

## **MYTHS AND FACTS ON VA HEALTH CARE FUNDING**

**MYTH:** VA has received a 256 percent increase in health care funding from 2002 to 2014.

**FACT:** When corrected for medical care inflation, VA's medical care budget authority has grown from \$33.5 billion in FY 2002 to \$55.1 billion this year—a 64 percent increase over 13 years. The bulk of the funding increase cited ("256 percent," according to some Members of Congress) was in mandatory funding, which includes payments to individuals for disability compensation, survivors' benefits, insurance, education, and vocational rehabilitation benefits.

**MYTH:** Congressional appropriations to VA can be moved around as demands warrant.

**FACT:** Mandatory funds cannot be used for VA health care. The growth in spending over the past decade and more is mainly accounted for by wounds, injuries and service-related illnesses in US personnel who served in Iraq and Afghanistan, relaxed rating standards for awards for post-traumatic stress disorder, and other disabilities presumed to be related to toxic exposures of veterans in Vietnam and in other military conflicts. Also, today VA is providing an array of services to more than 10,000 family caregivers of severely injured and ill veterans at an annual cost of \$300 million or more. Additionally, over the past decade, VA has expanded and extended health services to a new generation of women veterans, who are enrolling in VA in unprecedented numbers.

**FACT:** VA health care has received a 64 percent increase over the past 13 years.

**MYTH:** The VA is not treating significantly more patients today than in 2002.

**FACT:** The actual number of unique patients VA treated grew from 4.7 million individuals in 2002 to 6.5 million in 2013. This growth constituted a 39 percent increase in patient care needs, including an unprecedented number of women, especially those of childbearing age. Furthermore, the amount of primary and specialty care VA has accomplished is defined by the number of outpatient visits, which have increased from 46.9 million visits in 2002 to 91.7 million in 2013—a **95 percent increase in outpatient workload**. Adding to this burden is the number of patients treated at VA hospital facilities, which increased from nearly 733,000 episodes of care in 2002 to over 900,000 today.

**MYTH:** While [VA] funding increased 57 percent since 2008 the number of patients treated at VA facilities went up only 13.8 percent... [and] the number of full-time physicians at the VA went up 40 percent – again, far more than the patient load.

**FACT:** From 2008 to 2014 VA's medical care funding increased 47 percent even without adjusting for medical care inflation and the number of physicians at VA increased by 30 percent from 14,588 to 18,874. While the number of patients treated at VA facilities went up 19 percent from 5.6 million to 6.6 million, the number of outpatient visits increased 40 percent from 68 million to 95 million and the number of veterans treated as inpatients at VA hospitals increased by over 65,000.

**MYTH:** VA doctors, on average, see half as many patients as their private sector counterparts.

**FACT:** Private providers see very different patients than VA providers. Examining the actual health care needs of veterans who seek care from VA today would reveal a patient population that is predominately adult males, which includes younger veterans of Iraq and Afghanistan. They require a significant amount of acute and chronic rehabilitative care, a wide array of expensive prosthetics, and considerable mental health and other specialized services. VA is also caring for an aging veteran patient population seeking the types and amounts of care from VA that are significantly different from VA's younger patient cohort. VA physicians also conduct significant biomedical research and hold faculty appointments to teach new generations of physicians and other providers.

**MYTH:** VA is providing benefits to a stagnant population of veterans that is in decline.

**FACT:** In 2002, approximately 2.2 million disabled veterans received VA disability compensation. Today, that number has almost doubled to nearly 4 million veterans, many of whom are severely disabled as a result of devastating injuries in combat that in prior wars would have left them killed in action. DAV is grateful these heroes survived, and VA must meet their life-long care and other needs.

**MYTH:** VA is failing to meet the needs of newer veterans in post-service education.

**FACT:** Beginning in 2010, mandatory-funded VA educational benefits payments increased from an average expenditure of about \$3 billion annually to approximately \$11 billion annually under the Post 9/11 G.I. Bill.

**MYTH:** DAV opposes recently passed Public Law 113-146, the "Veterans' Access to Care through Choice, Accountability, and Transparency Act of 2014," because it privatizes VA health care, and according to one Member of Congress, "They [DAV] think this is the first step in trying to rip the VA apart."

**FACT:** DAV has never opposed enactment of this new law; actually, DAV praised Congress for boldly addressing the VA access-to-care crisis. However, DAV has expressed concern that VA's new authority—in fact a mandate to contract out hundreds of thousands of episodes of care over the next three years, may become an insurmountable administrative and clinical challenge. Our concern is centered on whether VA will be able to successfully coordinate this care and maintain the health, safety and continuity of care of veterans who are referred outside, versus the proven quality of care veterans receive inside VA.

**BOTTOM LINE:** Over the past 10 years, DAV, as a partner organization of *The Independent Budget*, recommended that Congress appropriate \$17 billion more than Congress actually provided to VA. While DAV acknowledges and abhors the problems recently uncovered in Congressional and VA investigations related to veterans' excessive waiting times, based on the facts above and not the myths, DAV is convinced that inadequate funding is not the sole reason, but it is at the heart of VA's access-to-care crisis.