

HEARING ON THE PRESUMPTIVE NOMINATION
OF GENERAL ERIC K. SHINSEKI, TO BE
SECRETARY OF VETERANS AFFAIRS

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WEDNESDAY, JANUARY 14, 2009

United States

Senate,

Committee on Veterans'

Affairs,

Washington,

D.C.

The committee met, pursuant to notice, at 10:07 a.m.,
in Room 106, Dirksen Senate Office Building, Hon. Daniel

K.

Akaka, chairman of the committee, presiding.

Present: Senators Akaka, Rockefeller, Murray,

Tester,

Webb, Sanders, Burr, Specter, Isakson, Hutchison, and
Wicker.

OPENING STATEMENT OF CHAIRMAN AKAKA

Chairman Akaka. The United States Senate Committee

on

Veterans' Affairs hearing will come to order.

Today's hearing is to consider the nomination of Eric
Shinseki to be Secretary of Veterans Affairs. I have

known

General Shinseki and his family for many years. Indeed, I
had the honor and privilege of participating at his
promotion ceremony, I should say way back there when he
became a Colonel. I look forward to working with him in

the

latest chapter of his notable career as Secretary of
Veterans Affairs.

I am delighted to welcome with much aloha this distinguished native of Hawaii. His wife, Patty, is here, and Tim, their son-in-law, is here.

Following the inauguration next week, President Obama intends to formally nominate those individuals he has selected for cabinet positions, including General Shinseki.

The plan is for most, if not all of those nominations, to go directly to the Executive Calendar and to be voted on later that day. Thus, it is my hope that General Shinseki will be confirmed by the Senate on January 20. This is the same process that was followed in connection with the nominees to

head VA during the last two changes in administration. My friend, Senator Inouye, and former Senator Bob

Dole will elaborate on General Shinseki's long and distinguished career in the Army, which culminated in his service as the Army's 34th Chief of Staff.

I will simply note that he graduated from the United States Military Academy in 1965 and that he served two combat tours in Vietnam, where he was wounded twice in combat. It was the second injury that could have ended

his promising Army career. It did not end because then-Captain

Shinseki fought to remain on active duty, and in an inspired decision, the Army agreed.

Throughout his 38 years of service in uniform, he gave his personal best, serving with great pride and dignity.

This distinguished and decorated soldier set a new standard for the Army. He transformed the Army into an agile, lean, flexible, and lethal fighting force. He set a higher standard for those to follow, while keeping the spirit of aloha. With his pride and dedication to service, he made our Army stronger.

General Shinseki, you will have tremendous challenges facing you. Heading VA is a challenging job, and that is even more true in a time of war. VA must not only meet the needs of those from prior conflicts, but also quickly adapt to address the needs of those newly injured or disabled. Each war brings different challenges and different demands.

With Iraq and Afghanistan, VA is responding to new challenges: Veterans needing state-of-the-art prosthetics or age-appropriate long-term care for injuries that will last a lifetime. The Department must also confront less obvious and visible wounds, such as PTSD and TBI.

Another area that needs prompt attention is the system for compensating service members and veterans for in-service injury. The frustrating lack of timeliness and the challenge of coordinating DOD and VA's systems are some of the areas that must be addressed quickly. This committee stands ready to work with the administration on this effort.

If you are confirmed, this must be one of your highest priorities.

You will also need to focus on the transition for injured service members from active duty to veteran status.

A lot of work has been done over the last two years and I am

hopeful that your long experience in the Army will enable you to continue these efforts. For returning service members, especially those who are seriously injured, there must be a truly seamless transition from DOD to VA.

VA has a strong and dedicated workforce of employees who seek to do what is right. The Secretary, with the backing of the Congress, must give those employees the leadership, the tools, and especially the resources they need to carry out their jobs. If confirmed, one of your first responsibilities will be to ensure that the 2010 budget is adequate for the coming fiscal year.

When VA is doing its best, few notice that. But things

are not perfect within VA. Few human endeavors ever are. If a veteran receives less than what is expected, it can lead to an indictment of the entire VA system. Complaints must be investigated and problems must be fixed. But individual failings should not lead to the indictment of

the

entire system.

In closing, I am confident that you have a strong sense

of empathy for those served by VA and a deep commitment to VA's mission. This will serve you well as Secretary.

I applaud your effort to avoid even the appearance of

any conflict of interest in connection with your stock portfolio, your private consulting firm, and the boards on which you serve. I trust that all fair-minded individuals will appreciate the steps you have taken to preclude even

an

appearance of any conflict of interest.

With respect to the rest of your team, this committee has a strong history of bipartisanship and this is especially true with respect to nominations. As quickly

as

the administration can send forward other advice and

consent

positions for VA, I promise that the committee will take action.

I look forward to your testimony, your responses to questions from committee members, and to any post-hearing questions. It is vitally important that the position of Secretary of Veterans Affairs be confirmed as soon as possible.

There is a roll call vote, by the way, which is scheduled to start at 10:30. My hope is that we can continue the hearing with some Senators voting at the

start

of the roll call and then returning, at which time other Senators would leave to vote. If we reach a point where there is no Senator available to continue the hearing process, there will be a brief recess.

So let me call on our Ranking Member for his statement.

OPENING STATEMENT OF SENATOR BURR

Senator Burr. Good morning, Mr. Chairman. Aloha.

And to our colleagues, let me say to you and to them how much
I look forward in the 111th Congress to us working together
to improve the lives of our nation's veterans and their families.

I also want to welcome General Shinseki and I want to congratulate you on your nomination to serve as the Secretary of the Veterans Administration. I have personally had the opportunity to sit down with General Shinseki and to review his extensive credentials. I believe it is clear to me, and I think it is clear to all members, that you have the experience, you have the leadership skills, you have the determination needed to serve a very important and challenging position as Secretary of the Veterans Administration and I certainly welcome you and your family here today.

Let me take a slightly different tack than what the Chairman took. The Chairman has to say, if you are confirmed. Let me say this, General. When you are confirmed as the head of the VA, you would be entrusted with one of the most noble missions of the Federal Government, and that is caring for the men and women who have served and sacrificed on behalf of our entire nation. That means providing veterans and their families with a broad range of benefits and services that they need to live full and

productive lives and making sure that our fallen heroes
are honored and memorialized.

But as we will discuss today, the next Secretary will face many serious challenges in carrying out that mission. With our nation continuing to fight conflicts in Iraq and Afghanistan, we have men and women returning home with the physical and psychological wounds of war. For those who leave the military, the goal must be to ensure they are quickly and effectively provided with the benefits and services that they need to return to civilian life as closely as possible as to how they left.

Unfortunately, too many wounded service members do
not experience a seamless transition from active duty to civilian life. General, I look forward to hearing your thoughts on how we can prevent these wounded warriors from falling through the proverbial crack.

Our nation is also facing the highest unemployment rates in nearly 16 years, which may lead veterans who lose their jobs to seek health care from the VA for the very first time. General, as Secretary, your charge would be

to ensure that as more veterans come into the system, the quality of the health care provided by the VA does not deteriorate. This challenge will be even greater in States like mine of North Carolina, where the number of veterans is growing and where VA capacity is already stressed beyond its

capable means.

for
In addition, the next Secretary will be responsible
implementing the new post-9/11 G.I. Bill. At a minimum,
that means making sure veterans and their families receive
the correct amount of benefits on time. But it also means
providing user-friendly benefits that allow veterans and
their families to make the educational choices that best
meet their needs.

ahead,
General, considering all the challenges that lie
I appreciate your willingness to serve our nation in this
very important role. I congratulate you again on your
nomination, and more importantly, I look forward to
working
with you and on the behalf of our nation's veterans and
their families. I thank you, General.

Thank you, Mr. Chairman.

Chairman Akaka. Thank you very much, Senator Burr.

Before we continue with opening statements of the
committee, I would like to call on our two distinguished
World War II veterans, my esteemed senior Senator Dan
Inouye

and our former colleague Senator Bob Dole, for their
introduction of General Shinseki.

I will leave it to the two of you to decide on the
order of your introductions.

[Laughter.]

Senator Inouye. You are older.

[Laughter.]
Chairman Akaka. Senator Dole?

PRESENTATION OF GENERAL ERIC K. SHINSEKI, USA
RETIRED, PRESUMPTIVE NOMINEE TO BE SECRETARY OF
VETERANS AFFAIRS, BY HON. BOB DOLE, FORMER

UNITED

STATES SENATOR FROM THE STATE OF KANSAS

Senator Dole. Well, you know, like everybody on this
committee, we are all concerned about our veterans, and
there are 25 million-plus veterans, so this is no small
job
I
You
patients.
always
with
in
is
that you are undertaking, but I have read all the material
I
could find. I don't know of anything you haven't done.
You
have been twice wounded. You have been on that side. You
have been a patient. You understand the needs of
patients.
You know that obviously priority number one are deserving
veterans, and the great majority are. But there are
always
some who may be gaming the system.
But I am honored to be here, not only with you but
with
my former colleague, Senator Inouye. A little trivia. We
were wounded a week apart, a mile apart, or a hill apart
in
Italy near the close of the war. We wound up in the same
hospital, along with Colonel Hart, who the Hart Building
is
named after. So here are three of us guys, we don't know
whether it is politics or whatever, who found ourselves
together in the United States Senate. They were both
wonderful men, and the Hart Building is named after Phil
Hart because he was the conscience of the Senate. I never
heard him utter a bad word about any other colleague on or

because off the board and he was just a great mentor for me
long before I decided to run, I came to Washington and had a
visit with Phil Hart.

I Dan, as an aside, was the best bridge player at Percy
Jones General Hospital. We had nothing else to do, so we
stayed up all night, and I think he won the championship.

I don't know how many entries there were, but he won the
championship.

have I think one thing that ought to be noted here, we

General Shinseki succeeding General Peake and these guys
for have been long-time friends. It will be a seamless
transition and they will be working together whenever they
need each other. I don't know what General Peake has in
mind. But I want to personally thank him for what he has
done, and I particularly want to thank General Shinseki

all he has done from Vietnam to Bosnia to Afghanistan and
Iraq and to the present day for his willingness, again, to
offer his dedication, knowledge, and experience to this
country.

I know his assignment will take time away from his
cherished grandchildren, which is not easy, particularly
when General Shinseki has already given so much to his
country.

As I said, when Senator Inouye and I had the pleasure
of introducing the current Secretary, it is good to have a

Secretary who is impatient and who knows what it is like
to have been in the system succeeding General Peake. He has
lived with disability since his service in Vietnam and I
cannot believe a day does not go by that he is not
inconvenienced in some way in his life because of the
sacrifices he has already made for his country.

He is a West Point graduate, as was General Peake.
That doesn't mean he won't care for those in the Navy and
all the other branches--

[Laughter.]

Senator Dole. --but it is just another indication
that this is a man of quality. We are lucky to have him. I
think he was--you were the Army Chief of Staff when Peake
was appointed Surgeon General, which I am certain you had
something to do with. But anyway, as I said, they are
long-time friends and this will be one of the easiest
transitions there is.

He will be a strong voice for veterans in the new
administration and he has a profile, and I don't condemn
anybody who was VA Secretary in the past, but when you

have a General with a record like his, he is going to have
young men and women who are patients or looking for help after
they are out of the hospital knowing that they have
confidence in the leader of the VA system. This means a

lot to people. You may never get to meet the General, but
they

have got to think in their mind, here is a man who has
been through it, here is a man who understands it, and I feel
better about what is going to happen.

I was on a flight, I think we were going to
Kyrgyzstan.

I wasn't certain I knew where it was. But on the way to
the flight, a colonel who happened to be from Kansas came over
to me and said, "I just want to visit a while," and he
left and he left me his card and he said, "Before you get off
the plane or sometime," and he gave me his card, and on the
back was a quote by John Stuart Mill, and this is a quote.

"War is an ugly thing," it read, "but it is not the ugliest of
things. The decayed and degraded state of moral and
patriotic feeling which thinks that nothing is worth war

is much worse. The person who has nothing to which he is to
fight for which is more important than his own personal
safety is a miserable creature and has no chance of being
free unless made so and kept so by the exertions of better
men than himself," end of quote.

This is something that I know our friend General
its Shinseki understands. As a free country, America honors
commitments, and the first of those commitments is to
support men and women in uniform and their families who
risk everything in most cases. We will meet our commitments
because we have a committee such as we have, and we have
men like the new Secretary who will serve and do everything
that

should be done for our deserving veterans and promised
them by a grateful nation.

As the members of this committee know, I joined
former HHS Secretary Donna Shalala on a Presidential Commission
examining the care we provide to our warriors in VA and

DOD facilities, and I think that it is fair to say there were
nine of us on the committee, five of us had disabilities,
and whatever you think about President Bush, we had

several meetings with the wounded veterans and the only thing he
ever told us, he told us he was responsible for what
happened to each one of these young men and young women

and he said, "Do whatever it takes." Nobody was asked the
cost, nobody was asked the politics, and that is the way it

should be and that is the way it will be with the new Secretary.

So I think I was pleased, President Bush was pleased,
and many members of Congress were pleased with the
recommendations of the Shalala Commission, and if not, I
know Congress will make changes. We made recommendations
where we thought if somebody lost an arm, for example,

even though it is indirectly compensated, there should be a
separate compensation because that quality of life has

gone from a ten to a two or three or four, and the same for
anybody else with a serious injury. It doesn't have to be
physical. It can be TBI or those very bad cases of PTSD.

That is just one example that we think Congress should
take

a hard look at.

When I called General Shinseki to offer help, I
learned

it is not considered, being Secretary of VA, a political
appointment, and I compliment President-Elect Obama for
keeping the VA that way. The VA, of any cabinet I can
think

of in the government that should not be political, it is
the

Veterans Administration. Nobody knew when we went to war
whether we were Democrats, Republicans, Independents.
Nobody knows. It doesn't make much difference to the
veterans today. They are just looking for some decent,
honest person like General Shinseki to provide them the
leadership.

The President-Elect has made a wise choice and his
appointment is yet another powerful indicator of how we
care

for and respect our men and women who serve our country.

I

cannot think of a better person to look after our 25
million-plus veterans than this true American hero who has
done about everything one can think of for his country. I
wish I were still in the Senate so I could vote for his
confirmation.

God bless America, General Shinseki, and our men and
women whose service has kept us free. I ask that my
statement be made a part of the record.

[The prepared statement of Senator Dole follows:]

Chairman Akaka. Thank you. Your statement will be included in the record and thank you very much, Senator Dole.

Now, Senator Dan Inouye.

PRESENTATION OF GENERAL ERIC K. SHINSEKI, USA
RETIRED, PRESUMPTIVE NOMINEE TO BE SECRETARY OF
VETERANS AFFAIRS, BY HON. DANIEL INOUE, A

UNITED

STATES SENATOR FROM THE STATE OF HAWAII

Senator Inouye. Thank you very much, Mr. Chairman,
Senator Burr, and distinguished members of this committee.
I am grateful for this opportunity to appear before you

with

my very dear friend, Bob Dole, Senate Majority Leader, to
present General Shinseki, President-Elect Obama's nominee

to

serve as Secretary of the VA.

In Hawaii, our favorite word is aloha, but second to
that is the word "ohana," and that word means family. But

a

Hawaiian family includes men and women not necessarily of
blood kinship, but united by shared concerns and shared
beliefs. Yes, that is ohana.

I had the great honor of standing with Senator Oren
Long, Hawaii's first elected Senator, to nominate General
Shinseki to the United States Military Academy at West
Point. Since that appointment and his acceptance, I have
naturally followed his career.

In his initial tour of duty in Vietnam, he did well,
but he suffered a grievous injury. Most Americans are not
aware of this, but he has an amputated foot. Any other

man

would have justifiably resigned himself to civilian life

and

retired from the military. It would have been an

honorable

thing to do. However, General Shinseki pleaded to remain
on active duty despite the hardship and physical pain.

Well, this is just one measure of the man who appears
and before you today, an unflinching devotion to our country
to his duty. His plea was granted. General Shinseki's
service encompassed both further study. He got his

Master's
from Duke University and later at the United States Army
Command and General Staff College and National War
College.

These studies, together with an astute grasp of the
pragmatic and the quality of his leadership, supported a
steadily spiraling course upward through the ranks of the
Army, and that is another measure of General Shinseki, the
stamina required for sustained excellence.

During my service as a Senator, I had the occasion to
go to Kosovo and I was so proud when I met General
Shinseki,

Commanding General of Kosovo Operations. At that time, I
was certain that his career would blossom further. In

June
of 1999, General Shinseki became the Chief of Staff of the
United States Army.

His tenure in that high post included the onset of
the
Iraq War. As we move from the emotional frenzy of
commencing hostilities, members of Congress began to have
questions, most notably whether we had adequate resources

to
succeed in this war, and obviously General Shinseki was
called upon to testify at hearings. I think most of us

expected the General to give the standard line that any
administration would favor. But as we all know, he did
not.

He told the truth. It wasn't easy, and in so doing took a
position contrary to his Commander-in-Chief.

His honest assessment that more troops would be
needed

cost him his job, but it is the surest measure of his
fitness to serve as a member of the cabinet. To speak the
truth in the face of enormous pressure is not to take the
easy way out. This is the kind of man I want to see as
Secretary of the Department of Veterans Affairs.

Members of the committee, I am proud to know him, but
I
am prouder still to be in his ohana.

I thank you very much, Mr. Chairman.

Chairman Akaka. Thank you very much, Senator Inouye,
for your statement and for presenting with Senator Dole
our

nominee.

Senator Dole. Mr. Chairman, could I just add one
word?

Chairman Akaka. Senator Dole?

Senator Dole. I want to agree with the Chairman.
There is much good about the VA. There have been a lot of
negative stories, but I think we all agree that in most
cases, they do a good job. It has just gotten better in
the

last ten, 15, 20 years, and it is going to get better
because of men like this.

Chairman Akaka. Thank you. Thank you very much for

your statements.

Now I will continue with opening statements from the group here. Let me call on Senator Specter, who told me

he

has to leave, for your opening statement.

OPENING STATEMENT OF SENATOR SPECTER

Senator Specter. Thank you, Mr. Chairman. I am pleased to be here to join in the accolades for General Shinseki. I was interested to hear the opening statements of Senator Dole and Senator Inouye. Senator Dole and I

have

a common heritage, coming from the same little town in Kansas, 4,998 people. They used to have 5,000 until Dole and I left town. I moved there when I was 12, and he was away at college. He was a much older man at that time,

but

I have pretty much caught up with him.

[Laughter.]

Senator Specter. To hear Senator Inouye's recitation of General Shinseki's illustrious career really tells it all, a West Point grad. I had the opportunity to meet General Shinseki about a decade ago in Bosnia. I was very much impressed with his record then and impressed to have

a

chance to sit down and talk to him a few days ago.

He has a very, very difficult job. The United States has become a great, powerful nation because of what our fighting men and women have done, from the Revolutionary

War

on.

I have a special interest in veterans' affairs which led me to select this as a first committee, and I had the honor to chair it for some six years. My interest arose because of my father, who was a veteran of World War I.

My

dad was born in Russia and he was 18 in 1911 and the czar wanted to send him to Siberia. He didn't want to go to Siberia. He learned it was cold there. He wanted to go

to

Kansas. It was a close call, but he got to Kansas--

[Laughter.]

in

Senator Specter. --where I was born, and he served

World War I and he was wounded in action. He carried shrapnel in his legs from the Argonne Forest until the day he died, including the days when he drove a big truck full of junk onto the scale of Doran Dole, who ran the grain elevator in Russell, Kansas, Bob's father, the only scale big enough to weigh the truck.

But the Federal Government promised the veterans a bonus, \$500, a lot of money in those days--still a lot of money. The government broke the promise, which the government too often does to the veterans, and there was a march on Washington. My father couldn't participate. He couldn't walk that far. He didn't have the train fare.

And

on that day, they killed veterans right out here on the Mall, one of the blackest days in American history.

is

And when I heard about that as a toddler--I think it

hard to know what motivates a person--that made up my mind
to come to Washington to get my father's bonus,
figuratively speaking. I haven't gotten it yet, so I am running for
reelection.

[Laughter.]

Senator Specter. But we have a lot of work to do to
provide adequate funding. We tend to forget about the
veterans after they have done their job, and I have urged
General Shinseki to be a tough advocate for the Office of
Management and Budget, and I am pleased to support you,
General.

I We have the Holder hearing tomorrow, so regrettably,
am not going to be able to stay, but nothing could change
my mind anyway.

Thank you, Mr. Chairman.

Senator Rockefeller. [Presiding.] Thank you,
Senator

Specter. There are lots of dots on that clock and I have
got to go vote and I will be right back. The
distinguished

Senator from Montana--where is Montana?

[Laughter.]

Senator Tester. Just west of West Virginia.

Senator Rockefeller. Just west of West Virginia. He
is here to act as Chairman, and--

Senator Dole. It is cold out there, too.

Senator Rockefeller. and I just wanted to say that
it

was very moving to me when General Shinseki walked into my office. I was for him before he came in. I was so much for him, even more when he left, just to know the man in the sense I sort of knew the man when he came in. But to have both of you introducing you, Senator Dole, it was an incredible privilege and a very emotional experience for me because of all that you have done in your life. Senator Inouye, well, he is my boss still, so I have to be nice to him, but it is not very hard because he has sacrificed. The only thing I really resent about him is the fact that in the movie that Ken Burns did on the war--seven minutes left, and I have time to say this--that you were so incredibly handsome, and I have always held that against you. [Laughter.] Senator Rockefeller. But times since then have sort of evened things out, so I feel better. [Laughter.] Senator Rockefeller. So I am going to go vote and Senator Tester will chair. I will be right back. Senator Tester. [Presiding.] Thank you, Senator Rockefeller. Senator Rockefeller. And I still want to give my statement. Senator Tester. Without objection, I guess. Senator Rockefeller. Thank you.

OPENING STATEMENT OF SENATOR TESTER

Senator Tester. I appreciate the kind comments.

That

typically isn't always the case, so thank you.

Senator Inouye and Senator Dole, thank you for being here. I appreciate you guys being here and--

Senator Dole. Thank you.

Senator Tester. Thank you. I think it is entirely appropriate as we approach the confirmation of General Shinseki to give a thanks to General Peake for the work

that

he has done over the last short while that he has been in that office. He has done a nice job and we need to thank him for that, because this is an important job.

I want to welcome General Shinseki. From my perspective, your reputation, as all have said, is impeccable and your biography absolutely is top flight. I quite honestly am very, very happy that a man of your capability and your stature is willing to tackle this

very,

very important position as the head of the VA, because in Montana, we have about 100,000 veterans. That might not sound like a lot, but it is over 11 percent of our State population are veterans. It is a large group of people, a very deserving group of people that deserve good people working for them, and so you fit that mold in all the

areas.

So thank you for being here. I believe you will be confirmed. I intend to support you, barring something

catastrophic that might come up, but that isn't going to happen.

your
out
a
cases,
Montana
to
some
right
particularly
that
medical

As I said when you came to my office, I appreciate your willingness to serve. I look forward to having you come out to the great State of Montana to take a peek around about the challenges that our veterans face every day. I don't think we are different than any other rural State. It is a challenge for veterans to get to health care in some cases, and to be honest, it is a challenge for them even to navigate through the benefits system in others, which we will all try to work together to get that fixed.

I have had many, many hearings in the State of Montana over the last couple of years and one of the things that a veteran told me early on was that he had had some problems with the VA and he said, "It is apparent that they are trying to outlive me and they will get it done." We need to eliminate that kind of frustration as much as possible. These folks are folks that have served this country, in some cases literally put their lives on the line for this country, and I know you are committed to making things right by them and fulfilling the promises that we have made to them and I look forward to this committee, and particularly myself, working with you to make sure that happens.

I am frustrated, to say the least, about the fact that the VA and the DOD don't have a seamless electronic medical

record, record sharing. I am in great hopes with your
past positions that you can have some influence on the DOD.
Rightly or wrongly, I put most of the focus on them in
this particular situation. I think the VA has done a great job
developing the system. We need to get the DOD to buy into
it and then we need to work together with them--I am
saying the VA when I say "we"--need to work together to see that
we can make progress on that front because I think it will
just help down the line in a number of different areas.

We also have the issues of mental health that is the
signature injury coming out of Iraq and Afghanistan.
There are some campaigns beyond the Yellow Ribbon Campaign that
the Montana National Guard has been developing and
utilizing, as well as a number of other States. I think
it is very successful--for Guardsmen. Do Reservists have the
same kind of support? They have the same deployment
schedules, for the most part, same kinds of issues. Do
they have access to those same kinds of programs?

The issue of, in more rural areas, of contracting out
and how we deal with that without destroying the VA,
because it does provide some of the best health care in the world.
But still with distance and economy of scale, it may be
good to look at that in certain instances.

And then, finally, with vocational programs for
veterans, how we can work better, how the VA can work
better

with Labor Department programs to help veterans find meaningful employment while helping turn the economy around of this country, because they are some of the best people on earth.

Senator Murray has rejoined us, and so I would just say in closing, and we will follow up on some of this stuff with the questions and answers, but in closing, I would just say

I am very happy you are here. I had a very good relationship with General Peake. I told you that in my office. I anticipate we will have a better relationship.

So thank you very much for being here and I look forward to your confirmation.

Senator Murray?

OPENING STATEMENT OF SENATOR MURRAY

Senator Murray. Thank you very much, Senator Tester.

General Shinseki, welcome to this committee and thank you for being willing to take on this incredibly important task. You have been nominated to what I believe is one

of the most challenging and rewarding positions in our government and I applaud your willingness to take on this critical position and I look forward to working closely with you once you are confirmed.

will I have always said that we need a VA Secretary who backbone be honest about what our veterans need and have the to stand up and ask for it. Too many of the problems that

we have seen at the VA have been brought to light by GAO reports or news organizations or investigations or whistleblowers. We had a GAO report following the VA's \$3 billion budget shortfall back in 2005 that showed that the VA had actually misled Congress, concealed funding problems, and based its projections on inaccurate models. A television network uncovered disturbing veterans' suicide numbers, while an internal e-mail from the VA's own head of mental health expressed a desire to cover up the data. McClatchy News found that the VA had repeatedly exaggerated the past successes of its medical system, and the list just goes on.

So General Shinseki, I worked in the Seattle VA during college and I have seen an incredible dedication and work of staff and doctors and nurses on the ground, and these everyday heroes are working very, very hard to make sure that America's veterans are receiving the kind of care that they deserve. But both veterans and VA staff have been done a disservice by a top-down bureaucracy that has failed to be honest with Congress and has been very resistant to change.

Under Secretary Peake's leadership, progress has been made, and I am very glad for that. I believe he is leaving the VA as a better agency than he found it. But there is a lot of work ahead of us. Veterans are still waiting too long for benefits. Female veterans are returning to a

system that is not prepared to care for their unique needs.

Facilities are in desperate need of renovations. And 20 percent of our veterans are returning home with serious mental health needs to a VA that still doesn't have the mechanisms in place to take care of them.

I know you have been out talking to veterans and VSOs and hearing about those challenges and listening to veterans

themselves, and that is a key part of this job. America's veterans deserve a truthful advocate who will break through

the red tape and make veterans, not the bottom line, the priority of VA management.

Having sat next to President-Elect Obama when he sat on

this committee, right next to me, I know his dedication to those who served our nation and to their families and I very

much appreciate his pledge to reverse the current administration's flawed decision to close the doors of the VA to Priority 8 veterans. As you know, I sponsored legislation to reopen access for all those who have served and I applaud your commitment to achieve that goal responsibly, as well.

As you wrote in response to one of this committee's pre-hearing questions, you said, quote, "The overarching challenge that the VA faces is its transformation into a 21st century organization as called for by the President-Elect." That is no small task. But given your history of

tackling complex problems and your record of speaking
truth to power, I think you are up for this challenge.

Change is not going to happen overnight. We know
that

we are going to continue to face challenges at the VA no matter who is in charge. But with transparency, with honesty, with energy, the next VA Secretary can begin to tackle these challenges and make a difference for our veterans.

I want you to know I stand ready to work with you to make that happen with as much energy and honesty and transparency as I can, as well, and I hope that you view Congress as a partner, not an adversary, in your work to ensure that our veterans get the care and compassion that they have earned.

Thank you very much. Thank you, Mr. Chairman.

Chairman Akaka. [Presiding.] Thank you very much, Senator.

Now, we will hear from Senator Wicker.

OPENING STATEMENT OF SENATOR WICKER

Senator Wicker. Thank you, Mr. Chairman, and thank you, General Shinseki, for your service, for your willingness to serve again on behalf of the United States
of America.

I learned this morning when we were shaking hands and visiting before the hearing convened that you have a

distinguished record on the faculty at the United States Military Academy. I noticed that Representative John Shimkus of Illinois was here to shake hands and enthusiastically greet you and wish you well. He was an English student of yours at the Academy, and I wanted that to be reflected on the record, that Representative Shimkus came over to offer his support from the other body.

General, you have been before the Senate for confirmation on five occasions already. You surely must realize that during this process, you will eventually be allowed to speak for yourself--

[Laughter.]

Senator Wicker. --but we are going to make sure that we talk, too.

And so by way of opening remarks, I want to thank you for coming by earlier and speaking to most of us in our offices. I read with interest your prepared testimony and

I

you

the

noticed that you outlined three general principles that would be striving to achieve during your tour of duty in Department of Veterans Affairs.

One would be that veterans would be the centerpiece, and you mentioned in that regard that the workforce in the VA would be standard-setters in their field. I very much applaud that. Certainly, it is reasonable to expect that the specifics and your specific program will come later,

but

I applaud that as a goal.

Secondly, you mentioned the timeliness and excellence of service by your Department.

The third general principle is to look for ways to do things smarter and more effectively and to use the world's best practices. I think that is a very healthy beginning

to

setting principles, Mr. Chairman, and I applaud our

nominee

for those today.

I would just like to say during my opening statement that I hope we can employ those principles when it comes

to

two specific things that I mentioned to you earlier in our private conversation, and one would be with regard to veterans' nursing homes, not only those that are run by

the

VA alone, but also in partnership with the various States. We have close to 300 in both categories and there is a proposal to build two more Veterans Affairs nursing homes during 2009.

and

There is a new concept in the area of nursing homes

this

it is called the greenhouse approach. We haven't used

groups

yet in the government. Basically, it strives to put

to

of eight or ten patients, if you will, in a nursing home together in a pod or in a separate building and ask them

they

participate in the decision making as to what sort of activities and what sort of food and what sort of other decisions that they are capable of making, even though

are housed in a nursing home.

I am a veteran myself. My father is a World War II veteran. My son will soon enter the United States Air Force. I would like to think that if it ever came to the point where I had to go into a nursing home, I could go

into

the best, the most modern type of nursing home, one that exercises, as you said, doing things in the smartest way, exercises the best practices.

So I mentioned to you privately and I will mention to you publicly on the record that I hope in that regard that we can work together with this committee and with the Congress to make sure that when our veterans, when it

comes

time for them to move into a nursing home, if that should

be

required, that they can move into the very best possible kind of nursing home care.

I would also hope that we could apply those three principles in the area of electronic medical records. I believe it was the Chairman who earlier mentioned the

desire

of this committee to have a seamless transfer from DOD to the Department of Veterans Affairs. Certainly coming from DOD yourself and now moving into this new area of responsibility, you are uniquely positioned to work in

that

regard.

But I know that if it were an easy task to have this seamless process of medical records moving from DOD to VA

when the time comes for our members to transition, if that were easy, we would have done it already. It is difficult and we have asked the Departments to do this.

I hope that the three principles that you outlined of using best practices, the best practices in the world, and excellence in service and being a standard setter, that

with

regard to the electronic medical records and also

veterans'

nursing home care that we can be a standard setter, and I look forward to being your teammate in this regard.

I thank you and congratulate you on your nomination

and

your certain confirmation. Thank you, sir.

Thank you, Mr. Chairman.

Chairman Akaka. Thank you very much, Senator Wicker. Senator Webb, your opening statement.

OPENING STATEMENT OF SENATOR WEBB

Senator Webb. Thank you, Mr. Chairman, and General, welcome.

I have to say, first of all, it was really moving to see you sitting there flanked by Senator Inouye and former Senator Bob Dole. First of all, I was thinking about the kind of services these individuals have given our country, and the other was you and I are both Vietnam guys and

there

aren't many opportunities left in our lives to be around people who are going to look at us and call us "young fella."

And also, Mr. Chairman, if I may, there is an individual out here who I would like to personally recognize. John Fales, who is over at the press table,

was

wounded as a Marine in Vietnam, lost his sight as a result of his wounds. I have been knowing John and working with him for more than 30 years, since I was a counsel on the Veterans Committee, and General, if you don't know him

yet,

you are going to. He is rather famous as Sergeant Shaft

in

the Washington Times. So John, if you could take a quick bow, I would appreciate it. Semper Fidelis and thank you for all that you have been doing for veterans over the years.

[Applause.]

Senator Webb. I think your selection, General Shinseki, is an inspired act of leadership by the incoming President. I look forward to your tenure.

it

When I look at the VA now, having been involved with

in a lot of different capacities, as a recipient and as a committee counsel and now here in the Senate, and having spent five years in the Pentagon, I really believe the greatest challenge for the VA is simple leadership, just getting the right people in the positions and

understanding

how to break the logjams that have created so many

problems

and getting the benefits that have been voted out by the Congress into the hands of the veterans who deserve them.

And I think that your background, particularly as having been Chief of Staff of the Army, is particularly suited to trying to solve those problems.

I have a special interest, as you know, in the G.I. Bill and how we are going to put that program online in a timely way and in a way that is going to have as few administrative difficulties as possible.

But I would like to make one other point here at the outset of your testimony. You are the fourth consecutive Academy graduate, by my count, to be serving in this position, as you will. On the one hand, that has an upside, obviously, with the type of leadership preparation

and

the service that goes along with that. I say this as someone who also went to a service academy. But also, it

is

a challenge that I have watched in some of your

predecessors

in the sense that I would hope you will keep your eye on

the

notion that veterans' programs really do have a different character than military programs and sometimes this seems

to

get lost in how they are administered.

I hope you will pay special attention to the way that we are now going through these disability evaluations. In my mind and in my experience, there is a marked difference between assigning a disability for someone saying that

they

are not fit for active duty and therefore should leave the military as opposed to how that disability is measured

throughout someone's life as a veteran. And sometimes,
that gets lost even in the discussions that we have been having
over the past couple of years with the Dole-Shalala
Commission and these other things.

So the bottom line, really, on this, my personal
request to you as a leader is I hope you will do
everything you can to reach out to the veterans' groups. There are
people who have spent their entire lifetimes, adult
lifetimes, working on these issues and understanding the
different characteristics of them, and also the many, many
talented people inside the VA who have done the same

thing, devoted their professional lives to this distinct
environment of the aftermath of military service and to
really be sensitive to the different personality between

the Department of Defense and veterans' benefits.

With that, I wish you well. As I said, I think this

is an inspired choice and my door is always open.

Thank you, Mr. Chairman.

Chairman Akaka. Thank you, Senator Webb.

We will continue with opening statements from
members.

Next will be Senator Rockefeller, followed by Senator
Sanders and Senator Isakson. Senator Rockefeller?

OPENING STATEMENT OF SENATOR ROCKEFELLER

Senator Rockefeller. I sort of gave one, Mr.
Chairman,

so I am cheating a little bit, but there is no way for me
to

express how proud I am that you are the President's nominee.

In one sense, it shouldn't have surprised me. I am not trying to be partisan about this. I am overwhelmed by the people that have been nominated for cabinet positions and confirmable positions that come to my office and their quality is just beyond belief, just one after another-- scientists, veterans, administrators to be, all of them.

Everybody is going to make mistakes and what I always liked about you before I even met you was that I had a feeling that you wouldn't know how not to tell the truth, regardless of the consequences. I got that from television

and newspapers and I got it full bore yesterday, that like Senator Webb was just saying, I think the Veterans Administration, although I think it is the best hospital system in the United States of America, which most people don't give it credit for, it has so many problems still, 220,000 people that you have to lead, and then this whole question of how do you make veterans, and Bob Dole was speaking to that, how do you make veterans feel like their future is good in terms of their rehabilitation, whether

it

is physical, psychological, or inside the body in some other way.

And I think it is almost simplistic that sometimes

just

the right person at the top becomes a symbol. It just inspires people on down the line to do twice the job they

were doing.

And I told you yesterday when we were talking about a person that Patty Murray will remember very well named Dr. Ken Kizer, and we have these frequent meetings, panels

that

go on forever, members come and go, and he wasn't any different from any other Director of Health, it seemed to

me

as I listened to him, that had come before us before. And then suddenly, four years after he had left, we found that the entire VA system had been computerized, everything was databased, unlike DOD. There were a lot of problems in syncing with DOD, and that he had done it. He hadn't said anything about it. We hadn't had the oversight to know

it,

which is our fault. There is so much oversight that we

have

to do in this committee, which I think needs to be constructive and will cause our members to want to come to hearings and to listen to testimony and to learn more.

But I am just--I think you have to start with the guy at the top or the woman at the top and I just can't

imagine

a better choice than you. I just absolutely cannot

imagine

a better choice, not just the experience and the wounding and the fighting and the commanding and the decision

making

under, quote, fire, your tough stance, standing up for the truth, but your nature. You inspire confidence in people and you do in me.

I am still going to ask you some tough questions, but

I

going think you probably have some sense that I am probably

to vote for you--

[Laughter.]

Senator Rockefeller. --but I just want you to understand that it is going to be--it will be one of the best votes I have made in the 24 years that I have been on this committee.

Thank you, Mr. Chairman.

Chairman Akaka. Thank you, Senator Rockefeller.

Senator Sanders?

OPENING STATEMENT OF SENATOR SANDERS

Senator Sanders. Thank you very much, Mr. Chairman, and welcome, General Shinseki. I know you are going to be

a

great leader and the VA certainly needs the kind of leadership that you are going to be providing.

You know, it is a funny thing in this body. We have differences and the American people have differences about the wisdom, for example, of the war in Iraq. But what I have been very happy to see is that there has been a

coming

together, despite the opinions that one might have about

the

wisdom of Iraq, with the understanding that we do not

blame

the men and women who are fighting that war for the decisions that were made here in Washington and that we

have

a solemn obligation to make sure that every man and woman who has fought in that war, when they come home, that they

get all of the care and the benefits to which they have
been promised. And I think we have made real progress in
differentiating our differences with regard to the war
with our understanding that we take care of our veterans and we
do for them what we promised we would do.

Chairman General, we have--I am happy to say that under
Akaka's leadership and Bob Filner in the House, we have
made some progress in the last couple of years. The good news
is we have begun to make some progress. The bad news is that
we have a long way to go, in my view. We have passed, and
Senator Webb helped us move forward on this, the most
comprehensive and significant step forward in terms of

G.I. education, a real step forward for millions of men and
women. We have made progress on VA funding. We have made
progress on Priority 8 veterans, of mileage reimbursement,
of VA counseling for family members. That is the good
news.

The bad news is that much remains to be done. Some
of the issues, General, that I hope we can pay attention to
in the coming years are advanced appropriations. You can't
run a system as large as the VA if you do not know what your
budget is going to be, and it really is a disservice to
all of our veterans if the VA does not have that knowledge.

I come from a State where we have suffered very
heavily from the war in Iraq through our National Guard, and I
hope very much that we make sure that the VA properly cares for

our citizen soldiers that have given so much. Let us not forget about the Guard and the Reserve.

home
Clearly, many of the men and women who are coming
from Iraq and Afghanistan are suffering from PTSD and TBI
and this is a little bit outside of the culture of the VA
in
placing a priority on those needs. I think we can all
agree
the VA has done a tremendous job and it is leading the
world
in taking care of people who have lost arms, lost legs,
hearing, eye problems, and so forth. But somehow when the
issue becomes emotional or mental problems, that has been
a
little bit outside of the traditional culture. But those
wounds are as real as any other wounds many of our
soldiers
have suffered and we need the research and the treatment
to
take care of those people.

One of the areas that I have focused on and it is of
great concern in the State of Vermont is the issue of
Priority 8s. Now, I think we all agree that the most
wounded
pressing needs are those people who are coming home
today. We have to take care of our older veterans. That
goes without saying. But especially in this economic
crisis, there are hundreds and hundreds and hundreds of
thousands of veterans who may make \$35,000 a year who are
pushed out of the VA. I think you can't bring them all
back
in overnight, but I think the goal must be that any person
who wore the uniform of this country, regardless of
income,

should be able to come back into the VA and bring that
back.

So I look forward to working with you to do that.

I am sure my colleagues have discussed with you the
claims system. We are somewhere back in the 19th century,

I think, in that regard. It is just incredible that in this
age of computer technology that people submit claims, they
don't hear for months and months, and it goes on and on.
That is just grossly unfair, so we want to update and
improve our claims system so when people put in a claim,
they get a timely response.

One of the real successes of the VA in recent years
has been the growth of the CBOCs, the Community-Based Outreach
Vet Clinics, which in Vermont work very, very well, and the
Centers, as well. Vet Centers, as you know, are places
where there is no bureaucracy. Where the veterans run
those centers, people feel really comfortable walking in there.

I think that is a great investment and I hope we can expand
that whole area.

Lastly, for many, many years, ever since I first came
into the Congress in the House, I have been working on
Gulf War Illness. While we are all dealing with the problems
of Iraq and Afghanistan and our older veterans, let us not
forget those people who are still suffering from Gulf War
Illness.

So General, I am going to strongly support your

nomination. We have a system which is, I believe, the largest provider in America. So what we do impacts the whole health care system in our country. It is profoundly important and we have a moral obligation to our veterans

to

make sure we provide them the best care that we possibly can. So I very much look forward to working with you and thank you for your years of service to our country.

Sanders.

Chairman Akaka. Thank you very much, Senator

Senator Isakson?

OPENING STATEMENT OF SENATOR ISAKSON

Senator Isakson. Thank you, Mr. Chairman.

General Shinseki, I first of all want to thank you

for

your service to the country and commend you on your

service

to the country and thank you very much for being willing

to

assume the responsibilities of the VA. You are eminently qualified. I have studied your resume and we are somewhat contemporaries from my period of service and yours. I

think

we are probably about the same age, and I really

appreciate

your taking it on. You have got a life of experiences

that

will help the VA quite a bit.

The VA has been making some great progress in some of the areas that were mentioned by Senator Sanders and I

want

to comment on two, which I sent some earlier prepared questions to you about. One is the Augusta Uptown VA and Fort Gordon's Eisenhower Hospital. General Schoomaker

established a seamless transition there for those soldiers coming home, leaving DOD, and going into VA care which has now been by everybody, including Secretary Peake, who is the current Secretary, has talked about what a great success it has been.

In a number of places in the country, a lot of our veterans who have come home and are released from DOD kind of fall through the cracks between DOD and VA. It is very important that we see to it that that is a seamless transition.

What the Department of Defense has done with the Warrior Transition Centers has been a tremendous step forward in dealing with the types of difficulties in terms of PTSD and TBI on those that are coming back from Iraq or Afghanistan. Equally, we need the transition from DOD to VA

to be as seamless and easy as possible for our veterans.

So I have been able to get General Peake down to Augusta to see it firsthand. I know you are going to have a

world on your plate for the time being, but I hope sometime

during the next year you can pay a visit to that facility because we can replicate it around the country. It will make service to our veterans, I think, much, much better than it already is.

And then secondly, I want to echo what Senator Sanders

said about the community-based clinics. Those are extremely

important. Our State has one of the largest veterans populations of any State in the country and some of them have to go long distances to get to the VA hospital in Atlanta or the VA hospital in Augusta, and Georgia is the largest State east of the Mississippi River geographically.

So those clinics, some of which we have been able to open in

the last two years, have made it a lot easier for our veterans to get the health care they deserve in a much

more

convenient and accessible way and I look forward to working

with you in any way I can to support you in your efforts to

support our veterans who have served our country so well and

I thank you for the time today.

Thank you, Mr. Chairman.

Chairman Akaka. Thank you very much, Senator Isakson.

Now, for an opening statement, Senator Hutchison.

OPENING STATEMENT OF SENATOR HUTCHISON

Senator Hutchison. Thank you, Mr. Chairman, and welcome, General Shinseki. I want to tell you that I

admire

and respect you as much as anyone I have ever known in the Armed Services, and I am going to support your nomination. You have been a Purple Heart recipient, so you will know what veterans go through, and you were a great Army Chief

of

Staff.

I also want to say that your predecessor is one of the

you finest Veterans Secretaries we have ever had, and I know

worked with him because he was your Surgeon General. I know that the transition will be a very good one. His emphasis on health care has been so positive. He has understood the problems. He has been an action taker, and I just know and will hope that you will stay on that same track.

We are opening our fifth trauma center, Class 1 trauma center that has already been authorized and I look forward to bringing that to fruition. As you know, I am the Ranking Member of the Veterans Affairs and Military Construction Subcommittee on Appropriations as well as serving on this committee. There are a few areas that I know you will address, but I just want to point out from my experience that I think are priorities.

First, the claims processing wait is about half-a-year and that is just unacceptable. We started working on it, and with the great help from some of our members here, especially Senator Murray and Senator Akaka, we have tried to add the supplemental appropriations to add claims processors, but that is something that will need your urgent attention to assure that people don't have a hiatus when they go from active duty to the veteran status in those adjustments.

Second, electronic medical records. I know that has been mentioned. That is an area where the VA has performed exemplary. I think it is known that after Hurricane

Katrina, not one veteran's record was lost. That is what we need to put in place that will match the Department of Defense. But frankly, it is the Department of Defense that needs to match the VA so that that seamless transition of medical records occurs, and I hope that--it was started under Secretary Peake and I hope that you will continue and bring that home.

I was so pleased that you support the research that we know is necessary for the kind of war that we have and the kinds of injuries that we have that are somewhat different from past wars, and particularly Gulf War research, which my colleague, Senator Sanders, also has mentioned. He has been a champion of that, as have I. I talked to the researcher at UT-Southwestern who is doing that work over the Christmas holidays and he said that now that they have the bigger base to test their initial results, they are finding that there are effects from chemicals. It is showing in the brain scans of people who have had these Gulf War Syndrome symptoms. So we are going to be able to now take the next step to see how we can add the antidote to the lack of an enzyme in a person's brain that makes them susceptible to those chemicals. I am very excited about it and want to make sure that we go forward with this research that is just on the cusp now of showing the results that can be verified so we can protect our warriors who are going to be

potentially subject to those.

I thank you for taking this job and I look forward to working with you.

Chairman Akaka. Thank you very much, Senator Hutchison.

all Under the rules of the committee, the testimony of

Presidential nominees appearing before the committee shall be taken under oath. General Shinseki, would you now

stand

for the administration of the oath.

about

Do you solemnly swear that the testimony you are

to give the Senate Committee on Veterans Affairs is the truth, the whole truth, and nothing but the truth, so help you, God?

General Shinseki. I do.

Chairman Akaka. Thank you. Let the record note that it was responded in the affirmative.

General Shinseki, will you please begin with your statement.

TESTIMONY OF GENERAL ERIC K. SHINSEKI, USA
RETIRED, PRESUMPTIVE NOMINEE TO BE SECRETARY OF
VETERANS AFFAIRS

General Shinseki. Thank you very much, Mr. Chairman. Chairman Akaka, Senator Burr, and distinguished members of this Committee on Veterans Affairs, I am deeply honored by President-Elect Obama's nomination for me to serve as the Secretary of this Department, this Department of Veterans Affairs.

I want you to know that I am fully committed to doing the best I can in this job and of fulfilling the vision

that

he--the charge that he passed to me, and that is to transform Veterans Affairs into a 21st century organization.

Over the last several weeks, I have had the opportunity

to meet with many of you individually and I want to express

my deep appreciation for sharing your concerns with me, and

what came very clearly through those conversations were your

concerns for and your unwavering support both of our veterans and the good people who go to work every day in

the

Department of Veterans Affairs. I listened carefully to your concerns and your advice and I benefitted from your counsel and I look forward to delivering on the promises that we arrived at.

Mr. Chairman, let me just take a moment and thank you for the courtesy of--although it has been a little while

now--courtesy of introducing my family, my wife, Patty,
and
my son-in-law, Tim Heaphy, who are here this morning. The
Shinsekis are usually 13 in strength when we gather as a
family and today we are a little unrepresented. That is
because my daughter, Lori, is taking care of her three
children in Charlottesville. My son and his wife,
Barbara,
and their four daughters are in New Jersey. But the rest
of
the family is here and we are very proud of all of them.
I just want you to know, 43 years ago, my wife,
Patty,
married a soldier, and that is about all she understood
she
was doing. Never have come from a military background, we
weren't quite sure where things were going to lead, but
here
43 years later, we are still sitting side by side and
looking to serve our country.
She has changed family, our family addresses 31 times
in my 38 years in the military, something on that order,
so
she has an appreciation for what spouses and families of
our
military personnel go through. She is as caring and as
devoted to soldiers today as she was when I married her.
She has stood at my bedside and helped me to learn to walk
again and gave me back the confidence to put my
professional
life back on track when I faced a service-disqualifying
injury.
And so I just wanted to take a moment to register for
all of us, as the members of this committee know so well,

that none of us has the privilege of doing what we do without the love and support of families who sacrifice far more than most understand, who sacrifice so that we have

our

opportunities to serve. It was that way for my 38 years

as

a soldier and it will be that way again if I am confirmed, to serve both our veterans and the good people at the Veterans Affairs Department as their Secretary.

would

Again, I am playing a little catch-up here, but I

like to also express my great honor of having had the rare privilege of being introduced to the committee by two of

our

nation's premier public servants, Senator Inouye from my home State of Hawaii, and former Senator Dole from Kansas, both veterans, and both distinguished themselves in battle during World War II, and both, as they related, suffered through long and painful recoveries under the nurturing

care

of the VA, and then who returned to public service to help lead our nation in its rise as a global leader in the last half of the 20th century. I am humbled by their presence here this morning, I want you to know that, that they took the time to introduce me and to publicly display their

trust

and confidence in this nomination.

I would also like to acknowledge the presence of representatives of many of our Veterans Service Organizations here today. They are essential partners to assure the best possible service and support for those

who,

in President Lincoln's words, shall have borne the battle, and for his widow and for his orphan.

And so to all veterans present this morning, those in this room sitting either there on the dais with you or those here in the audience, and those who may be watching these proceedings from distant and remote locations in the country, I want to express my thanks for their service, their sacrifice for our country, and I would be honored to be their Secretary and their advocate at the Veterans Affairs Department, if confirmed.

Mr. Chairman, distinguished members of the committee, transformation is always challenging for any organization and I use the particular term here "transformation" rather than incremental change, transformation, and looking at all of our fundamental and comprehensive processes that make up any organization of the size and complexity of the Department of Veterans Affairs. So transformation is always challenging for any organization, particularly ones with complex missions and which are steeped in tradition, as is this particular Department.

I would suggest that we faced similar challenges about ten years ago as we began the transformation of the United States Army, a process that continues today. We found that positive leadership, dedication, and teamwork on the part of all in the organization allowed what was considered to be

challenges when we began to be redefined for all of us as opportunities for innovation and increased productivity,
and
it is up to leadership to help with that redefinition.

With
your support, I am confident we will succeed.

If confirmed, I intend to articulate a concise
strategy
for pursuing a transformed Department of Veterans Affairs reflecting the vision of President-Elect Obama. I have

much
to learn about the Department and I look forward to
gaining
the valuable input and insights from its dedicated
employees
as well as from the veterans they serve and the organizations who serve those veterans.

As Senator Wicker mentioned earlier, there are three fundamental attributes for me that mark the start point of framing a 21st century organization for Veterans Affairs. It will be people-centric. It must be results-driven.

And
by necessity, it must be forward-looking.

First, about people, veterans will be the centerpiece of our organization, our clients, as we design and
implement
and sustain programs which serve them. Through their service in uniform, veterans have sacrificed greatly, investing of themselves in the security, the safety, and

the
well-being of our nation. They are clients, and I use

that
term particularly, not just customers of our service.

They
are clients whom we represent and whose best interests are our sole reason for existence. It is our charge to

address

their changing needs over time and across a full range of support that our government has committed to providing them.

Equally essential, the Department's workforce will be leaders and standard-setters in their fields. There is a long tradition of the VA having exercised, performed that leadership role, and my interest is ensuring that we continue where we lead and regain the leadership where we do

not today. From delivering cutting-edge medical treatment to answering the most basic inquiries, we will grow and retain a skilled, motivated, and client-oriented workforce.

Training and development, communications and team building,

continuous learning will be components of that culture.

Second, results. At the end of each day, our true measure of success is the timeliness, the quality, and the consistency of services and support we provide to veterans.

We will set and meet objectives in each of those performance

areas--timeliness, quality, consistency. We will all know the standards and perform to them. Our processes will remain accessible, responsive, and transparent to ensure that the differing needs of a diverse veteran population are

addressed. Success also includes cost effectiveness. As stewards of taxpayer dollars, we will ensure that appropriate metrics are included in our quality assurance and our management processes.

Finally, third, forward-looking. To optimize our

opportunities for delivering best services with available resources, we must continually challenge ourselves to look for ways to do things smarter and more effectively. We

will

aggressively leverage the world's best practices, its knowledge base, its emerging technologies to increase our capabilities in areas such as health care, information management, and service delivery.

If confirmed, I will focus on the development of a credible and adequate 2010 budget request as soon as I arrive in the office, and that will be immediate priority

in

the first 90 days. The overriding priority will be to

make

the Department of Veterans Affairs a 21st century organization, singularly focused on the nation's veterans

as

its clients.

I thank this committee for its long history of unwavering commitment to those veterans, and if confirmed,

I

look forward to working closely with you in that commitment.

Thank you, Mr. Chairman, and I look forward to your questions.

[The prepared statement of General Shinseki follows:]

Chairman Akaka. Thank you very much, General Shinseki.

I am tremendously pleased that you are committed to transforming VA. During your tenure as Army Chief of Staff,

you were able to successfully transform the Army to become more agile to meet a variety of challenges while dealing with a legacy of technologies that already existed and an institution that was wedded to how things were done in the past. I can see clear parallels to VA.

My question to you is, what will be your first order of business to begin VA's transformation, and what do you believe will be the biggest challenge you will have to overcome?

General Shinseki. Well, thank you, Senator. I think I would describe the biggest challenge being the process by which we begin and sustain transformation of this

Department into a 21st century organization, focused on the things

that I have just mentioned--people-centric, results-oriented, and

forward-looking. I need to fill in the details on exactly what those priorities will be.

But while that becomes the overarching and long-term objective, there are some near-term issues that I know I will have to deal with. I can't get to the long-term

issue unless I deal with these near-term ones.

First, implementation of the new G.I. Bill. There is a

1 August implementation date and I know that there are

assurances that the Department is prepared to execute
that.

I need to find out for myself, get an assessment, seek
independent advice, if necessary, but be able to assure
you

that 1 August, we will have checks in hands of veterans
who
are looking forward to spending the next year in an
academic

environment. So that is one of the near-term issues.

Another near-term issue is this, however, it is
quantified, the size of the backlog that was mentioned
here

several times and by Senator Murray, as well. I don't
understand why six months is what we live with. I need to
get inside of this. There is, in my opinion, no reason

why

a veteran submits a claim and then takes a number and
waits

for six months. We need to do something about this. Some
of this has to do with business processes and the
applications that are currently in place, and if
necessary,

we must change them. We will.

Along with that is the transition of currently-
serving

young men and women who are coming back from a combat
zone,

many of them bearing scars of battle, some visible, many
others invisible. We need not add them to the backlog.
There must be this seamless transition that we have talked
about and has been suggested. If it were easy, I think it
would have been accomplished.

I think normally when I have run into situations like
this, this is a leadership issue. One of my early
meetings

I am going to request is with Secretary Gates in defense
and

seek to continue the partnership that has already been established through the Senior Oversight Committee, where both Deputy Secretaries from our two Departments, Defense and Veterans Affairs, have made significant progress in trying to solve this problem in the last year or so.

I intend to go after this and find a way to approach the seamlessness of the transition. It just seems to me that the technology is there. This is a matter of getting the technology to do the right handshakes.

Even as we do this, we have a requirement to address the issue of Priority 8s who are going to be joining us in our rolls. I need to understand just the size of the population, and I know that with the economic downturn,

that
have

size of the population is probably growing. I need to

some good numbers on what the estimates are and to be able to quantify what the resourcing requirements are so that I can make some assessments.

And within the group of Priority 8s, there may be subcategories that are more critical and should be moved forward in the category of Priority 8 veterans. But we

need
I

more information. I certainly need more information than have today. But that is a priority.

Undergirding all of these near-term challenges is a movement to an information technology electronically-based

as set of business practices and applications that makes us
paperless as possible. I don't know that we will achieve
true paperlessness, but there is a lot more that needs to
be done that will support our decision making, our accuracy,
our ability to identify veterans and keep them in the
system once they are there, all the benefits that now we seem to
struggle with.

To do that, very shortly, I have a 2010 budget
requirement and so a lot of assessment and a lot of
information gathering, decisions in which I have to craft

a credible and an adequate 2010 request that achieves the
vision that the President-Elect has asked me to execute.

Chairman Akaka. Thank you, General.

We will continue with a five-minute questioning
period

and I will call on Senator Hutchison for her questions.

Senator Hutchison. I think you have covered
everything

well on the priorities and I particularly appreciate that
you are going to jump in on those claims times, because I
think it is one of the hardest issues that Senator Akaka

and Senator Murray and I have worked on. We have given the
money to do that, so we will look forward to a progress
report.

I would like to have your thoughts on the research
that

is being done, both Gulf War Syndrome, because I do think
that has a great potential for protection of future

warriors, but also the other areas that you would stress
in research for the kinds of injuries and rehabilitation that
we want for our veterans of today.

General Shinseki. Senator, my impression is there
has been significant money already invested in research about
Gulf War Illness. A good portion of that, my sense is,

has been causes. I think that research probably needs to
continue, but at this point, I think I am more interested

in research that will develop treatment for the symptoms that
are clearly evident among the population of veterans who
went to the Gulf the first time. We may not know exactly
the causes, but I think we have enough information that
validates that there are symptoms that must be treated

with, and I am more interested in understanding how we get on
with that.

So I look forward to the reports that I will be
provided. I don't have the details now, but the reports
that are already provided regarding the research and even
the more recent affidavit that you received over the
holidays and to see how we can put together treatment for
these veterans.

Senator Hutchison. Thank you. I agree with you, and

I think as this goes forward, we are close to now
determining

that it is lack of a particular enzyme in the blood and in
the brain, so I know that with the great knowledge that we

that are getting, we could probably have the ability to give
enzyme to people who are going in or not allow people who
don't have it to enter into an area where there might be
chemicals. So I think we have made the commitment with
the funding over a period of five years to be able to take
that next step and I will look forward to working with you on
that.

now The other areas that I am interested in, because we
have so many more survivors who have lost limbs because of
the IEDs, and the trauma research, and just to reaffirm
that those would also be priorities, and if there are any
others that you would like for us to also look at, I would be
interested in knowing.

right General Shinseki. I think really the pace setter
now in terms of traumatic injuries to our veterans who are
currently serving is probably the Department of Defense,
just because they have had that initial return of veterans
and they have done tremendous work in terms of--certainly
with the amputees on prosthetic research.

we I don't know exactly how the Veterans Affairs
Department is set in terms of comparable capabilities, but
my sense is there is a little catch-up required here, but
already have a terrific opportunity to partner with what has
been achieved in the Department of Defense and then to
take it the next step as those veterans come under the care of

the Department, and if confirmed, that will be one of the things that I will be interested in making an assessment

on.

I think there is a requirement for research into many of the brain trauma that we are dealing with, PTSD and

TBI.

My sense is that there was some level of these injuries in earlier conflicts. They have been pronounced in this one because of the size and the signature of the kinds of weaponry being used to attack individual soldiers. We probably didn't do enough in previous conflicts and we

need

to ensure we don't miss this opportunity. More research

is

necessary in this area, as well.

Senator Hutchison. We will support that.

Thank you, Mr. Chairman.

Chairman Akaka. Thank you, Senator Hutchison.

And now, Senator Rockefeller.

Senator Rockefeller. Thank you, Mr. Chairman.

General Shinseki, one of the, I think, tragedies of

the

care of people generally in this country is the lack of understanding of mental illness, and it always strike me,

if

you watch TV advertisements, they are being pushed. They are considered to be a part of the American situation, and some people say as much as 25 percent of people are dependent upon some kind of mental illness help and treatment.

Veterans, it seems to me that the work that could be

done in the veterans' hospitals, and there is already work being done, strike me as the model of the way to help educate not just physicians, but the American people, because people understand that when people go to war and they come back, they don't come back unwounded one way or another, and particularly when they have been on two or three--

General Shinseki. Sure.

Senator Rockefeller. --tours. So I am interested in how you see that problem.

America, we are a nation of such optimism that it nobody wants to admit that because of circumstances or trauma or exhaustion or other matters that they just get depressed and they can't perform at their ordinary ability.

This is a huge matter for the military and for veterans returning, not just the recent veterans, but going back many years. I am just interested in your approach to that, because I think that you cannot only help veterans, but you can help the American people come to terms with what people are still reluctant to talk about.

General Shinseki. Well, Senator, I think you know that in the active military, we wrestle with that stigma and have for some time. Of late, as much work has been done, there is still the reluctance of young men and women to self-refer. We need better tools in how we reduce that stigma,

and I do know that in the Department of Defense, this is a continuing discussion.

himself
A serving general officer who recent described
as having the effects of PTSD very publicly self-referred
himself, and I think that is a tremendous step in being
able
to deal with the stigma for others.

mean,
In the VA, that stigma shouldn't be the same. I
we have now transitioned people out of serving units where
an upcoming mission may be of concern. Now that they are
with the VA, we should be able to deal with this and
address
the stigma and have people comfortable in being referred
or
referring themselves for treatment.

it
What is clear about PTSD, it is a debilitating
condition, but if treated early, recognized and treated,
responds to that treatment. The alternative is to let
these
things go unaddressed and more significant problems, maybe
even catastrophic problems, occur. And so I think more
research needs to be done in this area, but certainly
along
with that to reinforce the treatment we know that works
and
then to address this issue of making people comfortable
with
dealing with PTSD and TBI as we deal with other injuries,
physical, visible injuries that result from combat,
gunshot
wounds and so forth. This is one that will have my
attention.

Senator Rockefeller. Thank you. I have another

question, but my time is up.

Chairman Akaka. Thank you very much, Senator Rockefeller.

Senator Wicker?

Senator Wicker. Thank you.

General, a Priority 8 veteran is any veterans who received an honorable, general, or under honorable conditions discharge with zero percent disability who

earns

greater than \$29,402. There are currently eight million veterans enrolled in the system today, of all priority categories. I am told that there are ten million Priority

8

veterans not currently in the system now. Two-point-two million Priority 8 veterans are already enrolled and 1.2 million are actually using the system.

I would just say that I appreciate your statement that

in trying to get your arms around this issue, one of the things we are going to have to learn is what resources are available to you, because to move twice as many people

into

the system in Category 8 is going to be more demanding on the taxpayers than I think some people realize. So I

would

just offer that.

Let me let my one question be about electronic medical

records, and these are statistics provided to me by the

VA.

Ninety-eight-thousand Americans die each year from medical records errors. One-in-seven hospital admissions occur

because a medical record is not available. Twelve percent of physician orders are not executed as written. And 20 percent of laboratory tests are requested because previous studies are not accessible. Now that is society-wide, General. But back to your goal of excellence and cutting-edge leadership to be received by the Department, I would submit to the members of the committee and to you that

these

sorts of statistics are not acceptable.

Now, we have in the DOD-VA a plan called the Information Interoperability Plan, IIP. It has 22 different

initiatives with three sets of goals. The IIP describes a path for DOD and VA medical information systems to be shared. What it does not include is a system for a single electronic medical record, which has been a goal that I personally have embraced.

And I realize that you are going to have to go back and

familiarize yourself with the details of this, but there are

some people who think it is unrealistic to expect this out of DOD and VA. I think if two major corporations in the United States were merging, it wouldn't be at all unrealistic to think that the electronic information

systems

of both of those corporations would soon be merged and that

we would be able to make it work somehow. Some people think

that doctors and providers in DOD and in VA would not use such a system. It would seem to me that, in particular,

physician employees of DOD and VA could be required perhaps more easily than other physicians to enforce this sort of thing.

So I would ask you your thoughts about this at this point in time in your education into this new Department. Does a series of systems that will supposedly be interoperable, does that truly benefit the service member and his family? Do we need, indeed, a single electronic medical record that you start with in the Army and you continue with in the VA, or are we going to have simply a patchwork of antiquated systems that we try to get to talk to each other?

General Shinseki. Senator, that is a great question. I don't know. I am not familiar with the IIP to begin with.

I am assuming it is the result of the SOC, the Senior Oversight Committee's work between the two Deputy Secretaries. But I will find out more about it.

To me, it is not a technical or technological issue. It is a leadership issue of agreeing what will serve either both systems or the individuals within that system.

Just an anecdote. I just happened to have a last visit to the Walter Reed Army Medical Center here a few weeks ago in preparation for, if confirmed, being transferred over to the VA. I happened to ask two, maybe three of the doctors who looked at me that day and asked them if they knew about

the electronic medical system used by the VA, and each one of them said they did and they thought it was an excellent system and they wished they had it. So maybe there is

some

hope for some kind of agreement here between the two Departments, and I say that before I go over to make my initial visit with the Secretary of Defense.

But I will look for a way to create this technological, seamless transfer of information. It is not the technology.

It is about leadership, in my opinion.

Chairman Akaka. Thank you, Senator Wicker.

Senator Murray?

Senator Murray. Thank you, Senator Akaka.

Thank you very much, General, for your opening statement. I very much appreciated what you called your three fundamental attributes and I look forward to your implementation of that.

I did want to just say I want to thank your family for their tremendous patience sitting here. I don't know who the young gentleman is who is listening very carefully, but he is doing a better job of sitting than most of us up here, so I just wanted to tell you I appreciate his willingness to be there and support you, so thank you.

General Shinseki. They are family friends, the Fritchey family from Virginia, and John has his two sons here to expose them to the workings of government in a

democracy and he thought this was a great way for them to spend the day.

Senator Murray. Excellent. Excellent.

General, I wanted to ask you, over the past eight years, the VA has developed sort of a track record and culture of downplaying some very potentially embarrassing internal issues, whether it is the budget shortfalls that

we

saw or inaccurate suicide data, really at the expense of

the

veterans that we are all serving. I wanted you to share with this committee how you, as Secretary, can build

within

the VA a culture that focuses on providing for veterans' needs rather than sort of avoiding public relations disasters. How do you change that culture and what will

we

see under your administration?

General Shinseki. Well, Senator, a good question,

and

I do think it is about leadership and it is something I

will

go to work on the day of my arrival, if confirmed by the Senate.

As I said in the beginning, good people go to work every day in the VA, and that is my expectation. So if I were to send a message to the good people who are dealing with the veterans who are our clients, my message would be this. Treat our veterans with respect and dignity. They are not here begging for a handout.

I am reminded of this statement by a good friend of

mine who happens to work for McClatchy newspapers, a
fellow named Joe Galloway. Simple message. We serve veterans.
Maybe even simpler. The answer is yes. What is the
question? Not to oversimplify, but it is to change the
attitude by which veterans are treated when they come to

us to request that we provide the benefits and services we
promised and they have earned.

They are truly our clients. They don't have anywhere
else to shop. They are our clients. They retained us to

do this and we are going to deliver on that. Treat them with
respect. And asking them to take a number and wait or put
up with records that are lost or take six months to
adjudicate, or even worse, records that are thrown out and
destroyed, not part of the culture that I expect governs
what will happen at Veterans Affairs.

You have got to come to work with a passion to do

what we are asked to do, as difficult as it is. That is why I
took this job. My hopes are that, very quickly, we can go
through the period of adaptation and team building and

come out the end of that transition for me with a cohesive
organization that is serving veterans.

Senator Murray. Well, I look forward to that and I
hope that as part of that, your message is to all of your
team members within the large bureaucracy of the VA that
when potential issues come to light, that sharing them

openly and honestly is a better way of treating veterans than to try and figure out how to keep it from coming out. General Shinseki. I agree. I would just add to

that,

Senator, that not only are we trying to create this much-described one VA, which is team building and also cohesion,

but I think we as a Department have an opportunity to reach

Human beyond our own walls and look to work with Health and

Services, with the Department of Labor, with Housing and Urban Development, Education, Small Business, to put together comprehensive solutions for what we know our veterans are wrestling with.

In the veteran population, there is this microcosm of all of the other issues that are being handled by other Departments and we need to be smart about how we engage

one

another and come up with partnering solutions that husband resources and get better results for all of us.

Senator Murray. Yes. One issue I wanted to bring to your attention quickly is the issue of suicides and

suicide

prevention, and the VA has made a little bit of progress

on

this, but we still aren't able to get a true handle on

that.

I have been exploring how we can help get a Memorandum of Understanding or agreement with the Centers for Disease Control and Prevention so that we can get a better handle

on

numbers. Could I get your willingness to work with me on making sure we understand what the scope of the problem is

so we can deal with this in a much better way?

General Shinseki. I will, Senator.

Senator Murray. Thank you. I have additional questions, but I will wait for the second round.

Chairman Akaka. Thank you very much, Senator Murray. Senator Tester?

Senator Tester. Thank you, Chairman Akaka.

You know, it is interesting. Not only can they see

you

on the cameras in their homes today, but I understand the Iraqi and Afghanistan Veterans of America are also

blogging

this. This is good stuff for the information technology world.

I just want to touch on electronic medical records,

and

you don't need to make your answers very long, just to the point. We have had several hearings on this seamless transition between DOD and VA, as I mentioned in my

opening

remarks. Do you think it is important? What kind of urgency are you going to place on it? Is it high on your list, is it moderate or low?

General Shinseki. Senator, it is high on my list. I don't think I can address those near-term issues about backlog, about Iraq and Afghanistan veterans being moved from one Department to the next without the electronic records and the information technology backbone that supports that.

as
good
in
purview.

Senator Tester. You said you think it is basically simple as a leadership issue. I mean, I think that is news. Do you have people in mind that you can influence the DOD to make this happen? It is not within our

General Shinseki. I am going to begin with my counterpart and then take his lead on that.

Senator Tester. Super.

General Shinseki. My reason for saying it is a leadership issue is that technology, the power of the microprocessor solves that.

Senator Tester. I should say it, but when confirmed, what actions would you take to enhance medical, and maybe more importantly, mental health outreach to veterans in rural communities, because we are so short on the mental health stand, especially in rural America?

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know
to
the
health

General Shinseki. I know that the challenge of delivery of services and benefits in the rural parts of country is a challenge and will continue to be. I also know that there is some telemedicine opportunities. I am led to believe that there is some promising work maybe even in the mental health arena here. I would rely on our mental health professionals to give me a comfort level that says you can do some, a lot, maybe all of it in this manner.

I do know that in the last two years, we have--the Department has hired, I think, 4,000 additional mental

health professionals with plans to hire several thousand more in the next two years, all indicating that there is

the

understanding this is a huge area for work to be done.

Senator Tester. Good. We have a large number of veterans who are Native Americans in Montana and they have some health care issues in Indian Country. There has been some collaboration about potentially working together with the Indian Health Service. What are your views on those kind of issues? I mean, I can tell you what--well, I

won't,

either. Give me an idea if you think that is possible or

if

it is something that you would work towards.

General Shinseki. I would say it is something I probably need to find out more about, Senator. But I

don't

think I would turn away any opportunity to partner with other agencies as long as the quality that has been established in the VA is met and that timeliness and accessibility for veterans is the benefit.

Senator Tester. I appreciate that. There is a Rural Veterans Health Advisory Committee. They have met once already, last fall. They meet again in the spring, I believe, down in Arizona. Would you commit to giving

those

folks the resources they need to finish their work as far

as

making some recommendations on how we can better address--

General Shinseki. I will find out a little bit more, but I will commit to supporting the rural health--I think

you are referring to the Rural Health Office that has been established?

Senator Tester. I actually don't know who it is through. It is a Rural Health Advisory Committee that General Peake appointed, I don't know, it has been about a year ago.

General Shinseki. I think we are speaking about the same thing.

Senator Tester. Okay, good. And then the other thing is once they get a report, would you commit to actually taking a hard look at it? I am not saying implementing it, but certainly take a hard look at it--

General Shinseki. I will.

Senator Tester. --to make sure it just doesn't end up another report on the shelf.

General Shinseki. I will.

Senator Tester. Thank you very much.

Chairman Akaka. Thank you very much, Senator Tester.

General Shinseki, you indicated in response to pre-hearing questions that you would be an aggressive advocate for the fiscal needs of the Department. I am most gratified

to hear this. Along with President-Elect Obama, you indicated that you would support advanced funding for VA. My question to you is, will the fiscal year 2010 budget contain this funding mechanism?

General Shinseki. Good question, Senator. I don't know, but I intend to find out. If confirmed, that will be an initial set of questions that I deal with as we begin to put together that budget.

Chairman Akaka. There is an interest in the committee that was mentioned.

General Shinseki. I do support the advanced appropriation mechanism. Having lived with continuing resolutions in another life, I know that there is impact, and especially when we are dealing with health care and other issues for veterans. I would prefer to have a mechanism that allows that to continue without interruption.

Chairman Akaka. Given the IG's dual responsibility to

the Secretary as the head of the Department and to Congress,

do you believe you will be able to support the IG's work even if a particular job might bring adverse publicity to VA?

General Shinseki. I have absolutely no problem with that, Senator. I have lived with the dual reporting responsibility of the Inspector General. I have always

seen the Inspector General as part of my team, helping me to

find and solve problems that might not ordinarily come to my attention. So the dual reporting chain does protect the independence and impartiality here and I think that is important in any organization.

Chairman Akaka. General Shinseki, I want to follow
up
on your comments about creating a trusting and positive
relationship with veterans and their families. Given
missteps in the past on health care matters and the dismal
performance in claims processing, how do you begin to
foster
trust in that relationship?

General Shinseki. Senator, that is just a process
that
begins with me and begins with my opportunity to build a
good, strong, and supportive team inside the Department of
Veterans Affairs. My experience is there is nothing that
builds trust faster than performance and delivering on
promises and that is what we intend to do. If confirmed,
that is what we intend to do.

Chairman Akaka. Well, thank you very much for your
responses.

Let me call on Senator Rockefeller for his further
questions.

Senator Rockefeller. One of the great tests of who I
know you to be because of what you did in terms of the
Armed
Services Committee and the effect that that had on the
American people was magical. It brought the whole concept
of truth and need into a kind of convergence which--maybe
that over-dramatizes it a bit. It kind of electrified the
nation. It certainly electrified us here in Washington.

You are going to be Secretary of Veterans Affairs,
and

that means that every single piece of testimony that you give is going to have to be vetted by the Office of Management and Budget. Peter Orszag is one of the finest men I know. He really is good. He is a lot more than a numbers cruncher. But there will come a time, and I remember when I was Chairman, I used to have real brawls with the White House on funding levels, and won one once, and they told OMB to change their view.

But you are constrained in what you can say and that presents a problem, I think, for a man of your nature and your truthfulness, because as Senator Murray, who is always of is spot-on, says, telling the truth about the needs is part what builds confidence in veterans. It also builds confidence in the 220,000 people who will be working for you, many of whom have been there for many, many years and have not changed their ways in many, many years, and that is another subject which I won't get into. How do you establish that you really mean it in a large bureaucracy, and sometimes you have to do that by getting rid of people who are simply unwilling to adhere to what the President-Elect and the Secretary of Veterans Affairs wants.

But I really think the business of truthfulness on veterans, I think Senator Murray and Senator Akaka would agree with me that there were two things, and we discussed this in our conversations, two tectonic changes that

Reed occurred last year. One was as a result of the Walter
Army Hospital Building Number Nine situation, when all of
a sudden it came crashing down upon us that we had not been
serving veterans, and I have been on this committee for 24
years and it was just a crushing realization to me, but on
the other hand an inspiring one, too, that sometimes you
have to pay for what you are going to get, and when you
are dealing with veterans, that puts you into a whole
different category of obligation. But the nation understands, even
if the bureaucracy of government does not.

So what I am asking you, and please don't answer
because I do want you to get confirmed--

[Laughter.]

Senator Rockefeller. --is to say that this is not
enough. Thanks mostly to the work of Patty Murray,
Senator Murray, who you will find is one of the best friends you
will ever have, she just got us a whole bunch more money
and we all felt pretty good about it, \$2 billion. And then
you actually look at it. It actually was more than that, \$3
billion, then when you looked at it, it was wholly
insufficient. It was just better than it had been before.
Well, you are not interested in just what is better
than it has been before but you are interested in what is
sufficient to make you and 220,000 people roar out of bed
every morning and charge off to work because they know
they

are going to be changing the lives of people in a permanent way.

So I just make that comment to you, that you will soon

find yourself, I think, in a trap, and I think it is going to be a particularly hard trap for a man of your integrity and stature. I always make this point before vital testimony so people know that they have to ask themselves the question, am I listening to General Shinseki or am I listening to the Office of Management and Budget. There

is not much money around these days after we finish doing whatever we have to do. But I just pray that you will

level with us--maybe it doesn't even have to be in a public setting--you will level with us about where you are being shortchanged and where you really want to get things done and the money just is not there.

Government is capable of changing and I think we have

a very gutsy new President-Elect and I think he wants to see results in the work that you are doing. So I just make

that comment and ask you not to comment on it.

Chairman Akaka. Thank you very much, Senator Rockefeller.

Now we will have Senator Murray.

Senator Murray. Senator Rockefeller, thank you very much for that statement. I think we all agree with that

and look forward to seeing you implement a real change of

culture and heart.

Let me ask you about women veterans because it is an issue that I feel very passionately about. Women make up about 14 percent of the current active-duty force, but

women

still are much a minority at the VA. A lot of women don't see themselves as veterans. They don't get the adequate care when they go in. The VA wasn't built for women, but they now have to be part of that, and I wondered if you could share a little short answer with us about what you hope to do on that front.

General Shinseki. Sure. Senator, I watched the Army go through the same process of adjustment and we may be playing a little bit of catch-up, as well, here in

Veterans

Affairs. When I entered the service, we were primarily male, a draft Army, and I watched the changes for the

better

that occurred over that time. But we were always playing catch-up. I understand that today, women account for

about

14 percent of our deployed formations. Estimates, I am told, is that the VA by 2020 is going to be 15 percent,

one-

five percent, women. Now is the time for us to anticipate that coming change that we know is going to occur and put

in

place the kinds of programs so that we will accommodate those changes without playing catch-up. So it is a good time.

I do know that the VA has a full-time now, directed a

153 full-time Women's Veteran Program Manager at each of its
hospitals, and so that is recognition. There is also
serving the Secretary a Women's Advisory Committee, as
well,
and I look forward to meeting them and getting them--
Senator Murray. We look forward to working with you
on
that.

Over the past eight years, we have seen the Bush administration propose new health care user fees and increase copays. I saw recently a study by the University of Pennsylvania that found that the VA's pharmaceutical copay increase back in 2002 actually caused a 19 percent drop in medication adherence by our veterans. So it had a very negative effect, and I am hopeful that we don't see from this administration those kinds of proposals for increased copays and fees.

I know it is premature to ask you what your budget is going to look like, but can you tell us what you are planning to do in terms of copays and fees for our veterans?

General Shinseki. Well, Senator, I just need to learn more about this. I do know under these economic conditions all of our veterans are under stress, and so I need to get in and understand where we are--

Senator Murray. Okay. Just as a heads-up, this Senate has turned down those requests every time, so if you want an honest budget, it might better come to us without those in

them.

me Thank you for coming to my office and chatting with

particular about a number of issues that we talked about, in

the Walla Walla Outpatient Clinic, which we had a great discussion on. We have made a lot of progress there. We want to keep going and I appreciate your commitment to that.

hearing I did also want to invite you out to my State in particular. We have a number of VA facilities. I noticed that in your questions that you answered for the pre-

the that you said that you wanted to get out to see some of

you VA facilities and I think if you have the time, and once

some get settled, I would love to have you come out and see

would of the work that we are doing, and I know our veterans

appreciate your being out there on the ground.

We I did want to ask one last question that I think is important. The VA has been a very passive organization.

particular are here. You can come to us. It seems to me,

home, with our Iraqi and Afghanistan veterans who are coming

and a different generation, looking at the world differently

of how they perceive it, we are losing a lot of our veterans, particularly with PTSD and TBI, not those visible wounds

war, because it has been a passive organization, and I am concerned about the outcome of that.

Do you share my view that we need to start being more of a proactive organization in the VA rather than just a

passive organization, and if so, how do we get there?

larger
have
been
is

General Shinseki. Senator, we can't transform unless we are proactive, and so I think this is part of that overarching vision that I have been provided. In order to get there, the Veterans Affairs Department is going to change a bit of the culture and the way that it has been doing business, all for the good. But my responsibility is to lead that change and proactivity is something I am usually comfortable with.

move
you

Senator Murray. Okay. Well, General, I really do appreciate you taking on the head of this agency. We want it not to be business as usual. We want to not hear just about a bureaucracy, but about a people organization. You have set that vision out for us and I assure you if you move forward with that aggressively and open and honestly with this committee, we will work as hard as we can with you to make sure our veterans get the care they need. So thank you very, very much.

full

Chairman Akaka. Thank you very much, Senator Murray. Thank you, and mahalo, General Shinseki, for your

and open participation in today's hearing. Every organization needs an unquestioned leader and I am anxious to have you assume that role at VA as soon as feasible.

As I mentioned in my statement, the plan is for your nomination to go directly to the Senate Calendar on

Inauguration Day and for the Senate to act on it the same day. If there is no objection, I ask that any member who wishes to submit any post-hearing questions to General Shinseki to do so today and that the nominee return them

by

close-of-business tomorrow. So we look forward to this speedy action and look forward to your being confirmed.

Again, I want to say thank you to you and to your family. We want to wish you well in the future and in the future of our country. We ask God's blessing upon you,

your

family, and, of course, our country and our new administration.

With that, this hearing is adjourned.

General Shinseki. Thank you, Mr. Chairman.

[Whereupon, at 12:24 p.m., the committee was adjourned.]