Honorable DONNA E. SHALALA, Co-Chair PRESIDENT'S COMMISSION ON CARE FOR AMERICA'S RETURNING WOUNDED WARRIORS

TESTIMONY OF

DONNA E. SHALALA

Co-Chair

PRESIDENT'S COMMISSION ON CARE FOR AMERICA'S RETURNING WOUNDED WARRIORS

Before the

UNITED STATES SENATE

COMMITTEE ON VETERANS AFFAIRS

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Good morning Chairman Akaka and distinguished members of the Committee. Thank you for the opportunity to testify today, along with my fellow Co-Chair, Senator Bob Dole, about the recommendations our Commission presented to the President, Congress and the public in late July.

It was a true privilege to serve on the President's Commission on Care for America's Returning Wounded Warriors, especially with Senator Dole, whose knowledge of and experience with veterans' issues was invaluable during our short Commission tenure. We were joined by a remarkable group of commissioners, with their own unique experiences and expertise. Of our nine commissioners, four were severely injured in current or past conflicts and one was the wife of a soldier from Iraq who was severely burned.

The Commission presented six groundbreaking patient and family centered recommendations that make sweeping changes in military and veterans' health care and services. At the heart of these recommendations is our belief in a system of care and benefits that enables injured or ill service men and women to maximize their successful transition, as quickly as possible, back to their military duties or civilian life. Our report - Serve, Support, Simplify (hold up report) - is a bold blueprint for such a system. I respectfully request that this report be submitted for the record.

Let me take a moment here to emphasize that our efforts built upon the recommendations and reports of others - most of them here today. We are united in our call for change. We were not duplicative of these recommendations, but added to them in significant ways.

Our six recommendations do not require massive new programs or a flurry of new legislation. We identify 34 specific action steps that must be taken to implement the six recommendations.

Only six of these 34 items require legislation, and that's what I will focus on today.

I will summarize the actions that require legislation, and, then, Senator Dole will discuss how all of our recommendations would work together to create the best system of care to return our wounded warriors to optimal health and productivity.

Our first action step calls for Congress to simplify the DoD and VA disability systems. Right now, these Departments assess each service member's disability for different reasons. DoD needs to determine if service members can continue to do their job despite their medical condition. If they can't, then the DoD must discharge the service members. The degree of disability and the length of time spent in service determine the amount of military compensation and benefits. DoD generally only rates the condition that prevents the service members from doing their job. VA determines how disabled a veteran is based on every medical condition that occurred or was made worse while in military service. The degree of disability is part of how the VA determines what benefits, services, and amount of compensation the veteran will get. Veterans can ask the VA to rate additional disabilities at any time.

Over the years, the disability evaluation system has become convoluted as we tried to fix problems. What we created is a system that is confusing and takes too long. In our national survey of injured service members, less than half understood the DoD's disability evaluation process. And, only 42 percent of retired or separated service members who had filed a VA claim understood the VA process. The system is dysfunctional and we need to fix it.

We recommend that DoD retain authority to determine fitness to serve. Service members whose health conditions make them unfit for duty would be separated from the military with a lifetime annuity payment based on their rank and years of military service. This recommendation brings the DoD in line with other employers of choice- an important step in maintaining an all volunteer professional military force.

We believe that only one physical exam should be performed, rather than the two required nowone by each Department--and it should be performed by the DoD. The VA should assume all responsibility for establishing the disability rating based on that physical and for providing all disability compensation.

It is a much simpler system that better supports the needs of those transitioning between active duty and veteran status. It modernizes the system and allows the two Departments to focus on their unique and separate missions. DoD must provide the necessary military strength and expertise to keep our nation safe and secure. DoD should determine fitness standards and provide for the health and readiness of the military workforce. As an employer, DoD must also provide retirement benefits. The VA's mission is to care for our nation's veterans by providing appropriate benefits and services.

In our second action step, we recommend health care coverage for service members who are found unfit because of conditions that were acquired in combat, supporting combat, or preparing for combat. Congress should authorize comprehensive lifetime health care coverage and pharmacy benefits for those service members and their families through DoD's TRICARE program.

We believe this action item would help these individuals find employment that best fits their needs and talents instead of making a career choice based on whether family health care coverage is provided.

In our third action step, we would like Congress to clarify the objectives for the VA disability payment system by revising the three types of payments currently provided to many veterans. The primary objective should be to return disabled veterans to normal activities, insofar as possible, and as quickly as possible, by focusing on education, training, and employment. We recommend changing the existing disability compensation payments for injured service members to include three components: transition support, earnings loss, and quality of life.

"Transition Payments" are temporary payments to help with expenses as disabled veterans integrate into civilian life. Veterans should receive either three months of base pay, if they are returning to their communities and not participating in further rehabilitation; or an amount to cover living expenses while they are participating in education or work training programs. We also believe that the time allowed for participating in these training programs should be expanded to 72 months for those who might need to attend part-time.

"Earnings Loss Payments" make up for any lower earning capacity remaining after transition and after training. Initial evaluation of the remaining work-related disability should occur when training ends. Earnings loss payments should be credited as Social Security earnings and would end when the veteran retires and claims Social Security benefits.

In addition, we believe that "Quality of Life Payments" should be provided to disabled veterans. These payments are based on a more modern concept of disability that takes into account an

We also call for the disability status of veterans to be reevaluated every three years and compensation adjusted, as necessary. We see this as a positive provision that would ensure all disabled veterans are seen by a health professional at least every few years.

injury's impact on an individual's total quality of life-independent of the ability to work.

By simplifying and modernizing the DoD and VA disability systems, Congress will make the systems less confusing, eliminate payment inequalities, and provide a foundation with appropriate incentives for injured veterans to return to productive life.

Our fourth action step calls on Congress to authorize the VA to provide lifetime treatment for PTSD for any veteran deployed to Iraq or Afghanistan in need of such services. This "presumptive eligibility" for the diagnosis and treatment of PTSD should occur regardless of the length of time that has transpired since the exposure to combat events.

The current conflicts involve intense urban fighting, often against civilian combatants, and many service members witness or experience acts of terrorism. Five hundred thousand service members have been deployed multiple times. The longer service members are in the field, the more likely they are to experience events - which can lead to symptoms of PTSD. The consequences of PTSD can be devastating. The VA is a recognized leader in the treatment of combat-related PTSD, with an extensive network of specialized inpatient, outpatient, day hospital, and residential treatment programs. Therefore, we ask that any veteran of the Iraq or Afghanistan conflicts be able to obtain prompt access to the VA for diagnosis and treatment.

Next, we ask Congress to strengthen support for our military families.

In our travels across the country, it become abundantly clear that we not only needed to help the severely injured, we needed to help their loved ones too. These loved ones are often on the front lines of care and they are in desperate need of support. Therefore, we call upon Congress to make service members with combat related injuries eligible for respite care and aide and personal attendant benefits. These benefits are provided in the current Extended Care Health Option program under TRICARE. Presently, DoD provides no other benefit for care-giving. Yet we know that many families are caring for their injured service member at home - and many of these service members have complex injuries. These families, forced into stressful new situations, don't need more anxiety and confusion, they need support. Families are unprepared to provide 24/7 care. Those that try, wear out quickly. By providing help for the caregiver, families can better deal with the stress and problems that arise when caring for a loved one with complex injuries at home.

We also recommend that Congress amend the Family and Medical Leave Act (FMLA) to extend unpaid leave from 12 weeks to up to six months for a family member of a service member who has a combat-related injury and meets other FMLA eligibility requirements. According to initial findings of research conducted by the Commission, approximately two-thirds of injured service members reported that their family members or close friends stayed with them for an extended time while they were hospitalized; one in five gave up a job to do so.

Getting family members to the bedside of an injured service member is not the problem. The services have developed effective procedures to make this happen, and the private sector has stepped up to provide temporary housing. Because most injured service members recover quickly and return to duty, the family member's stay may be short. However, for those whose loved one has incurred complex injuries, the stay may last much longer. Extending the Family and Medical Leave Act for these families will make a tremendous difference in the quality of their lives. Congress enacted the initial Family and Medical Leave Act in 1993, when I was Secretary of Health and Human Services. Since then, its provisions have provided over 60 million workers the opportunity to care for their family members when they need it most - without putting their jobs on the line.

We are pleased to see that many members of Congress have embraced this proposal and we hope to see it enacted soon.

Mr. Chairman, I believe that government can work to improve the lives of its citizens. But sometimes, we fix problems by adding more complexity that in turn creates problems. What we've done with the Commission's recommendations is strip some of that away to simplify the system, to go back to basic principles and to make necessary programs more patient and family-centered.

We have been truly heartened by the response our report has received in the White House, the halls of Congress and throughout the country. The nation has rallied behind the need to help those who have put their lives on the line in service to our country. We have met with the White House and the Departments of Veterans Affairs and Defense and are pleased to report that they are moving forward on implementing those recommendations requiring administrative action.

We are optimistic that Congress will do the same for those recommendations that require legislation.

On behalf of the Commission, I want to thank the Committee again for the opportunity to discuss our recommendations - I look forward to joining Senator Dole in answering your questions.