

**JOINT HEARING TO RECEIVE LEGISLATIVE PRESENTATION OF THE DISABLED AMERICAN VETERANS (DAV)**

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**JOINT HEARING**  
OF THE  
**COMMITTEE ON VETERANS' AFFAIRS**  
BEFORE THE  
**U.S. HOUSE OF REPRESENTATIVES**  
AND THE  
**U.S. SENATE**

ONE HUNDRED THIRTEENTH CONGRESS

FIRST SESSION

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**JOINT HEARING TO RECEIVE LEGISLATIVE  
PRESENTATION OF THE DISABLED AMER-  
ICAN VETERANS (DAV)**

**Tuesday, February 26, 2013**

U.S. HOUSE OF REPRESENTATIVES,  
AND U.S. SENATE,  
COMMITTEE ON VETERANS' AFFAIRS,  
*Washington, D.C.*

The Committees met, pursuant to notice, at 2:04 p.m., in Room 345, Cannon House Office Building, Hon. Jeff Miller, [Chairman of the Committee] presiding.

Present from House Committee on Veterans' Affairs: Representatives Miller, Lamborn, Roe, Flores, Denham, Runyan, Benishek, Coffman, Wenstrup, Cook, Michaud, Brownley, Titus, Ruiz, McLeod, Kuster, O'Rourke, and Walz.

Present from Senate Committee on Veterans' Affairs: Senators Sanders, Blumenthal, and Boozman.

**OPENING STATEMENT OF CHAIRMAN JEFF MILLER**

The CHAIRMAN. The Committee will come to order.

Good afternoon, everybody. It is my privilege to welcome you to today's joint hearing of the House and Senate Veterans' Affairs Committees to receive the legislative priorities of the Disabled American Veterans.

Before we get started, we have just one small bit of house-keeping. After I give an opening statement, Chairman Sanders, Ranking Member Michaud, and Mr. Boozman on behalf of Mr. Burr will give one. And then I would like to ask all other Committee Members, if they would, to waive their opening statements. We will give you an opportunity after today's testimony to give that statement if you wish or you can enter it into the record.

It is an honor for all of us to be here with you this afternoon. I don't know when we have had this many DAV members in this room, and I want to say thank you to each of you for the sacrifice that you made for this country. You continue to sacrifice selflessly out of uniform through the work in the Disabled American Veterans, so on behalf of a grateful Nation, thank you for your time this afternoon, for the many charitable endeavors that you participate in and for your brave and honorable service to our country.

I want to extend a special welcome to your national commander, Larry Polzin, who is here with us today, a service-connected Vietnam Air Veteran and career DAV employee. Thank you for your leadership and for your attendance today, sir.

I also want to welcome Donna Adams, the national commander of the DAV Auxiliary. Thanks for being here and for all the good work that the auxiliary does for our veterans.

And finally, I want to recognize those DAV members from Florida who are here in the audience today. Each of you is a credit to our community and I am proud to have you here in our Nation's capital. On behalf of all our neighbors in the sunshine state, I thank you for your service and your sacrifice. If the members from Florida would just raise their hand, I would appreciate it. It is good to see you. Thank you very much.

As I mentioned earlier today, we are joined by Chairman Sanders, Ranking Member Michaud, and Acting Ranking Member Boozman when he arrives, as well as Committee Members from both sides of the aisle and both the House and the Senate. And I want to especially welcome warmly my friend and colleague from Vermont, Bernie Sanders, who joins us today as the new Chairman of the Senate Veterans' Affairs Committee. Welcome.

I am glad to have you here, Bernie, and I look forward to working with you closely on issues that I know that you are very interested in. You have been an advocate for many years for improving veterans health care and benefits provided by the Department of Veterans Affairs. I, again, look forward to working with you over the coming years.

Commander Polzin, that work begins with your testimony today, and after reading your written statement, there can be no doubt you have much to be proud of.

Due to the hard work and the dedication of DAV's 1.4 million members, veterans are provided with professional benefits counseling and claims assistance, transportation to and from the VA health care facilities, TAP services and onsite care at military treatment facilities and VA medical centers and clinics, as well as at home. That is just to name a few of the many services that are provided by DAV each day. I have witnessed many of these efforts firsthand and personally.

I am grateful to each of you for the hard work DAV does across this country, and I am also grateful for the hard work DAV does right here in Washington. In my two years as Chairman, I have worked hand in hand with DAV and other veteran service organizations to reduce veterans' unemployment, provide retraining assistance benefits to 99,000 unemployed veterans; ensure the safety of veteran patients and VA employees by strengthening protections against sexual assault and other safety incidents at VA medical facilities; and conduct close oversight of VA's disability claims process, major and minor construction programs and mental health care system.

Throughout these efforts and many more, DAV's support, advice, and encouragement have been invaluable. However, our work together has just begun.

I would like to ask for your support in advancing a bill, H.R. 357, the GI Tuition Fairness Act of 2013, that I have introduced with Ranking Member Michaud. Anyone who has put a son or daughter through college is painfully aware of the rising costs of tuition, especially for out-of-state colleges and universities. Our student veterans are not immune to these increases.

When someone joins the military, they do not swear to defend just their home state. They swear to defend all fifty states. This legislation would offer public colleges and universities a choice, either charge veterans in-state tuition rates or no longer be eligible to enroll student veterans under the GI Bill. It is time that public colleges and universities stop balancing their budgets on the backs of student veterans, and I am hopeful that you will join me in this effort.

Another area where I know we agree concerns the importance of the advance appropriations process. Seemingly endless continuing resolutions and the near constant threat of Federal Government shutdowns appear to be new facts of life surrounding our budget process. In 2009, we instituted advance appropriations for three VA medical care accounts to protect the veterans' health care from being negatively impacted by Washington's budget stalemates.

However, other VA accounts continue to be funded through the regular appropriations process and the log jam that all too often entails. We can't allow our veterans and the programs that serve them and your needs to be threatened when Washington can't do its job.

Your written statement calls for Congress to extend the protection advance appropriation provided to these other accounts, and I am proud to announce here today that I have introduced legislation to make that happen.

[Applause.]

The CHAIRMAN. I want to thank my colleague, Ranking Member Michaud, for being an original cosponsor of that particular piece of legislation.

This week in particular, with sequestration looming large in all of our hearts and our minds, illustrates the urgent need for such an action. Due to this Committee's persistent oversight, the administration has made it clear that VA is exempt from the automatic budget cuts set to take effect this Friday, and our veterans and their families can be assured that the health care and benefits provided to them through the VA will not suffer through sequestration. For that, I am grateful.

[Applause].

The CHAIRMAN. However, there could be no doubt that we find ourselves in a time of great difficulty with ongoing conflicts persisting across the world and undeniable calls for fiscal restraint here at home. In times like these, the work of organizations like the DAV has never been more important. There is great work ahead of us, and I am confident that there are great accomplishments ahead as well.

Together, there is no challenge we can't meet on behalf of our veterans and I appreciate your attendance today. I now yield such time as he may consume to my friend and colleague from the Senate, Bernie Sanders, for his opening statement.

[THE PREPARED STATEMENT OF CHAIRMAN MILLER APPEARS IN THE APPENDIX]

**OPENING STATEMENT OF SENATOR BERNARD SANDERS**

Senator SANDERS: Mr. Chairman, thank you very much, not only for the work that you and your Committee have done, but for your correct assessment that in these difficult times we have got to rise above partisanship when it comes to taking care of our veterans.

[Applause].

Senator SANDERS. And I would hope very much and I expect that our two Committees will achieve that goal.

To the members of the DAV, I want to thank you not only for your service and sacrifice for our country, but also the enormously important work that your organization does. I use to be the mayor of a city, a larger city in the State of Vermont, and what I learned then and have not forgotten, that we can't do our jobs as public officials unless we hear from the people on the ground who are experiencing the problems. So I know I speak for Chairman Miller as well as myself. We want to hear from you. We need to hear from you. We cannot make the system work unless you tell us what is strong, what is weak, and what has to change. So we look forward to your participation.

I also want to acknowledge the DAV members from Vermont who are here. We are a small state. We only have five who are here. I want to thank Bob Nicodemus, Aura-Lee Nicodemus, two people who have worked tirelessly on behalf of veterans of Vermont, Richard Bugby, Roberta Bugby, and department commander, Bob Pixley. Thank you for all that you are doing for the veterans of Vermont.

I want to just touch on some of the issues that are out there. And before I begin, I think it is all so important to know while the VA certainly has its share of problems that Chairman Miller and I intend to address, we also have to acknowledge that the VA does many things well. For example, the VA has one of the highest reported rates of patient satisfaction in the country, and that is no small feat, and we owe that to the hundreds of thousands of dedicated VA nurses and doctors and staff members who every day go above the call of duty to reach out to their fellow brothers and sisters because many of the people staffing the VA are, in fact, veterans. So I want to thank all of the staffs at the VA for the excellent work that they are doing.

Now, in terms of some of the problems out there, I think all of you are aware that may be at the very top of the list is the significant backlog that we have in terms of processing claims.

Now, here is the good news and here is the bad news. What many Americans don't know is that the VA today is processing far more claims, about a million a year, than they use to. That is the good news. The bad news is, is that for a variety of reasons, some of them positive reasons, including telling Vietnam veterans who were exposed to Agent Orange to come on in and file their claims without getting 1.2 million claims a year. More are coming in than we are processing.

Needless to say, it is unacceptable that veterans wait months and months and years and years to get those claims adjudicated. That is an issue that we have got to work on and that we have got to solve.

[Applause].

Senator SANDERS. Second issue, and it is an emotional issue and a painful issue, and that is it is no secret to anybody in this room that the suicide rate for veterans is far, far too high. This is a painful issue. I don't think there is anybody who has a magical answer. I think some of it has to do with folks who are reaching—and many of these suicides are for older people, people who are reaching the age of 60, maybe they lost their job, maybe their income is limited, maybe they are isolated. But whatever the cause may be, it is a tragedy for our Nation.

We have got to focus out on that issue. We have got to reach out to those especially who are isolated. We have got to bring them in to the system. People who have fought in these wars have suffered enough and we have got to do everything that we can to prevent more suicides.

Tied into that issue is the very serious issue we are seeing lately from our returning veterans from Iraq and Afghanistan, dealing with PTSD, TBI, again a very difficult issue. A lot of our young returnees are facing this problem, and what we have got to understand is that PTSD and TBI are as much an injury as other types of injuries and those soldiers need to be respected and need to be treated as effectively as we possibly can.

[Applause].

Senator SANDERS. Another issue, and I don't know about your states, but I can tell you that in the State of Vermont, we are not doing enough in terms of outreach. Now, not every veteran wants to come into the VA system and that is fair enough, but our job is to make sure that every veteran in America understands the benefits to which he or she is entitled and many of them don't, so we have got to do a better job in outreach and educating veterans to what they are entitled to.

The military is changing. More and more women are in active duty. The VA is responding, but we have to do more in that regard. Women deserve the same high quality care that men do. We have got to work on that.

[Applause].

Senator SANDERS. Last point. How many of you in this room know what a chain CPI is?

See, everybody up here knows what a chain CPI is. We know, but most people in America don't know. So on TV tonight you are going to hear people talking about the need for entitlement reform for a chain CPI. What a chain CPI is a different way of configuring COLAs for Social Security and for disabled veterans.

A chain CPI would make significant cuts for some 3 million disabled veterans as well as everybody on Social Security. Now, I feel very strongly that, A, the deficit situation is a serious problem. It has to be dealt with, but you don't deal with it on the backs of disabled veterans and widows who lost their husbands in Iraq and Afghanistan.

[Applause].

Senator SANDERS. And I want to thank the DAV and the other services organizations for working with us in opposition to this proposal, so let me just conclude by thanking Chairman Miller for the good work that he is doing and look forward to working with him

in the future to address some of the very serious problems facing our veterans community. Thank you very much.

The CHAIRMAN. Thank you, Mr. Chairman.

[Applause.]

The CHAIRMAN. I would like to introduce the Acting Ranking Member today, Mr. Boozman from Arkansas.

#### **OPENING STATEMENT OF SENATOR JOHN BOOZMAN**

Senator BOOZMAN. Thank you, Mr. Chairman.

And again, I just want to greet all of you all, and then we can get to the testimony which we are all looking forward to.

I want to thank you for being up here. This is a difficult trip for so many of you, but there is no replacement for being up here, talking to your congressman, your senator, looking him in the eye and explaining how important these things are. I look forward to visiting with a couple of our folks from Arkansas in a little bit, Ricky Young and David Spurgeon, our commander and legislative officer, and we are going to be talking about women's health issues and certification of active duty personnel, and just the variety of different issues which we all have become so well versed on.

And again, like I said, we appreciate you being here and certainly this Committee, this Committee in a bipartisan way, is committed to helping veterans in any way that we can.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator.

[Applause].

The CHAIRMAN. The Ranking Member in the House, my friend from Maine, Mr. Michaud.

#### **OPENING STATEMENT OF HON. MICHAEL MICHAUD**

Mr. MICHAUD. Thank you, very much, Mr. Chairman. Thank you for reaching across the aisle when I was elected as Ranking Member, to help get the minority office up and running. I appreciate your willingness to work together to solve the problems that our veterans and their family face.

I want to congratulate Senator Sanders for his appointment as Chairman of the Senate Veterans' Affairs Committee. Both Mr. Sanders and Mr. Boozman came from the House, so I am sure they took their work ethics from the House over to the Senate, and hopefully we will get some work done as it relates to veterans. Mr. Sanders and I both come from the same VISN, VISN 1, and look forward to working with him as well.

Commander, good afternoon, and we want to thank you and the members of the DAV, not only for your military service, but your continued service to our country as veterans' advocates. Our Nation has a "sacred trust" with all veterans, a national promise to care for and stand up for those who have served and sacrificed. You fulfill a vital role in the "community of support" America provides for our national heroes. I want to welcome those of you who came from Maine for this hearing and want to thank you for your strong advocacy for veterans in Maine and all across the country.

Commander, I would like to extend my compliments to your DAV Washington staff. Their tireless advocacy on behalf of your members and all of our veterans help push important issues facing vet-

erans and their families to the forefront of our national debate. Never has there been a time that I have called the DC staff, they didn't respond in a timely manner, so thanks to the DC staff as well.

The *Independent Budget* produced by DAV and others continues to be invaluable as we consider the difficult budgetary and policy issues that confront us this year. It serves, as it has for the past 25 years, as an important voice on the issues and matters the most to you and a vital resource for us up here.

As you know, the Administration has delayed the release of its Fiscal Year 2014 budget proposal. While VA programs are spared from the effects of sequestration, that does not mean that veterans will be left unaffected. Veterans could lose extended unemployment insurance as well as face cuts to the critical TAP program, just to name a few. In addition, all of our citizens will face the effects of sequestrations at the state and local levels as well.

The VA is at a crossroads, and many important decisions will need to be made as we look towards the future. Working with you and with the VA, we will make sure that these choices are both fiscally responsible and in the best interest of veterans.

I look forward to your testimony today. Thank you and your organization for the years of service that you have given to make sure that veterans issues and their family's issues are heard on the Hill. Thank you very much, Commander.

Thank you, Mr. Chairman.

[THE PREPARED STATEMENT OF HON. MICHAEL MICHAUD APPEARS IN THE APPENDIX]

The CHAIRMAN. Thanks, Mike.

[Applause].

The CHAIRMAN. Commander, I will waive introducing the head table if you choose to do so. It will be your prerogative, but in view of time and the length of our opening statements, we want to get to your opening statement.

So I would like to introduce our colleague from California, Ms. Loretta Sanchez, to introduce a constituent of hers. You are now recognized.

#### **OPENING STATEMENT OF HON. LORETTA SANCHEZ**

Ms. SANCHEZ. Thank you, Mr. Chairman. And thank you, Chairman Sanders and to our Ranking Members and all of the Members who are here today. I hope that the Disabled American Veterans can see how important you really are when you have almost a complete Committee here, and for a hearing, that is really a statement to how much these colleagues of mine care about your issues.

To the Disabled American Veterans, thank you all for your service. Thank you for being here. And it is a great piece of American democracy when you come here, in this particular case, in this caucus room which is the House side or the people's House of the United States Congress, of course joined by our senators. It is really great when you come to petition your government, so we are clearly really thrilled that you are all here today.

I know that it is your annual mid-winter conference, that many of you have really put together your pennies to come here and,

again, we appreciate that. And I hope you will be meeting with your Congress Members, that you will be talking to them about the priorities for our Disabled American Veterans.

You know, I know that you represent over one million veterans in the country, and I know that your staff here in Washington, DC, do a great job especially when they are talking to the particular Members of this Committee. But even to say so, that they come to the other Members who don't sit on this Committee to talk about the issues that are important to your membership. So again, thank you.

I just would like to say that we know that there are—we are facing many cuts here at the Federal level, and I do believe that most of my colleagues in the United States Congress really want to address and really want to put forward and really want to make sure that our commitment to our veterans is still there.

So it is going to be a tough year. It is going to be a tough budget. My colleagues all know that. You hear that on television. You see that. It is going to become even more difficult as we draw down from Afghanistan and we see even more returning veterans come home.

We have some great GI benefits. We have our great hospitals and our clinics. I am privy to have so many of them in the Southern California area. But still, it is not enough because what we see is that our veterans slip through the cracks, and if we don't get to them as soon as they come out, that somehow we lose them and we lose track of them, and to then to get them back, to get them back to the programs that are there to serve them is very, very difficult. So again, I know that you, along with a lot of the other organizations for our veterans, really do your work to get them in and to help them and to bring them forward.

To do that, of course, it takes not only your organization and others like you, but we have a lot of corporations that are helping and making sure that our veterans are getting jobs, for example. I know the unions, for example, our national unions, our trade unions, are working very hard on apprenticeship programs. Our Secretary of Labor and our Secretary of Veterans Affairs have worked together to make sure that there are programs to bring our veterans back into civilian society.

But today, today is really your day. Today is the day to tell us what you see in your membership and what we need to save here in Washington, DC, what we really need to do.

And my colleagues, to do that, to start off the conversation for you today, I would like to introduce from my home state of California, Corporal—we really call him Commander now—Commander Larry Polzin.

He is from Somar, California. He is a Vietnam era veteran, who served in the United States Marine Corps, and as my brother, a former marine. But as a marine would say, "always a marine," right? I mean, you know, I am personally married to a man who spent 23 years in the United States Army, so he might, you know—

[Laughter.]

Ms. SANCHEZ. And sometimes when he doesn't hear me, I think he should be a member of the DAV.

But Commander Polzin has been a DAV member since 1971. He is a life member of Chapter 73 in Woodland Hills, California. He was in the United States Marines until he was given disability retirement in 1966, and the commander is the national commander of DAV. I am honored to introduce him today. He will begin by presenting the DAV's legislative agenda, and before we do that—because I am a woman and I think behind every good man, there is a great woman—is his wife. If she would please stand up.

[Applause.]

Ms. SANCHEZ. So Commander, the floor is yours. And I will add that I do have Homeland Security going on in about the next hour. So if you see me slip out, it is not because I don't love you. Okay? It is because there are a lot of commitments here in Congress, but this one is truly important. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Ms. Sanchez, for your introduction. Commander, you had a whole lot of time, but she just ate most of it up.

Sir, you are recognized for as much time as you need. Thank you for being with us.

**STATEMENT OF LARRY A. POLZIN, NATIONAL COMMANDER, ACCOMPANIED BY GARRY J. AUGUSTINE, NATIONAL SERVICES DIRECTOR; JOSEPH A. VIOLANTE, NATIONAL LEGISLATIVE DIRECTOR; BARRY A. JESINOSKI, EXECUTIVE DIRECTOR, WASHINGTON HEADQUARTERS; ARTHUR H. WILSON, NATIONAL ADJUTANT; RON B. MINSTER, NATIONAL DIRECTOR OF VOLUNTARY SERVICE; DONNA M. ADAMS, NATIONAL COMMANDER, DISABLED AMERICAN VETERANS AUXILIARY**

**STATEMENT OF LARRY A. POLZIN**

Mr. POLZIN. Thank you, Representative Sanchez. Chairmen Sanders and Miller, congratulations on your leadership appointments to your respective Committees.

I also want to recognize Senator Murray who previously chaired the Senate Committee, and Ranking Members Senator Burr and Representative Michaud, and I want to thank all the Members of these Committees on behalf of the more than 1.4 million members of DAV and its auxiliary for the support you have given our Nation's injured and ill veterans and their families and survivors and the programs that have helped improve the quality of their lives.

I wish you all the best in your efforts during 113th Congress on behalf of American veterans, their families and survivors. Please allow me to introduce those seated at the head table with me, as well as some of our distinguished guests: National Adjutant Art Wilson; Executive Directors Marc Burgess and Barry Jesinoski; Service Director Garry Augustine; Legislative Director Joe Violante; Volunteer Service Director Ron Minter; Auxiliary National Commander Donna Adams of Arizona; Auxiliary National Adjutant Judy Hezlep; DAV Senior Vice Commander Joe Johnston of Ohio; Junior Vice Commanders Ron Hope of North Carolina, Moses Macintosh of Georgia, David Riley of Alabama; National Judge Advocate Mike Dobmeier of North Dakota; and an immediate past National Commander Donald Samuels of Tennessee;

Chaplain Ron Ringo; and my National Chief of Staff, Fred Bauer, both of California.

Let me introduce my wife, Judy.

[Applause.]

Mr. POLZIN. Will the DAV National Executive Committee please stand to be recognized?

[Applause.]

Mr. POLZIN. Will the members of the National Legislative Interim Committee please stand.

[Applause.]

Mr. POLZIN. I also would like to recognize the entire DAV delegation from my home state of California.

[Applause.]

Mr. POLZIN. Mr. Chairmen and Members of the Veterans Affairs Committees, I am honored for this opportunity to discuss our major concerns and legislative agenda for the coming year. Since our founding in 1920, DAV has remained dedicated to fulfilling our promises to the men and women who served, their families and survivors. Part of our mission is advocating for meaningful, reasonable, and responsible public policy for injured and ill veterans of all generations.

With the proposed downsizing of our military forces and the slow recovery in our domestic economy, more veterans will be relying upon the Department of Veterans Affairs for services and benefits for decades to come. We must ensure that the VA is prepared to handle such a large influx of veterans. However, based on my experiences with the VA, I am not yet confident that our government is fully prepared to fulfill its promise to our Nation's veterans.

All of my adult life has been spent in service to my fellow veterans. In 1971 the company that hired me after I was discharged from the Marine Corps turned its back on me when I needed open heart surgery. While in a VA hospital, a DAV Department of California Service Officer helped me file a claim for benefits I had earned, and I became a member of DAV. Later, I was offered a job as a National Service Officer and it was an amazing chance to help my fellow veterans that has been my life ever since.

[Applause.]

Mr. POLZIN. And while the President's fiscal year 2014 budget proposal has yet to be presented, DAV and other veterans groups have recommended a \$68.4 billion appropriation for the VA. Detailed recommendations for funding and policy priorities can be found in the *Independent Budget*.

A major area of concern is that the VA is forced to operate at last year's levels under yet another continuing resolution. It also does not provide any advance appropriation for veterans' medical care for fiscal year 2014.

Demand for veterans' health care and services has outpaced the resources allocated to the VA and with widespread reports of long waiting times for medical and mental health care, long delays for claims decisions and the still growing backlog, sufficient funding for vital programs and service is an absolute must.

DAV members are deeply disturbed by the possibility of further delays in veterans disability compensation or lost access to VA

health care. DAV believes delay means denial and we do not stand by and allow that to happen.

[Applause.]

Mr. POLZIN. Mr. Chairmen, as a service-disabled veteran and a retired DAV national service officer, I have taken a great interest in the VA's disability compensation system. Of course, we are encouraged by the VA's effort to streamline and modernize the claims process. And we are convinced that the Veterans Benefits Administration is headed in the right direction.

Eliminating the backlog will be a welcome milestone. However, to achieve real success, the VA must focus on creating a benefit system that gets each claim done right the first time.

[Applause.]

Mr. POLZIN. Only when the VA has adopted a culture of quality, accuracy, and accountability, will true reform in the claims process succeed.

DAV looks forward to the complete rollout of the veterans benefit management system later this year. That and the continued development of eBenefits and the other technology improvements show great promise for better serving veterans.

Mr. Chairmen, we are pleased that the veterans organizations have played an important role in developing or refining a number of new initiatives being deployed. And we look forward to continued process.

Just last week, DAV became the first veteran service organization to file a claim through the VA's Stakeholders Enterprise Portal.

[Applause.]

Mr. POLZIN. I am pleased to report to the Members of these Committees that the American Veterans Disabled for Life Memorial Project has cleared the last major hurdle and is on track to be completed and dedicated in October 2014. I hope to see that you will be able to attend.

[Applause.]

Mr. POLZIN. I now turn to a topic that fills me with great pride, the dedication of DAV members. I will summarize some of our work.

Veterans making the transition back to civilian life must overcome many obstacles and DAV provides programs that address their overall health and well-being.

Beyond helping hundreds of thousands of veterans each year access their government benefits, we fund rehabilitation and counseling programs, link veterans to job training programs, and work to address homelessness. All DAV services are free.

American's veterans, more than any other group, have lived up to their responsibility by putting their lives on the line in defense of our country. We are willing to sacrifice for the good of our Nation as long as that sacrifice is shared by all. No one knows more about sacrifice than those who were wounded or injured serving in our Nation's military forces and their loved ones.

Everyone before you today knows DAV well, because collectively with our 1.2 million members, we are DAV. These men and women are vital to our mission and the well-being of our Nation's injured and ill veterans. They represent some of the almost 14,000 DAV

and auxiliary members who volunteer their time to assist America's wounded, injured, and ill veterans.

In 2012, they provided more than two million hours of essential service to our Nation's veterans.

Some of them are volunteer drivers with the DAV Transportation Network, which provides free transportation to veterans in every state and nearly every congressional district.

In 2013, we plan to donate 110 vans to VA Medical Centers. From 1987 to 2012 we have donated 2,586 vans at cost to the DAV of nearly \$57 million.

[Applause.]

Mr. POLZIN. Last year our more than 9,000 volunteer drivers logged more than 27 million road miles transporting nearly 800,000 veterans to and from their medical appointments.

[Applause.]

Mr. POLZIN. DAV also extends our commitment to the families and survivors of those killed in the line of duty and our most severely affected veterans.

We recognize that children have their own unique needs. That is why the DAV and our auxiliary have launched a new "Just B Kids" scholarship program that enables children facing hardship at home to spend a week enjoying the great outdoors.

This new program, funded in part by a grant from the DAV Charitable Service Trust, means those children can attend the highly acclaimed Camp Corral. The week-long camping experience is operated through the generous efforts of a long-time DAV partner, Golden Corral.

[Applause.]

Mr. POLZIN. Mr. Chairmen, we also are proud of our National Service Program, which is second to none.

Each year, our National Service Officers, all of whom are war-time service-disabled veterans, represent more than 300,000 individuals with their claims for benefits from the VA. DAV helps by far the largest number of claimants annually, ensuring that they receive all of the benefits they have earned through their service and sacrifice.

Our highly trained and dedicated NSOs provide free representation to any veteran or their dependents and survivors. And I would encourage you to put the veterans in your district in touch with a DAV National Service Officer when they seek assistance with their benefits.

[Applause.]

Mr. POLZIN. As you can imagine, I am extremely proud of the work we do. No other veteran service organization contributes more to the well-being of our Nation's veterans than DAV. We understand their needs because we are an organization of veterans helping veterans.

For almost a century, we have a proven track record of helping hundreds of thousands of veterans each year. And we are standing up for veterans because they stood up for us.

[Applause.]

Mr. POLZIN. I assure you DAV stands ready to assist you and your Committees in finding ways to improve the services and benefits that veterans have earned from a grateful Nation.

Mr. Chairmen, this completes my remarks, and my staff and I would be pleased to respond to any questions you may have.

Thank you for allowing me this opportunity to appear before you on behalf of DAV to share our proud record of service to veterans and our country.

God bless America's soldiers, sailors, airmen, coastguardsmen, and marines who are in harm's way, and may God bless the United States of America. Thank you.

[Applause.]

[THE PREPARED STATEMENT OF LARRY A. POLZIN APPEARS IN THE APPENDIX]

The CHAIRMAN. Outstanding, Commander. Thank you very much for your comments.

We have some votes coming up in just a few minutes so I am going to ask just one question and then probably we will submit some more to the DAV for response.

In your written statement, you talked about believing that the backlog is simply a symptom, not really the root cause of VA's claims processing problems.

I want to know a little more in detail, if you can, about the fundamental reforms that you think are needed to address the problem.

I agree and I have said it many times that, VBMS will not be the silver bullet, if you will, to solve the problem. That is just a tool in the arsenal. I think that one of the things that VA really needs to focus on is the fact that there are some folks in the system that probably don't need to be there and we need to find a way to move them out. It is not easy.

[Applause.]

The CHAIRMAN. It is not easy, it is going to take leadership, and it is going to take a little initiative on VA's part, but there are plenty of people out there that will come in and fill those positions to help. My concern is once a person knows that the only punishment that they may get is to be transferred to another region or another office, that is not much of a punishment at all when we have almost a million backlog claims.

So I would like to know a little more about what DAV thinks can be done, and we will continue to be reaching out to you as well.

Mr. POLZIN. Thank you.

Yes, we believe the VA is moving in the right direction; however, to achieve real success, the VA must focus on creating a benefit system that gets each claim done right the first time. And only when the VA has adopted a culture of quality, accuracy, and accountability will true reform in the claims process be achieved.

[Applause.]

The CHAIRMAN. Senator Sanders.

Senator SANDERS. Thank you very much, Mr. Chairman.

Commander, I wonder if you could comment on the outreach efforts of the VA. In your judgment, do veterans all over the country actually know the benefits that they are entitled to? How to access health care? Or do we need to do a better job in educating veterans to the programs and benefits to which they are entitled?

Mr. POLZIN. I feel the answer to your question is yes.

Senator SANDERS. Did you want to add anything to that or are you in—

Mr. POLZIN. I will—

Senator SANDERS. Okay. Thank you very much.

The CHAIRMAN. Dr. Roe.

Mr. ROE. I thank the Chairman for yielding, and just a couple things very quickly.

First of all, I want to recognize this empty chair here, POW MIA, those men and women who never have a chance to access any veteran services nor do the KIAs.

[Applause.]

Mr. ROE. Tennessee veterans very quickly hold your hand up so I can recognize you here. If there are any from Tennessee here.

I would like to ask a couple of questions. Thank you. Commander, a couple things. The claims backlog. Obviously one veteran service officer, Jerry Rivers brought to my attention today was in the case of a disabled veteran dying, their spouse sometimes even when everything is filled out correctly, can be up with a year without getting their benefit.

That has to stop. That is something that is so egregious and I didn't know that, and probably none of the Committee Members know that, that if that veteran dies that spouse may wait a year with a completely clean claim.

Have you had that brought up by your membership?

Mr. POLZIN. Yes. Barry, would you like to—

Mr. JESINOSKI. I will take that question. Thank you. Absolutely.

First of all the backlog and the question you ask goes hand in hand obviously, and not until we get the backlog tamed, if you will, until the VA gets it tamed, are we going to really see the kind of progress that we need to with DIC claims as well. Although we do believe that certainly DIC claims should be fast tracked.

And a note about the backlog. It has been created through years of neglect, until recently any way, and years of neglect in VBA funding, training, personnel, and accountability, in addition to the outdated processing systems and methods.

On a good note, sort of, coupled with greatly improved outreach efforts in answer to Chairman Sanders' question, the VA's outreach efforts have improved greatly over the last few years and they are getting better.

But despite the horrendous claims backlog, Secretary Shinseki and the Under Secretary Hickey are moving in the right direction with the VBA transformation efforts and specifically with VBMS. Their efforts are quite frankly unprecedented and very refreshing, and we are very optimistic that the rating accuracy and the timeliness will improve greatly over the next couple of years, and that goes for all claims to include DIC claims.

Record numbers of claims have been completed in the last few years yet even more claims have come in.

But again, with more claims coming, this is more proof that outreach is getting better.

And we believe this is very important for us. We believe without question that should the current transformation effort and/or the VBMS progress be sidelined, that the results will be disastrous.

The results will add exponentially to the backlog and cost hundreds of millions of dollars.

So we ask Congress to be supportive of VBA's transformation efforts and to be patient honestly.

Mr. ROE. Thank you for that. I am going to yield back.

One other thing, just a statement and later, because I want some other folks to have a chance. Have you all noticed any delay in surgery? I know in the VA it is not the quality of care but the delay in care.

One of the things, I know of some orthopedic surgeons who tell me there is a six-month to three-year wait for a hip replacement. That is unacceptable. And I mean, I have had the surgeons tell me that.

So I will yield back my time, and I appreciate the opportunity to be here today with you all and thank you for your service.

[Applause.]

The CHAIRMAN. Mr. Michaud.

Mr. MICHAUD. Thank you, Mr. Chairman.

I have two quick questions. I know your national service organization have been doing a great job with the claims, the VBMS have set up different lanes, they have a fast lane to deal with claims easier.

Do you think that that is a process where your national service folks could, actually whatever they submit, VA accepts and do an audit just on that portion of it or a portion of that fast claim?

My second question is, as we heard earlier the suicide rate number has gone up, 22 a day is the baseline, it is actually a lot more than that.

We heard from Linda Schwartz from Connecticut a couple weeks ago before the Veterans' Affairs Committee on how the VA should do more with community providers in different states and particularly as it relates to the mental health issue. Do you agree that the VA should be doing more in the communities in the rural areas or other state?

Mr. AUGUSTINE. Thank you.

I believe in your first question regarding the segmented lanes is what they are referred to, and we do feel there is benefit in having different types of rating adjudication lanes for different types of cases.

In conjunction with the segmented lanes, the VA is doing something called fully developed claims. If we can bring a claim to them that has all the evidence that is ready to rate, it can be put in the first lane, which is an expedited lane, and they can take a look at the evidence of record and do a rating.

I think it is important to note that every time the VA orders a VA exam, because they need to look at the claim and have it looked at by the VA doctor, it can add 40 to 60 days to the timeframe.

So any time that a claim can be expedited by rating on the evidence of record and for simple claims to go through the expedited process is a benefit to all. The VA, to the claimant, and it gets the claim adjudicated quickly, it gets money in the veteran's pocket to be able to take care of his personal needs and also medical benefits right away.

Mr. VIOLANTE. I will answer the question on the suicide.

Certainly they need to be able to identify those cases much quicker than they are now, and when those individuals come to light, VA or DoD needs to do whatever it takes to ensure that they get that care immediately. Because the problem is not getting them the care immediately and the suicides are increasing.

So identifying them as risks, and then once they are identified, getting them the care they need, wherever that care may be, is what needs to be done.

The CHAIRMAN. Mr. Flores.

Mr. FLORES. Thank you, Mr. Chairman, and Commander Polzin and all of the leadership team with you today thank you. For everyone in the room thank you for your service and for your veterans brothers and sisters all over this country.

Those of you from Texas wave your flags so we know how many we have got. Got a few of them, great. Thank you for being here today.

I wanted to ask you if you could tell us what experience do you have with the TAP program so far and what is your initial feedback and what suggestions for improvement would you offer to us?

Mr. JESINOSKI. Thank you for the question.

First of all, DAV has been involved in various forms of TAP, BDD, Quick Start, all these types of initiatives for many, many, years and so we have a unique perspective on those overall programs.

First of all, we are extremely appreciative of the efforts of these Committees and the leadership shown with the Veterans Employment Initiative passed not too long ago.

We are a little concerned and have been concerned about the level of cooperation between VA and DoD in regards to the new TAP program, and frankly, we don't believe that the problem is on the VA side.

Mr. FLORES. Thank you. And I will yield back the remainder of my time.

The CHAIRMAN. Thank you. Senator Blumenthal.

Senator BLUMENTHAL. Thank you, Mr. Chairman, and thank you all for being here.

You know, I wish you could sit where we are and see this picture. There is an old saying, a picture is worth a thousand words, and let me tell you, this picture is a very powerful statement about keeping faith and leaving no veteran behind. Thank you very much all of you for being here today.

[Applause.]

Senator BLUMENTHAL. I want to ask just one question. Thank you, Mr. Chairman, for giving me this opportunity to ask a question.

I think you focus very powerfully and eloquently on the issue of mental health and particularly the invisible wounds, such as post-traumatic stress or traumatic brain injury whether it is Vietnam veterans or Afghanistan veterans or Iraq war veterans.

Can you perhaps reflect a little bit on how we could encourage veterans to seek these services when they need them, given the stigma that some attach to them, unfairly and inappropriately. How can we encourage these wounded warriors to come forward and seek the services they need and deserve?

Mr. VIOLANTE. It is interesting because it is difficult to get over that stigma. And again, identifying these individuals early on is important. Sometimes they don't recognize they have problems, it is family members and friends that recognize those problems. And educating the family as to what to look for is the first thing.

DAV does a lot of outreach, we try to get the information out there, we try to encourage people that we come across during our services to them to seek the care that is necessary.

But again, identifying individuals up front and encouraging them to get help is important. It is not always easy, but it is something that we continually strive to do.

Senator BLUMENTHAL. Thank you for your work in this area, and if there is anything perhaps our Committees can do to support that educational campaign, broaden it, extend it, expand it, I hope you will let us know.

Thank you, Mr. Chairman.

[Applause.]

The CHAIRMAN. Mr. Coffman.

Mr. COFFMAN. Thank you, Mr. Chairman.

My father was a retired army master sergeant, half of his career was infantry and half of his career was in medicine. I tried to follow his footsteps in the army and later transferred to the Marine Corps, which my late father has never forgiven me for.

But in 1969, I volunteered at Fitzsimons Army Medical Center in Aurora, Colorado where my father retired from on his last assignment. We moved outside the post. And I can remember all the casualties coming in from Vietnam, most of them were amputees from mines and booby traps in the jungles of Vietnam, and the mood was very dark among those veterans. I mean, that as the country became more and more divided about the war in Vietnam they also became more divided about their support for those who fought in the war.

And for those who fought in Vietnam, I want to say something that Americans didn't say when you came home and that is welcome home.

[Applause.]

Mr. COFFMAN. And I just want to say as a first Gulf War veteran, as a Iraq war veteran, I just want to make sure that the men and women that return home from Afghanistan and who have returned home from Iraq are never treated like those who came home from Vietnam. That should never happen again in this country.

Let me just ask you a question about, obviously we are concerned about the rise in suicides among not just the active duty population but also among our veterans. How helpful has the suicide hotlines that are operated by the Veterans Administration been? Can anybody answer that question?

Mr. VIOLANTE. We get mixed reviews on that. In some cases it saves lives, and in other cases it seems that some men and women are falling through the cracks. It is not consistent, and hopefully something can be done to ensure that no one falls through the cracks and no one takes their lives when they have reached out for that help.

But, you know, I can't say one way or the other that it has been consistently helpful. There are cases where it hasn't had its desired results.

Mr. COFFMAN. Thank you.

Well, I just want to close with saying that my experience on this Committee, it is my first year on the House Veterans' Committee, is that in a bipartisan way that the Members of this Committee are dedicated to the proposition that those who fought in defense of our freedom must be afforded the benefits and the health care that they have earned. And God bless all of you for your service.

[Applause.]

The CHAIRMAN. Ms. Brownley.

Ms. BROWNLEY. Thank you, Mr. Chair.

And I too, sitting up here as Mr. Blumenthal said, a picture is worth a thousand words. I actually tack a picture so I can take it home to my district.

But I want to also thank all of you and your families for your service and for your sacrifice and for all of you for your continued service for all of the vets and their families for today and the future. It is so appreciated by all of us and our country.

And I want to thank you, Commander, for your testimony today. And you mentioned the importance of budget oversight in your written testimony, I don't believe you mentioned it here this afternoon. But specifically you talked about the advanced appropriations process and the GAO reporting requirement.

As you know, the reporting requirement sunsets this year and as a consequence, I introduced legislation, H.R. 806 to continue that GAO reporting requirement in the future.

And so my question today is what are the DAV's views on continuing that reporting requirement? How is the GAO report used by the VSO and others when evaluating VA health care funding? And finally, would you say that the GAO report is an important component of insuring that VA health care is adequately funded to meet the needs of veterans seeking that care?

Mr. VIOLANTE. Thank you Congresswoman and thank you for introducing the legislation.

When we were working on the issue, we came to realize that VA's model for determining the costs for medical care was an excellent model and we believed in the model. Unfortunately, we were concerned about numbers that went in or numbers that came out or what OMB might do with those numbers that they didn't like.

And so one of the things we wanted to see was the GAO report, for them to look at what happened with the modeling and how that was handled.

And unfortunately what we saw in the initial reports was just as we thought, that OMB tinkered with those numbers.

So we believe that continuing to look at what VA is doing or what the administration is doing with those numbers is an important element.

We would also like to see GAO dig a little deeper into what is going on with the process. Because all we are looking for, all we are interested in, is getting VA the money that it needs to care for the men and women that are coming to them for their services. We don't want more, we don't want less, all we want is the correct

numbers to ensure that the men and women have the proper access and the quality health care that they deserve, and we believe that this GAO report is an important part of that.

The CHAIRMAN. Mr. Wenstrup.

Mr. WENSTRUP. Thank you, Mr. Chairman, and thank you all for being here today.

I have to say that you are the absolute model of service above self, and your giving on behalf of others with your time and all of your efforts.

And as a physician and surgeon in the army reserve who has served in Iraq and who has seen the visible wounds as well as the invisible wounds, I shutter to think how many people would go without any care at all if it weren't for your work.

I have no questions for you, I just want to say thank you very much.

[Applause.]

The CHAIRMAN. Mr. O'Rourke?

Mr. O'ROURKE. I would also like to begin by thanking you for your service and then I have a specific question to the disability claims backlog.

As we know in 2009 it was 300,000, since then we've added thousands of additional claims processors and thousands of additional employees to the VA system and now that backlog stands at over 900,000.

And I understand there are new systems to be implemented and I understand that some additional patience is in order, but the more than 80,000 veterans that I represent in the El Paso area in far west Texas have grown very frustrated, very understandably so.

And so my question to you is your comments or feedback on an idea that has been raised in this Committee before, which is that we accept disability claims on their face much the way we accept IRS tax returns and blind audit a certain percentage of them. And the logic seems simple and fair enough to me. If we trust you to put your life on the line in service to this country, when you come back and ask us for our assistance and for the benefits that you are owed and have earned, we should be very effective and responsive in returning those to you.

So I would like to get your comments on that, Commander.

Mr. VIOLANTE. Thank you.

We have concerns with that type of approach, only because unlike the IRS that knows how much I make, a claim for disability, go from 10 percent to 100 percentage and multiple disabilities combined. It is a difficult process to treat it like the IRS.

What we would like to see is what VA is doing now and what Mr. Augustine talked about earlier, and they have these lanes now and hopefully we can get those claims that are easy into the fast track, those that are fully developed into another fast track.

We believe there are other ways to deal with it that are easier to handle than the IRS model.

Mr. O'ROURKE. Thank you, I yield back.

The CHAIRMAN. Mr. Cook.

Mr. COOK. Thank you, Mr. Chairman, I am going to be very, very quick.

As a veteran myself and full disclosure, I am also a marine, so all the army folks can boo.

You know, I don't have a question, but all I want to say to you is right now we have a collective band of warriors right now, and your job is to make sure that you take care of those people who are your fellow warriors. That person on your right flank, that person who went into combat with you that served with you, and pressure us and other politicians to make sure they are never forgotten. You are going to be the vanguard, you are going to cross the line at departure, so carry out the battle warriors. And thank you for being here and carrying on the fight.

[Applause.]

The CHAIRMAN. Command Sergeant Major, Mr. Walz.

Mr. WALZ. Well, thank you, Mr. Chairman. Mr. Commander, Ms. Adams thank you.

To the Minnesotans that are here, that is what happens to snow when it gets warm, that is going on outside just so you know. So it does happen once in a while.

I also noticed one of your constituents raised their hand, former national past commander Jim Sursely. We claim him as a Minnesotan, but like most of my constituents they end up yours when they get older, so Jim, good to see you.

I too have nothing to add other than my thanks. I would say this, that everyone of you, myself included, you remember when you took that oath of office and when you reenlisted. We take the same one, duty, honor, country. Nowhere in there says party, nowhere in there says bickering, nowhere in there is the idea that one side wins. We know what happens there. When only one side wins when we are up here, the American people lose, and I think it is really, really important the policies you are putting in place are well thought out. We need to get them through, but I think the biggest thing you do when you come here is demand that we conduct ourselves in a manner that is reflective of those who gave so much to allow us to self-govern. Anything less than that is a stain on the spirit of what they did, and I think that is the important thing that you can continue to push for. We will get the policies right. You got great leadership up here, you have got a great leader sitting right there, and we can continue to do what is right.

Thanks for being here.

[Applause.]

The CHAIRMAN. Mr. Denham.

Mr. DENHAM. I will be very brief as well. Just two quick questions that can be answered later.

First of all, the veterans' disability for life memorial what the current status of that is.

And then secondly, a number of us have visited different facilities around the world looking at the opportunity to get the Department of Defense to actually get full certification of a disability before members leave active duty so they don't end up in the backlog as soon as they get home.

And would ask not only for your comment on that, but your suggestions on how we can immediately get that fixed.

If you have been injured on active duty there should be no question, that disability should be quantified immediately before you

leave active duty and we have no reason to see any further hold ups on that.

And with that I am a Gulf War veteran myself, had many family members injured in battle, and I am here fighting with you.

Thank you.

[Applause.]

The CHAIRMAN. Thank you, Mr. Denham.

Ladies and gentlemen, we have 30 seconds for House Members to get to the floor for a vote so we are going to be moving rather quickly as we depart, but I want to thank everybody for coming today, thank you, sir, for your testimony, we certainly appreciate you and your Washington staff.

And particularly, I want to ask unanimous consent that all Members would have five legislative days with which to revise and extend their remarks and include any extraneous material. Without objection so ordered.

With that this hearing is adjourned.

[Applause.]

[Whereupon, at 3:18 p.m., the Committee was adjourned.]

## A P P E N D I X

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### Prepared Statement of Chairman Jeff Miller

The Committee will come to order.

Good afternoon.

It is my privilege to welcome you to today's joint hearing of the house and senate Veterans' Affairs Committees to receive the legislative priorities of the Disabled American Veterans (DAV).

Before we get started, we have one small bit of housekeeping.

In the interest of time and in keeping with the tradition of these hearings, after hearing from myself, Chairman Sanders, Ranking Member Michaud [me-show], and Ranking Member Burr, I would like to ask all other Committee Members to waive their opening statements.

There will be an opportunity for remarks following today's testimony.

Hearing no objection, so ordered.

It is a true honor for me to be here this afternoon with so many DAV members.

Each of you sacrificed selflessly in service to our country in uniform and each of you continue to sacrifice selflessly out of uniform through your work in the DAV.

On behalf of a grateful Nation, thank you all for your time this afternoon, for the many charitable endeavors you undertake through the DAV, and for your brave and honorable service to our Nation.

I want to extend a special welcome to your national commander, Mr. Larry A. Polzin [poll-zin], a service-connected, vietnam-era veteran and a career DAV employee.

Sir, thank you for your years of service, for your leadership, and for your attendance today.

I also want to welcome Ms. Donna M. Adams, the National Commander of the DAV auxiliary.

Ma'am, thank you for being here and for all of the good work that the auxiliary does for our veterans.

Finally, I would like to recognize the DAV members from my home state of Florida who are in our audience today.

Each of you is a credit to our community and I am proud to have you here in our Nation's capitol.

On behalf of all our neighbors in the sunshine state, I thank you for your service and your sacrifice.

As I mentioned earlier, we are also joined here today by Chairman Sanders, Ranking Member Michaud [me-show], and Ranking Member Burr as well as Committee Members from both the house and the senate.

I want to extend an especially warm welcome to my friend and colleague from Vermont, Bernie Sanders, who joins us today as the new Chairman of the Senate Veterans' Affairs Committee.

Sir, I am glad to have you here and I look forward to working very closely with you to support our veterans and improve the health care and benefits provided to them through the department of veterans affairs.

Commander Polzin [poll-zin], our work begins with your testimony today and, after reading your written statement, there can be no doubt that you have much to be proud of.

Due to the hard work and dedication of DAV's one point four million members, veterans are provided with professional benefits counseling and claims assistance; transportation to and from VA health care facilities; transition assistance services; and on-site care at military treatment facilities, at VA medical centers and clinics, and at home.

That is just to name a few of the many programs and services DAV provides each day.

I have witnessed many of these efforts firsthand and am personally grateful to each of you for the hard work DAV does across the country.

I am also grateful for the hard work DAV does right here in Washington.

In my two years as Chairman - hand-in hand with DAV and our other veterans service organization (VSO) partners - we have:

- reduced veteran unemployment and provided retraining assistance benefits to ninety-nine thousand unemployed veterans;
- ensured the safety of veteran patients and VA employees by strengthening protections against sexual assault and other safety incidents at VA medical facilities; and,
- conducted close oversight of VA's disability claims process, major and minor construction programs, and mental health care system.

Throughout these efforts and many more, DAV's support, advice, and encouragement have been invaluable.

However, our work together has just begun.

I would like to ask for your support in advancing a bill - H.R. 357, the GI bill Tuition Fairness Act of 2013 - that I have introduced with Ranking Member Michaud [me-show].

Anyone who has put a son or daughter through college is painfully aware of the rising cost of tuition, especially for out-of-state colleges and universities.

Our student veterans are not immune to these increases.

When someone joins the military, they do not swear to defend their home state; they swear to defend all fifty states.

This legislation would offer public colleges and universities a choice: either charge veterans in-state tuition rates or no longer be eligible to enroll student veterans under the GI bill.

It is time that public colleges and universities stop balancing their budgets on the backs of student veterans and I am hopeful that you will join in this effort.

Another area where I know we agree concerns the importance of the advance appropriation process.

Seemingly endless continuing resolutions and the near-constant threat of government shutdown appear to be new facts of life surrounding our budget process.

In 2009, we instituted advance appropriation for three VA medical care accounts to protect our veterans' health care from being negatively impacted by Washington's budget stalemates.

However, other VA accounts continue to be funded through the regular appropriations process and the logjam that all-too-often entails.

We cannot allow our veterans and the programs that serve their needs to be threatened when Washington can't do its job.

Your written statement calls for congress to extend the protection advance appropriation provides to these other accounts and I am proud to announce here today that I have introduced legislation to make that happen.

This week, in particular - with sequestration looming large in all of our hearts and minds - illustrates the urgent need for this action.

Due to this Committee's persistent oversight, the administration has made it clear that VA is exempt from the automatic budget cuts set to take effect this Friday and our veterans and their families can be assured that the health care and benefits provided to them through VA will not suffer through sequestration.

For that, I am grateful.

However, there can be no doubt that we find ourselves in a time of great difficulty, with ongoing conflicts persisting across the world and undeniable calls for fiscal restraint here at home.

In times like these, the work of organizations like DAV has never been more important.

There is great work ahead of us and I am confident that there are great accomplishments as well.

Together, there is no challenge we can't meet on behalf of our veterans.

Thank you all once again.

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### **Prepared Statement of Hon. Michael H. Michaud**

Good afternoon, and welcome Commander Polzin. We thank you and the membership of DAV for not only your military service, but your continued service to our country as veteran advocates. Our Nation has a "sacred trust" with all veterans - a national promise to care for and stand up for those who have served and sacrificed. You fulfill a vital role in the "community of support" America provides its national heroes.

I want to welcome those of you in the audience who are here from Maine. I see several familiar faces - it's great to see you all.

Commander, I would like to extend my compliments to your DAV Washington staff. Their tireless advocacy on behalf of your members and all of our veterans helps push important issues facing veterans and their families to forefront of our national debate.

The *Independent Budget* produced by DAV and others continues to be invaluable—as we consider the difficult budgetary and policy issues that confront us this year. It serves, as it has for the past 25 years, as an important voice on the issues that matter the most to you, and a vital resource for us up here.

As you know, the Administration has delayed the release of its FY2014 budget proposal. While VA programs are spared from the effects of sequestration, that does not mean that veterans will be left unaffected. Veterans could lose extended unemployment insurance as well as face cuts to the critical Transition Assistance Program (TAP) to name just a few.

In addition, all of our citizens will face the effects of sequestration in their States and localities.

The VA is at a crossroads, and many important decisions will need to be made as we look toward the future. Working with you, and the VA, we will make sure that these choices are both fiscally responsible and in the best interest of veterans.

I look forward to your testimony today, and again thank you for your organization's years of service to our veterans.

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### Prepared Statement of Larry A. Polzin

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

It is indeed an honor and a privilege to appear before you today to present the legislative and policy agenda of DAV (Disabled American Veterans) for the coming year. At the outset, I want to welcome the many new Members of Congress, and to thank all the returning Members of these Committees on behalf of the more than 1.4 million members of DAV and our valued Auxiliary for the support you have given wounded, injured and ill veterans and their families and survivors.

DAV also wants to recognize our former Senate Committee Chairwoman Murray for her Committee leadership and her devotion to veterans' care. From her advocacy in improving mental health, to meeting the needs of the severely disabled and their family caregivers, to addressing the deficits in programs of care for women veterans, to maintaining the adequacy of VA's budget and overseeing VA's work, Chairwoman Murray applied a steady hand while accomplishing her goals and achieving the national goals of DAV. Although we will miss her leadership as our Chairwoman, we are very pleased that Senator Murray will remain an active Member of this important Senate committee as she takes the reins as Chairwoman of the Budget Committee. We at DAV want Senator Murray to know the high esteem in which we hold her and the work she did in this leadership position.

We also welcome Senator Sanders to the Chairmanship. He has been a valuable Member of the Committee since his election to the Senate, and we are confident Chairman Sanders will continue the record of service and support for America's wounded, injured and ill veterans, along with the return of Ranking Member Senator Burr. DAV also welcomes back Chairman Miller to his leadership position on the House Veterans Committee. Congratulations go out to Ranking Member Michaud on his election to his leadership position.

We believe that the interests of veterans will be well protected with the dedicated leadership on these Committees.

On a personal note, I want to let the Committees know at the outset that I am a service-connected, Vietnam-era veteran of the United States Marine Corps. I was assigned to the 1st Engineering Battalion, 1st Marine Division.

Messrs. Chairmen, my friend Don Samuels, my immediate predecessor as National Commander and I share an experience that most other DAV National Commanders do not: following our own military service we both became career DAV employees, and we both retired from those full-time jobs. Working as a National Service Officer (NSO) I represented or supervised others representing tens of thousands of veterans before the government to ensure their rights and benefits were protected. I personally spent 25 rewarding years working for DAV in this capacity, and similar to immediate Past Commander Samuels, only after that time did I began working on the fraternal side of this great organization. Following my retirement from the DAV professional staff I became active in the California Department of DAV, serving in several line positions including my election as Commander, Depart-

ment of California, in 1996. I have also been privileged to serve with others at the national level of DAV as a member of our National Executive Committee, and I have played additional roles on other key DAV committees at the department and national levels.

As an NSO I saw DAV from the inside-out, and as a National Commander I have helped shepherd DAV's work from the outside-in. DAV is not only a sentinel to ensure veterans' needs are respected and protected, but DAV maintains its primary focus on service, a mission we hold very dear. In this time of federal deficits and national debt, DAV is able to accomplish a very optimistic mission while not relying on the government for any funding at all – in fact we do not accept federal funding as a firm policy, but depend solely on the charitable generosity of the American people and corporate supporters. DAV is now 93 years strong; the American people have seen our value and are openly willing to continue supporting DAV and our work.

As a consequence of all of this experience within and around this great organization, I feel I gained a unique insight on DAV's goals, understand the logic of our focused mission, and know with certainty why DAV is a national asset.

As part of our mission we strongly support and supplement the work of the Department of Veterans Affairs (VA) through many of our programs. VA provides vital services in health, benefits, housing, insurance, employment, and many other services too numerous to detail here to the men and women who served our nation. Over the past several years we seem only to hear the negative stories related to VA, such as, "I have waited so long to get my disability claim decided," or "it took me weeks to get a health care appointment." DAV recognizes the flaws in the system, and we work hard to identify and correct them, but it is important for us to remember that the Veterans Health Administration (VHA) employs hundreds of thousands of dedicated staff who provide high-quality health care services to millions of veterans each year and saves the lives of veterans every single day; and VA's benefits arm improves the quality of life of every veteran who touches VA.

Messrs. Chairmen, from time to time we hear stories that suggest VA may be a "9:00 to 5:00" operation. I suppose it may be true in some cases where misunderstandings occur, or mistakes are made, but let me take a moment to relate a personal experience of mine that gave me a very different impression of VA and a very happy outcome for me and my family. Last June I was in Pittsburgh with fellow DAV members to attend the DAV Department of Pennsylvania state convention. When my convention duties were done, my wife and I had an early Sunday morning flight back to our home in California. Long before dawn, we were up and packed. As we made our way down to the hotel lobby with our luggage I became acutely ill. I was suddenly dizzy, disoriented, and unable to control my legs or even keep my balance. Frankly, I thought I might be having a stroke or heart attack. The next thing I knew, I was in an emergency vehicle headed to a hospital. The EMT attending to me in the vehicle knew I was a veteran and asked if I preferred to be taken to the local emergency room or the Pittsburgh VA on University Drive. I learned later that Pittsburgh is one of several cities that allow veterans to choose VA for emergency services rather than other designated emergency receiving hospitals. Since I am enrolled at the Greater Los Angeles VA, and for many years have been highly satisfied with my care there, I told him to take me to the VA.

I had never been in the Pittsburgh VA facility or to any VA hospital in an emergency at 6 o'clock in the morning. On arrival at the University Drive facility, and not knowing what to expect so early Sunday morning, I was met by a team of VA physicians, nurses and technicians. After their quick but thorough assessment, blood work, X-rays, and scans, a young female physician informed me I suffered from two blood clots in my lower abdomen and leg, and that I needed surgery immediately. Of course I consented and was taken to the operating room shortly thereafter. By 11 o'clock that morning, I was in a state-of-the-art recovery room coming out of anesthesia, and I was fine. I truly believe those staff on duty at the crack of dawn that June morning saved my life. By the end of that week I was back on my feet and headed home to California; grateful that VA was there when I needed lifesaving emergency care, even on a Sunday morning.

So Messrs. Chairmen and Members, I hope that when someone says to you that VA is only a "9:00 to 5:00" operation – that veterans need not try to apply for care at night or on weekends – please recall my story, which I am certain is repeated many thousands of times a year at VA facilities all over this country. I received care from VA that morning that was second to none; care that saved my life. Without hesitation I would recommend VA health care to any veteran.

### **VA HEALTH CARE: A LIFESAVING HEALTH-MAINTENANCE RESOURCE**

The nation needs to sustain a viable health care system for the lifetime of care that will be needed by thousands of wounded, injured, and ill veterans from current and prior wars. The federal resources provided to VA must be sufficient to meet the specialized needs of wartime veterans who suffered polytrauma, traumatic brain injury (TBI), amputations, blindness, burns, spinal cord injury, mental health challenges, and other terrible conditions brought on by war. Also, we must ensure that VA is prepared to handle the influx of new veterans streaming into the health care and benefits administrations while continuing to care for previous generations of wartime veterans.

Wartime service members, like many generations of veterans, enlisted in our military services for the good of the nation, to advance the liberty of strangers in foreign lands, protect our freedoms at home, and to keep our nation strong. The men and women who serve and their families make great sacrifices during military service and, for many, those sacrifices continue throughout their lives. They are put in harm's way because of the actions and decisions of our government; therefore, Congress and the Administration are responsible, morally and legally, for the well-being of veterans, their families and survivors. In our current overseas wars, more than 6,600 military personnel have died from wounds, illnesses, and accidents in Iraq and Afghanistan, and hundreds of thousands of service members have been wounded in action, became disabled, or made seriously ill as a result of their service to our nation. After coming home, almost 700,000 of these veterans have appeared in VA facilities for health care or other attention. The men and women of DAV will continue to fight to ensure that our government fulfills its promises to them and to generations to come.

Messrs. Chairmen, DAV and the veterans we represent are grateful for the support that your Committees and Congress have provided to the VA health care system. VA has received substantial annual funding increases for its health care programs for a decade, and more importantly, VA has become one of the highest quality health care systems in the world. Yet, despite VA's successes, access problems continue to confront many veterans seeking care for certain conditions and at certain locations.

We call upon these Committees to vigorously provide oversight of VA to ensure that it is properly carrying out its mission to our nation's veterans and to their families and survivors. DAV wants funds provided by Congress to be used effectively by VA for direct medical care and support services, and not wasted or squandered. We remain committed to working with Committee Members and staff to report our concerns when we sense problems and to work with you to find solutions so that veterans may be better served.

The VA health care system, the VHA, is the largest direct provider of health care services in the nation. Many DAV members rely solely on this system for their life-long care. Providing basic and specialized services is an integral component of VA's core mission of providing comprehensive veteran-centered health care. VHA conducts veteran-focused research and has developed expertise in the areas of blind rehabilitation; TBI; prosthetics services for veterans with limb loss; spinal cord injury/dysfunction services; post-deployment mental health challenges, such as post-traumatic stress disorder (PTSD); and war-related polytrauma injury care.

As DAV members we vigorously defend this unique system developed to care for those who have served our nation and its citizens. Each year we advocate for sufficient, timely, and predictable funding for VA to ensure it has the resources to fully carry out its mission and to protect, enhance, and strengthen the system that provides care to over six million veterans annually. We recognize and applaud the continued oversight by your Committees to improve the system and to ensure resources provided are spent wisely and focused on direct patient care. We fully support you in those efforts and want to do our part to help ensure a sustainable system for current and future generations of veterans who will need VA.

### **DECADES OF CHALLENGES AHEAD**

There is no shortage of challenges for VA in the upcoming decades. VA confronts a rapidly aging health care capital infrastructure; rising long-term care needs of our declining World War II and Korean War veteran generations; an aging Vietnam-era population; and a new generation of war veterans returning home from Iraq and Afghanistan with long-term polytrauma, TBI, and significant post-deployment mental health needs, among other challenges. We must ensure barriers to care and delivery delays in benefits are minimized and that veterans who need VA services receive the basic and specialized services they need; when and where they need them.

VA is making significant strides in both the Veterans Benefits Administration (VBA) and VHA to improve benefits delivery and health care services, respectively,

and DAV applauds those efforts. Unfortunately, we have a new generation of war veterans streaming into the system now, an alarming suicide rate in the military and veteran communities; increasing rates of women veterans enrolling in VA, especially those in childbearing years; and significant new demand for specialized post-deployment mental health services and for more timely and accurate disability claims decisions. These pressures almost create the “perfect storm,” and VA will have little choice but to attempt to respond to all of these forces coming together. Your support of VA can and must guide the success of those efforts.

#### **THE FISCAL YEAR 2014 INDEPENDENT BUDGET, BY VETERANS FOR VETERANS**

As of today, Congress has yet to receive the Administration’s fiscal year (FY) 2014 budget request. We understand its delivery may be delayed until March, or possibly later. Nevertheless, we urge your Committees to closely monitor VA’s current medical care program funding to ensure VA has received sufficient funding for the remainder of this fiscal year, and to carefully examine the VA’s budget proposal when it is released for the FY 2014–15 periods, to be sure that the government continues to provide sufficient, timely, and predictable funding for VA health care to meet its obligations to our nation’s heroes.

In absence of the Administration’s budget request for FY 2014, DAV and our *Independent Budget* (IB) co-authors (AMVETS, Paralyzed Veterans of America, and Veterans of Foreign Wars of the United States) are calling for \$58.8 billion in VA Medical Care funding. For Medical and Prosthetic Research, the IB requests a funding level of \$611 million. The IB recommends approximately \$2.8 billion for VA’s General Operating Expenses. For total construction programs, the IB recommends \$2.3 billion, \$1.1 billion for major construction programs, \$1 billion for minor construction projects, and \$151 million for VA grants to state veterans homes and state veterans cemeteries. DAV and its IB co-authors recommend a total discretionary funding level of \$68.4 billion in FY 2014. More detail on our recommendations for both policy and budget matters can be found at [www.independentbudget.org](http://www.independentbudget.org). Our staffs stand ready to provide you additional or clarifying information on our concerns about the budget, and we hope to testify soon before your Committees on these issues.

#### **CRITICAL INFRASTRUCTURE NEEDS GO UNMET**

We are deeply troubled by VA’s continuing failure to adequately address its enormous unmet needs in health care infrastructure. The Government Accountability Office (GAO) reported last June that the FY 2013 advance appropriation would cut VA’s non-recurring maintenance expenditure by \$1.3 billion and reduce equipment purchases by \$400 million. In addition, VA’s FY 2013 budget request for major and minor construction combined was only \$1.1 billion, \$2.6 billion less than the IB recommended last year. Our recommendations for infrastructure funding were based directly on VA’s own analysis and estimates of its capital infrastructure needs. Although Congress has funded a significant number of new VA major medical facilities in recent years, the vast majority of existing VA medical centers and other associated buildings on average are more than 60 years old. Aging facilities create an increased burden on VA’s overall maintenance requirements and add even more routine operational costs. Unless Congress effectively responds by approving additional capital funding, we fear that VA’s declining infrastructure will adversely affect quality of care and efficiency of operations and risk a diminution of the care and services provided to wounded, injured, and ill veterans.

Last summer, VA released an Appropriations Committee-directed study of its infrastructure needs in its research facilities. The study was conducted and reviewed by outside experts. The report of the study concluded VA needed almost \$800 million to upgrade, restore and, in some cases, replace research facilities in over 100 VA academic health centers. VA has made no public statements with respect to this report or its intentions to address these deficits. We eagerly await the Administration’s budget to determine if VA intends to begin the restorative process and address, at minimum, the most urgent needs identified. The IB recommends Congress appropriate \$50 million in FY 2014 for up to five replacement research facilities, and \$175 million to aid in maintenance and repair of the most pressing of these priorities.

#### **THE GOVERNMENT FISCAL POLICY STALEMATE CANNOT BE SOLVED ON THE BACKS OF VETERANS**

The current fiscal climate seems concentrated primarily on reducing spending across domestic agencies. DAV members are extremely grateful for this nation’s generosity and for the benefits available to those who have suffered injury or illness during their military service; however, we are deeply disturbed to hear of even a

possibility of delay in receipt of wounded and injured veterans' disability compensation benefits or any lost access to VA health care. DAV believes delay means denial, and we will not stand idly by and allow this to happen. During this session of Congress there will surely be tough choices and decisions to be made by Members in both Chambers and by the President, but we ask each of you and this Congress as a whole to stand up for our nation's veterans, take the appropriate actions you must, but remember to keep the promises you have made to the men and women who served.

Reductions in VA funding and personnel could have devastating consequences on the lives of our nation's veterans and their families. Therefore, we ask the Members of these Committees to make doubly clear to the Administration, Congress and the American people that veterans have paid their debts in advance, and made their contributions with military service to this country, and should not be forced to settle for an inferior VA that struggles to meet their needs.

Messrs. Chairmen, America's veterans, more so than any other group, have lived up to their responsibilities by putting their lives on the line in defense of our country and its cherished ideals. We are willing to sacrifice for the good of our nation, as long as that sacrifice is shared by one and all. And no one knows more about sacrifice than those who were wounded or injured serving in our nation's military forces, and their loved ones who must care for them thereafter – exemplified by the very men and women seated before you today.

Just as America's citizens have responsibilities to the nation, America's leaders and policy makers have responsibilities to our nation's citizens. Today, this concept of shared, mutual responsibility lies at the very heart of the ongoing debate about the size and scope of the federal government. As an organization that provides services at no cost to veterans and their families and survivors, or to the government, DAV understands that government cannot be all things to all people. Regardless, there can be no question that it is, and must always remain, the primary responsibility of the federal government to care for our nation's veterans, their families and survivors, and in particular those who were wounded, injured and made ill consequent to that service. That responsibility begins right here in this room, with the Members of these Committees.

#### **BUDGET GIMMICKS AND ADVANCE APPROPRIATIONS**

In last year's FY 2013 budget submission, VA requested an authorized level for Medical Care of \$55.7 billion, compared to DAV's and the *Independent Budget's* recommendation, \$57.2 billion, leaving a shortage of \$1.5 billion. While VA's year-to-year request for VA health care was more than most federal programs received in the Administration's entire FY 2013 budget submission, it extended a recurring theme in funding practice that has seen annual increases trending down from 10.2 percent in FY 2010 to 7.2 percent in FY 2011 to 5.0 percent in FY 2012 to 4.3 percent in FY 2013 and now down to 3.3 percent for the pending FY 2014 advance appropriation level. While there are certainly many possible factors to explain this spiraling down of VA health care funding growth, careful scrutiny is merited when continuing reports from around the country suggest that veterans are experiencing growing problems accessing VA health care; that VA medical centers and clinics are deferring equipment purchases; holding off maintenance contracts; and delaying procurements; and that VA facilities have placed "unofficial" hiring freezes into effect. In this environment, it is imperative that VA's base medical care funding level be carefully examined to determine whether it is sufficient to meet both known and projected demand.

Moreover, when we reviewed details underlying VA's FY 2013 funding request last year, some of the same recurring gimmicks appeared once again, such as the practice of relying on "operational improvements" or "management efficiencies" to reduce the actual funding needed based on workload expected. VA's last four submitted budgets, including those for advance appropriations, have relied on undocumented and mostly unrealized future "savings" that have swelled in budget requests from \$1.1 billion in FY 2011 to \$1.4 billion in FY 2014. We have no reason to expect a different approach will be taken in the coming FY 2014–15 budget request of the President.

The GAO last year issued a report (GAO–12–305) that examined VA's methodology for estimating and tracking "savings" and confirmed our concerns that there were significant problems in how these calculations were made and documented. GAO found that only two of VA's six proposed "operational improvements" contained in the FY 2012 budget were reasonable in terms of the premises of their formulation.

This GAO report echoed similar GAO reports (GAO–06–359R and GAO–06–958) delivered to Congress in February 2006 after a budget crisis in 2005 had forced VA

to make two supplemental requests for almost \$3 billion in additional medical care appropriations for FY 2005 and FY 2006.

Unfortunately, it has become apparent that VA and OMB are once again using projected improvements or efficiencies to reduce appropriations requests, which the Independent Budget co-authors and GAO have concluded could lead to future funding shortfalls. In its report to Congress last June (GAO-12-689) after reviewing the Administration's FY 2013 and FY 2014 advance appropriations budget submissions, GAO concluded that, "... VA estimated savings for fiscal year 2013 using the same methodologies it used in the past, some of which GAO previously found lacked analytical support or were flawed." In addition, GAO reported that, "... VA's fiscal year 2013 estimate for NRM [non-recurring maintenance]—\$710 million—does not appear to correct for the long-standing pattern where VA's NRM spending exceeds VA's NRM estimates." In conclusion, GAO stated that, "Until these issues are addressed, VA's estimates of NRM and operational improvements may not be reliable and are of limited use for decision makers."

We share GAO's concerns about whether such "savings" will in fact be achieved or verified. Should such savings not materialize, the resulting shortfall will undercut VA's ability to provide health care for all veterans seeking such care.

#### **CONGRESSIONAL BUDGET OVERSIGHT IS ESSENTIAL**

DAV also believes that Congress must provide aggressive oversight of any revisions to the Medical Care estimates for FY 2014 and future years that differ from those previously submitted or approved as advance appropriations. We have serious concerns about whether the Administration is properly reviewing prior year advance appropriations estimates. For the second year in a row, the Medical Care revision was virtually identical to the previous year's advance appropriations request despite VA's having another year's worth of updated data to review. We are also concerned about the continued trend in VA of revising downward the medical care collections estimates. In its FY 2012 budget submission, the Administration projected collections of approximately \$3.3 billion for FY 2013; however, last year that estimate was revised down to approximately \$3.0 billion, a net loss to the system of \$300 million in health care funds.

In order to ensure sufficient and timely funding for veterans health care, Congress needs to strengthen oversight of the advance appropriations process. Under the provisions of P.L. 111-81, the GAO was required to study and report on the Administration's VA medical care budgets submitted in 2011, 2012 and 2013. In each of these years, GAO reported significant findings that Congress has received and should be considering in determining VA health care funding levels and the accuracy of VA's Enrollee Health Care Projection Model that underlies its budget projections. In order to continue gaining access to such valuable information, we ask Congress to immediately assign GAO to undertake a similar study for the FY 2014 budget cycle, and to enact legislation this year to permanently authorize the GAO reporting requirement.

While Congress has statutory authority to enact advance appropriations for VA health care, Congressional budget rules generally prohibit advance appropriations and require that a budget waiver be approved for each year in which any advance appropriations are made. While Congress has provided waivers against points of order for each of the past three budget cycles, in order to ensure that advance appropriations for VA health care continue in the future, Congress should amend the Congressional Budget and Impoundment Control Act of 1974 to provide a permanent waiver against points of order for any advance appropriations provided to the Department of Veterans Affairs.

#### **ADDITIONAL VA ACCOUNTS SHOULD BE ADVANCE-APPROPRIATED**

Finally, although advance appropriations policy for VA medical care funding has been successful in helping the VA health care system operate more efficiently and rationally during unrelated budget stalemates, other VA accounts have gotten snared in budget paralysis. Particularly in the light of ongoing disputes over the coming effects of sequestration, debt ceiling extensions, and potential government shutdowns, we believe Congress should consider expanding the advance appropriations process to the remaining VA appropriations accounts. For example, although VA medical care funding may provide assurance that a new outpatient clinic will open without delays because appropriations are available to support it, the fact that VA's IT funding is still provided through the regular annual appropriations process can mean that computers or other IT systems on which all VA facilities rely might not be available until Congress completes work on the regular appropriations acts. Similarly, some of the funding for VA's Medical and Prosthetic Research program directly contributes to excellent clinical care and supports VA's affiliation relation-

ships with over 100 schools of medicine and other health professions, but it is funded apart from medical care advance appropriations, so that program is subject to budget stalemate as well. Moreover, the funding for VA construction accounts, providing VA capital infrastructure and large investments in facilities improvements, would be more efficient and cost effective if it were provided through advance appropriations. Finally, the Veterans Benefits Administration's ability to address the backlog of pending claims and transform itself into a modern 21st century organization is being hindered by the predictable annual budget fights and seemingly endless continuing resolutions. Given the universally recognized success of advance appropriations in VA health care, Congress and VA should determine whether some or all of the other VA appropriations accounts should be managed through advance appropriations.

#### **CONTINUING RESOLUTIONS DO NOT CARE FOR VETERANS**

Messrs. Chairmen, as you well know, once again last year Congress failed to fully complete the appropriations process for FY 2013 in regular order, instead choosing to fund the federal government through a six-month continuing resolution, whose authorization period ends next month. As a result of the enactment of advance appropriations the prior year; however, the VA health care system is generally shielded from the overdue process.

DAV remains concerned that VA health care spending in the second half of FY 2013 may be negatively impacted by the next continuing resolution if the FY 2014 advance appropriation issue is not resolved soon. The unacceptable manner in which the advance appropriations funding was handled in last year's continuing resolution only deepens our concern.

#### **EXPANDING MENTAL HEALTH CARE SERVICES**

Chairman Miller, you recently endorsed a VA-TRICARE outsourcing alliance to serve the mental health needs of newer veterans that VA is, admittedly, struggling to meet today. Having offered little to bolster the confidence of DAV's members and millions of other veterans and their families that mental health services are, in fact, being effectively provided by VA where and when a veteran might need such care, we urge VA to work with the Committee to ensure that, if mental health care is expanded using the existing TRICARE network or some other outside network, veterans must receive direct assistance by VA in coordinating such services, and the care veterans receive must reflect the integrated and holistic nature of VA mental health care.

When a veteran acknowledges the need for mental health services and agrees to engage in treatment, it is important for VA to determine the kind of mental health services needed and whether the most appropriate care would come from a VA provider or a community-based source. This type of triage is crucial, because effective mental health treatment is dependent upon a consistent, continuous-care relationship with a provider. Once a trusting therapeutic relationship is established between a veteran and a provider, that connection should not be disrupted because of a lack of VA resources, a local parochial decision, or for the convenience of the government.

Moreover, it is imperative that if a veteran is referred by VA to a community mental health resource we would insist the care be coordinated with VA. Because of a high degree to which this particular patient population also has difficulties with physical functioning and general health, these patients will very likely need other health services VA is able to provide. A critical component of care coordination is health information sharing between VA and non-VA providers. Information flow increases the availability of patient utilization and quality of care data and improves communication among providers inside and outside of VA. Not obtaining this kind of health information poses a barrier to implementing patient care strategies such as care coordination, disease management, prevention, and use of care protocols. These are some of the principal flaws of VA's current approach in fee-basis and contract care.

#### **THE VITAL NATURE OF DISABILITY COMPENSATION**

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

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

As the House and Senate address the major challenges facing our nation, we urge you to continue focusing on the unfinished work of reforming the veterans' benefits claims processing system. For DAV and many other veterans organizations, ensuring that disabled veterans and their dependents and survivors receive all the benefits they have earned, without undue delay, remains among our highest legislative priorities for 2013.

#### **REFORM: THE ENORMOUS CHALLENGE OF DISABILITY CLAIMS**

The problems plaguing the VBA claims system are well known: the number of claims filed each year is growing, as are the number of issues presented in each claim; the complexity of claims filed is increasing; the backlog of claims pending is staggering; and the quality of the claims decisions remains far too low. Over the past dozen years, the number of veterans filing claims for disability compensation has more than doubled, rising from nearly 600,000 in 2000 to over 1.4 million in 2012; and this year VBA expects to receive another 1.4 million claims. Yet despite the hiring of thousands of new employees, the number of pending claims for benefits, often referred to as the backlog, continues to grow.

While attention remains focused on the size of the claims backlog, it is important to recognize that eliminating the backlog does not necessarily reform the claims processing system, nor does it guarantee that veterans will be better served by VA. The backlog is a symptom, not the root cause of VBA's claims processing problems. In order to achieve real and lasting success, the VBA must remain focused on creating a claims processing system that is carefully designed to decide each claim right the first time.

As of February 9, 2013, there were 899,242 pending claims for disability compensation and pensions awaiting decisions by VBA. Compared to four years earlier, that is an increase of 507,614 claims pending, more than a 130 percent increase. Over the past year VBA's expanded capabilities and efforts have slowed and almost stopped the rise of the backlog, which has leveled off; total claims pending are only two percent higher than one year ago. However, as of February 9, 2013, the number of claims taking longer than 125 days, VBA's official target for completing claims, was 630,829, which is double the number from two years prior, although this rising number has also slowed and is about 9 percent greater than one year ago. More than 70 percent of all claims pending at VBA have been there more than the target of 125 days, and the average time it takes VBA to process claims is now more than 270 days. But more important than the number of claims processed is the number of claims processed correctly. The VBA quality assurance program, known as the Systematic Technical Accuracy Review (STAR), which is publicly available on VA's ASPIRE Dashboard, shows that over the most recent 12-month period ending in November 2012, rating claims accuracy has been 86.3 percent, a slight improvement over the prior year. During the most recent three-month period the error rate has risen slightly.

Recognizing that its infrastructure was outdated and ineffective, and that a rising workload could no longer be managed, VBA leadership in 2010 determined that it would be necessary to completely and comprehensively rebuild and modernize its claims infrastructure and processes. The Secretary of Veterans Affairs established an ambitious goal of zero claims pending more than 125 days, and all claims completed to a 98 percent degree of accuracy standard, and VBA outlined a three-year strategy to achieve that goal. Notwithstanding the fact that the VBA has attempted to modernize its claims processing system without success numerous times over the past half century, we see hopeful signs of progress toward a successful transformation.

Perhaps most encouraging has been VBA's decision to partner with DAV and other VSOs that help veterans file claims and possess significant knowledge and experience in the claims process. Because DAV and other Veterans' Service Organizations (VSOs) collectively hold power of attorney (POA) for millions of veterans who are filing or have filed claims, VBA recognized close collaboration with VSOs could reduce its workload and increase the quality of its work. We can make VBA's job easier by helping veterans prepare and submit better claims, thereby requiring less VA time and fewer resources to develop and adjudicate them. We have been increasingly consulted on initiatives proposed or underway in VBA, including fully developed claims (FDC), disability benefit questionnaires (DBQs), the Veterans Benefits Management System (VBMS), the Stakeholder Enterprise Portal (SEP), the update of the VA Schedule for Rating Disabilities (VASRD), and many of the pilots being

conducted at VA Regional Offices. Consistent with the path set forth by both VBA and VA leadership, VBA must continue to reach out to its VSO partners, both at the national and local levels, in order to consolidate and sustain a fruitful partnership that result in better service and outcomes for veterans.

Over the past three years, VBA has made significant progress in designing, testing, developing, and now deploying a comprehensive new claims processing system. At the same time, through expanded resources and greater focus, VBA has slowed the rise of the backlog of pending claims for the first time in years. The question now is whether VBA's transformation process, which is centered on a new IT system, a new organizational model, and a new culture of quality, will be able to simultaneously improve accuracy and increase production so that every veteran can expect each claim for benefits to be decided right the first time. It will be imperative that Congress provide sufficient funding to meet these challenges and aggressively oversee the implementation of VBA's transformation plans in order to finally fix the claims processing system. In particular, we urge these Committees to oversee the work in VBA to accomplish the following objectives:

- Increase the quality and hours devoted to annual training, strengthen certification examinations, and develop accountability measures for employees who repeatedly fail to pass the examinations.
- Change how VBA measures and rewards performance at every level in order to create a culture focused on quality and accuracy, rather than solely on speed and production.
- Properly balance resources provided to each of the three processing lanes in VA's "I Labs" initiative so that both complex and simple claims receive equitable consideration.
- Encourage the use of private medical evidence by releasing disability benefits questionnaires for medical opinions and PTSD claims, and by passing legislation requiring VA to give due deference to private medical evidence that is competent, credible, probative, and otherwise adequate for rating purposes.
- Faithfully implement sections 504 and 505 of Public Law 112-154 to modify VA's duty to notify and assist claimants as Congress intended, in order to protect veterans' rights during the claims process.
- Ensure that standardized notification letters, or any other automated rating process, continue to provide sufficient, specific, and individualized information to veterans and their advocates of the reasons and bases for rating decisions.
- Ensure that the VBA is provided with sufficient funding to complete the development and implementation of the Veterans Benefits Management System, as well as the digital conversion of all active paper claims files.

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

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

Everyone behind me in this beautiful hearing room knows DAV well, because collectively with our 1.2 million fellow members, we are DAV. We take great pride in making individual contributions to the work of our Chapters and Departments across this country, helping our communities, helping VA, and in so many ways helping other veterans who have served and sacrificed. This is not only our mission, but our reward.

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

**FULFILLING OUR PROMISES TO THE MEN AND WOMEN WHO SERVED**

Messrs. Chairmen, DAV's core mission is carried out through our National Service Program. Our unparalleled program is the backbone of DAV, arcing from the local chapter level through the 52 state DAV Departments to our national offices here and in Cold Spring, Kentucky.

Our Chapter Service Officers, Department Service Officers, Transition Service Officers and National Service Officers have never wavered in their commitment to serve our nation's wounded, injured, and ill veterans, their families and survivors, or any veteran for that matter. No one has more impact on our organization's ability to meet our primary mission. No one has more impact on our organization's stellar reputation. No one has more impact on empowering disabled veterans to become productive members of society again. And I believe no one has a tougher task than

those DAV service officers assisting veterans and their families and survivors in their claims for benefits from the government.

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

#### **DAV NATIONAL SERVICE PROGRAMS**

To fulfill our mandate of service to America's wounded, injured, and ill veterans and the families who care for them, DAV employs a corps of more than 250 National Service Officers, all of whom are wartime service-connected disabled veterans who successfully complete their training through VA's Vocational Rehabilitation and Employment Service. The military experience and personal claims and treatment experiences of DAV NSOs through military health care and VA not only provide a significant knowledge base, but also help promote their passion for helping other veterans through the labyrinth of the VA system. DAV NSOs are situated in all VA regional offices as well as in other VA facilities throughout the nation.

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

During 2012, 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.

#### **APPELLATE REPRESENTATION OF DENIED CLAIMS**

DAV employs 10 National Appeals Officers (NAOs) whose duty is to represent veterans in their appeals before the Board of Veterans' Appeals (BVA) here in the nation's capital. In FY 2012, our NAOs provided representation in 31.1 percent of all appeals decided before the BVA, a caseload of approximately 13,789 appeals. Almost 47 percent of the cases represented by DAV resulted in remands. These remands resulted in additional consideration or development for over 6,400 claimants who had appealed cases that were not adequately considered by VA regional offices. In more than 29 percent of the cases, involving over 4,000 appellants represented by DAV, the claimants' appeals were allowed, and the denials were overturned. This means that approximately three-quarters of the appeals represented by DAV NAOs resulted in original decisions being overturned or remanded to regional office rating boards for additional development and re-adjudication. DAV's remand and allowance rates were above BVA's average of 45.8 percent and 28.4 percent, respectively.

Additionally, DAV works closely with two private law firms that have agreed to provide *pro bono* services to veterans pursuing their appeals from adverse decisions of the BVA. In 2012, these *pro bono* attorneys offered free representation before the United States Court of Appeals for Veterans Claims in nearly 1,300 denied appeals and provided representation in over 1,000 of those cases. Since the inception of DAV's *pro bono* program, our attorney partners have made offers of free representation to more than 3,700 veterans and have provided free representation in over 2,200 cases.

#### **DAV: ON DUTY AT WALTER REED AND OTHER KEY MILITARY FACILITIES**

Given the significant number of severely disabled service members under care at Walter Reed National Military Medical Center (WRNMMC) in Bethesda, Maryland, DAV continues to provide direct on-site assistance to wounded and injured active duty personnel. Our personnel are also in place at other important military treatment facilities throughout the nation. As of November 2012, these military facilities have cared for almost 1,600 individuals with traumatic amputations; including hundreds with multiple amputations; and, in at least four cases, the losses include all

four limbs. Most of these amputees, 83 percent, have lost one or both legs, mostly from blasts of improvised explosive devices. These deadly homemade bombs are also the cause of most of the genitourinary wounds suffered by over 1,400 U.S. personnel. The total number of Iraq and Afghanistan veterans wounded in action as of February 7, 2013 was more than 50,400, of whom over 2,500 suffered traumatic burns; 142 lost at least one eye, and five lost both eyes.

These sobering facts of modern war mean that current media attention is fixated almost exclusively on the newly wounded, but in historical terms our new casualties remain relatively light compared to other combat eras. To put this in some perspective, especially for newer members of these Committees, 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 almost 5,300 lost limbs and nearly 1,100 sustained multiple amputations. As we all know, over 58,000 names are engraved on the Vietnam Memorial – names of our personnel who gave their all. Earlier in history, the Normandy Allied campaign during the summer of 1944 cost our military forces 29,000 deaths, with 106,000 wounded, missing, or captured.

#### **TRANSITION SERVICES FOR NEW VETERANS**

The DAV's Transition Service Program (TSP) is in its 13th year, initiated 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 during their military service. The BDD program was developed to provide a smoother transition from the military to civilian society. The BDD program helps service members within 60 to 180 days of their military discharge to file claims for VA or DOD disability compensation (when approved, payments for these disabilities are generated shortly following discharge), and for transitioning into the VA health care system as may be needed. Our NSOs and TSOs provide free counsel and claims representation to service members who are eligible to 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, but their retirement or VA compensation benefits have not yet begun to flow. We support this program and any program that ensures new veterans and their families are not under-served in the transition process.

For benefits counseling and assistance to separating service members in filing initial claims in the BDD program, DAV has assigned 35 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 more than 80 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 sites. The BDD program is a win-win situation for both transitioning service members and for the federal government, and is a more humane method of dealing with seriously injured military service members.

The DAV's TSP contributes to our goal of maintaining our preeminent position as a provider of professional services to veterans. In 2012, our TSOs conducted 2,760 briefing presentations to groups of separating service members, with 63,215 total participants in those sessions. Our TSOs counseled 31,761 persons in individual interviews, reviewed the military service treatment records of 30,192 individuals, and submitted benefits applications for 18,214 personnel to DAV NSOs for filing with the VA.

DAV continues to work toward ensuring access to service members within the now-revised Integrated Disability Evaluation System (IDES). IDES is the result of a pilot project from a recommendation of the President's Commission on Care for America's Returning Wounded Warriors and was launched jointly by DOD and VA in 2007. The IDES 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 health services 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.

#### **DAV MOBILE SERVICE OFFICE PROGRAM**

The DAV's fleet of 10 Mobile Service Offices (MSOs) puts DAV NSOs on the road to assist veterans where they live and increase accessibility to the earned benefits our nation provides to veterans. The specially equipped mobile offices visit commu-

nities across the country on an advertised and scheduled basis. This outreach effort generates a considerable amount of claims work from veterans who may not otherwise have had an opportunity to seek assistance at DAV National Service Offices.

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

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

During 2012, our MSOs traveled 108,288 miles to appear in 878 cities and towns, including 183 Harley-Davidson dealerships. DAV NSOs interviewed 17,352 veterans and other potential claimants during these appearances.

These specially equipped MSOs, along with our disaster relief teams, are also used to deploy into areas devastated by disasters, enabling DAV to provide much-needed assistance directly to displaced service-disabled veterans and their families. They have been used at ground-zero following the attacks on the World Trade Center, around the Gulf Coast following Hurricanes Katrina and Rita, after a destructive tornado in Greensville, Kansas, following a destructive storm in North Carolina, and most recently in New York and New Jersey following Hurricane Sandy.

When a DAV MSO comes to your state or district, I would encourage the Members of these Committees and your staffs to stop by to learn first-hand the services that DAV is providing to your constituents. I would also highly recommend that you refer any of your constituents who may need assistance with their VA claims to visit our MSOs when they are in your areas.

#### **VOLUNTARY SERVICE PROGRAMS**

Equally vital to the success of our mission to empower veterans to lead high-quality lives with respect and dignity, are the activities of almost 13,600 DAV and DAV Auxiliary members who selflessly volunteer their time to assist America's wounded, injured, and ill veterans. Our Voluntary Services Program is as strong as ever, making sure sick and disabled veterans are able to attend their medical appointments, providing them comfort and companionship and getting them the care they need and earned. Our volunteers are in VA medical centers and clinics in large numbers, and they visit wounded, injured, and ill veterans at home, going where the government cannot or will not go. DAV is leading the way in voluntary services, a fact that makes all of us proud to be a part of this organization, and makes me even prouder to have been chosen to lead this great organization.

Between October 2011 and September 2012, these valuable members of DAV and its Auxiliary served our nation by providing more than two million volunteer hours of essential services to hospitalized veterans in VA facilities and transporting veterans to their medical appointments, saving taxpayers about \$44 million in costs if federal employees had been required to provide similar services. Many DAV members volunteer at VA medical centers, clinics and community care units, and serve as Hospital Service Coordinators and drivers in DAV's nationwide Transportation Network, about which I will provide more detail later in this testimony.

#### **LOCAL VETERANS ASSISTANCE PROGRAM**

In an effort to meaningfully touch the lives of more veterans in need of assistance, DAV created the Local Veterans Assistance Program (LVAP). Opportunities have always existed for individuals to assist veterans and their dependents – and DAV and our DAV Auxiliary 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 fulfill our promises to the men and women who have served.

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

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

Since its inception five years ago, nearly 3,500 volunteers have participated in DAV's LVAP for a total of over one million hours of volunteer service. 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 NEXT GENERATION**

Sadly, Messrs. Chairmen, we are rapidly losing our veterans from the World War II era; and DAV is proportionately witnessing the loss of DAV volunteers from that population. Ever looking forward, DAV has sought to reward and develop a new generation of younger VA volunteers. A decade ago, we created a youth volunteer scholarship program to ensure the future of a viable DAV volunteer effort. In remembrance of former VA Secretary and former DAV Executive Director, the late Jesse Brown, we launched a special scholarship program in his name. Annually, the DAV Jesse Brown Memorial Youth Scholarship Program honors outstanding young volunteers who participate in the VA Voluntary Service Program to donate their time and compassion to wounded, injured and ill veterans. Since its inception, DAV has awarded 139 individual scholarships valued at \$968,000, to enable these exceptional young people to pursue their goals in higher education through the value of volunteering. We at DAV are very proud of the Jesse Brown Memorial Youth Scholarship Program, and I am personally proud to report that our friends at the Ford Motor Company most recently donated \$45,000 to this scholarship program to enable us to continue awarding these scholarships to worthy student-volunteers this year.

Another corporation that has come forward to help veterans of all eras is the Golden Corral Corporation, which, this past November opened its doors for the 13th year in a row to all veterans on Golden Corral's "Military Appreciation Monday," serving almost 425,000 cost-free meals to veterans of the armed forces. These nationwide events also yielded nearly \$1.3 million in donations to DAV chapters and departments in 2012. Since 2001, Golden Corral restaurants have served more than 3.6 million "thank you" meals to our nation's veterans, and helped raised in excess of \$7.3 million in donations for DAV chapters and departments to use in veteran outreach and service programs in their communities.

DAV's new "Just B Kids" scholarship program enables more children than ever to attend the highly acclaimed Camp Corral. The weeklong camping experience is operated through the philanthropic efforts of longtime DAV partner Golden Corral. This new program, which will be funded through a grant from the DAV Charitable Service Trust, provides children, who are facing immense hardships at home, a week to enjoy the great outdoors at Camp Corral.

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

#### **NATIONAL TRANSPORTATION NETWORK**

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

DAV utilizes 192 Hospital Service Coordinators at 197 VA health care facilities across the nationwide system to oversee our National Transportation Network. This program provides free transportation to and from VA health care facilities to veterans who otherwise might not be able to obtain needed VA health care.

From October 2011 through September 2012, DAV's National Transportation Network logged more than 27 million road miles and transported 777,199 veterans to VA health care facilities. More than 9,000 volunteer drivers spent 1.9 million hours transporting veterans. Since our national transportation program began in 1987, almost 15 million veterans have been transported over 556 million miles, for a total of more than 30.9 million volunteer hours by our DAV drivers.

In 2012, DAV donated 117 vans to VA facilities at a cost of almost \$3 million. In 2013, we plan on donating 110 vans at a cost of \$2.8 million. From 1987 through 2012, we have donated 2,586 vans at a cost to DAV of \$56.6 million.

DAV's efforts were aided in August 2012 by the support of the Ford Motor Company with the gift presentation of eight new vehicles to DAV for the Transportation Network. Since 1996, Ford has donated 164 vehicles to support our work. The DAV

is proud that Ford Motor Company continues to honor its commitment through its generous donations through the instrument of DAV to the men and women who have served our nation in uniform, who have preserved liberty for us here at home, and saved countless peoples around the world.

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

#### **NATIONAL DISABLED VETERANS WINTER SPORTS CLINIC**

DAV is a collaborator in another outstanding program that directly impacts the lives and well-being of seriously wounded and injured veterans. Working in cooperation with VA Recreation and Voluntary Services, DAV co-sponsors the annual National Disabled Veterans Winter Sports Clinic. For a quarter century now, this exceptional physical rehabilitation program, held in the mountains of Colorado, has transformed the lives of America's most severely wounded, injured, and ill veterans. This unique program – often referred to as “Miracles on a Mountainside” – helps severely injured veterans to re-build confidence, compensate for their injuries, and regain balance in their lives. This event promotes rehabilitation and restoration by coaching and encouraging veterans with severe disabilities to conquer adaptive skiing, skating, ice hockey, fly fishing, and other sports, and shows them by example that they are not “disabled” and thus barred from adaptive recreational activities and sports of all kinds. Veterans from all eras have attended our clinics, including many who were wounded and injured in the Iraq and Afghanistan campaigns. Often, this seminal event offers some veterans their very first experience in winter sports and gives them motivation to take their personal rehabilitation to a higher level than they may ever have imagined. Participants have included veterans with multiple amputations, traumatic brain and spinal cord injuries, severe neurological deficits, and even total blindness.

For anyone who has attended “Miracles on a Mountainside” and observed our first-time participants, it is an inspiring sight, unlike anything you will see anywhere in the world. I can assure you, miracles do still occur. These wounded heroes experience life-changing events at our National Disabled Veterans Winter Sports Clinic, and so do all the inspired observers and VA volunteers who participate. I invite all Members of these Committees to come and experience the “Miracles on a Mountainside” with me and other DAV leaders this year. Our next clinic will occur from March 31 to April 5, in Snowmass Village, Colorado. If you want to see miracles, please come.

#### **DAV CHARITABLE SERVICE TRUST**

Organized in 1986, the Charitable Service Trust (CST) is a tax-exempt, not-for-profit, charitable grant-making arm of DAV. Under the umbrella of DAV, the CST is dedicated to one purpose: empowering veterans to lead high-quality lives with respect and dignity.

DAV established the Trust to advance initiatives, programs, and services that might not fit easily into the scheme of what is traditionally offered through VA, state veterans' programs, or by the veterans' service organization community. Grant-making is targeted to not-for-profit entities based in the United States. Since the first grant was awarded in 1988, nearly \$73.2 million has been expended in service to our nation's heroes, their dependents and family survivors. The CST's mission of service is accomplished by:

- Making sure wounded, injured, and ill veterans gain transportation to VA medical facilities for treatment.
- Providing food, shelter, and health care aid to homeless and needy veterans.
- Meeting the special needs of veterans faced with profound injuries including paralysis, amputation, post-traumatic stress disorder, and brain injuries.
- Supporting physical and psychological rehabilitation projects aimed at some of America's most severely injured veterans.
- Bringing hope to the forgotten and suffering families of veterans.

Priority for grants is generally afforded to service projects providing direct assistance to wounded and injured veterans and their family members. Each year brings dramatic new changes in the lives of veterans that present greater challenges to our mission of service to veterans and their families. DAV's CST will continue to do all it can to meet their needs.

As my testimony demonstrates, DAV remains committed to its focused mission, established 93 years ago. DAV is proud that it can direct its resources to the most needed and meaningful services for America's wounded and injured veterans and

their families. There is no non-profit organization that tries to do more for injured veterans, their families and survivors than DAV.

Since by national policy DAV neither seeks nor accepts government grants or government contracts of any kind, DAV is able to carry out these good works I am reporting to you today only through the continuing support of our members, our benevolent corporate partners, and a generous American public that remain faithful to our work and grateful for all that our veterans have done for this country. We are the humble instrument of their collective charity and take that responsibility very seriously. We would never abuse that faith.

#### **60TH ANNIVERSARY OF THE KOREAN WAR'S END**

DAV is also proud to serve as a sentry to keep the living memory of those whose heroic deeds during wartime service otherwise might be lost to history. I call your attention to a case in point: this coming July marks the 60th anniversary of the end of the war in Korea. As a nation we tend to forget that over 400,000 victorious World War II veterans were – incredibly – called back to active duty military service beginning in 1950, to fight again, against yet another foreign aggressor nation, North Korea – with an army backed by Chinese and U.S.S.R. resources, war materiel, and troops.

Korea was an especially cruel war, taking 54,200 American lives and wounding hundreds of thousands more; ironically many of them having survived combat in World War II. Almost six million American military personnel participated or supported our presence in Korea. Some, perhaps unwounded by enemy fire, literally froze to death in the entrenchments of brutal Korean winters. Our 7,140 POWs were routinely tortured by their captors; 2,701 died, and many of them were summarily executed while in captivity or were intentionally starved. Others still live with the scars brought by that “police action,” a precursor to the long war of attrition that came later in the small insignificant Southeast Asian country called Vietnam. Some of our combat veterans in Korea, even a few who had served in World War II, came back to Asia once again to serve in Vietnam.

A few of those surviving Korean War veterans are here with me today as honored DAV members, along with a few of our remaining comrade brothers and sisters from World War II. Korean veterans have bequeathed to the nation their haunting but beautiful memorial on the National Mall, near the Lincoln Memorial, but their service and sacrifice still need recognition no less than those who served in Vietnam, the Persian Gulf, Iraq, or now, in Afghanistan. Veterans of Korea are American heroes, too, but in the shadow of World War II they never got proper recognition in our nation's only truly “Forgotten War.” But we at DAV will never forget.

In making these remarks on Korea, I was reminded of the words of former Senator Bob Kerrey of Nebraska, a former Member of your Committee, Chairman Sanders, on the 30th anniversary of his award of the Congressional Medal of Honor for gallantry as a Navy SEAL in Vietnam; and I quote:

I discovered again [in going back to Vietnam in 1990] something rather remarkable about the people of this great country – that though I still believed the war was a tragic mistake and that we made lots of errors along the way, the people of South Vietnam repeatedly said to me, “We know you came here to fight and put your life on the line for strangers, and that you were willing to die for us will not be forgotten.”

I . . . listened to [then-President] Kim Dae-Jung of South Korea say the very same thing in even more personal ways. Our Nation can be heroic by recognizing that we might write laws that give all of us a chance at the American dream, and by recognizing that as a great nation there will come a time when we must risk it all, not for the freedom of people that we know, but for the freedom of strangers.

When it comes to explaining our American role in the world, and the devotion of our war veterans to the cause, whatever it is, from World War II to the present, no one could have explained it better than Senator Kerrey.

#### **MISSING BUT NOT FORGOTTEN**

Our veterans should never be forgotten, Messrs. Chairmen, and especially our lost heroes. DAV has long been committed to the fullest possible accounting of American prisoners of war and those still missing in action today, including our men from Korea, the War in Vietnam, and even World War II. Similar to other DAV priorities already articulated, we insist that reliable and continuing funding for these efforts is crucial, even in today's restricted budgetary climate. The same as with benefits earned by our nation's wounded and injured veterans who are safe at home, the United States owes our unreturned heroes and their loved ones our best efforts to bring them back to U.S. soil, whether alive or deceased. We will never agree to leave

them behind, forgotten. DAV supports full funding of this important humanitarian mission of the Departments of Defense and State, and we will remain committed until the fullest possible accounting can be achieved. It is important for America and all those who serve; past, present, and future, to know that our government remains committed to bringing home all our military heroes. DAV believes no one should ever be left behind.

#### **THE AMERICAN VETERANS DISABLED FOR LIFE MEMORIAL**

An important priority for DAV this coming year is the construction of the American Veterans Disabled for Life Memorial. As you know, this long overdue Memorial to honor all of the American men and women who have been permanently disabled as a result of their military service to our nation, was authorized more than a decade ago by Public Law 106-348. To build the Memorial, Congress authorized the Disabled Veterans' LIFE Memorial Foundation (DVLMF) to raise private funds to design and construct the Memorial, after which it will be turned over to the National Park Service to operate. The Memorial will be located here in Washington, D.C., just west of the Rayburn Building, as directed by Public Law 109-396. The Foundation successfully raised all the private funds necessary to build the Memorial and received all of the design and planning approvals several years ago, but has been prevented from beginning construction until street infrastructure improvements are made by the District of Columbia.

Over the past decade, Congress has continually demonstrated its strong bipartisan support by reauthorizing the Memorial in 2007 (P.L. 110-106), authorizing a U.S. Mint commemorative coin with the coin surcharge proceeds going to support the Memorial's construction in 2008 (P.L. 110-277), and appropriating almost \$4 million to the District of Columbia (P.L. 110-161 and P.L. 111-6) for street infrastructure changes necessary to accommodate the location of the Memorial as well as address security concerns about nearby Congressional office buildings. Thanks to strong bipartisan support from outgoing Transportation Secretary Ray LaHood and leaders in both the Senate and the House, the U.S. Department of Transportation awarded a \$6 million grant last August to complete all the necessary street infrastructure improvements. The first phase of that street work has been completed, and public utility companies, including Verizon and PEPCO, have completed or currently are implementing utility relocations to clear the way for the Memorial's construction to begin. Barring any unforeseen delays, work on the final phase of street construction is scheduled to begin next month. The Memorial Foundation continues to work with all stakeholders in this project, including the National Park Service, the Architect of the Capitol, the U.S. Capitol Police Board, and the House Superintendent's Office, to ensure that there are no remaining concerns which might delay construction moving forward.

Messrs. Chairmen, DAV has championed this Memorial for disabled veterans since its conception 15 years ago, and we have been joined in this endeavor by The American Legion, VFW, AMVETS, Paralyzed Veterans of America, Military Order of the Purple Heart, Iraq and Afghanistan Veterans, and many other veterans' organizations. America's disabled veterans, their families and caregivers eagerly await this tribute to their sacrifice. With continued bipartisan support from the House and Senate, we look forward to the Memorial's completion and dedication in October 2014, and we hope you will be able to join us then to celebrate that historic occasion.

#### **NATIONAL LEGISLATIVE PROGRAM**

Messrs. Chairmen, DAV was founded in 1920 as a nonpartisan, nonprofit veterans' service organization. Since then, promotion of meaningful, reasonable, and responsible public policy for wartime service-disabled veterans has been at the heart of who we are and what we do. Fulfilling promises is the right thing to do. Regardless of your politics and whether you agree with our government's foreign policy decisions, our service men and women voluntarily put their lives on the line to ensure our safety and to protect the basic freedoms we enjoy as citizens of the United States.

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

Major policy positions of DAV are derived from resolutions adopted by the delegates to our annual National Conventions. Since our first National Convention in 1921, DAV's legislative program has guided our advocacy for disabled veterans in conformance with the collective will of our members. Our 2012-2013 mandates cover

a broad spectrum of VA programs and services, and they are available for you and your professional staffs to see on DAV's website, at <http://www.dav.org/voters/documents/Resolutions.pdf>. I invite your staffs to consider the content of these resolutions in crafting legislation for the 113th Congress.

As DAV has testified in the past, we are concerned that some of the benefits Congress enacted are exclusive to veterans of recent service in Iraq and Afghanistan. While we understand that these are special circumstances that may require legislative consideration to ease transition challenges from military to civilian life, DAV represents wartime veterans of all ages and of any periods of service. We remain dismayed that previous generations cannot take advantage of a number of these new improvements enacted into law, and we ask your Committees to reconsider the trend to exclude older veterans from the new and expanded benefits you have awarded to younger veterans, especially the stipend and extensive health care benefits for veterans' family caregivers under Public Law 111-163. I defy anyone to tell me that the struggles of a family caregiver of a severely disabled veteran from the war in Vietnam are "easier" and less burdensome than those of a caregiver of a similar veteran of Afghanistan. They both struggle; they both suffer. They both need our support. Congress should not leave one of them behind while benefitting the other.

With the realization that we will receive ample opportunities this year and next to more fully address many of DAV's specific legislative resolutions during hearings before your Committees and personally with your staffs, I shall only highlight key ideas in this statement. I assure you that all of these concepts are covered by DAV national resolutions. Working together with our VSO partners, and relying upon the strength of our grassroots members and supporters, DAV will work aggressively and proactively to advance these key legislative priorities, while continuing to look for opportunities to promote all DAV legislative and policy goals. These are our key priorities, and on behalf of our 1.2 million members, I ask that you consider them.

#### **Health Care Services**

- Ensure sufficient, timely, and predictable funding for VA health care programs in the FY 2014 appropriation and the FY 2015 advance appropriation bills.
- Develop and promote new legislation and policies that will strengthen and expand advance appropriation for VA health care, including new accountability measures.
- Develop and build support for a comprehensive long term plan to address VA's aging health care infrastructure needs, including VA research facilities.
- Expand caregiver services to meet the needs of veterans' caregivers from all eras.
- Improve timely access to veterans suffering from TBI, and mental health care and counseling services, with particular focus on newer veterans in transition.
- Strengthen and expand women veterans health care programs and services.
- Develop a comprehensive plan reforming VA long-term support and services.
- Provide priority access and timely, quality health care services to service-connected disabled veterans.
- Repeal VA and Department of Defense co-payments for medical care and prescription medications.
- Repeal beneficiary travel deductibles for service-connected disabled veterans and support increased reimbursement rates.

#### **Employment and Economic Opportunities**

- Develop and enact legislation to transfer veterans' employment programs from the Department of Labor to VA as part of a new Veterans Economic Opportunity Administration that also includes, vocational rehabilitation and employment programs (VR&E), education and business programs.
- Strengthen veterans' VR&E.
- Improve delivery of transition services to all separating service members.
- Support legislative measures to assist disabled veteran-owned businesses.
- Provide survivors of veterans who are service-disabled veteran-owned small business owners, but rated less than 100 percent service-connected, a reasonable transition period to restructure their businesses following the deaths of veteran owners.
- Eliminate the current 12-year eligibility limit for veterans to take advantage of their vocational rehabilitation benefits.

#### **Disability Compensation and Other Benefits**

- Complete the ongoing reform of VA's benefits claims processing system, with the focus on quality, accuracy, accountability and timeliness.

- Develop and promote legislation and policies to expand the use of interim ratings for veterans filing complex and multi-issue disability compensation claims.
- Ensure that any revisions to the VA Schedule for Rating Disabilities (VASRD) being considered by VBA remain faithful to longstanding statutory policy underlying the purpose of the VA disability compensation system.
- Eliminate inequitable policies that prohibit the concurrent receipt of VA disability compensation and military retired pay and that require Dependency and Indemnity Compensation and military Survivor Benefit Plan payments to be offset.
- Provide for a 10-year protection period for service-connected disability evaluations.
- Reduce the 10-year rule for Dependency and Indemnity Compensation.
- Exclude veterans' disability compensation from countable income for purposes of eligibility for benefits and services under other government programs.
- Award interest payments for VA retroactive awards of one year or more.
- Oppose any proposal that would offset payments of Social Security Disability Insurance benefits or any other federal benefit by the amount of VA compensation.
- Contest any scheme to means test disability and death compensation.
- Resist any change that would redefine service-connected disability or restrict the conditions or circumstances under which it may be established.
- Oppose any recommendations by any commission to reduce or eliminate benefits for disabled veterans.

#### **General Issues**

- Extend military commissary and exchange privileges to service-connected disabled veterans.
- Provide space-available air travel aboard military aircraft to 100 percent service-connected disabled veterans.
- Award educational benefits to dependents of service-connected veterans rated 80 percent or more disabled.
- Exempt the benefits paid to wartime service-connected disabled veterans from the "Pay-Go" provisions of the Budget Enforcement Act.
- Reduce premiums for Service Disabled Veterans' Insurance consistent with current life expectancy.
- Provide fullest possible accounting of POW/MIAs from all wars and conflicts.

#### **IN CONCLUSION**

Messrs. Chairmen, and especially for the newest Members of these Committees, I hope my testimony today demonstrated to you that DAV does not come before these Committees or Congress at large with our hands out to ask Congress for special favors, profits, tax advantages, or unearned benefits. We are not a special interest; we are a broad, general interest of the American people. We believe our members, and all veterans who were harmed as a consequence of their military service, earned their benefits and paid for them in full, and in advance. It is true that some of our injured and wounded veterans do need a hand up in their post-service lives – for transition services; rehabilitation and health care; prosthetics for lost limbs; insurance for the uninsurable; education; housing, including housing those who become homeless; business opportunities; compensation for the living, and pensions for the survivors of those we have lost – all these earned with service and sacrifice. These benefits and services help veterans restore themselves and prepare them for a future as productive citizens, or to comfort them if they lost their ability to work as a consequence of military service, or to keep them from slipping into poverty. Given what veterans have done for this country since its founding, we believe it's a small price to pay, but it's also the price of freedom.

As our testimony today shows once again, DAV not only advocates on behalf of our nation's wounded and injured veterans, but we also continue to give back to our nation and to our fellow veterans through the programs detailed in my statement, in volunteerism, transportation, service, therapeutic recreation, claims representation, disaster relief, and all the other good works in which DAV engages on a broad national scale. In absence of DAV, the government might well save a few dollars by providing fewer services and benefits to veterans and by cutting some corners, but the whole nation would suffer the greater loss from the void that would leave behind.

Messrs. Chairmen, I hope that I have been able to demonstrate to you and your colleagues that DAV devotes its resources to the most needed and meaningful services for our wartime veterans. These services aid wounded and injured veterans directly and support and augment VA programs. I believe DAV is one of VA's most

valuable partners in caring for veterans. I trust you can see why the men and women of DAV and its Auxiliary are so proud of this great organization and all that it does for VA, veterans, their families and survivors every day of every year.

In closing, let me again say that it has been my honor and a highlight of my life to appear before you today to be the voice for DAV, to present our legislative goals for 2013 and present the major issues and concerns of the Disabled American Veterans. I know that all of us present in this room and all DAV and DAV Auxiliary members nationwide share a deep and abiding respect for the brave men and women who serve our country so selflessly, especially those still in harm's way overseas, not only in Afghanistan and Iraq, but in many other dangerous and challenging assignments the world over.

As these Committees deliberate during this, the first session of the 113th Congress, please keep in mind that wounded and injured veterans, and their loved ones, caregivers and survivors, have paid a high price for the freedoms we all cherish, and that some take for granted. The only action that we ask in return to repay their sacrifices and their service to our country is for this government to honor its sacred obligations and keep its historic promises to America's veterans, their families, and their survivors. The defenders of our nation deserve nothing less and will ask for nothing more.

My staff and I are prepared to further discuss any matters of your interest that are relevant to DAV, my testimony, or to respond to your questions. It was my honor to address this joint hearing.

May God bless the United States of America, our Congress, our people, our military personnel deployed on land and aboard ship around the world, and all veterans who were wounded or injured in service to our nation.

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#### Question For The Record

**Letter and Post-Hearing Question From: Hon. Michael Michaud, Ranking Minority Member, U.S. House of Representatives, Committee on Veterans' Affairs, Full Committee, To: Joseph A. Violante, National Legislative Director, Disabled American Veterans (DAV)**

February 27, 2013

Joseph A. Violante  
National Legislative Director  
Disabled American Veterans  
807 Maine Avenue, SW  
Washington, DC 20024-25410

Dear Mr. Violante:

In reference to our Joint House and Senate Veterans' Affairs Committee Legislative Presentation of the Disabled American Veterans that took place on February 26, 2013, I would appreciate it if you could answer the enclosed hearing question by the close of business on April 9, 2013.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for materials for all Full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively and single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response in a word document to Carol Murray at [Carol.Murray@mail.house.gov](mailto:Carol.Murray@mail.house.gov). If you have any questions, please call 202-225-9756.

Sincerely,

MICHAEL MICHAUD  
Ranking Democratic Member

ND:cm

1. As part of the claims processing transformation, VA is establishing "express lanes" for fully developed claims, and claims with a small number of straightforward conditions. In your estimation, would it be possible and feasible to expand the role for VSOs in processing these types of claims, perhaps with VA in an audit or approva role? What would be the new role, and how might it be implemented?

**Response From: Joseph A. Violante, DAV, National Legislative Director, To:  
Hon. Michael Michaud, Ranking Minority Member, U.S. House of Rep-  
resentatives, Committee on Veterans' Affairs, Full Committee**

Currently, DAV (Disabled American Veterans) provides free claims representation to more than 300,000 veterans and survivors every year. DAV has increased its efforts to provide the Department of Veterans Affairs (VA) with fully developed claims (FDCs) whenever it is practical or feasible for our National Service Officers (NSOs) to do so. According to VA's estimates, for fiscal year (FY) 2012 and part of FY 2013, DAV NSOs filed more than 14,500 FDCs. Of those, about 11,300, or almost 78 percent, were accepted by VA as FDCs; however, almost one-quarter were rejected by the FDC program. DAV is working with VA to determine the reasons for those FDC rejections and to increase our submission of fully developed claims in the future.

Your question regarding how VSOs might expand their role in the FDC program appears to imply that VSOs could take on some of the roles and responsibilities currently performed by VA, such as the adjudication of claims. Further, your question suggests a process in which VA's role in FDCs could be reduced to merely auditing decisions that were promulgated by VSOs, or perhaps VA would only be approving draft decisions put forward by VSOs. A somewhat similar idea had been proposed by a prior Committee Chairman and DAV, along with most other VSOs, rejected that idea for a number of reasons.

In response to your specific question, DAV would be strongly opposed to such an expansion of our duties, which would put us in the position of deciding claims that we helped our clients prepare and submit. Rather than serving as the veterans advocate, we would now be their judge. In essence, we would be doing VA's job and effectively become the final arbiter of our client's claim. It would fundamentally make it impossible for us to represent the veteran in an appeal if we had previously determined that the evidence was insufficient to grant the benefits sought. It would place DAV in an untenable situation, a no-win situation, forcing us to use our limited resources to do work that is VA's fiduciary responsibility, while, at the same time, putting us in a potentially adversarial situation with our clients.

Presently, DAV NSOs play a vital role in the claims process. DAV's NSOs assist veterans in preparing and submitting their claims, thereby reducing the amount of work necessary for VA to complete in order to process a claim. In addition, our NSOs provide VA with recommendations on how the claim can be granted based on the evidence of record and the law. From our experiences, we have found that in many instances, had VA agreed with the arguments we made in support of the veteran's claim, many needless appeals could have been prevented. Finally, DAV NSOs review the VA claims decisions before they are finalized, providing a vital quality control check to ensure greater accuracy in rating decisions. Again, if VA would act upon our recommendations at this point, many needless delays in delivering the benefits sought could be avoided.

Rather than seeking new tools, we believe that VA should focus on maximizing the use of tools already available to them that can expedite claims, such as pre-stabilization ratings under title 38, Code of Federal Regulations, section 4.28, or for serious illness, financial hardship or other sufficient cause, under 38 Code of Federal Regulations, section 20.900(c), advancement on the docket for appeals at the Board of Veterans' Appeals (and available for application during the claims process, but not sufficiently utilized by VA). However, for the most part, VA does not maximize their use of these important authorities, even when DAV NSOs bring appropriate cases to VA's attention.

From our decades of experience working on veterans claims, we fully understand both the magnitude and complexity of the challenges VA faces in trying to accurately adjudicate more than a million claims each year in a timely manner, and we remain committed to doing all we can to help develop and implement solutions. As we have said many times in the past, and it bears repeating, the backlog is a symptom, not the cause of VA's claims processing problems. The permanent solution to the problem will require new technologies and business processes, and most importantly, a cultural transformation built upon the foundations of quality, accuracy and accountability. DAV believes that significant progress has been made by VA in bringing about some of these changes, but that more can and must be done.

Further, I would reiterate some key recommendations regarding the reform of the VA claims processing system as the best focus for Congress in seeking to address the reform of VA's claims processing system and the backlog.

First, Congress should enact new legislation that maximizes the use of private medical evidence to conserve Veterans Benefits Administration (VBA) resources and enable quicker, more accurate rating decisions for veterans. DAV and other VSOs

have long encouraged VBA to make greater use of private medical evidence when making claims decisions, which would save veterans time and VBA the cost of unnecessary examinations. Disability Benefits Questionnaires (DBQs), many of which were developed in consultation with DAV and other VSO experts, have been designed to allow private physicians to submit medical evidence on behalf of veterans they treat in a format that aids rating specialists. However, we continue to receive credible reports from across the country that many Veterans Service Representatives (VSRs) and Rating Veterans Service Representatives (RVSRs) do not accept the adequacy of DBQs submitted by private physicians, resulting in redundant VA medical examinations being ordered and valid evidence supporting veterans' claims being rejected.

Although there are currently 81 approved DBQs, VBA has only released 71 of them to the public for use by private physicians. In particular, VBA should allow private treating physicians to complete DBQs for medical opinions about whether injuries and disabilities are service connected, as well as DBQs for post-traumatic stress disorder (PTSD), which current VBA rules do not allow; only VA physicians can make PTSD diagnoses for compensation claims. Congress should work with VBA to make both of these DBQs available to private physicians.

To further encourage the use of private medical evidence, Congress should amend title 38, United States Code, section 5103A(d)(1) to provide that, when a claimant submits private medical evidence, including a private medical opinion, that is competent, credible, probative, and otherwise adequate for rating purposes, the Secretary shall not request a VA medical examination. This legislative change would require VSRs and RVSRs to first document that private medical evidence was inadequate for rating purposes before ordering examinations, which are often unnecessary.

In addition, VBA should accelerate the development of software that seamlessly translates relevant information from Veterans Health Administration medical examinations performed by treating physicians into appropriate DBQs for VBA rating specialists. This free flow of electronic health data would save veterans time and VBA resources by further eliminating unnecessary VBA compensation exams.

Second, Congress should expand existing and create new authorities to rapidly award partial or temporary benefits to disabled veterans when the evidence of record clearly supports such awards. As mentioned above, VBA currently has the authority under 38 CFR 4.28 to issue pre-stabilization ratings for veterans who are discharged from active duty due to severe injuries or illnesses that are not yet fully stabilized or healed, and which cause significant limitations in their ability to be employed. VBA also has rules to award intermediate rating decisions with deferred issues as discussed in M21-1MR, Part II, Subpart iv, Chapter 6, Section A. Intermediate rating decisions for multi-issue claims can be made when the record contains sufficient evidence to decide some of the claimed issues, including service connection, even though remaining issues require further development, and will be deferred. Although VBA has had these authorities for a number of years, VBA rarely takes advantage of them to provide at least partial or minimum benefits to veterans on an expedited basis. Concerns about "double work" and performance standards that fail to properly credit these two ratings actions have discouraged the widespread use of these valuable rating authorities.

DAV believes that both pre-stabilization and intermediate ratings should be encouraged and expanded to apply to additional circumstances. Currently, pre-stabilization ratings can only be awarded at two rating levels – 50 percent and 100 percent—thereby limiting the number of veterans who could benefit from this authority. DAV recommends that a third level – 30 percent – be added in order to rapidly award at least some minimum level of benefits to veterans who need support in their recoveries. The 30 percent rating would also open the door for veterans to receive other important benefits, such as vocational rehabilitation, more quickly to support their transition. In addition, we would encourage Congress and VBA to expand the use of intermediate ratings by creating a category of "interim" or "temporary minimum" ratings for claims in which the evidence of record is already sufficient to support at least a minimum service-connected disability rating. Similar to intermediate ratings, these "interim" or "temporary minimum" ratings should not slow or impede the regular development and processing of the rest of the claim. With the adoption of paperless e-folders and smart processing, all of these temporary rating authorities could be more easily accomplished without the risk of "double work" by VBA.

Although these temporary rating authorities would not directly reduce VBA's workload or the backlog, providing a rapid award of at least some benefits, based on the available records, to disabled veterans would increase overall confidence in the claims process, and likely help to reduce the number of appeals filed by claim-

ants. Most importantly, these changes would expedite much-needed assistance into the hands of veterans and their families during difficult transitions and recoveries.

Finally, Congress should enact new legislation to provide a presumption of service connection for tinnitus and hearing loss for veterans who served in combat or whose military occupation specialty (MOS) exposed them to high levels of noise. During their military service, many veterans were exposed to significant acoustic trauma from very high levels of noise caused by heavy machinery, aircraft, explosive devices or numerous other causes. As a result, many of them later in life develop hearing loss and tinnitus, but often have a hard time proving it was due to their service because of inadequate testing and record keeping while in service. Tinnitus is the number one service-connected disability from all periods of service, with more than 800,000 veterans receiving disability compensation, and that number has steadily grown each year. Over 700,000 veterans have been rated for hearing loss, making that the second highest total for service-connected disabilities. By creating a reasonable presumption, not only would thousands of veterans receive compensation to which they are entitled, but VBA would be able to redirect resources from unnecessary development of these claims to address its other needs. Both the affected veterans and VBA would benefit from this limited and reasonable presumption.

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