National Commander McIntosh, National Adjutant Burgess, distinguished guests and delegates to DAV's 95th National Convention:

It is an honor to present my third annual report as Executive Director of the National Service and Legislative Headquarters in Washington, DC. Let me begin by thanking Commander Moses McIntosh and Adjutant Marc Burgess for your steadfast leadership and unwavering support of all that we have accomplished this past year.

Thanks also go to Auxiliary National Adjutant Pat Kemper for all that you and your team do to support us. And I want to offer my condolences to the family of Auxiliary National Commander Linda Stake, who sadly passed away last week, after spending her final year working to improve the lives of the men and women who served. She has left a legacy of service that I know the Auxiliary will carry forward.

Let me also acknowledge the efforts of our hardworking staffs in Washington, DC and Cold Spring, Kentucky. Because of your professionalism and dedication, I am proud to say that DAV continues to be the finest veterans service organization in the world.

Most importantly, let me say that everything we achieve is built on the strength of our members and auxiliary. Thank you for all of the work you do, the hours you volunteer and the dedication you show – year in and year out – whether through Chapter and Department activities, or by answering our calls to contact Congress and advocate for America's heroes.

You are the backbone and muscle that allows us to succeed. We know that when there is important work to be done, we can count on you every time.

You truly epitomize a saying used by legendary Green Bay Packers coach Vince Lombardi, who said:

--- "The only place success comes before work, is in the dictionary."

Well, today I am here to report on some of our recent success, and to talk about the hard work ahead.

As all of us are aware, the past year was yet another difficult one for America's veterans and the Department of Veterans Affairs. Since the access crisis and waiting list scandals in Phoenix erupted into the news in the spring of 2014, the VA has struggled to regain its footing. A series of revelations about hidden wait lists resulted in leadership changes across the VA.

Exactly two years ago, the Honorable Bob McDonald, who we heard from yesterday, began his tenure as the 8th Secretary of Veterans Affairs. Since then, we have seen a number of important changes begun throughout VA. Together with Deputy Secretary Sloan Gibson, Under Secretary for Health, Dr. David Shulkin, and Acting Under Secretary for Benefits, Tom Murphy, VA's new leadership is beginning to turn the page on some longstanding problems.

Although there have been improvements over the past two years, we will not rest until all veterans receive the benefits they have earned through their service. And at DAV we greatly value service. I'm proud to report to you – once again – that DAV's National Service Program remains the best in the business.

We not only operate the largest service program helping veterans receive their earned benefits, but by any objective measure we are also the most effective. In over 100 offices across the country, we employ over 270 National Service Officers and 32 Transition Service Officers, providing representation for over 300,000 claims last year.

Our Transition Service Program and Mobile Service Offices further extend DAV services to veterans as they return home. In 2015, our TSOs conducted more than 1,000 formal presentations to over 33,000 transitioning service members, and our MSOs traveled over 100,000 miles to nearly 900 cities and towns, including more than 100 colleges and universities.

We also represented over 15,000 appeals before the Board of Veterans' Appeals, nearly 30 percent of all cases. And we have a pro bono program matching veterans with private law firms if their appeal is heard by the Court of Appeals for Veterans Claims.

To put it simply, when it comes to helping veterans get their benefits, NO ONE DOES MORE THAN DAV.

But we never rest on our laurels. Thanks to a grant from the National Service Foundation, we upgraded our equipment to allow local scanning and rolled out our new iTRAK online training system to our entire NSO Corps.

Let me take a moment to acknowledge all of the work done to bring iTRAK to life by our good friend, former Assistant National Service Director John Maki, who passed away earlier this year.

John worked for DAV for nearly 30 years serving veterans. His spirit and his legacy continue on in the people and programs he touched.

I'm reminded of another quote from Coach Lombardi that applies perfectly to John, just as it does to so many DAV members:

"Individual commitment to a group effort - that is what makes a team work, a company work, a society work, a civilization work."

That's the TEAM DAV approach, everyone working to fulfill our promise to the men and women who served.

That's why we have DAV's disaster relief program, to support injured and ill veterans, their family members and survivors when they have nowhere else to turn.

In 2015, we provided over \$330,000 to assist almost 400 veteran families hurt by tornadoes, flooding and other disasters in more than a dozen states around the country.

By the way, those are your national service officers who selflessly work overtime and on weekends, rushing into disaster zones to ensure that veterans get the help they need, when and where they need it.

Another good example of the Team DAV approach is the collaboration between our Service and Legislative staffs working to reform the appeals process. Although the claims backlog has dropped from over 600,000 claims to less than 100,000, the number of appeals awaiting decisions has risen dramatically – to almost 450,000.

To address this rising backlog, a couple of years ago DAV brought together a workgroup involving veterans service organizations, the Veterans Benefits Administration and the Board of Veterans' Appeals, which ultimately resulted in development of the "fully developed appeals," or FDA proposal.

I'm very pleased to report that earlier this year the House approved the FDA, as did the Senate VA Committee recently, and we are now closer than ever to finally passing the FDA legislation.

Furthermore, that success has now paved the way for consideration of even more comprehensive appeals reform legislation. Building on the FDA, VA invited DAV and other stakeholders to be part of a new workgroup to redesign the entire appeals system. Following months of meetings and negotiations, we were able to reach consensus on a new framework for appeals, one that would provide veterans multiple paths to appeal their claims while reducing the time to get a decision. We believe that this new system could help veterans get favorable appeals outcomes more quickly, while protecting all of their due process rights. Enactment of this legislation, or at least the FDA legislation, is a high priority for the remainder of this year.

We've also made progress on a number of other DAV legislative priorities. As so many of us know firsthand, the truly unsung heroes for many veterans are their family caregivers. Whether it's a spouse, parent, sibling, child or other relative, there are hundreds of thousands of loving family members caring for veterans who rely on their support.

I know that many of you here today are or have been caregivers.

I want to thank you for your service and let you know we will never forget or stop fighting for you as well.

DAV worked long and hard to help pass the comprehensive caregiver support program, however due to budgetary constraints, Congress limited this program to caregivers of veterans injured on or after September 11, 2001. And while we are grateful that the program has helped thousands of families, all caregivers deserve the same comprehensive support, regardless of when their loved ones served.

I'm pleased to report that the Senate Veterans'
Affairs Committee recently passed S. 2921, the
Veterans First Act, which would phase in full
caregiver assistance benefits for veterans of all eras.
Although there is a cost to expand this program,
there are tremendous savings to the government
when veterans remain in their homes.

But regardless of the cost, we will continue working to enact legislation that extends full support to caregivers of ALL severely ill and injured veterans, no matter when they served, because it is the right thing to do.

Another group of heroes that are not always recognized are women veterans. Today, more women than ever are serving in the military in all occupational specialties as well as in combat. In 2014, DAV produced a landmark report on women veterans and the challenges they face when transitioning back to civilian life, offering dozens of recommendations, some of which have already been adopted into law.

I'm pleased to report that in June, Congress passed and the President signed another one, the Female Veterans Suicide Prevention Act, which recognizes that certain suicide prevention programs are more effective for women veterans and directs VA to strengthen them.

There are still a dozen other bills pending in Congress, including legislation to expand access to child care, improve maternity and newborn coverage, reduce homelessness and eliminate health care disparities for women veterans.

We will continue working to pass these bills and will not rest until all women who wear the uniform are recognized for their service and supported in the same manner as all veterans. But the most critical veterans issue being debated in Congress today involves nothing less than the future of the VA health care system. For the first time in a generation, there are now open calls by some for shrinking or even dismantling the VA health care system entirely, something almost unthinkable just a few years ago.

Now we all acknowledge that VA has problems, some quite serious. In response to access and waiting list problems in 2014, Congress approved emergency legislation to create the Choice program. However, from the beginning the choice program has been plagued by problems with care coordination, appointment scheduling and provider payments.

With the choice program set to expire next year, VA, Congress and VSOs are engaged in a debate about what comes next.

We have been regularly meeting with the key leaders in VA and in Congress so that the VA health care system that so many of our members rely on will be strengthened, reformed and sustained.

And because we also were not satisfied with the status quo, DAV worked with our Independent Budget partners –the VFW and PVA – to develop a Framework for Veterans Health Care Reform based on a couple of simple principles:

First, our Nation has a sacred obligation to make whole the men and women injured or made ill as a result of their military service; and

Second, it is the responsibility of the federal government to ensure that veterans have proper access to the full array of benefits, services and supports promised to them by a grateful Nation.

From this firm footing, we developed a series of sweeping proposals to expand access by strengthening, reforming and sustaining the VA health care system. We proposed creating integrated networks using community providers where gaps exist, keeping VA as the coordinator and principle provider of care.

Around the same time, VA released its new plan to consolidate non-VA care programs, including the choice program. We were pleased that the VA plan had many similarities with the IB Framework – including creating an integrated network – which was not surprising since VA worked closely with us to develop its plan.

However, some political groups and politicians want to use VA's problems as an excuse to shrink or even eliminate the VA health care system entirely, an outcome that would be devastating for ill and injured veterans who choose and rely on VA for their care. Fueled by one-sided negative media reporting and political agendas, they argue that veterans would be better off without a VA health care system.

Now, we certainly agree that there are problems inside the VA health care system, some quite serious, just as there are in private sector hospitals and health care systems. However, those of us who actually use the VA for our medical care know that the media has painted an incomplete picture that fails to tell the true story of VA health care.

But, as Mark Twain once said:

"A lie can travel half way around the world while the truth is putting on its shoes."

So in order to get the truth out about the VA health care system, DAV's Operation: Keep the Promise 2016 launched our new "Setting the Record Straight" campaign during our Midwinter Conference.

Using a multifaceted media approach, our Legislative and Communications teams developed a series of op-eds, videos, and social media tools to tell the true facts about VA health care, how it compares to private sector care, and what we proposed as solutions.

Rather than tell you what our Setting the Record Straight campaign looked like, let me show you. Please roll the videos.

### **MR. AUGUSTINE:**

By the way, all of our videos and other materials are available on DAV's website at www.dav.org/settingthe-record-straight. We also took our Setting the Record Straight campaign to the Congressional-mandated Commission on Care, which worked over the past year to make recommendations on VA health care reform.

### **MR. AUGUSTINE:**

We were fortunate to have former DAV Washington Executive Director Dave Gorman serving as one of the Commissioners; however, most of the others had little knowledge about the VA health care system; in fact, only a couple had ever been in a VA hospital or clinic.

So to help educate the Commission, we shared our videos and op-eds, met with their staff, and I was invited twice to speak to the Commission. In addition to sharing DAV's positions, we also shared a binder with over 4,000 DAV members' personal experiences with VA, word for word.

Let me share just one of them that sums up why we feel so strongly about the importance of fixing the VA. This veteran wrote:

"I have received health care from the VA since 2012 when I retired from the military. I haven't had any of the issues that I have seen within the media outlets. I have received excellent care at the VA in Oklahoma, New Jersey and currently in Alabama. I would never want to go back to the private sector for my health care because they are not equipped to meet the needs of our veterans. Having the care at a VA clinic makes me feel more comfortable because I know that the people that are next to me have had similar experiences and will not judge me just because I look or act a little different than some of the other patients. I have had to take my family to private sector health care providers and I would prefer to stick with the VA health care that is provided."

It's stories like this, and thousands of others, that best make our case.

A few weeks ago the Commission issued its final report and based on our initial review, there is much that we agree on in this report, although there are still some problematic recommendations we will oppose. With Congress almost done for the year, the real debate will take place next year after a new President is elected and a new Congress convened. As we head into the fall, it will be critical for us to educate candidates and elected officials about what veterans truly want and need from the VA health care system.

That's why DAV is re-energizing our Benefits
Protection Team program and I encourage all of you
to talk to your Department leaders about how to play
a role in preserving the VA health care system for
future generations.

Looking ahead, there are a number of positive signs of progress. DAV, our VSO partners, VA, and now the Commission on Care have all proposed that the VA health care system remain the coordinator and primary provider of care to veterans, even while we integrate community partners to fill in gaps when and where needed.

VA's reform efforts led by Secretary McDonald and Deputy Secretary Gibson, including their MyVA initiative, are beginning to change the culture at VA for the better. And despite the continuing political stalemate in Washington, there is a growing consensus in Congress on a number of critical reforms to strengthen veterans health care services and enhance their earned benefits.

By the end of the year we may have some victories, but we should not minimize the long battle ahead.

To borrow a quote from Winston Churchill from 1942:

"This is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning."

This is, however, the beginning of the end of my remarks.

While I remain optimistic about the coming year, like Churchill, I won't minimize the difficulties ahead. There are still hurdles and unforeseen obstacles to overcome, including political uncertainty over the upcoming elections.

However, standing here today with all of you, I am fully confident that with the strength and resolve of our members and auxiliary behind us, we can, we must and we will continue to fulfill our promises to ALL of the men and women who served!

Commander McIntosh, that concludes my report, and I respectfully ask for its acceptance by the Convention.