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STATEMENT OF
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BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
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Chairman Flores, Ranking Member Takano and Members of the Subcommittee:

Thank you for inviting DAV (Disabled American Veterans) to testify at today's hearing of the Subcommittee on Economic Opportunity reviewing the Department of Veterans Affairs' (VA's) Independent Living (IL) program within the Vocational Rehabilitation and Employment (VR&E) service.

As you know, DAV is a non-profit veterans service organization comprised of 1.2 million wartime wounded, injured and ill veterans and dedicated to a single purpose: empowering veterans to lead high-quality lives with respect and dignity. To fulfill our mandate of service to America's disabled veterans, DAV employs a corps of close to 270 National Service Officers (NSOs), all of whom are wartime service-connected disabled veterans, in order to provide benefits counseling at no charge to any veteran, their dependents, or their survivors. Before accepting my current assignment on DAV's National Legislative staff, I worked for a decade as a DAV NSO in New York and Los Angeles, serving as the Supervisor of DAV's LA office for my final five years in the field.

Every one of DAV's NSOs brings with them military experience, as well as personal experience navigating the VA health care and claims processing systems. We have all participated and completed a VR&E "rehabilitation" plan as part of our DAV training. Due to our backgrounds and training, DAV's NSOs not only possess a significant knowledge base, but also a passion for helping our fellow veterans through the labyrinth of the VA system.

DAV NSOs are situated in all 56 VA regional offices (RO) as well as in other VA facilities throughout the nation. Last year, DAV NSOs interviewed over 187,000 veterans and their families; reviewed more than 326,000 VA claims files; filed over 234,500 new claims for benefits; and obtained more than $5.1 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 287,000 VA Rating Board actions. In addition to assisting them file claims for disability compensation, our NSOs regularly advise veterans of the opportunities and benefits offered by VA's vocational rehabilitation programs, particularly for those with severe disabilities making work difficult or impossible. As part of our lifelong continuing education program, DAV's

NSOs are trained on all VR&E programs, including the IL program, and we regularly refer and encourage our clients to consider VR&E programs whenever appropriate.

Mr. Chairman, DAV is a staunch proponent of the IL program and all VR&E programs, because they embody DAV's central purpose of empowering veterans to lead high-quality lives with respect and dignity. To be eligible and entitled to receive VR&E services, a veteran generally must have a service-connected disability rated at least 20% or greater and have an employment handicap. Veterans with a 10% rating may be entitled to VR&E services if it is determined that they have a serious employment handicap. When evaluating barriers to employment, the Vocational Rehabilitation Counselor (VRC) takes into consideration the veteran's level of disability, rehabilitation potential, and future employment goals. Once entitlement is established, a VRC works with the veteran to develop a rehabilitation plan along one of five tracks: reemployment (with a prior employer); new employment; self-employment; employment through long-term services (through on-the-job training, college, and other training programs); and independent living.

The IL program is uniquely designed to provide seriously disabled who are currently unlikely to benefit from one of the four employment-related tracks, the opportunity to lead more fulfilling and independent lives within the constraints and limitations of their service-connected disabilities. Together with the veteran, the VRC will develop an Independent Living plan detailing the specific goods and services needed to achieve the goals of the plan. Until a recent change was made to the M-28 Procedures Manual, the VRC was guided by nine fundamental principles, considered the "Philosophical Framework" of the IL program:

1. To enhance the disabled veteran's participation in activities of daily living (ADL);
2. To assist the veteran in participating to the maximum extent possible and desirable in family and community life;
3. To provide the most effective services and assistive technology based on sound research evidence;
4. To provide required holistic evaluation and services for all veterans who qualify;
5. To develop rehabilitation plans that provide services to address all identified independent living needs;
6. To consider the veteran's expressed interests and desires but provide services based on objectively identified needs;
7. To establish goals and measure/verify outcomes;
8. To provide services that produce a sustaining influence that continues after rehabilitation services are completed; and
9. To explore the possibility of paid or volunteer employment, when feasible.

We believe that these principles should continue to guide the work of VRCs and would recommend that VR&E consider whether it would be beneficial to restore the language into the preamble of the Manual or in any other appropriate way.

A VRC has wide latitude in developing an IL plan, which generally includes five types of services: assistive technology; specialized medical, health and/or rehabilitation services; services to address any personal or family adjustment issues; independent living skills training; and

connection with community-based support services. When possible, services and goods required by a plan should be provided through other existing VA programs, such as the Specially Adapted Housing (SAH), the Prosthetic and Sensory Aids Service (PSAS) and Home Improvements and Structural Alterations (HISA) programs.

VR&E will also directly purchase needed goods and services to fulfill the IL plan. VR&E Officers are authorized to approve IL plan expenditures of up to $75,000; expenditures of $75,000 to $100,000 require the approval of the RO director; and expenses exceeding $100,000 require the approval of the VR&E Service Director. There also exist additional approval requirements for construction costs up to $2,000, costs between $2,000 and $25,000 and costs exceeding $25,000, which require the approval of the VR&E Service Director.

It is important to remember, Mr. Chairman, this program serves men and women who have suffered significant injuries and illnesses from their service, who are not able to find employment, and who are not likely to benefit from any employment-related services. Whether they have lost limbs, sustained severe burns, or suffer from debilitating mental disorder, such as PTSD, the IL program was created to help these men and women become more independent in their daily lives, to interact with families and in communities, and to find greater purpose and meaning in their lives. Considering all that they have sacrificed for us, it is the least that a grateful nation can offer them.

Remove the Cap on Independent Living Participants

The IL program was initially created as a pilot program by Congress in October 1980 as part of Public Law 96-466, and was limited to no more than 500 participants. In 1986, Congress enacted legislation, Public Law 99-576, that made the program permanent and the cap on participants has increased over the years since, most recently increasing to 2,700 in 2010 with enactment of Public Law 111-275. While we appreciate the fiscal constraints and budgetary scoring concerns that Congress must address, we believe that placing a cap of 2,700 IL participants establishes an arbitrary limit on a valuable program that serves some of our most deserving and needy veterans.

Moreover, there is little or no data available to determine how many veterans could benefit from participation in the IL program in the absence of the arbitrary cap. As the Government Accountability Office (GAO) has pointed out in their recent report on the IL program (GAO-13-474), VR&E does not systematically track variances in caseloads among its ROs. Based on GAO's analysis, during fiscal years 2008 thru 2011, the number of IL participants ranged from a high of 908 at the Montgomery, Alabama RO to a low of four at the Wilmington, Delaware RO. The GAO report makes clear that every RO approaches the IL program differently, with some aggressively steering eligible veterans in that direction, and others apparently having little understanding or interest in pursuing the IL track. Anecdotally, we have heard VR&E officials indicate that the cap on participation discourages VRCs from promoting the IL program, and that conversely, if the cap were removed it could create greater interest among VRCs to promote this option to appropriate veterans.

It is also worth noting that a veteran can have more than one IL plan within the same year, and that each of this veteran's plans counts towards that cap, further limiting the number of veterans who can benefit. This requirement also creates some confusion in the reporting and accounting elements of the program that must be clarified.

There is now legislation pending that would remove this cap and require VR&E to improve the education of its employees in regards to the IL program. H.R. 3330, the Veterans' Independent Living Enhancement Act, was introduced by Congresswoman Michelle Lujan Grisham in October and currently has 16 cosponsors. We would urge this Subcommittee to consider and report this legislation.

Improve Awareness and Outreach for the Independent Living Program

In order to maximize the benefits of the IL program, VR&E must significantly enhance its internal and external awareness and outreach efforts. We have been informed that VR&E is preparing to distribute literature within VA facilities notifying veterans about the IL program and we applaud that effort. We have also been made aware that VR&E is creating a web-based training element on the IL program that will be mandatory for all VRCs. However, although participation in the web-based training will reach all current and newly hired VRCs once, it is imperative that this training be repeated at appropriate intervals to ensure the VRCs maintain current knowledge about the IL program and the opportunities it presents for appropriate veterans. VR&E should also review whether its VRC skills certification process is sufficient to ensure continued national understanding of the IL program.

The GAO report also found that one of the key reasons for differences in caseloads among ROs was due to the, "… office's focus on IL cases and community outreach efforts, including the involvement of veterans service organizations." DAV would welcome opportunities to collaborate with other VSOs and VR&E to make veterans more aware of these services. As I mentioned earlier, DAV NSOs regularly counsel eligible veterans about the benefits of participation in VR&E programs including the IL program. Furthermore, as part of their continued employment with DAV, our NSOs will review the VR&E program, including the IL program, as part of our Structured and Continued Training Program, which must be completed and repeated throughout our careers. In addition, we are currently planning to host a web-based training initiative to highlight components of the IL program as part for our ongoing training administered to NSOs.

Another way to increase awareness programs would be to require that VBA include information about entitlement to vocational rehabilitation services in all appropriate correspondence with eligible veterans. Currently, disability compensation claims decisions and notification letters awarding or increasing a service-connected rating of 10 percent or greater are required to include information about VR&E eligibility, however other rating actions, such as denials for increases or other benefits, do not. VBA should reexamine its procedures and consider other ways to educate and encourage veterans to consider VR&E services.

IT Modernization Needed for Better Program Management and Oversight

In its recent report, GAO concluded that VR&E's case management information technology (IT) system, commonly referred to as CWINRS, "… does not meet VR&E's current needs and limits its oversight abilities…" The CWINRS system does not properly capture some of the most basic data and information, including the number of IL participants. Instead it tracks the number of IL plans, making it ineffective at monitoring the statutory cap on participation. In addition, CWINRS also does not maintain information on how much money is spent on individual IL services, nor even the aggregate totals for such services each year. The tracking system is woefully inadequate to allow sufficient management or oversight VR&E programs in general.

VR&E recently began a one-year test to improve its tracking of IL expenditures and outcomes related to home modifications and construction. (VR&E Letter 28-13-43). However, this and other attempts to improve the transparency, management and oversight of the IL program will continue to be hampered as long as they are relying on an outdated, inadequate IT system, such as CWINRS.

Rather than spend time and resources on trying to patch and upgrade the CWINRS system, DAV recommends that the VR&E IT needs be addressed through the new Veterans Benefits Management System (VBMS), which was primarily developed by VBA for managing the disability compensation system. Although VBMS is eventually intended to serve all of VBA's business lines, there remains much work on that core system, limited resources and no current plans to make it ready for use by VR&E. Given the importance of vocational rehabilitation programs, including the IL program, and the inadequate CWINRS system currently in place, VA must request, and Congress should approve sufficient additional funding for IT development and deployment of VBMS as soon as technically feasible.

Better Coordination and Cooperation within VA

As mentioned above, the IL program provides veterans with many services and goods from other VA programs, including health care from the Veterans Health Administration (VHA), equipment from the PSAS and adaptive equipment and services from the SAH and HISA programs. Despite the fact that these are all VA programs and offices, GAO and others have reported that coordination and cooperation can often be difficult. VR&E rehabilitation plans, including IL plans, often require concurrence from a VHA physician, such as in relation to mobility devices, and there may be occasions when the physician believes that allowing a veteran to rely on a mobility device may be contrary to the clinical need to encourage greater physical activity for their rehabilitation in responding to VR&E requests.

However, just as VBA has encountered problems in trying to get VHA doctors to complete disability benefit questionnaires for veterans with claims for disability compensation, VR&E has problems getting VHA physicians to approve IL plans in a timely fashion. VR&E and VHA must work together to provide better education and training to VHA staff to encourage greater cooperation.

VRCs have also encountered similar difficulty getting responses from SAH, PSAS and HISA program offices. In some instances, this may result in the purchase of goods and services from an outside contractor that could and should have been provided by internal VA programs. As with the difficulties related to VHA, VR&E must work with these program officials to remove unnecessary delays and other bureaucratic red tape that hinders the timely provision of services to IL participants. All of these offices work for the same Department and should be serving the interests of veterans. If they are unable or unwilling to work together effectively, the Secretary and Congress must take appropriate actions to make them do so.

Mr. Chairman, despite the management and oversight challenges discussed in our testimony and the GAO report, we continue to believe that VR&E's Independent Living program is an essential, appropriate and empowering benefit that has and should continue to make a tremendous difference in the lives of thousands of veterans every year. We strongly encourage you to continue examining ways to improve this program and we stand ready to work with the Subcommittee in any way we can to offer our assistance and support.

This concludes my testimony and I would be happy to answer any questions you may have.