



Statement of the Fleet Reserve Association
on its
2013 Legislative Goals

Presented to the:

U.S. House of Representatives and
United States Senate
Veterans' Affairs Committees

By

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THE FRA

The Fleet Reserve Association (FRA) is the oldest and largest organization serving enlisted men and women in the active, Reserve, and retired communities plus veterans of the Navy, Marine Corps, and Coast Guard. The Association is Congressionally Chartered, recognized by the Department of Veterans Affairs (VA) and entrusted to serve all veterans who seek its help.

FRA was established in 1924 and its name is derived from the Navy's program for personnel transferring to the Fleet Reserve or Fleet Marine Corps Reserve after 20 or more years of active duty, but less than 30 years for retirement purposes. During the required period of service in the Fleet Reserve, assigned personnel earn retainer pay and are subject to recall by the Secretary of the Navy.

FRA testifies regularly before the House and Senate Veterans' Affairs Committees and Appropriations Subcommittees, and the Association is actively involved in the Veterans Affairs Voluntary Services (VAVS) program. A member of the National Headquarters' staff serves as FRA's National Veterans Service Officer (NVSO) and as a representative on the VAVS National Advisory Committee (NAC). FRA's NVSO also oversees the Association's Veterans Service Officer Program and represents veterans throughout the claims process and before the Board of Veteran's Appeals.

In 2011, 171 FRA Shipmates provided almost 12,000 volunteer hours of support at 59 VA facilities throughout the country, enabling FRA to achieve VAVS "Service Member" status. Members of the Auxiliary of the Fleet Reserve Association are also actively involved in the VAVS program and hold an Associate Membership seat on the committee which requires involvement at 15 or more VA facilities.

FRA became a member of the Veterans Day National Committee in August 2007, joining 24 other nationally recognized Veterans Service Organizations on this important committee that coordinates National Veterans' Day ceremonies at Arlington National Cemetery. The Association is a leading organization in The Military Coalition (TMC), a group of 34 nationally recognized military and veteran's organizations collectively representing the concerns of over five million members. FRA senior staff members also serve in a number of TMC leadership positions.

FRA celebrated its 88th anniversary on November 11, 2012, and its motto is "Loyalty, Protection, and Service."

CERTIFICATION OF NON-RECEIPT OF FEDERAL FUNDS

Pursuant to the requirements of House Rule XI, the Fleet Reserve Association has received no federal grant or contract during the current fiscal year or either of the two previous fiscal years.

INTRODUCTION

Distinguished Chairmen, Ranking Members and other Members of the Committees, thank you for the opportunity to present the Association's 2013 legislative goals. Before addressing specific issues, it's important to note that veteran's benefits are earned through service and sacrifice in the defense of this great Nation and are unlike other entitlements or benefits programs.

SEQUESTRATION AND THE 2014 VA BUDGET

A top priority for FRA is to ensure that the VA budget is exempt from the effects of the March 1, 2013 sequestration deadline, and to also ensure that the likely extension of the FY 2013 continuing resolution (CR) after March 27, 2013 does not result in unanticipated cuts to VA programs. FRA thanks House Veterans Affairs Committee (HVAC) Chairman Miller and former SVAC Chairwoman Murray for their efforts to ensure that the entire Department of Veterans Affairs (VA) budget is exempt from "sequestration" cuts as mandated by the 2011 Budget Control Act (BCA).

Despite this effort, sequestration, the impact of budgeting by CR without separate appropriations legislation, and delay of the Administration's FY 2014 budget request has created significant anxiety within our membership and the entire veterans' community.

The Veterans Health Administration (VHA) now serves more than eight million veterans and thanks to strong support from these committees and Congress continues to function via advanced appropriations. Our members urge the Administration and Congress to work together to ensure that the advanced appropriations amounts for FY 2013 are sustained and adequate to meet estimated demand for veterans health care – and ensure sufficient funding for FY 2014 and beyond as well. HVAC Chairman Jeff Miller (Fla.) and Ranking Member Mike Michaud (Me.) introduced the "Putting Veterans Funding First Act" (H.R. 813). The bill would require Congress to fully fund VA budget a year ahead of schedule by providing two-fiscal year budget authority, ensuring that all VA services will have timely, predictable funding in an era where continuing resolutions and threats of government shutdowns are all too frequent.

FRA supports the recommendations of the FY 2014 Independent Budget (IB) which was recently released by AMVETS, Disabled American Veterans (DAV), Paralyzed Veterans of America (PVA) and the Veterans of Foreign Wars (VFW). The IB has served as a guide for funding the VA for 27 years and provides detailed VA budget analysis to meet the challenges of serving America's veterans. Recommendations for FY 2014 include:

- \$58.8 billion for VA health care, which is \$1.3 billion more than the advanced appropriations from last year;
- \$2.4 billion for the Veteran's Benefits Administration (VBA) which is \$226 million than the FY 2013 request;
- \$900 million more for FY 2014 VA construction projects (\$2.25 billion); and

- \$611 million for medical and prosthetic research which is \$28 million more than the FY 2013 request.

DISABILITY CLAIMS BACKLOG

FRA views the growing backlog of disability claims as a threat to the Nation's solemn commitment to properly care for disabled veterans. The cost of defending the Nation should include timely and adequate treatment of our wounded warriors. In FRA's online February 2013 survey of veterans, nearly 80 percent of those responding view the disability claims backlog as "very important," and more than 84 percent cite access to VA health care benefits as "very important."

In January 2012, the VA reported that more than 800,000 veterans were awaiting decisions, 60 percent of which were pending 125 days or more – an increase of more 100% over the previous three years. As of February 18, 2013 there are nearly 900,000 (897,714) disability claims pending with 69.9 percent pending for 125 days or longer. Thousands of additional claims adjusters have been hired since January 2007, yet despite the additional resources and manpower, the backlog of disability claims continues to increase. Adding to the backlog are errors due to inadequate examination, inaccurate processing and lack of oversight.

The Association has for many years urged VA to employ new and improved technology to better manage the flood of disability claims associated with the war efforts and to shrink the disability claims backlog. FRA appreciates efforts by the Veterans' Benefits Administration (VBA) to improve the disability claims process. However, as is widely known by our VSOs and reported in various publications including the *Marine Corps Times* ("VA head envisions radical Improvements in Backlog," Nov. 19, 2012), the problem is made more challenging by more claims arriving each year. The drawdown of troops serving in Afghanistan will likely also result in a million more claims each year for the next three years with 43 percent of claims coming from the Reserve Component that creates additional access challenges.

The VBA is charged with achieving the ambitious goal of having disability claims pending no longer than 125 days, with a 98 percent accuracy rate, and is not only overwhelmed by the quantity of claims but also the complexity of many claims.

The following, Recovering Warrior Task Force statement after its January 14-15, 2013 meeting is noteworthy. "After 12 years of war and the implementation of legislative provisions, policies, and services, DoD and VA still are plagued with basic command and control, coordination, and communication issues that cause inconsistencies and distrust across the agencies, ultimately affecting care for beneficiaries... We will have another system surge when the troops come home from Afghanistan, a 'tsunami'... that will again overwhelm the systems – and things will get worse before they get better... Recovering warriors and their families are starving for practical help – even while they are being overwhelmed by a massive volume of information they are given."

The quality of claims adjudication has also been a concern for FRA. For example *The Washington Post*, ("Md Vets can face Extreme Waits," Steve Vogel, Feb. 4, 2013) cites that at Regional Office Baltimore, Maryland, disability claims (are) pending 429 days on average and more than 25 percent of those claims are being mishandled. The Association's February 2013 online survey

reveals that 89 percent of veterans believe the quality of VA health benefits as “very important,” which is the highest rating of all VA quality-of-life benefits in the online survey.

The Veterans Benefits Management System (VBMS), a paperless claims program now used in 18 regional offices, is scheduled to become operational in all 56 regional offices this year has the potential to dramatically reduce the time it takes for processing disability claims. *The Washington Post*, (“VA Entering the Digital Age for Claims,” Steve Vogel, Feb. 4, 2013) references “pilot testing at the Salt Lake City, Utah and Providence, Rhode Island offices [that] the VBMS cut the average time to process a case from 240 days to 119 days according to the agency.” VBMS will automate five steps of the standard claims adjudication process including establishment, development, evidence, rating and award.

FRA appreciates the outreach and expanded communication by VA Undersecretary for Benefits Allison A. Hickey. Her leadership at VBA has strengthened and expanded partnerships and improved communications with FRA and other military/veterans organizations. She has pushed for badly needed reform and encouraged a culture of change and reform at VBA. Noted improvements include expanded usage of the eBenefits website and disability benefit questionnaires (DBQ) completed by the claimant’s private physician that evaluate disabilities that are the equivalent to those completed by VA or VA-contracted examiners. (DBQs are 81 different templates that solicit medical information necessary to evaluate medical conditions.)

We appreciate efforts to streamline the claims process, however, challenges remain with implementing and interpreting these processes by both VA and private sector physicians, even with accurately-completed DBQs and duplicative VA exams that slow down the disability claims process.

Another important reform at the VBA is the creation of Quality Review Teams (QRT) in every regional office, charged with seeking out and correcting mistakes with disability claims processing, and providing end-of-month performance reviews intended to reduce lag-time in measuring quality from the current four months to one week and permit timely corrective action. The VBA created three segmented lanes for disability claims (Express, Core, and Special Ops) that should accelerate adjudication for “Express” claims from 250 days to 80 days, and reduce overall claims processing an average of 51 days.

The VA is also cutting red-tape for veterans by eliminating the need to complete an annual Eligibility Verification Report (EVR). The VA has implemented a new process for confirming eligibility for benefits. In the past, beneficiaries had been required to complete an EVR each year to ensure their benefits continued. VA estimates it would have sent nearly 150,000 EVR’s to beneficiaries in January 2013. Eliminating these annual reports reduces the burden on veterans, their families, and survivors to submit routine reports to VA each year to avoid suspension of benefits. This will also free up more than 100 employees that processed EVRs that can work on eliminating the claims backlog.

The VA also launched a new initiative that could eliminate the requirement for an in-person medical examination for some veterans and shorten the time it takes to process disability compensation claims. The initiative is called Acceptable Clinical Evidence (ACE). This is a joint ef-

fort by the VHA and the VBA to provide a veteran-centric approach for disability examinations. The ACE process opens the possibility of doing assessments without an in-person examination when there is sufficient information in the record.

The VBA has worked to increase the percentage of Fully Developed Claims (FDC) which consists of a complete application, all military and civilian medical treatment records, and relevant military records including the claimants DD 214. Claims submitted under the FDC program are currently processed on average within 115 days. VBA has a goal of increasing FDC claims to reach 20 percent of all claims. This would increase 153,000 claims adjudicated before the 125 day deadline.

FRA continues to believe there is strong bipartisan support to further reform the system and lawmakers have made clear that they want to improve claims processing to eliminate bureaucratic delays and ensure more uniformity between branches of the military and the VA in how they rate disabilities. An effective delivery system is essential along with decisive and appropriate action to correct deficiencies and improve processes. That said, VA can promptly deliver benefits to veterans only if it has modern technology, adequate resources, sufficient personnel training and staffing.

WOUNDED WARRIORS & SEAMLESS TRANSITION

FRA strongly supports the Administration's efforts to create an integrated Electronic Health Record (iEHR) for every service member which would be a major step towards the Association's long-standing goal of a truly seamless transition from military to veteran status for all service members and permit Department of Defense (DoD), VA, and private health care providers immediate access to a veteran's health data.

The importance of fully implemented interoperability of electronic medical records cannot be overstated. However, SecDef Leon Panetta and SecVA Eric Shinseki recently announced jointly that the departments are abandoning plans to create a single electronic health record for active duty military and veterans. And FRA shares concerns expressed by HVAC Chairman Miller at a February 27, 2013 hearing that this change could be viewed as a step backwards on this issue apparently due to budget pressures and higher costs.

There is some sharing now between DoD, VA and the private sector, but more needs to be done. Wider expansion of data sharing and exchange agreements between VA, DoD and the private sector is needed. VA's "Blue Button" initiative permits veteran's online access to some medical history, appointments, wellness reminders and military service information, but most is only accessible only after in-person authentication. VHA is also moving forward on its paperless processes that is Health Insurance Portability and Protection Act (HIPPA) compliant.

FRA strongly supports the VA/DoD joint effort to invest more than \$100 million in new research to improve diagnosis and treatment of post traumatic stress (PTS) and mild traumatic brain injury (TBI) in response to a August 31, 2012 Presidential Executive Order calling for DoD and VA to also establish an inter-agency task force to coordinate their efforts, and VA and Health and Hu-

man Services (HHS) will establish at least 15 pilot programs involving community-based health providers to expand mental health services in areas not well served by VA.

The Veterans Affairs and Armed Services Committees must remain vigilant regarding their oversight responsibilities associated with ensuring a “seamless transition” for our Nation’s wounded warriors. In conjunction with this, FRA is concerned about shifting of departmental oversight from the Senior Oversight Committee (SOC) comprised of the DoD and VA secretaries per provisions of the FY 2009 National Defense Authorization Act, to the more lower echelon Joint Executive Council (JEC) which is now responsible for supervision, and coordination of all aspects of DoD and VA wounded warrior programs. This change is perceived by many as diminishing the importance of improving significant challenges faced by service members – particularly wounded warriors and their families – in transitioning from DoD to the VA.

The Association notes the importance of the eBenefits web site which serves as an electronic portal for veterans, service members and their families to research, find, access, and in the near future manage their VA benefits and track progress on claims processing. The program is a service of the VA and DoD and was one of the recommendations of the President’s Commission on Care for America’s Returning Wounded Warriors (Dole/Shalala). There are now more than 1.86 million eBenefits users.

The Association also strongly encourages support for the Navy’s Safe Harbor Program and the Marine Corps Wounded Warrior Regiment (WWR), programs that are providing invaluable support for these personnel before and after they transition to veterans’ status.

MENTAL HEALTH/SUICIDE

FRA believes post traumatic stress (PTS) should not be referred to as a “disorder.” This terminology adds to the stigma of this condition, and the Association believes it is critical that the military and VA work to reduce the stigma associated with PTS and TBI. Access to quality mental health service is a vital priority, along with a better understanding of these conditions and associated care and support that’s currently available.

Suicide prevention is also a priority issue for FRA and the VA’s 2012 Suicide Data Report will hopefully help in reducing the number of veteran’s suicides. In the past, data on veterans who died by suicide was only available for those who had sought VA health care services. This also includes state data for veterans who had not received health care services from VA, which will help VA strengthen its aggressive suicide prevention activities. The report indicates that the percentage of veterans who die by suicide has decreased slightly since 1999, while the estimated total number of veterans who have died by suicide has increased.

As many as 18 veterans are committing suicide every day and access to quality mental health services must continue to be a priority for the VA. In 2005 the VA’s 13,000 mental health professionals were providing care for veterans. Today there are more than 20,000 mental health professionals at the VA and that number should continue to increase. The VA/DoD crisis hot line has assisted more than 640,000 people and recued over 23,000 from potential suicide, and there must be readily available counseling support and expanded awareness of help that’s available to

veterans in crisis. Expanding VA counseling to veteran's family members, strengthening oversight of IDES, and requiring VA to establish accurate measures for mental health were included in the FY 2013 NDAA are also important in addressing this issue.

The Association appreciates the White House efforts at stemming the tide of veteran suicides. President Obama signed an Executive Order on August 31, 2012 aimed at reducing suicides and improving mental health services for veterans, active duty personnel and their families. The order requires the VA to increase capacity of its Veterans Crisis Hotline by 50 percent to ensure that veterans identified as being a danger to themselves or others are connected with a trained mental health professional within 24 hours. The order allows VA to refer veterans in need of immediate mental health care to the TRICARE network and directs the VA and the Department of Health and Human Services (HHS) to expand outreach efforts to service members and veterans, and fill all vacancies for mental health staff positions.

AGENT ORANGE

From 1964-1975 more than 500,000 service members were deployed off the coast of Vietnam and may have been exposed to Agent Orange, a herbicide used in Vietnam. Past VA policy (1991-2001) allowed service members to file claims if they received the Vietnam Service Medal or Vietnam Campaign Medal.

The Association appreciates the establishment of a presumptive service-connection for Vietnam veterans who have B cell leukemia, Parkinson's disease or ischemic heart disease. These diseases are related to exposure to Agent Orange. VA Secretary Eric Shinseki's decision was based upon an Institute of Medicine's (IOM) 2010 report and this is a major step in the right direction, but FRA is advocating for a broader Agent Orange service-connection.

However, a January 2013 VA statement referencing a careful review of another IOM report in 2011, entitled, "Blue Water Navy Vietnam Veterans and Agent Orange Exposure," indicates that there is insufficient evidence to establish a presumption of exposure to herbicides for Vietnam veterans who served off the Vietnam coast during the conflict.

FRA believes that decision maintains the status quo regarding disability claims of these so-called "Blue Water" veterans and that the IOM report validated the 2002 Royal Australian Navy study that confirmed the desalinization process used on Australian and U.S. Navy ships actually magnified the dioxin exposure. The Association continues to seek a legislative remedy to reverse current policy so Blue Water veterans and military retirees who have health problems commonly associated with herbicide exposure will be eligible for service-related VA medical and disability benefits.

FRA notes the VA's efforts to expand presumption to ships exposed to Agent Orange during the Vietnam era. In January 2012 the Department added 47 ships to its list of Navy and Coast Guard vessels that may have been exposed to the Agent Orange herbicide. The list expanded as VA staff determined that a ship anchored, operated close to shore or traveled on the inland waterways and was exposed to the toxic herbicide.

While the expanded VA policy to include veterans who sailed on “inland waterway” ships is significant, FRA believes it does not go far enough. The Association has received hundreds of calls from “blue water sailors” and their surviving spouses, stating that due to service on “their ships” in Vietnam waters, they too suffer or have died from many of the illnesses associated to presumed exposure to herbicides as their “brown water” and “boots on the ground” counterparts.

The Association wishes to thank Representative Chris Gibson (N.Y.) for his introduction of H.R. 543 “Blue Water Navy Vietnam Veterans Act of 2013.” The bill was introduced with 42 original bi-partisan co-sponsors. FRA looks forward to the Senate introducing companion legislation and potential hearings on this priority issue of the Association

DISABILITY RATING REVIEW

Aggressive committee oversight of the Integrated Disability Evaluation System (IDES) is essential to ensuring that disability ratings established by this system are fair and consistent. FRA supports the modernization of the VA Schedule of Rating Disabilities to guarantee that the ratings are uniform between the different services, between enlisted and officers, and uniform between DoD and VA.

The 2013 Independent Budget (IB), a recent IOM report, the final report (2007) of the Veterans Disability Benefit Commission (VDBC), and the Dole –Shalala Commission all agree that the current disability rating should be reformed to more fully take into account non-economic loss and quality of life factors when determining compensation.

The Association also recommends that Congress change the current practice of rounding down veterans and survivors benefits to the next lowest dollar. Over time, the effect of rounding down can be substantial and our members have expressed concern about these effects.

FRA urges Congress to authorize a presumption of service-connected disability for combat veterans and veterans exposed to high levels of noise and subsequently claim hearing loss or tinnitus. Currently, veterans must prove that the hearing problem was caused by military service.

The Physical Disability Board of Review (PDBR) was mandated by the FY 2008 National Defense Authorization Act to reassess the accuracy and fairness of disability claims that resulted in combined disability ratings of 20 percent or less for service members who were separated from service due to medical conditions rather than being medically retired. To be eligible for a PDBR review, service members must have been medically separated between September 11, 2001, and December 31, 2009, with a combined disability rating of 20 percent or less, and found ineligible for retirement. PDBR can not downgrade a disability for veterans seeking a review if their rating and nearly half of those reviewed have been upgraded to 30 percent or more. FRA urges additional funding for mailing and other outreach efforts to eligible veterans and that adequate staff and resources be provided to the PDBR to be able to process an increase in the volume of veterans seeking a review of their ratings.

COLA

FRA supports Rep. Jon Runyan's (N.J.) legislation (H.R. 569) to provide automatic annual cost-of-living-adjustments (COLA) for veterans with service connected disabilities and survivors of certain disabled veterans receiving dependency and indemnity compensation (DIC). Currently Congress must authorize veteran's COLA legislation every year. Runyan's legislation would make this increase automatic just like the automatic annual increases for military retirees.

The Department of Labor's Consumer Price Index (CPI) is used to determine annual COLAs for various benefit programs. Recent budget reduction discussions have focused in part on the concept of swapping the CPI with the so-called "chained CPI" that takes into account the effect of substitutions that consumers make in response to changes in prices. That change over time would have a significant impact on the annual COLAs for military retirees and on veterans' benefits. SVAC Chairman Bernie Sanders' (Vt.) effort in leading opposition to the chained CPI and the Association is committed to ensuring equitable COLAs for military retiree's retainer pay, veterans disability compensation, dependency and indemnity compensation for surviving spouses and children.

POST 911 GI BILL

The Association strongly supports the "GI Bill Tuition Fairness Act" (H.R. 357) that would require schools eligible for GI Bill education benefits to authorize veterans in-state tuition rates even though they may not be residents of the states where the schools are located. According to a recent *Navy Times* story, (Jan. 28, 2013), "only 13 states now provide in-state tuition to non-resident veterans." Those who volunteered to defend this Nation did not just defend the citizens of their home states, but the citizens of all 50 states, and the educational benefits they receive from the taxpayers should reflect that fact. The current limit on GI Bill tuition is in excess of \$18,000 per semester and this legislation will ensure that veterans receiving benefits from the Post 911 GI Bill will have their tuition reimbursed, which was the intent of the original Post 911 GI Bill law.

FRA appreciates enactment of the "Improving Transparency of Education Opportunities for Veterans Act" (H.R. 4057), sponsored by Rep. Gus Bilirakis (Fla.) that among its other provisions, highlights available educational resources to help GI Bill beneficiaries choose the school best meeting their educational needs.

The Post 9/11 GI Bill is a tremendous benefit for service members who qualify for the program and has significantly improved the morale of those currently serving. The VA has provided more than \$24.4 billion in tuition and benefits for more than 870,000 veterans, service members, and their families. The Association urges sustained oversight of the program to ensure that qualifying veterans and their families can make informed decisions about choosing the best educational program for their needs and that they receive benefits in a timely manner. The demand for Post 911 GI Bill benefits is expected to increase as the U.S. military disengages from Afghanistan and there is a drawdown of forces.

Timely processing of GI Bill benefits has been a challenge for the VA, and FRA appreciates the VBA efforts to work with universities, colleges, and trade schools to improve the benefit payment process. By law the VA can not pay GI Bill benefits until the School Certifying Official (SCO) provides VA enrollment certifications. FRA appreciates the VA establishing an SCO hot-line for schools having difficulty with the certification process.

ACCESS TO VA CARE

In 2009 there was a partial lifting of the “temporary” 2003 ban on enrolling Priority Group 8 veterans. VA opened enrollment for some (10 percent) of these beneficiaries and the intent was to gradually add 10 percent more enrollments each successive year, however the lifting of the ban stopped after the first year significantly limiting access to care. More than 260,000 veterans have been impacted by the policy. Our Nation made commitments to all veterans in return for their service and limiting enrollment conveys the wrong message to those currently serving and those who have served in the past.

Expanding access to VA Hospitals and Clinics for TRICARE beneficiaries is important and FRA supports opportunities to expand DoD/VA joint facilities demonstration projects such as combining the VA Hospital and the Naval Hospital at Great Lakes Naval Base, Illinois, and ensuring that military retirees are not required to pay for care in VA facilities. All 153 VA medical centers accept TRICARE beneficiaries except for TRICARE for Life beneficiaries.

The Association is concerned that the Inspector General has launched an investigation of the failure of medical protocols at the Buffalo VA Medical Center that could have exposed more than 700 patients to HIV, hepatitis B or hepatitis C. FRA welcomes HVAC plans to hold a hearing on the problems at that facility.

FRA supports the CHAMPVA Children’s Protection Act (H.R. 288), sponsored by HVAC Ranking Member Rep. Mike Michaud (Maine), that increases from age 23 to 26 the maximum age of eligibility for certain dependent children of veterans for medical care under the Civilian Health and Medical Program of the VA. This bill would bring CHAMPVA in line with TRICARE and the insurance requirements created by the Affordable Care Act.

Finally, Congress should expand the VA Caregivers Act to cover full-time care givers of catastrophically disabled veterans before September 11, 2001. In addition, the Defense Centers of Excellence should be adequately funded and staffed.

MEDICARE SUBVENTION

FRA believes authorization of Medicare subvention for eligible veterans would improve access for Medicare-eligible veterans and enhance health care funding for the VA. Under current law, Medicare is not authorized to reimburse VA hospitals for care provided to Medicare eligible veterans. This results in veterans being forced to decide between receiving medical care through the VA, or using Medicare at a non-VA facility and foregoing the personalized care of a VA hospital. Most veterans pay into Medicare for most of their lives, yet the law prohibits them from benefiting from this via care at VA facilities later in life.

WOMEN VETERANS

In January 2013 the Pentagon lifted the ban on women in direct combat and Defense Secretary Leon Panetta stated that women have become an “integral part” of the military and have already demonstrated their willingness to fight during the wars of the last decade. Even before the change women were playing a significant role in the nation’s defense.

During the past decade military roles and responsibilities have been broadened and the number of women serving has significantly increased. There are more than 1.8 million women veterans and today they make up more than 15 percent of our active duty forces and 18 percent of the Reserve Component (RC). FRA strongly supports VA efforts to create an appropriate model of care for women veterans and the pilot program to provide child care services for women veterans who come to the VA for treatment of their wounds and injuries. Further, the VA should enhance its sexual trauma and other gender specific programs and continue to improve services tailored to women veterans in all VA facilities.

VETERAN’S EMPLOYMENT

Veteran’s unemployment and programs to assist them in finding jobs throughout our Nation are very important. In conjunction with these issues, FRA welcomed news that the Senate recently confirmed Keith Kelly to serve as the Department of Labor (DoL) Assistant Secretary for Veterans Employment and Training Service, a post that had been vacant since July of 2011.

Employer tax credits for hiring veterans are authorized in the recently enacted Veterans Opportunity to Work to Hire Heroes Act (VOW). And veterans’ job fairs are being scheduled throughout the country in conjunction with the White House Business Council. These and other efforts have resulted in the veterans’ unemployment rate dropping to 6.7 percent, which is more than a full percentage point below the national average of 7.8 percent. TAP and DTAP sessions are now mandatory to also help with the transition of all service members to civilian life and post service employment.

TRANSITION ASSISTANCE PROGRAM

FRA supported making the Transition Assistance Program (TAP) a mandatory program for service members leaving the military. TAP was established to offer job search assistance and related services for separating service members during their period of transition into civilian life.

The Association concurs with the 2014 IB recommendation that stresses the importance of a new TAP curriculum that is relevant to today’s transitioning service members, and that Congress must track implementation of the new TAP efforts to ensure its effectiveness. Keith Kelly, the newly confirmed Department of Labor Assistant Secretary for Veterans Employment and Training Service, indicated during his confirmation hearing that he will implement the re-designed TAP. Currently multiple government agencies have jurisdiction (DoL, DoD, VA, and Department of Homeland Security) over the program and FRA supports shifting oversight of these pro-

grams to the VA. Kelly also pledged to improve outreach to service members and veterans to ensure they have access to this and other programs to help them find civilian jobs.

VETERANS HOMELESSNESS

FRA supports the goal of eliminating veterans homelessness by 2015. With assistance from the Housing and Urban Development (HUD) the VA has made progress on this issue. According to *The Washington Post*, (“Donovan, Shinseki hit D.C. Streets for National Homeless Count,” Steve Vogel, Feb. 1, 2013), “Last year’s count found 62,619 homeless veterans, representing a 17.2 percent decline since 2009.” Since HUD and VA have joined forces more than 37,000 homeless veterans have been placed in housing.

FULL VETERAN STATUS FOR RESERVE COMPONENT SERVICE

The Association supports full veteran status for Reservists with 20 years or more of service. FRA appreciates Sen. Mark Pryor’s leadership in the last session of Congress by introducing the “Honor American’s Guard-Reserve Retirees” (S. 491) bill and filing an amendment to the FY 2013 NDAA that unfortunately was not called for a vote. FRA also appreciates the leadership of Rep. Timothy Walz’s (Minn.) companion bill (H.R. 679) that passed the House by voice vote in the last session of Congress.

COURT-ORDERED DIVISION OF VETERAN’S COMPENSATION

The intent of service-connected disability compensation is to financially assist a veteran whose disability may restrict his or her physical or mental capacity to earn a greater income from employment. FRA believes this payment is that of the veteran and should not be a concern in the states’ Civil Courts. If a court finds the veteran must contribute financially to the support of his or her family, let the court set the amount allowing the veteran to choose the method of contribution. FRA has no problem with child support payments coming from any source. However, VA disability should be exempt from garnishment for alimony unless the veteran chooses to make payments from the VA compensation award. The Federal government should not be involved in enforcing collections ordered by the states. Let the states bear the costs of their own decisions. FRA recommends the adoption of stronger language offsetting the provisions in 42 USC, now permitting Federal enforcement of state court-ordered divisions of veterans’ compensation payments.

NATIONAL CEMETERY ADMINISTRATION

The National Cemetery Administration (NCA) maintains over three million gravesites at 131 national cemeteries in 39 states, the District of Columbia, and Puerto Rico that include 3.1 million gravesites. The VA estimates that about 22 million veterans are alive today. They include veterans from World War II, the Korean War, the Vietnam War, the Gulf War, and the War on Terror, as well as peacetime veterans. It is expected that one in every six of these veterans will request burial in a national cemetery. Annual internments are estimated to have increased to 116,000 in the current fiscal year (FY 2013) and will remain at that level until 2015.

FRA believes that transparency is an effective deterrent to bureaucratic mismanagement and welcomes the recently released VA Inspector General's report that reviewed over three million veteran's graves in 131 national cemeteries that indicated an error rate of less than 0.0003 percent. This report was a result of HVAC Chairman Miller's call last year for a complete audit of gravesites to ensure all veterans and their dependents are buried in the correct graves. Our members appreciate the House Committee's ongoing oversight to ensure that these problems do not arise again at NCA cemeteries. The VA has also indicated it will "tighten procedures" and will continue to conduct audits at the 17 cemeteries where problems were discovered.

The Association supported the recent enactment of the "Dignified Burial and Veterans' Benefits Improvement Act" (S. 3202 P. L. 112-260) that authorizes the VA to furnish a casket or urn for a deceased veteran when VA is unable to identify the veteran's next-of-kin and determines that sufficient resources are not otherwise available to provide for proper burial in a national cemetery.

FRA appreciates the increased burial plot allowance from \$300 to \$700 effective October 1, 2011, although there is still a gap between the original value of the benefit and the current benefit. The Association also supports the FY 2013 IB recommendations to increase the plot allowance to \$1,150. Further NCA's Operations and Maintenance budget should be increased so it can meet increasing demands created by the aging veteran population.

CONCURRENT RECEIPT

FRA continues its advocacy for legislation authorizing the immediate payment of concurrent receipt of full military retired pay and veterans' disability compensation for all disabled retirees. The Association appreciates the progress that has been made on this issue that includes a recently enacted provision fixing the CRSC glitch that caused some beneficiaries to lose compensation when their disability rating was increased. Chapter 61 retirees receiving CRDP, and CRDP retirees with less than 50 percent disability rating that should also receive full military retired pay and VA disability compensation without any offset.

The Association strongly supports legislation to provide additional improvements that include Senate Majority Leader Harry Reid's recently introduced legislation (S.234), Rep. Sanford Bishop's (N.Y.) "Disabled Veterans Tax Termination Act" (H.R. 333) and Rep. Gus Bilirakis' (Fla.) "Retired Pay Restoration Act" (H.R. 303).

SCRA ENFORCEMENT

Certain Servicemembers Civil Relief Act (SCRA) protections have limits. SCRA only protects service members and their families from eviction from housing while on active duty due to non-payment of rents that are \$1,200 per month or less and covering housing leases up to \$2,932.31 per month. These caps were established in 2003 and FRA supports increasing the caps to account for today's higher cost of living. The Association also wants to ensure that SCRA is enforced by regulatory agencies, including the Consumer Financial Protection Bureau (CFPB), Office of Military Affairs.

Abuses of service members' rights were originally exposed by the House Veterans Affairs Committee under the leadership of Chairman Rep. Jeff Miller (Fla.) during a February 2011 hearing. The hearing revealed J.P. Morgan Chase Bank violated the SCRA by improperly charging higher-than-allowed interest on 4,500 active duty service members' mortgages and foreclosing on 18 service members' homes while they were deployed. These hearings lead to settlement between the Federal government, 49 state Attorneys General, and five of the largest mortgage loan servicers: Bank of America, JP Morgan Chase, Citigroup, Wells Fargo, and Ally Financial.

SBP/DIC

FRA supports the "Military Surviving Spouse Act" (H.R. 32) sponsored by Rep. Joe Wilson (S.C.), and understands that Senate companion legislation may be introduced soon that would repeal the SBP/DIC offset. This bill would eliminate the offset, also known as the "widow's tax," on approximately 60,000 widows and widowers of our Armed Forces.

Current DIC payments are \$1,215 and 2009 legislation partially addressed this inequity by authorizing an increase via the Special Survivor Indemnity Allowance of only \$50 per month for that year, with increases to \$100 in 2014. The above referenced legislation would increase the allowance to \$150 per month in 2014 with gradual increases to \$310 per month in 2017.

SBP and DIC payments are paid for different reasons. SBP coverage is purchased by the retiree and intended to provide a portion of retired pay to the survivor upon his/her death, while DIC is indemnity compensation paid to survivors of service members who die of service connected causes. And it's important to note that surviving spouses of federal civilian retirees who are disabled veterans and die of service connected causes receive DIC without offset to their federal civilian SBP benefits.

UNIFORMED SERVICES FORMER SPOUSES PROTECTION ACT (USFSPA)

FRA urges Congress to examine the Uniformed Services Former Spouses-Protection Act (USFSPA) and support amendments to the language therein to protect its service members against State courts that ignore provisions of the Act.

The USFSPA was enacted 29 years ago; the result of Congressional maneuvering that denied the opposition an opportunity to express its position in open public hearings. The last hearing, in 1999, was conducted by the House Veterans' Affairs Committee rather than the Armed Services Committee which has oversight authority for amending the USFSPA.

Few provisions of the USFSPA protect the rights of the service member, and none are enforceable by the Department of Justice or DoD. If a State court violates the right of the service member under the provisions of USFSPA, the Solicitor General will make no move to reverse the error. Why? Because the Act fails to have the enforceable language required for Justice or the Defense Department to react. The only recourse is for the service member to appeal to the court, which in many cases gives that court jurisdiction over the member. Another infraction is committed by some State courts awarding a percentage of veterans' compensation to ex-spouses, a clear violation of U. S. law; yet, the Federal government does nothing to stop this transgression.

There are other provisions that weigh heavily in favor of former spouses. For example, when a divorce is granted and the former spouse is awarded a percentage of the service member's retired pay, the amount should be based on the member's pay grade at the time of the divorce and not at a higher grade that may be held upon retirement. Additionally, Congress should review other provisions considered inequitable or inconsistent with former spouses' laws affecting other Federal employees with an eye toward amending the Act.

CONCLUSION

In closing, allow me again to express the sincere appreciation of the Association's membership for all that you and the Members of both of the House and Senate Veterans' Affairs Committees and your outstanding staffs do for our Nation's veterans.

Our leadership and Legislative Team stands ready to meet with and assist you, other members of the Committees or their staffs at any time, to improve benefits for all veterans who've served this great Nation.

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MARK A. KILGORE
NATIONAL PRESIDENT
FLEET RESERVE ASSOCIATION

Mark Kilgore, a resident of Pensacola, Fla., was recently elected as National President of the FRA, a congressionally chartered military and veterans' service organization serving current and former enlisted members of the Navy, Marine Corps and Coast Guard. He was installed during the organization's 85th National Convention in Reno, Nevada. In the coming year, Kilgore will work to strengthen the Association's membership base and raise awareness of FRA's highly effective legislative advocacy work focused on enhancing pay and benefits for enlisted Sea Service personnel and their families.

"We need to become more personalized with respect to our membership," said Kilgore of his goals for 2013. "I'm anxious to work closely with the National Board of Directors and the staff at National Headquarters to communicate what we have to offer to our current and especially our prospective members through one-on-one conversations, written correspondence, electronic media, or word-of-mouth."

Kilgore has been a Life Member of the FRA since 1988. Currently a member of FRA Branch 22 in Pensacola, he has held numerous leadership positions at the local, regional and national level, including his service as the Association's Southeast Regional Vice President (2002-2003) and President (2003-2004).

A native of the Washington, D.C., area, Kilgore enlisted in the United States Marine Corps in 1972. Following assignments in the Philippines, Japan, California and South Carolina, his request for inter-service transfer was accepted and he became one of the initial 140 Sailors and 20 Marines selected to the Navy's new Religious Program Specialist rating. He retired from military service in 2001.

Kilgore holds a Bachelor of Arts degree from East Carolina University and a Master of Arts degree from the University of Hawaii at Manoa. He is also a Life Member of the Marine Corps League and the Disabled American Veterans.