Annual Report of Garry J. Augustine Executive Director Washington Headquarters to the 93rd National Convention of the Disabled American Veterans Las Vegas, Nevada August 10, 2014

National Commander Johnston, distinguished guests, and delegates to DAV's 93nd National Convention:

I am honored and privileged to present my first annual report to the membership as Executive Director of National Service and Legislative Headquarters in Washington.

First, let me begin by thanking National Commander Johnston and National Adjutant Marc Burgess for their inspired leadership and tireless dedication to DAV. In addition, our Auxiliary leaders – Commander Miller and National Adjutant Hezlep, and our staff members in Washington, D.C. and Cold Spring all play a critical role in what DAV does for the men and women who served and I want them all to know how much we appreciate their contributions.

But truly, the biggest thanks I owe are to you, our members. You have been there to answer the call for support in times of need and it is your voice, collectively, that gives DAV the strength to fight the fight for veterans' care and benefits.

The past year has been one of the most challenging years ever for America's veterans. Since we convened last year in Orlando, the political gridlock in Washington has only intensified, culminating last October in a 16-day government shutdown that closed VA Regional Offices, slowed down claims processing and appeals work, and even delayed burials. Had this shutdown continued a couple of weeks longer, millions of veterans and dependents would have stopped receiving their disability compensation, DIC and G.I. Bill checks.

In the face of this political stalemate, DAV responded and we responded forcefully. As many VA Regional Offices shut their doors to veterans, our National Service department, with critical help from our Departments and Chapters, executed a contingency plan to set up alternative offices to ensure every veteran who needed assistance filing a claim for benefits got the help they needed. At the same time, our Legislative team along with other VSOs put a plan in motion to pressure lawmakers to protect veterans.

In October, I was proud to represent DAV at a rally in front of the WWII Memorial calling on the President and Congress to end the shutdown that was harming veterans and their families.

Our National Commander Johnston wrote directly to President Obama, Speaker Boehner and Senate Majority Leader Harry Reid demanding they find a solution to end the shutdown. He also called on Congress to keep VA's doors from ever closing again by passing legislation to extend advance appropriations to all veterans' programs, services and benefits.

This message was echoed by you – our members – across the country. You rallied behind DAV by making phone calls, sending emails, and holding town hall meetings in places like Jacksonville, Anchorage, South Dakota, Oakland and Boston to get the message through – never again will we allow veterans to be held hostage during budget battles or government shutdowns. And while the shutdown did end, we knew DAV's work must continue.

Five years ago DAV achieved one of our finest victories when we helped gain passage of advance appropriations for veterans health care programs, ensuring funding a year in advance. Because of this, the shutdown in October did not interrupt health care services for our veterans. Now we are working to give the rest of VA the same protection.

In November, we organized a Capitol Hill press conference with two-dozen VSO partners and Congressional sponsors of advanced appropriations legislation, the Putting Veterans Funding First Act.

Just weeks later, the Senate VA Committee voted to approve the legislation. Next, our Legislative and Communications teams developed a comprehensive strategy to maximize public pressure on lawmakers to pass advance appropriations legislation, a campaign that we called Operation: Keep the Promise.

Undeterred by the snow and cold, hundreds of you stood with National Commander Johnston at the Operation: Keep the Promise rally during our Mid-Winter Conference. And those who couldn't come in person were able to lend your support with phone calls, emails and Facebook posts.

Working through the Commander's Action Network and social media you generated in excess of 10,000 emails and phone calls to Congress and helped spread our message to more than 4.3 million people online. Here's a short clip that shows what a great day that was:

DAV is taking a more aggressive approach to outreach and our efforts to get DAV's voice in the media have paid off.

We're developing relationships with reporters and DAV's voice has found its way to CNN, the New York Times, NPR, Wall Street Journal, Washington Post, USA TODAY, Military Dot Com, Los Angeles Times and other local and national outlets.

This helps as we continue our push for advance appropriations and address the challenges we as a community face.

Unfortunately, the news that has put a spotlight on veterans is not good. The new crisis that emerged several months ago with allegations of secret waiting lists, falsification of medical appointment records, and the destruction of official documents at VA clinics across the country.

This breakdown in management and accountability at VA, which left thousands of veterans waiting for care, was shocking and absolutely unacceptable. We called on Congress and the Administration to take responsible steps to ensure such a breakdown never occurs again.

For more than a decade, DAV and our partners in the Independent Budget have been warning that a continual pattern of inadequate resources at VA would lead to increased rationing and decreased access to care, and that veterans would be the ones who suffered. Unfortunately, our predictions proved correct.

The size and scope of the scandal ultimately led to the resignation of numerous VA officials, including Secretary Shinseki.

Since his departure, we have worked closely with then-Acting Secretary Sloan Gibson, who moved aggressively to expand medical treatment options to veterans awaiting care, fix management and accountability problems within VA, and to begin restoring the trust of veterans, Congress and the American people.

We look forward to continuing this partnership with him and with the new VA Secretary Robert McDonald now that he has assumed the office.

Both the House and Senate moved quickly to draft and pass separate legislation to address the VA health care access problems focusing almost exclusively on creating temporary programs to send veterans out to the private sector for their health care. Because we are concerned about long-term solutions, we worked with our fellow VSOs to send a joint letter to Congress urging them to follow some fundamental principles before passing any final legislation.

First, ensure that ALL veterans waiting for treatment are provided access to timely care.

Second, when veterans are sent to the private sector for care, VA must both coordinate and pay for that care.

Third, VA must request supplemental funding for new private sector care and Congress must fully fund it.

And fourth, Congress must preserve and strengthen the VA health care system so that it remains capable of providing high-quality, timely health care.

A couple of weeks later, then-Acting Secretary Gibson did submit a request for an additional \$17.6 billion to increase VA's capacity to provide medical care to veterans by hiring more doctors and nurses and by expanding treatment space. Once again, we worked with more than a dozen VSO colleagues to build support for that request in Congress.

Finally just over a week ago, Congress reached a deal to create a temporary program expanding private sector care, while also investing new resources into the VA health care system.

The final bill, which was signed into law last week, provides \$10 billion to give some veterans additional options for non-VA care, \$5 billion for VA to hire more medical providers and strengthen its facilities, and another \$1.3 billion to lease 27 new clinics across the country.

This legislation was a compromise that will temporarily increase access for some veterans, while making a down payment on long term investments to sustain the VA health care system.

Over the rest of this year and into next year, DAV will continue working to ensure veterans' health care needs are being met today and will be met in the future. This new legislation has many unfinished details, and could have unintended consequences, so rest assured we will be actively engaged with VA and Congress to make sure it gets done right.

We remain dedicated to ensuring that veterans receive timely, high-quality care, and that we do not lose the wealth of valuable, veteran-centered knowledge and expertise inside the VA system.

But even in the midst of all the major upheavals at VA, DAV continued doing what it does better than any other veterans organization: empowering veterans to lead high-quality lives through our many programs – particularly our service program.

In 100 offices throughout the United States and in Puerto Rico, we employ a corps of approximately 277 NSOs and 34 Transition Service Officers (TSOs) who counsel and represent veterans and their families with claims for benefits from VA, DOD and other government agencies. In 2013, they represented more than 330,000 claims for benefits for veterans, their families and survivors, obtaining for them nearly \$3.3 billion in new and retroactive benefits.

In 2013, our TSOs conducted nearly 1,400 formal presentations to more than 54,000 transitioning service members on military installations, and filed close to 20,000 claims for benefits.

Our Mobile Service Office Program traveled almost 90,000 miles in the past year, visiting over 800 cities and towns, interviewing more than 20,000 veterans and other claimants.

I say with pride that DAV's well-trained National Service Officers are the best in the business. But we don't sit on our laurels. Right now we are developing a new interactive program that will keep DAV on the leading edge by migrating our training into an online knowledge resource.

Our team of National Appeals Officers helped thousands of veterans prepare written briefs and conduct formal hearings before the Board of Veterans Appeals, representing almost 30 percent of all cases decided by the Board last year.

About three-fourths of DAV-represented appeals resulted in original decisions being overturned or remanded for additional development and re-adjudication. DAV also continues its pro bono representation program for clients seeking review in the U.S. Court of Appeals for Veterans Claims. In 2013, these pro bono attorneys provided personal representation at the Court in over 1,100 cases.

But our National Service Department doesn't do it alone; we rely largely on the cooperation, support and assistance of our Department and Chapter Service Officers. In 2013, DAV trained and certified more than 1,600 Department and Chapter Service Officers in 31 states.

Throughout 2013, our NSOs, Departments and local Chapters also provided disaster relief during damaging natural disasters in New York, Illinois, Colorado, Hawaii, Indiana, Oklahoma and Missouri, providing over \$240,000 in direct financial assistance to veterans, service members and their families to aid them in times of great need. In addition to the direct service we provide to veterans, we also work closely with the Veterans Benefits Administration, VBA, to assist them in their transformation to a modern, paperless claims processing system. In fact, DAV was the first VSO to file an electronic claim and we lead the way in filing fully developed claims, which now account for almost 40% of all claims we file.

While claims still take too long, there has been progress. At the beginning of 2013, more than 860,000 disability compensation and pension claims were pending, but by the beginning of this month, that number had dropped by more than 37 percent, currently at 555,000.

The number of claims officially in the backlog – those pending more than 125 days – dropped by more than 60 percent, from over 600,000 in January 2013 to under 270,000 today.

In addition, VA reports that the quality of completed claims rose steadily from to 86.3 percent in January 2013 to 90.3 percent in June 2014. While this progress is encouraging, our service and legislative teams continue to work closely with VA and Congress to ensure the progress continues and that the system is truly reformed so that each claim is done right the first time.

We are also working closely with VBA, the Board, and other VSOs, to help address the growing backlog of appeals. We are developing a new "fully developed appeals" program, modeled after the fully developed claims program, and hope to take that idea to Congress later this year.

Our legislative team continues to promote DAV's other policy priorities, such as expanding caregiver assistance to veterans of all eras. Several years ago Congress authorized new services and supports for family caregivers of severely injured and wounded veterans; however the law only provided the full array of services to caregivers of veterans injured since September 11, 2001. We reached out to our members earlier this year to find out how this inequality was affecting veterans, and received a number of heart-breaking responses.

One letter from a caregiver told us about his father, a Korean and Vietnam War veteran, who was left 100 percent disabled from a traumatic brain injury and PTSD. The cost of care in the final years of his life cost the family in excess of \$7,600 per month, yet the new caregiver program was unable to provide any monetary support.

Through DAV the family was able to obtain their father's other earned VA benefits, but this story and hundreds more like it, illustrate the inequity of limiting caregiver services to veterans from recent wars. Our legislative team is working to amend the law so that it applies equally to family caregivers of veterans from ALL eras.

We are also working to improve and expand services to another overlooked group of veterans, women veterans. For many years, DAV has been recognized for promoting the needs of women veterans at the national, Department and Chapter levels.

Our Women's Advisory Committee, made up of women veterans from across the country, meets annually at our National Convention and Mid-Winter Conference, and we are known for actively recruiting women to serve in our NSO and TSO corps, where there are currently 63 women.

Because of our reputation and expertise, DAV regularly provides testimony before Congress and has actively drafted and advocated for new legislation to address the unique health care and benefit needs of women who have served.

I am very pleased to announce that DAV recently commissioned a study and special report focused on the challenges and barriers women veterans face as they transition out of the military. This research will examine existing government programs designed to help women in their difficult transitions from active duty back to civilian life and identify gaps that need to be filled.

We plan to present DAV's Women Veterans in Transition Report to Congress in September at a Capitol Hill event and will work with VA and Congress next year to implement recommendations in that report through changes to federal laws, regulations and policies.

But despite all the scandals and crises and political dysfunction we have seen in recent years, I remain confident that working together we can continue to make progress for all of the men and women who were injured, wounded or made ill from their service. After a year in this new position, I feel even more optimistic for the future, particularly when I look at the renewed respect across the country for military veterans, especially from our young people.

A letter we recently received from an elementary school social worker in New York is a perfect example. Here's what she wrote:

"We held a 'care-crow' making contest with a character education related theme. Parents and students voted for the best one using loose change. The winning 'care-crow' received all the funds from voting for a donation to a charity of their choice.

"The winning 'care-crow' was made by one of our second grade classes with a citizenship theme. The charity of choice for this class was DAV because their teacher has veterans in her family and she is thankful for their commitment each and every day. Please accept our donation of \$324 to your organization. We want to express our gratitude to all veterans for their service and dedication to our country. I have included a picture of the 'care-crow' as well as Mrs. Cislos's second grade class at Clinton Street Elementary in West Seneca, New York. Thank you again for all you do to help our many veterans." That's the kind of letter that motivates me to get up every day and come to work to continue fighting for the cause we all believe in.

So let me close by saying the same thing as Mrs. Cislos's class:

Thank all of YOU for all YOU do to help our many veterans.

This concludes my report.