

Chairman Daniel K. Akaka

OPENING STATEMENT

Oversight Hearing: The VA Adjudication Process

Senator Daniel K. Akaka, Chairman
Committee on Veterans' Affairs
United States Senate
March 7, 2007

Aloha and welcome to all. I am pleased that you can join us for today's oversight hearing on the VA adjudication process. I look forward to having a constructive conversation with Admiral Cooper, Chairman Terry and our other witnesses.

Today's hearing will address a matter that has been an ongoing concern to this Committee and our Nation's veterans for many years – the timeliness and accuracy of the adjudication of veterans' disability claims. In the last Congress, Chairman Craig held two hearings on the topic.

While the Veterans Benefits Administration and the Board of Veterans' Appeal have made strides in recent years to make the claims adjudication operation more efficient and productive, much work still needs to be done. This year GAO has once again designated VA's disability program as a "high risk area" in need of broad reform.

Recent news stories, including, most prominently, a recent cover story in Newsweek magazine, have highlighted some of these shortcomings and contributed to the public perception that VA is failing to meet its obligations to our Nation's veterans. I am confident that the VA is fully committed to its mission, but there are areas where improvements must be made in order to better serve our veterans and restore the Nation's faith in the institutions charged with caring for them.

The cost of caring for our veterans must be understood by Congress and the Administration as nothing short of an ongoing cost of war. Although the President's Fiscal Year 2008 Budget Request is a step in the right direction, it does not provide enough resources for adjudication personnel. We must ensure that sufficient funding is available to provide veterans with timely and accurate responses to their claims. As the veterans' population continues to age and disabled veterans return home from Iraq and Afghanistan, VBA's workload will continue to increase in the coming years. Nevertheless, VA predicts that the number of new receipts will essentially flatline in Fiscal Years 2007 and 2008. I am concerned that this projection may underestimate VBA's workload. The most recent numbers indicate that through the first quarter of Fiscal Year 2007, VA has received eight percent more claims than expected. Without prompt action, we will fail to keep our promise to provide timely and accurate decisions to veterans.

The time necessary to process a disability claim continues to be a matter of concern. While progress has been made in recent years, VBA remains nearly two months short of reaching its strategic goal of 125 days to process a claim. VA must find innovative ways to absorb the burdens of new legislation and court decisions, as well as the increasing complexity of claims filed.

The Democratic and Independent Members of the Committee recommended an additional \$40 million for VBA field offices and an additional \$3.7 million for BVA above the President's budget request to hire new staff. We also endorsed increased funding for VA's training initiatives. It takes approximately two years before a new hire fully contributes to the bottom line. Thus, proper funding and infrastructure for training must be in place before VBA finds itself dealing with an unexpected increase in its workload volume. We hope that these increases for staffing and training will be included in the Budget Resolution.

I am interested in hearing from Admiral Cooper and Mr. Terry on their plans to tackle both immediate and future challenges. I am particularly interested in hearing from Admiral Cooper about VBA's new policy of prioritizing claims from veterans of the Global War on Terror. How will this plan be implemented, and what impact it will have on claims process management at the regional office level? I am encouraged to hear that VA is committed to serving our veterans who have just returned from the battlefield, but we must also ensure that this policy does not adversely affect veterans of prior wars.

I again thank you for being here today. I look forward to our witnesses' testimony.