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CHAIRMAN AKAKA, RANKING MEMBER BURR, AND DISTINGUISHED MEMBERS OF THE COMMITTEE, on behalf of the 370,000 members of the Military Officers Association of America (MOAA), I am grateful for the opportunity to present testimony on MO's views of the Department of Defense (DoD) and Department of Veterans Affairs (VA) cooperation and collaboration efforts and the challenges we see, both short-range and down-range.

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

#### EXECUTIVE SUMMARY

The Global War on Terror has produced a number of challenges for DoD, for the VA, for Congress, and for our country that we are not fully prepared to meet. We must muster all the necessary resources to get out in front of the issues that will impact all generations of military members, veterans, retirees, their families, and survivors now, and for decades to come. MOAA is extremely thankful for the Committee's leadership in working with the Armed Services Committee to improve health care and benefits for wounded warriors and their families.

MOAA is encouraged by DoD and VA leadership's focused efforts and collaboration on the care of wounded warriors, disabled veterans, and their families to improve delivery of health care, benefits, and support services as servicemembers transition from the DoD into the VA system and to civilian life.

Urgency of Joint Congressional Action and Oversight. Continued bipartisan and bicameral efforts between the Veterans Affairs and Armed Services Committees are absolutely crucial to continued progress. As in the Executive Branch, the leadership sets the tone for the staffs. We recognize that many of the jurisdictional and funding issues are not easy to resolve, but it is absolutely imperative to nourish a continuing collaborative framework to assess, oversee, prioritize, and fund cross-jurisdictional issues affecting the health, benefits, and welfare of our military and veteran beneficiaries, especially wounded warriors and their families who are so vulnerable to inefficiencies, inconsistencies, and bureaucracies of the DoD and VA systems.

Joint Transition Office. While both DoD and VA are making great efforts to cooperate, the single greatest barrier to continued progress is the lack of an institutional structure to impel and ensure joint cooperation between the two bureaucracies. Periodic leadership committee meetings, after which DoD and VA participants return to their separate offices on opposite sides of the Potomac, simply are insufficient to alter decades of historical administrative impediments. MOAA applauds the requirement for a joint office to implement the joint electronic medical record, but this is only one of many initiatives that require full-time joint collaboration if we hope to achieve substantive progress. These issues are simply too important to the nation to allow them to remain a part-time job.

In fact, Chairman Carl Levin (D-MI) at a February 12th Senate Armed Services Committee hearing, asked senior officials in DoD and VA to provide a legislative proposal for the establishment of a joint transition office that would provide a broader and more permanent structure for caring for our nation's wounded than the current JEC forum. Officials agreed on the need for such an office and told the committee they would provide the language. MOAA is not aware of any language that has been provided to the Committee to date.

**Expanding National Mental Health Capacity.** With nearly one-third of returning veterans suffering from PTSD, TBI, depression, or some combination thereof, we simply must find ways to expand and leverage our capacity to deliver care. A new RAND study concludes that investing in proper treatment would actually save \$2 billion within two years by improving the capacity of members and families to return to productive work. The real challenge is how to develop enough providers to meet the need. RAND and MOAA believe this will take a national campaign to:

- increase DoD's and VA's in-house mental health capacity, to attract more providers to see TRICARE beneficiaries;
- increase incentive, education, and training programs to encourage more military people, veterans, and civilians to enter mental health delivery and counseling fields;
- reduce stigma associated with seeking care and instill confidence that getting needed care will enhance, rather than detract from, servicemembers' career opportunities;
- outreach to let civilian providers know who they can contact for specialized information in treating military and veteran patients and families, provide information on DoD and VA web sites that provide military/VA-unique insights and best practices; and
- provide a clearing house for veterans and families in need to find providers or programs best-suited to their needs.

**Caregiver and Family Support.** More must be done to strengthen support for families, including authorization of compensation for family member caregivers of severely injured who must leave their employment to care for the servicemember. DoD and VA should each provide per diem or other appropriate compensation for these caregivers, recognizing that if government service has imposed this obligation on family caregivers, the government has an obligation to provide them some level of compensation. VA should consider implementing DoD programs like Military OneSource and Military Family Life Consultants to provide outreach services for veterans and family members.

**Access to Care and Case Management.** MOAA shares the concern that unnecessary delays in accessing health care can result in some veterans languishing in or giving up on the system, preventing them from getting the necessary treatment they need to improve their condition down range. MOAA commends VA's willingness to look at innovative ways to improve access and quality care outside of its traditional delivery mechanisms such as Federal Recovery Coordinators (though MOAA questions VA's and DoD's ability to manage 4,000 severely injured members with only seven of the eight FRC positions identified for the program),

OEFIOIF Transition Teams in VA medical facilities to assist and facilitate coordination of care and services for veterans, a Rural Health National Advisory Committee, and a Travel Nurse Corps.

Disability Evaluation System (DES) Reform. MOAA agrees strongly that VA and DoD should realign the DES so that the Services determine fitness for duty but accept disability ratings assigned by the VA. MOAA emphatically does not support the recommendation of the Dole-Shalala Commission to eliminate the military disability retired pay system, which could substantially reduce benefits for many wounded warriors and their families.

Claims Processing. MOAA believes that VA's workload estimates do not fully reflect new claims from returning OIF/OEF veterans, including more than 615,000 National Guard and Reserve activated since September 11, 2001. MOAA strongly supports additional claims-worker positions (FTE) for FY 2009 and investment in training, technology upgrades and integration in support of claims processing.

Guard-Reserve Support. MOAA urges the Committee to continue and expand its efforts to ensure Guard and Reserve members and their families receive needed transition services to make a successful readjustment to civilian status.

DoD-VA Medical and Benefits Systems Funding and Innovation. MOAA applauds the Committees' opposition to any initiatives that would reduce critical funding and resources, including the imposition of usage fees and higher drug co-payment fees for VA services. Since delayed funding authority seriously hampers program execution, MOAA urges the Committees to work with Senate and House leadership to ensure that the FY 2009 VA Appropriations Bill is signed into law before October 1 of this year.

## OVERVIEW

While the stories begin to fade over the cases of wounded service members who became lost in the military health care and administrative systems upon being transferred to outpatient rehabilitative care, the issues of care and support continue to be major challenges for both DoD and VA systems. MOAA is particularly concerned about how the two agencies will continue moving forward on these critical issues and who will be in charge when the leadership changes in the transition to a new Administration.

Our experience with such changes in the past has us worried that top-down commitment to seamless transition could wane when current leaders depart - not for lack of interest, but simply for lack of continuity in leadership, direction, personal knowledge, and energy.

### Urgency of Joint Congressional Action and Oversight

Progress to date, including the extensive measures adopted in the FY2008 Defense Authorization Act, are a credit to the leadership efforts not only in DoD and VA, but also in this committee and the Armed Services Committee: We are grateful for the unprecedented cooperation among all parties to address this most urgent national priority.

But the provisions enacted last year were only a first step. Many of the steps involved pilot programs and reports to help identify what actions are needed next.

You have a significant continuity advantage over the Executive Branch agencies. For that reason, the continued bipartisan and bicameral efforts between the Veterans Affairs and Armed Services Committees are absolutely crucial to continued progress. As in the Executive Branch, the leadership sets the tone for the staffs.

We recognize that many of the jurisdictional and funding issues are not easy to resolve, but we are optimistic that our common concern for the well-being of those who have borne the overwhelming share of national sacrifice will continue to overcome those barriers that have impeded progress in the past.

It is absolutely imperative to nourish a continuing collaborative framework to assess, oversee, prioritize, and fund cross-jurisdictional issues affecting the health, benefits, and well-being of our military and veteran beneficiaries, especially wounded warriors and their families who are so vulnerable to inefficiencies, inconsistencies, and bureaucracies of the DoD and VA systems.

### Joint Transition Office

One critical problem is bureaucratic stove-piping in each department. While both DoD and VA are making great efforts to cooperate, the single greatest barrier to continued progress is the lack of an institutional structure to impel and ensure joint cooperation between the two bureaucracies. There's no doubt about the good intentions of leadership, but sustaining the current effort for the long term requires a change in organizational structure. Periodic leadership committee meetings, after which DoD and VA participants return to their separate offices on opposite sides of the Potomac, simply are insufficient to alter decades of historical administrative impediments.

The FY2008 Defense Authorization Act established DoD/VA Interagency Program Office to oversee implementation of a joint electronic medical record, which MOAA greatly applauds. Only by establishing a joint office, staffed by full time members of both agencies working full-time together, can we hope to address the seamless transition issues that have stymied progress for decades.

But the electronic medical record is only one of many initiatives that require full-time joint collaboration if we hope to achieve substantive progress. Now that Congress has acknowledged the necessity of this structural change for this function, it is essential to acknowledge that the same necessity applies to many other joint needs.

Chairman Carl Levin (D-MI) at a February 12th Senate Armed Services Committee hearing, asked senior officials in DoD and VA to provide a legislative proposal for the establishment of a joint transition office that would provide a broader and more permanent structure for caring for our nation's wounded than the current JEC forum. Officials agreed on the need for such an office and told the committee they would provide the language. MOAA is not aware of any language that has been provided to the Committee to date.

We urge the military and VA leadership present at this hearing to follow-through on that promise by submitting a proposal to Senate Committees on Veterans Affairs and Armed Services with a legislative proposal and implementation plan for a joint office.

This simply can't be someone's part-time job. It requires a full-time joint federal transition office, staffed by full-time DoD, service and VA personnel working in the same office with a common joint mission: developing, implementing and overseeing the DEC's strategic plan.

This office's responsibilities should include:

Joint In-Patient Electronic Health Record - We strongly support the initiative already established in law. But we believe the 2012 objective for implementing this system is too long to wait. Congress must press DoD and VA to speed delivery as soon as humanly possible, with concrete timelines and milestones for action.

Special Needs Health Care - Polytrauma Rehabilitation Centers were established to meet the specialized clinical care needs of patients with multiple trauma conditions. They provide comprehensive inpatient rehabilitation services for individuals with complex cognitive, physical and mental health sequelae of severe disabling trauma. These centers require special oversight in order to ensure the required resources are available to include specialized staff, technical equipment and adequate bed space. This oversight must be a joint effort since it provides a significant piece of the health care continuum for severely injured personnel.

Recreational/Alternative Therapy - DoD-VA also should consider collaborating and expanding policy and resources to provide for more robust recreational and alternative therapy programs as a means to improve the quality of life of wounded warriors and their families, particularly as they adjust and transition into various communities and phases of the life-cycle so the VA can meet the personal and work-life needs of the veteran.

Post Traumatic Stress Disorder (PTSD), Traumatic Brain Injuries (TBI), and Mental Health/Counseling - MOAA strongly supports the provisions in the FY2008 NDAA establishing Centers of Excellence for these programs. But the fact remains that the services and VA are already conducting multiple independent pilot projects in these areas - with independent standards, measuring processes, and objectives. MOAA is doubtful whether these centers, by themselves, will be in a position to ensure coordination and implementation of best practices across all departments and services. There simply must be a single agency in charge - a joint office, a service Executive Agent, or some other oversight activity -- to provide central monitoring, guidance, evaluation, and cross feed of best practices to all concerned if we are to coherently destigmatize, identify, and treat PTSD and TBI.

MOAA believes it also is important to ensure that TBI and PTSD are identified and treated as combat injuries rather than mental health problems.

#### Expanding National Mental Health Capacity

Like the Committee, MOAA is greatly concerned that the exponentially growing need for mental health, behavioral, and cognitive therapy generated by the current war is coming at a time when our national capacity to deliver the level and kinds of needed care is already overwhelmed. With nearly one-third of returning veterans suffering from PTSD, TBI, depression, or some combination thereof, we simply must find ways to expand and leverage our capacity to deliver care.

A new RAND study of psychological and cognitive needs of all servicemembers deployed in the past six years is particularly instructive in highlighting this need. The study entailed:

- A national survey of servicemembers who have been deployed

- Economic modeling to estimate the cost of not providing appropriate treatment (including loss of productivity and suicide)
- An evaluation of treatment services available to servicemembers and barriers to that treatment.

RAND estimates that PTSD and depression among servicemembers will cost the nation up to \$6.2 billion in the two years after deployment. The study concludes that investing in proper treatment would actually save \$2 billion within two years by improving the capacity of members and families to return to productive work.

Researchers stated that "a major national effort is needed to expand and improve the capacity of mental health system to provide effective care to servicemembers and veterans. The effort must include the military, veteran and civilian health care systems, and should focus on training more providers to use high-quality, evidence-based treatment methods and encouraging servicemembers and veterans to seek care." The report cites the psychological toll on military members and veterans is disproportionately higher than those with physical injuries.

The real challenge is how to develop enough providers to meet the need. RAND and MOAA believe this will take a national campaign to:

- increase DoD's and VA's in-house mental health capacity, to attract more providers to see TRICARE beneficiaries;
- increase incentive, education, and training programs to encourage more military people, veterans, and civilians to enter mental health delivery and counseling fields;
- reduce stigma associated with seeking care and instill confidence that getting needed care will enhance, rather than detract from, servicemembers' career opportunities.

It is clear to MOAA that DoD-VA will have to pull out all the stops to address this issue before a real crisis erupts. Military and family members need early intervention to improve outcome-so too does DoD-VA if they expect to take charge of the situation.

Since we cannot possibly increase in-house capacity to needed levels in the short-term, we must find ways to leverage in-house expertise for use by civilian providers. That means outreach programs to let civilian providers know who they can contact for specialized information in treating military and veteran patients and families, information on DoD and VA web sites that provide military/VA-unique insights and best practices, and clearing houses for veterans and families in need to find providers or programs best-suited to their needs.

### Caregiver and Family Support

Lessons learned by the DoD and Military Services over the last three decades show the increasingly active role of military family members in the success of recruiting, retention and readiness. Families also expect and need to be active participants in the care and support of their veteran. VA must be able to adjust its mission and services to meet the needs of the larger veteran community----a community that includes the family - spouses, parents, siblings, and others whom the veteran considers important in his or her life.

Several wounded warrior provisions in the recently enacted NDAA provide additional support for the caregiver of the wounded warrior, typically a family member. However, we believe more needs to be done to strengthen support for families; to include the authorization of compensation for family member caregivers of severely injured who must leave their employment to care for

the service member. Per diem is provided while the servicemember remains on active duty, but this ceases upon medical retirement or discharge - even though members may still face years of rehabilitation and require continued full-time caregiver attention. DoD and VA must address this continuing need, recognizing that if government service has imposed this obligation on family caregivers, the government has an obligation to provide some level of compensation for those caregivers.

Left with diminishing resources and unfamiliar with military benefit and disability rules, family members are severely disadvantaged in trying to represent the interests of their veteran and the family while trying to navigate complex administrative systems and procedures.

VA should consider implementing DoD programs like Military OneSource and Military Family Life consultants to provide outreach services for veterans and family members. The Military OneSource initiative, a contracted information and referral service, would provide a mechanism to set-up a program quickly, and allow for augmenting and expanding current VA programs and initiatives in the works. DoD's Military OneSource provides information and referrals to military and civilian resources, to include childcare, mental health counseling, benefits assistance, financial counseling and assistance, and other high demand support services.

Access to Care and Case Management

MOAA is especially grateful to Congress for extending VA health care for Off / OEF veterans for five years vs. the previously authorized two. While this is a step in the right direction, we continue to hear about huge gaps in accessing health care services in some parts of the country by those already in the system. This is due in part to the growing veterans' population, but also because of VA failing to anticipate demand or lacking the agility to respond quickly to meet emergent requirements.

Sen. Burr expressed concern at a February 28th hearing about the need to provide wrap-around services to veterans at the front-end of the disability process - particularly upon entering the VA system. MOAA shares the concern that unnecessary delays in accessing health care can result in some veterans languishing in or giving up on the system, preventing them from getting the necessary treatment they need to improve their condition down range.

MOAA commends VA's willingness to look at innovative ways to improve access and quality care outside of its traditional delivery mechanisms such as:

- Federal Recovery Coordinators to serve as single case manager and advocate for severely injured, wounded or ill servicemembers and their families. MOAA however, questions VA's and DoD's ability to manage the 4,000 severely injured servicemembers currently in the system with only seven of the eight FRC positions identified for the program.
- OEF/OIF Transition Teams in VA medical facilities to assist and facilitate coordination of care and services for veterans.
- Rural Health National Advisory Committee to advise senior VA officials about health care issues affecting veterans in rural areas in order to bring services closer to the veteran.
- Travel Nurse Corps to deal with a nationwide shortage of nurses and to improve the quality of care for veterans. The Corps will enable VA nurses to travel and work throughout the Department's medical system.

## VA-DoD Seamless Transition, Wounded Warrior Compensation, and Benefits

Current legacy systems are stove-piped and over burdened-they were not built for agility or surge capability. Putting "seamless" in transition will require more than DoD-VA to make the cultural changes. Congress and the Nation must continue to pressure the systems toward change so that seamless transition becomes a reality and not just an unreached vision. Active duty and

Reserve components should be able to access transition services from multiple sources, when and where they need those services.

Disability Evaluation System (DES) Reform - A number of commissions and task forces have addressed major issues that arose from the Walter Reed situation, including the Dole-Shalala Commission and the Veterans Disability Benefits Commission (VDBC), among others. The VDBC issued its final Report to Congress on October 2007. MOAA is particularly pleased that the VDBC Report calls for the reform of the VA - DoD disability evaluation system.

MOAA agrees strongly that VA and DoD should realign the DES so that the Services determine fitness for duty but accept disability ratings assigned by the VA.

MOAA emphatically does not support the recommendation of the Dole-Shalala Commission to eliminate the military disability retired pay system, which could substantially reduce benefits for many wounded warriors and their families.

Claims Processing -- We believe that VA's workload estimates do not fully reflect new claims from returning OIF/OEF veterans, including more than 615,000 National Guard and Reserve activated since September 11, 2001. Claims also are increasingly complex and require more time in developing and rating them. In 2007, more than one-quarter (26%) of the compensation workload contained eight or more disability issues. This is an increase of 168 percent since 2000.

New VA claims workers need about two years to become minimally proficient in adjudicating a VA disability claim. We note that the Committees' "Views and Estimates" to the Budget Committees on the FY 2009 VA budget underscores the importance of training to improve claims processing timelines, increase accuracy and reduce appeals workload.

MOAA strongly supports additional claims-worker positions (FTE) for FY 2009 and investment in training, technology upgrades and integration in support of claims processing.

Guard-Reserve Support -- For the Reserve component, finding and accessing critical support services and health care presents unique challenges because Guard and Reserve members and their families are not always able to access base services like active duty personnel. Operation tempo and increase frequency and duration of deployments are extremely tough on Guard and Reserve whose support structure is usually the civilian community that often is not sensitive or understanding to military and family issues.

MOAA appreciates the work of this Committee in seeking to address some of these needs in the FY2008 NDAA, but more remains to be done.

We strongly urge the Committee to continue and expand its efforts to ensure Guard and Reserve members and their families receive needed transition services to make a successful readjustment to civilian status.



## DoD-VA Medical and Benefits Systems Funding and Innovation

For a fifth year in a row the Administration has proposed annual usage fees and higher VA drug co-payments. MOAA is grateful that the both the Senate and House Committees on Veterans' Affairs opposed these fee hikes. Like the House Committee on Veterans Affairs, we are "puzzled as to why the Administration requests these proposals in the face of consistent Congressional opposition." We too are concerned about the impact of these proposals on VA's ability to deliver sustained quality care and access to services.

The DoD, VA, Congress, MOAA, and our Military Coalition partners all have reason to be concerned about the rising cost of military health care. But it is important to recognize that the bulk of the problem is a national one, not a military-veteran-specific one. To a large extent, military and VA health cost growth is a direct reflection of health care trends in the private sector.

MOAA applauds the Committees' opposition to any initiatives that would reduce critical funding and resources, including the imposition of usage fees and higher drug co-payment fees for VA services. Since delayed funding authority seriously hampers program execution, MOAA urges the Committees to work with Senate and House leadership to ensure that the FY 2009 VA Appropriations is signed into law before October 1 of this year.

MOAA thanks the Committees for recommending over \$2.5 billion increase to VA health funding above the Administration's request.

It is imperative that DoD and VA continue to think out-side-of-the-box in delivering quality health care and support services through innovation and cost efficient and effective ways. This doesn't mean however, that the costs of DoD's and VA's inefficiency and effectiveness should be shouldered by servicemembers, retirees, veterans, family members, and survivors.

## CONCLUSION

MOAA reiterates its profound gratitude for the extraordinary progress this Committee, DoD and VA have made in advancing a wide range of seamless transition, wounded warrior, health care, and benefit initiatives for all uniformed services personnel, veterans, their families, and survivors.

We are eager to work with the Committee in pursuit of the goals outlined in our testimony. Through innovation, cooperation, and collaboration DoD-VA can be model systems for the Nation. We must all work together to change department cultures and open our system through partnerships and outreach. MOAA looks forward to working with Congress, DoD, and VA to build a joint system of care and support for our military and veteran communities.

Thank you very much for the opportunity to present MOAA's views on these critically important topics.