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OF THE AMERICAN LEGION

Thursday, September 20, 2007

House of Representatives,
Committee on Veterans' Affairs,

Joint with

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

The committees met, pursuant to notice, at 9:38 a.m.,
in Room 345, Cannon House Office Building, Hon. Bob Filner
[Chairman of the Committee] presiding.

Present: Representatives Filner, Hare, Berkley,
Salazar, Walz, Buyer, Miller, Boozman, Brown-Waite, Lamborn,
and Bilirakis.

Senators Akaka and Burr.

The *Chairman.* Good morning. It is nice to see you all here where you belong. And this meeting of the--this Joint Meeting of the Senate and the House Veterans' Affairs Committees is in order. We welcome the American Legion. We welcome our Senate colleagues, Chairman, Mr. Akaka, Ranking Member, Mr. Burr, and we are looking forward to your testimony.

Welcome back. As you know, we didn't hear your testimony for a little bit and we thought it was so important that we are glad to have you back and Commander, congratulations on your election. We welcome you in your position. It is going to be one of great challenge that we know you will be able to meet.

I want to make sure that we thank your Washington staff. They do a great job for you and keep us informed and we want --we keep them involved in our decisions and we thank you for their expertise. I know I represent San Diego, California and there are people here that I know from California I would just like to say hello to. And if they could stand, Mr. Leo Burke, William Syler, Charles Eskridge, Will Hayes, thank you

all for being here and any other Californians. It is a long trip and thank you.

As we all know, and Senator Akaka agrees, we come at a time of great importance to our nation, our veterans and our active duty troops who are in harm's way and we appreciate your advocacy. It is a challenging time. We will have new leadership at the Veterans' Administration as Secretary Nicholson leaves at the end of this month. We have a war going on which has already produced 800,000 veterans. We have needs that keep increasing of our older veterans, whether from World War II or from Vietnam, Korea, Persian Gulf. We have to do both as a nation. We have to take care of these incredible young men and women who are coming back from Iraq and Afghanistan with incredible injuries. But we have an obligation to serve those who came before.

This country can do it. We can do both. I said at your national convention, Commander, especially to those who were in Vietnam, we did not do right by them as a nation in terms of their honor and respect when they came home. We did not treat and take seriously enough their illnesses, especially mental illness. And they present us with a view of what

happens if we don't do the Iraqi and Afghanistan veterans right. We know what is going to happen in terms of homelessness, in terms of suicides.

And I promised at the convention, Commander, that we would, in addition to making sure that these new veterans are taken care of quickly and carefully and completely, that we owe a debt to the older veterans, that we have to say the stand-downs that are around the country to help homeless vets. We can do 365 days a year. We have to say that the Agent Orange claims which so many have to fight and causing so much consignment and frustration and problems, that we should accept those. If you were in Vietnam, near Vietnam, on the shores of Vietnam, above Vietnam, we owe you compensation and we owe you treatment for your health care.

And we have to do that right. And we have to have mandatory funding of the VA budget. The health care of our veterans should not be subject to political debate and dispute and the Administration says a billion and the VA says this and the Democrats say that and Republicans say that. That is not worthy of our veterans. We have to have mandatory funding to get that out of the political arena.

So we have a lot of work to do. As I said, we have dual challenges. The first three budget bills that went by in this new Congress, we were able to add \$13 billion in new resources for health care of veterans for this year over last year, an increase of \$13 billion. That should give us the resources to deal with both the older and the new veterans. Our job as a committee, our job as a joint committee is to do--make sure the VA does that right, uses those resources properly. And that is a big bureaucracy. It is filled with people who are committed to our veterans. But it has bureaucratic problems.

I think many of you members know, too often VA stands for veterans' adversary instead of veterans' advocate and our job is to turn that into an advocate for all our veterans who have served this nation. So that is our charge. We intend to meet it. Commander, we know that you are going to be helping us meet that charge and you will be introduced soon.

I would like to yield to the distinguished Chairman of the Senate Veterans' Affairs Committee, Senator Akaka from Hawaii.

Senator *Akaka.* Thank you very, very much, Mr.

Chairman. Chairman Filner is a great leader and I look forward to working with him, and also Congressman Steve Buyer, who I have worked with before and will look forward to working with him and to work with my new associate in the leadership there on the House, on the Senate side, Senator Burr, who is here, up here with us, too. And these are the leaders of the Veterans' Committees on the House and the Senate that I look forward to working with.

And so it is so wonderful to be here with you this morning and see so many, and I must admit, familiar faces. I want to send my warmest aloha to my friend, Bernard Lee and his wife seated in the audience here and any others who have traveled from my home state of Hawaii to be here with us today. I thank Paul Morin, the former National Commander of the American Legion, for his leadership and I want to congratulate Marty Conatser on his recent election as National Commander and it was great to have a chance to chat with you this morning.

And I also want to thank those who are in the armed services who are serving our country. They have been doing a great job for our country and we need to continue our prayers

for them and also their families. And also, I want to thank the veterans of our country for the service that they have given our country already, and also the advice that we are receiving from you. I also want to thank Secretary Nicholson for his service. As you know, he will be serving in that position up until September 30. And I want to thank the members of this group, the American Legion, for your support, your advice, and we look forward to continuing to work with you over the years.

The Senate's military construction veterans' affairs appropriations bill for fiscal year 2008 truly reflects our commitment to fully fund veterans' health care and benefits. Indeed, the bill closely tracks the level of funding recommended by the majority members of the Veterans' Affairs Committee in our formal views to the Budget Committee. The spending bill would provide a \$6.5 billion increase for VA health care over last year and \$3.6 billion more than the President requested. Now, this represents the largest increase in funding ever for VA health care. And you have heard the Chairman mention what the House has been proposing so well.

It is our expectation that these funds will be used wisely and that VA will report any problem areas. On that point, VA's IG recently finished an audit of waiting times in VA hospitals and clinics. And I know you are familiar with that. I asked for this investigation because of the obvious disconnect between what VA managers have told us about waiting times, that there are virtually none. That was their report. And what veterans and stakeholders, including the American Legion, have told me about the existence of long lines

The IG found problems with the accuracy and completeness of the waiting lists. The Congress cannot provide appropriate resources when VA managers cannot give us a clear and complete picture about the state of VA care. For this reason, we will continue our oversight of this issue and have been sending members of our staff across the nation to increase that oversight.

I am very pleased that there are additional funds included in next year's funding for the treatment of traumatic brain injuries and for VA mental health programs to treat what I call the invisible wounds, that is different

from physical wounds, that many veterans suffer from after serving in combat. The Senate Veterans' Affairs Committee will be busy with several nomination hearings this fall. The hearing on the nomination for VA General Counsel has been scheduled for next week.

Furthermore, it is my intent to move as quickly as possible and be consistent with our responsibility to properly review a nominee when the Committee finally receives nomination for the soon to be vacant position of Secretary of Veterans' Affairs. The long awaited report of the Disability Benefits Commission will be delivered to Congress next month. It is my intention that we will hold an oversight hearing on both the Disability Benefits Commission's report and on the Dole-Shalala Commission's report next month, as well as on other recent reports.

I applaud the diligence with which both commissions undertook their tasks. Their missions were very comprehensive and quite daunting and I want to thank all members of the two commissions for their service to America's servicemembers and veterans.

The Senate Committee has undertaken an aggressive

schedule this session, producing legislation that would help provide improved health care and benefits for veterans, both old and new. In the near future, I hope that the Senate will take up and pass several major veterans bills. Then the House and Senate can iron out differences on these bills and send this important legislation to the President prior to the end of this session.

The omnibus health care authorization bill contains a critical provision that will allow middle income veterans back into the system. Adequate funding provided through the VA appropriation will allow us to force the Administration to rescind its 2003 directive to shut off enrollment. The health care legislation would also, for the first time in nearly 30 years, raise the travel mileage reimbursement rate for qualifying veterans. These veterans, who have no choice but to travel long distance to receive VA medical care, deserve to have a fair mileage reimbursement. I thank my colleague from Montana, Senator Testa, for his leadership in this matter.

The omnibus benefits bill would, among other things, improve insurance programs for service-disabled veterans,

expand eligibility for traumatic injury insurance for active duty servicemembers, afford full veteran status of the World War II Filipino veterans, and provide automobile and adaptive equipment to disabled veterans with burn injuries. I look forward to a speedy passage of these bills in the Senate.

In closing, I thank the members of the American Legion for your service and look forward to your support on some of these matters in the Congress, and first in the armed services and now to America's communities and, most importantly, to the nation's veterans. I look forward to the testimony provided by your National Commander on behalf of your esteemed organization. I must apologize to you that I will have to leave promptly for matters back in the Senate. And thank you for your presence here.

Thank you very much, Mr. Chairman.

The *Chairman.* Thank you, Chairman Akaka, and thank you for your leadership for so many years.

I would yield to the ranking minority member of the House Committee, Congressman Buyer.

Mr. *Buyer.* Thank you. Good morning, National Commander, the National President and my fellow legionnaires.

We have some challenges ahead of us. The Legion, along with the other 19 organizations, are the leading voices of veterans in the country. I commend your former Commander sitting way over here in the corner now. Are you a has-been now? Is that what happens? All the former Commanders are over here sorted together. I don't think so, because your counsel is still sought and recognized.

I want to pay a bit of tribute and thanks, whether it is your, the American Legion, your legacy scholarship fund, the Americanism that you do for--with regard to America's youth, your contributions that you made with Operation Landstuhl, and more importantly, your Heros to Hometown program is very meaningful. The Marine Corps, they do it right. The Army is learning from the Marine Corps. I am an Army guy, but really, the Marine Corps, when they stepped out and how they made their assignments and once a marine, always a marine, and they follow them even when they go back home for their sub-acute care and their rehab, they do it right, especially in that transition time period. And the Army is learning.

And but for you also, you recognize the sons and daughters who are coming home. You know them. They are from

your community. And you also have experience what that is like to come home from war. And so to reach out to them and to help them transition is extremely important and for that I commend you.

I also would like to commend the American Legion, in particular, your Commander. After having visited with our troops and General Petraeus in Iraq, you said that the troops are doing their jobs and succeeding. You also said that Congress must allow General Petraeus to complete his mission to build a safer, stable Iraq that will not threaten its neighbors or the United States. You see, Commander, you took the long view and for that, I agree and commend you.

In pointing out that it took centuries for the United States to overcome many of its own religious and racial tensions, you took the long view and you recognized that free societies take time to build. You took the long view. So in an uncertain hour where the Global War on Terror hangs in the balance, there are some that are blind to the threat. But I commend you for your clear-sightedness.

I would also like to commend a mentor to many of us in Indian and it is Kenny Olt. The big O is out here and I am

glad he is out here. He is struggling to get around and I got a chance to see he and Allen Titus this morning. But I want to say to the big O you have had an impact on many veterans throughout Indiana and I want to thank you for your contributions.

I would also want to share, not only with the big O in understanding, but to all of you here, while we work hard to work in a bipartisan fashion here on the Veterans' Affairs Committee, we do also have our differences. And one, in fact, is very bothersome to me. So the big O is here, aren't you? Is the big O here? Where are you? Big O, you have devoted your life to the soldiers home in Indiana and to caring for your comrades. And many of those individuals there are, they are wartime, they are elderly, they are disabled, they are indigent and they are homebound veterans.

This Committee, on a partisan basis, took a vote and it was to repeal the Hartness decision and we are going to now cut almost a billion dollars of veterans' benefits from wartime, elderly, disabled, indigent, homebound veterans. Now, it averages about \$178 a month. Now, if you are elderly, homebound and indigent, \$178 a month is a lot of

money. Yet this Committee voted to take that money from them.

Now, you and I, the Legion and I, we have had our spat here over core constituency. Core constituency, I didn't make that up. It came from the American Legion. Now, who best defines who we serve? We serve individuals of whom are in less standing than ourselves. If we can't stand up and defend wartime elderly, indigent, homebound veterans, then shame on us. We better be defending them and go after it and defend this and not let this happen. You should never, ever take from one group of veterans to pay another group of veterans and that is exactly what has happened here.

We had an opportunity to hear from Secretary Shalala and Senator Dole yesterday. I want to thank Mr. Filner for holding that hearing and we learned a lot. I want to commend the President who moved out slowly and quickly after the problems out at Walter Reed. They laid some challenges before the Congress and we should get off our heels and on our toes. Seamless transition is an issue that has been around since 1982. From the year 2000, every year that I was the Chairman of the Subcommittee and full Committee, I held

19 hearings on seamless transition. There are many different subset issues that we have to tackle.

Layne Evans, Mr. Filner and I and the entire Committee, we worked on the IT in a bipartisan fashion to take a decentralized model and centralize it. Why is that so important? You have to be able to do that so you can move to a new operating system and we can perfect electronic medical records and get on to e-prescribing and all the other great things. It is the VA that we have invested so much money in that becomes the tip of the spear for our society. Now this health system that we built is not becoming an example that others now are looking to, because we in Congress are making such investments and taking advantage of a private sector that presses the bounds of science, and rightfully so, it benefits American's most precious assets, the veterans, the individuals who have worn the uniform and know what it is like to walk into the long dark shadows.

The last thing I wanted to touch on is the Claims Commission and I would like for you to be earnest in your efforts as we proceed. We have the recommendations from the Presidential Commission. The Claims Commission will be

testifying and I think that this is also an opportunity for us to think anew.

I look forward to working with both of our new Chairmen, in particular though, I look forward to working with my dear friend, Richard Burr of North Carolina. Richard and I have history together. We worked on the Health Subcommittee in Commerce and we helped design the improvements in the Medicare Program. Richard was a leader when I worked with Richard to design the Medicare drug discount card and Medicare Part B. He has a tremendous amount of knowledge in health care and I am so excited about him now being the ranking member in the Senate, someone who not only understands health care, but this is someone who truly is appreciative of the men and women in uniform.

And with that, I yield back.

The *Chairman.* With that introduction, Senator Burr, we welcome you to your position and look forward to working with you and your leadership on this Joint Committee. You are recognized.

Senator *Burr.* Chairman Filner, thank you very much and I know Chairman Akaka has gone. But I can tell you

personally how much I look forward to working with Danny Akaka on what I think is an extremely important committee in the United States Senate.

And to my good friend, Steve Buyer, you know, the one thing that keeps us in check is that we have stories on each other. So we will always be very flattering. But the reality is that I have a great deal of respect for Steve Buyer, because he fights harder than anybody I know for what he believes in. And in many situations on many issues, we can't ask for more than that. As Steve said, you know, our life up here is challenging right now. We will have differences. But if we are focused on the same thing, which is promises and futures, we will overcome the challenges that we have. We will stay focused on the things that are most important.

And I want to take this opportunity to welcome all the Legionnaires who are here who have traveled to Washington, who give of their time and their resources to truly help people that you may never have an opportunity to meet, but you know they deserve the commitment you make.

I haven't been out of the House long enough to

understand the beauty of this room, but more importantly, the history of this room, a room that has held many significant events in our country's history. Probably most memorable to me was the Watergate hearings that was held right here. But I think more important that what was held here is the fact that it is a reminder to us that history is an important part of the equation.

It is important that we understand the promises and the commitments that were made. It is also a reminder that all the work that has been performed here historically in this room had the same amount of focus on the future and our ability to make sure that our children and our grandchildren had an equal to or better opportunity with the same freedoms and liberties that we all enjoy. I come into my role as ranking member on the Senate Committee with a firm belief that we have a commitment to both sides.

Commander, I welcome you and congratulate you on your recent election. I know you have been a long time member of the American Legion and your selection as National Commander I think demonstrates the a great deal of confidence your fellow legionnaires have in you and I wish you a very

successful year and I personally look very forward to working with you throughout this year.

Of course, Mr. Chairman, I would like to take a moment. Is Coley Hunsucker in the room? Coley, at least we have got two of us from North Carolina here today. I couldn't let this moment pass without recognizing a legionnaire who has been involved with me since I got involved with politics, somebody who has shared with me all the principles of this organization, but has also been the most tremendous counsel to me on issues that aren't always the clearest. And Coley, I want to personally and publically thank you for the relationship that we have, but more importantly, the above and beyond that you have gone to work with me on veterans' issues.

I had the opportunity to speak to many of you this morning at breakfast very briefly and I will try not to repeat myself, but I will be as brief. Commander, I want to thank you for all the great work that the American Legion has done, in addition, for your advocacy on behalf of our nation's veterans here in Washington and around the country. The Legion does great work to teach good citizenship,

patriotism to the young Americans. Those are invaluable lessons for your organization and you do such a great job any time you are asked to step up and you do step up to the task.

As I shared with many of you at breakfast, I have got two sons in college. I have got a father that will be 87 next year. They are on both ends of the spectrum, and 534 colleagues tasked with mapping out what the continuation is of my dad's life, in more ways than just as a veteran, and mapping out what my children's future is in more ways other than just as a bread winner.

I would leave you with this this morning, because I think it is probably one of the most important challenges that the American people have been charged with. It was the words of President Bush, the old guy, 41, in 1988 on the steps of the United States Capitol on the day he was inaugurated commander, when he looked at the American people and he said this, "We are not the sum of our possessions. They are not the measure of our lives. In our hearts we know what matters. We cannot hope only to leave our children a bigger car or a bigger bank account. We must hope to give them a sense of what it means to be a loyal friend, a loving

parent, a citizen who leaves his home, his neighborhood and his town better than he found it."

I am here to say thank you to each and every one of you because it is apparent to me, you understood the challenge that President Bush gave us in 1988. You accepted that challenge and you commit tirelessly to make sure that you are focused on how to make your town, your neighborhood and your country better for the future than it has been ever before. Thank you very much.

I yield back, Mr. Chairman.

The *Chairman.* Thank you, Senator. Before Congressman Johnson introduces the new Commander, I just want to say, as you know, there is a variety of opinions in this nation and this Congress about the war in Iraq. But we are united, in this Congress and I know in America, in saying that every young man and woman who comes back from that war is going to get all the care, the love, the attention, the honor and the respect that a nation can give. And that is what we are about and we look forward to working with you to achieve that.

Congressman Johnson, thank you for being here to

introduce, I guess, your constituent and your friend. I call on Congressman Tim Johnson from Illinois.

Mr. *Johnson.* Thank you, Mr. Chairman and members of the Committee. It is with a great deal of honor and admiration that I come before this Joint Committee today to introduce the man who I have really had the opportunity to represent for many, many years, my friend, Marty Conatser. Back, I believe, a month ago or a little more, Marty was elected the National Commander of this nearly 3 million member American Legion, which, as I assume everybody in here knows, is the largest veterans' organization in the country. And I frankly cannot think at any level of a person better to lead the Legion than my friend, Marty Conatser. He joined the Illinois National Guard in 1970, I believe. He continued to serve for 26 years, 21 of which were spent on active duty in the Active Guard Reserve Program.

And during this time, Marty has held all positions in Army recruiting, from field recruiter to sergeant major, until he retired about 11 years ago. For the past 25 years Marty has been an active member of the American Legion Post 102 in Deland, Illinois, where I have visited many times and

I am privileged to represent. As a post-commander and now the National Commander, Marty has served at all levels of the American Legion and he has served them extraordinarily well.

Marty resides in Champagne, Illinois, Champagne being my hometown, with his wife Sharon, along with their three sons. They also have two daughters-in-law, a grandson and two great-granddaughters, or two granddaughters, all of whom are members of the collective American Legion family. So I hope that this Joint Committee, and I know you have and will, join me in welcoming National Commander Marty Conatser of the American Legion. And I would just say parenthetically that as the Chairman and ranking member said so articulately, while there may be divisions of opinion on other issues that are before us, there is no division of opinion in this Committee, and I would suggest in the United States Congress, on the commitment that we have to you, your organization and the people that you collectively represent.

So again, my appreciation, Mr. Chairman, for you allowing me to be here, my appreciation for the outstanding job that this Committee and these--this Joint Committee effectively does, and most particularly, my gratitude and

honor to introduce and represent the new National Commander
of the American Legion, Marty Conatser. Marty?

The *Chairman.* You are on, Commander. Thank you.

STATEMENT OF MARTIN CONATSER, NATIONAL COMMANDER, THE
AMERICAN LEGION; ACCOMPANIED BY STEVE ROBERTSON, DIRECTOR,
NATIONAL LEGISLATIVE COMMISSION, JIMMIE FOSTER, CHAIRMAN,
NATIONAL LEGISLATIVE COMMISSION, K. ROBERT LEWIS, CHAIRMAN,
NATIONAL VETERANS AFFAIRS AND REHABILITATION COMMISSION,
PETER GAYTAN, DIRECTOR, NATIONAL VETERANS AFFAIRS AND
REHABILITATION COMMISSION

STATEMENT OF MARTIN CONATSER

Mr. *Conatser.* It is good to bring your own crowd.
Chairman Filner and members of the Committee, it is an honor
for me to appear before this distinguished body to present
the American Legion's legislative priorities as they affect
delivery of the health care and benefits through the
Department of Veterans' Affairs.

Congressman Johnson, I want to thank you for introducing
me today and thank you for your selfless dedication to doing
what is right for America. I look forward to working with
you in my term as National Commander.

With your permission, Mr. Chairman, I would like to

recognize a few outstanding leaders in veterans' advocates in the audience today. Please allow me to introduce my National Vice Commanders, Thomas L. Burns, Jr. from Delaware, National Vice Commander, Peggy G. Datore from Alaska, National Vice Commander Randall A. Fisher from Kentucky, National Vice Commander Don Hayden from Minnesota, National Vice Commander David Corth from Wisconsin. Also with us today are a number of past National Commanders of the American Legion and I would ask that they now stand to be recognized.

It is my pleasure to introduce the President of the nation's largest patriotic women's organization, the American Legion Auxiliary, Ms. Jan Pulvermacher Ryan from Wisconsin. With President Pulvermacher Ryan are a number of past National Auxiliary Presidents and I would like to ask them to stand to be recognized.

I would like to also recognize the Commander of the Sons of the American Legion, Ray Gill, Jr. from Indiana. We as an American Legion family have spent some time on the hill together showing the unit of our purpose. I would like to take this opportunity to recognize my mother and father-in-law, Clay and Irene Lofton.

I would like this opportunity to recognize the one person that has been key to my success in this organization and life, that the road to becoming National Commander is paved with sacrifices and this wonderful woman, they wrote this for me, hon, has sacrificed quite a bit in support of her service to the American Legion and I sincerely do so I wouldn't be here without her, my lovely wife, Sharon. You got to have a little fun.

Chairman and members of this Committee, the American Legion has a proud tradition of advocating in behalf of America's veterans and this testimony reaffirms our commitment to ensuring all eligible veterans of this country receive the benefits and the care they have earned through their service. I would like to personally thank both of the Chairmen for listening to the voice of America's veterans and the reinstating of this important joint hearing.

Providing the legislative priorities of our organization before a joint session is an extremely valuable opportunity and I am proud to be representing the American Legion here today. Each generation of America's veterans has earned the right to quality health care, disability compensation,

rehabilitation and transitional programs available through the Department of Veterans Affairs, the VA. With this in mind, I applaud the actions of the 110th Congress for finishing the FY 2007 VA budget with an increase, also for the FY 2008 funding allocations for many VA accounts meeting or exceeding the funding targets proposed by the American Legion in testimony presented earlier this year.

The American Legion commends these actions. Congress has not exceeded the funding targets of the American Legion in many years. The American Legion will continue to work with both committees to ensure that VA is capable of providing care for him who shall have borne the battle for his widow and orphan. As a nation at war and stewards of the trust of America's servicemembers and veterans, it is our obligation to work together to provide a system of health care and benefits that will serve to truly assist transitional servicemembers as well as those who have served in the past who are now turning to the VA for help.

The conditions at Walter Reed Medical Center exposed a terrible gap between the appearance and the reality of seamless transition for our severely wounded servicemembers.

While the physical conditions at Walter Reed were not the fault of VA, deficiencies in the entire transition process were exposed. Besides the horrible living conditions that were brought to light at Walter Reed, the most often heard complaint from servicemembers concerned confusion over the transitional process itself.

Often it was the transition process that delayed the receiving of quality VA health care and other earned benefits for our newest generation of wartime veterans. All have agreed that this is a failure on the part of the Department of Defense and VA. After four short months, the President's Commission on Care for America's returning wounded warriors has made six recommendations to assure a seamless transition for the severely wounded. The American Legion is aware that these recommendations are being put into legislative form. Some of these reforms have already been suggested by members of Congress.

We commend the Commission's effort for embracing a patient-center approach that also recognizes the needs of family members. The American Legion strongly urges the enactment of reforms that will simplify the transition

process, not only for the severely wounded, but also for any servicemember facing medical discharge, whether in time of peace or war.

However, the American Legion has serious concerns that the recommended changes to the VA disability system will create two separate compensation programs. Creating a completely different compensation program will only add to the complexities of an already over-burdened system. The American Legion is also concerned that the new earning loss payment proposed by the Commission will be subject to FICA taxes and will also cease once a veteran begins to receive Social Security. This recommendation fails to recognize that the benefit is not merely to compensate for economic impairment, but it is also the thanks of a grateful nation in recognition of the sacrifice of our service-disabled veterans. To tax it and eventually replace it with Social Security is simply not acceptable.

Congress must be careful that in its attempts to fix perceived problems they do not, in fact, create additional problems. Creating more layers of bureaucracy will only cause more frustration to servicemembers and all veterans.

Any real solution must reduce paperwork, increase cooperation between DoD and VA and consider the impact on servicemembers, veterans and their entire families.

As we bring home a new generation of veterans, VA must be capable of striking the balance between meeting their needs and the needs of past veterans already in and just beginning to access the system. By working together we can provide a strong VA for all veterans, past, present and future. The American Legion stands ready to working with you to accomplish this goal.

Another area of concern for the American Legion is the current prohibition on enrollment of new priority group eight veterans. Denying any veteran his or her earned benefit is a broken promise of a grateful nation. FY 2007 saw the continuation of the suspension of enrollment of priority group eight veterans due solely to limited resources. Simply denying earned benefits does not solve the problem resulting from an inadequate federal budget.

As the Global War on Terror continues, fiscal resources for VA will continue to be stretched. A viable VA is one that cares for all veterans, not just the most severely

wounded among us or recently separated. The American Legion recommends \$38.4 billion in discretionary funding for veterans' health care in fiscal year 2009. In an effort to provide a stable and adequate funding process, the American Legion fully supports assured funding for veterans health care. The current discretionary funding process leaves VA facility administrators unable to establish a clear path for the future because of the continuous mismatch between patient demands and uncertain funding.

Assured funding for the VA medical care would provide a more realistic approach based on the actual patient population like Medicare, Social Security and VA compensation and pension. The American Legion believes health care rationing for veterans must end. It is time to guarantee health care funding for all enrolled VA patients.

In addition, the American Legion believes that Congress should allow the VA to bill, collect and retain third party reimbursements for Medicare on behalf of Medicare eligible veterans. Nearly all veterans pay into Medicare for their entire working lives. However, when they are most likely to need medical services from one hospital system designed

specifically for them, they must turn elsewhere because VA cannot bill Medicare. This is wrong and I urge you to correct this injustice. The American Legion firmly believes that making VA a medical provider and designating VA medical care as a mandatory funding item within the federal budget will ensure that it will enable VA to fulfill its health care delivery mission.

Another area of concern is VA's long-term care. This has been the subject of discussion in legislation for nearly two decades. Yet VA has yet to develop a long-term care strategic plan with well articulated policies that address the issues of access and integrated planning for long-term care of mentally ill veterans. The American Legion supports the publishing and implementation of a long-term care strategic plan that addresses the increased long-term care needs of American veterans.

Additionally, the American Legion will continue to support legislation that will ensure appropriate payments for the cost of long-term care provided to veterans in state veterans homes, stronger oversight of payments to state veterans homes, full reimbursement for treatment of veterans

70 percent service-connected or higher, and the more efficient delivery of pharmaceuticals. The American Legion urges Congress to support adequate funding for VA to meet the long-term care needs of America's veterans.

In 2002, the American Legion visited 60 VA medical centers nationwide and compiled a report highlighting the issues affecting VA as a result of years of inadequate funding. The initial report titled A System Worth Saving covered issues from medical care, collection fund targets to timely access standards to budgetary shortfalls to staffing shortfalls. This comprehensive report was presented to Congress and shared with VA in an attempt to bring attention to the budgetary needs of the VA health care system.

This year marks the printing of the fifth System Worth Saving report. The American Legion's 2007 System Worth Saving report focused on the services provided through VA vet centers, polytrauma rehabilitation centers and polytrauma network sites. The American Legion visited vet centers that were located near demobilization sites, selected polytrauma rehabilitation centers and polytrauma network sites to ascertain the effects of the number of returning veterans on

the services provided. Forty-seven vet centers, four polytrauma rehabilitation centers and 16 polytrauma network sites were visited. Each report has highlighted key issues in the determining of quality care, staffing levels, funding, fiscal plan and obstacles and challenges to providing care.

I encourage you to review this valuable publication at your convenience. The American Legion believes that all vet centers need to be fully staffed with qualified providers to ensure that combat veterans seeking care for readjustment are afforded the same standard of quality care, no matter which vet center they use. We are all aware of the July 2006 report entitled How Status and Services of OEF and OIF Veterans After Traumatic Brain Injury Rehabilitation, in which the VA's Office of Inspector General examined VA's ability to meet the needs of veterans who suffered from traumatic brain injury, TBI.

Some 52 patients from around the country were interviewed after at least one year after completing in-patient rehabilitation from a polytrauma rehabilitation center. That included those who lived in states with rural veteran populations. Some of the challenges noted by the

family members who care for these veterans in rural settings include the necessity of complicated special arrangements and the absence of VA rehabilitation care in their communities. Case managers working at polytrauma rehabilitation centers and several polytrauma network site centers notated limited ability to follow patients after discharge to rural areas and the lack of adequate transportation.

These limitations placed undue hardships on veterans families, as well as the veteran. They have shared many examples of families devastated by the demands of caring for TBI injured veterans. They have sacrificed financially. They have lost jobs that provide the sole income for that family. They have endured extended separations from their children. It is important that the veterans turning to VA for care for traumatic brain injury receive the highest level of treatment and rehabilitation available.

Initially, VA designated four polytrauma rehabilitation centers and recently it announced the creation of a fifth polytrauma rehabilitation center in San Antonio. These are state of the art facilities providing specialized rehabilitation to help severely injured patients optimizing

the level of independent and functionality that they are capable of achieving. Another unique aspect of the polytrauma rehabilitation center is that those needing care for traumatic brain injury, amputations, blindness and mental health issues can receive that care in one location. During the System Worth Saving site visits to the polytrauma rehabilitation centers, many had vacancies for highly specialized rehabilitation fields and nursing. The biggest challenge to fulfilling the vacancies were the inability to offer competitive wages. VA must be adequately staffed in order to maintain or enhance services provided to veterans and servicemembers who are recovering from multiple injuries.

Research conducted by the VA has indicated that veterans residing in rural areas are in poorer health than their urban counterparts. Providing quality health care in a rural setting has proved to be very challenging due to the limited availability of skilled care providers and the inadequate access to care.

Even more challenging will be VA's ability to provide treatment and rehabilitation to rural veterans who suffer from the signature ailments of the ongoing Global War on

Terror, such as traumatic blast injuries and the combat-related mental health conditions. VA's efforts need to be especially focused on these issues. The veteran's integrated services network rely heavily upon VA's community-based outpatient clinics, or CBOCs, to close the gap in rural care. Many of the CBOCs are near capacity and many still do not provide adequate mental health services to veterans in need. Providing mental health services in CBOCs is even more critical today than ever before. With the ongoing wars in Iraq and Afghanistan, it has been estimated that nearly 30 percent of the veterans who return from combat suffer from some type of mental stress.

Further statistics show that mental health is one of the top three reasons a returning veteran seeks VA medical care. The American Legion believes that all veterans, regardless of where they live, should have access to VA health care. Providing contracted care in highly rural areas when VA health care services are not possible would alleviate the unwarranted hardships that these veterans encounter when seeking access to VA health care.

Chairman, the American Legion remains committed to

ensuring that the VA carries out its historic and statutory responsibilities to also provide other benefits to veterans. VA reported that its Veterans Benefit Administration, VBA, regional offices issued more than 774,000 disability determinations in 2006. This represents an increase of about 11,000 decisions from the previous fiscal year. VA received 806,000 rating claims requests in FY 2006 and this number will undoubtedly increase in 2007.

According to VBA, as of August 25th, 2007, there were 400,000 rating claims pending, 25 percent of which were pending more than 180 days. According to the Government Accountability Office, although the VA made progress earlier this decade in reducing the size and age of pending claims backlogs, it is currently losing ground due, in part, to increased filing of claims, including those of OIF and OEF veterans. Inadequate staffing levels and increased pressure to make quick decisions which result in an overall decrease in the quality of work has been a consistent complaint among service center employees interviewed by our staff during our regional office quality checks.

In order to ensure VA and VBA are meeting their

responsibilities, the American Legion strongly urges Congress to scrutinize VBA's budget requests to ensure that it reflects the need for increase in full-time employees to address the ever increasing and unmanageable backlog. The American Legion strongly supports additional staffing. Our current wartime situation provides an excellent opportunity for VA to seek out returning veterans from OEF and OIF, especially those with service-connected disabilities for employment opportunities within the VBA.

Over the past few years, the American Legion's quality review team has visited more than 40 VBA regional offices for the purpose of assessing overall operations. The American Legion site visits reveal too few experienced supervisors to provide trainee adjudicators proper mentoring and quality assurance. In addition, at many stations ongoing training for staff is postponed or suspended in order to focus maximum effort on production. Despite the assurances of the Under Secretary for Benefits that the training is a top priority within VBA, the inconsistencies in VBA's training approach need to be thoroughly reviewed and addressed. Each of the VBA's 57 regional offices appears to have a different

approach to training and they are also different in the importance they place on it.

A national training standard, in addition to the centralized training conducted by compensation and pension services for regional office personnel is also needed. The emphasis on production continues to take priority over training and quality assurance. Although VBA's policy of production first has resulted in many more veterans getting faster action on their claims, the down side has been that tens of thousands of cases have been prematurely and arbitrarily denied.

The American Legion strongly recommends a substantial change in VBA's work measurement system. A more accurate, reliable work measure system would help to ensure better services to veterans. Ultimately, this would require the establishment of a work measurement system that does not allow work credit to be taken until the decision in the claim becomes final.

Another area of concern in the review of VA's compensation program being conducted by the Veterans Disability Benefits Commission, VDBC--we love abbreviations.

We eagerly await the final recommendations of the VDBC after their two-year review of the system. It is our hope that Congress will thoroughly consider the recommendation of this Commission before any reforms are made, including those recommended by the Dole-Shalala Commission after their four-month study. The American Legion welcomes recommendations that will improve the delivery of benefits to veterans and their dependents. However, we will adamantly oppose any recommendation that will take away or restrict current benefits where it is otherwise unfair to veterans.

In addition to improving delivery of health care, veterans must be provided effective programs to ease transition from the military. A strong educational package is vital to improving the lives of veterans after discharge. Today's GI bill falls short of meeting the actual cost of education in America. Today's service members deserve a GI bill that will allow them to attend college without paying into the system and without the threat of losing that benefit after ten years. Congress must strengthen the current GI bill to the level comparable to the original Servicemen's Readjustment Act of 1944 and include Guard and Reserve

members with federal active duty service in that commitment.

Chairman, while I have highlighted key issues of concern of the American Legion this morning, I urge each of you to review my full testimony that has been submitted for the record. The American Legion appreciates the strong relationship that we have developed with these committees. With increasing military commitments worldwide, it is important that we work together to ensure that the services and programs offered through the VA are available to the newest generation of American servicemembers who are now returning home without compromising VA's ability to serve the current population of veterans already enrolled.

You have that power to ensure that their sacrifices are indeed recognized, honored and consecrated by the gratitude of a grateful nation. The American Legion is fully committed to working with each of you to ensure that America's veterans receive the entitlements they have earned. The brave men and women who are serving and have served in our Armed Forces throughout the world deserve no less. I look forward to working with each of you through the next year to improve the lives of all of America's veterans. Thank you.

[The statement of Martin Conatser appears on p.]

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The *Chairman.* Thank you. Thank you, Commander, very much. Thank you, Commander. You have given us a lot to think about and I would like to call on Congressman Hare from Illinois.

Mr. *Hare.* Thank you, Mr. Chairman, and welcome, Commander, from a fellow Illinoisan. And there are three -- thank you all for your service to this nation. There are three people here, I believe, or maybe more, from my home state, Arnold Amose, Mark Stroud, Jr. and John Geiger. If you are here, would you please stand up so I could -- thank you. Thank you.

Commander, I only have five minutes and I want to touch on three issues here and ask for the help from you and for the entire American Legion. One is, I know we share the same goal on assured funding. I am proud to be the author of that piece of legislation in the House. And as a freshman, you don't usually get to do a whole lot of that, but I think this is an incredible piece.

Now, we currently have 85 cosponsors and what I would ask today, if you and everybody here, if you are visiting

your members, to talk to them and ask them to join us, the other 85, as cosponsors of this bill. This is an incredibly important bill. And, you know, sometimes I have found out that on this committee and in this town, if you don't ask, you don't get it. So I would really encourage all of you, if you would, to talk to the members of this committee, talk to the members that represent you from your home states, and ask them to cosponsor this bill. I think we have an excellent chance of getting this bill passed. It is long overdue and I think it is something clearly that I would be willing to work with the American Legion on and if, you know, and I would need your help there.

The second thing, and maybe you can kind of comment on these when I get through with all of them, is, you know, I was amazed to find out that we have 23,000 veterans that have been denied disability claims because the VA says they have a preexisting condition. We had a Marine testify who had gotten a reenlistment bonus, had a, I think a mortar go off over his head. He had a brain injury. He went from Germany to the United States and was denied benefits because they said it was a preexisting condition.

I can remember saying to that Marine I am surprised that--they asked for his \$3,000.00 back, part of his reenlistment bonus. So I said I am surprised they didn't want your Purple Heart to go along with it. I thought that was probably some of the most disingenuous things I have ever heard and a terrible way to treat veterans. And you know, there is a bill pending, and it is coming up pretty soon, to put a more a moratorium on that. And once again, I would hope that all of us can join together to put an end to this, because I can't think of a more disrespectful thing to be doing to people who give everything they have, including their lives, to this nation.

The last thing I want to talk about--and then I will see what you think about all three of these--are these disability claims. You know, we have tremendous backlog of claims, as you mentioned. I was having a cup of coffee with a member and it kind of dawned on me and I know the Legion and I would like to get your thoughts on this, not just today, but down the road. Why don't we treat veterans like we treat the taxpayers on these disability claims?

In other words, what I am saying, when the veteran files

for disability claim, you start the claim payment immediately. Why are we waiting 177 days? The VA says that their goal, if you will, is to get this down to 145 days. That is not acceptable to this Congressman. It ought to be zero days. And what I am suggesting is that we treat the veteran and we err on the side of the veteran and not the VA. If they filed a claim, my heart tells me that 99.999 percent of the people that are going to file these claims are legitimate claims. We start the process, because in the middle of it, they are going to have to make the claim retroactive to the time anyway. So it is not going to cost us any more money.

And the second part of it is, when somebody is involved in the middle of an appeal process, it could take five, six, seven years. If that veteran dies, his or her spouse has to start all over at square one. Now, again, what are we doing here or not doing here? So from my perspective, I don't know. I haven't formulated the final here, but I am very interested to get maybe your thoughts on being able to fix this problem. We can hire additional people and we have, but if we do that, it takes time to get them trained. And I am

wondering, given the numbers that are coming back, are we really going to be effective by just putting additional claim adjudicators in.

I apologize for going so fast. My yellow light is already on, Commander, but, you know, these are things that are very important to me as a freshman that I would be interested to get your thoughts on.

Mr. *Conatser.* Well, we fully support a shared funding or mandatory funding for the VA and that has been our position for quite some time and we are advocating that all the time. Disability and the backlog and the inequities there are always a concern of ours. We will be glad to work with your staff and I believe we have already. We have some ideas. But I think the two, the Dole Commission and the other commission with their recommendations, I think we have got to look at all and look at it with an open mind and I think the American Legion--and we stand ready to assist this committee, both committees on that and look forward to doing that and see if there is a better answer out there. If there was a perfect answer, I would think we had already found it. I think there is a lot of ideas. I think the American Legion

stands ready to work with all of those ideas and together we will come up with the best one, I believe, to go forward for our veterans. And that is the real answer.

I think each part of these reports are going to have some good thoughts in them and we can concur with some of them and some of them we are not going to be able to stand with. But I think everyone's heart is placed in the right place and we are pointed in the right direction and it is now time for us to look at that backlog and the inequities of existing conditions is a big concern.

Mr. *Hare.* Thank you, Commander. Again, thank you for your service.

The *Chairman.* There are some votes called over in the House and we will have to decide what to do about them. But Congressman Walz from Minnesota is recognized for his questions. He is the highest enlisted officer ever to be elected to Congress, Command Sergeant Major.

Mr. *Walz.* Thank you. Commander, congratulations to you. We have much in common. I am glad to see your family behind you. You know that old saying, behind every successful man is an astonished mother-in-law. So it is good

to see you there. But thank you. We do have a lot in common. I spent 24 years in the National Guard, part of it as a technician and I did retire as a Command Sergeant Major and in full disclosure here, I am a Legion member. So it is good to have you here on that.

Thank you to all of our past Commanders for being here and all of the work you did and thank you for those of you sitting up front that work legislatively. Your legislative director, Steve Robertson, just mentioned his son is on his second tour in Mosul. So we know the Legion family, sons, daughters, grandsons, granddaughters, are heavily involved in this. And at a time when only nine percent of the nation is veterans, it is critical that your voice be heard here and I can't tell you how proud I am to have all of you here.

Our Minnesota delegation is here but I am sure those good Lutheran Minnesotans are probably sitting in the back like they do at church, but if they are here, I congratulate them. So there he is, right in the front, right in the front. Thank you. But thank you so very much. And thank you to the Legion for all the work the work you do. I am a school teacher and I am heavily involved in the boys and

girls state program. I have former students who were state governors which I am very proud of, of course, your baseball program and your civic organizations that you are truly involved.

This is a proud organization and it is one that understands the need of this nation. The one thing I would say is veterans care must never be an afterthought to war. Veterans care, and as a Sergeant Major, my troops would always get angry with me. We would come in from firing the Howitzers and they knew the real work began, you know, poaching the tubes and doing everything else. And part of veterans care is when that last shot is fired, our obligation still remains. It is a moral obligation to care for our veterans. But as you well know in this room, it is also a national security obligation to show our youth that if you stand up for this nation, we will stand with you forever.

They don't need to see their seniors, their veterans that were battles of, whether it would be the battle of the bulge or whether it would be the current fights in Mosul, they don't need to see you coming to Congress and having to ask every single year to give just enough to get by, and then

decisions to balance a budget by cutting off groups of veterans to try and balance a budget. That simply isn't the way to go.

So I would ask on two things. We have a quick time here. The one thing, and our ranking member has expressed concern on this and I think he is right on this, in fact, I know he is, that we are going to provide the resources necessary, but we have a concern of those of us sitting up here that those resources are used correctly. And it is critical that we stay in our oversight position, that you stay in an oversight position, making sure that the resources we give are being accurately used.

I am disappointed today that a GAO report shows that we are still not making adequate progress on the technology and the security of data issues. All of you received that letter just like those of us up here did when our veterans' data was lost. We have had hearings that the Chairman has called and asked them point blank, what can we do for you to fix this and they have been told oh, it is okay, we are moving forward. Well, the GAO says they are not.

So I have one other question. I will keep this short on

this. It is a question of where we are going. The idea of presumptive service connection, I am really torn on this because some people tell us, you know, back off somewhat on the service presumption because you are going to hurt the other claims that are in and things like that. The Chairman and myself are deeply concerned. I come from the area that the Mayo Clinic is in and we are seeing a lot of research on Parkinson's and ALS being related to Agent Orange.

And I would like to, as the Chairman and others up here would like to push that issue of presumption. But our question to you is, my case is, if there is presumption and there is injury, no matter what, we have an obligation to go forward with it. But some say we need to be smarter and say we have other presumptions that must move first. I am sorry I took up so much time. It is always exciting. I said I spent a lot of years paying my dues so that you could come here and lobby me. But now I am here listening. So go ahead.

Mr. *Conatser.* Well, on your first point about resources and having them used well, we are very concerned. One of our concerns is if I am an administrator at a hospital

and I got this money for one year, am I going to hire staff to truly impact health care when I am not sure I am going to get the money the next year. That is a big concern of ours and I think it is a justified concern. We certainly appreciate the budget efforts and all the good work that these committees have done for us on those issues. We feel a big responsibility to make sure that we mentor and help you oversight those things, that the monies are used truly for health care and improvements.

On the issue of presumption, I will go to Peter Gaytan. Our VANR director would have a better answer, I believe.

Mr. *Gaytan.* Thank you, Commander. If I understand your question correctly, you are asking for the prioritization of presumption of service-connected disabilities?

Mr. *Walz.* Well, our take on this is that there should be a presumption there, that it should not matter on prioritization. An injury, a presumption of service-related injury should not matter. We all should be treated equal. Our fear is we are being told to be wise on this and don't add another category of presumption because it will weaken

our other claims. I don't agree with that, but I do want to hear your feeling.

Mr. *Gaytan.* We clearly support presumptive service-connection for those disabilities that are readily identified through medical evaluations. We do not support prioritizing any presumptive injury. If it is directly related to service-connection, that veteran deserves to be paid.

The *Chairman.* Thank you, Sergeant Major. And Commander, you have given us, as I said, a lot to think about. Our challenges are severe. I think George Washington said it best. He said the biggest factor in the morale of our fighting forces is the sense of how they are going to be treated when they get home. So we have a job to do, not only for our veterans, but for those who are in harm's way today.

We do have votes. Rather than to keep you waiting for people straggling in, we will adjourn the meeting.

Congressman Buyer wanted to have a last though.

Mr. *Buyer.* Thank you very much for your testimony. And I would like to--you now get to see why we enjoy having a Sergeant Major on the Committee. He focuses us very well. I have a Sergeant Major on my staff back in Monticello,

Indiana. He was my Command Sergeant Major in the first Gulf War and I hired him.

And what I would like to do at the moment, I don't mean to embarrass two members of my staff, but I have one directly behind me, Jim Layavere, who just returned from Afghanistan. He is a Marine Colonel. There is a gentleman in the back of the room, if you will turn and look, Jeff Philips right there. Jeff Philips is a member of my staff. He is the seventh member of my staff that has been called to active duty and he's just been promoted to Brigadier General and he leaves on active duty October 1st. We send him off well.

Mr. *Conatser.* And we thank them both for their service.

The *Chairman.* Thank you. A new member of our Committee and a very distinguished one who is Chair of our Committee on Disability who represents the area where Westpoint is, New York's 19th district, Congressman Hall from New York will take over and then adjourn the meeting.

Thank you again, Commander. I am sorry we all have, you know, our votes are there and we really appreciate your being here. I am glad we have reinstituted this session. You have

come at a very critical time and we will take up the charge that you gave us. Thank you so much.

Mr. *Hall.* Thank you, Mr. Chairman and thank you, Commander. I am sorry to be late. We are double and triple booked in hearings and meetings and now the votes were called unexpectedly early. The first one is the vote to adjourn. I don't have to tell you which side of the aisle that came from. But I already voted. So I am allowed to thank New York members, John Tipping, Alton H. Carpenter and Michael Tokars, our legislative liaison from New York.

And thank you all for your service and for your service to our veterans and to say that as a fortunate first term member who was chosen to chair a Subcommittee on Disability Assistance and Memorial Affairs, that I and other members of this Committee across the aisle will be working as hard as we can to reduce the unconscionable length of time that it takes for a veteran to have his or her claim for disability heard and adjudicated.

And so thank you again for your work. And now in my role as temporary Chairman, I am going to put this Committee into--adjourn the meeting. Thank you. It takes some

practice, you know. Thank you.

[Whereupon, at 10:58 a.m., the Joint Hearing was adjourned.]