

***STATEMENT OF
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OF THE
DISABLED AMERICAN VETERANS
BEFORE THE
COMMITTEES ON VETERANS' AFFAIRS
U.S. SENATE AND U.S. HOUSE OF REPRESENTATIVES
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Madame Chairman, Mr. Chairman and Members of the Veterans' Affairs Committees:

As National Commander of the more than 1.4 million members of the Disabled American Veterans (DAV) and our Auxiliary members, I am honored to testify before this joint session of the Senate and House Committees on Veterans' Affairs, on behalf of our nation's wartime service-disabled veterans, their families and survivors.

Chairman Murray, Ranking Member Burr, Chairman Miller and Ranking Member Filner, each of you in your own way has already shown your commitment to veterans in past Congresses, both with your leadership on issues and policies important to DAV and our membership, and certainly with your votes in support of veterans and disabled veterans. We congratulate you and sincerely thank you for that support. This new Congress will be challenged to exceed the progress made in prior efforts, but we hope together you will rise to that challenge to support our most important goals. We pledge to work closely with you to achieve our aims, further outlined in this testimony.

As citizens and proud members of DAV, again we have witnessed an American tradition that many take for granted: the peaceful exchange of political power in our national and many state governments. Unlike some less-fortunate nations whose governments change at the point of the sword, our Constitution and laws, and our devotion to the maintenance of a civil society give us confidence that the results of this election will not alter strong Congressional support for robust and effective benefits and services for the nation's veterans, in particular for those harmed by that service. For those Members whom the people returned to power and accountability in Washington, we congratulate your victories and thank you for your past service, loyalty and support, and we welcome your return to that work. To those newly arriving as Members of the House and Senate, we look forward to working with you and your staffs for both the maintenance and betterment of the quality of life of those who have served with us, whether in wars long ago or in our current combat engagements around the world. To former Chairmen Daniel Akaka and Bob Filner, we sincerely thank you for the leadership and steadfast support you displayed when leading these Committees. Chairman Murray, we have worked closely with you in the past and we have appreciated your loyalty to us and all veterans. We hope to build on that relationship in this new Congress.

Some come back whole after service, some come back severely disabled or with injuries or illnesses that last a lifetime, and some do not come back at all. We at DAV believe it is our

duty as disabled veterans to help our fellow disabled veterans take full advantage of the Department of Veterans Affairs (VA) and other federal and state programs to ensure that governments deliver and that veterans receive the rightful benefits and services they have earned—but also to help socially rehabilitate the injured and ill to show them by the example of our programs (and those in which we partner with VA and many others) that life is precious and worth living fully, even in the face of grievous injury or illness consequent to military service. We believe our time-tested approach proves itself year in and year out, and that DAV makes a valuable contribution to improving their lives. Over our 90 year history, DAV has served millions of veterans and their families and helped them lead better lives. This is our mission, our passion, and also our reward.

MISSION

DAV's mission is carried forward by our providing free, professional assistance, representation and advocacy to any veteran, their families and their survivors, in obtaining benefits and services earned through military service and provided by the VA and other agencies of government; informing the American public about DAV's programs to gain their support for our mission; representing the interests of disabled veterans, their families and their survivors before Congress, the Administration and the Judiciary; extending DAV's mission of hope into the communities where veterans and their families live through a network of state-level Departments and local Chapters of DAV; and providing a structure through which disabled veterans can exercise their compassion for their fellow veterans through a variety of volunteer programs within our Chapters and Departments, and within VA itself.

This year marks the 91st anniversary of the DAV. In 1920, veterans who had survived what was then called the "Great War" were concerned about the paucity of government programs for war-wounded veterans. After DAV proved its effectiveness in advocacy for veterans over a decade, in 1932 Congress chartered DAV as the primary advocate for America's service-disabled veterans, their dependents and survivors.

While much has changed in the 91 years since the founding of DAV, we believe the forefathers of this great organization would be proud of our steadfast dedication to our sole mission of building better lives for our nation's service-disabled veterans, their families and survivors, and to the expanded and improved services DAV offers to those who come home from war wounded or ill. As a life member of DAV and now National Commander, I am proud of DAV's many accomplishments in my lifetime, and during the past nine decades.

Madame and Mr. Chairmen, it is often said that armies vote with their feet. We have found that almost half of all war veterans eligible for DAV membership because of their injuries or illnesses in wartime deployments have actually joined our ranks as DAV members. Asked in a recent survey why they joined DAV, these veterans overwhelmingly cited the quality of DAV services to them and their families as their justification. It is gratifying for DAV to know that many of those we serve have voted for us by joining us, because they see the value in what we do.

It is my sincere desire that my testimony will demonstrate to the members of these Committees, especially the freshman members, the true worth of this great organization and the positive impact it has on the lives of our nation's disabled veterans, their families and survivors.

SERVICE PROGRAMS

In keeping with the core values of the DAV, the National Service Program continues to be of the highest priority within our array of programs and services. In order to fulfill our mandate of service to America's service-disabled veterans and their families, DAV employs a corps of about 250 National Service Officers (NSOs), all of whom are wartime service-connected disabled veterans. The personal experience of DAV NSOs not only provides a significant knowledge base but also provides a passion for helping veterans just like themselves. National Service Offices are located in VA Regional Offices as well as in other VA facilities throughout the nation. These NSOs participate in a 16 month on-the-job training program as well as Structured and Continued Training throughout the rest of their careers. During the course of the on-the-job training program, NSOs learn applicable laws and regulations pertaining to VA benefits and complete a series of academic courses to include courses in anatomy and physiology, medical terminology, English composition, legal writing, and public speaking. These dedicated NSOs, more than two-thirds of whom are Persian Gulf War veterans or veterans of Operations Enduring or Iraqi Freedom, sustain DAV's legacy of providing the best and most professional benefits counseling and claims assistance available anywhere. DAV is proud to provide these services free of charge to any veteran in need of them.

During 2010, DAV NSOs interviewed over 184,510 veterans and their families. In claims work associated with their claims, we filed 254,188 new claims for benefits, and DAV obtained \$5.1 billion in new and retroactive benefits for the disabled veterans that we represented. Our NSOs also participated in 272,998 VA Rating Board appearances.

Given the significant number of severely disabled military service members under care at Walter Reed Army Medical Center (WRAMC) and at the nearby Bethesda National Naval Medical Center (NNMC), DAV continues to staff an office at WRAMC to provide assistance to personnel under care at these facilities. The number of severe casualties with amputations who have been treated at WRAMC, NNMC and elsewhere continues to grow significantly. For example, as of November 19, 2010, Operations Enduring and Iraqi Freedom (OEF/OIF) had produced 1,097 traumatic amputees which should not be confused with the number of limb amputations, since many of these personnel have lost multiple extremities.

Understandably, although much current public attention is focused on those newly wounded in OEF/OIF, thankfully these casualties of war remain relatively small compared to other combat eras. To put this in perspective, the VA reports that Vietnam veterans are its single largest veteran cohort, with an enrolled population of over 300,000 who were wounded in Vietnam, of whom 5,283 lost limbs and 1,081 sustained multiple amputations.

In addition, DAV has worked closely with a number of private law firms that have agreed to provide *pro bono* services to service personnel appearing before Physical Evaluation Boards,

and they also have agreed to assist these individuals *pro bono* in pursuing their claims in the federal court system when that occurrence is necessitated by claim denials.

In addition to our work at VA facilities, DAV employs 9 National Appeals Officers (NAOs) whose duty is to represent veterans in their appeals before the Board of Veterans' Appeals (BVA). In 2010 DAV NAOs provided representation in 30 percent of appeals decided before the BVA, a caseload of nearly 15,000 appeals. More than 40 percent of the cases represented by the DAV resulted in remands. These remands resulted in additional consideration or development for 6,150 veterans who had cases that were not adequately considered by the Regional Offices that initially decided them. In 28 percent of the cases, involving 4,174 veterans represented by DAV, the claimants' appeals were approved. This means that nearly 71 percent of the appeals represented by DAV resulted in the original decisions being overturned or remanded to Regional Office rating boards for additional development and re-adjudication. Later in this testimony I will provide additional information on our concerns about the chronic problem plaguing VA's disability claims processing system, the reform of which is DAV's top legislative and policy goal.

The DAV's Transition Service Program (TSP) was initiated 10 years ago, shortly after the formation of the joint VA-Department of Defense (DoD) Benefits Delivery at Discharge (BDD) program, an initiative to provide transition assistance to separating military service members who incurred disabilities related to their military service. The BDD program was developed to provide a smooth transition from the military to civilian society. The BDD program helps service members with 60 to 180 days remaining before they leave military service to file their claims for disability compensation (when approved, payments for these disabilities are generated shortly following discharge), and for transitioning into the VA health care system when needed. DAV NSOs and Transition Service Officers (TSOs) provide free counsel and claims representation to service members who are entitled to participate in the BDD program. Currently, about 140 military installations worldwide participate in the BDD program. This program helps ensure that service members do not find themselves in a situation where the military benefits are discontinued and VA benefits have not yet begun. We support this program and any program that ensures service members and their families are not overlooked in the transition process.

For benefits counseling and assistance to separating service members in filing initial claims in the BDD program, the DAV has dispatched 30 TSOs. These TSOs provide these services at military separation centers under the direct supervision of DAV NSO Supervisors. Our TSOs have been trained specifically to perform transition presentations, military service medical record reviews, and claims-initiating activities at military separation centers at 108 military installations within the continental United States.

The success of the BDD program stems from the fact that claims are rated based on current medical evidence as documented in the military treatment record and current cooperative examinations that are conducted at the BDD intake site. The BDD program is a win-win situation for both transitioning service members and for the federal government.

The DAV's TSP contributes to our goal of maintaining our preeminent position as a provider of professional services to veterans. In 2010, our TSOs conducted 2,759 briefing presentations to groups of separating service members, with 82,155 total participants in those sessions. Our TSOs counseled 46,166 persons in individual interviews, reviewed the military service treatment records of 35,686 individuals, and filed benefits applications for 26,598 personnel.

DAV continues to work toward ensuring access to service members within the Disability Evaluation System (DES). The DES has three features: a single, comprehensive medical examination; a single-source VA disability rating; and enhanced case-management methods. This program aims to help injured and ill service members gain faster access to TRICARE and VA benefits by developing a single medical examination used by both DoD and VA, with a single-source disability evaluation done by VA and accepted by DoD.

An Army-sponsored task force has recommended extending the DES pilot program Army-wide, and incorporating its features into a revamped disability system. The task force has recommended that one comprehensive examination be used by the Army to determine whether a soldier should continue on active duty and by VA to determine disability levels. This would eliminate the duplicative and often conflicting disability rating programs currently in place between DoD and VA. DAV is closely monitoring this pilot program with the expectation of our involvement as it develops.

MOBILE SERVICE OFFICES

In 2010 DAV was excited to see 10 brand new Mobile Service Offices (MSOs) replace an aging fleet of previous generation units. By literally putting our service offices on the road, assisting veterans where they live, the DAV is increasing accessibility to the earned benefits our nation provides to its veterans. The specially equipped MSOs which are staffed with NSOs, visit communities across the country. This outreach effort generates a considerable amount of claims work from those veterans who may not otherwise have the opportunity to seek assistance at DAV National Service Offices.

During 2010, our MSOs traveled more than 114,248 miles while visiting 815 cities and towns. NSOs interviewed 20,190 veterans and other potential claimants. The MSOs are brand new and ready to deliver quality service for many more years into the future. In August 2010, the Harley-Davidson Foundation pledged a second \$1 million grant to continue the Harley's Heroes program over the next four years. The mission of this project, Harley's Heroes, is to reach the millions of veterans of all war generations and show the respect DAV and Harley-Davidson give them as a result of their service and sacrifice. It also ensures they have access to benefits counseling and claims assistance when needed. During 2010, the MSOs visited 183 Harley-Davidson dealerships across the country.

We also use our MSOs for outreach to veterans and service with other public awareness programs, such as air shows, Native American reservation events, NASCAR races, military retiree conventions, the Vietnam Moving Wall appearances, homeless veteran "stand-downs,"

community fairs and parades, Veterans Day and Memorial Day activities, and information seminars of many types.

These specially equipped MSOs, along with our disaster relief teams, are also used to deploy into areas devastated by disasters allowing DAV to provide much-needed assistance directly to displaced service-disabled veterans and their families.

When a DAV MSO comes to your state or district, I would encourage the members of these Committees and their staffs to stop by and see first-hand the 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 stop by our MSO when it is in your area.

VOLUNTARY SERVICES

Equally vital to the success of our mission to rebuild the lives of our nation's wartime service-disabled veterans are the activities of 14,300 DAV and Auxiliary members who selflessly volunteer their time to assist America's sick and disabled veterans. Last year, these valuable members served our nation by providing nearly 2.2 million hours of essential services to hospitalized veterans in VA facilities, saving taxpayers over \$45.7 million in costs if federal employees were required to provide them. Many DAV members volunteer at VA hospitals, clinics and nursing homes and as Hospital Service Coordinators and drivers in DAV's nationwide Transportation Network.

In an effort to meaningfully touch the lives of more veterans in need of assistance, in 2007 DAV created the Local Veterans Assistance Program (LVAP). Opportunities have always existed for individuals to assist veterans and their dependents—and DAV and our Auxiliary members 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 build better lives for America's disabled veterans and their families.

The DAV LVAP volunteers contribute time for a variety of activities which include, but are not limited to:

1. Chapter and Department Service Officer work.
2. DAV specific outreach efforts, such as DAV's air show outreach programs, Harley's Heroes, and National Guard mobilizations and demobilizations.
3. Fundraising efforts to assist disabled veterans.
4. Direct assistance to veterans, families and survivors, including our volunteers engaged in home repairs and maintenance, and grocery shopping, among many other supportive activities.

During 2010, 2,029 volunteers participated in the DAV's LVAP for a total of almost 200,000 hours of volunteer service. The DAV is constantly seeking new ways to recruit and engage DAV members and volunteers, and we believe this new program will work to the advantage of all whom we serve.

The DAV has sought to reward a new generation of VA volunteers. In 2000 we created the National Commander's Youth Volunteer Scholarship Program to ensure the future of a viable DAV volunteer effort. In remembrance of our former VA Secretary and former DAV Executive Director, the late Jesse Brown, we renamed the scholarship program in his honor. Annually, the DAV Jesse Brown Memorial Youth Scholarship Program honors outstanding young volunteers who participate in the VA Voluntary Service Program and donate their time and compassion to sick and disabled veterans. Since its inception, the DAV has awarded 122 scholarships totaling about \$738,000 to enable these exceptional young people to pursue their passions in higher education.

In 2010, Ford Motor Company donated \$25,000 to the Jesse Brown Memorial Youth Scholarship Program to enable us to continue awarding these scholarships.

DAV NATIONAL TRANSPORTATION NETWORK

Madame and Mr. Chairmen, the leaders of this organization are extremely proud of the service provided by DAV volunteers, many of whom are disabled veterans themselves or the family members of disabled veterans. These volunteers, some of whom are seated before you today in this hearing, continue to serve the needs of our disabled veterans on a daily basis. Many of our nation's sick and disabled veterans are aided because of the time these volunteers donate. Everyone at DAV applauds their efforts and their dedication.

The DAV utilizes 185 Hospital Service Coordinators at 192 VA health care facilities across the nationwide system to oversee DAV's national transportation program. The DAV's program provides free transportation to and from VA health care facilities to veterans who otherwise could not access needed VA medical care. From January through December 2010, DAV's National Transportation Network logged more than 24 million miles and transported more than 638,654 veterans to VA health care facilities. More than 9,100 volunteer drivers spent nearly 1.9 million hours transporting veterans. Since our national transportation program began in 1987, over 13 million veterans have been transported more than 495 million miles, for a total of 27 million volunteer hours by our drivers.

DAV's efforts were aided by the support of the Ford Motor Company with the presentation of Ford's check of \$200,000 to DAV for the purchase of nine new vehicles for the DAV's Transportation Network. Since 1996 Ford has donated 141 vehicles to the DAV National Transportation Network. The DAV is proud that Ford Motor Company continues to honor its commitment through its generous donations through DAV to the men and women who have served our nation and who have preserved our freedoms.

In 2010, DAV donated 107 vans at a cost of \$2,661,200. In 2011 we plan on donating 103 vans at a cost of about \$2,574,288. Since 1987 thru 2010, we have donated 2,368 vans at a cost to DAV of \$51,204,507.

Our commitment to this program is as strong as ever. We have deployed DAV vans in every state and nearly every Congressional district serving our veterans—your constituents.

DAV not only advocates on behalf of our nation's veterans, but we also continue to give back to our nation and our fellow veterans through donations such as our transportation vans.

NATIONAL DISABLED VETERANS WINTER SPORTS CLINIC

DAV is a collaborator in another outstanding program that directly impacts the lives and well-being of seriously disabled veterans. Working in cooperation with VA, DAV co-sponsors the annual National Disabled Veterans Winter Sports Clinic. For a quarter century, this exceptional physical rehabilitation program, held in the mountains of Colorado, has transformed the lives of America's most severely injured veterans. This unique program—often referred to as Miracles on a Mountainside—helps veterans re-build confidence in their abilities, overcome their severe injuries and regain their lives. This event promotes rehabilitation by instructing veterans with severe disabilities in adaptive skiing, and introducing them to a number of other adaptive recreational activities and sports. Veterans from all eras attend the clinic, including many injured in Iraq and Afghanistan. This unique event offers many of them their first experience in winter sports and gives them the inspiration to take their rehabilitation to a higher level. Participants include veterans with amputations, traumatic brain injuries, spinal cord injuries, neurological challenges, and visual impairments.

For anyone who has attended this event and observed first-time participants, miracles still occur. These severely disabled veterans indeed experience a life-changing event, and so do the observers and volunteers.

CHARITABLE SERVICE TRUST

In 1986, leaders of the DAV established the DAV Charitable Service Trust (the Trust) to advance initiatives, programs or services that might not fit easily into the scheme of what is traditionally offered through VA, state veterans programs, or in the veterans service organization community. In this role, the Trust's work plays an essential and decisive role in making sure America meets its obligations to our nation's disabled veterans.

The Trust continues to seek new and innovative ways to make a positive difference in the lives of disabled veterans through:

- Efforts that ensure quality health care for veterans in VA and other facilities;
- Assistance to veterans suffering from post-traumatic stress and brain injuries;
- Programs to enhance research in, and mobility for, veterans with amputations and spinal cord injuries;
- Outreach benefiting aging disabled veterans, including those with mental illness;
- Supporting significant therapeutic activities, including physical and psychological rehabilitation projects aimed at some of America's most profoundly disabled veterans;
- Programs that evaluate and address the needs of veterans disabled in recent wars and conflicts;
- Programs of care that fall outside the "medical model" but are of benefit to disabled veterans;
- Assistance and support for homeless veterans;

- Advancing training and employment opportunities for disabled veterans and their families; and
- Bringing hope to the forgotten and suffering families of disabled veterans who act as caregivers.

Each year brings dramatic new changes in the lives of veterans that present greater challenges to our mission of service to disabled veterans and their families. The Trust will continue to do all it can to meet the real needs of sick and disabled veterans. Looking forward, we confront a future that includes a new generation of disabled veterans from today's wars in Afghanistan and Iraq, many of whom survived incredible wounds. For everyone involved in their care, the challenges are enormous. But we are confident in the Trust's ability to help meet the changing, growing needs that all of our disabled veterans will confront in future years, and we are proud of that contribution.

As my testimony is intended to demonstrate, the DAV has remained committed to its focused mission and directs its resources to the most needed and meaningful services for America's service-disabled veterans and their families. These services aid veterans directly and support and augment VA's programs. We believe our record of service on behalf of our nation's service-disabled veterans and their dependents and survivors remains unmatched. Since by national policy DAV neither seeks nor accepts government grants or contracts of any kind, the DAV is able to carry out these good works only with the continuing support of our members, our dedicated corporate partners, and a generous American public that remain faithful to our work and grateful for all that our veterans have done.

DAV NATIONAL LEGISLATIVE PROGRAM

Madame and Mr. Chairmen, major policy positions of the DAV are derived from resolutions adopted by the delegates to our annual National Conventions. Since our first National Convention in 1921, the DAV's annual legislative program has served to guide our advocacy for disabled veterans in conformance with the collective will of our members. Our 2011 mandates cover a broad spectrum of VA programs and services, and they are available on DAV's website, at <http://www.dav.org/voters/documents/Resolutions.pdf>.

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. Our will and commitment to building better lives for our nation's wartime service-disabled veterans and their families and survivors emanate from our history, our own personal sacrifices in the armed services, and they are strengthened by the vitality of our membership and the sustained support of the American people.

DAV thanks these Committees and Congress for supporting our Stand Up for Veterans Campaign, and for enacting legislation last year that will provide comprehensive support services for the caregivers of our severely wounded, injured, and ill veterans, as well as new programs that will improve VA health care for women veterans. Great strides have also been made in caring for rural veterans, homeless veterans, and those exposed to toxic substances. We

especially applaud your concern in recognizing and passing legislation that will aid veterans with post-deployment mental health challenges. In the benefits arena, we appreciate enactment of improvements in insurance, education, scholarship, and jobs programs for veterans, and the equalization of subsistence benefits under the Post-9/11 GI Bill, among other improvements we strongly supported as top priorities last year. This was a rewarding confluence of agreement that investments in veterans are non-partisan and in the Nation's best interest. Nevertheless, as we have testified in the past, some of the benefits Congress enacted are exclusive to veterans of OEF/OIF. DAV represents disabled wartime veterans of any age and of any period of service. We remain dismayed that previous generations will not be able to take advantage of a number of these new improvements, and we ask your Committees to reconsider the trend to exclude those veterans from the new and expanded benefits you have awarded to younger ones, especially the stipend and health care benefits for veterans' caregivers.

With the realization that we will have ample opportunity to more fully address other DAV legislative resolutions during hearings before your Committees and personally with your staffs in the new Congress, I shall only highlight crucial ones in this statement.

Disability Compensation & Other Benefits

- Support:
 - reform in the Veterans Benefits Administration's disability claims process.
 - legislation to provide a realistic increase in VA compensation rates to address loss of quality of life.
 - legislation to remove the prohibition against concurrent receipt of military retired pay and VA disability compensation.
 - legislation to remove the offset of Survivor Benefit Plan payments and VA Dependency and Indemnity Compensation.
- Oppose:
 - any change that would redefine service-connected disability or restrict the conditions or circumstances under which it may be established.
 - any scheme to means test disability and death compensation.
 - any recommendations by any commission to reduce or eliminate benefits for disabled veterans.

Medical & Health Care Services

- Congress and the Administration must assure full implementation of legislation to guarantee sufficient, timely, and predictable funding for VA health care programs.
- Ensure:
 - that priority access and timely, quality health care services are provided to service-connected disabled veterans.
 - proper screening and treatment for traumatic brain injury and post-deployment mental health issues.
- Support:
 - comprehensive quality medical services and benefits for women veterans.
 - repeal of VA and Department of Defense co-payments for medical care and prescription medications.

- legislation to provide comprehensive support services for caregivers of all severely wounded, injured, and ill veterans.
- repeal of beneficiary travel pay deductibles for service-connected disabled veterans and support increased beneficiary travel reimbursement rates.

General Issues

- Extend:
 - military commissary and exchange privileges to service-connected disabled veterans.
 - space-available air travel aboard military aircraft to 100 percent service-connected disabled veterans.
- Provide educational benefits for dependents of service-connected veterans rated 80 percent or more disabled.
- Support:
 - legislative measures assisting disabled veteran-owned businesses.
 - fullest possible accounting of POW/MIAs from all wars and conflicts.

Madame and Mr. Chairmen, your Committees' support of these matters would be deeply appreciated by DAV and all our citizens who have sacrificed so much for our nation—our service-disabled veterans and their families and survivors. We ask that our adopted resolutions be among the policies to be considered by Congress in 2011.

A sacred obligation of our government and core mission of the VA is the provision of benefits to relieve the financial ill-effects of disability upon veterans and their families. For those benefits to effectively fulfill their intended purpose they not only must be adequate, they must be delivered in a timely manner. The ability of disabled veterans to maintain themselves and their families often depends on 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 pending claims languished at VA. This alone proves disability benefits are critical and providing for disabled veterans should always be a top priority of the government.

REFORM OF THE VA CLAIMS PROCESSING SYSTEM

As the House and Senate begin addressing 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 the DAV and many other veterans organizations, ensuring that disabled veterans and their survivors receive all the benefits they have earned, without undue delay, remains our highest legislative priority for 2011.

The VA has struggled for decades to reform its system for processing claims for benefits, yet despite much activity there has been little real progress. In fact, looking at the number of veterans awaiting rating decisions on claims for disability compensation, the problem appears to be even larger today than it has ever been.

Despite the hiring of thousands of new employees over the past few years, the number of pending claims for benefits, often referred to as the backlog, continues to grow. Although VBA processed more than a million claims last year—its highest annual total ever—the volume of new and reopened claims was even higher. As a result, in the “Monday Morning Workload Report” from January 31, 2011, there were 775,552 claims for disability compensation and pensions pending, an increase of 289,081 from one year ago. Overall, there are 331,299 claims that have been pending greater than VA’s target of 125 days, an 80 percent increase in one year.

Worse, by the VBA’s own measurement, the accuracy of disability compensation rating decisions was only 83 percent for the 12-month period ending May 31, 2010; and VA’s Office of Inspector General found even more errors left unreported.

To address these problems, VA Secretary Eric Shinseki has been focused over the past two years on “breaking the back of the backlog” of pending claims. However it is important for the Committees to understand that the backlog is not the core problem, it is a symptom. If VA focuses only on reducing the backlog number, it will not sufficiently address the underlying problems that created the backlog, nor prevent it from growing again. To achieve real and lasting progress leading to success, VA must focus on creating a modern, paperless veterans’ benefits claims-processing system designed to “decide each claim right the first time.”

Unfortunately, VA’s current performance measurements, both for the organization as a whole and for VA regional offices and their employees, look primarily at volume of work completed and pending, rather than on the quality of work completed. From “Monday Morning Workload Reports” to individual employee performance standards, the tools used to measure success are primarily based on production rather than accuracy. It is not surprising, therefore, that employees and managers remain concerned first and foremost with meeting quotas and production goals before turning their attention to how they might improve the quality of that work. VA needs to undergo a cultural change to redefine success away from reducing the “backlog” towards “getting it right the first time.”

Making such a significant cultural change will require a fully engaged and strong Congressional influence. It also requires committed, consistent, and stable leadership from VA. We applaud Secretary Shinseki for taking on this challenge, and we want to thank him for setting ambitious goals and providing personal leadership. Over the past two years, there has been a new openness to change at the Veterans Benefits Administration. Acting Under Secretary for Benefits Mike Walcoff has worked closely with DAV and other VSOs in seeking innovative new solutions and is beginning to forge a true partnership with VSOs. Together with VBA’s new Compensation and Pension Director Tom Murphy, they have put VBA on a path toward reform. The President has recently nominated a new permanent Under Secretary, and we also look forward to working with her as well. We would note for the record, however, that it took almost two years for this nomination to come forward, and we hope that VA never again has such a lengthy delay in filling such a vital leadership position.

Perhaps the greatest impediment to reform is the outdated information technology (IT) system that VA employs to process claims for benefits, particularly for disability compensation and pension. To remedy this, VA is developing a new electronic Veterans Benefits Management

System (VBMS) which would allow claims to be processed in a paperless environment using rules-based decision support. Currently, the VBMS is being field tested at the VA Regional Office in Providence, Rhode Island, with full deployment scheduled for 2012.

VA is also pilot testing dozens of business process improvements to reduce waiting times and increase production of claims decisions. We would urge VA to keep their focus on IT and process reforms that increase quality and accuracy, the essential cornerstones for reforming the claims processing system. Your Committees can and must use your oversight authority to ensure that the reforms currently underway at VBA are directed toward the ultimate goal of creating a claims processing system that will “decide claims right the first time.”

Better training and quality control are not only essential, they are interrelated and must be part of a continuous quality improvement program, both for VBA employees and for the claims process itself. Quality control programs should identify areas and subjects that require new or additional training for employees; better training programs for employees and managers should improve the overall quality of work. Testing and certification can help both the training programs themselves as well as measure each individual’s knowledge and understanding of their job functions. It is important, however, that testing and certification be applied equally to employees and to the people who supervise them and manage their work, including all coaches and managers in VBA.

To aid in reforming the veterans’ benefits claims processing system, Congress should:

- Shift VA’s approach so that the primary goal is “deciding claims right the first time,” not just “reducing the backlog”;
- Provide aggressive oversight of VBA’s myriad pilots to ensure that best practices are adopted and integrated into a new claims process focused on improving quality and accuracy of claims decisions;
- Ensure that the new Veterans Benefits Management System is provided sufficient time and resources to develop into a comprehensive, paperless, and rules-based platform for processing veterans’ claims for benefits;
- Ensure that VA’s employee performance standards and work credit system create adequate incentives to increase quality and accuracy, not just speed or production; and
- Ensure that VA provides sufficient training to employees throughout their careers, and tests all employees, including coaches and managers, on the skills, competencies, and knowledge required to do their jobs successfully.

Madame and Mr. Chairmen, DAV and other veterans service organizations can play a critical role in the reform of the claims processing system. VSOs bring vast experience and expertise about the claims process gained from representing hundreds of thousands of veterans and their families every year in making claims for earned benefits. We make the VBA’s job easier by helping veterans prepare and submit better claims, thereby requiring less of VBA’s

time and resources to develop and adjudicate them. We would hope the VA and Congress will continue to engage DAV and other VSOs throughout this important period of transformation and modernization of the benefit claims processing system.

NEW CHALLENGES AHEAD

We recognize that each of you as lawmakers face many challenges ahead in the 112th Congress and that pressure is growing to curb federal spending because of the current deficit and mounting national debt. As you go about your work of establishing priorities, we urge you, as Members of the House and Senate Veterans' Affairs Committees, to continue your support of all VA programs and specialized health services. The continued investment in crucial VA programs is essential to us as disabled veterans. The Administration and Congress must provide adequate resources for VA to reform its outdated, inefficient, and overwhelmed benefits delivery system. Likewise, sufficient resources are needed for health care now and in the future so all eligible veterans who need care can receive medical services without delays or enrollment restrictions. We have a new generation of war veterans that will need a lifetime of care from VA—and while our government must assure that programs and services are tailored to meet their unique needs our nation must also continue to meet the needs of previous generations of wartime veterans as well. Although great strides have been made, much still needs to be done to close the gaps in VA programs and services. Please be assured DAV stands ready to assist the Committees to achieve these goals.

Madame and Mr. Chairmen, last month, I had the distinct honor to tour the VA's Polytrauma Rehabilitation Center at the VA Medical Center in Tampa, Florida. During my visit I met with several severely disabled veterans and their family members. Although at times it would have been easy to give in to the sadness I saw in front of me, and to the feelings of a heavy heart, the positive spirit and sense of hope and of optimism displayed by these veterans' families reinvigorated my sense of purpose of the important mission we carry forward at DAV. One particular couple really impressed upon me the challenges that lie ahead for so many wounded veterans and their families. I saw a woman in a wheel chair as she passed by in the corridor—later that day I saw her again. She was assisting her husband who had been injured in a helicopter crash. She was petite and frail, but she was there trying to assist her husband in transferring him into his wheelchair. We spoke and she told me she suffered from Multiple Sclerosis—a devastating disease that often ravishes the body—and one I know too well. She looked tired and run down, but she was there—committed to him, a disabled veteran and her life partner—acting as a personal caregiver. I realized then that we must remain as committed as she is to our injured veterans in need.

During my visit I witnessed the support and care that is needed for each veteran when he or she incurs a severe disability. A comprehensive staff of physicians and nurses, rehabilitation specialists, psychologists, support staff, and volunteers from DAV and others is essential to assist a veteran in gaining recovery. Also, I was impressed with all the “little” acts of kindness that I witnessed during my visit by the caring and dedicated medical staff, to the housekeepers who were available on a minute's notice, to the volunteer who had a kind word or a hug for a struggling family member.

I was impressed with Dr. Steven Scott, Director of the Tampa VA Polytrauma Rehabilitation Center, as well as one of DAV's dedicated volunteers. They both served as my guides on that special visit. Among much information conveyed, Dr. Scott briefed me on proposals for a "smart room" and a "Heroes Ranch" he is developing in Tampa. Specialists who work with brain-injured veterans at the Tampa polytrauma center have developed a chip that brain-injured veterans can carry on their person to assist them in keeping safe when they eventually return home. They envision the sensor will be able to detect a kitchen stove that was left on, sense that a fall has occurred because of lack of movement, or uncover other potential hazards that might save lives. A Heroes Ranch would be a specialized, home-like rehabilitation facility (off campus from the Tampa VA Medical Center) to aid the brain injured in the long road to recovery and independence before they transition to life on their own or with their families. I am so pleased to know we have such incredible people on the front lines dedicated to meeting the unique needs of our severely injured veterans.

In a private moment during the end of my visit Dr. Scott said something that I think bears repeating. He solemnly said—right now the country is focused on the horrible tragedy that occurred in Arizona with the attempted assassination of Congresswoman Gabrielle Giffords. He reminded me, and I remind you, that an "Arizona incident" occurs every hour in Afghanistan. I commit to each of you that DAV will continue to do its part in caring for our nation's veterans and making sure their unique needs are met by our government. I strongly believe the American people will continue to support DAV's mission of service, and I am confident that DAV can count on the continued support of Congress in this noble effort.

We believe funding for veterans benefits and health care services should continue as a top priority for the new Congress and the Administration, as a logical and necessary extension of the cost of national defense and homeland security. But once the weapons fall silent, veterans should not be denied benefits they have earned and rightfully deserve for their service and sacrifice. Also, we believe that if Congress approves programs of services and benefits for them, these must be sufficiently funded by Congress. Authorizations without accompanying appropriations become only hollow, if not broken, promises to wounded and ill veterans. As a nation, we must be willing to bear the costs of providing meaningful compensatory benefits to such a unique group—those who were willing to serve in our military and fight our wars to preserve our cherished freedoms and democratic values that are enshrined in the Constitution of the United States.

ADVANCE APPROPRIATIONS – A TRUE ADVANCE FOR VETERANS

Madame Chairman, Mr. Chairman and members, the veterans of this nation owe Congress a debt of gratitude for the passage of VA health care budget reform in the 111th Congress, Public Law 111-81. Passage of the Veterans Health Care Budget Reform and Transparency Act of 2009 means that VA health care executives and managers know in advance what VA's annual appropriation will be, will receive it on time, and will be able to plan their activities in the new fiscal year. Most important, they will be assured that health care services to veterans will not be disrupted or delayed due to the lack of a budget. Following that policy, VA's fiscal year (FY) 2010 appropriations act included advance appropriations for VA medical

care in FY 2011, creating a year in advance a stable and uninterrupted source of funding. More recently, and for this Congress, the House has adopted rules for the coming FY 2012 budget that protects VA advance appropriations for medical care in FY 2013. We appreciate this support in a time of war and urge this Congress to continue that loyalty to veterans.

As an additional benefit to advance appropriations, Congress has provided annual budgets for VA that have met or exceeded the recommendations of *The Independent Budget* (IB) for the past three years, despite having been late in two of those years. We appreciate and are grateful for Congress's exceptional support over the past several budget cycles. Chairman Miller, DAV is pleased to hear that you plan to reinvigorate the oversight function that Congress retains related to VA programs and services. Like you, DAV wants to ensure that tax dollars provided to VA, whether for health care or benefits, are being used effectively and efficiently, and are being spent for their intended purposes—to improve the lives of service-disabled veterans. In that respect, we welcome a robust oversight agenda in both Congressional chambers.

PROTECT AND STRENGTHEN THE VA HEALTH CARE SYSTEM

DAV is a strong, abiding supporter of the Veterans Health Administration (VHA), the largest direct provider of health care services in the nation. VHA sets the standard for quality and efficiency, and it does so at or below Medicare rates (often, significantly below Medicare), while serving a population of veterans that is elderly, sick, and has a high prevalence of mental and related health problems. Yet some policy makers and political leaders advocate proposals that would move more veterans out of the VHA and into the private sector, whether through enrollment restrictions, use of vouchers, or increased fee basis care within VA. DAV supports the fee basis program as an appropriate means to address the needs of veterans living in rural and remote areas, or when VHA is unable to provide required medical services to enrolled veterans. However, the widespread use of vouchers or similar means requiring VHA to pay for private health care has the potential to weaken the VA health care system, increase costs to the federal government, and result in worse health outcomes for some veterans. For these reasons DAV remains a staunch advocate for maintaining and strengthening this unique system dedicated to preventing disease and maintaining veterans health.

Our nation's citizens also benefit from VHA's advances. The system provides a comprehensive training environment for health professionals and is the nation's most clinically focused setting for biomedical, prosthetic, and health services research. Additionally, the VA is the nation's primary backup to the Department of Defense in time of war or domestic emergency.

In FY 2011, VHA anticipates enrolling nearly 8.5 million veterans and projects enrollment growing to nearly 9 million veterans by FY 2012. Of these veterans that the VHA projects to be enrolled, it plans to provide health care services to more than 6 million unique patients in FY 2011 and FY 2012. The VHA also projects more than 80 million unique outpatient visits during the course of the 2011 fiscal year. Additionally, the VHA provides veterans an array of highly specialized health care services, including treatment for war-related polytraumatic injuries and for their mental health challenges, blind rehabilitation, traumatic brain

injury care, burn and spinal cord injury care, and cutting edge prosthetics services. These services are unmatched (or unavailable) in any other health system in the United States or worldwide. Also, the Institute of Medicine of the National Academy of Sciences has cited the VA as the nation's leader in tracking and minimizing medical errors due to its system-wide electronic medical record.

Ultimately, the policy proposals and funding recommendations DAV presents are intended to enhance and strengthen the VA health care system. It is not a system without flaws, but VA health care remains a vital resource for veterans, especially disabled veterans, and we believe VA must be protected, preserved, and enhanced. It is our responsibility at DAV, with the help of Congress and 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. Similar to all health care systems, VHA receives its share of criticism; however, VA health care continues to outperform every other health care system in America, in cost, quality of care, and patient satisfaction.

FY 2012 BUDGET FOR VA

Madame and Mr. Chairmen, the Administration's budget request for fiscal year 2012 includes some modest funding increases for VA health care and benefits programs, but DAV remains concerned about whether this budget would sufficiently meet the needs of sick and disabled veterans who rely on VA. Overall, the Administration's discretionary budget request for VA is \$3.5 billion less than what DAV and our partners in the IB have recommended.

The Administration's request of \$53.9 for medical care is \$1.1 billion less than DAV and the IB estimate is required for next year. Perhaps equally important is how that funding request was constructed. We are deeply concerned about VA's reliance on gimmicks such as contingency funds, carryover funding, and management savings as a means to avoid requesting over \$2.5 billion in direct appropriations for veterans health care next year.

We also are concerned about the significant reduction in construction funding that is essential to maintaining VA's medical care infrastructure. The Administration's request of \$590 million is only about one-quarter the level of funding we believe is needed to adequately repair, rehabilitate, and replace aging VA hospitals and clinics.

One other area of particular concern to DAV is the reduction funding for Medical and Prosthetic Research by \$72 million. This research is absolutely critical to better understanding and developing treatments for the unique injuries and diseases of the veteran population, and cutting funding at this time of increasing need is unacceptable.

Madame and Mr. Chairmen, we have greatly appreciated the support shown to veterans by your Committees and Congress in recent years. We agree with you both that every dollar appropriated for veterans health care and benefits should be spent efficiently and only for the purposes intended, and we are ready and eager to help you in doing just that.

However, we cannot and will not support random, across-the-board cuts to essential veterans health care services or benefit programs. Let me add that we were pleased to see that neither the Administration's proposed FY 2012 budget nor the House's proposed FY 2011 continuing resolution have taken such a misguided approach.

To ensure that VA is not hampered in providing timely medical services, Congress must complete its work on the overdue spending bill as soon as practicable. Lawmakers must also provide supplemental funding in fiscal years 2011 and 2012 as necessary to meet the new mandates projected as a result of Public Law 111-163—the Caregivers and Veterans Omnibus Health Services Act of 2010.

AMERICAN VETERANS DISABLED FOR LIFE MEMORIAL

The DAV is providing major support to the Disabled Veterans LIFE Memorial Foundation in its work to construct, with private funds, a memorial to disabled veterans in Washington, D.C. This Memorial is intended to bring greater awareness of what disabled veterans have sacrificed, and is also a tribute to what disabled veterans have accomplished in their lives after disability. This Memorial ensures their personal sacrifices will be remembered, while educating future generations about the human costs of war.

We are grateful that Congress enacted legislation to authorize construction of the Memorial in the shadow of the U.S. Capitol. Most recently, hundreds of disabled veterans, many of whom are DAV members, veterans' advocates, and dignitaries attended the November 10th groundbreaking ceremony for the Memorial, which upon completion in late 2012 will be the nation's only permanent public tribute to veterans living with the disabilities of war.

The Memorial has received sustained support from Congress and the Architect of the Capitol. Our DAV members are appreciative that Congress enacted legislation to authorize the minting of commemorative Memorial coins by the U.S. Treasury and to contribute a surcharge from coin sales to the fund for construction of the Memorial. The revenue from the sale of these coins continues to assist the memorial foundation in achieving its fundraising goals. DAV Departments and Chapters and individual members of our organization have given generously in this long and hard-fought push to make the Memorial a reality—and we are nearly at the finish line.

All the requirements to begin the Memorial's construction have been met; however, we are deeply concerned about unnecessary and bureaucratic delays that could threaten the Memorial. Before the Memorial's construction can begin, street infrastructure work must be completed by federal and local authorities; Congress has funded this infrastructure work in part, although we have discovered that additional funding may be required. Planning efforts to move this road work along have been ongoing, but no work was begun, and now the latest projection is that it may not start until June or later this year—now more than a year overdue. We ask that Congress take appropriate action to require that those involved expedite their work related to this crucial infrastructure so that the Memorial's actual construction can commence and be completed on time for dedication Veterans Day, 2012.

CLOSING

Madame and Mr. Chairmen, as demonstrated in this testimony, the DAV's work on behalf of our nation's wartime service-disabled veterans and their families and survivors involves many facets—but when it comes to meeting the needs of our nation's service-disabled veterans, the DAV remains a strong advocate. As the clarion voice of our nation's disabled veterans, we advocate that our government fulfill its commitments to those who have sacrificed some, and for those who have sacrificed all, to preserve our cherished liberty and way of life.

While we can never fully repay those who go in harm's way protecting our liberty and fighting for the freedom of strangers in other lands, a grateful nation established a valued system to provide benefits and health care services to veterans as a measure of partial compensation for their personal sacrifices, and as a way for all our fellow citizens to share the costs of war, homeland security and national defense. We believe that system must be respected and protected and to ensure VA has the resources to provide them the best medical care and vocational rehabilitation services to help them overcome the employment challenges created by injury, and the best claims processing system available to deliver compensation, education, and survivor's benefits in a humane and benevolent way.

Although we are proud of the accomplishments DAV has made on behalf of disabled veterans, we do not rest. As an organization DAV will continue to stand up for veterans and do our best to serve those in need. This week, many of you have met with DAV members from our state Departments and Chapters, and I am sure it will not be the last time you hear from them. These DAV members are dedicated to our mission of service and are an excellent resource to assist you. The challenges ahead will require everyone to work together to achieve our common goals. We call upon you, the Members of these crucial Committees, as our representatives in Congress, to help us educate your colleagues about the priorities of disabled veterans and about programs to meet their needs.

Madame and Mr. Chairmen, this completes my testimony. Thank you for allowing me the opportunity to appear before you on behalf of the DAV, to share our record of service to veterans, and to discuss the goals of the Disabled American Veterans for the 112th Congress of the United States.