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***STATEMENT OF
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BEFORE THE
COMMITTEES ON VETERANS' AFFAIRS
U.S. SENATE AND U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.
FEBRUARY 25, 2014***

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

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

Before I report our work to the Committees and make our legislative recommendations, I want to take a moment to inform all Members of the Committees that DAV has transitioned into a new era in our professional leadership. Our superbly effective Chief Executive Officer (CEO) and National Adjutant, Arthur Wilson, retired in 2013 after a 47-year career in DAV. Art's departure after such a long and productive term will clearly leave a void, but DAV has selected an able, experienced executive in J. Marc Burgess, as our new CEO and National Adjutant. Marc is a distinguished Navy veteran, who has held increasingly responsible positions in DAV for over 20 years, including most recently serving as Executive Director of our National Headquarters in Cold Spring, Kentucky. We also have seasoned leadership in our Washington office in the person of Garry Augustine, our new Executive Director. Garry, an Army Vietnam combat veteran, rose to this position after a long career in DAV, including serving as our National Service Director. Jim Marszalek, a Gulf War-era Marine, has assumed the National Service Director position. Last but certainly not least, Barry Jesinoski, also a Gulf War-era Marine, has returned from our Washington office to lead our National Headquarters as Executive Director there. DAV is thrilled to have these experienced hands now commanding our professional activities in Cold Spring and Washington, D.C.

At the outset of my statement, I want to thank Members of these Committees on behalf of the more than 1.4 million members of DAV and our valued Auxiliary for the steadfast support Congress has given to wounded, injured, and ill veterans and their families and survivors.

As I sit here before these august bodies today, I am reminded of, and humbled by, how important your work truly is. Your efforts are important because the people have elected you to the House and Senate to represent them across a vast sea of crucial national responsibilities, to govern them with care, and to protect them from harm in its many forms, so they can live their

lives in peace. Our DAV mission is important because the members of DAV have elected us to represent their interests to ensure that their brother and sister veterans, injured or made ill in war by virtue of decisions you and your forbears made in this Capitol, see their needs met afterward by a caring and grateful nation. These responsibilities are not mutually exclusive, but are interconnected. My testimony today is intended to help you understand this relationship, and perhaps give you information showing how DAV brings hope and, most important, services to millions of our fellow veterans, without any financial support from our government other than in-kind services authorized by law. We rely on the benevolence and generosity of the American people for the funds that support our work on behalf of wounded, injured, and ill veterans. However, DAV and others look to you and the government to bring that same hope, and restore that same prospect to these veterans. Only by working together can we make these veterans feel whole again and achieve our mutual goal.

Members of the Committees on Veterans' Affairs, the group before you came into this hearing, in this beautiful and historic Cannon Caucus Room, after a public rally we conducted at noon today in view of the Capitol dome as part of DAV's *Operation: Keep the Promise*. At that rally we heard the stirring words of distinguished veterans and guests, who laid out a challenge before Congress, and to the American People, to keep the promise made to veterans—and particularly to those who paid a high price in military service to our Nation. We were joined by thousands of veterans and fellow Americans online, who are lending their voices to our call to action. *Operation: Keep the Promise* is focused on ensuring that the Department of Veterans Affairs (VA) is afforded sufficient, timely, and predictable funding in advance for all its budgetary accounts, to enable it to carry out your expressed intent, as made so eloquent by Lincoln's words, "...to care for him who shall have borne the battle, and for his widow and his orphan." To do this, VA needs a sufficient, predictable, stable budget, approved by Congress and the President on time every year.

Each of you knows, for different reasons perhaps, that Congress and the Administration, in the current political climate, cannot seem to agree on how to fund the operations of government. In fact for 22 of the past 25 years, the government's budget was not approved by Congress and the President by the start of the new fiscal year on October 1. The VA, like every agency, thereby was stranded in budget limbo, waiting out the day when Congress and the Administration have finally agreed to an acceptable funding level. The VA to my knowledge has never been the reason for any of these stalemates, but VA and the veterans it serves were caught nevertheless in the same snare. Over the years, this paralysis created no end to the problems of running an efficient medical care and benefits system, a complex labyrinth of programs and services designed to help veterans repatriate, heal, rehabilitate, educate themselves, and to compensate them for their wounds and injuries, so they might reemerge fully prepared to resume their civilian roles in American society.

After a protracted struggle, in 2009 we solved one key part of this problem through Congressional enactment of advance appropriations for VA medical care. This law was a godsend to six million veterans and to VA itself, and I'll tell you why with a very practical example. Advance appropriations proved their worth in last October's government shutdown. While nearly every other agency in the civil service was thrown into shutdown status and chaos for 16 long days, and most of their employees were sitting at home in worry, and a plethora of

federal services lapsed, VA health care facilities and all their employees and staff continued normal operations, caring for hundreds of thousands of injured, wounded, and ill veterans as if no shutdown was underway at all. Other important VA programs, however, suffered through the shutdown, then reduced, and nearly eliminated, vital services to veterans—because, simply put, they began to run out of money. DAV resorted to occupying temporary quarters, including tents, when VA regional offices were shut down. We were determined that DAV's free representational services to veterans would not, and could not, be interrupted, despite veterans being locked out of our offices at VA benefits locations. Another real fear that fortunately did not come to pass was whether veterans' disability compensation checks would arrive on time in November. We were informed, if the shutdown continued, that funds would not be available for disability checks or other VA financial benefits, such as survivors' compensation and vocational rehabilitation benefits.

ADDITIONAL VA ACCOUNTS SHOULD BE ADVANCE-APPROPRIATED

We believe Congress should expand the advance appropriations umbrella to protect VA's remaining accounts. For example, although VA medical appropriations may provide assurance that a new outpatient clinic can open without delays, the fact that VA's information technology (IT) funding is still provided through the stymied regular appropriations process means that computers or other IT systems (such as radiology and laboratory equipment) on which health care crucially relies, might not be provided until Congress completes work on the regular appropriations acts, delaying the clinic opening by weeks or even months. Similarly, funding for VA's Medical and Prosthetic Research program directly contributes to excellent clinical care of veterans, and supports VA's affiliation relationships with more than 100 schools of medicine and other health professions, but it is funded apart from advance appropriations and subject to the same paralysis affecting VA's other regular appropriations. VA was on the verge of halting thousands of ongoing research projects when the shutdown ended. Moreover, the funding for VA construction accounts, providing VA capital infrastructure and large investments in facilities improvements, would also be more efficient and cost effective if it were provided through advance appropriations. Stopping construction projects because of an unrelated budget crisis only leads to more delay and higher costs for VA. Finally, the Veterans Benefits Administration's ability to address the backlog of pending claims and transform itself into a modern 21st century organization is being hindered by now-predictable annual budget stalemates and seemingly endless continuing resolutions. Given the universally recognized success of advance appropriations in VA health care, Congress should determine whether some or all of the other VA appropriations accounts should be managed through advance appropriations so that veterans and their families and survivors are not forced to sacrifice yet again, and needlessly.

Members of these Committees, during last year's Veterans Day activities, I attended a ceremony commemorating the Traveling Vietnam Veterans Memorial Wall, a national tribute to Vietnam veterans who gave the ultimate sacrifice in that unpopular war, a war in which I and many members beside and behind me, in this historic room, served. When the ceremony ended and the crowd was dispersing, a woman from the audience approached me to say how grateful she and her husband were to DAV for our strong advocacy and unflagging efforts in helping to end the government shutdown mere days before VA ran out of funds to support the payment of disability compensation. She explained to me that she and her husband's only income due to his

disability and her personal caregiving of him is his monthly VA compensation. As the shutdown lingered day after day, she told me, with tears in her eyes, they had worried terribly that without that VA payment on November 1, they wouldn't be able to buy food, gas, or pay their rent. As National Commander of this tremendous organization, I was grateful to her for her kind words about DAV's effective advocacy, but it concerned me greatly that she and her husband were forced to go through such a terrible ordeal, given the sacrifice they had already made for this country.

We should never again put a disabled veteran or his or her family in such a situation. This is why DAV's *Operation: Keep the Promise* intends to make advance appropriations for all VA funding accounts, including its mandatory disability payments to veterans, our highest legislative priority in 2014. Thousands of DAV members and supporters from all over this nation are sending social networking, email, and telephonic messages today to your offices and those of every Senator and House Member. Today, when you pick up and browse your *Roll Call*, *Politico*, *National Journal Daily*, or *The Hill*, you'll see our *Operation: Keep the Promise* message prominently displayed. DAV launched this one-day intense campaign because we are serious and dedicated to this goal, and I assure you this testimony will not be the last time you hear about this urgent need. This is not a partisan issue; not a Democratic or Republican issue; it's a veteran issue, and as National Commander of DAV, I want all of you to join me and everyone else in this room, and our 1.4 million DAV and Auxiliary members, in making it your highest priority as well. If solving this particular problem for wounded, injured, and ill veterans is not a high priority for your Committees, Congress in general, and the Administration in this New Year, please tell me what is. Bills to make this a reality are pending in both Congressional chambers; DAV urges you to pass the *Putting Veterans Funding First Act* as a top priority for 2014.

VA HEALTH CARE

Messrs. Chairmen, let me turn my attention to the VA health care system and what it means for members of DAV.

As you well know, the Veterans Health Administration (VHA) is the largest direct provider of basic and specialized health care services in the nation with a core mission of providing comprehensive veteran-centered health care. Across the nation, VA is a model health care provider that has led the way in various areas of biomedical research, specialized services, graduate medical education and training for all health professions, and the use of technology to improve health care. VA's specialized programs and treatment for war-related polytrauma; traumatic brain injury (TBI); prosthetics and orthotics for traumatic limb loss and other trauma injuries; spinal cord injury and dysfunction; blind rehabilitation; post-traumatic stress disorder (PTSD); and post-deployment mental health are essential elements to rehabilitate and provide comfort to wounded, injured, and ill veterans and their families. Such quality and expertise on veteran-specific health needs cannot be adequately replicated in the private sector. Many DAV members rely solely on the veterans' health care system for lifelong care; thus, the Department must continue its legacy of excellence with sufficient funds and other resources to meet the ongoing specialized needs of wartime veterans.

Messrs. Chairmen, DAV and the veterans we represent are grateful for the resources that Congress and your Committees have provided to the VA health care system. For more than a decade during our two overseas wars, VA has received substantial annual funding increases for its health care programs. Also, DAV acknowledges the Committees' continued oversight and dedication in working to improve the system and ensuring that resources Congress provides are spent wisely and concentrated on direct patient care and other services. We fully support these efforts and want to assist you in ensuring a sustainable system for veterans who need VA now and in the future. We encourage the Committees to continue the vigorous oversight of VA to ensure that its mission is properly carried out to care for this nation's veterans, their families and survivors. We concur with you, Messrs. Chairmen, that VHA must be more transparent, responsive, and accountable to Congress and to the veterans it serves. DAV is committed to working with Committee members and staff, to report our concerns as they arise, and to work to find viable solutions so veterans may be better served.

Members of the Committees, since the beginning of the military conflicts in Iraq and Afghanistan, 2.6 million individuals have served or are still serving in these war zones. More than 6,775 have died from wounds, illnesses, or accidents, and hundreds of thousands have been injured, wounded in action, or became seriously ill while serving. Of the more than 1.7 million service members who have left active duty and are now veterans, about one million have sought and obtained VA health care in some form. We must make caring for those who have served our nation and its citizens an unwavering priority.

In addition to the previous generations of wartime veterans currently receiving VA benefits and health care, VA must make continued efforts to absorb the influx of new veterans streaming into the system while maintaining a high level of baseline services for all enrollees. War veterans must have ready access to primary and specialty health care services and programs, post-deployment mental health services, cutting-edge treatments for TBI, high-quality prosthetic items, and a comprehensive array of ancillary health services needed to recover and successfully rehabilitate from war-related injuries and illnesses. As you might imagine, this is an expensive proposition, but its value to these veterans, and to the nation, is well worth the cost in our estimation.

Additionally, given the significant increase in the number of women who are now seeking VA benefits and health care in unprecedented numbers following wartime service, VHA must be prepared to address their unique post-deployment and health maintenance needs. According to VA, women are the fastest growing segment of new VA health care users. Increased outreach efforts to enroll returning veterans from Iraq and Afghanistan have resulted in more than 50 percent of eligible veterans enrolling and using VA services. In fact, the number of women in VA care has doubled over the past 10 years and is projected to be 10 percent or more of the total patient population by 2018. The shifting age demographic of younger women veterans enrolling in VA health care over the past decade portends 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 are properly trained and 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.

Another group of people who deserve 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 severely wounded, ill, and injured veterans able to remain out of institutions, reintegrate into their communities, 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, such as the wife of the Vietnam veteran I met at the traveling Vietnam Veterans Memorial Wall. DAV believes it is only proper that family caregivers be recognized for their decades of sacrifices and dedication, and receive the support and assistance they need to fulfill their vital role.

We are pleased that Congress enacted Public Law 111-163, the Caregivers and Veterans Omnibus Health Services Act of 2010, authorizing VA to provide comprehensive support and services to caregivers. Some 10,000 families are covered 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 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.

Wartime service members, like many generations of veterans, chose military service to protect freedoms at home, advance the liberty of strangers in foreign lands, and to keep our nation safe and strong. At the behest of government these men and women serve and make great sacrifices, as do their families. For some, the sacrifices are devastating and life-altering; for others, life-ending. The men and women of DAV remain steadfast in our fight to ensure that our government fulfills its promises to all veterans who depend on VA's health care system, and for those who will need the system in the future. We acknowledge it is not a system absent any 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, and we believe VA must be protected, preserved, and enhanced. It is our responsibility, with your help and that of the Administration, to ensure VA is properly maintained and modernized to deal with the needs of veterans of *all* generations, including those returning from our current wars. Especially in recent years, VHA has received its share of criticism and been held publically accountable for its errors and lapses; however, VA health care also has been cited by numerous independent reviewers as outperforming every other health care system in America, in quality of care, cost, patient satisfaction, and safety.

Messrs. Chairmen, 10 years ago DAV commissioned a private firm to conduct a nationwide survey of DAV members to gauge their perceptions of VA quality, satisfaction, access, and safety from the perspective of our members, who regularly and intensively use VA health care services. We believed then, as we do now, that our members might offer a very useful set of responses, because they are regular patients, with high priority for care. When the report of

that survey was completed, we were pleased, with rare exception, that our members were highly satisfied with VA across a series of important questions relating to their care. The primary negative responses we received then dealt with access matters and waiting times, but our members solidly appreciated the quality of VA services they received.

Based partially on the oversight discoveries of the House Committee under Chairman Miller over the past two years, DAV is considering conducting a new survey in 2014 of our members on many of these same questions. We are anxious to know from veterans of all ages wounded, injured or ill from wartime service whether VA across the nation is meeting their needs now, and whether they perceive VA in ways similar to our members' reports in 2004. We will provide both Committees the results of our new survey once it is completed.

Many challenges lie ahead for VA in the decades to come, including rising long-term care needs of World War II and Korean War veterans; an aging Vietnam-era population with rising morbidities; and the long-term physical and mental health care needs of veterans of the Gulf War and the wars in Iraq and Afghanistan. Barriers to care and delays in the delivery of essential benefits and services must be minimized, and basic and specialized VA services must be provided, when and where veterans need them.

VA CAPITAL INFRASTRUCTURE LACKS INVESTMENT

Members of the Committees, DAV believes one of VA's greatest single challenges, and one that is both directly and indirectly related to a number of oversight matters you have uncovered over the past two years, is the enormous gap that has grown unabated in VA capital infrastructure. VA's FY 2014 appropriation for major and minor construction is a mere \$1.1 billion, contrasted with the *Independent Budget* recommended level of \$2.6 billion. For FY 2015, the *Independent Budget* is recommending \$3.9 billion for all VA infrastructure programs, \$2.7 billion more than the FY 2014 appropriated level. Our request was based directly on VA's own analysis and estimates of its capital needs. This has been an annual recurring pattern: VA identifies billions in needed new facilities, renovations and various capital improvements. Through the budget formulation process, however, VA's request is reduced to a small fraction of the funds needed. These unaddressed needs simply pile up.

VA's latest estimate in its so-called "10-year plan" calls for more than up to \$64 billion in infrastructure investments. As we have indicated in the *Independent Budget*, at current funding rates, VA will need more than 25 years to complete its current 10-year plan, a ridiculous proposition. Although Congress has funded new VA major medical facilities in recent years in Las Vegas, Denver, Orlando, and New Orleans, the vast majority of existing VA medical centers and associated buildings are more than 60 years old and badly in need of renovations, upgrades to building systems, and numerous total replacements. Aging facilities create an increased financial burden on VA's maintenance requirements and routine operational costs, and we believe they also affect quality of care. Unless Congress approves additional capital funding, there is a real risk that VA's declining infrastructure will diminish the care and services VA can provide to wounded, injured, and ill veterans. We have not seen any media discuss the situation that occurred with the outbreak of Legionella at the Pittsburgh VA medical center in the context that the major building systems and the buildings themselves are more than 60 years of age, but

we must wonder if some connection between those decrepit water systems within the facilities could be related to the outbreak. Would Legionella have occurred in a new VA facility, with new piping, venting, and cooling towers?

Not only does aging infrastructure affect health care delivery, but also it challenges VA's academic mission, including its significant clinical and biomedical research program. VHA conducts world-class and veteran-focused research in basic sciences, genomics, rehabilitation, prosthetics development, clinical trials, and health services. The existence of a robust research program has enabled VA to become one of the highest quality health care systems in the world. Also, VA researchers have been awarded three Nobel Prizes in immunoassay, medicine and chemistry, and are the recipients of numerous other prestigious awards both domestically and internationally. VA researchers annually publish thousands of peer-reviewed articles in the scientific literature, and VA's work not only improves care and treatment of veterans, but also affects the standard of care for all Americans.

In 2012, VA released a report from a House Appropriations Committee-directed study of infrastructure needs in VA research facilities. VA had commissioned the review to three outside firms. The report concluded VA needed almost \$800 million to upgrade, restore, and, in some cases, entirely replace research laboratories and associated facilities in 76 VA academic health centers. Since the report was released, VA has made no public statements with respect to these findings or revealed its intentions to address these deficits, many of which deal with life-safety issues for veterans and other VA staff.

We eagerly await the Administration's budget for FY 2015 to determine if VA intends to begin the restorative process and address, at minimum, the most urgent needs identified in the report. The *Independent Budget* recommends that Congress appropriate \$50 million in FY 2015 for up to five replacement research facilities and \$175 million to aid in addressing and repairing the most pressing of the priorities identified in the report. Also, of great concern to the DAV and the other authors of The *Independent Budget* is the serious underfunding of all VA construction appropriations accounts. From FY 2002 through 2014, we have recommended a total of \$23.5 billion for major and minor construction, yet less than \$13.5 billion was appropriated by Congress to keep rapidly aging facilities safe and operational.

We ask Congress and VA to consider what has made VA the special resource it is today and what must be done to improve, sustain and secure its longevity for decades to come. Just as you do, we want VA to maintain a stellar reputation and provide the highest quality care possible to our nation's veterans. We want our veterans to know that promises made will be kept. While direct patient care services are a primary focus, the foundational and core needs that make up the system cannot be neglected. A dedicated effort must be made to address the current physical infrastructure, IT and telemetry needs, and address safety deficiencies and other core support programs that are the underpinnings of the VA health care system. Likewise, creative, capable leaders must be molded to better manage the vast network of VA employees, hospitals, community based clinics, and ancillary facilities that make up the VA health care system. To achieve our goal, the Administration, Congress, VA, and the veterans community must work together to identify and resolve existing challenges and bring forth the VA health care system our nation's veterans deserve and need.

THE FISCAL YEAR 2015 INDEPENDENT BUDGET, BY VETERANS FOR VETERANS

As of today, Congress has yet to receive the Administration's FY 2015 budget request. Indications are the Administration's budget will be submitted at the beginning of March 2014, possibly later. It should be pointed out and not lost on Congress that VA last received an on-time budget 16 years ago, in 1998. 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 when it is released for the FY 2015-16 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 heroes.

In the absence of the Administration's budget request for FY 2015, DAV and our *Independent Budget* (IB) co-authors (AMVETS, Paralyzed Veterans of America, and Veterans of Foreign Wars of the United States) are calling for \$61.1 billion in VA Medical Care funding. For Medical and Prosthetic Research, the IB recommends a funding level of \$611 million. The IB recommends approximately \$2.9 billion for VA's General Operating Expenses. For total capital infrastructure programs and grants, the IB recommends \$3.9 billion, \$2.8 billion for major medical facility construction projects, \$831 million for minor construction projects, and \$298 million for VA grants to state veterans homes and state veterans cemeteries. DAV and its IB co-authors recommend a total VA discretionary funding level of \$72.9 billion in FY 2015.

More detail on our recommendations for both policy 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 hope to testify soon before your Committees on these issues.

VETERANS BENEFITS CLAIMS PROCESSING REFORM AND THE VITAL NATURE OF DISABILITY COMPENSATION

Messrs. Chairmen, authorizing benefits for veterans, especially disabled veterans, without providing the systems to deliver those benefits in a timely, accurate manner is a promise unfulfilled. For decades, VA's benefits claims process has failed to meet that promise. Today, however, for the first time in years, some good news is coming from the Veterans Benefits Administration. After four years of comprehensive transformation that included implementation of new organizational and operating processes, new IT systems, and new training, testing, and quality control regimes, there is measurable progress in addressing the backlog of pending claims for veterans benefits.

As the House and Senate address the major challenges facing our nation, we urge you to continue focusing on the unfinished work of reforming the veterans' benefits claims processing system. For DAV and many other veterans organizations, ensuring that wounded, injured, and ill veterans and their dependents and survivors receive all the benefits they have earned, without undue delay, remains an important legislative priority for 2014.

As a result of all this transformation, there are quantitative metrics showing progress. At the beginning of 2013, more than 860,000 claims were pending for disability compensation and pension. By the end of the year, that number had dropped by more than 20 percent, down to about 685,000. The number of claims in the backlog—greater than 125 days pending—dropped by about a third, from over 600,000 in January 2013, to just over 405,000 in January 2014. The VBA increased the number of claims completed each month from an average of about 89,000 during the first four months of the year to more than 114,000 during the succeeding six months prior to the government shutdown.

The most important factor driving VBA's productivity gains was undoubtedly the policy of mandatory overtime for claims processors, a period that ran from May through November. During this six-month stretch, the VBA achieved significant increases in the number of completed claims per month, reaching as high as 129,488 in August, before dropping back down during the government shutdown and after mandatory overtime ended just before Thanksgiving. The other key factors boosting claims production were likely the increased focus on fully developed claims (FDCs) and the continued professional development of VBA's newest employees hired during the past five years. Although the VBA finished the rollout of both the Veterans Benefits Management System (VBMS) and the new transformation organizational model last year, this achievement likely had only a marginal influence on productivity increases last year because of the learning curve that both employees and management must complete before they reach their full productive potential with new systems.

While the reduction in the backlog was certainly good news, even more encouraging was the steady increase in the accuracy of claims produced throughout the year, as measured by the Systematic Technical Accuracy Review (STAR) teams, which rose to 89.6 percent by the end of 2013, as reported by VA. Although this figure remains far from the 98 percent accuracy goal put forward by the Secretary, it is a significant improvement.

While the progress is real, we continue to have some concerns about a recent trend toward less openness and transparency from the VBA over the past year, which could hinder its ability to successfully complete the transformation. It is essential that VBA work in an open, transparent, and collaborative manner with both Congress and VSOs in order to continue receiving the support and assistance needed to complete this transformation. Just as important, without proper and transparent data and metrics, neither Congress nor VSO stakeholders can gain the information necessary to provide constructive feedback that could help improve VBA's claims processing system.

CREATING A CULTURE OF ACCOUNTABILITY AT VBA

In order to complete the transformation, end the backlog, and decide each claim right the first time, VBA must develop and inculcate a new work culture based on quality and accountability. At a time when so much national attention has been focused on reducing the number of claims pending in the backlog, VBA must continue to place at least equal emphasis on quality and accuracy, rather than merely speed and production.

As technologies and processes come online, it is imperative that the VBA be able to make timely adjustments to performance standards to ensure that production pressures do not outweigh the goals of accuracy and quality. VBA must develop a scientific methodology for measuring the resources (primarily personnel) required to accurately and timely process the current and future anticipated workload, as well as develop a new model for allocating those resources among VA regional offices.

The VBA must continue to invest in the training and professional development of its workforce. Over the past several years, the VBA has reengineered its “challenge” training program for new employees, with four weeks of in-station training followed by four weeks of training at centralized locations around the country. In addition to the requirement for all employees to complete continuing training of 85 hours per year, VBA has developed a new training program called Station Enhancement Training (SET), which requires all employees at targeted poor performing VA Regional Offices (VAROs) to undergo comprehensive training together for one week. SET allows employees to review and refresh their knowledge while also providing structured time to work live cases under the supervision of the training staff. VBA has found that SET not only increased quality, but also boosted morale of employees, and the VBA expects to continue SET in 2014.

VBA also requires that employees, everyone from coaches to Veterans Service Representatives, take and pass a skills-certification examination every two years. For STAR employees the testing is now done every year to ensure that those who measure quality are held to the highest standards. Certification exams are designed by subject matter experts and reviewed by a test committee of employees who process claims to ensure that the examinations are appropriate for each class of employees. VBA must continue to ensure that its testing regime is adequate to measure necessary job skills and that appropriate human resources accountability measures are developed for employees who fail to pass skills-certification examinations.

In order to sustain progress made with the new IT systems and organizational models, the VBA must continue to make the changes to its work culture so that quality and accuracy are the cornerstones of all activities. VBA’s creation of Quality Review Teams (QRT) was a powerful statement of the VBA’s commitment to quality. QRTs perform several functions: they conduct local quality reviews, perform in-process reviews, and provide select training. In particular, the in-process reviews allow errors to be corrected before they negatively affect a rating decision and without penalizing the VBA employee. The VBA must continually evaluate and improve its training, testing, and quality-control programs in order to truly reform the claims system over the long term.

FULLY DEVELOPED CLAIMS PROGRAM

DAV continues to actively support the fully developed claims (FDC) program and the VBA’s goal of channeling an increasing share of all claims through the FDC program: by the end of 2013 nearly 25 percent of all claims filed were done through the FDC program, with DAV having the highest rate among all VSOs. This approach lowers the burden on VBA employees and results in faster and more accurate claims decisions for veterans. While not all claims can or will be filed under this simplified concept, DAV remains committed to its partnership with VBA

in the FDC process by encouraging our clients to file their claims in this manner. There are particular steps VBA can take to ensure continued and improved success of the FDC program, such as reducing the number of claims being removed from the FDC process and designating at least one individual in each VARO as an FDC coordinator to address any problems with claims prior to their being removed from the process.

PRIVATE MEDICAL EVIDENCE AND DISABILITY BENEFITS QUESTIONNAIRES

The VBA should also continue to encourage and support the use and acceptance of private medical evidence to eliminate the time and resources required to administer compensation medical examinations, which would also support efforts to increase the number of FDCs filed. The VBA has taken significant actions in recent years to encourage private evidence, such as the development and use of Disability Benefits Questionnaires (DBQ) and the Acceptable Clinical Evidence (ACE) initiative, under which VA physicians review existing medical records to determine if enough evidence already exists to make a rating decision without the need for an extra VA-ordered examination.

However, resistance lingers in some VAROs and from some employees in giving the same weight to private medical evidence as for VA medical evidence. 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, 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 consider it and not request a duplicative VA medical examination.

Furthermore, the VBA should expand the availability of DBQs, most of which were developed in consultation with DAV and other VSO experts, to enable private physicians to submit medical evidence on behalf of veterans they treat. The VBA must also develop and institutionalize greater cooperation from VHA in having VA physicians complete DBQs for veterans treated by VHA. In the past year many VHA treating physicians were told that they either should not or may not fill out DBQs for their patients. The VHA has made efforts to address this problem by creating more convenient opportunities for veterans to have DBQs completed by VHA physicians at specific times and locations. However, VBA and VHA should continue working to reach an agreement to have VHA-treating physicians complete DBQs for veterans upon request.

MODERNIZING TECHNOLOGY INFRASTRUCTURE

Perhaps the most important element of VBA's transformation strategy is the successful implementation of new technology, including the VBMS, the Stakeholder Enterprise Portal (SEP), an expanded e-Benefits system with VONAPPS Direct Connect (VDC), and the Virtual Lifetime Electronic Record (VLER) initiative. In terms of processing claims, the most important technology is the VBMS, the paperless, rules-based system the VBA uses to create electronic claims files, manage workflow, and determine ratings. While full implementation of the VBMS was completed ahead of schedule, VBA must continue to receive and allocate sufficient funding for scanning paper claims forms and evidence, including back-scanning of legacy files.

We have generally been pleased with VBA's efforts to incorporate our perspectives, experience, and expertise throughout the IT development process, particularly recognizing the important role that VSOs play in the claims process. Although some obstacles needed to be overcome in providing full access to claims decisions for VSOs that hold power of attorney, the VBA continues to work in partnership with VSOs to ensure that claimants will be fully represented in the new digital environment. The VBA must ensure that neither the VBMS nor other new technologies override veterans' rights or the ability of VSOs to fully represent veterans in this new environment. Likewise, significant work remains, including completing the authorization and awards portions of the VBMS for compensation, as well as connecting VBMS to the Appeals Management Center (AMC), Board of Veterans' Appeals (BVA), the United States Court of Appeals for Veterans Claims (CAVC), Education Services, and Vocational Rehabilitation and Employment (VR&E) service. These connections will allow for a continuous electronic flow of vital information throughout the claims process.

Recognizing that no modern IT system or software is ever truly "finished" is vitally important. In addition to the funding required for maintenance of the VBMS system, VBA must continue to make significant investments in VBMS development for the life of this system. Furthermore, as new IT technologies emerge, and new requirements for the VBA are identified, the VBMS must evolve to address those needs and opportunities, requiring an aggressive development program that is supported with sufficient resources.

Another crucial IT component for reforming the claims process has been the development of the SEP, which allows service officers representing veterans to directly file their claims, upload new evidence, and track the progress of pending claims. Essentially, the SEP allows VSOs to do for veterans what VDC and e-Benefits allow veterans to do for themselves. The VBA must continue to work out problems and glitches in the SEP to ensure that VSOs are able to fully represent veterans in this electronic environment.

Perhaps one of the more challenging elements of VBA's IT transformation strategy has been the fulfillment of what has long been called the Virtual Lifetime Electronic Record. After too many years of futile debate, negotiation, and ultimately stalemate on the Integrated Electronic Health Record—a key component of VLER—VA and the DOD must finally come to an agreement on how to create a single interoperable medical record that serves the missions of both departments. The impasse between the DOD and VA has already cost the Treasury more than \$1 billion over five years, and less palatable alternatives to a single integrated electronic health record do not satisfy Congress's 2008 directive to VA and DOD to establish an interoperable joint electronic record. The seamless integration of VA and DOD medical information is one of the keys to truly achieving automated, electronic processing of claims for disability compensation and other earned VA benefits. Congress, VA, DOD, and the Administration must accelerate efforts to finally reach agreement and move forward expeditiously.

STANDARDIZED CLAIMS AND APPEALS

Finally, VA is proposing to amend its adjudication regulations and the appeals regulations and rules of practice of BVA to require all claims to be filed electronically on standardized forms prescribed by the Secretary, regardless of the type of claim concerned; and to require that VA only accept an expression of dissatisfaction or disagreement with an adjudicative determination by the agency of original jurisdiction as a Notice of Disagreement (NOD) only if it is submitted on a prescribed form.

DAV understands the stated intent of VA's proposed amendments as an effort to improve the quality and timeliness of processing claims and appeals. The purpose of the regulatory change is to promote submission of claims and appeals in standard formats in order to capture data for a paperless claims and appeals system. Nonetheless, we are concerned about the proposed rulemaking and the consequential adverse effect upon veterans, especially those who do not have the capability or ability to file their claim or NOD electronically.

First, requiring a veteran to submit a claim on a standardized form is not a new concept. In fact, a claim for disability benefits is defined under title 38, Code of Federal Regulations, section 3.151(a), as "[a] specific claim in the form prescribed by the Secretary must be filed in order for benefits to be paid." So requiring a veteran to file a claim on a standardized form is the current practice; the real question is how the new proposal would impact the effective date of a claim received.

Unfortunately, this proposal goes much further than simply requiring a standardized form to be used; it effectively removes the preservation of the date of claim by eliminating the informal claim from the process. Under this proposed rule, if a veteran did not submit a claim in the prescribed standard format, VA would provide the veteran a correct form as a response; however, if that same veteran did not return the completed forms until seven months later, that new date would be the effective date of the claim—not the actual date on which the veteran submitted his or her unaccepted claim, thereby losing entitlement to seven months of benefits.

DAV takes no issue with veterans being required to submit their claims on standardized forms. This proposed rule, however, would cause many veterans, who may have needed those seven months due to illness or other reasons, to lose the benefit of the informal claims process. This new requirement may be intended to entice veterans to file their claims electronically, but clearly its practice will cause veterans to lose rightful benefits. Congress must further examine this matter, because it will have a major adverse impact on veterans and the benefits they need and have earned.

The proposed rule also seeks to require veterans to submit their NOD on a standard form. As we have stated, DAV does not take issue with requiring veterans to use a standard form; however, this proposal will cause many veterans to lose their appeal rights. Quite simply, under this proposal if a veteran does not use the standard form and complete it exactly as directed, no additional time period will be provided to the veteran for correction. The appeal period will simply end.

Messrs. Chairmen, a distinction is being created between those who possess the resources and capabilities to meet electronic claims filing requirements and those who are not able to do so. VA serves veterans and other claimants of diverse backgrounds, with varying capabilities, education, and financial resources. Some claimants, particularly those of limited financial means and those with severe mental or physical impairment, will be penalized by VA not retaining some measure of accommodation for allowing an effective date for entitlement to benefits based upon the receipt of a communication expressing such intention.

Because of this disparity, and its effect on a claimant population that may require extra assistance, we recommend that an incomplete electronic or non-electronic claim, be considered a request for an application of benefits under the proposed provisions of title 38, Code of Federal Regulations, section 3.155(c), and established as the effective date of entitlement if an appropriate completed application is received within one year of the date the Secretary notifies the claimant and the claimant's representative, if any, of the information necessary to complete the application, as currently stated in regulation.

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 you may not know about, but that is important to America's veterans, their families and survivors, and also represents how DAV cares for our fellow veterans, and for our country.

FULFILLING OUR PROMISES TO THE MEN AND WOMEN WHO SERVED

Messrs. Chairmen, as I indicated earlier in this statement, a sacred obligation of our government and core mission of DAV is the VA's provision of benefits to relieve the adverse effects of disability on veterans and their families. For those benefits to effectively fulfill their intended purpose they must be adequate, and they must be granted in a timely manner. The ability of disabled veterans to maintain themselves and their families often depends on the timely delivery of these benefits. The need for benefits among disabled veterans is usually urgent. While awaiting action by VA, they and their families may suffer hardships; protracted delays can lead to deprivation, bankruptcies, home foreclosures, and even homelessness. Tragically, innumerable veterans have died from their service-related disabilities while their claims

languished at VA, in some cases for years. This sad fact alone proves disability benefits are crucial; providing for veterans disabled as a result of their service to our nation should always be a top priority of the government.

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 2,949 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—at times a very reluctant and entrenched government 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 complete 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 2013, DAV NSOs interviewed over 187,000 veterans and their families; reviewed more than 313,000 VA claims files; filed over 215,000 new claims for benefits; and obtained more than \$4.3 billion in new and retroactive benefits for the wounded, injured, and ill veterans we represented before the VA. Our NSOs also participated in more than 272,000 VA Rating Board actions.

APPELLATE REPRESENTATION OF DENIED CLAIMS

DAV employs 11 National Appeals Officers (NAOs) whose duty is to represent veterans in their appeals before the BVA here in the nation's capital. In FY 2013, our NAOs provided representation in 28.9 percent of all appeals decided before BVA, a caseload of approximately 12,132 appeals. Almost 47 percent of the cases represented by DAV resulted in remands. These remands resulted in additional consideration or development for over 5,665 claimants who had appealed cases that were inadequately considered by VA regional offices. In approximately 27 percent of the cases, involving 3,265 appellants represented by DAV, the claimants' appeals were allowed, and denials were overturned. This means that approximately three-quarters of the appeals represented by DAV NAOs resulted in original decisions being overturned or remanded to VA regional offices for additional development and re-adjudication. DAV's remand and allowance rates were above BVA's average of 45.6 percent and 26.2 percent, respectively.

Additionally, DAV works closely with two private law firms that have agreed to provide *pro bono* services to veterans pursuing higher appeals from adverse decisions of the BVA. In 2013, these *pro bono* attorneys offered free representation before the CAVC in 1,468 denied appeals and provided representation in over 1,160 of those cases. Since the inception of DAV's *pro bono* program, our attorney partners have made offers of free representation to more than 5,165 veterans and have provided free representation in over 3,360 cases.

TRANSITION SERVICES FOR NEW VETERANS

Given the significant number of severely disabled 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 14th year. This program provides benefits counseling and assistance to separating service members seeking to file initial claims for benefits administered through the Department of Veterans Affairs. DAV currently employs 33 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 veterans military separation centers at more than 80 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 2013, our TSOs conducted 1,390 briefing presentations to groups of separating service members, with 54,220 total participants in those sessions. Our TSOs counseled 30,892 persons in individual interviews, reviewed the military service treatment

records of 30,260 individuals, and submitted benefits applications for 19,074 personnel to DAV NSOs for filing with the VA.

DAV continues to work within the guidelines of the recently revamped Transition GPS (Goals, Planning, Success) program which is a part of the Veterans Opportunity to Work (VOW) Act and Hiring Heroes Act. Transition GPS represents the first major overhaul of the Transition Assistance Program in nearly 20 years, and 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.

To support the MSO effort, DAV has received ongoing financial contributions from the Harley-Davidson Foundation. The mission of this project, called Harley's Heroes, is to help DAV reach millions of veterans of all generations and to show the respect DAV and the Harley-Davidson Corporation share for them. It also ensures veterans gain access to DAV's free benefits counseling and claims assistance when and where they may be needed.

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, after a devastating tornado in Greensville, Kansas, following a destructive storm in North Carolina, and most recently in New York and New Jersey following hurricane Sandy.

During 2013, our MSOs traveled 89,708 miles to 833 cities and towns, including 127 Harley-Davidson dealerships. DAV NSOs interviewed 20,075 veterans and other potential claimants during these appearances.

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>.

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 17,000 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.

Between October 2012 and September 2013, these valuable volunteers of DAV and its Auxiliary served our nation by providing more than 1.8 million volunteer hours of essential services to hospitalized veterans in VA facilities and transporting veterans to their medical appointments, saving taxpayers over \$40 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.

- Direct assistance to veterans, families, and survivors, including engaging in home repairs, maintenance, and grocery shopping, among many other supportive activities.

Since its inception six years ago, 5,006 volunteers have participated in DAV's LVAP for a total of over 1.6 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 era; and DAV is proportionately witnessing the loss of DAV volunteers from that population. Ever looking forward, DAV has sought to reward and develop 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 147 individual scholarships valued at \$1,043,000, 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 I am personally proud to report that our friends at the Ford Motor Company most recently indicated their intention to donate \$45,000 this year to this scholarship program to enable us to continue awarding these scholarships to worthy student-volunteers.

Another corporation that has come 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 more than 433,500 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 2013. Since 2001, Golden Corral restaurants have served more than 4 million thank you meals to our nation's veterans and helped raise nearly \$9 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, Harley Davidson, 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 wounded, injured, and ill veterans are aided because of the time these volunteers donate. DAV volunteers, please rise and be recognized! Everyone at DAV applauds the efforts of our volunteers.

DAV relies on 193 Hospital Service Coordinators at 152 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 October 2012 through September 2013, DAV's National Transportation Network logged more than 25.9 million road miles and transported 717,009 veterans to VA health care facilities. Nearly 9,000 volunteer drivers spent over 1.7 million hours transporting veterans. Since our national transportation program began in 1987, more than 15.8 million veterans have been transported over 558 million miles, for a total of more than 32.9 million volunteer hours by our DAV drivers.

In 2013, DAV donated 128 vans to VA facilities at a cost of almost \$3.3 million. In 2014, we plan on donating 139 vans at a cost of \$3.7 million. From 1987 through 2013, we have donated 2,714 vans to VA, at a cost to DAV of \$57.6 million.

DAV's efforts were aided in August 2013 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 171 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, and 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 injured 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 re-build 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 30 to April 4, in Snowmass Village, Colorado. If you want to believe in miracles, please come and join us.

DAV CHARITABLE SERVICE TRUST

Organized in 1986, the Charitable Service Trust (CST) is a tax-exempt, not-for-profit organization serving primarily as a grant-maker 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 service members and their families. Accordingly, the CST is dedicated to one purpose: empowering veterans to lead high-quality lives with respect and dignity.

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 state Departments, and other veterans service organizations 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 \$79.6 million has been awarded for services to our nation’s heroes. 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, and to combat hunger and homelessness. 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.
- Physical and psychological rehabilitation for veterans.

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

As 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 in standing up for those who stood up for us. 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 of corporate partners, individuals, and DAV members who remain faithful to our mission.

AMERICAN VETERANS DISABLED FOR LIFE MEMORIAL

Messrs. Chairmen, I am pleased to report that the American Veterans Disabled for Life Memorial under construction only a few blocks from this building is on track to be completed and dedicated this fall. I am certain that many of you have seen the ongoing construction activity taking place just west of the Rayburn Building, including some reconfigurations of roads in the area. As you know, Congress enacted authorizing legislation for the construction of a national memorial to honor veterans who become disabled while serving in the armed forces of the United States. DAV, together with other veterans organizations and other supporters, has proudly participated with the Disabled Veterans' Life Memorial Foundation that Congress authorized to design, construct, and raise all the private funding necessary to make this vision a reality. It is important for me to reiterate that this memorial is not being built with public money. It has been a long and challenging journey to raise all the funds and secure the required approvals, and we are grateful for the continuous support this and prior Congresses have lent to create this permanent tribute to men and women who have been wounded, injured, or made ill by their service to the nation. It will serve as a fitting remembrance of their sacrifices, which do not end when wars do. Thank you for helping us fulfill this promise, and we hope to see many of you in the fall to help us dedicate this unique, living memorial.

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 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 and 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. 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 2013-2014 mandates 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 the remainder of the 113th 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 are special circumstances that 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 dismayed that previous generations cannot take advantage of a number of these new improvements enacted into law, and 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 Persian Gulf War are easier and less burdensome than those of a caregiver of a similar veteran of wars in Afghanistan or Iraq. They all struggle; they all suffer. They all need our support. Congress should not leave one of them behind while benefitting the other.

I am pleased to note that provisions to expand caregiver benefits to all generations of veterans, as well as a number of other longstanding DAV resolutions are contained in S. 1982, a bill introduced by Chairman Sanders. Like thousands of DAV members and supporters who have contacted Congress urging enactment of this important bill, I call on you to complete this crucial legislation.

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.

- Develop and promote legislation and policies to expand the use of interim ratings for veterans filing complex and multi-issue disability compensation claims.
- Ensure that any revisions to the VA Schedule for Rating Disabilities (VASRD) being considered by VBA remain faithful to longstanding statutory policy underlying the purpose of the VA disability compensation system.
- 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

- Ensure sufficient, timely, and predictable funding for VA health care programs in the FY 2015 appropriation and the FY 2016 advance appropriation bills.
- Develop and build support for a comprehensive long term plan to address VA's aging health care infrastructure needs, including VA research facilities.
- Expand caregiver services to meet the needs of veterans' caregivers from all eras.
- Improve timely access to veterans suffering from TBI, and mental health care and counseling services, with particular focus on newer veterans in transition.
- Strengthen and expand women veterans health care programs and services.
- Develop a comprehensive plan reforming VA long-term support and services.
- 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 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.

- 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 delimiting date imposed on Chapter 31 (vocational rehabilitation) entitlement.
- Improve delivery of transition services to all separating service members.

General Issues

- Support advance appropriations for all VA programs.
- 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.
- Exempt the benefits paid to wartime service-connected disabled veterans from the "Pay-Go" provisions of the Budget Enforcement Act.
- 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.

IN CONCLUSION

Messrs. Chairmen and Members of the Committees on Veterans' Affairs of the Senate and House of Representatives, 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, earn their benefits and pay for them in full, 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 services to prevent it; business and employment opportunities; compensation for the living, and compensation for the survivors of those we lost—all earned with service and sacrifice. These benefits and services help veterans restore themselves and prepare themselves for a future as productive citizens; to comfort them if they lose their ability to work as a consequence of military service; or to 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 over 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 in this room to provide for their family on that amount of money for the year 2014, 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 programs detailed in this testimony—in service, volunteerism, transportation, therapeutic recreation, claims representation, 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. Membership dues from our Life Members are used to exclusively support an effective professional legislative department in Washington, D.C. DAV's effectiveness is reinforced every day working with you and your professional staffs, and those of many Members in both Congressional chambers and in both political parties, to accomplish our priorities and achieve your legislative goals for wounded, injured, and ill veterans.

Messrs. Chairmen, I hope that I have been able to demonstrate to you and your colleagues that DAV devotes its resources to the most meaningful services for wounded, injured, and ill wartime veterans. 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. In 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 present our legislative goals for 2014, and to present 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 the world over. May God watch over them and keep them safe.

As these Committees deliberate during the second session of this Congress, please keep in mind that wounded, injured, and ill veterans, their loved ones, family caregivers, and survivors paid, and are still paying, a high price for the freedoms we cherish—freedoms some people take for granted. The only response that we ask to repay their sacrifice is for this government to honor its obligations and keep the promise to America's veterans, their families, and their survivors. This defines DAV at its core and validates *Operation: Keep the Promise*. The defenders of the nation deserve no less.

God bless the United States of America, our military personnel deployed on land, aboard ship and in the air around the world, all veterans who are wounded, injured or made ill in service to the nation, their families and survivors, and Congress and our fellow citizens.