

Arthur Cooper, SFC USA (Ret), National President, THE RETIRED ENLISTED ASSOCIATION

TESTIMONY OF

Arthur Cooper, SFC USA (Ret)
National President

Of

THE RETIRED ENLISTED ASSOCIATION

Before a

JOINT HEARING

Of the

HOUSE and SENATE VETERANS AFFAIRS COMMITTEES

On

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Chairmen Murray and Miller, Ranking members Burr and Filner and distinguished members of both Committees: It is an honor for me to speak before this Joint Committee hearing about TREA's FY2012 Legislative goals and the concerns and needs of America's veterans, their families and survivors.

Before I begin I wish to congratulate both Senator Murray and Representative Miller for your selections as the new Chairs of your 2 Committees. And on behalf of TREA and all American veterans I must thank Senator Akaka for his long and distinguished service as Chairman of the Senate Committee on Veterans Affairs.

The Retired Enlisted Association is a Veterans Service Organization founded in 1963 to represent the needs and points of view of enlisted men and women who have dedicated their lives and careers to serving in all the branches of the United States Armed Services: active duty, National Guard and Reserves, as well as the members who are doing so today.

As our military is entering the 10th year of war enlisted men and women are serving in two war zones, starting up a no fly zone over Libya, serving in a dangerous humanitarian mission to help our Japanese allies who have been buffered by an earthquake, tsunami and radioactive accident as well as serving in numerous other dangerous places throughout the world. They are risking life, limb and sometimes their psychological health to preserve our Nation's liberties, independence and security. When they return home they must be given both the honor and practical help that they have earned and deserve. And their families and survivors deserve the help, support and protection that our service members expected.

Your Committees have never forgotten this Nation's sacred duty to her veterans, and their families and survivors and we are very grateful. The last few years have shown historic and unparallel increases in the VA's budget, the institution of advanced funding for VA healthcare and the creation and then improvement of the Post 9/11 GI Bill. We thank you for these important steps forward. There are additional actions needed to make sure that the changes you have worked for these past years are incorporated into the everyday functioning of the VA and that new improvements are made to existing programs.

Of course we are fully aware of the tremendous deficit concerns the federal government is facing. But we are still a Nation at war and even in these very difficult financial times it is America's duty to provide for those who have and continue to protect us all. TREA hopes that many of these critical needs can be dealt with during this session of Congress.

HEALTH CARE FUNDING

TREA again wishes to acknowledge the crucial importance of the advance appropriations that your two Committees guided through Congress. Because of this procedural change VA's health care system is operating smoothly while the FY2011 budget fights continue week in week out. We also note that there has been record VA health care funding in the last several years. These increases have been necessary due to the dramatic growth of veterans needing this care. The continued level of funding will assure that veterans will get the high quality and nondelayed care that our veterans need and deserve.

TREA also strongly supports the fact that once again there are no proposed fee increases in the Administration's proposed budget. We are very grateful to Congress protecting veterans from fee increases last year. In these worrying financial times TREA knows how much this meant to the veterans enrolled in VA. This year it is again very important to them as they arrive home to a troubling job market that they are remembered and appreciated.

TREA urges you to remain vigilant in maintaining this level of funding.

VA CLAIMS BACKLOG AND ADJUDICATION IMPROVEMENT

TREA firmly believes that the continuing difficulties of the VA's adjudication system are still the single most important problem facing the Department of Veterans Affairs today. And this is true even though it has been a focus of your Committees, the VA and many VSOs and MSOs for the past several years.

The backlog is still growing- Even with Secretary Shinseki pledge "to break the back of the backlog" it is still growing not shrinking. Last year VBA decided over 1,000,000 claims- a staggering number. But even with that the backlog grew. As of January of this year the number of pending compensation and pension cases was 770,291 (an increase of 282,790 from last year). There are also an additional 228,000 pending appeals (an increase of 45,000 from last year.) And 313,007 claims are presently pending longer than the VA's own goal of no more than 125 days (a 69% spike in one year). The situation is unacceptable. It is true that justice delayed is often justice denied.

We are not saying that the present situation is all the VA's fault. Since 2007 the VA has hired thousands of additional adjudicators to deal with this issue. It is clear that more and more veterans are filing claims. From 2005- 2010 there has been a 51% increase in filing new claims (an average 10% increase a year.) This growth would be hard for any adjudication process to keep up with. Part of this increase in filing is clearly due to the improved education veterans are receiving regarding their rights and benefits. This change is something that you, the VA, VSOs and MSOs may justly be proud. But ,of course, that will put added pressure on the adjudication system.

The wise decision to grant new 3 presumptive conditions under the Agent Orange Act produced an additional 200,000 new claims last year. It is also likely that the increases in filings are also triggered by our difficult economic times and the shockingly high unemployment rates of returning veterans. It is hard to imagine what the delays would be if the VA had not hired thousands of new adjudicators. But understanding the serious problems facing the VA does not make the delays acceptable. It is also crucial that these decisions are not just made swiftly but are made correctly. And that has not yet happened either.

The decisions are not only slow; they are inaccurate- The VBA's yearlong study (ending March 31, 2010) found a 17% error rate. The VA's Inspector General found additional unreported errors. So by the VA's own calculations last year over 130,000 veterans received incorrect disability decisions!

Part of this must be caused by the fact that many claims are getting more and more complex. Due to great improvements in battlefield medicine our troops are suffering the lowest death rate in the history of warfare. This is a great thing and an amazing accomplishment. Unfortunately, this means that many of our troops are suffering multiple or dramatically severe injuries that would have been fatal in the past. Therefore these are complicated. It is critical to handle these cases quickly and correctly. Some of the cases will include PTSD and TBI diagnosis or questions of environmental exposures and other complicated fact patterns. All the claims personnel must be well trained as well as skilled and dedicated. They must be properly supervised. And the training must be continually updated.

But as we know you have been told by many other VSO representatives the VA must make decisions that are correct the first time. To do that the VA must, finally develop and implement the Veterans Benefit Management System (VBMS). This system should bring VA out of the 20th Century paper basis technology into a 21st Century paperless claims processing system.

TREA also joins all of you in urging that DoD's and VA's collaboration to create a Virtual Lifetime Electronic Record be completed as soon as possible. Without a doubt it will be great facilitator of correct adjudications in the future.

TREA also hopes that your Committees will urge the VA to modify its clumsy, cumbersome 23 paper page initial application. Improving this feature could speed up the process tremendously.

While a veteran is waiting for a disability decision to be made he or she must continue to keep body and soul together; as well as support a family and hopefully start a new life or continue a productive one. It is crucial for all returning veterans, as well as those who served in the past, to have their claims quickly and correctly adjudicated. It is also critical for the faith of all Americans in our system that this problem finally be solved. There has not been the consistency of outcomes throughout the Country that is essential for a system of adjudication to be fair and to be seen to be fair. The VA has stated that it is developing a plan to monitor consistency of decisions across regional offices. We appreciate their efforts. However more work needs to be done to correct these problems. TREA knows that all members of your Committees are extremely concerned about this continuing back log and inconsistency of decision making. Hopefully, correcting this problem will remain a top priority of the VA.

TREA urges Congress and most particularly your Committees to make sure that the newly hired adjudicators are of the highest caliber.

TREA urges that all adjudicators are paid at a sufficient level and trained adequately to reduce the present chronic turnover in these positions.

TREA urges that the VA be required to create uniform standards and procedures so that the decisions are correct and consistent throughout the country.

TREA urges that the VA be required to update the technical and IT support for claims adjudication throughout the system.

VETERANS EMPLOYEMENT

The unemployment rate in America hovers near nine percent (9%), but veterans are suffering an even greater rate. In February the unemployment rate for veterans was at 15 percent (15%). TREA believes that revising the meaning of a qualified veteran in the tax code and providing a \$2400 tax credit to employers who hire a veteran who has served over 180 days of active service in the last 5 years or \$4,800 for hiring a disabled veteran would go a long way towards addressing these concerns by putting veterans at the top of the hiring list. Expanding the tax credit to all veterans, not just those who have served in the last 5 years, would go even further.

Enforcing the three-percent rule contract set aside and increasing Small Business Administration funding for new Veterans Business Development Centers and other similar programs will provide veterans with necessary training, business planning, networking, and access to capital. TREA is working with the Presidential Inter-Agency Task Force, as well as the Veteran Entrepreneurship Task Force (VET-Force) to achieve these aims as well. TREA believes that since veterans tend to hire other veterans, advancing veteran-owned businesses would go a long way towards reducing the unacceptable veteran unemployment rate.

Corporate America needs to learn about the skills and professionalism veterans can bring to the workplace. Some in corporate America believe that our fighting men and women are unable to produce efficiently in a civilian workforce. This makes no sense because the basic tenets of American corporate behavior, specifically the standardization of it, were a byproduct of the near-universal military service of the “Greatest Generation” during World War II.

The men and women who wear the uniform gain leadership and learn team-building skills that few if any others possess. They experience the true meaning of the motto: “We do more before 9 am than most people do all day.” But many leaders in America’s business world have little or no experience with the military. Providing a legal inducement to hire a veteran will get a business, perhaps for the first time to see the talent and value military experience brings to the work place.

TREA urges your Committees to take up these tax and Small Business proposals in the Committees and pass them as soon as possible.

UNIFORMED SERVICES EMPLOYMENT and REEMPLOYMENT RIGHTS ACT (USERRA)

TREA would like to acknowledge the favorable decision the Supreme Court recently handed down in Staub v. Proctor Hospital. The Court has expanded protections that we are sure Congress intended for members of the National Guard and Reserve to have when it passed USERRA.

The importance of re-employment protections for our nation's "operational reserve" warriors cannot be overstated. Nearly 700,000 National Guard and Reserve troops have been called up to active duty since 9/11, according to the Department of Defense. It is also reported by the National Guard Bureau that 75 percent of Guard members have deployed, and that 25 percent of those have deployed more than twice.

TREA is grateful for passage in 2008 of USERRA amendments that require faster complaint resolution and more stringent reporting requirements by Federal agencies involved in compliance with the law. But more needs to be done. Many service members and employers don't fully understand their USERRA rights and responsibilities. Service members can unknowingly waive their USERRA rights by signing binding, pre-dispute arbitration contracts upon employment; amending USERRA to bar these binding arbitration agreements on USERRA issues would prevent arbitrators from circumventing Congress' intent when it comes to USERRA protections. America needs to do all she can to protect a warrior's employment upon return from the battlefield. There are many additional steps that can be taken.

TREA urges that an outline of USERRA regulations should be given to Guard and Reserve members when they receive their activation orders.

TREA recommends that Congress extends USERRA protections to servicemembers working in domestic response operations, such as hurricane or wildfire missions.

TREA recommends that Congress require that States which accept federal funds for any state programs or activities must waive their sovereign (11th Amendment) immunity in cases of USERRA actions.

TREA recommends that USERRA is amended to provide punitive damages in the worst cases of reemployment discrimination; make the award of attorney fees mandatory rather than discretionary and make a single entity accountable for overseeing USERRA complaint resolution process.

VA HEALTH CARE

Before speaking of any health care goals for this year I wish to thank you on behalf of all the members of TREA for the fact that again there have been no proposed increases in VA healthcare enrollment fees or drug co-pays for FY2012. Particularly in these economic times this is crucial to our members and to veterans throughout the country. We hope you will keep a vigilant eye as the budget travels through Congress to make sure that the VA's budget is protected from cuts. TREA must thank you, yet again, for the dramatic increases in VA healthcare funding.

The increases show that Congress recognizes the huge job the VA has in running this system. All of us acknowledge the vast improvements in quality of care the VA has achieved in the last

several years. Last year the VA provided health care to over 5.5 million veterans of the 7.7 million veterans enrolled at the VA. It does that by running 153 medical centers and 730+ outpatient clinics. This system structure is providing both amazing growth and increasing convenience for those who served and protected our country. The quality of care has become better and better and the VA's specialty health care services- spinal cord injuries, prosthetics and treatment for the blind- are among the best in the world. We urge you to upgrade and increase the polytrauma centers and specialty care institutions that are providing this world class care. Additionally, the VA provides superb medical training for most of the medical doctors in this country.

It should be noted that over 40% of the veterans returning from OEF/OIF are taking advantage of the open access VA health care program. If a veteran enrolls in the program and uses it he or she will continue to qualify for future VA healthcare. So here is another group of beneficiaries who are not likely to decrease in the future and should be remembered when budgetary decisions are being made.

TREA firmly believes that the VA must continue to focus on the health care that is being provided for all those veterans coming home from Iraq and Afghanistan, and that sufficient planning, coordination and money must be provided to guarantee the best care in the world for our veterans from both the VA and DOD. Once again we must focus this year on the need to have a seamless transition from DOD to the VA (please see below). This coordination is clearly crucial in order to provide for our heroes' needs as well as for VA's future fiscal planning. TREA hopes and expects that Congress will carefully oversee the future funding levels (and necessary increases) and coordination of care among these many crucial programs.

It is clear that we will continue to see a substantial increase in the necessity of mental health services (both outpatient and in-patient) for Veterans returning from the War. We also think it is wise to provide counseling services for families of returning veterans. There will also be a growing need to enlarge the programs that the VA has wisely created to provide counseling for the Veterans' families. The VA will need to become even more expert at treating both Traumatic Brain Injuries (TBI) and Post Traumatic Stress (PTS).

And for older Veterans there will be an ever growing need for nursing home care. The demographics of many of our elderly veterans require the VA to focus on this urgent issue. The financial losses that many American families are experiencing will naturally cause them to look to VA and State programs for help in caring for their loved ones. The VA's partnership and support with state veteran nursing homes is one step forward. But more must be done. The per diem paid by the VA should be increased. And while providing care for elderly veterans the VA should be allowed to do what all other qualified American providers are allowed to do: collect from Medicare. These Veterans have paid for their Medicare coverage throughout their careers. The VA should be allowed to become a Medicare provider and collect appropriate fees. We hope that next year will be the time when this may finally happen.

TREA urges Congress to exercise your oversight to make sure that VA's crucial healthcare programs are adequately funded throughout the next budgetary year including adequate funding for the Priority Group 8 enrollees.

TREA urges Congress to grant the additional funding needed to increase the number of polytrauma and specialty care institutions.

TREA urges Congress to pass an increase in the per diem paid by the VA to state nursing homes to provide care and comfort to our aging veterans.

TREA urges Congress to support legislation to allow the VA to become a Medicare provider.

WOUNDED WARRIOR AND CARETAKER SUPPORT

TREA, like many before us, is very worried about the slow implementation and restrictive interpretation of last year's Caretakers bill (Public Law 111-163.) This bill provides necessary training and certification for men and women taking up the incredibly important and difficult duty of caring day in and day out for our wounded warriors. It also provides with a monthly stipend, respite care, and if necessary, mental and medical health care. It is truly an historic piece of legislation.

But the delay in the VA's implementation of its many provision and their narrow interpretation of qualifications have left numerous families anxious and tense. Congress acknowledged when passing this bill that these people are dealing with exhausting problems and are in critical need of help. They are doing a job out of love that is a great benefit to their returning veteran. But secondarily the federal government is freed from the obligation and costs of institutionalized care. We should do everything we can to make personal care that protects our wounded warriors from loneliness and depression possible.

TREA urges you to require the VA to expedite implementation of P.L. 111-163.

DOD-VA COLLABORATION/SEAMLESS TRANSITION

TREA is grateful to Congress for the passage of all the "wounded warrior" pieces of legislation. But the failure to create a permanently established DoD/ VA Interagency Program (similar to SOC) has made successful implementation of the many programs difficult to coordinate. Among the numerous Commissions' recommendations and reports concerning seamless transition that have been issued in the last several years again TREA believes a crucial recommendation is to insure that the Department of Veterans' Affairs has the sole authority to rank service connected disabilities for military disability retirements and separations. This would not take away any power from DoD for determining who is fit for duty. What it would do is finally create a consistent disability rating for disabled veterans from all the Branches of Service. It would assure that all disabled veterans would be treated fairly and consistently. And it would be seen to be fair and consistent. We also urge that there be an automatic enrollment into the VA's health care system when a service member is being medically separated or retired.

TREA hopes that this is the year that we finally have a single separation physical between DoD and the VA and that finally we finish the development of a "bi-directional" (information can be added in either direction) electronic medical record throughout DoD and the VA. Both Departments must create an electronic health care record that all TRICARE and VA health care patients can carry with them wherever they are throughout the world for their entire lives (and not

place paper medical files on the stretchers with injured service members being evacuated out of war zones as is still going on today.). Your Committees' interest and supervision has been crucial to getting as far as we have. With your continued interest and expertise we can move forward.

TREA hopes your Committees will continue to monitor the necessary improvements in the programs supporting the service member's transition from DOD to the VA jurisdiction.

CENTERS OF EXCELLENCE

One of your most hopeful recent creations has been the Centers of Excellence concept. Having DoD and the VA together focus research and information gathering on specific areas of injuries holds the promise of dramatic improvements in treatment. However TREA has been very disappointed in how slowly some of the centers have been stood up. Particularly in the areas of hearing and vision injury the buildup has been glacial. The Vision Center of Excellence was created in the NDAA FY2008 and the Hearing Center of Excellence in the NDAA FY2009. Both types of injury have been very common in our present wars. Already over 750,000 Iraq and Afghanistan veterans have suffered from a hearing loss and even a greater number are estimated to have developed tinnitus. In fact hearing disabilities are the most common in the total VA system. In 2009 the VA paid approximately \$1.9 billion in disability compensation for tinnitus alone. Additionally, it is estimated that approximately half of TBI sufferers have a vision loss.

These Centers (along with the Limb Extremity Center of Excellence) were created to coordinate and improve the clinical treatment and research of DoD and VA in these medical areas. They are directed to also create registries containing records of these military injuries and treatments. This was a very hopeful idea that has not moved forward. Both Centers have had tremendous problems being assigned staff and granted directed funding. The Hearing Center of Excellence only has 2 Air Force Officers assigned from the DoD side. The VA has not yet even assigned a single staffer to the Center. The VA funding has been miniscule in all 3 centers. If advances were made our veterans 'and their families' lives could be greatly improved and the federal government would save money. It is crucial that your Committees urge both Departments to focus on these important projects.

TREA urges your Committees to supervise the VA's (and DoD when possible) establishment of the Vision and Hearing Centers of Excellence.

FEMALE VETERANS

Women presently make up 15% of the active duty and 17% of the Reserve Components. They are therefore becoming much more of a presence at the VA. The numbers keep growing. Women already make up over 5% of all American veterans and are expected to reach 10% by 2020. There are already over 100,000 women veterans from OIF/OEF and Operation New Dawn. 52% of these women veterans are enrolled in VA health care.

The VA is well aware that they need to modify their practices to reflect the needs of their changing beneficiary pool. Last year the VA Advisory Committee on Women Veterans issued a report, “Women Veterans—A Proud Tradition of Service,” and we urge that their recommendations be implemented. We also urge that the provisions covering women veterans’ health care in the delayed implemented P.L. 111-163,” Caregivers and Veterans Omnibus Health Services Act of 2010” be implemented as soon as possible. Your Committees have already exercised strong oversight over this law’s implementation. TREA is sure that you will not relax until the implementation is complete.

TREA urges Congress to focus on the particular medical needs of women veterans and assure that the VA focuses on this growing group’s other special needs.

IMPROVEMENTS IN EDUCATION BENEFITS

It is amazing to see the improvements that have been made in the educational benefits for veterans in the last several years. It is something that all of you in the government who have worked on this issue for the last 4 years are justifiably proud of.

Recent additions to the Post 9/11 GI Bill, i.e. GI Bill 2.0, have improved and expanded the education benefit in many of the ways TREA has advocated. However, the cessation of interval payments (payments made while school is on summer or winter break), reducing the tuition payment amount for private institutions in some states, and providing only a portion of the living stipend for online students has either reduced the benefit or fails to provide parity for many veterans. Veterans enrolled in college assumed these benefits would be in place for their entire academic career. Accordingly, TREA advocates that Congress and VA should examine either grandfathering veterans who had these payments reduced or removed, or inserting a “hold harmless” clause in the legislation so that these veterans can complete their education as if the legislation had never been passed.

TREA urges you to allow the “Survivors and Dependents Education Program” (DEA) under 38 USC Chapter 35 program to share in some of these important improvements. Sadly, education benefits for surviving spouses and children have declined even as the cost of education continues to increase. The average cost to attend a four-year public university has reached \$14,256 per year. In 2003, the last increase for Chapter 35 benefits, the average cost of a four-year degree was \$10,674. While Chapter 35 benefits have remained the same, the cost of education has increased by 33 percent. It is time to increase the DEA’s monthly stipend.

TREA urges that your Committees support improvements in the present Survivors and Dependents Educational Assistance Program (DEA) to reflect the improvements made last year in the MGIB as well as creating a housing and book stipend and connecting the Survivor program with the Active Duty education programs so that improvements in either of the 2 active duty programs are immediately reflected in DEA.

SURVIVORS BENEFITS

Every day during America’s Wars and military missions throughout the world wives, husbands, children, and parents are becoming survivors of our service members. We are losing members of the military every week. It should be remembered that even in peacetime America loses an

average of 1,500 Service members a year on active duty. (The military has always been a very dangerous vocation.) As Lincoln memorably told us in his Second Inaugural Address we, as a Nation, have a duty to take care of his “widow and orphan.” In the last 10 years have made great improvements in the benefits and help we provide for the families who suffer terrible emotional and practical losses. TREA, of courses thanks Congress for all the improvements but more must be done.

SBP/DIC Offset- Again TREA is strongly urging Congress to end the unfair SBP/DIC offset and to make DIC equivalent to other federal survivor programs. HR178, the Military Surviving Spouses Equity Act sponsored by Representative Joe Wilson and Senator Bill Nelson’s S. 260 would finally end the unfair dollar for dollar offset of military SBP and VA’s DIC. Currently DIC payments are \$1,154 a month- so survivors of all but the most senior enlisted retirees never receive a dime of the SBP that was purchased either with their retired pay or their lives on active duty. In 2009 a Special Survivor Indemnity Allowance was passed to partially deal with this obviously unfair practice. Starting at \$50 a month in 2009 and increasing in steps until reaching \$310 per month in 2017 this inequity is being partially offset. And then the allowance disappears. This does not solve the problem

There are two groups of widows (and widowers) who are harmed by this offset. The first group is made up of those whose spouses died on active duty and the second group are made up of those whose spouses died of service-connected disabilities or injuries. Both groups should be relieved of this burden.

The offset takes a dollar from the SBP payment for every dollar the widow receives from DIC. Each payment covers a different purpose and should be treated separately. The DIC is an indemnity (compensation or insurance) payment that is paid by the Department of Veterans Affairs (VA) to the survivor of a member of the military whose service directly causes his or her death. The SPB annuity, paid by the Department of Defense reflects the longevity of the service of the military member. It is ordinarily calculated at 55% of retired pay. Military retirees who elect SPB pay a portion of their retired pay to ensure that their family has a guaranteed income should the retiree die. If that retiree dies due to a service connected disability, only then would their survivor become eligible for DIC.

SBP is normally a purchased annuity, an earned employee benefit. This is a retirement plan. (Please note that there is no offset if a federal civilian retiree dies of a service connected disability. The survivors will receive the civilian SBP and the VA’s DIC without offset.) As stated above it takes into account longevity of service. The vast majority of families affected by this offset served a full career in the military. We all now accept the maxim that you recruit a member but you retain a family. This is part of the retirement package. Even the name of the Dependency Indemnity Compensation’s (DIC) name makes clear that it was created for a very different reason. It is an indemnity program to compensate a family for the loss of a loved one due to his or her military service. Again, they are different programs created to fill different purposes and needs. The survivor does receive a taxable pro-rated share of the paid SBP premiums back without interest in a lump sum. But that cannot make up for the cost and difficulty paying those premiums all those years of retirement caused. If a disabled veteran earns a civilian pension as a federal civil servant the family will never lose either their survivor payment or their DIC to any

offset. The service member did what he could to provide for his spouse. This is behavior the Federal Government wishes to encourage. This offset makes his attempts a failure. The offset should be abolished. Again, S260 and HR178 would completely end this unfair offset. We hope that this is the year when we correct this problem. TREA hopes that the members of both VA Committees will support the bills.

DIC Equality- Dependency and Indemnity Compensation (DIC) is set a flat monthly rate regardless of rank. Again, it is presently \$1154 (only modified if there is a yearly COLA). TREA believes that the rate of compensation should be set at 55% of the compensation paid to a 100% VA service disabled rated veterans. This would put the DIC recipient on an equal footing with survivors of disabled federal civil service employees. In 2009 a GAO report "Military and Veterans' Benefits" (GAO 10-62) found "DIC payments are almost always less than workers' compensation payments for survivors of federal employees who die as a result of job-related injuries" This would be a fair and rational way to set the DIC level.

DIC Retention- Finally, we hope that survivors will be permitted retain DIC if they remarry at or after the age of 55. Presently a survivor may retain DIC upon remarriage if they are 57 or older. Most federal survivor programs allow retention after remarriage of a survivor benefit if the survivor is at least 55 years old. Indeed, the age to retain CHAMPVA upon remarriage is the normal federal program age of 55. The difference is because the two benefits were reinstated in different years and during different Congressional negotiations. There are no policy reasons for this awkward and unequal distinction and we hope that this year it can finally be corrected.

TREA urges Congress to increase the basic DIC payment to reflect the normal ratio of 55% among indemnity programs throughout the federal government.

TREA urges Congress to finally completely end the SBP/DIC dollar for dollar offset.

TREA urges Congress to increase the basic DIC payment to reflect the normal ratio among indemnity programs throughout the federal government.

TREA urges that surviving spouses be allowed to retain their DIC if they remarry after reaching the age of 55.

CHAMPVA UP TO AGE 26

Last year Americans were dramatically split on most new healthcare proposals. But there was one proposal in the health care bill that most Americans thought was a good idea- allowing adult children under the age of 26 to remain on their parent's healthcare insurance. First, such a provision was included in Patient Protection and Affordable Care Act (PPACA). Then Congress included a similar provision in TRICARE. And we are urging that Congress gives similar protection to young adult beneficiaries covered by CHAMPVA (Civilian Health and Medical Program of the Department of Veterans Affairs.) Senator Akaka's (D-HI) S490 and Representative Filner's (D-CA) HR115 would cover these remaining adult children who will not be qualified for this protection.

TREA urges you to join your colleagues in passing these wise bills.

THE NON-VETERAN MILITARY RETIREE

TREA likes to say that all Military Retirees are Veterans but all Veterans are not retirees. However, that is not totally correct. While it is true for the vast sum of Military retirees one group is left out. Guard and Reserve retirees who have served honorably for 20 or more years but have not been called up for the minimum number of days (normally at least 180 consecutive days of federal active duty) do not qualify as veterans under the current law. (Active Duty for training does not qualify a member for Veterans Status). This is true although they were always required to be prepared to be activated during their 20 years or more of service. Indeed, they may have served a great deal of time under - Title 10 or Title 32 orders- but they are not designated veterans. With the dramatic changes in how we are using the Guard and Reserve the percentage of retirees in this situation is dropping and will continue to drop. Still, this is an anomaly that needs to be corrected. These Military Retirees should be allowed the honor of the designation of “veterans of the Armed Forces of the United States.”

HR1025, a bi-partisan bill introduced in the House by Representatives Tim Walz, Tom Latham and Jon Runyan; and S491, Senator Mark Pryor’s of Arkansas S491- would make this happen.

These individuals are indeed Military retirees and are eligible to receive active duty retiree benefits when they reach 60 years of age. They are qualified to receive military retirement pay after reaching 60 years of age. They qualify for TRICARE after reaching 60. They have unlimited use of the Commissaries and Exchanges during and after their service. (They have full use of the Commissaries/Exchanges when they are what we all call Grey Area Retirees before they turn 60 years old.) They are total Military Retirees. Additionally, these dedicated members of the National Guard and Reserve already qualify for some Veterans benefits. These include: (1) eligibility to participate in the VA home loan program if one serves for at least six years of honorable service; (2) VA burial and memorial benefits if the retiree is entitled to retired pay at the time of his or her death; and (3) eligibility for SGLI and VGLI.

The members who fit into this situation by definition would not qualify for a VA disability rating and thus would not qualify for a disability payment or health care. Most would have civilian health care insurance and once they turned 60 they would qualify for TRICARE. - In fact, the legislation specifically states that no new benefits will be granted to these individuals by virtue of either of these bills. As a result, the Congressional Budget Office has scored these bills as having no cost.

Until 9-11-01, in many ways, members of the Operational Guard and Reserve tended to be treated as stepchildren of the military. Now the nation has realized that its military cannot function without the Operational Guard and Reserve. Thus, the simple step of recognizing the service of those who spend twenty years or more as meriting the distinction of being called a veteran is a major issue for them, one of pride and one of having their sacrifices recognized. After all, we now have a Total Force that includes the Guard and Reserve Components. They wear the same uniforms and earn the same medals and awards. Why are they not worthy of the honor of being called “veteran?”

These non-retiree veterans are calling for this change for the recognition and honor-- not any increase in benefits. They wish to be termed “veterans of the Armed Forces of the United States”.

They volunteered to serve, served honorably, and were prepared to serve on active duty if called. TREA firmly believes that a career of military service in the reserve forces of our nation should constitute qualification for veteran status under the law.

TREA urges Congress to pass – HR1025 and - S491 and thus modify Title 38 to define as veterans members of the Guard and Reserve who have served 20 or more years but who have not been activated for a qualifying length of time.

CONCLUSION

TREA wishes to thank the Senate and House Committees on Veteran Affairs for the honor of testifying before you once again. We are grateful for the opportunity to speak of our concerns and legislative goals. We are also grateful for the opportunity of working with you and your terrific staffs throughout the year.

The VA is a crucial institution for helping to preserve our Nation's freedoms by serving those who protect all from danger. TREA knows that it is a heavy burden for the members of both Committees to take on the oversight duties for such a huge, far flung, and critical Government Department. We know that you will do all in your power to assure that once again adequate and timely funding is provided for health care, that improvements are made in case adjudication and that the Veterans and their families and survivors who have given so much to preserve this Union are provided the help they need and deserve. Again thank you for your attention and I would be happy to try and answer any of your questions.