



OPERATION: **KEEP THE PROMISE**

DAV | 2016

DAV's Critical Policy Goals for 2016

1. Reforming the veterans health care system
2. Comprehensive caregiver support for veterans of all eras
3. Legislation to enact a fully developed appeals pilot program
4. Enhanced services and policies for women veterans
5. Adequate funding for veterans benefits and programs

DAV empowers veterans to lead high-quality lives with respect and dignity. It is dedicated to a single purpose: fulfilling our promises to the men and women who served. DAV does this by ensuring that veterans and their families can access the full range of benefits available to them; assisting them with employment; fighting for the interests of America's injured heroes on Capitol Hill; and educating the public about the great sacrifices and needs of veterans transitioning back to civilian life. DAV, a non-profit organization with nearly 1.3 million members, was founded in 1920 and chartered by the U.S. Congress in 1932

Reforming the Veterans Health Care System

In 2014, Congress passed the Veterans Access Choice and Accountability Act (VACAA) in response to waiting list scandals and an access crisis. The law created a temporary “choice” program for some veterans to access non-VA community care if they live more than 40 miles from a VA facility or there was more than a 30-day wait for an appointment. The “choice” program temporarily increases access for some veterans, but numerous problems arose with its design, implementation and operation. DAV believes the current choice program is not a long-term solution.

An Independent Assessment of VA health care mandated by Congress found that VA is not being given sufficient funding to meet the demand for care, a problem DAV has pointed out for years, and that to increase access more resources would be needed. However, the Independent Assessment did find that the quality of care provided was high, concluding that the VA health care system, “...performed the same or significantly better on average than the non-VA provider organizations...” Therefore, the challenge is how best to preserve VA’s expertise and capabilities while supplementing the system with other public and private health care.

Over the past couple of years, a number of simplistic VA reform ideas have been floated that could actually weaken, downsize or dismantle the VA health care system entirely. For example, converting VA from a robust full-service health system into a smaller number of “centers of excellence” would close hundreds of medical centers and outpatient clinics and force disabled veterans to travel farther for care. Similarly, treating only the combat or service-related injuries of veterans and forcing them into the private sector for other medical needs would fracture their care, leading to less coordinated, holistic and preventative care, and worse health care outcomes.

Turning the VA health care system into an insurance function that no longer provides direct health care services to veterans would disregard all of the experience and expertise that VA doctors and researchers have amassed and require new government regulations setting premiums, copayments, deductibles, lifetime limits and the actual medical services to be provided. Finally, privatizing VA by creating a new government-chartered corporation, similar to Amtrak or the Post Office, would shift management of VA to an unaccountable, independent entity driven by corporate considerations, with little oversight by Congress or veterans themselves.

The better solution is to create local community health care networks that optimize the strengths of both VA and the private sector. VA would be the coordinator and principal provider of care, especially for primary and specialty care related to military exposure. To expand access, VA must also increase its capacity to deliver urgent care at existing VA medical facilities and develop additional capacity by establishing urgent care clinics. Rather than be limited by arbitrary federal access standards, such as VA’s current 40-mile and 30-day standards, decisions about when and where veterans can receive medical treatment are clinical decisions that should be made between veterans and their doctors, not by legislators, regulators or bureaucrats.

- ***Congress must reject dangerous, simplistic reforms and work together with key stakeholders to reform and strengthen the VA health care system.***

Comprehensive Support for Caregivers of Veterans of All Eras

Studies show caregivers improve patients' health, reduce hospital readmissions, and delay institutionalization, decreasing health care costs. However, caregivers often make personal sacrifices in terms of their own health and well-being by serving in this role.

A National Alliance for Caregiving study found the vast majority of caregivers of disabled veterans from all war eras reported increased stress or anxiety and sleep deprivation. The report shows declines in healthy behaviors of caregivers—such as exercising, eating habits and keeping their own medical appointments. Over half of the caregivers in the study had cut back their number of work hours and almost half stopped working or took early retirement, resulting in financial hardship.

Congress enacted Public Law 111-163, requiring the Department of Veterans Affairs (VA) to provide comprehensive caregiver assistance and services to family caregivers of severely injured veterans. DAV was instrumental in ensuring support services include caregiver education and training, respite care, mental health services, a monthly stipend, and enrollment in CHAMPVA for health care coverage. However; due to cost concerns, Congress limited participation in the program to veterans injured on or after September 11, 2001.

Preliminary data gathered since the program's implementation suggests VA's caregiver support program is effective, and mirrors other research on multi-component caregiver support, significantly lifting caregiver burden, reducing costly inpatient stays, and delaying nursing home admission.

Yet countless caregivers of veterans severely ill and injured from earlier wartime service are not eligible to participate. After a lifetime of caregiving, many family caregivers are aging and their capacity to continue in their role is declining. Although most family caregivers continue to willingly undertake this role, they require support and services to mitigate the negative physical, emotional, and financial consequences of caregiving.

In December, the Senate Veterans' Affairs Committee approved S.425, the Veterans Homeless Programs, Caregiver Services and Other Improvements Act of 2015, which contains provisions that would phase in the eligibility for VA's caregiver support program to severely injured veterans of *all* eras.

While similar measures have been introduced in the House—H.R.2894, the CARE for All Veterans Act, H.R.1969, the Military and Veteran Caregiver Services Improvement Act of 2015 and H.R.1899, the Caregivers Expansion and Improvement Act of 2015—none has yet been passed by the House Veterans' Affairs Committee.

- ***Congress should approve legislation to authorize comprehensive supports, benefits, and services to family caregivers of severely ill and injured veterans of all eras.***

Legislation to Enact a Fully Developed Appeals Pilot Program

VA reports the disability claims backlog, those claims pending over 125 days, to be less than 82,000 currently, from a peak of 611,000 in March 2013. VA's progress toward reducing the claims backlog is commendable. However, with such emphasis placed on eliminating the backlog, work on processing appeals at VA's Regional Offices (RO) has been a lower priority, leading to a growing backlog of appeals. Presently, over 400,000 appeals are pending before the VA; the vast majority of these are at various processing stages within ROs and roughly 80,000 of these appeals are within the jurisdiction of the Board of Veterans Appeals (Board).

The time for processing an appeal from when a veteran files a Notice of Disagreement to the time a decision is received from the Board can now average between two and five years; multiple remands can add months to the resolution of an appeal. On average, about 11 percent of all VA rating decisions are appealed. If this trend continues, based on VBA's projection to produce over 1.4 million rating decisions annually, 150,000 or more appeals could be filed this year alone.

About half of all appeals go to the Board for review; some appeals are considered and allowed within local ROs by Decision Review Officers (DRO) who conduct *de novo* reviews and are authorized to overturn rating decisions when warranted by the facts and evidence. However, if a DRO decision is not favorable, claimants may continue appealing to the Board.

Veterans should have additional options to speed their appeals to the Board without waiting years for VBA to prepare and process their appeals. However, any new approaches must carefully balance and protect the due process rights of veterans and ensure accurate decisions.

DAV and other VSOs worked with VBA and the Board to develop legislation for a Fully Developed Appeals (FDA) pilot program that would allow veterans to bypass several preparation and processing steps in exchange for faster and more accurate decisions. Veterans would retain the ability to submit additional evidence, along with any arguments in support of their appeals, at the time they voluntarily elected to enter the FDA program.

Veterans who make the voluntary decision to enter the FDA program would retain the right to opt out of the selection at any time, thereby preserving their rights under the standard appeal format. The FDA is modeled on the existing and highly successful Fully Developed Claims program that allows veterans to take on the responsibility for gathering their private evidence in exchange for faster rating decisions.

FDA legislation (H.R. 677) was passed by the House. S. 2473 is pending in the Senate. These bills would provide appellants with alternate options for expediting their appeals.

- ***Congress should enact legislation to authorize a Fully Developed Appeals pilot program.***

Enhanced Services and Policies for Women Veterans

The number of women serving in the military has grown significantly over the last decade. Over 300,000 women have served on active duty in Afghanistan and Iraq; 164 women have made the ultimate sacrifice, and over a thousand were wounded or injured in these deployments. As a result, following military service, women veterans are turning to VA in record numbers. In fact, the number of women seeking VA health care has more than doubled over the past 10 years and is projected to rise. More than 55% of women veterans have service connected disabilities, making them eligible for a lifetime of treatment, compensation, education, insurance, and other benefits from VA.

Not only has the number of women serving grown, but the roles of women in the military have changed dramatically. With the recent announcement by DOD, today's active duty women will now be eligible to serve in *all* military occupations, which can result in trauma, other physical injury, and exposure to a myriad of environmental threats related to modern warfare. Women's experiences in current wartime deployments have contributed to a number of new transition and reintegration challenges.

For these reasons, DAV commissioned a study in 2014 to examine the needs of women in transition from military to veteran status and the existing federal programs and services available to aid them. Our report—*Women Veterans: The Long Journey Home*, is a comprehensive assessment of the existing policies and programs serving women across the federal landscape. Our government provides a generous array of benefits to assist veterans with transition and readjustment following military service; nevertheless, our report highlights serious gaps for women in every aspect of existing federal programs—and such gaps can impede their successful transition.

It is important to note, since the release of our report, VA has made improvements; however, more work needs to be done to ensure women veterans gain consistent access to the full range of gender-sensitive benefits and services they need. The vast majority of identified deficiencies result from a disregard or minimization of the differing needs of women veterans, and a focus on developing programs and services for men, who are more prominent in the public consciousness.

Hundreds of thousands of women have answered the call of duty and put themselves at risk to preserve our nation's security. They have kept their promise and served faithfully; now it is time we keep our promise to them. We can do this by acknowledging their contributions in military service and by serving them with greater respect, sensitivity, consideration and high quality care and services.

In line with important recommendations made from the DAV's 2014 Report, several bills were introduced to improve services for women veterans, including:

- S. 469/H.R. 3365, Women Veterans and Families Health Services Act of 2015
- S. 471/H.R. 1356, Women Veterans Access to Quality Care Act of 2015
- S. 2487/H.R. 2915, the Female Veteran Suicide Prevention Act
- H.R. 1496/H.R. 1948, the Veterans' Access to Child Care Act
- H.R. 1575, a permanent retreat counseling program for newly separated women veterans
- H.R. 2054, a bill to provide for increased access to VA medical care for women veterans

➤ ***We urge Congress to pass legislation that would close gaps in existing federal programs and services, and ensure programs are modified and tailored to meet the needs of women who have served.***

Adequate Funding for Veterans Benefits and Programs

On February 9, 2016, Congress received the Administration's budget request for an overall funding level of \$74.2 billion for veterans medical care for FY 2017. This request includes both new discretionary appropriations as well as previously appropriated mandatory funding from the 2014 "Choice Act." DAV supports and applauds the Administration's FY 2017 medical care request, which should be sufficient to meet the comprehensive needs of all veterans who will choose and rely on VA health care. For FY 2018 advance appropriations for medical care, VA requested \$70 billion, significantly less than the DAV and *Independent Budget* (IB) recommendation of \$77 billion. VA has indicated it may revise this advance budget once questions about choice and consolidation of community care programs are resolved.

DAV and the IB recommend \$2.25 billion for major and minor construction, whereas the Administration has proposed investing only \$900 million to maintain VA's critical hospitals, clinics and other facilities. At this level of funding, VA will not have nearly the capacity necessary to provide timely access to care for ill and injured veterans in the future. VA proposes an increase to \$663 million for Medical and Prosthetic Research, less than recommended by DAV and the IB, primarily because we propose an additional \$75 million of dedicated funding for the Million Veteran Program, a DNA repository research program focused on veterans' health.

The Administration's FY 2017 budget proposes a \$119 million increase, a total of \$2.82 billion, for the Veterans Benefits Administration (VBA), but this amount is less than our recommendation for \$3 billion in total budget authority. Based on existing and projected workload, we estimate VBA needs to hire 1,700 additional employees: 1,000 for processing appeals, 300 for non-rating related work, 300 for call centers, and 100 for the fiduciary program. For Vocational Rehabilitation and Education, we recommend an additional 158 staff to reach a 1:125 counselor-to-client ratio.

Based on pending appeals at the Board of Veterans' Appeals (Board) and VBA, the Board's current total inventory could reach 260,000, not including new appeals that enter the system daily. DAV and our IB partners support the Administration's request to hire an additional 242 Board staff. In fact, we believe that an even larger increase in staffing is necessary; however, our FY 2017 recommendation is based on an estimate of the Board's ability to accommodate new employees while maintaining workflow.

In the budget, VA proposed developing a streamlined appeals process, which would close the evidentiary record when an initial decision is rendered on a claim and eliminate the option for hearings, among other changes. While no details are available, we are concerned about this plan and how it might affect appellants' due process rights.

- ***Congress must provide VA sufficient resources to meet its needs, and in particular, those for construction, claims and appeals, and medical research.***
- ***When expanding veterans access to community care, Congress must provide and VA needs to devote sufficient resources to expand capacity and increase staffing of the existing VA health care system.***
- ***Congress must carefully review any legislative or regulatory proposal that might fundamentally alter veterans' due process rights before VBA and the Board.***



BY THE NUMBERS



Nearly 1.3 million members organized into over 1,200 local chapters and 52 departments including Puerto Rico



3,900+ total DAV Service Officers



More than 1 million veterans who trust DAV with their Power of Attorney (POA) to represent them for benefits claims



With the assistance of DAV, service members, veterans and their families received more than \$4.04 billion in retroactive and annual benefits in 2015



More than 10.9 million claims submitted by DAV since being Chartered by Congress in 1932, resulting in over \$91 billion in benefits for veterans and their survivors



12,000+ DAV and DAV Auxiliary volunteers in VA hospitals and clinics donating nearly 2 million hours to help ill and injured veterans



700,000+ no cost rides for ill and injured veterans to VA medical facilities provided by DAV's Transportation Network of volunteer drivers in 2015



111 vehicles with a value of nearly \$3.1 million donated to VA in 2015 for transporting veterans to appointments



71 veterans job fairs in 2015 hosted by DAV in 40 cities creating job opportunities for nearly 26,000 active duty, Guard and reserve members, veterans and their spouses