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STATEMENT  
of the  
MILITARY OFFICERS ASSOCIATION OF AMERICA  
LEGISLATIVE PRIORITIES  
for  
VETERANS' HEALTH CARE and BENEFITS

1st Session, 112th Congress  
before the

SENATE and HOUSE VETERANS' AFFAIRS COMMITTEES

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Presented by

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EXECUTIVE SUMMARY  
Selected Recommendations

VETERANS' HEALTH CARE

- Health Care Funding and Fees. Ensure robust funding of the health system and prevent targeting of VA funding and resources as offsets for budget shortfalls; oppose higher usage and drug co-payment fees for VA services.
- Integrity of VA and DoD Health Systems. Strongly oppose any efforts to integrate Department of Veterans Affairs (VA) and the Military Health Care System/TRICARE under the guise of alleged cost-savings, budget constraints or in the implementation of the Patient Protection and Affordable Care Act (P.L. 111-148).
- Electronic Medical Record/Virtual Lifetime Electronic Record (VLER). Accelerate the development and full implementation of bi-directional, standards-based electronic medical records between VA-DoD systems for the ultimate establishment of a VLER that will capture medical and non-medical data from point-of-entry into military service through the life-span of the veteran.
- CHAMPVA-26. Support enactment of CHAMPVA coverage until age 26 for adult children of individuals eligible for CHAMPVA health care. Such coverage is available to all other Americans under P.L. 111-148.

Wounded Warrior Care & Support

- Caregivers Act Implementation. Expedite implementation of the Caregivers and Veterans Omnibus Health Services Act of 2010 (P.L. 111-163) with eligibility rules more consistent with the intent of Congress. Request immediate enrollment of primary caregivers in CHAMPVA who are projected to meet eligibility requirements until final regulations are approved. Conduct oversight hearings on implementation of the Act.
- Psychological and Traumatic Injuries. Increase funding and access to evidenced-based mental/behavioral health and marital/family counseling services; address the rising rates of suicides, substance abuse, and family/personal discord, caregiver fatigue, and secondary effects of stress and mental / physical traumas of war being experienced by our military, veterans and their families.
- Medical and Prosthetic Research. Invest in a predictable and sufficiently funded research program to ensure the sustainment and success of state-of-the-art biomedical and behavioral health research.
- Seamless Transition Oversight. Establish in law an updated permanent SOC and/or establish a joint office to more effectively oversee initiatives to institutionalize seamless transition.

#### Women Veterans

- Health Care and Support Services. Seek immediate implementation of provisions in P.L. 111-163 that provide equitable medical care and improved support services for female veterans.
- VA Advisory Committee on Women Veterans Report for 2010. Press for full implementation of health care and benefit recommendations contained in the report.

#### VETERANS' BENEFITS

- Claims Backlog. Improve the accuracy, timeliness, quality and business operations supporting the VA claims system. Urge continued strong oversight by the Committees on VA claims upgrade efforts.
- Transition, Employment, Homelessness Programs. Support pending legislation (S. 146) that would provide a \$2400 tax credit to employers who hire a veteran who has served over 180 days of active service in the last 5 years. To incentivize employers to hire and retain drilling Guard/ Reserve personnel, permit employers to pay TRICARE Reserve Select (TRS) premiums for reservist-employees in lieu of providing more expensive employment-based health coverage.
- GI Bill. Support research into the long term effects of the Post-911 (P911) GI Bill; ensure that government regulations and practices protect student-veterans' credit ratings in cases where overpayments or other calculation errors are made by VA officials or college administrators; closely monitor the P911 GI Bill program to preclude waste, fraud and abuse. Integrate active duty and reserve GI Bill programs and terminate obsolete programs such as the Montgomery GI Bill.
- Vocational Rehabilitation and Employment (VRE) Program. Provide additional FTE staff for the VRE program including staff for the VetSuccess on Campus program to meet the growing demand for these services especially among returning Iraq and Afghanistan veterans with serious disabilities.

#### Survivors' Benefits

- Educational Benefits. Authorize P911 GI Bill benefits for surviving spouses of the current conflict to ensure they receive the same educational benefit available to their children under the Gunnery Sgt. John D. Fry Scholarships, in lieu of Dependents and Survivors' Educational Assistance (DEA) benefits.
- Dependency and Indemnity Compensation (DIC). Raise DIC rates to 55% of the compensation rate for a 100% service-connected veteran; allow widow(er)s to retain DIC if they remarry at age 55 (vice 57) or older.

#### Currently Serving Military Members

- Employment and Reemployment Rights (USERRA). Monitor the new Office of Special Counsel pilot program, which permits Federal employees who are in the National Guard and Reserves to file a claim with the OSC when USERRA rights have been violated. Authorize additional USERRA protections to underwrite the nation's "operational reserve" policy.
- Servicemembers Civil Relief Act (SCRA) Protections. Oversee implementation of 2010 SCRA improvements including a "right of private action" permitting a servicemember to sue in Federal court for violation of the statute. Consider further protections including criminal and civil penalties in cases of egregious violation of the SCRA.
- Veteran Status for Career Guard-Reserve Retirees. Establish that career National Guard and Reserve service men and women who are entitled to or in receipt of non-regular (reserve) retired pay but who never performed military duties under Title 10 orders are "veterans of the Armed Forces of the United States"

MADAM CHAIRMAN MURRAY, CHAIRMAN MILLER AND DISTINGUISHED MEMBERS OF THE COMMITTEES, on behalf of the 375,000 members of the Military Officers Association of America (MOAA), I am grateful for the opportunity to present testimony on MOAA's major legislative priorities for veterans' health care and benefits this year.

MOAA does not receive any grants or contracts from the federal government.

#### VETERANS' HEALTH CARE

MOAA very much appreciates the Committees' leadership in establishing in law a Department of Veterans Affairs (VA) health care funding mechanism through the advance appropriations process. This mechanism has already proved to be very useful this year, allowing VA to continue health care system operations while budget battles rage.

Like many of our veterans and military organization partners, our Association has been very pleased with progress made in VA health care and we are eager to remain engaged with the Committees and the VA leadership to advance additional provisions that will improve quality, access and continuity of health care and services to meet the needs of our nation's heroes in the coming years.

Secretary Shinseki's commitment and progress in transforming the VA into a veterans-centric agency and his willingness to work with outside entities to bring more transparency to the organization continues to be impressive. His leadership has enabled the VA to achieve

unprecedented and much-needed budget levels, allowing the agency to be poised to deliver exceptional care and services this year and into the future.

As we move forward though, we must be mindful of lessons learned during this decade of conflict—where demand for health care and benefits outpaced VA's capacity to deliver care in a timely manner and meet emergent needs. We must make sure veterans, survivors and family members don't become pawns in budget battles on the Hill.

### Health Care Funding

Advance Appropriations & Budget Execution — We again thank Congress and the Administration for supporting record levels of VA health funding in recent years, and we look forward to sustaining these levels to achieve sufficient, timely and predictable access to care for our nation's veterans.

MOAA requests the Committees' personal oversight in VA Health Administration's (VHA) execution of resources to ensure the agency is appropriately targeting funding to requirements, and ensuring the VA uses the most current data available in its budget formulations.

MOAA believes strongly that any reductions or delays in funding VA health and benefits system ultimately devalue veterans' service and erode the Department's ability to deliver services to veterans.

Historically, cuts to VA have been problematic and the agency has been unable to adequately determine health system demand or respond sufficiently to emergent requirements. Congress needs to appropriate sufficient funds for current and projected veteran populations.

MOAA believes VA health care must:

- Ensure the system is made accountable to meet its published access standards. We suggest adopting access standards in law as a means of balancing demand and funding requirements.
- Continue expanding and upgrading programs, research and funding efforts in the area of polytrauma, posttraumatic stress disorder (PTSD), other combat behavioral health conditions, and traumatic brain injury (TBI).
- Ensure consistency of the CHAMPVA health benefit package with TRICARE Standard benefits (e.g., authorize continued coverage of adult children until age 26).
- Ensure sufficient funding to sustain an expanded enrollment opportunity for veterans so that wait-times are not extended for all enrolled veterans.

VA Fees — MOAA is extremely appreciative of Congress' continued support in safeguarding all veterans' benefits, especially preventing hikes in health care fees this past year during difficult financial times. Such a position instills the necessary confidence in veterans that their country has their backs when they leave the military. The Association continues to look to the Committees' leadership to ward off any attempts to reduce funding and resources.

MOAA seeks the support of the Committees to protect and fully fund the VA health care system.

Integrity of VA and DoD Health Systems. MOAA is steadfast in opposing any initiative to integrate VA and the Military Health Care/TRICARE system that may develop as part of budget debates. The two health care systems have unique (but complementary) missions and serve specific populations. Our Association believes we must:

- Protect the unique VA health care benefits from unintended consequences such as reduced access to care;
- Bar any form of taxation of VA health benefits, including those provided in non-governmental venues; and
- Preserve veteran beneficiaries' choices.

With threats of deep and dramatic cuts on the horizon because of national debt problems, coupled with rising medical costs, we urge the Committees' continued support in protecting veterans and their families through the safeguarding of their health care during the implementation of the Patient Protection and Affordable Care Act (P.L. 111-148) and budget debates.

CHAMPVA-26. MOAA urges the Committees' support for House Veterans Affairs Committee Ranking Member Bob Filner's (D-CA) CHAMPVA Children's Protection Act of 2011, H.R. 115. The bill would authorize CHAMPVA health insurance for adult children of individuals eligible for CHAMPVA health care. Under national health care reform, adult children may be carried on their parents' insurance up to age 26 under specific circumstances. All other health plans now authorize such coverage, and CHAMPVA should, as well.

2012 Independent Budget (IB). MOAA is a strong proponent of the IB. We are grateful to the significant and thoughtful work done by the authors of the report, the AMVETS, the Disabled American Veterans, Paralyzed Veterans of America, and the Veterans of Foreign Wars for such a tremendous and sound fiscal resource that can help Congress and the Administration in planning for VA resources. Among many excellent recommendations in the IB Report, MOAA supports rapid fielding of lung cancer screening in VA health facilities. Advanced CT screening for lung cancer in the veteran population has the potential for positive health outcomes and reduced treatment costs over time – treating late stage lung cancer is twice as expensive as early intervention care.

## WOUNDED WARRIOR ISSUES

As our country surpasses the longest period of combat operations in our history, “seamless transition” of service men and women between the DoD and VA continues to be especially problematic for our most susceptible population, those wounded, injured / ill troops and disabled veterans, and their families/caregivers.

While progress continues in this area to streamline transition, especially since the Walter Reed scandal in 2007, a number of complex challenges remain in the oversight and coordination of massive policy and program changes among the VA; military health care; several centers of

excellence; TRICARE civilian contractors and non-governmental agencies; and at least six congressional oversight committees.

MOAA again looks forward to working with the Committees to address the remaining issues and fully establish systems of seamless care and benefits that support our transitioning wounded warriors and their families. We seek also to secure the same level of health care and benefits for those in the Public Health Service and National Oceanic and Atmospheric Administration (NOAA) Corps personnel wounded, ill or disabled.

Caregivers and Veterans Omnibus Health Services Act Implementation. MOAA greatly appreciates Congress passing P.L. 111-163. However, we are concerned with VA's delay in executing the caregiver provision of the law and restrictive interpretation of its eligibility provisions pose dire consequences for many wounded, ill and injured members and their families/caregivers who count on support from VA to survive.

Veteran families/caregivers continue to tell us they are overwhelmed and lost in the maze of programs, services and information they encounter in VA and DoD systems, often times causing more problems than solutions. They also tell us they are confused by terminology and acronyms and military-VA culture in general. A simple term like "case manager" doesn't always translate to the caregiver/veteran in a meaningful way when the family encounters a number of providers who called themselves case managers.

Veterans and their families seek a high quality of life like every American—and they want good information and resources. They want options, and they want to have input into the process so they can make the best possible decision given their circumstances. To many families, institutionalizing their loved one or restricting care to a home or facility setting or to a less-stimulating environment may not be an option.

MOAA recommends the Committees:

- Expedite implementation of P.L. 111-163. Request immediate enrollment of primary caregivers in CHAMPVA who are projected to meet eligibility requirements to provide interim relief until final regulations are approved.
- Improve information outreach for referral and direct services for child care, legal and financial assistance, and counseling for full-time caregivers (DoD's 'Military OneSource' and Military Family Life Consultants tools could be modeled in the VA).
- Require VA-DoD to conduct research and submit a joint report on the impact of combat stress and TBI on full-time caregivers and family members, especially children.

MOAA also strongly recommends the Veterans Affairs and Armed Services Committees conduct a joint hearing on wounded warrior and VA-DoD seamless transition issues to assess progress in overcoming barriers that currently prevent full collaboration, cooperation and communication between the two Departments in the areas of health care, benefits, research, caregiver and family programs.

Psychological and Traumatic Injuries. A decade of protracted war, unprecedented deployment schedules and high operational tempo has taken its toll on troops and families.

The military community continues to experience an epidemic in suicides, substance abuse, divorce, marital/family discord, sexual assault, PTSD, traumatic brain injuries, and a variety of

other severe trauma issues from the fallout of war. This is being seen by the VA in its medical, benefits and cemetery systems.

MOAA resolves to work aggressively with the Committees, VA and DoD to address these urgent issues as quickly as possible in order to provide the very best care and support to our wounded warriors, disabled veterans and their families who experience the unseen injuries of war.

MOAA recommends enhanced collaboration between VA and DoD to:

- Attack the issue of stigma head-on through a multi-media education and destigmatization/ outreach campaign that provides positive reinforcement for seeking needed care;
- Increase and improve capacity of mental health care and substance abuse disorder programs and providers to deliver evidence-based care in all settings, including expanded hours of operations in facilities to improve access and availability of care, particularly for working veterans or those with families;
- Expand mental health care and counseling services for families of severely injured or disabled veterans in order to mitigate the secondary effects of combat stress, PTSD and TBI—include specialized programs for children, teenagers and family member caregivers;
- Implement special outreach efforts to veterans in rural areas and Guard and Reserve members who don't live near a military facility.

MOAA also urges the Committees support sustained and predictable investment in medical and prosthetic research through an aggressive joint VA–DoD program to expand advancements in rehabilitation, and effective treatments for polytrauma, traumatic brain injury, eye and auditory injuries, and other devastating conditions.

Seamless Transition Oversight. Thanks to Congress, legislation and funding has been provided to the VA and DoD to meet new challenges and move closer to a seamless transition culture. MOAA remains concerned, however, that the sunset in law of the VA-DoD Senior Oversight Committee (SOC) poses significant risks for effective day-to-day leadership and coordination of the agencies seamless transitions efforts. While an informal SOC exists, there has been relegation of responsibility and authority to lower levels of the organizations, making it difficult for senior VA and DoD officials to assure a fully synchronized, uniform and seamless approach to care and services for wounded warriors.

MOAA urges joint hearings of the Veterans Affairs and Armed Services Committees to assess the effectiveness of current seamless transition oversight efforts and systems, and to solicit views and recommendations for VA, DoD, the military services, and non-governmental organizations concerning how joint communication, cooperation, and oversight could be improved.

In a joint oversight hearing, MOAA recommends review and assessment of:

- SOC's effectiveness in promoting joint communication, cooperation, and oversight in implementation of policies, procedures, programs, and funding requirements;
- Single disability evaluation system;
- Bi-directional electronic medical and personnel records data transfer;
- Medical center of excellence operations and research projects;
- Coordination of care and treatment, including VA-DoD federal/recovery care coordinator, clinical and non-clinical services and case management programs; and
- Consolidated government agency support services, programs and benefits.

MOAA again recommends the Committees support legislation for an updated, permanent organization or single entity that formalizes the current functions of VA-DoD SOC.

## WOMEN VETERANS

Of the 23 million veteran population, over 1.8 million are women veterans in the U.S. and almost a half million are enrolled in VA care. This number is expected to grow by 30 percent in the next five years.

The growth is attributed to the rising number of women serving in our Armed Forces. Today, the largest group of women veterans has served in Operations Enduring Freedom (OEF) and Iraqi Freedom (OIF) and accounts for 11.5 percent of this population group. Fifty-two percent of these women veterans have received VA health care.

Female veterans entering VA care are younger and have distinct needs from their male counterparts. The average age of women veterans is 48 years old, compared to age 63 for male veterans. The majority of recent female enrollees using VA health care are under 40 and of child-bearing age.

In FY 2009 and 2010, PTSD, hypertension, and depression were the top three diagnoses for women treated in VA facilities—and, one in five women reported during medical screening that they had been a victim of military sexual trauma.

MOAA acknowledges the significant progress made by the VA and the Secretary's priority for caring and supporting female veterans—an extremely vulnerable population that is at an elevated risk for mental health diagnoses.

A recent study by Portland State University's School of Community Health, the first general-population analysis of suicide risk among female veterans, looked at suicide data from 2004-2007 in 16 states. The study found women veteran suicide rates are three times higher than nonveteran women.

Statistics also show an alarming increase in homelessness rates of younger women separating from the military. Eighty-five percent of these women require treatment for substance abuse and many have children, presenting a unique challenge for them to receive treatment in the VA.

We believe additional legislative authority is needed to help VA more effectively and efficiently deliver services and care not only to women veterans, but also to the growing population of veterans who are married and/or have family responsibilities. Some of these services include employment support, suitable housing, access to gender-oriented physical, mental health and trauma care, child care and benefits outreach.

MOAA urges the Committees to give high priority to issues affecting women veterans through rigorous oversight and commitment to funding VA benefit and health care programs that serve this at-risk population. In doing so, a grateful nation recognizes the contributions and sacrifices of women warriors. Specifically, we seek:

- Immediate implementation of provisions in P.L. 111-163, Caregivers and Veterans Omnibus



Health Services Act of 2010 that provide equitable medical care and improved support services for female veterans which includes newborn care.

- Full implementation of recommendations contained in the VA Advisory Committee on Women Veterans Report for 2010, titled, “Women Veterans—A Proud Tradition of Service.”

## VETERANS BENEFITS

### Disability Claims Management: Quality, Training, and Technology Upgrades

In its Budget Request for FY 2012, the VA noted: “The disability claims workload from returning war veterans, as well as from veterans of earlier periods is increasing each year. Annual claims receipts

increased 51 percent when comparing receipts from 2005 to 2010 (788,298 to 1,192,346).”

On January 11, 2011, there were 770,291 claims for disability compensation and pensions pending, an increase of 282,790 from one year ago. Overall, 313,007 claims are pending longer than VA’s target goal of 125 days, a 69 percent increase in one year. By the Veterans Benefits Administration’s (VBA) own measurement, the reported accuracy of disability compensation rating decisions was only 83 percent for the 12-month period ending May 31, 2010. VA’s Office of Inspector General found even more errors left unreported.

In this context, MOAA continues to support a comprehensive, integrated strategy for improving the claims-management system with primary emphasis on quality decisions at the initial stage of the process.

During his tenure, VA Secretary Shinseki has focused his Department on “breaking the back of the backlog” of pending claims. MOAA supports this ultimate goal, but cautions that the backlog itself is only a symptom of underlying system issues. To achieve real and lasting success, VBA must focus on reforming itself into a modern, paperless system designed to “decide each claim right the first time.”

Information Technology. One of the major causes of VBA’s problems is its use of outdated information technology. To remedy this dilemma, VBA is developing an electronic Veterans Benefits Management System (VBMS) to process claims in a paperless environment using a rules-based decision support system. Currently, VBA is field testing the VBMS with full deployment scheduled for 2012.

VBA is also pilot testing dozens of business process improvements aimed at reducing waiting times and

increasing production. VBA must ensure that the VBMS remain in support of high quality, accurate outcomes, not production alone.

MOAA recommends the Committees provide vigorous oversight of VA’s plans to modernize the claims system to:

- Ensure the VA’s approach is grounded in “deciding claims right the first time,” not only “reducing the backlog;”
- Assess ongoing pilot projects to identify and field best practices targeted toward improving

quality and accuracy;

- Ensure that the new VBMS system is provided sufficient and timely resources to develop into a comprehensive, paperless, and rules-based platform;
- Ensure that VA provides sufficient training to employees, and tests all employees, including coaches and managers, on the skills, competencies, and knowledge required to do their jobs.
- Monitor employee performance standards and work-credit system, and support adequate incentives for quality and accuracy, not just production quotas.

## Transition, Unemployment and Homelessness

Troubling trends in veteran homelessness, including the rising number of homeless women veterans discussed above, are closely linked to the effectiveness of active duty transition assistance programs (TAP), pre-discharge disability evaluations – including assessments and intervention for emotional wounds such as PTSD -- and early access to support services and benefits provided by the VA.

MOAA believes an integrated, multi-pronged strategy is needed to reach Secretary Shinseki's goal of eliminating veteran homelessness by 2015. The Defense, Veterans Affairs and Labor Departments have critical, mutually supporting roles to play in this campaign. Community and service organizations also can and have provided practical, targeted local interventions to assist our veterans struggling to find meaningful employment and to avoid becoming homeless.

With regard to TAP, MOAA understands that efforts are underway to upgrade the program to provide more effective support for our separating service men and women. The Benefits Delivery at Discharge (BDD) program has improved steadily in recent years. However, MOAA believes that DoD and the Services must do more to assure unfettered access to the BDD for service men and women as early as practicable in the last few months of their service.

Recent enactment of vocational and other non-degree training under the Post-9/11 (P911) GI Bill can be an extremely useful vehicle for transitioning veterans who are struggling to find meaningful employment. The new authority is effective on 1 August 2010. MOAA strongly recommends increased marketing and outreach efforts to inform and recruit Afghanistan and Iraq veterans into the P911 GI Bill program.

America's employers have shouldered inconvenience and lost productivity over the last 10 years of Guard and Reserve call-ups. MOAA believes bottom-line incentives the nation's employers' are overdue. MOAA supports pending legislation (S. 146) that would provide a \$2400 tax credit to employers who hire a veteran who has served over 180 days of active service in the last 5 years. MOAA also supports allowing employers to pay TRICARE Reserve Select (TRS) premiums for reservist-employees in lieu of providing more expensive employment-based health coverage.

With regards to the campaign to eliminate veteran homelessness, the VA's 2012 budget request includes \$939 million for specific programs to prevent and reduce homelessness among veterans. This is an increase of 17.5 percent, or \$140 million over the proposed 2011 level of \$799 million. The increase includes an additional \$50.4 million to enhance case management for permanent

housing solutions offered through the Housing Urban Development-VA Supported Housing (HUDVASH) program.

MOAA recommends the Committees hold oversight hearings to review and assess interagency collaboration on veteran transition, employment and homelessness eradication efforts.

## GI BILL PROGRAMS

### Post-9/11 GI Bill Improvements and Veteran Jobs

MOAA is most grateful to the Committees and Congress for final passage in the last session of needed upgrades to the Post-9/11 (P911) GI Bill including MOAA and Military Coalition supported objectives:

- Vocational and other non-degree training including apprenticeships, On-the-Job (OJT), and flight training;
- Eligibility for full-time National Guard AGRs serving on Title 32 orders;
- Establishment of a housing allowance for full-time distance (online) student-veterans;
- Transfer of benefits in exchange for extended service of U.S. Public Health Service and NOAA Corps servicemembers;
- Simplification of the reimbursement formula to specify payment of all tuition and fees at any public college or university undergraduate program;
- Increase in the living allowance for Vocational Rehabilitation and Employment (VRE) participants;
- Unlimited access to licensure and certification exams within remaining entitlement; and,
- Authorization of an annual book stipend for active duty member and spouse participants.

MOAA continues to support a “hold harmless” provision to permit currently enrolled students who may experience a decrease in benefits on 1 August to complete their studies as if the Improvements Act had not been enacted.

Enrollment in the P911 GI Bill continues to climb, a commendable trend. In this economic climate, veterans have a golden opportunity to develop their knowledge and skills by taking advantage of the most generous GI Bill program since World War II.

Most of the analysis of the Montgomery GI Bill (MGIB) and the P911 GI Bill programs centers on consumption of benefits: how many veterans use some or all of their entitlement. Little recent research has been undertaken on the longer term effects of the GI Bill. MOAA believes that Congress should support longitudinal studies to measure outcomes from the P911 GI Bill for the nation’s veterans who have endured enormous sacrifices over the past 10+ years.

MOAA is troubled by growing anecdotal reports of damaged or ruined credit records of veterans as a result of overpayments or miscalculations in the administration of GI Bill payments. Under the new program, veterans do not receive any funds directly from the government and they should not be penalized for actions over which they have no control.

MOAA recommends the Committees underwrite research into the long term effects of the P911 GI Bill; ensure that government

regulations and practices protect student-veterans' credit ratings in cases where overpayments or other calculation errors are made by VA officials or college administrators; closely monitor the P911 GI Bill program to preclude waste, fraud and abuse.

### Towards A 21st Century GI Bill Architecture

MOAA continues to recommend that the Committees conduct oversight hearings to move towards an integrated platform for GI Bill programs.

A streamlined architecture for the GI Bill is needed to support our fighting men and women in the 21st century. Veterans, lawmakers, military recruiters, college administrators, non-degree trainers and the general public need a simple, transparent and clear understanding of the service that is required for earning entitlement to the GI Bill.

To maintain multiple, overlapping GI Bill program authorities causes confusion, increases administrative cost, and weakens the potential of these programs to efficiently support military recruitment and retention efforts and positive readjustment outcomes as Congress intended.

MOAA recommendations for a 21st GI Bill architecture:

1. Integrate all active duty and reserve duty programs in a single chapter in Title 38. Benefit eligibility should be based on two metrics: the type and length of military duty performed. For active duty service, the MGIB should be merged with Chapter 33, the P911 GI Bill. Congress took an important step in that direction last year by adopting job training and other non-degree training rules in Chapter 33. The next step would be to phase out or repeal Chapter 30. Reserve benefits earned for an initial enlistment in the Guard or Reserve or for a call-up are addressed below.
2. Repeal Chapter 1607, 10 USC. MGIB benefits for operational active duty service performed by National Guard and Reserve servicemembers after 11 September 2001 were superseded by the P911 GI Bill.
3. Consolidate the Selected Reserve GI Bill with the new GI Bill. Congress has not raised GI Bill benefits for initially joining the Selected Reserve since 1999. The Selected Reserve GI Bill (Chapter 1606, 10 USC) competes head-on with Reserve pay and other personnel funding, and loses out every year. The ratio between Chap. 1606 benefits and the MGIB benefits has plunged to 23.6% against a historical ratio of 47-48%. Restoring the ratio would hike current rates for full-time study from \$337 per month to \$670 - \$684 per month. MOAA again recommends the Committees work with the Armed Services Committees either to restore benefit levels as intended by Congress or authorize the integration of Chapter 1606 in Title 38.

### Vocational Rehabilitation and Employment (VRE)

MOAA is most pleased that Congress included a provision in the P911 GI Bill Improvements Act (P.L. 111-377) that raises the subsistence allowance under the Vocational Rehabilitation and Employment (VRE) program to the housing allowance available under the P911 GI Bill.

A number of factors will drive demand for VRE services in the coming years: the rising number of Iraq and Afghanistan veterans with physical and emotional wounds; the new Agent Orange presumption among Vietnam veterans with certain diseases; new authority for vocational and

other non-degree training under the P911 GI Bill; expansion of the VetSuccess on Campus program; and the rate hike in the VRE living allowance. In addition to these circumstances, the sluggish economy will depress the number of meaningful jobs available to returning veterans and should make improved VRE benefits more attractive.

The VA has requested a modest \$152 million increase in appropriated funds for FY 2012 over the Continuing Resolution estimate for FY 2011, for a total of \$203,237. The request for additional VRE full-time equivalent (FTE) staff over the same period is just 84. (The FTE increase over FY 2010 is 134). MOAA believes the FTE increase is insufficient to meet the growing demand. MOAA urges the Committees to provide additional FTE staff for the VRE program including staff for the VetSuccess on Campus program to meet the growing demand for these services especially among returning Iraq and Afghanistan veterans with serious disabilities.

## SURVIVORS' and DEPENDENTS' BENEFITS

Survivors' Educational Benefits. MOAA is very grateful for Congress' support for the children of our Fallen Warriors via the establishment of the Gunnery Sergeant John D. Fry Scholarship program (P.L. 111-32). Children of an active duty member who died in the line of duty after September 10, 2001 are eligible for substantially the same benefits as the Post-9/11 GI Bill when they reach age 18.

Unfortunately, surviving spouses are eligible only for Survivors and Dependents Educational Assistance (DEA) (Chapter 35, 38 USC) benefits, which for many means college or vocational training is unaffordable.

For college attendance, DEA pays even less than the Montgomery GI Bill stretched out over 45 monthly payments (instead of 36 months for the MGIB). For full-time college enrollment, a surviving spouse receives just \$936 per month.

When Congress established the Post-9/11 GI Bill in 2008, it authorized a one-time 20% rate hike to the MGIB, but overlooked DEA. Today, the potential total DEA benefit is \$42,120 compared to \$51,336 under the MGIB.

MOAA believes the Committees should be concerned that surviving spouses receive substantially reduced benefits under DEA and are not eligible for a housing allowance or book stipend under the program. For many Survivors with children, college or vocational training is beyond their reach.

MOAA recommends:

- Authorize P911 GI Bill benefits for surviving spouses of the current conflict, the same educational benefit available to their children under the Gunnery Sgt. John D. Fry Scholarships, in lieu of Dependents and Survivors' Educational Assistance (DEA) benefits. As an interim measure, if resources are not available to raise DEA reimbursement to the P911 GI Bill level, authorizing Survivors of the current conflicts the P911 GI Bill housing allowance and book stipend under DEA.

Dependency and Indemnity Compensation (DIC) Equity. DIC, which is paid to survivors of those who paid the ultimate sacrifice, is set at a flat rate for all. MOAA believes DIC should be

set at 55% of the compensation paid to 100% service-disabled veterans and placed on an equal footing with survivors of disabled civil service employees. Survivors of federal workers have their compensation set at 55% of their Disabled Retirees Compensation. The November 2009 GAO report on Military & Veterans' Benefits (GAO 10-62) found that "DIC payments are almost always less than workers' compensation payments for survivors of federal employees who die as a result of job-related injuries." MOAA supports establishing the annual DIC rate at 55% of the compensation rate for a 100% service-connected veteran.

Caregivers of Catastrophically Disabled Veterans. Catastrophically disabled veterans, whose spouses serve as primary care givers, receive additional allowances due to the severity of their service-connected multiple disabilities. Spouses who are full-time caregivers are precluded from earning a retirement or Social Security benefits in their own right. When the veteran dies, the widow(er)'s income is reduced to the same DIC rate that other surviving spouses of veterans receive when the death was service connected. The percentage of replacement income can be as little as 15%. The income replacement of other federal survivor benefit plans is close to 50% of the benefit upon which they are based. MOAA recommends the Committees increase the income replacement rate for widow(er) s of catastrophically disabled veterans.

Retain DIC on Remarriage at Age 55. Legislation was enacted in 2003 to allow eligible military survivors to retain DIC upon remarriage after age 57. At the time, Congressional staff advised that age-57 was selected only because there were insufficient funds to authorize age-55 retention of DIC upon remarriage. MOAA recommends authorization of age-55 for retention of DIC upon remarriage in order to bring this benefit in line with rules for the military SBP program and all other federal survivor benefit programs.

CHAMPVA Dental. MOAA supports allowing Survivors qualified for CHAMPVA health care to be allowed to enroll in a proposed CHAMPVA Dental program. The proposal, which is modeled on the TRICARE Retiree Dental Plan, would have no PAYGO offset requirement since it would be fully funded by enrollees' premiums.

## CURRENTLY SERVING MEMBER ISSUES

Servicemembers Civil Relief Act (SCRA). MOAA thanks the Committees and Congress for enacting stronger SCRA protections for our activated service men and women and their families in the last session, including MOAA-sought improvements: a right of a "private cause of action" to enable servicemember to sue in Federal court for violation of their SCRA rights; termination of cell phone and other personal services contracts, and auto and residential leases without financial penalty.

We are also very grateful to Chairman Miller and Ranking Member Filner of the House Committee on Veterans Affairs for holding their first public hearing this session on violation of mortgage interest rate limits under the SCRA by JP Morgan Chase bank. Since then, the bank took comprehensive action to redress its acknowledged serious errors in this matter.

The call-up of more than 800,000 National Guard and Reserve service men and women since Sept. 11, 2001 has given rise to countless personal legal challenges, landlord-tenant, family, property and business matters governed by the SCRA.

Ultimately, the SCRA is about reducing stressors that can harm military effectiveness and increase risk to our fighting forces.

MOAA recommends the Committees consider adopting additional improvements to the SCRA including imposition of civil fines for violations of the law; criminal penalties in egregious cases of SCRA violation; and recovery of reasonable attorneys' fees by servicemembers from SCRA violators.

Uniformed Services Employment and Reemployment Rights Act (USERRA). In the last session, the Committees adopted a MOAA-supported program aimed at improving the administration and disposition of USERRA claims filed by Federal workers who are members of the National Guard and Reserve. The pilot program requires the Federal Office of Special Counsel (OSC) to enforce employment and reemployment rights of veterans of the Armed Forces employed by Federal agencies; and to permit covered individuals to file a reemployment rights complaint to the OSC.

Operational Reserve policies demand more than ever of the National Guard and Reserve, their families and employers. In 2007, Secretary of Defense Gates announced that reservists could expect to be called to active duty one year out of every five years over the course of a full career. More than 250,000 Guard and Reserve members have already served multiple tours of active duty over the last 10+ years.

MOAA believes the unprecedented reliance on the Reserve forces means the nation owes a reciprocal obligation to employers for their willingness to hire and retain Guard and Reserve employees. MOAA continues to endorse incentives that recognize and reward employers for their commitment to our citizen-warriors.

At the same time, in certain situations, it is important to send a signal that violations of reemployment rights under the USERRA cannot be tolerated if the Operational Reserve policy is to be sustained indefinitely.

MOAA continues to endorse legislation that closes certain gaps in the USERRA, including:

- requiring states to waive their sovereign immunity in cases requiring the enforcement of USERRA rights.
- making workplace arbitration agreements unenforceable in disputes arising under USERRA.
- authorizing punitive damages against egregious violations of the statute and providing for a jury trial in such cases; and requiring (under current law, "authorizing") a court to use equitable relief, including injunctions and restraining orders when appropriate, for USERRA violations.

Career National Guard and Reserve 'Veterans'

National Guard and Reserve members who complete a full Guard or Reserve career and are receiving or entitled to a military pension, government health care and other benefits are not

“veterans of the Armed Forces of the United States,” unless they have served a qualifying period of active duty.

This strange situation exists because the definitions of “veteran” in Title 38 limits the term to service men and women who have served on active duty.

National Guard members who served on military duty orders (other than Title 10) at Ground Zero in New York City on Sept. 11, 2001, the Gulf Coast following Hurricane Katrina, the Gulf oil spill catastrophe last year, or conducting security operations on our Southwest border, and subsequently retired from the National Guard are not deemed to be veterans under the law unless at some point they served on active duty.

The House Committee on Veterans Affairs and the full House addressed this issue in the last session by passing the Honor America’s Guard-Reserve Retirees Act (H.R. 3787, as amended, 111th Congress). The bill would establish that National Guard and Reserve members who are entitled to a non-regular retirement under Chapter 1223 of 10 USC and who were never called to active federal service during their careers are veterans of the Armed Forces.

The bill House-passed bill was cost-neutral and stipulated that no new or unearned veterans benefits would accrue with enactment of the legislation. For these career service men and women, the issue is one of honor, not of benefits.

MOAA recommends the Committees support legislation to authorize that career members of the National Guard and Reserve who were never called up to Federal active duty and are entitled to or receiving military retired pay are veterans of the Armed Forces.

## Conclusion

MOAA is grateful to the Members of the Committees for your leadership in supporting our veterans and their families who have “borne the battle” in defense of the nation.