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***STATEMENT OF
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DAV NATIONAL COMMANDER
BEFORE THE
COMMITTEES ON VETERANS' AFFAIRS
U.S. SENATE AND U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.
FEBRUARY 24, 2015***

Messrs. Chairmen and Members of the Committees on Veterans' Affairs:

It is indeed an honor and a privilege to appear before you today along with the membership and leadership of DAV--Disabled American Veterans --to present the legislative and policy recommendations of DAV for the coming year, and to report to you our accomplishments over the past year for wounded, injured and ill veterans as an organization over the past year.

I am Ronald Hope, a combat-wounded Vietnam veteran. I was elected National Commander of the 1.2 million-member DAV at our organization's 2014 National Convention in Las Vegas, Nevada.

As a member of the 227th Assault Helicopter Battalion of the 1st Air Cavalry in Vietnam, I was wounded on July 15, 1969, when my helicopter was shot down during a combat assault resulting in amputation of my left arm at the shoulder and numerous other injuries. I was honored to be awarded the Purple Heart, multiple Air Medals, Army Aviation Badge and Vietnam Service and Campaign medals. I was medically retired in April 1970.

Messrs. Chairmen, before engaging in the substance of my report to you about DAV's work and mission, I want to make a personal statement. I want you and all of Congress to know that, like many veterans seated behind me, not only did DAV impact the quality of my life, DAV actually saved my life. Following my injury in Vietnam, and after a significant period of rehabilitation in both military and Department of Veterans Affairs (VA) facilities, I could not envision what my life would be like, or with only one arm and other disabilities how I would make a living, or what my purpose in life would be, or what I would become. Then, by happenstance, I met an older veteran who had served in World War II. Not only had he served honorably, he had spent 42 months in privation in a Japanese prisoner-of-war camp. I asked him what had given him hope after he came home with injuries and disease – how he found his purpose. Without hesitating he said, "It was DAV. Go to DAV." So I went to DAV. DAV hired me as a trainee, and schooled me in VA law; disability policy; claims management; human anatomy and physiology; technical writing; and public speaking. Then they put me to work as an assistant National Service Officer (NSO). I served for the next three decades as a DAV NSO. I began my career with DAV in Waco, Texas, in 1979. I was promoted to NSO Supervisor in Oklahoma City in 1983 and transferred to our Winston-Salem, North Carolina office in 1987,

before serving as an Area Supervisor for the states of Georgia, North Carolina, South Carolina and Tennessee. I retired from DAV in 2010. Not only did DAV give me a life, but I truly believe DAV saved me, thanks to the wisdom of that World War II POW, who sent me to DAV when I had no other idea or plan for my life.

Messrs. Chairmen, founding father Thomas Jefferson was not the first great thinker to consider the merits of a democratic form of government responsible to the people it governed. But the words in which he penned this concept have become etched in the soul of every American: “We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty and the pursuit of happiness.”

Jefferson reminds us we should be “in pursuit of happiness” every day. No one knows that more than those of us who fought to defend those ideals and have been changed by military service. I was certainly changed by serving, as were most of the people beside me and behind me in this hearing room. For Mr. Jefferson, his pursuit of happiness involved the cultivation of family and friendship, his reading, his deep passion for music, his favorite exercise of walking and his joy of sharing good food and drink with friends.

Messrs. Chairmen, for DAV and our Auxiliary members, our pursuit of happiness is empowering injured, wounded and ill veterans to regain their lives and good health after serving our nation.

DAV finished 2014 with plenty of accomplishments to be proud of. All of our Departments and most of our Chapters met recruiting goals. While many established charitable organizations are declining in membership, we are maintaining our strength through our commitment to our nation’s heroes.

DAV provided services for almost 315,000 veterans last year. The American Veterans Disabled for Life Memorial was finally dedicated on October 5, 2014, here in Washington, and many of us were present for that event, including Chairman Miller. Thank you for being there, Mr. Chairman. In the fall, we released a landmark study that documented the shortcomings in specialized health care and transition services available for women veterans. Our fundraising from a generous public is highly successful. The positive media exposure our cause and core issues are receiving is greater than ever in our history.

We enter 2015 with a clear picture in sight, but I need your help and that of my membership and other DAV supporters to ensure we accomplish our goals. It is time now, just as it was in Mr. Jefferson’s day, to hold our government accountable for its actions. We do that with votes: ours for you, the Members of these Committees and other Members of Congress; and yours for DAV and our legislative and policy priorities. It is our collective responsibility to stay informed on legislation impacting veterans and their families and to constantly remind the Members of your Committees, all of Congress and the Administration that we will not be ignored, especially when it comes to the needs of veterans who were wounded, injured or made ill because of military service, and the needs of their dependents and survivors. This is at the heart of our mission.

Messrs. Chairmen, as our weary nation winds down from combat operations after 13 years of war, hundreds of thousands of new veterans will be making that very challenging transition that we in DAV have all experienced ourselves. The transition out of uniform and back to civilian life can be difficult, especially for the wounded and ill, but that is where DAV is at its best.

DAV looks forward to working with you all this year. It's an honor and a privilege to serve as DAV's National Commander, and I pledge to work tirelessly to ensure wounded, injured and ill veterans' voices are heard as we continue our mission of more than 94 years of service to the men and women who stepped forward, when called to duty, and said, "send me."

ADVANCE APPROPRIATIONS VICTORY FOR VETERANS' BENEFITS

Messrs. Chairmen, just over a year ago, during the 16-day government shutdown, it became clear that when Congress and the Administration fail to pass the federal budget on time, an event that has occurred in 23 of the past 26 years, benefit payments to veterans, their families and survivors are put in jeopardy. Had the shutdown continued for even a few more days, mandatory obligations of the government, including disability compensation and pension payments to veterans and their survivors, would have been suspended. More than four million wounded, injured, ill and poor veterans rely on these payments – for some, it is their primary or only source of income. Spurred to action, DAV renewed our efforts to pass legislation that would protect veterans' benefits from Congressional dysfunction and gridlock.

DAV and our veterans service organization (VSO) colleagues had already been fighting for years to reform the VA budget and appropriations process with advance funding to shield VA from budget delays and government shutdowns. We first achieved some success in 2009 with our Stand Up For Veterans campaign when Congress passed, and the President signed, the Veterans Health Care Budget Reform and Transparency Act, legislation that provided VA health care with advance appropriations. As a result, even during the government shutdown of 2013, VA's hospitals and clinics were able to continue without interruption because they had received their funding in advance. However, no such guarantees or advance funding protection existed for veterans' benefits, such as disability compensation, educational assistance or survivor pensions.

In order to protect veterans, their families and survivors, we and our VSO partners undertook an intensified year-long campaign to pass the Putting Veterans Funding First Act, legislation that had been introduced in the House by you, Chairman Miller, along with a companion bill in the Senate sponsored by former Senator Begich and Senator Boozman. We are grateful to all of you, as well as the many other bipartisan supporters who helped us along the way.

To draw Congress and the nation's attention to the importance of passing this legislation, we planned, organized and launched Operation: Keep the Promise almost exactly one year ago on February 25, 2014. Our goal was to call upon Congress to pass the Putting Veterans Funding First Act to protect veterans' benefits from Washington's perpetual budget gridlock. On that cold, snowy February day, I was proud to stand with DAV Commander Joe Johnston, hundreds

of my fellow veterans, other VSO leaders, as well as a bipartisan group of Senators and House members, in a powerful rally in front of the U.S. Capitol.

Operation: Keep the Promise further amplified our message through a massive grassroots campaign coordinated primarily via social media. Over 2,000 YouTube viewers watched Commander Johnston's video message and another 4,000 people visited DAV.org to learn about Operation: Keep the Promise. Our grassroots members and supporters placed over 4,000 phone calls and 6,000 emails to Congress calling for the passage of the Putting Veterans Funding First Act. In addition, Operation: Keep the Promise reached over 800,000 people through Thunderclap, over 3.5 million people through Facebook and Twitter another 2.7 million through issue ads on strategically targeted websites across the country.

Within a month, the Senate Veterans' Affairs Committee did what the House Committee had already done the year before: they approved the legislation and sent it to the full Senate for further consideration. Over the next several months, as the VA health care scheduling scandal and access crisis burst into the news, we argued that it was more critical than ever to provide VA funding through advance appropriations.

Finally, in the waning weeks of 2014, we undertook one final push to finish what we had started. Along with 2nd Junior Vice Commander Delphine Metcalf-Foster and DAV's Washington leadership, I was proud to lead a delegation on behalf of our VSO coalition in a series of high level meetings with the leadership of the House and Senate to get this legislation passed before Congress adjourned. I am pleased to say that on this occasion, Congress kept the promise by passing our legislation. As a result, those who rely on disability compensation, pension, educational assistance and other critical VA benefits can be assured that their payments will be delivered on time, every month, regardless of any political gridlock, budget stalemate or government shutdown.

We reached this historic agreement thanks to bipartisan leadership and support in Congress from a number of legislators, but I want to particularly thank Senator Barbara Mikulski, then-Chairwoman of the Appropriations Committee and you, Chairman Miller, for your steadfast leadership in the House. Many others also played key roles and deserve special recognition, including Senator Sanders, former Senator Begich and Senator Boozman, as well as former Representative Michaud, then Ranking Member of the House Committee. This agreement would not have been possible without the support as well from many others, including then-Senate Majority Leader Reid, then-Senate Minority Leader McConnell, Speaker Boehner, Minority Leader Pelosi, House Appropriations Chairman Rogers, Ranking Member Lowey and then-Senate Appropriations Subcommittee Chairman Johnson and then-Senate Appropriations Subcommittee Ranking Member Kirk.

Messrs. Chairmen, we are grateful to all who supported this effort, including the many dedicated professional staff on Capitol Hill who worked with DAV and our coalition partners to make possible this agreement to protect veterans' benefits. We look forward to continuing to work with all of you in the coming years to ensure that we fulfill all the promises made to the men and women who served.

VA HEALTH CARE

DAV and other VSOs, through our annually submitted *Independent Budget (IB)*, warned the VA, Congress and the Administration over the past decade that the status quo within VA budgeting was destined to fail. Those warnings often went unheeded. Most veterans are happy with the quality of health care they receive from the VA, which is uniquely suited to address illnesses and injuries of veterans. But getting timely access to VA care has been—and remains—the central underlying challenge, and one that exploded into broad public view in May of 2014.

Without question the past year has been a tumultuous and difficult one for VA and the veterans it serves. Congressional and public outrage began in April 2014, with the breaking story about secret waiting lists, the possible death of veterans waiting for VA care and allegations of falsification of records. System-wide audits eventually revealed a failed scheduling system that caused access problems throughout VA, resulting in significant delays in care for tens of thousands of veterans. In the following months we saw the resignation of the VA Secretary, numerous other key officials in Veterans Health Administration (VHA) leadership, and the confirmation of a new VA Secretary. In between, there were numerous oversight hearings identifying a plethora of problems, damning reports from the Office of the VA Inspector General and the Government Accountability Office (GAO), and a continuing stream of negative media reports. To address the identified access issues, Congress acted swiftly in enacting Public Law 113-146, the Veterans Access, Choice, and Accountability Act of 2014 (VACAA).

This historic legislation authorized \$10 billion in emergency funding to empower enrolled veterans either living 40 miles from a VA facility or waiting more than 30 days for care to choose care in their communities from private providers at VA expense. The funds for private care were authorized as a temporary remedy for three years or until the funds are exhausted. An additional \$5 billion was authorized for the Department to hire more physicians, nurses and other health care staff; also, the act provided \$1.27 billion for establishing new leases for community-based clinics and other health facilities, and making certain improvements in infrastructure. Additional provisions in the act included extending a rural health initiative; expanding an assisted living program for veterans with traumatic brain injury; expanding provisions for counseling survivors of military sexual assault; enhancing certain education benefits; and, providing authority for the VA Secretary to terminate Senior Executive Service (SES) employees. The law mandated a freeze on SES bonuses through fiscal year 2016 and ordered an independent assessment of the existing and future demographics of the veterans VA serves, and more important, estimates of the resources needed to serve them. Finally, the measure created a 15-member commission to examine access issues and to assess how to best organize the VA's health care system.

This latest crisis and subsequent passage of the VACAA puts VA at an important crossroads. As a result of the scandal, a lot of debate has occurred about what is best for our nation's wounded, injured and ill veterans. How do we restore the trust of veterans using VA? Is it best to send veterans into the private sector with clinicians who have little or no understanding of military culture, the rigors of wartime service and the unique health care needs of veterans? Should we divest from a system that has been dedicated to serving the needs of veterans, but needs significant resources to be modernized? Or do we continue to provide choice and options

for non-VA care and if so, what are the true costs and possible unintended consequences of doing so?

As a nation, we know that furnishing VA health care is expensive, especially in providing specialized services such as blind rehabilitation, post-traumatic stress disorder, spinal cord injury care, state-of-the-art prosthetics, traumatic brain injury care and comprehensive polytrauma services for devastating war-related injuries. The American people recognize the service and sacrifice of our heroes and through Congress have authorized a vast array of benefits and services so they can lead quality lives. As an organization of disabled veterans, we feel an obligation to protect, support and strengthen this system that has been dedicated to serving the unique needs of wounded, injured and ill veterans.

We recognize that having access to timely care when it is needed is a cornerstone of any high quality health care system and that the ability of VA to purchase care is necessary in certain circumstances—to supplement VA care. While DAV is supportive of the expanded access options provided in the VACAA as a result of the crisis that was uncovered last year, we have noted that it is imperative that VA remain responsible for the quality of care provided to our nation's sick and disabled veterans and for coordination and prompt payment for outsourced care. If care coordination is absent, veterans lose the established benefits of the electronic health record, integrated care system and patient safety built into VA's comprehensive care model.

Giving veterans a card and hoping they get access to good care in the community is not a substitute for a coordinated system of integrated health care. As an organization, DAV wholly supports and defends VA's serving as a direct provider of care rather than simply being a payer for health care services. As Congress proceeds with its oversight of the expansion of care through the VACAA, we urge you to never lose sight of the continuing need to increase and improve VA's internal capacity to provide specialized care to veterans who rely heavily or entirely on the VA system.

We have continually advocated that more funds need to be authorized and used to improve waiting times, update VHA's aging IT system, its antiquated scheduling system and physical infrastructure. Many of the problems identified during this crisis were not new or unpredictable, and are, in fact, more than a decade old, as confirmed by numerous IG and GAO reports. Additionally, a little over a decade ago, in 2003, VA faced a similar and serious crisis over access to VA health care, when over 300,000 veterans were found waiting six months or longer, without initial appointments, just to receive VA primary care. The root cause of that situation was insufficient resources to meet demand, as confirmed by a Presidential task force.

As a partner of the IBVSOs, DAV has testified consistently over the past decade about unreliable or unavailable health care data, long waiting times for specialized services, delayed access to urgent post-deployment mental health services, aging administrative tools (i.e., a 30-year-old appointment scheduling system) and crumbling infrastructure. The IBVSOs continually expressed our concerns that if these issues were not addressed by Congress and the Administration, patient care would eventually suffer. The findings and revelations illustrated over the past year have validated our concerns and we believe the debate over whether there is a mismatch between demand for VA services and the resources provided to VA by Congress and

the Administration is now a settled issue. The question before us today is whether we will repeat the mistakes of the past, or whether we will learn from a clear and consistent historical pattern. History shows that when the Administration fails to request full funding, and when Congress fails to provide it, the inevitable outcome is rationing of health care, delayed or denied access and burgeoning waiting lists.

Over the past five or more years, we have observed a growing need for post-deployment mental health services in VA, and veterans have reported significant challenges in accessing specialized VA mental health care. Spurred by a rising concern about suicide rates in the veteran population, Congress appropriated new funding and VA hired thousands of new mental health providers.

At the tipping point of the current crisis, VA obviously was at or over-capacity in its ability to provide timely access to primary care throughout the system. Since the scandal broke, VA has reported it contacted over 160,000 veterans who were waiting for care and provided more than 570,000 referrals for private care (100,000 more than last year). If nothing else, VA's sudden rush to get veterans into care proves it had been both severely, and chronically, under-resourced.

We appreciate the Committee's determination to root out many of the now-identified problems such as lack of employee accountability, unattainable goals, poor administration and mismanagement. Nevertheless, these revelations only address part of VA's access challenge. The ability of VA to provide veterans timely access to medical care is driven by four key factors, to justify an adequate level of financial resources to support that system: the number of personnel available to provide care (human resources); available space to accommodate treatment (physical infrastructure); flexibility to leverage appropriate capacity in the community when needed (outsourcing care); and, transparent, accurate and valid data to properly manage a giant system of care (realistic performance measurement).

DAV IS OPTIMISTIC ABOUT THE FUTURE

While many of the problems identified last year are deeply disturbing and have still not been fully resolved, DAV remains optimistic about the future of VA.

The issues uncovered have served as a wake-up call, and more importantly, have placed an emphasis on the urgent need to focus attention on solving the problems at hand and to strengthen the VA system. DAV called on Congress and the Administration to thoroughly investigate and analyze the root causes of VA's longstanding access problems and to work with stakeholders to enact and implement comprehensive, effective, long-term solutions to address the problems identified. More than ever, we need serious policy solutions to address these problems and the resources to accomplish the tasks at hand.

Looking at the VA health care system today, and putting it into the proper perspective of the entire American system of health care, we continue to have confidence that the vast majority of veterans are well served by VA. And while we believe that VA can and must address all its administrative and management challenges, in our opinion, the underlying problem has been and

remains one of insufficient resources to meet veterans' needs. Although it may prove necessary, in our opinion, administrative and management restructuring, or replacement of VA leadership, does not make up for a shortfall in resources. Until and unless both the Administration and Congress openly and honestly work to align VA's resources to veterans' needs for care, problems related to access, such as waiting lists, will remain a threat to the health of veterans. That is not to say that VA's management failures did not contribute to this crisis—we acknowledge they did. We also agree that the VA leaders, managers and employees at fault must be held fully accountable for their failures.

As a nation we must keep the promises made to the men and women who have honorably served. Let me emphasize one point on which we are resolute: the VA health care system is both indispensable and irreplaceable, and there is no substitute for it. The VA health care delivery model provides comprehensive, integrated, patient-centered and evidence-based care that leads the nation in many areas. VA's clinical and biomedical research program has elevated the standards of care in western medicine, and has invented cutting-edge devices and treatment techniques that have improved the lives of millions of veterans and non-veterans in areas such as spinal cord injury, blind rehabilitation, amputation care, advanced rehabilitation (such as for polytrauma and traumatic brain injury), prosthetics, post-traumatic stress disorder, substance-use disorder, mental health disorders in general, multiple sclerosis, diabetes, Alzheimer's, Parkinson's, dementia and myriad other problems of human health and injury. VA's academic programs train hundreds of thousands of future health care practitioners, providing new health manpower to the nation. VA's model of care emphasizes preventive strategies that elevate the quality of life for millions of veterans in maintaining their health, while keeping costs low. In our view, the private sector health care system could never replace the VA, and veterans would suffer as a consequence if our health system is diminished, downsized or outsourced because of a scandal largely manufactured by inadequate resources.

Many challenges lie ahead for VA; however, we remain confident that the Administration, working together with all stakeholders and Congress, will address these pressing challenges. The men and women of DAV remain steadfast in our fight to ensure that our government fulfills its promises to all veterans—many who currently depend on VA's health care system and the specialized services it offers, and for those who will need the system in the future. We acknowledge it is not a system absent flaws, but we want your Committees and every Member of Congress to understand that VA health care remains a vital resource for veterans, especially wartime wounded, injured and ill veterans. We strongly believe VA must be protected, preserved and enhanced so that it is capable of providing a full continuum of high quality, accessible care to all enrolled veterans.

WOMEN VETERANS

Women are a rapidly increasing and important component of the U.S. military service branches. Today women constitute approximately 20 percent of new recruits, 14.5 percent of the 1.4 million active duty component and 18 percent of the 850,000 members of the reserve components. Of the 300,000 women who have served in Afghanistan and Iraq, 161 have made the ultimate sacrifice and over a thousand have been physically wounded. Following military service women veterans are turning to VA in record numbers. According to VA, women are the

fastest growing segment of new VA health care users. In fact, the number of women seeking VA care has more than doubled over the past 10 years and is projected to continue to rise.

One of DAV's key legislative priorities has been ensuring that women veterans are properly recognized for their military service and receive equal benefits and high quality health care from the VA. DAV has a long history of highlighting the experiences and unique needs of women veterans through our support of women veterans summits; our 2010 Stand Up for Women Veterans advocacy campaign; the production of two special edition women veterans magazines showcasing the remarkable stories of wartime service-disabled women veterans; three Capitol Hill film screenings showcasing the documentaries *Lioness*; *Service: When Women Come Marching Home*; and *Journey to Normal: Women of War Come Home*, each of which included panel discussions with women veterans who appeared in these films.

Not only has the number of women serving increased over the past decade of war, but the roles of women in the military have changed dramatically. Women are assigned to female engagement and reconstruction teams, military police units, civil affairs units, transportation teams, as helicopter and jet fighter pilots, and in a variety of other positions that put them in dangerous situations and direct combat, often resulting in traumatic injury and myriad environmental threats associated with modern warfare. The experiences of current wartime deployments for women have contributed to a number of new transition and reintegration challenges for these service members.

DAV commissioned an important study in 2014 to examine transition of women from military to veteran status and the existing federal programs and services available to aid them. The report—*Women Veterans: The Long Journey Home* (hereinafter the Report) represents a comprehensive assessment of the existing policies and programs available across the federal landscape for women veterans following military service.

Although the record shows that women are performing their military duties exceptionally well and with honor, many women veterans return home requiring unique support to ensure they successfully reintegrate into civilian life with their spouses, children, other family members, employers and friends. However, DAV's Report highlights that despite a government that provides a generous array of benefits to assist veterans with transition and readjustment, serious gaps are evident for women in every aspect of existing federal programs. Today, women lack consistent access to a full range of gender-sensitive benefits and services, and the federal government has not ensured that the staff of each agency is exemplifying and promoting a culture that fully integrates the needs of women veterans. The vast majority of deficiencies result from a disregard for the differing needs of women veterans and a focus on fostering programs for only men as veterans, who are prominent in both numbers and public consciousness.

Long overdue are strategic planning coupled with appropriate resources for evaluation, adjustment and implementation of programs that address necessary changes in culture, programs and services for women veterans. As a nation, it is our responsibility to identify transition challenges for all veterans and to develop programs and support services that will be most effective for their reintegration into civilian life. DAV's Report identifies 27 key policy and programmatic changes necessary to overhaul the culture and various services for women

veterans provided by the federal government and their local communities. The changes needed include requiring every VA medical center to hire at least one gynecologist; creating gender-sensitive mental health programs; tailoring transition assistance programs; developing education and career guidance programs for women veterans; and, establishing a pilot program of structured women transition support groups.

One of the most persistent problems is a military and veterans' culture that is not perceived by women as welcoming and does not afford them equal consideration. VA's own Women Veterans' Task Force noted the "need for culture change across VA to reverse the enduring perception that a woman who comes to VA for services is not a veteran herself, but a male veteran's wife, mother, or daughter." Additionally, research demonstrates that women veterans returning from deployments in Iraq and Afghanistan are experiencing higher rates of under-employment and unemployment than male peers; higher rates of homelessness—at least twice as high as women non-veterans; high rates of sexual assault during military service; and reveal a lack of safe housing options, especially for women with minor children.

Women continue to report access to child care services as a barrier to needed health care services. VA's child care pilot program, recently reauthorized by Congress, but not expanded, has been very successful for women and men. We believe VA should establish child care services as a permanent program to support access to health care, vocational rehabilitation, education and supported employment services. These issues must be addressed with cultural changes and solutions that target the special needs of women, since it is clear that the absence of such support is itself creating barriers to their successful transition from military service.

While VA has made significant progress and deserves praise for its efforts to improve women's health programs, for its outreach to women and focus on cultural change and for initiating comprehensive primary care programs (including gender-specific care) for women veterans at all VA facilities, serious gaps still exist in some VA clinics and specialty services. Given the significant increase in the number of women who are now seeking VA benefits and health care following wartime service, VHA must step up its efforts to address their unique post-deployment and health maintenance needs. Likewise, the shifting age demographic and inclusion of younger women veterans enrolling in VA health care over the past decade brings implications for both policy and clinical practice in the VA health care system. VA must continue to increase capacity in women's clinical services and ensure that VA health professionals obtain appropriate training and become skilled in women's health. Additionally, since more than half of women veterans under VA care are service disabled, the Department must reallocate resources and ramp up clinical training for these high-priority VA beneficiaries with age-appropriate, lifelong specialized care.

In summary, hundreds of thousands of women have answered the call of duty and put themselves at risk to preserve our nation's security. They served our country faithfully and with distinction. Acknowledging their dedication, resilience and serving them with greater respect, consideration and care must become a national priority. There needs to be an integrated approach to address the needs of all eras of women veterans, and an overhaul of the culture, values and services of the federal systems that should be supporting them in a successful transition to civilian life.

We urge the Committees to review the key recommendations in DAV's report. DAV urges Congress, federal and state agencies and community partners to re-evaluate existing programs and services and make necessary changes to ensure they are tailored to meet the needs of all veterans, including women who served. Congress should provide the necessary resources to meet this goal and furnish continuing oversight of programs and services to ensure the unique transition needs of women veterans are being fully met.

FAMILY CAREGIVERS

Another group that deserves unwavering support by Congress and the American people are family caregivers of severely injured or ill veterans of all military service periods. Only with the help of their caregivers are many of these veterans able to reintegrate into their communities, remain out of institutions and achieve their highest levels of recovery and quality of life. Family caregivers are critical members of a veteran's health care team—these are unsung American heroes who often sacrifice their own health, well-being, employment, educational and other goals, to care for their loved ones, our nation's true heroes.

DAV believes it is only proper that family caregivers be recognized for their decades of sacrifices and dedication—and that they receive the support and assistance needed to fulfill their vital role. We were pleased to work with Congress in enacting Public Law 111-163, the Caregivers and Veterans Omnibus Health Services Act of 2010, authorizing VA to provide comprehensive support and services to caregivers of veterans injured on or after September 11, 2001.

Thousands of families are being helped by these new VA services, while a much larger group of families carrying the same burdens receives only partial VA support, or none at all. As one of DAV's priorities, we call on Congress to continue the work it began and address this inequity by extending equal benefits, supports and services to family caregivers of veterans of all military service periods. The particular calendar date on which an injury or illness occurred should not be a reason for legislation to discriminate against one group of veterans to favor another. They are all equal in our eyes and equally deserving of your support and the support of the nation.

We acknowledge the cost for expanding this program, according to the Congressional Budget Office, appears to be expensive. However, the overall cost according to CBO does not take into account the total impact of this change. Research has shown that family caregiving results in cost avoidance based primarily on delaying or avoiding nursing home placements, and home caregiving reduces use of health services in general. CBO reported expanding the program to caregivers of all severely injured veterans would cost \$33,000 per primary caregiver per year on average. This is significantly less than what VA spends per veteran on average in a VA nursing home (\$354,770), a community nursing home (\$90,824), or a state-run nursing home (\$45,562). The amount of cost avoidance increases when accounting for lower health care utilization. If veterans' choice is truly the concern, we ask this Congress to enact legislation that would give all severely ill and injured veterans the choice to remain at home with comprehensive

caregiver support that costs less to the taxpayer and is a more humane way to care for these families.

MAINTAINING AND REBUILDING VA CRITICAL INFRASTRUCTURE

Over the long term one of the greatest challenges that Congress must address is providing VA sufficient resources to properly maintain, realign and expand its infrastructure.

Today VA operates 152 hospitals and systems of care, almost 900 community-based outpatient clinics and 161 extended-care and domiciliary facilities. Unfortunately, many of these facilities were constructed decades ago and are struggling to meet the needs of today's veterans in settings originally designed and built for lengthy inpatient care.

A major contributor to VA's 2014 access crisis was a lack of physical space. According to VA's Strategic Capital Investment plan (SCIP), VA needs to invest from \$56 billion to \$68 billion in facility improvements over the next decade. Between FY 2002 and 2014, the *Independent Budget* recommended \$23.5 billion for major and minor construction, yet less than \$13.5 billion was appropriated to keep rapidly aging facilities safe and operational.

Over the past few years, the VA budget request and the Congress's VA construction appropriation have fallen far short of VA's needs. A VA budget that does not adequately fund facility maintenance and construction will continue to negatively impact the quality and timeliness of veterans' health care and will contribute to the delay and denial of care to veterans who need it.

VA introduced the SCIP process several years ago. SCIP provides an in-depth analysis of VA infrastructure, identifying gaps in access, utilization and safety. It also details the cost to close these gaps. While SCIP clearly identifies the gaps and projects the cost to close them, it fails to strategically plan how VA will proceed. Currently, SCIP rates the gaps and places them on an integrated priority list from the most to least critical. Then each year, without explanation, VA submits a budget request that does not follow its own priority list.

Funding to close infrastructure gaps continues to be insufficient and arbitrary. We believe VA must begin requesting funding that will close all safety, condition, access and utilization gaps, while presenting a five- and ten-year plan that will systematically describe when and how VA plans to close each gap. In developing these five- and ten-year plans, DAV asks that VA develop and deliver a budget proposal designed to maintain VA facilities for the buildings' expected life-cycles, as well as to eliminate existing gaps in safety, access and utilization.

We recommend VA develop and make public a plant replacement value (PRV) for all VA-owned property and calculate its baseline and each facility's nonrecurring maintenance (NRM) funding request from that value. Adding the PRV to SCIP would allow VA to more accurately determine the appropriate amount to request for NRM and objectively decide when a facility becomes more costly to maintain than to replace. The industry goal for NRM is around two percent of PRV. At that rate, facilities could operate for 50 years or more without outpending replacement costs. Knowing what percentage of the PRV is being spent would allow

Congress and VA to assess, taking the long-term view of capital planning.

NRM embodies the many small projects that together provide for the long-term sustainability and usability of VA facilities. The NRM account is critical to VA capital infrastructure and accounts for more than 40 percent of the current backlog. NRM projects are one-time repairs, such as modernizing mechanical or electrical systems, replacing windows and equipment and preserving roofs and floors, among other routine maintenance needs. When managed responsibly, these periodic investments ensure that the more substantial investments of major and minor construction provide better value to taxpayers as well as veterans.

VA is increasingly lagging in closing current and known gaps, and continues to fall behind on preventing future gaps from occurring. Just to maintain what VA manages in its infrastructure portfolio, the VA NRM account should be funded at \$1.35 billion per year. NRM is currently being funded at \$462 million per year, one-third of need. Along with the PRV-calculated funding baseline, additional funding needs to be invested to prevent the \$22 billion NRM backlog from growing even larger.

VA's Veterans Equitable Resource Allocation (VERA) model was intended to allocate health care dollars to facilities and networks with the greatest workloads in health care. In our opinion, using VERA is not an ideal method to allocate NRM funds to facilities. In dealing with maintenance needs, this formula may prove counterproductive because it moves funds away from older medical centers and reallocates them to newer facilities where patient demand is greater, even if maintenance needs are not as great.

To close all major and minor construction safety, condition, access and utilization gaps, VA will need to invest approximately \$23 billion. Nearly \$5 billion is needed to close seismic deficiencies alone. Studies have identified 12 major construction seismic correction projects and nine of those projects are partially funded. These projects cannot wait any longer. As VA develops its five- and ten-year plans, it must make closing these gaps a priority with the goal to have seismic deficiencies closed within five years.

VA should begin requesting adequate funding and develop a long-term plan to close all major and minor construction gaps. VA must also develop a more comprehensive system of identifying and addressing future needs. This plan should include a system-wide program for architectural master planning at each VA facility. Over the life cycle of a medical facility, utilization and services often change because of shifting demographics and new technologies that alter the way health care is delivered. VA must invest in medical center-based, architectural master planning so these changes can be better anticipated and funding can be made available as the need arises, not years later. Congress must appropriate an additional \$15 million to allow VA to fund 10-year comprehensive facility master plans.

World-class health care requires first-class facilities, but through 13 years of war, VA construction accounts have only received 57 percent of what was required. Additionally, research infrastructure needs have reached a critical point. VA conducted a comprehensive review of its research infrastructure facilities and in 2012 submitted a report to Congress. The report fully assessed the existing state of VA's research infrastructure which verified that for decades, VA

construction and maintenance appropriations had failed to provide the resources necessary to address maintenance, life-safety repairs and upgrades at VA research facilities nationwide. VA research is actively involved in veteran-centric studies to provide tomorrow's evidence-based treatments. Quality care and veteran-related biomedical research cannot be provided in substandard facilities. The longer this problem languishes without a solid solution the more it compounds.

THE FISCAL YEAR 2016 ADMINISTRATION BUDGET

On February 2, 2015, Congress received the FY 2016 budget request from the Administration. We urge your Committees to closely monitor VA's current medical care program funding to ensure VA receives sufficient funding from Congress for the remainder of this fiscal year, and to carefully examine the VA's budget proposal for the FY 2016-17 periods, to be sure that the government continues to provide sufficient, timely and predictable funding for VA health care. Failing to pass VA's budget on time and at adequate funding levels simply leads to one fact: a failure by our Congress and Administration to meet their obligations to our nation's veterans, dependents and survivors.

The Administration recommends \$63.2 billion in total medical care funding for FY 2016 and \$66.6 billion for total medical care funding for the advance appropriation for FY 2017, an amount that actually exceeds the \$66.4 billion advance appropriation recommendation contained in *The Independent Budget* (IB). The IBVSOs appreciate that VA may finally be directing sufficient resources to address the serious access problems and lack of capacity that have plagued the health care system over the past decade and more.

The revised budget request for FY 2016 is especially welcome because the IBVSOs had been concerned that the funding levels provided last year through advance appropriations for FY 2016 were not sufficient to meet clearly increasing demand. The IB recommends \$63.3 billion for total medical care funding for FY 2016, about \$1.4 billion more than the \$61.9 billion Congress provided through advance appropriation last December. The updated Administration budget request for total medical care for FY 2016 is \$63.2 billion, virtually identical to the IB estimate from last year.

THE FISCAL YEAR 2016 INDEPENDENT BUDGET

The IB recommends the Veterans Benefits Administration receive \$2.8 billion; approximately \$263 million more than the FY 2015 appropriated level. The increase is justified by the need for significant increases in staff in the Compensation Service and the Vocational Rehabilitation and Employment (VR&E) program. For all construction programs, the IB recommends \$2.8 billion, approximately \$1.6 billion more than the FY 2015 appropriated level, and \$619 million for medical and prosthetic research, approximately \$30 million more than the FY 2015 appropriated level.

The IBVSOs are concerned with some elements of the Administration's budget request. DAV and our IB partners recommended staffing increases within VR&E and the Board of Veterans Appeals (Board). Staffing levels of VR&E will remain flat according to the

Administration's budget proposal despite an anticipated increase in demand for services. Also, the Board's staffing levels are actually reduced in the budget, despite its current workload and projections of new appeals expected by the Board. These two programs within VA are vitally important to those who served as must be resourced appropriately to meet their needs and expectations.

Furthermore, in the Administration's budget, several legislative proposals are of great concern to DAV:

- Rounding down the cost-of-living adjustment for service-connected compensation, and dependency and indemnity compensation for five years;
- Clarifying the evidentiary threshold at which VA is required to provide a medical examination;
- Streamlining the claims process by closing the evidentiary record;
- Streamlining VA's duty-to-assist in obtaining evidence for claims to increase compensation; and
- Streamlining the appeals process by limiting the notice of disagreement filing period to 60 days.

These legislative proposals are being portrayed by VA as "fixes, streamlining and cost savings." However, these recommendations will have a direct and negative impact on wounded, ill and injured veterans and their survivors. The COLA proposal would reduce the amount of compensation for beneficiaries for five years. Should the Administration or Congress identify the need for cost savings, these reductions should not be shouldered by disabled veterans, their families or survivors. The changes to the claims and appeals process would place an increased burden upon those seeking to obtain earned disability benefits from VA. DAV strongly opposes these legislative proposals, and we encourage Congress to examine the consequences of these changes on veterans, their dependents and survivors.

More detail on our recommendations for policy, staffing and budget matters can be found at www.independentbudget.org. Our staffs stand ready to provide you additional or clarifying information on our concerns about the budget, and our recommendations for VBA and VHA programs and services. We have already testified before the House Committee, and we look forward to testifying shortly before the Senate Committee, on these extensive issues.

FIXING VBA'S CLAIMS PROCESSING AND APPEALS SYSTEMS

Messrs. Chairmen, as you know, for the past five years, VA has been working to transform its claims processing system in order to deliver timely and accurate benefits to veterans. In early 2010, recognizing a growing backlog of disability compensation claims with no solution in sight, the Veterans Benefits Administration (VBA) set out to transform and modernize its systems and procedures for processing veterans' claims for benefits. Despite numerous failed attempts to modernize its claims processing system over the past three decades, VBA made the critical decision to develop new plans to transform its paper-based systems and replace them with modern information technology systems and business processes. Then-VA Secretary Shinseki announced ambitious aspirational goals for transforming the claims system,

promising that by 2015, VBA would decide all claims for disability compensation within 125 days and that they would be completed to a 98% accuracy standard.

Today, with 10 months remaining in 2015, dramatic transformation of the claims processing system has occurred and significant progress can be measured toward reaching those goals. For example, VBA created and implemented a new organizational model for its regional offices (ROs), developed and then rolled out a new fully develop claims (FDC) process to speed simpler claims, and collaborated with VSOs to create new standardized medical evidence forms called Disability Benefits Questionnaires (DBQs), to streamline the rating process itself. VBA also designed, tested and deployed critical new IT systems, including the Veterans Benefits Management System (VBMS), the Stakeholder Enterprise Portal (SEP) and e-Benefits, which together have revolutionized the filing of claims through electronic means.

In 2010, no claims were processed electronically; today more than 93% of VBA's 526,000 pending claims are fully electronic and less than 40,000 paper claims remain in the system. More than one billion images have been scanned into VBMS and are associated with veterans' new e-Folders, allowing them to be simultaneously read at all VBA offices, 148 VHA facilities and by VSOs that represent veterans. Today, almost 75 percent of the rating schedule, which covers more than 90 percent of all rating decisions, has been coded into "calculators" and embedded in VBMS to assist Rating Veterans Service Representatives (RVSRs) to make rating decisions. Every day, thousands of veterans file and track their claims online either through e-Benefits or with a service officer through SEP.

While all these achievements and progress are laudable, an analysis of current claims processing data and trends does raise some questions about whether the aspirational goals Secretary Shinseki first talked about in early 2010 remain achievable by year's end.

BUILDING A CULTURE OF QUALITY AND ACCOUNTABILITY

Messrs. Chairmen, there are vital lessons to be learned from the recent VA health care scheduling scandals on the dangers of unrealistic or unachievable goals. Faced with this dilemma, some employees made the unfortunate decision to manipulate data and cover up true waiting lists rather than be held accountable for failure to meet this unrealistic standard. Following revelations about the scheduling and waiting list violations, VA quickly removed this standard, a decision that had the full support of Congress, while working to develop more realistic goals for waiting times designed to gauge performance.

The critical question that VA and Congress must resolve is whether the aspirational goals established five years ago by the prior Secretary continue to positively drive VBA's performance in the right direction or whether VA should reassess and potentially revise some of its target goals now, rather than take the risk that unreachable goals might distort behavior in negative ways similar to the events in VHA. VA must provide complete and accurate data and answers to these critical questions. For its part, Congress must work together with VA in an open, transparent and non-partisan manner to ensure that VBA's claims and backlog goals are driving productive change and progress to improve outcomes for veterans, not only to meet certain metrics.

TRANSPARENCY AND PARTNERSHIP WITH VSO STAKEHOLDERS

Another critical factor to ensure that VBA reforms the claims process will be a renewed commitment to full transparency and partnership with VSOs. At the outset of the transformation efforts, VBA worked very closely with VSO stakeholders in both the planning and execution phases. This cooperation, collaboration and partnership resulted in a number of successful initiatives, including VBMS, FDC and DBQs. However, VBA's openness and outreach to VSOs has noticeably diminished over the past couple of years. Clearly the drive to reach the 2015 goals has increased both the pressure on, and workload facing, VBA, resulting in a tendency to focus inward rather than outward.

However, VBA would be making a mistake if does not continue to fully engage with its VSO stakeholders in the design and execution of new and existing transformation initiatives. VSOs have tremendous experience and expertise in claims processing and through our service programs we are active partners inside VBA regional offices. Our DAV service officers not only help veterans obtain quicker, more accurate decisions on their claims for benefits, but they also reduce VBA's workload and serve as another layer of quality control. As VBA works toward completing the claims transformation, it remains essential that it pro-actively engage and collaborate with VSO stakeholders, while increasing its level of transparency about relevant activities.

INFORMATION TECHNOLOGY MODERNIZATION AND IMPROVEMENT

The most critical and dramatic elements of VBA's claims processing transformation have been the new IT systems built over the past five years: VBMS, e-Benefits and SEP. These three systems have led the way in moving claims processing from an outdated paper-based system to a modern, automated digital system. Despite some early challenges, the VBMS program has proven to be an effective platform for processing claims in a digital environment. The challenge now is to fully integrate all phases of the claims processing system, all VSOs and the other VBA business lines into a single unified digital work environment.

Current planning at VBA calls for some critical elements of the claims process, including major new modules to allow electronic transmission of examinations and service treatment records from the Department of Defense, other government agencies, private businesses and organizations, to be slowly phased in over the next several years, but restricted by budget constraints. Similarly, plans to expand VBMS, or other compatible IT solutions, to all remaining VBA business lines and the Board of Veterans Appeals (BVA), are being stretched out into future years due to budget limitations. It is essential that Congress provide sufficient resources to VBA to allow all of the above and other critical elements of VBMS to be accelerated. VBA must also place greater emphasis on creating new and adjusting current elements of VBMS to better integrate VSO service officers and resolving lingering issues in SEP, both of which are essential to maximizing the benefits provided by VSO service officers.

BUSINESS PROCESS CHANGES

The National Work Queue

In the first quarter of 2015, VBA is scheduled to begin operation of the National Work Queue (NWQ) program, a paperless workload management initiative designed to improve VBA's claims processing productive capacity. The NWQ builds upon the work flow and management capabilities provided by VBMS that allows veterans' e-Folders containing all of their personal information, data and records to be instantly transferred to any RO and assigned into the work queue of any employee. The NWQ is intended to provide VBA with the ability to redistribute workload to ROs based on parameters such as the amount of pending workload and the number, experience and type of employees working at each RO. The NWQ can also separate and allocate workload based on any parameters or priorities established by VBA. In effect, the NWQ acts as the nexus between VBA's business processes and IT systems, playing the role of "traffic cop" for claims processing.

During the first phase of the NWQ's deployment, the primary filter for determining where a veteran's claim will be processed will be the veteran's place of residence, as is the case under the current organization model. However, if the veteran's local RO is under-resourced or overburdened with work, the NWQ will assign that claim to another RO, brokering it in a much more efficient, timely and accountable way than exists today. The NWQ will also have the ability to assign development of a claim to one RO but the rating work to a different RO if that referral results in a more timely decision. However, because the NWQ could potentially divide claims by issue, assigning some of development and rating work to multiple ROs, that procedure might not be the most effective or efficient manner to achieve quality decisions, nor ensure accountability for the accuracy of claims.

The NWQ can provide VBA with significant technological capabilities to reorder and redistribute workload; however, VBA must ensure that the NWQ remains a tool to enhance sound business processes rather than determine which business processes VBA will use. The goal must always be to improve veterans' outcomes and protect their rights in the claims process. Further, while modern information technologies are changing the nature of communication and social interaction, VBA should retain, to the extent practicable, the benefits of having VSO service officers working locally inside ROs, where they help VBA achieve quicker and more accurate decisions for veterans.

Standardized Forms for Claims and Appeals

On September 25, 2014, VA issued a Final Rule for Standard Claims and Appeals Forms, requiring that all claims and appeals for benefits must be filed on standard forms issued by VBA. VBA also plans to eliminate the informal claims process and replace it with a new intent to file process. Under the new rule, if a claimant files a written claim or appeal using anything other than a standard form, VBA will not recognize that filing as a claim or an appeal; instead, VBA will send the claimant notice as to which form is required to complete the claim or appeal filing. .

For claims, one can only preserve an effective date for a claim by filing an intent to file on the standard form, or through an e-benefit account, even if the claimant makes perfectly clear in writing that he or she intends to file a formal claim in the future. Furthermore, in cases where a claimant makes perfectly clear to VA an intent to file for service connection or for an increased disability rating, VA will not accept that form of communication as a claim; rather VA considers that communication to be a request for the appropriate application to register a claim with VBA.

Similarly, a claimant who intends to appeal a decision must use the new standard Notice of Disagreement (NOD) form; any other written communication will not be accepted as a notice of disagreement, nor will the time limit to register an NOD with VA be extended. If a claimant files an incomplete standardized NOD form, VBA will send the claimant a standard form with instructions on how and when the claimant must complete that filing. VBA provides the claimant 60 days to correctly complete the standardized form, or the remainder of the one-year appellate period to complete and return the standard form.

Claimants attempting to register appeals by submitting written communications in formats other than on prescribed forms are not afforded the same accommodation to meet the standard filing requirement. VA will send notice to the claimant advising him or her of the form that is needed to register the appeal, but will not send the form along with the notice. As VBA intends to send the standard NOD form along with every rating board decision, it considers sending a subsequent form unnecessary and redundant. This creates a situation where veterans, their dependents and survivors could lose out on their appellate rights because they failed to use the correct form.

Messrs. Chairmen, we understand the need to use standard forms whenever possible in order to create a more efficient claims processing system to benefit all claimants, but this rule allows no reasonable exceptions or extensions to accommodate the small number of claimants who would require such accommodation. Considering the fact that claimants often have physical and mental limitations from service-connected disabilities that may hinder their ability to fulfill these new requirements, this rule should be amended to allow limited commonsense exceptions and extensions.

First, for the purpose of establishing the effective date for a claim, VBA must accept both standard and non-standard communications that clearly indicate the intent to file a claim as the effective date for benefits, should they ultimately be granted. Second, when a claimant sends any written communication to VBA indicating disagreement with a claims decision, VBA must send that claimant the standard NOD form with instructions on how and when it must be completed, providing the veteran with the remainder of the one-year NOD period, or sixty days, whichever is longer, to complete and return that form.

Private Medical Evidence

VBA must also expand the use and acceptance of private medical evidence in order to eliminate the time and resources required to administer compensation and pension examinations, which would also support efforts to increase the number of FDCs filed. Unfortunately, there is still resistance in some ROs and by some employees to provide private medical evidence the

same weight as VA medical evidence. In order to further support efforts to encourage the use of private medical evidence, Congress should amend title 38, United States Code, section 5103A(d)(1) to provide that, when a claimant submits private medical evidence, including a private medical opinion, that is competent, credible, probative and otherwise adequate for rating purposes, the Secretary shall not request a redundant VA medical examination.

APPEALS REFORM

While the claims backlog has fallen significantly, as indicated above, the backlog of pending appeals has risen over the past couple of years. Despite the fact that BVA completed more than 55,000 appeals decisions in FY 2014, an increase of 10 percent over the highest previous total, the number of appeals at various stages working their way through VBA toward the Board now tops 330,000, not counting the approximately 60,000 already at the Board.

Claims Decision Letters

The format and content of VA's claims decision letter can influence the number of appeals filed. Veterans forced to wait up to a year or longer to get an initial decision are less likely to have complete confidence in that decision, particularly when it is a denial, than if their claims were decided within reasonable timeframes. As we have testified in recent years, the current format of claims decision letters, which has evolved from the Simplified Notification Letter (SNL) process, to the Automated Decision Letter (ADL) process presents a challenge. This form of automation causes a loss in substantive information that was available previously in the SNL.

In most cases, the ADL contains insufficient information to allow a veteran or representative to fully understand the rationale for rating decisions or the evidence considered. Without sufficient confidence in rating decisions, veterans and their advocates are more likely to pursue appeals options. VBA must continue to work with VSOs to improve claims decision letters.

Decision Review Officer Program

An essential VBA program that can help lower the appeals workload is the Decision Review Officer (DRO) post determination review process, which can resolve appellate-related disputes at the local level. A DRO has *de novo* authority, meaning they should review the entire appeal file with no deference given to the rating board decision and issue a new, independent decision.

For years, we have voiced concerns that the number of DROs is insufficient for the amount of DRO work that is generated in regional offices. Further, the assignment of initial claims processing work to DROs at numerous regional offices is merely shifting the weight of the backlog from one area (claims) to another (appeals.) Over the past year VBA leadership has made some efforts to limit the use of DROs performing original claims processing work; however, we continue to observe DROs at many ROs working on initial claims. It is imperative that every regional office be given an adequate number of DROs, and that they focus solely

on appeals work. If additional personnel are required, VBA must request additional resources, not repurpose DROs.

Fully Developed Appeals Pilot Program

In order to seek new solutions that could improve the appeals process for veterans, we, other VSO stakeholders, VBA and BVA have informally discussed a proposal to create a “fully developed appeals” (FDA) program modeled after the fully developed claims (FDC) program. The premise of the FDA program is that the appellant would assume responsibility for gathering any new private evidence necessary to support the appeal and agree to eliminate some steps and work currently performed by VBA and BVA; in return the veteran would receive a significantly quicker appeal decision by BVA.

At the time of the NOD selection, the veteran would submit any evidence and argument he or she wants considered in the appeal, and would certify that he or she is fully informed about the FDA program and that the appeal would go directly to BVA on a newly-created FDA docket. No SOC would be created or issued, no Form 9 would be completed and filed, no local RO hearings or reviews would be conducted, no Board hearings would be held, and no SSOCs and no Form 8 certification process would be conducted. According to BVA, the elimination of these steps alone could save two to three years of processing at the RO compared to a traditional appeals process. The FDA program should be created as a statutorily-authorized pilot program in order to allow Congress and stakeholders the ability to oversee details of the program’s design, implementation and operation. While the FDA proposal is not a “magic bullet” that will eliminate the backlog of pending appeals, it would create another option that could save some veterans up to a thousand days waiting for their appeals to go to the Board, while also reducing the workload on both VBA and BVA. As discussed above, we continue to strongly support the DRO process, so the FDA program is neither a substitute nor replacement for it. Instead, it will provide another voluntary option that each individual veteran and representative, if any, can consider as he or she makes decisions about the most effective and timely way to resolve appeals.

New and Material Evidence Standard

Current statute requires that in order for a decided claim to be reopened and reconsidered, “new and material evidence” must be presented by the claimant or secured by VBA. This standard was intended to prevent VBA from re-opening and re-adjudicating claims based on the same evidence that was the basis for the original rating decision. However, the statute today provides no actual benefit since almost anything submitted by the claimant can arguably be considered both new and material. Further, even when VBA does invoke the new and material standard, claimants can appeal such a ruling to the Board and request a hearing, which in itself could be considered new and material evidence. As such, the practical effect has been that rather than reducing the workload on VBA by dissuading additional unnecessary submissions from claimants, applying this standard has resulted in additional work by the Board without any appreciable reduction in workload for VBA. While the new and material evidence standard may have been intended as a filter against admitting irrelevant evidence, it does not effectively serve that purpose and should be repealed or recrafted.

RESOURCE, BUDGET AND TECHNOLOGY NEEDS

Finally, in order to address BVA's pending and future workload, Congress must provide additional resources to allow the hiring of sufficient personnel. Furthermore, BVA's need to modernize IT systems will require that additional resources be provided to VA's IT program and be allocated to these needs. The Administration must request, Congress must provide, and VA must properly allocate, sufficient resources to meet all of VBA's personnel and infrastructure needs, which include both physical and IT infrastructure. Without new resources, no amount of reform or reorganization will allow BVA to meet its rising workload within a reasonable timeframe.

Over the next year, DAV believes VA should work collaboratively with both congressional and VSO stakeholders to openly and honestly review its budgets, goals and plans for claims processing and appeals, and if necessary, revise them appropriately. VBA must continue to refine its new business processes as well as accelerate development of new IT systems and components to support the new work processes. And in order to truly fix its claims processing and appeals systems, VBA must develop a new work culture focused on quality and accountability. We remain ready to work with Congress and the Administration to achieve these goals.

DAV—DEDICATED TO A SINGLE PURPOSE: EMPOWERING VETERANS TO LEAD HIGH-QUALITY LIVES WITH RESPECT AND DIGNITY

Messrs. Chairmen and Members of these Committees, I now turn to a topic that fills me with great pride—the dedication of DAV members, some of whom are also employees of our organization.

Everyone behind me knows DAV well, because collectively with our 1.4 million fellow members, we *are* DAV and its Auxiliary. We take great pride in making individual contributions to the work of our Chapters and Departments across this country, helping our communities, helping VA and in so many ways helping other veterans who have served and sacrificed. This is not only our mission, but our reward.

Messrs. Chairmen, in this part of my testimony not only will I bear witness to what we at DAV expect from Congress in the form of legislation and other support, but I will also summarize some of our work that members of the Committee may not know about, but that is important to America's veterans, their families and survivors. It further represents how DAV cares for our fellow veterans and our country.

FULFILLING OUR PROMISES TO THE MEN AND WOMEN WHO SERVED

Messrs. Chairmen, since 1920, when our forebears established an organization intent on ensuring our government addressed the needs of World War I doughboys who had been gassed and maimed in the trenches of France but came home to an unprepared and seemingly unconcerned nation, DAV has dedicated its work to making war veterans whole once again. In

1932, Congress recognized the value of the work of DAV by granting us a congressional charter. We continue this work to this very day, helping millions of wounded, injured and ill veterans to restore their lives.

DAV's core mission is carried out through our National Service Program. Our Chapter Service Officers, Department Service Officers, Transition Service Officers and National Service Officers have never wavered in their commitment to serve our nation's wounded, injured and ill veterans, their families and survivors, or any veteran for that matter. In all, DAV has 3,815 service officers, including County Veteran Service Officers accredited by DAV, all of whom are on the front lines, providing much needed claims services to our nation's veterans, their families and survivors. No one has more impact on our organization's ability to meet our primary mission. No one has more impact on our organization's stellar reputation. No one has more impact on empowering disabled veterans to become productive members of society again. And I believe no one has a tougher task than those DAV service officers assisting veterans and their families and survivors in their claims for benefits from the government that at times seems both a reluctant and entrenched bureaucracy.

In addition to the long hours, often frustrating circumstances and tedious tasks, to be effective, DAV National Service Officers must gain a solid understanding of the claims process in its complex entirety, undergo intense training and education in title 38 law and regulations, and complete college-level classes associated with our representational duties—much of which they receive through the national organization—guided, monitored and supervised by our professional National Service Department headquarters personnel in Washington, D.C.

DAV NATIONAL SERVICE PROGRAMS

To fulfill our mandate of service to America's wounded, injured and ill veterans and the families who care for them, DAV directly employs a corps of more than 270 National Service Officers, all of whom are wartime service-connected disabled veterans who successfully completed their training through VA's VR&E service. The military experience and personal claims and treatment experiences of DAV NSOs through military and VA health care not only provide a significant knowledge base, but also help promote their passion for helping other veterans through the labyrinth of the VA system. DAV NSOs are situated in all VA regional offices as well as in other VA facilities throughout the nation.

Our NSOs undergo a rigorous initial 16-month on-the-job training program, as well as structured and continued training and education throughout their DAV careers. During the course of the on-the-job training program, NSO trainees learn applicable laws and regulations pertaining to VA benefits and complete a series of academic courses which include anatomy and physiology, medical terminology, English composition, legal writing and public speaking. These dedicated NSOs, many of whom are veterans of the wars in Iraq and Afghanistan, sustain DAV's legacy of providing the best and most professional benefits counseling and claims assistance available anywhere. With the generous support of a grateful American public and public-spirited businesses, DAV is proud to provide these services, without cost, to any veteran, dependents, or survivors in need.

During 2014, DAV NSOs interviewed over 207,000 veterans and their families; filed over 221,000 new claims for benefits; and obtained more than \$3.7 billion in new and retroactive benefits for the wounded, injured and ill veterans we represented before the VA.

APPELLATE REPRESENTATION OF DENIED CLAIMS

In addition to our work at VA facilities, DAV employs nine National Appeals Officers (NAOs) whose duty is to represent veterans; their dependents and survivors in their appeals before the Board of Veterans' Appeals (BVA). In 2014, DAV NAOs provided representation in 29.2 percent of all appeals decided by the BVA, a caseload of approximately 16,224 appeals. Almost 47 percent of the cases represented by the DAV resulted in remands. These remands resulted in additional consideration or development for 7,534 claimants who had cases that were not adequately developed and considered by the ROs that initially decided them. In 29.6 percent of the cases, involving 4,810 appellants represented by DAV, the claimants' appeals were allowed and the denial of benefits overturned. These numbers indicate that approximately 76.6 percent of the appeals represented by DAV resulted in original decisions being overturned or remanded to the RO for additional development and re-adjudication. Both DAV's remand and allowance rates were above the BVA average of 45.5 percent and 29.2 percent, respectively.

Additionally, DAV works closely with two private law firms that have agreed to provide *pro bono* services to veterans pursuing their appeals from adverse decisions of the BVA. In 2014, these *pro bono* attorneys offered free representation before the United States Court of Appeals for Veterans Claims in nearly 2,100 denied appeals and provided representation in more than 1,500 of those cases. Since the inception of DAV's *pro bono* program, our attorney partners have provided free representation to nearly 5,000 veterans. These *pro bono* attorneys achieved a positive outcome in approximately 90% of the appeals handled on behalf of DAV clients.

TRANSITION SERVICES FOR NEW VETERANS

Given the significant number of severely injured and ill service members under care at Walter Reed National Military Medical Center (WRNMMC) in Bethesda, Maryland, and in other military treatment facility locations, DAV continues to provide direct on-site assistance to wounded and injured active duty personnel. DAV's Transition Service Program (TSP) is now in its 15th year. This program provides benefits counseling and assistance to separating service members seeking to file initial claims for benefits administered through the VA. DAV currently employs 35 Transition Service Officers (TSOs) who provide free assistance to service members transitioning from active military service. These TSOs provide services at military separation centers under the direct supervision of DAV NSO Supervisors. Our TSOs have been trained specifically to perform transition presentations, review military service treatment records and initiate claims activities for transitioning veteran's military separation centers at nearly 100 military installations within the continental United States.

DAV's TSP contributes to our goal of maintaining our preeminent position as a provider of professional services to veterans. In 2014, our TSOs conducted over 900 briefing presentations to groups of separating service members, with 39,569 total participants in those sessions. Our TSOs counseled 21,947 persons in individual interviews, reviewed the military

service treatment records of 22,090 individuals, and submitted benefits applications for 17,126 personnel to DAV NSOs for filing with the VA.

DAV continues to work within the guidelines of Transition GPS (Goals, Planning, Success) program which is a part of the Veterans Opportunity to Work (VOW) Act and Hiring Heroes Act. DAV remains committed to advocating for these service members to ensure that they are well aware of benefits that they have earned. It is through this program that DAV is able to advise service members of their benefits and ensure that they become aware of the free services that DAV is able to provide during all stages of their claims and appeal process.

DAV MOBILE SERVICE OFFICE PROGRAM

DAV's fleet of 10 Mobile Service Offices (MSOs) puts DAV NSOs on the road to assist veterans where they live and increases accessibility to the earned benefits our nation provides to veterans. The specially equipped mobile offices visit communities across the country on an advertised and scheduled basis. This outreach effort generates a considerable amount of claims work from veterans who may not otherwise gain an opportunity to seek assistance at DAV National Service Offices.

DAV focused on a new initiative in 2014, and by using the DAV MSOs, conducted 118 site visits throughout 48 states at colleges and universities where your constituents reside. By doing this, our NSOs interviewed a total of 1,194 student veterans and dependents which resulted in filing 915 claims for benefits. In states represented by members of this committee, some colleges and universities visited include the University of Texas, Ohio State University, University of Nevada, Las Vegas, Texas A&M University, Northwestern University, University of California, College of Central Florida, Clayton University and Indiana State University.

DAV also uses its MSOs for outreach to veterans in other public awareness programs, such as attending public air shows, Native American reservation events, NASCAR races, military retiree conventions, the Vietnam Moving Wall appearances, homeless veterans "stand-downs," community fairs and parades, Veterans Day and Memorial Day activities, veterans job fairs, and information seminars of many types.

These specially equipped MSOs, along with our disaster relief teams, also deploy into areas devastated by disasters, enabling DAV to provide much-needed assistance directly to displaced service-disabled veterans and their families. They have been used at ground-zero following the attacks on the World Trade Center, around the Gulf Coast following hurricanes Katrina and Rita, and most recently in New York, Oklahoma and Michigan following tornadoes and flooding. In 2014, these efforts resulted in a total of 190 payments totaling in excess of \$89,000 to be provided to service injured or ill veterans, service members and their families in need of relief.

During 2014, our MSOs traveled 101,104 miles to 922 cities and towns. DAV NSOs interviewed 23,645 veterans and other potential claimants during these appearances which resulted in 16,983 claims being filed through the VA.

When a DAV MSO comes to your state or district, I would encourage the Members of these Committees and your staffs to stop by to learn first-hand the free services that DAV is providing to your constituents. I would also highly recommend that you refer any of your constituents who may need assistance with their VA claims to visit our MSOs when they are in your areas. The MSO schedule can be found on the DAV website, at <http://www.dav.org/wp-content/uploads/MSOCalendar.pdf>

NATIONAL EMPLOYMENT PROGRAM

DAV appreciates that the journey from injury to recovery cannot be completed until a veteran is able to find meaning in life, and regains a purpose after injury or serious illness. For those who are able, working to care for themselves and for their families is their uppermost goal. As the nation winds down from more than 13 years of war, tens of thousands are now making the transition from military to civilian life, with the likelihood of more than 250,000 expected to leave military service in 2015, and more than a million service personnel leaving the military by 2017. DAV is committed to ensuring that these new veterans secure the tools, resources and opportunities they need to competitively enter the job market and capture meaningful employment after serving.

Realizing the challenges that many veterans, and especially our service-disabled veterans, continue to face in the employment marketplace, last year DAV established a new National Employment Department. One key element of this mission is a partnership DAV formed with RecruitMilitary®, a full-service military-to-civilian recruiting firm. Working alongside our partner, DAV uses online and offline products to connect employers, franchisors, and educational institutions with veterans who are transitioning from active duty to civilian life, veterans who already have civilian work experience, members of the National Guard and reserve components, and military spouses. All DAV services are offered free of charge.

Co-hosting and sponsoring Veterans Career Fairs in partnership with RecruitMilitary®, DAV is helping to address one of the greatest needs facing our nation's unemployed veterans. Last year DAV sponsored 34 job fairs in 29 cities, creating venues for nearly 2,000 high quality companies considering the talents of more than 14,000 active duty, reserve and Guard members, and veterans and their spouses who attended. The success of these job fairs led to a recent decision by DAV to sponsor 70 more such fairs in 2015. Should our fairs be scheduled in the districts of any members of this Subcommittee, we invite you to come and participate to see first-hand the work of DAV in helping veterans secure employment.

In order to facilitate our employment assistance, DAV has incorporated our VA benefits and claims representation resources into these fair events. Our NSO corps is ever-present at our fairs; thus far, we have aided hundreds of veterans, dependents and survivors with claims assistance to gain their rightful VA or DOD benefits due to their fair attendance and our visible presence.

DAV's National Employment Department also works directly with major employers interested in recruiting skilled veterans. The department provides a multitude of resources that veterans can access on our employment resources web page (www.jobs.dav.org), including a job

search board listing more than 800,000 current opportunities. We are pleased to note nearly 5,000 average monthly visits to our employment resources web page. We anticipate continued growth in veterans' use of this resource in the coming months as we roll out a retooled website that will feature a variety of additional employment and educational resources, including webinars and other guides, and we will highlight certain employers, such as the Ford Motor Company, which have demonstrated a firm commitment to recruiting and hiring veterans.

Our National Employment Department is still in its infancy, but we are extremely pleased with the results thus far. DAV is excited about the continued growth of this important new function in providing vital employment assistance, not only to ill and injured veterans, but all veterans and their spouses, as well as active duty, reserve and Guard members.

VOLUNTARY SERVICE PROGRAMS

Equally vital to the success of our mission to empower veterans to lead high-quality lives with respect and dignity are the activities of nearly 11,000 DAV and DAV Auxiliary volunteers who selflessly donate their time to assist America's wounded, injured and ill veterans. Our Voluntary Services Programs ensure that sick and injured veterans are able to attend their medical appointments, and that they receive the comfort, companionship and care they need and have earned. Our volunteers are at their posts in VA medical centers and clinics but they go outside the VA to visit and provide services to wounded, injured and ill veterans within communities, in some cases going beyond the current scope of the government in providing services. DAV is leading the way in voluntary services, which makes all of us proud to be a part of this organization and makes me even prouder to have been chosen to lead this great organization.

From January through October 2014, these valuable volunteers of DAV and its Auxiliary served our nation by providing more than 1.7 million volunteer hours of essential services to hospitalized veterans in VA facilities and transporting veterans to their medical appointments, saving taxpayers over \$39.4 million in costs if federal employees had been required to provide similar services. Many DAV members volunteer at VA medical centers, clinics and community living centers and serve as Hospital Service Coordinators and drivers in DAV's nationwide Transportation Network, about which I will provide more detail later in this testimony.

LOCAL VETERANS ASSISTANCE PROGRAM

In an effort to meaningfully touch the lives of more veterans in need of assistance, DAV created the Local Veterans Assistance Program (LVAP). Opportunities have always existed for individuals to assist veterans and their dependents—and DAV and our DAV Auxiliary volunteers have answered that call in full measure. We see examples of this each and every day aimed at meeting the principal objective of our organization—to fulfill our promises to the men and women who have served.

Our LVAP volunteers contribute time and energy for a variety of activities that include, but are not limited to:

- Chapter and Department Service Officer work;
- Specific outreach efforts, such as DAV's air show outreach programs, Harley's Heroes and National Guard mobilizations and demobilizations; and,
- Direct assistance to veterans, families and survivors, including engaging in home repairs, maintenance and grocery shopping, among many other supportive activities.

Since its inception in 2007, 6,108 volunteers have participated in DAV's LVAP for a total of nearly 2.2 million hours of volunteer service. DAV is constantly seeking new ways to recruit and engage DAV members and volunteers. We believe this program works to the advantage of all of those we serve.

THE NEXT GENERATION OF VOLUNTEERS

Sadly, Messrs. Chairmen, we are rapidly losing our veterans from the World War II and Korean War era; and DAV is proportionately witnessing the loss of DAV volunteers from that population. Ever looking forward, DAV has sought to develop and recognize a new generation of younger VA volunteers. More than a decade ago, we created a youth volunteer scholarship program to ensure the future of a viable DAV volunteer effort. In remembrance of former VA Secretary and former DAV Executive Director, the late Jesse Brown, we launched a special scholarship program in his name. Annually, the DAV Jesse Brown Memorial Youth Scholarship Program honors outstanding young volunteers who participate in the VA Voluntary Service Program and/or through DAV's Local Veterans Assistance Program to donate their time and compassion to wounded, injured and ill veterans.

Since its inception, DAV has awarded 155 individual scholarships valued at \$1.18 million, to enable these exceptional young people to pursue their goals in higher education through the value of volunteering. We at DAV are very proud of the Jesse Brown Memorial Youth Scholarship Program and we thank Ford Motor Company for its continued support this year of the scholarship program to enable us to continue awarding these scholarships to worthy student-volunteers.

Another corporation that has stepped forward to help veterans of all eras is Golden Corral, which this past November opened its doors again to all veterans on Golden Corral's "Military Appreciation Monday," serving 342,538 free meals to veterans as a means to thank them for their service. Nationwide Golden Corral events also yielded more than \$1.4 million in donations to DAV chapters and departments in 2014. Since 2001, Golden Corral restaurants have served more than four million thank-you meals to our nation's veterans and helped raise in excess of \$10 million in donations for DAV chapters and departments to use in outreach and service programs in their communities.

Well beyond volunteerism itself, generous fundraising efforts by Golden Corral, Ford and others continue to help support DAV initiatives and programs throughout the year and provide DAV resources to outreach to local veterans so we can help them get the benefits and services they earned from a grateful nation.

NATIONAL TRANSPORTATION NETWORK

Messrs. Chairmen, DAV is extremely proud of the service provided by our volunteers, many of whom are injured, wounded, or ill veterans themselves, or the family members of such veterans. These volunteers, some of whom are seated before you today in this hearing room, continue to serve the needs of our veterans on a daily basis. Many of our nation's veterans are aided because of the time these volunteers donate. Everyone at DAV applauds the efforts of our volunteers.

DAV relies on 192 Hospital Service Coordinators at VA medical centers across the country to oversee our National Transportation Network. This program provides free transportation to and from VA health care facilities to veterans who otherwise might not be able to obtain needed VA health care services.

From January through October 2014, DAV's National Transportation Network logged nearly 20.5 million road miles and transported nearly 600,000 veterans to VA health care facilities. Volunteer drivers spent over 1.2 million hours transporting veterans. Since our national transportation program began in 1987, more than 16.5 million veterans have been transported over 613.8 million miles, for a total of more than 34.3 million volunteer hours by our DAV drivers.

In 2014, DAV donated 138 vans to VA facilities at a cost of over \$3.7 million. In 2015, we plan on donating 111 vans at a cost of \$3.2 million. From 1987 through 2014, we have donated 3,049 vans to VA, at a cost to DAV of almost \$66.3 million.

DAV's efforts were aided in 2014 by the support of the Ford Motor Company with the gift presentation of seven new vehicles to DAV for the Transportation Network. Since 1996, Ford has donated 192 vehicles to support our work. DAV is proud that Ford Motor Company continues to honor its commitment through the instrument of DAV to the men and women who have served our nation in uniform.

DAV's commitment to our National Transportation Network is lasting and sure. We have deployed DAV vans in every state and nearly every Congressional district serving our veterans, many of whom are your constituents.

NATIONAL DISABLED VETERANS WINTER SPORTS CLINIC

DAV is a collaborator in another outstanding program that directly impacts the lives and well-being of seriously wounded and ill veterans. Working in cooperation with VA Recreation and Voluntary Services, DAV co-hosts the annual National Disabled Veterans Winter Sports Clinic. For over a quarter century, this exceptional physical rehabilitation program, held in the mountains of Colorado, has transformed the lives of America's most severely wounded, injured and ill veterans. This unique program—often referred to as “Miracles on a Mountainside”—helps severely injured veterans rebuild their confidence, compensate for their injuries and regain balance in their lives. This event promotes rehabilitation and restoration by coaching and encouraging veterans with severe disabilities to conquer adaptive skiing, skating, ice hockey, fly

fishing and other sports, and shows them by example that they are not barred from adaptive recreational activities and sports of all kinds. Veterans from all eras have attended our clinics, including many who were wounded and injured in the Iraq and Afghanistan campaigns. Often, this seminal event offers some veterans their very first experience in winter sports and gives them motivation to take their personal rehabilitation to a higher level than they may ever have imagined. Participants have included veterans with multiple amputations, traumatic brain and spinal cord injuries, severe neurological deficits and even total blindness.

For anyone who has attended “Miracles on a Mountainside” and observed our participants and their efforts, it is an inspiring sight, unlike anything you will see anywhere in the world. I can assure you, miracles do still occur. These wounded heroes experience life-changing events at our National Disabled Veterans Winter Sports Clinic, and so do all the inspired observers, family members and volunteers who participate. I invite all Members of these Committees to come and experience “Miracles on a Mountainside” with me and other DAV leaders this year. Our next clinic is scheduled for March 29 to April 3, 2015 in Snowmass Village, Colorado. If you want to believe in miracles, please join us on the mountainside.

DAV CHARITABLE SERVICE TRUST

Organized in 1986, the Charitable Service Trust (CST) is a tax-exempt, not-for-profit organization serving primarily as a source of grants for qualifying organizations throughout the nation. As an affiliate of DAV, the CST strives to meet the needs of ill, injured and wounded veterans through financial support of direct programs and services for veterans and their families.

DAV established the Trust to advance initiatives, programs and services that might not fit easily into the scheme of what is traditionally offered through programs of the VA, our DAV Departments and other VSOs in the community. Not-for-profit organizations meeting the direct service needs of veterans, dependents and survivors are encouraged to apply to the CST for financial support. Since the first grant was awarded in 1988, more than \$86.6 million has been awarded. In an effort to fulfill the CST’s mission of service, support is offered to ensure quality care is available for veterans with PTSD, TBI, substance-use challenges, amputations, spinal cord injuries and other combat-related injuries. It also supports efforts to combat hunger and homelessness among veterans. Initiatives for evaluating and addressing the needs of veterans from every service era and conflict are also encouraged.

Typically, grants are awarded to programs offering:

- Food, shelter and other necessities to homeless or at-risk veterans;
- Mobility items or assistance specific to veterans with blindness or vision loss, hearing loss, or amputations;
- Qualified therapeutic activities for veterans and/or their families; and,
- Physical and psychological rehabilitation for veterans.

Priority is given to long-term service projects that provide meaningful support to unserved and underserved veterans.

As some veterans confront unemployment, homelessness and physical and psychological illnesses, the need continues for innovative, caring programs and services to address these challenges. DAV's CST is dedicated to making a positive difference in the lives of America's most deserving individuals and their loved ones.

By supporting these initiatives and programs, the Trust furthers the mission of DAV. For more than nine decades, DAV has directed its resources to the most needed and meaningful services for the nation's wounded and injured veterans and their families. Significantly, the many accomplishments of both DAV and the Trust have been made possible through the continued support and generosity of corporate partners, individuals and DAV members who remain faithful to our mission.

AMERICAN VETERANS DISABLED FOR LIFE MEMORIAL

This past year also saw another great milestone and achievement to honor our nation's disabled veterans – the completion and dedication of the American Veterans Disabled for Life Memorial. This beautiful and moving memorial is the first of its kind to honor American veterans of all eras who have been disabled defending our country in hostile conflicts.

The memorial pays tribute to the nation's four million living disabled veterans, as well as their caregivers and to millions of deceased disabled veterans. In granite slabs, glass panels and a single flame atop a solemn reflecting pool, the memorial tells the introspective story of veterans from every conflict and from every branch of service who have borne the brunt of injury or disease and lived to carry the visible—and invisible—wounds of war.

The long road to building this Memorial began in 1998 when it was conceptualized by former VA Secretary and DAV Executive Director Jesse Brown, former DAV National Adjutant Art Wilson and prominent veterans' philanthropist Lois Pope. Over the course of the past 16 years, they and their successors tirelessly worked to meet all of the rigorous criteria for establishing a national memorial as well as raising all of the private funding to pay for this Memorial's construction. Along the way we have been aided by strong bipartisan support in Congress as well as the backing of Presidents Clinton, Bush and Obama.

Finally, on October 5, 2014, we were proud to join President Obama, Chairman Miller, former Members of Congress, Administration officials and thousands of our fellow veterans, to dedicate this glorious Memorial. Under clear, crisp blue skies, we watched as the Memorial's flame was lit and this magnificent tribute to the service and sacrifice of millions of Americans was finally open for all Americans to see and visit.

We hope that many of you have had a chance to visit this newest addition to the nation's system of Memorials. For those who haven't we would be honored to accompany you to a visit that we are certain will reinvigorate your dedication to fulfilling the promises to the men and women who served.

NATIONAL LEGISLATIVE PROGRAM

Messrs. Chairmen, DAV was founded in 1920 as a nonpartisan, nonprofit veterans' service organization. Since then, promotion of *meaningful, reasonable and responsible* public policy for wartime service-disabled veterans, their dependents and survivors, has been at the heart of *who we are* and *what we do*. Regardless of politics and whether we agree or disagree with our government's foreign policies or military deployments, our service men and women put their health and lives on the line to ensure the safety of the Republic and to protect the basic freedoms we enjoy as citizens of the United States.

What is right for our nation and our citizens is to take care of those who served and sacrificed for our collective freedom. We do this by never forgetting the sacrifices of the men and women who served—or those of their families. We do this by keeping our promise to them: through Congress and VA, to provide the resources and services they need to enjoy the best quality of life possible, as they make the often challenging transition back to civilian life.

Major policy positions of DAV are derived from resolutions adopted by the delegates to our annual National Conventions. Since our first National Convention in 1921, DAV's legislative program has guided our advocacy for disabled veterans in conformance with the collective will of our members. Our mandates for the 114th Congress cover a broad spectrum of VA programs and services and they are available for you and your professional staffs to see on DAV's website, at <https://www.dav.org/wp-content/uploads/ResolutionBook.pdf>. I invite your staffs to consider the content of these resolutions in crafting legislation during this Congress.

ALL VETERANS ARE CREATED EQUAL

As DAV has testified in the past, we are concerned that some of the benefits Congress enacted are exclusive to veterans of recent service in Iraq and Afghanistan. While we understand that these circumstances may require legislative consideration to ease transition challenges from military to civilian life, DAV represents wartime veterans of all ages and all periods of wartime service. We remain concerned that previous generations of veterans who were wounded, injured or became ill while serving before September 11, 2001, cannot take advantage of a number of these improvements enacted into law subsequent to that date. We ask your Committees to reconsider the trend to exclude older veterans from the new and expanded benefits you have awarded to younger veterans, especially the stipend and extensive health care benefits for veterans' family caregivers under Public Law 111-163. I defy anyone to tell me that the struggles of a family caregiver of a severely disabled veteran from World War II, the Korean War, the Vietnam War, or the Persian Gulf War are easier and less burdensome than those of a caregiver of a similar veteran of the wars in Afghanistan or Iraq. They all struggle; they all suffer. They all sacrifice—many for decades. And they all need your support. Congress should not leave one of them behind while benefitting the other.

With the realization that we will receive ample opportunities this year to more fully address many of DAV's specific legislative resolutions during hearings before your Committees and personally with your staffs, I shall only highlight a few key ideas in this testimony. I assure you that all of these concepts are covered by DAV national resolutions. Along with our VSO

partners, and relying upon the strength of our grassroots members and supporters, DAV will work aggressively and proactively to advance these key legislative priorities, while continuing to look for opportunities to promote all DAV legislative and policy goals. These are our key priorities, and on behalf of our 1.4 million members and Auxiliary, I ask that you consider them.

Disability Compensation and Other Benefits

- Complete the ongoing reform of VA's benefits claims processing system, with the focus on quality, accuracy, accountability and timeliness.
- Eliminate inequitable policies that prohibit the concurrent receipt of VA disability compensation and military retired pay and that require Dependency and Indemnity Compensation and military Survivor Benefit Plan payments to be offset.
- Provide for a 10-year protection period for service-connected disability evaluations.
- Reduce the 10-year rule for Dependency and Indemnity Compensation.
- Exclude veterans' disability compensation from countable income for purposes of eligibility for benefits and services under other government programs.
- Award interest payments for VA retroactive awards of one year or more.
- Oppose any proposal that would offset payments of Social Security Disability Insurance benefits or any other federal benefit by the amount of VA compensation.
- Contest any scheme to means test disability and death compensation.
- Resist any change that would redefine service-connected disability or restrict the conditions or circumstances under which it may be established.
- Oppose any recommendations by any commission to reduce or eliminate benefits for disabled veterans.

Health Care Services

- Strengthen and expand women veterans health care programs and services.
- Expand caregiver services to meet the needs of veterans' caregivers from all eras.
- Develop and build support for a comprehensive long term plan to address VA's aging health care infrastructure needs, including VA research facilities.
- Improve and expand cost-effective VA long-term support and services.
- Improve timely access to veterans suffering from TBI, and mental health care and counseling services, with particular focus on newer veterans in transition.
- Provide priority access and timely, quality health care services to service-connected disabled veterans.
- Repeal VA and Department of Defense co-payments for medical care and prescription medications.
- Repeal beneficiary travel deductibles for service-connected disabled veterans and support increased reimbursement rates.

Employment and Economic Opportunities

- Enact legislation that will allow veterans to transfer their military skills and credentials to the civilian sector to enhance their economic opportunities.

- Strengthen veterans' vocational rehabilitation and employment programs by ensuring adequate funding for increased staffing and IT enhancements to meet increases in VR&E demand.
- Remove the 12-year delimitating date imposed on Chapter 31 (vocational rehabilitation) entitlement.
- Improve delivery of transition services to all separating service members.
- Enact legislation to transfer veterans' employment programs from DOL to VA in a new Veterans Economic Opportunity Administration, which also includes VR&E, education and business programs.

General Issues

- Extend military commissary and exchange privileges to service-connected disabled veterans.
- Provide space-available air travel aboard military aircraft to 100 percent service-connected disabled veterans.
- Award educational benefits to dependents of service-connected veterans rated 80 percent or more disabled.
- Reduce premiums for Service Disabled Veterans' Insurance consistent with current life expectancy.
- Provide the fullest possible accounting of POW/MIAs from all wars and conflicts.
- Support Former Prisoner-of-War slave labor claims against Japanese firms.

IN CONCLUSION

Messrs. Chairmen and Members of the Committees on Veterans' Affairs of the Senate and House of Representatives, I trust you can see by my testimony that DAV has much to be proud of. But there is much work to be done, and we must do it together. It's a privilege for me to serve as DAV's National Commander. I look forward to continuing our march forward for veterans and their families.

I hope my testimony today demonstrates to you that DAV does not come before you with our hand out to ask for special favors, tax advantages, or unearned benefits. We are not a special interest; like the Congress in many ways, DAV and what we do is a broad, general interest of the American people. We believe our members, and all veterans who were harmed as a consequence of their military service, earned their benefits and paid a high price for them in full—and in advance. It is true that some of our injured and wounded veterans do need a hand up in their post-service lives—for transition services; hospitalization, rehabilitation and other health care; prosthetics for lost limbs; insurance for the uninsurable; education and re-training; housing and supportive services, including housing for those who become homeless, or specialized mental health services to prevent it; business and employment opportunities; compensation for the living; and compensation for the survivors of those lost—all earned with service and sacrifice. These benefits and services help veterans restore themselves and prepare themselves for a future as productive citizens; comfort them if they lose their ability to work as a consequence of military service; or keep them and their survivors from slipping into poverty. Given what veterans have done for this country since its founding more than two centuries ago, we believe it's a small price to pay. It's the price of freedom. Many VA hospitals are adorned at building

entrances or at the front gates with these words: *The Price of Freedom is Visible Here*. I believe this is a powerful and fitting statement to honor our heroes and compels our national resolve to keep the promise.

In a related vein, DAV has approved a national resolution for years calling on Congress to raise disability compensation payments commensurate with a more humane treatment of service-disabled veterans and the survivors of veterans who die from their service-related injuries, but Congress has never responded other than to provide annual cost-of-living adjustments that, while appreciated, are minimal at best. I would ask all of you: have you ever considered what a seriously disabled veteran is paid by the nation in disability compensation for his or her sacrifice? On average, a 100 percent service-connected combat-disabled veteran is paid \$36,000 annually. I would challenge anyone at your rostrum to provide for your family on that amount of money for the year 2015, or any year, especially in the presence of unending disability and all that disability entails to depress the quality of a person's life. If Congress even doubled that amount, the payment would still be very small for the kinds of sacrifices rendered by these veterans. A veteran who loses a single leg above the knee in combat only receives a fraction of that amount in compensation each year. Some of these veterans are behind me today; I encourage you to take the time to talk to them about disability compensation and what it means to them and their families. They might give you a new insight on what "income inequality" truly means, since that term is much in the news these days. We realize this is not an opportune time to increase federal mandatory spending, but I believe here is a challenge worthy of a grateful nation and of a thoughtful, caring Congress, and one that I and everyone in this room would hope the Members of these Committees would embrace.

I hope you will agree that DAV's testimony today shows once again that DAV not only advocates on behalf of our nation's wounded and injured veterans, but we also continue to give back to our nation, our fellow veterans and our communities through the numerous free programs detailed in this testimony—in claims and appeals representation, volunteerism, transportation, therapeutic recreation, outreach, family caregiving of the injured, sick and dying, disaster relief, charitable grants and all the other good works in which DAV engages on a broad national scale.

Messrs. Chairmen, these DAV services aid veterans directly and support and augment VA programs throughout the United States. Our family caregivers actually reduce VA health care costs, whether VA provides services and supports to them as caregivers—or not. Across many dimensions I believe DAV is one of VA's most valuable partners in caring for veterans. I trust you can see why the men and women of DAV and its Auxiliary are proud of this great organization and all that it does for VA, veterans, their families and survivors every day of every year.

In closing, as National Commander, it has been an honor and a highlight of my life to appear before you today to serve as the voice of DAV, to demonstrate to you and your colleagues that DAV devotes its resources to the most meaningful services for wounded, injured and ill wartime veterans, to present our legislative goals for 2015, and to share the collective concerns of our organization. I know that all of us in this room and all DAV and DAV Auxiliary members nationwide share a deep and abiding respect for the brave men and women who have served our

nation in World War II, Korea, Vietnam, the Persian Gulf and those who serve our nation in uniform today, especially those in harm's way overseas, not only in Afghanistan and Iraq, but who are deployed in many dangerous and challenging places across the world. May God watch over them and keep them safe.