefit with a veteran. And I have to be honest with you, the red tape is just unbelievable. For the average--I have been doing it 30 years. I am an officer now, and sometimes I pull my hair out. What about the Private Snuffy or, you know, the new sergeant that is back and has some very serious issues, where and how do they turn? So I am kind of concerned about the process and how we are streamlining, updating, and cutting down the time, cutting down the anxiety, making sure--so that is kind of where I would like to focus on that.

Mr. Hilleman, if you could talk to me about--I know there are remote location issues in terms of providing VA benefits, VA services. Where does the VA stand on leveraging private sector support to improve access in those regions that really do not have it? I am sorry. Mr. Pamperin, do you have any knowledge on that?

Mr. Pamperin. If we are talking with respect to the claims process, we will be shortly providing the field with work sheets that they can take to their family physicians to provide the kind of medical evidence we need for evaluation purposes. If you are referencing outreach kinds of activities, we work very closely with the National Association of County Veterans Service Officers. They are a great source of assistance to claimants. The biggest disadvantage that they have is that typically they are not

recognized as the power of attorney, so, therefore, we end up with privacy issues. But, generally speaking, getting the information out through them, again, working with the National Service Organizations, working with the Bureau of Indian Affairs with Indians out West and what kind of benefits they are entitled to are things that we are trying to do to expand the information to veterans.

We are also working closely with Veterans Health Administration to try and reduce the complexity and the burden of claims processing by leveraging to the extent possible the medical evidence we already know about since so many of the veterans are being cared for in our facilities, to the extent possible avoid the necessity of having to have them come in for examinations when the information we need to rate may very well be in their treatment record.

Senator Brown of Massachusetts. Thank you. I know my time is up, but I noted Mr. Hilleman from the next panel. I misread. But thank you for jumping in and answering that.

Thank you, Mr. Chairman.

Chairman Akaka. Thank you very much, Senator Brown. Now Senator Brown from Ohio.

Senator Brown of Ohio. Thank you. Thank you, Mr. Chairman. Aloha and thank you for the work on all of this legislation we are talking about, particularly shout out to Senator Murray for the Veteran Employment Assistance Act.

We are all pretty incredulous when we see the barriers for veterans' employment, and we clearly need to do more. When I do hearings, particularly in Appalachia, but anywhere in my State--and the Chairman has been gracious enough to allow us to have an official hearing in my State--I am amazed each time at the difficulties that veterans too often face.

I want to talk for a moment about the Appalachian Outreach Improvement Act, the legislation I have introduced, S. 3314, that grew out of the hearings--the one hearing we did in--well, the one in Dover, New Philly area in Ohio, a couple of years ago, but more recently in Cambridge, Ohio, and eastern Appalachia Ohio. I am disappointed VA has not had the time to develop their comments for the hearings today about that bill. I look forward to figuring out how we can move on this.

It is straightforward. It would provide the authority to VA to form a partnership, in this case with the Appalachian Regional Commission, to help increase the number of veterans that get the benefits they are entitled to. The VA knows veterans, and ARC knows Appalachia. Putting them together makes sense. Half this Committee represents a swatch of Appalachia, an area that spans the southwestern counties of New York to the northeastern portion of Mississippi. The Ranking Member represents part of Appalachia, Senator Isakson from Georgia, Senator Wicker

from Mississippi, Senator Graham. Senator Rockefeller probably knows more about veterans in Appalachia than anyone. Senator Specter, Senator Webb, and I also represent parts of Appalachia.

These Senators can attest to the testimony I heard at our Committee field hearing last month from Dr. Rich Greenlee of Ohio University. He is a veteran. He is dean of Ohio University's Eastern Campus in Belmont County on the Ohio River across from West Virginia. He testified, "Military veterans have been found to be less likely than the general population to seek mental health services due to perceived stigma. Combine this with the Appalachians' resistance to seeking mental health treatment or help of any kind, and the combination of the two cultures--one military, the other regional affiliation--and it is highly unlikely that Appalachian veterans will voluntarily seek help." And we can look at the numbers of veterans we estimate in Appalachia, Ohio, and the number who have sought any kind of help or even registered, gone into local veterans service offices or registered with the State. We know that situation all too well.

I look forward to working with the Committee on improving the percentage of VA-eligible veterans who apply for and receive VA benefits. In addition to Appalachian areas--and that is why this is larger than just Senator

Burr's State and my State and the other Senators on this Committee I mentioned. My home State has, of course, non-Appalachian rural areas like Wapakoneta and Piqua, industrial centers like Dayton and Cleveland. Veterans live in downtown Columbus. They live on Main Street in Defiance. They live on farmland in Ashtabula. But that begs the question we cannot just have a one-size-fits-all approach to our outreach to veterans who have come from many different backgrounds and live in very different communities. And we can just look on this Committee, from Honolulu, Hawaii, to Holyoke, Massachusetts, to Hanford, Washington, to Hebron, Ohio, to Hamilton, Alaska, to Hilton Head, North Carolina, and every one of these communities is different. This one-size-fits-all outreach does not seem to be working as well as we need to embrace veterans, whether it is for her small business program or for anything else that we need to do for education or health care benefits.

So I guess my only question for M. Pamperin is: Should outreach be a line item? Or maybe more generally, what do you suggest we do? You said you have not had time to look at my legislation. That is fine for now. But what are we do we need to do to do better outreach? I know you have a website. I know you do some one-size-fits-all national things. But how do we do this in a way that really does reach these communities around this table and around this

country?

Mr. Pamperin. Sir, I am pleased to let you know that the Secretary has created a Benefits Assistance Service that stood up just this month whose sole function is outreach and the coordination of outreach. And I will clearly take this back, you know, as a concern of the Committee to make sure that we do the kind of focused outreach that is needed based upon geography, cultural make-up, or traditions.

Chairman Akaka. Thank you very much, Senator Brown. Senator Burr?

Senator Burr. Thank you, Mr. Chairman.

Mr. Jefferson, I will show you the same love today OMB provided you to come to this hearing.

Mr. Jefferson. How are you doing, sir?

Senator Burr. Mr. Pamperin, in your testimony, you indicate VA would be submitting a legislative proposal in the near future. Now, I did not see anything in your description of it relating to homelessness, so let me turn to Dr. Jesse. Does the administration require legislative changes as part of its overall homelessness program?

Dr. Jesse. I do not think so at this point. Right now, as you know, homelessness is one of Secretary Shinseki's major initiatives. It is probably his top initiative, not just to reduce homelessness but to eliminate it. And there are significant forces being marshaled

towards that end, both at very high levels within his office as well as within the VHA, to address homelessness not just from providing housing but for trying to address the fundamental issues related to that.

Senator Burr. Are those the fiscal year 2011-12 advance funding requests anticipated or required changes in the law to release funding for homeless veterans' programs?

Dr. Jesse. From my perspective, I do not see that it does at this point, but I do not think we should preclude asking for that.

Senator Burr. Can anybody tell me when the Committee would be wise to expect legislation to come from VA?

Mr. Hipolit. I was in touch with the Office of Management and Budget yesterday, and they are assuring us they are going to clear our bill for submission.

Senator Burr. I hope they do better than they did with Mr. Jefferson's testimony today.

[Laughter.]

Mr. Hipolit. They are telling me they expect to clear it today, in fact, so hopefully we will be getting it up very shortly.

Senator Burr. Dr. Jesse, in our second panel, Mr. Weidman will testify in support of my bill, but he had some criticism of the Office of Management and Budget, arguing that OMB's permanent bureaucracy has been opposed to the

program from the onset. What has been your experience as it relates to the oversight of the program?

Dr. Jesse. I apologize, but I do not think I can really speak to that.

Senator Burr. Well, have you had an opportunity to look through the bill that I have introduced with Senator Akaka, with Senator Burris, and with Senator Durbin?

Dr. Jesse. We do not have comments cleared for that, sir.

Senator Burr. Do you have any personal comments you would like to make other than the comments of the Office of Management and Budget?

[Laughter.]

Dr. Jesse. Well, I--

Senator Burr. Let me just say I wholeheartedly endorse the Secretary's commitment to homelessness. Let me tell you, OMB does not give a shit about homelessness. If they did, this problem would be solved. The Secretary is genuine and passionate about ending it. But if OMB is going to design the program, it is not going to get solved. I am not soliciting an answer. I am not asking a question. I am making a statement that I hope all of you let it penetrate. If we are going to solve this problem, we cannot wait for somebody down the street to come up with another bureaucratic solution to a problem that keeps veterans on

the streets. We can go home and feel good about the fact that we put a shelter over their head. But if OMB is not willing to release the program to work with the wrap-around services, provide that veteran everything they need to end permanent homelessness, it is not going to happen.

So, you know, let us quit fooling ourselves and you might send to the Secretary--he is the only one that can have a conversation with OMB. If OMB is the one that we need to pull up here and not VA, then, for goodness' sakes, tell the Chairman and we will start pulling OMB up.

Mr. Pamperin, in a recent opinion, *Posey v. Shinseki*, a judge from the U.S. Court of Appeals for Veterans Claims provided this observation about what happens when an individual tries to appeal to the court, but mistakenly sends his or her notice of appeal to a VA office: "It has become clear to me that VA somewhat routinely holds correspondence from claimants that it determines sometime after receipt are Notices of Appeal to the court. As a result, in far too many cases the court receives the Notice of Appeal from VA only after the 120-day appeal period has expired, permitting the Secretary then to move to dismiss the appeal for lack of jurisdiction."

First of all, can you give us an idea of how frequently a Notice of Appeal mistakenly is sent to the VA rather than the court?

Mr. Pamperin. No, sir. I am aware that that does happen periodically, but in terms of a hard number, I do not have such a number.

Senator Burr. What policies are in place for dealing with a Notice of Appeal that has mistakenly been sent to the VA?

Mr. Pamperin. The letter is to be returned to the veteran and advised as to where he should file it.

Senator Burr. Has a written guidance been provided to VA's staff on these policies? And if so, can the Committee have a copy of that written policy?

Mr. Pamperin. Sir, I do not know specifically that, but I will bring that back and we will provide you with the instructions that have been provided.

[The information follows:]

/ COMMITTEE INSERT

DRAFT

Senator Burr. Do you know if VA staff is following these policies?

Mr. Pamperin. The VA routinely conducts site surveys of its regional offices, each regional office once every 3 years. And an assessment of the performance of the office in terms of compliance with instructions is included in that. I do not recall in the last couple three years a specific reference that that has been identified as an issue.

Senator Burr. Last question, Mr. Chairman.

Do you think that more should be done to protect the appeal rights of veterans who mistakenly send their notice to the VA versus to the court?

Mr. Pamperin. Yes, sir. I think that there are legitimate occasions when the 120-day hard and fast rule needs to be adjusted.

Senator Burr. Well, given that you cannot cite an instance lately, I will be more than happy to supply you with some instances that you can look back at.

I thank the Chair.

Chairman Akaka. Thank you very much, Senator Burr.

Senator Begich.

Senator Begich. Mr. Chairman, I am just going to make some general comments. Then I have four questions I am going to--I do not think you will be able to respond to them

right now, but I want to put them in, because I have to preside here in a few minutes, but they are in regards to a piece of legislation that Senator Grassley and I introduced, which is S. 3325, which is on the issue of co-payments for telehealth and telemedicine.

Obviously, there is a reason why we have introduced it. In Alaska, we see more and more individuals--not only veterans but other areas--utilizing telemedicine and telehealth as a way to do prevention as well as kind of maintenance on some of the health care that is necessary. So what we have found, at least some of our information--but I want to give these questions to you so you can get them back to me, whoever the right person is. And, Ray, I wanted to get some employment issues here, but I do not have them right now.

Mr. Jefferson. I could always talk about our rural veterans outreach initiative.

Senator Begich. I know. I know, and I greatly appreciate your work there. But let me ask, if I can-- again, if you can answer these, great. But if you cannot, I would like you to take them for the record and get back to me. But what is the plan for the VA in expanding their telehealth/telemedicine program? I want to get a sense of what that plan is now and into the future. That is the first question.

Second, what is the average co-payment for someone who does currently use telehealth services? I do know this: In rural communities, if they can use telehealth/telemedicine, the odds are they will not then fly and pay \$1,000 to get from a village or a small community to an area where they need those services. They can use the technology that is available. So I want to get an understanding of that.

And what data points and what information and studies have you all done in the relationship to--I am familiar with some, so I wanted to see if you have some in your own reports in regards to the costs of a co-pay--or someone who is paying a co-pay using telemedicine or telehealth and someone who is not. In other words, what is the variation of utilization? I think I can answer just for your based on some Indian Health Service systems that use telehealth, and it has been a positive step, but I am just curious if veterans have done, the VA has done something.

And then what of the rural veterans utilize--when I say rural America, of course, including Alaska--telehealth and telemedicine? And what are the outreach efforts in getting folks to understand how to utilize that system?

I think we are in a unique situation in Alaska because telecommunications is a critical piece and literally life-and-death linkage that we have for villages where you cannot just get in the car and drive down the street and find a

hospital or a clinic. So we use it in a very unique way, in some cases pioneered some of this technology through the VA--through the Indian Health Service, actually, is where we have really pioneered some of it. So I am curious if any of those questions can be answered now. If not, I do not want to burn up the time, and I do not want you to have to get in trouble with OMB, whatever that rule is.

[Laughter.]

Dr. Jesse. Actually, I do not think any one of those questions can be answered briefly, but we would be happy to come and brief you in the future or to submit for the record, if you would prefer.

Senator Begich. If you could submit it for the record, then we can drive from there. In other words, a lot of this is kind of data points of trying to get an understanding of where we are going.

Dr. Jesse. I will say that we are very committed to the expansion of telehealth. As a cardiologist in my prior job, we actually extensively used home monitoring. I know that through a series of recalls of implantable devices a couple years ago, we estimated that we saved 25,000 office visits through the ability to monitor patients at home using the home-based monitoring for their implantable devices.

Senator Begich. You have just given the reason why the VA should support our legislation, because less co-pays, no

co-pays mean people utilize it, which ultimately saves on the bottom line. We are reading more recently the costs especially on DOD and the Defense Department, what they are seeing in increased costs of health care, the more we can utilize this technology, it is a powerful tool, I think, and potentially--and you just gave a great example.

Dr. Jesse. We agree fully, and Dr. Petzel, the Under Secretary, one of his key initiatives is the expansion of telehealth. So it is a matter of getting the numbers down, the specific numbers, which I cannot give you right now.

Senator Begich. Okay. If you could get that, that would be great. Again, for the record it would be great, and then we will drive it from there. If we think we need more additional, we will do that. Then, obviously, we are anxious to get the VA's opinion on this legislation sooner than later and how they will view it and if they have concerns with it, we want to work through that.

[The information follows:]

/ COMMITTEE INSERT

Senator Begich. With my last few seconds, Ray, I just want to say the piece of legislation that Senator Murray is the primary sponsor on, I think some of that, as you can read through that, I know you will see some of our efforts and field hearings that we had in Alaska, and you can kind of see that trickle through there.

Mr. Jefferson. Yes.

Senator Begich. And I hear more and more about the job classification issue, which I think has some huge potential in making sure that people who are in the military who are spending 6, 8, 10 years, becoming great electricians, that we can get them doing the job right when they walk out the door as an example, or a paramedic. And so I just am anxious, and I know Senator Murray is as a prime sponsor of that legislation, to be working with your office on really how do we accelerated that.

Mr. Jefferson. Yes, sir.

Senator Begich. I do not know if you have any--

Mr. Jefferson. Well, we are very excited about that, too, sir, and there are two new initiatives which we are going to be launching that speak exactly to the points you raised. The first is an initiative that we are doing with the Job Corps. That will be for veterans 20 through 24. It will help them--it will provide a fully funded, all-expense-paid, transportation-paid program where they will get

training, they will get a license or certificate, a credential. They will get a job, and they will get up to 2 years of post-employment support to make sure they are retained in that job.

Senator Begich. Excellent.

Mr. Jefferson. That is one of our interventions for the population of veterans with the highest unemployment. We are very excited about that.

And, second, although we were not mentioned in the rural outreach component of the bill, we also have a major new initiative which we are calling our Rural Veterans Outreach Initiative. We are very excited about that. What we have learned from this Committee, what we have seen from the trip to Alaska, really illuminated our development of the concept. We are basically going to be partnering with the Corporation for National Community Service, partnering with ServiceNation, leveraging veteran volunteers in rural America, training them to get boots on the ground in rural America and educate veterans on the programs and the services that they have available to them. And as we develop that delivery system and broaden it nationwide, we would like to see how we can work with our partners and close friends at VA to create more services and make it a more robust program.

Senator Begich. Thank you very much, Ray. And as you

get those items to be kicked off, obviously we would love to know.

Mr. Jefferson. Yes.

Senator Begich. I know Senator Murray with her legislation, we would love to know how those kick off, for me personally how we can be supportive of those efforts and reaching into the unemployed veterans of our country.

Mr. Jefferson. Yes, and we look forward to working with you, and we will need your assistance.

Senator Begich. Thank you.

Mr. Chairman, I apologize. I have to go preside, but I really appreciate the opportunity to comment on the legislation. Thank you.

Chairman Akaka. Thank you very much, Senator Begich.

Secretary Jefferson, I want to thank you for your offer to work with the Committee to improve some of the provisions and the measures before us this morning, and I want you to know that I intend to take you up on that as we proceed through the legislative process.

Mr. Jefferson. Yes, sir.

Chairman Akaka. I want to thank all of our witnesses on our first panel for being here this morning. Thank you very much.

Now I would like to welcome the witnesses on our second panel: Ian DePlanque, Assistant Director, Veterans Affairs

and Rehabilitation, at the American Legion; Tom Tarantino, Legislative Associate for Iraq and Afghanistan Veterans of America; Eric Hilleman, National Legislative Director, Veterans of Foreign Wars; and Rick Weidman, Executive Director for Policy and Government Affairs and the Vietnam Veterans of America. He is accompanied by Mr. Alan Oates, Chair of the VVA National Agent Orange and Toxic Exposure Committee. And, Mr. Tarantino, like Secretary Jefferson on the previous panel, because of the lateness of IAVA's submission of your testimony, you will not be permitted to present testimony, but I will provide members the opportunity to ask you questions.

Mr. DePlanque, will you please begin with your testimony?

DRAFT

STATEMENT OF IAN DEPLANQUE, DEPUTY DIRECTOR,
VETERANS AFFAIRS AND REHABILITATION COMMISSION,
THE AMERICAN LEGION

Mr. DePlanque. Good morning. Thank you, Mr. Chairman, Ranking Member Burr, and members of the Committee. I want to thank you on behalf of the American Legion for the opportunity to provide comment on the broad spectrum of legislation before the Committee today. This legislation offers important help to veterans in many areas.

S. 1939 and 1940 provide further aid to our veterans of the Vietnam War and their children.

Legislation such as S. 3314 and S. 3325 will provide much needed outreach and benefits to the growing community of rural veterans in America and veterans in non-traditional urban areas.

S. 3348, S. 3368, and others will help veterans and their families in dealing with the complexities and the sometimes confusing system of veterans benefits. And there are many other worthy pieces of legislation on the agenda today.

Importantly, a bill stands before the Committee addressing one of the most critical issues facing many veterans today: the issue of unemployment. S. 3234, the Veterans Employment Assistance Act of 2010 is a comprehensive bill that will address education, employment,

and training needs. Iraq and Afghanistan veterans face unemployment levels of as high as 30 percent, with up to a quarter million unemployed veterans from those two theaters combined.

While the landmark post-9/11 GI bill provided many important educational benefits to American veterans, some areas of learning were left behind, which this legislation should remedy. Previously, important training such as vocational schools, apprenticeships, and on-the-job training programs were not given the same equity as institutions of higher learning. These programs fulfill an equally vital role in job preparedness.

Furthermore, the legislation calls for small business training and counseling and creates pilot programs and otherwise seeks to help veterans market their military training in the civilian sector.

The American Legion believes that the skill set a veteran receives through military training with the concurrent work ethic, quality standards, and determination for mission accomplishment make the American veteran the most highly qualified candidate for employment. These service members have already demonstrated their abilities to master any task, and any civilian employer should expect no less.

No veteran should face unemployment given their

training and history of service. That veterans face such high unemployment numbers is deeply troubling. The American Legion has stressed that more must be done to find jobs for these veterans, particularly within the Government agencies, such as the VA, where overall veteran employment is roughly 39 percent.

In areas such as the National Cemetery Administration, who have recently stated that they have fulfilled 100 percent of their outside contracts under the American Reinvestment and Recovery Act to veteran-owned businesses, many of those to disabled veteran-owned businesses, we can find a model for what should be going on for our veterans. The American Legion applauds this initiative and encourages finding more ways for other agencies to follow that model.

Several pieces of legislation were submitted at late deadline. In order to properly address these pieces of legislation, we would ask to submit testimony on these bills for the record.

Thank you for allowing the American Legion to provide testimony today, and we would be happy to answer any questions you or the Committee may have.

[The prepared statement of Mr. DePlanque follows:]

Chairman Akaka. Thank you very much, Mr. DePlanque.
Mr. Hilleman.

DRAFT

STATEMENT OF ERIC HILLEMEN, NATIONAL LEGISLATIVE
SERVICE, VETERANS OF FOREIGN WARS

Mr. Hilleman. Mr. Chairman, Ranking Member Burr, Senator Murray, thank you on behalf of the 2.1 million men and women of the Veterans of Foreign Wars and our Auxiliary for this opportunity to be represented here today. Given the large number of bills, I will limit my remarks to two or three issues the VFW would like to highlight for today's hearing.

The VFW believes one unemployed veteran is one too many. The number of unemployed veterans has skyrocketed to over a million. The remarkable young men and women who put their lives on the line for our Nation deserve much better. Congress needs to invest in the future of those who have invested in America by providing them with the training, skills, and opportunities for a chance at the American dream. We applaud Senator Murray for her legislation and for standing up and fighting to put America's veterans back to work.

The VFW enthusiastically supports S. 3234, Veteran Employment Assistance Act of 2010, which seeks to address the rampant unemployment among recently separated OIF and OEF veterans. It is a comprehensive approach to addressing veterans' unemployment. This bill invests in American small business, veterans' employment services, on-the-job

training, and apprenticeship programs. Further, it capitalizes on existing military skills and develops programs that place veterans in comparable career tracks.

Through studies, this bill seeks to understand the barriers facing transitioning service members while understanding the successes of Guard and Reserve units in re-employing their own members. The values of American veterans in our Nation's workforce cannot be understated.

Former service members know how to work as a member of a team to creatively solve problems. They are trained to lead and know how to perform in unforgiving circumstances. They realize the repercussions of their conduct and understand the decisions they make have an impact on their organization. Veterans are punctual, professionally dressed at all times, lead healthy lifestyles, and are extremely trustworthy, motivated self-starters. Many veterans are technologically savvy and proficient with the use of computers. The battlefield of today requires a grunt to do much more than just point and shoot. They are civic-minded and willing to go the extra mile and are committed, loyal employees. We ask Congress to help us market the inherent value of America's veterans.

Senator Akaka, your soon-to-be-released upgrades to the GI bill will also help put veterans back to work. With the advent of the post-9/11 GI bill, hundreds of thousands of

veterans will and are improving their career trajectory through education. Their success is a direct result of this Committee's dedication and action to improving the lives of America's veterans.

The VFW believes a number of changes need to be made to the post-9/11 GI bill to address the needs of service members and their families. The original bill provided training, apprenticeships, and vocational training for World War II veterans. The post-9/11 GI bill should also provide the same opportunity to seek careers in the skilled trades. The VFW supports standardization, simplification, and restructuring of all education programs with an eye toward equitable benefits for equitable service. The bill continues to serve as a strong tool in putting veterans back to work.

Further, we recognize that Congress alone cannot solve this epidemic of unemployment among our Nation's veterans. We urge Congress to encourage America to do her part for these veterans and help put them back to work. We need corporate America, union groups, Government agencies, law makers, and veterans groups to place America's veterans at the front of the employment line.

If I may, Mr. Chairman, the VFW would like to amend our written testimony to reflect for the record that S. 3368, a bill to amend Title 38 of the U.S. Code, to authorize

certain individuals to sign claims filed with the Secretary of Veterans Affairs on behalf of claimants.

While these regulations in CFR 3.155 currently allow VA to accept the filing of an informal claim on behalf of a veteran by a Member of Congress, a duly authorized representative or a "next friend," in practice VA has not recognized or treated a duly authorized representative's or a next friend's signature as evidence enough to initiate the claim. The VFW remains cautious that this authority be treated carefully to avoid fraud by an unscrupulous spouse, health care provider, or nursing home official.

This concludes my testimony. I would be happy to answer any of your questions, and thank you for this opportunity to testify.

[The prepared statement of Mr. Hilleman follows:]

DRAFT

Chairman Akaka. Thank you very much, Mr. Hilleman.
And now we will receive the testimony of Mr. Weidman.

DRAFT

STATEMENT OF RICHARD WEIDMAN, EXECUTIVE DIRECTOR
FOR POLICY AND GOVERNMENT AFFAIRS, VIETNAM
VETERANS OF AMERICA; ACCOMPANIED BY ALAN OATES,
CHAIRMAN, AGENT ORANGE/DIOXIN AND OTHER TOXIC
SUBSTANCES COMMITTEE

Mr. Weidman. Thank you very much, Mr. Chairman, for the opportunity for us to present our views here today, and I, too, will limit oral remarks to just a couple of bills.

The first, S. 1780, perhaps Colonel Bob Norton from MOAA said it best when he said, "Same hostile fire, same benefits." And that precept applies to this bill, and there are many other elements of services and benefits that are available to veterans that we need modification in the Reserve and Guard legislation to make sure that that precept is honored, "Same hostile fire, same benefits."

S. 1939, the Agent Orange Equity Act, is something that is long overdue. We are in the 35th year since the formal end of the war, and we still are not yet in the final stretch in terms of delivering justice to those men and their families who were harmed by virtue of military service by exposure to Agent Orange and other toxins in Vietnam or elsewhere in the world. The Agent Orange Equity Act would extend the presumption that was wrongfully denied by the VA more than 10 years ago.

The Institute of Medicine, in its most recent study, in

the strongest language possible in the biennial review said that there was no valid scientific reason for excluding the Blue Water Navy people. I want to repeat that: There was no valid scientific reason for excluding the Navy people.

The Secretary heard that and empaneled a special-- contracted with the IOM to empanel a special group of scientists that began work at the beginning of this month, and on May 3rd, VVA, both Mr. Oates and I, testified and met with that panel as they were considering that.

One of the key things is that the Australians have completed three complete epidemiological studies of their veterans of everybody who served in their armed forces during the Vietnam War, and they are working on a fourth. In the third one that was completed, they discovered that Navy vets had higher cancer rates of all sorts, particularly those that with conditions that would emanate from exposure to Agent Orange, than the Army folks, and they could not figure it out. They then contracted with the University of Queensland, a worldwide respected institution, to look at this issue, and they zeroed in on desalinization and discovered that the desalinization actually had the perverse effect of concentrating the dioxin. Agent Orange is not water soluble. It is water-suspensible, and people came out into the gulf, close in to shore, much closer than VA would have you believe.

Yankee Station was a particular point on a compass, and what most of those who were supporting the effort in Vietnam, particularly supporting the carriers, you try to keep more or less on that and you head in towards shore, and when you get in too close, then you turn around and come back in order to launch and receive your aircraft back. And as result and because the South China Sea is very shallow, a lot of this reached the ships with desalinization.

VA claimed that this was a poor study, that it was poor science. They never have said why, and it is, in fact, a peer-reviewed study, and it has been peer-reviewed and written about in numerous scientific journals. It conforms to World Health Organization standards, and not only that, VA has not done--they have had 35 years to do an epidemiological study of those of us who served in Southeast Asia, and they still have not even had something on the drawing boards, one.

Two, they have had the opportunity now for 7 years to replicate the University of Queensland study and see whether it would be validated or not validated. That is what science is all about, and VA has not done that.

In addition to that, VA currently is not funding a single scientific effort out of the Office of Research and Development that deals with the long-term adverse health impact of exposure to Agent Orange and other toxins in

Vietnam. And as a result of that, there is not any science to review.

What the Institute of Medicine process does under the law that this Committee took the lead on getting passed the Congress, the Agent Orange Act of 1991, the Institute of Medicine can only review the science that is done by others. But the Federal Government is not funding any science to look at either Vietnam veterans, those who served in the Southeast Asia theater of operations, or our progeny. And so we also strongly favor S. 1940 because it starts the ball rolling in that direction of forcing VA to look at this whole question of progeny, not just children but also grandchildren.

There are a number of other very positive bills, and I hope we get some questions about Senator Murray's act. Senator Murray, I thank you for your leadership in introducing this comprehensive bill. And we do have some specific comments as to how it may possibly be improved.

I thank the Chair for our opportunities, and Mr. Oates and I would be glad to answer any questions. Thank you, sir.

[The prepared statement of Mr. Weidman follows:]

Chairman Akaka. Thank you very much, Mr. Weidman.

This question is for all of the panelists. I think we all agree that today's list of pending bills represents a broad agenda to help VA adapt to the changing needs of veterans and their families. However, I think it is important to ask you about what is not being discussed at this time.

So my question to the panel is: Is there an important issue among your membership that we have not discussed today? Mr. DePlanque?

Mr. DePlanque. Two things that I would note, Mr. Chairman, and thank you for the question, and we touched on this briefly in our oral statement earlier. There is a bill that is addressing veterans unemployment, but we are not specifically looking at VA's own hiring practices of veterans and if there are ways to enhance that to increase the size of the workforce. It varies within agency, within VA. The Cemetery Administration, for example, has 71 percent veterans employed, the Veterans Health Administration is around 26 percent, and the overall is around 39 percent. So the American Legion believes strongly that those numbers should be higher.

We do not have any specific legislation on the agenda today in terms of enhancing and examining whether or not we are meeting the needs of the women veterans who are coming

out into the veteran population now, the women service members, and that is another key concern.

There are a lot of initiatives. There are a lot of programs that have been going forward, and VA has been doing a very, very good job on that. But we want to make sure that the oversight is there to ensure that the needs of those veterans are being met as well.

Chairman Akaka. Thank you, Mr. DePlanque.

Mr. Hilleman?

Mr. Hilleman. Thank you, Mr. Chairman. It is quite a large question. This hearing today touches on nearly everything that VA and this Committee deal with. The one thing that I thought was absent from this hearing, which cannot be encompassed by one hearing or even by multiple hearings, is the claims backlog. This Committee has done tremendous work in trying to do the oversight necessary to bring down that backlog, and we want to encourage this Committee in every effort that it can to address the backlog.

We realize there is no simple fix, sir, but working with this Committee and with the veterans organizations and with VA, we think that in due time we can see that trend corrected.

Thank you.

Chairman Akaka. Thank you, Mr. Hilleman.

Mr. Weidman?

Mr. Weidman. That is indeed a large question, Mr. Chairman, but I thank you for the opportunity.

VA does not have an extramural research program. Every one of the National Institutes of Science breaks their budget into basically two halves: one is Office of Intramural Research, those who work for the institute full-time; and Extramural Research, which then makes funds available to scientific institutions and universities all over the country.

VVA is deeply committed to increased medical research in this country and is the only veterans organization to be a member of Research America, which is a broad coalition that pushes hard for increases in budget at NIH, AHRQ, CDC, et cetera.

But VA does not award contracts outside, and, frankly, all of the research area at VA needs significant overhaul in terms of scientific ethics, and I can get into that, why we believe that, trying to crack Institutional Review Board guarantees of confidentiality on the National Vietnam Veterans Longitudinal Study, which they still have not even contracted out, much less completed. So that whole area really needs to be looked at.

The second has to do with accountability, and that corporate culture, particularly within the VHA and VBA, is

still not there. We believe in Secretary Shinseki. We believe he is striving mightily to transform that corporate culture into one where people are held accountable, particularly managers. But there is such a long way to go for, number one, accountability and, number two, VHA in particular is more opaque today than it was 10 years ago, and we need to reverse that and start to open up and let the sunshine in into what is happening with all of those many, many billions of dollars that you and your distinguished colleagues on this Committee and in the Senate have led the battle to have an unprecedented increase in that budget, but yet we do not know what is happening, and it is not translating necessarily into what we would need.

Last but not least is transformational change when it comes to how we approach employment and building a true national strategy for addressing veterans employment.

All of the things in Title 38 are predicated on there being a functioning public labor exchange. But we no longer have a national public labor exchange, period. It just simply does not exist. So we need to rethink how are we actually going to deliver services to the individual veteran, whether they be on the Big Island in Hawaii or whether they be in northern Maine or whether they be in a remote village in Alaska. We need to rethink that entire paradigm and design something for the 21st century because,

frankly, the pace of deterioration of the public labor exchange has left us high and dry.

Chairman Akaka. Thank you very much.

Mr. Tarantino?

Mr. Tarantino. Senator, before I get into it, I would just like to take the opportunity to thank you, the Committee, and your staff for allowing me to be here today. Many of our members are still serving, as well as our staff are still serving in the military, and the work that you have done over the past few years has had a real direct impact on their lives. And so I would like to thank you for having their backs and for continuing to have their backs in the future.

To address the question, Senator, the one thing that I was a little surprised not to see what something addressing the disability claims backlog. I echo the comments of Mr. Hilleman. You know, I think we are seeing that this is being fought on several fronts. There is the technology piece I think the VA is working on right now, and we are encouraged by the progress of the VBMS and VRM. But we really ask Congress that we need to hold the VA to their stated goals and to their deadlines to make sure that we do not feel like Charlie Brown with the football, as we seem to have every year that the VA comes out and makes promises.

We see that there are echoes of a cultural shift within

the VA talking about changing the work credit system, and we encourage the Committee to continue to press the VA into making those cultural shifts and do not allow them to become complacent.

But I think there are things that we can do, that this Committee can do to streamline the overall process. I think that S. 3348 is a great example of that, a small procedural change that we can do to cut the red tape that Senator Brown had talked about earlier, small procedural changes like fast-tracking certain disabilities, like sending a Notice of Appeal with the Notice of Decision, cutting, you know, 60 to 120 days out of the process. That can be done legislatively that we have all talked about in this room. We have been talking about them for years. And given the statements that have come out of both the VSO community, the Senate and the House, and the veterans community over the last year or two, I think we have an opportunity this year to address these issues. And we are hoping to see in the next legislative hearing very soon a bill that encompasses some of these changes.

Thank you.

Chairman Akaka. Thank you very much.

Before I call on Senator Burr, I would like to ask you, Mr. Oates, whether you have a comment on this question.

Mr. Oates. Thank you, Chairman. The main issue of the

committee that I deal with, which is the Agent Orange and Other Toxic Substances Committee in the VVA, we have several issues. One of the ones that has not been mentioned here is the issue regarding Vietnam veterans and the combined exposures that they were exposed to. The Agent Orange Act of 1991 established that the IOM, through the Veterans Agent Orange Study, would look at the issue of herbicides and their components. However, the Vietnam veterans were exposed to much more than that.

In Operation FLYSWATTER, they were exposed to organic phosphates in the form of malathion where the planes flew over every 9 to 11 days over the major troop areas and sprayed them with an insecticide, malathion, which has been shown to cause Parkinson's disease and other neurological diseases. Nothing has been done in regard to Vietnam veterans to look at the combined exposures.

Another example of combined exposures in Vietnam veterans is the issue of taking the chloroquine pill, which is an inhibitor of an enzyme that helps you metabolize neurotoxins. And we were taking the pill that limited the ability of your body to get rid of neurotoxins at the same time you were being exposed to neurotoxins.

So there are a lot of issues with combined exposures that the Committee is concerned with, trichloride ethylenes that were used in all types of solvents in Vietnam, and

especially in the Navy.

The other issue that the Committee is concerned about is in regards to the Blue Water Navy, in regards to--I think we can see it in the gulf oil spill. When Agent Orange was sprayed and the herbicides other than Agent White, which was a water-soluble one, they used diesel fuel to spray these. They were mixed with diesel fuel. And, of course, one of the major areas where these were sprayed were along the rivers that the Viet Cong would use to bring in supplies. And a large quantity of this was sprayed on these rivers. And you can see by the oil spill in the gulf how fuel and oil quickly can move and how far it can move, and being suspended in the diesel fuel and not being water-soluble, that is one of the ways that the dioxins got out to the Blue Water Navy folks, and we are concerned with that.

Birth defects is a big issue with our committee. We firmly believe that when you send a service member into harm's way, because of the battlefield toxins and those toxins that are not on the battlefield, you are also sending the future generations of these service members' offspring into harm's way, and we think that that needs to be dealt with.

As I listened to the testimony of the VA earlier and they indicated that in 1940 it was too difficult, it brought me back to my 1st Infantry Division that I served with in

Vietnam, and the motto of the 1st Infantry Division was, "No mission too difficult, no sacrifice too great. Duty first." And I think that would be a good motto to take back in dealing with 1940.

Thank you, Mr. Chairman.

Chairman Akaka. Thank you very much.

I just want to note that we have a hearing planned for next month on the backlog, so that is why I wanted to hear from you about things that have not been mentioned. So thank you very much, Senator Burr, for your questions.

Senator Burr. Thank you, Mr. Chairman.

Rick, you said in your testimony in relation to S. 3377, and I want to quote you, "The animus of the permanent bureaucracy at the Office of Management and Budget to this program from the outset continues to be a classic study in the irrationality of a runaway and virtually unaccountable fourth branch of government."

Mr. Weidman. You stated that quite well, sir.

[Laughter.]

Senator Burr. If you cannot tell, I am having my own problems with the Office of Management and Budget as well.

Moving forward, though, how can we prevent this from happening again?

Mr. Weidman. You could start by making sure that--talk to Mr. Orszag about ensuring that his agency follows the

Veterans Employment Opportunities Act or veterans preference in their hiring. The Office of Management and Budget has less than 1 percent veterans on their permanent staff, and the last time we checked, they had zero disabled vets. For that to happen in Washington, it cannot happen by accident. It can only happen as a result of a conscious, ongoing, systematic animus towards employing people who have served our Nation while in the military and to have been disabled as a result of that. So that is the first place to start.

The second is I do not know how you do this. I was involved in the passage of the original bill more than 10 years ago, and it was designed then to bring private capital into the problem of getting adequate transitional housing for homeless veterans. And there was some concern about it so we reduced the number from ten to five loans, and the Office of Management and Budget put an analyst on it, the person Toni Hustead, who was the head of that area that dealt with veterans at that time, who got it totally confused with the direct loan program by the Department of Agriculture. So they said that the cost of the \$100 million loan guarantee was going to be \$68 million. And we said that is preposterous. You are comparing apples and oranges. You are comparing direct loans to a very, very poor population to a loan guaranteed to people who have demonstrated expertise in large projects and bringing--

financing and bringing to fruition large projects that will be self-sustaining.

We finally had an extraordinary meeting at VA where VA people were actually arguing on our side against OMB that we were correct and that they should score it much lower. I think CBO scored it at \$8 million over the life of the program, the 10-year life of the program. And in the end, everybody was excited that OMB acceded that we were correct, and I was watching Ms. Husted, and everybody else is buzzing and talking, and I said, "Let me ask a key question. Toni, are you going to change your mark?" She smiled and said, "No, I am not." And, therefore, the mark stayed at \$62 million and delayed another 2 years us getting that bill enacted. And then they did not allow any loans for the first 6 years of the program. And now they want to flip it over and make it a direct loan.

We do not object to that, but what we do object to is not accessing capital, access markets in a reasonable way to bring to bear on the problem of adequate housing, and particularly adequate--well, both adequate transitional and adequate permanent housing for low-income and formerly homeless people; and, secondly, artificially limiting a program that is clearly designed to thwart the will of the Congress. We have a real problem with that, and it is irrespective of administration and it needs to be

straightened out because that is what I would call an unaccountable fourth branch of government who makes decisions, gainsaying in some cases both the executive branch political appointees, but gainsaying the Congress and nobody can seem to hold them accountable. We have a problem with that, sir. We fought to protect the Constitution, and we do not see a fourth branch of government anywhere in the Constitution.

Senator Burr. Let me duly note that I have been as critical of every Office of Management and Budget before this one, so this is not singling this one out for some unique treatment.

Do any of you have any suggestions as it relates to S. 3377 as to how that can be improved to accomplish the end goal of making sure we maximize transitional housing opportunity?

Mr. Weidman. I would not limit it to five. Expanding the criteria and having the Secretary publish criteria of people who are creditworthy and have a history of bringing to fruition large projects is a reasonable and prudent thing to do, but there is no reason at this late date to limit it to five because that field is not that limited anymore, and you literally have hundreds upon hundreds of skilled providers out there who have transitional housing programs with services that are working, and we need more options for

people to be able to get financing, to create even more in high-need areas.

Senator Burr. Thank you, Mr. Chairman.

Chairman Akaka. Thank you, Senator Burr.

Senator Murray?

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

Tom, I wanted to start with you. First of all, I want to thank you and the IAVA for all your help working with my staff as we developed the veterans employment bill. I do have a few questions about the vocational and on-the-job section of the bill, and I do know that about 16,000 veterans are trying to get vocational training, but they cannot access the new GI bill as it currently stands. That is really the groups that we are trying to focus on within this legislation, and I wanted to ask you if you could explain to the Committee some of the gaps that we are seeing with the current vocational benefits program for our veterans.

Mr. Tarantino. Well, thank you very much, Senator. To start off, we only really need to look at history to explain why this is so important. Over half of the people that used the World War II GI bill did not use it for a 4-year degree. They used it for vocational training, for on-the-job training. They used it to build an educated workforce. And what we are seeing in this population of veterans is

something similar. You are looking at the practical issues of people who want to obtain a vocational career and who cannot do that because of a technical issue with the GI bill. If I wanted to get a commercial trucking license, I can do that at Clark Community College, but I cannot do that at the AAA School of Trucking. And so it is an almost laughable omission in the original bill, and this is one of the things we aim to fix.

Also, we are looking at a population of highly skilled workers that are coming out of the military such as combat medics, such as mechanics, you know, again truck drivers who can drive anything from a tank to, you know, an 18-wheeled vehicle, but when they leave the military, they are barely able to drive an ambulance in the civilian world. They have to start over from scratch. They have to start over as apprentice mechanics after sometimes 15 years.

So by allowing this on-the-job training, apprenticeships, by allowing vocational schools into the GI bill, we are in the back end correcting something that we need to correct ultimately with our military vocational and certification program. We are allowing veterans to transition into a world more laterally so that a senior noncommissioned officer can translate into a civilian position that reflects their service and their level of expertise.

Senator Murray. And I assume you are hearing from a lot of veterans who are facing those kinds of barriers, as I have been.

Mr. Tarantino. Every day we hear it through our GI bill website. We hear it over the phones. We hear veterans all over the country who call us and say, you know, "I want to go get my EMT license, but I do not have a community college or university near me. What are we going to do?" And I unfortunately have to tell them they have to wait or they have to move, which, I mean, if someone told me that, I would probably want to punch them in the face.

So I hear their frustrations every day, and I thank you for including them in this bill.

Senator Murray. Yes, and I would just say for the Committee's knowledge, the veterans I have talked to, they tell me how their peers who graduated with them from high school or community college many years ago went off into the regular civilian work world, got work experience, on-the-job training, paid for by their employer. They went into the service, went to Iraq or Afghanistan, had the same kind of training by the military, came back and now they are required to go back to school. And it is not covered by the GI bill.

So this is to me, just a real issue that we need to address, and that is why I have included it in this bill,

and I want to thank you for your help with that.

Mr. Tarantino. Thank you, Senator.

Senator Murray. Eric, I want to thank you and the VFW, too, for your support and work with us on this. I know that GI bill equality is very important to the VFW, too, and I wanted to ask you what changes would the VFW like to see made to the Guard and Reserve Select Reserve GI bill.

Mr. Hilleman. The Guard and Reserve Select Reserve GI bill, commonly referred to as Chapter 1606, I believe. That group of individuals has never activated outside of their military training or outside of their vocational training in uniform. That group of individuals is currently paid for by DOD under that program, which creates an interesting relationship with the rest of the GI bill where that section of the program languishes under DOD willingness to fund.

One of the suggestions that the VFW has maintained is that if that program were put on parity at the rate of 30 percent to the current GI bill, it would fit with the structure that Senator Webb put forward in graduating and rewarding equitable service with equitable benefits. So we would probably advocate for 30 percent for them across the board.

Senator Murray. Okay. Thank you.

Ian, I want to thank you and the American Legion for their support of this, too. In your testimony you mentioned

the Disabled Veterans Outreach Program Specialists and Local Veterans Employment Reps, the DVOPs and LVERs. What are the shortfalls you see of the training support for those groups?

Mr. DePlanque. Thank you, Senator. The main problems that we are seeing in terms of the outreach and the--excuse me. In terms of the outreach and reaching into the civilian sector, it is that the programs as they exist now, these programs are very good, they are very important for getting the veterans overcoming the barriers and getting them marketable working with the local--on the local level. And those specialists are not--excuse me. It is not robust enough in the present system. The ability to translate the skills, as was mentioned earlier, translating the skills from the military sector to equitable civilian sector skills, that there is not a reconciling between them right now. And so, therefore, with the bill and with enhancing that, particularly with reaching towards the disabled veterans as you are going into the outreach, being able to take those skills, translate them across, and have an understanding between that on the local level, because the local level is the most easy level to access those veterans, that is--what things seem on the national sense or in a larger scope may be there, but it is not translating down to the local level as much, and that is what we would like to see enhanced.

Senator Murray. All right. Mr. Chairman, my time is up. I do have some additional questions. If I could submit them for the record, I would really appreciate it.

Chairman Akaka. Yes.

Senator Murray. Thank you.

[The questions of Senator Murray follow:]

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DRAFT

Chairman Akaka. Thank you very much, Senator Murray, for your questions.

Let me just ask this one. Mr. Tarantino, would you like to comment on my bill to clarify that the failure of VA to notify--and this is a notification issue--to clarify that the failure of VA to notify a veteran promptly of a filing error to forward the document to the court should not deprive a veteran of the right of review or appeal, and that is S. 3348.

Mr. Tarantino. Well, thank you, Senator. IAVA completely supports this bill. Our number one priority this year is to reform the disability claims process, and that includes the appeals process, and that includes the appeals process. When a veteran tries to file an appeal, it is incredibly--when a veteran tries to file anything with the VA, it is an incredibly confusing process, and especially with the appeals process, they have been dealing with their regional office for anywhere, you know, from 6 months to 2 years. And so it is only logical that they would go directly to where they know.

The fact that the VA would deny an appeal because of their own inefficiencies is absolutely ridiculous, and so I think this bill fixes an error that I think we can all agree should not be there, and it corrects an injustice. And I think it is little things like this, little procedural

changes that allow the claims process and the appeals process to enter into the modern world, that are going to be critical towards reducing the backlog long term. We talk about this backlog, we talk about numbers, and I think a lot of my colleagues here have used this analogy. It is like talking about a fever but ignoring the disease. The disease is not the backlog. The disease is a VA process that was developed when the world moved at the speed of mail and when the world did not hold expectations of customer service, information access, and efficiency that we hold today. And I think S. 3348 is a great example of one of those small changes that we can make to bring that system more into the modern world and do what we are supposed to be doing, and that is, provide our veterans with meaningful benefits that they deserve.

So I thank you very much, Senator, for putting this bill forward.

Chairman Akaka. Senator Begich has submitted a bill that would eliminate co-payments when veterans use telehealth services. This is a question on telehealth. For all of the witnesses here, how do your members feel about using telehealth solutions? Mr. DePlanque?

Mr. DePlanque. Thank you, Mr. Chairman. Telehealth is one of the important steps in reaching out particularly to rural veterans or veterans who do not have as much access,

and so if a veteran has an opportunity to access the benefits that they otherwise would not be able to access because of geography, then it is an improvement for them, and that is something that we have considered important.

We have a growing segment of rural veterans in America. It is a growing segment of the population. And those veterans, many of those veterans, have no qualms whatsoever about accessing telehealth. Telehealth would be a great respite, certainly better than driving 250 miles to try to get to a medical center. And so if there is anything that can make it easier to have access to those benefits, that would be an improvement.

Chairman Akaka. Mr. Hilleman?

Mr. Hilleman. Mr. Chairman, our members are pleased to have the opportunity to use telehealth because without telehealth in some areas, there is nothing. Or there is a drive for 500 miles to the nearest local medical facility. So we maintain, we have long maintained that telehealth is a very affordable way for individuals to access health care, and we think if employed properly it would be a more cost-effective benefit to VA across the board.

Chairman Akaka. Mr. Weidman?

Mr. Weidman. Mr. Chairman, we are very much in favor of using this telehealth particularly for remote locations, like some of the outer islands or many areas in Alaska, but

also in rural areas.

The one thing we would caution, however, is VA's pell-mell rush into telehealth for telecounseling, if you will, for neuropsychiatric counseling. We have only been able to find two clinical studies that proved the efficacy of this, and both of them by the same individual, an academic, a respected academic out of Toronto, Canada, and none in the U.S. So on many of the things that VA is rushing pell-mell into that sound great, like virtual reality and teleconferencing to supplant in-person traditional cognitive therapy and pharmacological therapy, we would caution that they need to do clinical studies before we commit tens of millions of dollars and structure things on something that may not prove out over the long run to be as effective as we hope. It is promising, but we need to do the studies.

So we endorse it generally, but would caution that we need to have clinical studies to find out how well is it actually working for what kinds of veterans.

Chairman Akaka. Mr. Tarantino?

Mr. Tarantino. Thank you, Senator. I think it is important to note that, at least our members, you know, you do not use telehealth because it is just such a great user experience and it is really cool. You use telehealth because you have to. You use telehealth because it is impractical for the VA to build a brick-and-mortar building

in every community in America, as much as that would be awesome. It just does not make any sense, and it is both logically and fiscally unsound for a veteran to drive 8 hours just to get a blood test. So we are forced to use telehealth, and so we think that this is an excellent idea. We think it is something that the VA needs to look into.

I do echo Mr. Weidman's concerns, but we fully support the bill, and we do not think that veterans should be penalized and charged for being forced to use a method that the VA otherwise would have seen them for.

Chairman Akaka. Thank you very much.

In closing, I again thank all of our witnesses for appearing today. I look forward to working with all members of this Committee as we develop legislation based on today's hearing for a markup. As I said in my opening statement, moving legislation with significant mandatory scores will prove difficult. As Chairman, I am committed to ensuring that this Committee does all it can to ensure that veterans receive the benefits and services which they have earned through their service to this Nation, and I pledge my continued support for this goal as we move forward.

I want to thank you because we know that to do it well we need to work together on all of this, and I look forward to that, too.

So this hearing is adjourned.

[Whereupon, at 11:14 a.m., the Committee was adjourned.]

DRAFT