



**Veterans Benefits Administration
Annual Benefits Report
Fiscal Year 2000**

February 2001

THE PURPLE HEART The Evolution of a Soldier's Medal



Badge of Military Merit

On August 7, 1782, General George Washington directed that, "whenever any singularly meritorious actions is performed, the author of it shall be permitted to wear on his facings, over his left breast, the figure of a heart in purple cloth, edged with a narrow lace or binding."

There were only three known recipients of the Badge of Military Merit.



WWI Wound Certificate

In November 1919, the Secretary of War authorized the issuance of Wound Certificates, bearing a copy of Woodrow Wilson's signature, to soldiers who had been wounded in World War I. If the soldier died, the Certificate was issued to his next of kin.

Modern Version of the Purple Heart Medal

On February 22, 1932, the 200th anniversary of George Washington's birth, the Purple Heart was revived out of respect to his memory and military achievements.

Army Chief of Staff General Douglas MacArthur created the modern version of the medal to be presented to World War I soldiers for singular meritorious acts of extraordinary fidelity or essential service. The award was later extended to all branches of the armed forces for all subsequent wars.

The Purple Heart is now awarded to members of the armed forces of the U.S. who are wounded by an instrument of war in the hands of the enemy and posthumously to the next of kin in the name of those who are killed in action or die of wounds received in action.



THE UNDER SECRETARY OF VETERANS AFFAIRS FOR BENEFITS

WASHINGTON, D.C. 20420

Dear Reader:

I am pleased to present the Veterans Benefits Administration Annual Benefits Report for Fiscal Year 2000. In the report you will find information on VBA's new business during fiscal year 2000, active accounts at the beginning of fiscal year 2001, and projections of compensation program usage and associated financial obligations to veterans and their survivors beyond FY 2000.

In this, our third publication of the Annual Benefits Report, we continue to strive to provide stakeholders and business partners with comprehensive data that accounts for the activity in each of VBA's benefits programs. The report represents an integral part of our commitment to comply with the professional standards of accountability and the spirit of program disclosure reporting embodied in the Chief Financial Officer's Act and the Government Performance and Results Act. In the report, we present multiple series of data-driven reports that respond to these two acts and, at the same time, demonstrate the tangible fulfillment of VBA's mission of providing benefits and services to veterans and their dependents.

While the Annual Benefits Report contains a wealth of statistical data, we in VBA and VA know that behind the numbers are the veterans who answered the call to serve our Nation. Purposefully, we have bound this report in a cover that speaks directly to those who have served, most notably those injured in battle. In honor of these heroes we have included a narrative about the evolution of a soldier's medal from the Badge of Military Merit to the World War I Wound Certificate into today's Purple Heart.

The Annual Benefits Report has become an essential information tool for those in the business of serving America's veterans. I am interested in hearing from you as to how we might improve it in future editions.

Joseph Thompson



Department of
Veterans Affairs



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CHAPTER 1

AN INTRODUCTION TO THE VETERANS BENEFITS ADMINISTRATION AND ITS BENEFITS PROGRAMS

VETERANS BENEFITS ADMINISTRATION - ITS MISSION AND VISION

VBA's Mission Statement

The mission of the Veterans Benefits Administration (VBA), in partnership with the Veterans Health Administration and the National Cemetery Administration, is to provide benefits and services to veterans and their families in a responsive, timely and compassionate manner in recognition of their service to the Nation.

VBA's Vision Statement

Our vision is that the veterans whom we serve will feel that our nation has kept its commitment to them; employees will feel that they are both recognized for their contribution and are part of something larger than themselves; and taxpayers will feel that we've met the responsibilities they've entrusted to us. Courage, honesty, trust, respect, open communication, and accountability will be reflected in our day to day behavior.

PURPOSE OF VBA'S ANNUAL BENEFITS REPORT

The purpose of this report is to identify the current level of program participation by eligible persons and to profile the veteran/beneficiary consumers. The objective of this report is not to analyze work processes associated with day-to-day administration of the benefit programs. Rather, it is meant:

- To present a clear, complete, data-driven picture of the extent to which veterans and their dependents use these benefits;
- To provide insights into the nature of the benefits programs; and
- To portray the economic impact of VBA programs on veterans, their families, and the Federal government.

This report does not duplicate information published in the Annual Report of the Secretary of Veterans Affairs. Rather, this report provides additional information that lends perspective, context, and detail to existing descriptions of the benefits programs.

VETERANS BENEFITS – Evolution of Veterans Benefits¹

Veterans benefits represent an integral part of American history. Knowledge of benefits history is critical information for all those who are interested in understanding what VBA does and why.

American Colonies & Early Wars. From the beginning, the English colonies in North America provided pensions for disabled veterans. In 1636, the Pilgrims of Plymouth enacted the first pension law in the colonies which provided money to those disabled defending the colony against Indians. Other colonies followed Plymouth's example.

In 1776, the Continental Congress encouraged enlistments during the Revolutionary War by providing pensions in cases of loss of limb or other serious disability. However, because the Continental Congress did not have the authority or the funds to make payments, disbursement of money was left to individual states. With the ratification of the U.S. Constitution, the first Congress assumed the responsibility of paying veterans benefits. In 1789, the first federal pension legislation was passed and continued the pension law passed by the Continental Congress.

By 1816, there were 2,200 pensioners. With a growing cost of living and a surplus in the Treasury, Congress raised allowances for all disabled veterans and extended benefits to dependents and survivors of the War of 1812.

Prior to 1818, pensions were granted only to disabled veterans. The 1818 Service Pension Law introduced the concept of providing pensions on the basis of need. The law provided needy veterans of the War for Independence with a fixed pension for life; \$20 a month for officers and \$8 a month for enlisted men. By 1820, the number of pensioners had increased to 17,730.

Civil War. When the Civil War broke out in 1861, the nation had about 80,000 war veterans. By the end of the war in 1865, there were an additional 1.9 million veterans. This included only Union veterans. Confederate soldiers received no federal veterans benefits until 1958, when Congress pardoned Confederate service members and extended benefits to the single remaining survivor.

¹ Unless otherwise noted, information in this section was derived from *VA History in Brief*, VA Pamphlet 80-97-2, September 1997

The General Pension Act of 1862 provided disability payments based on rank and degree of disability and liberalized benefits for widows, children, and dependent relatives. The law covered not only military service during the Civil War, but also peacetime service. For the first time, the law provided for compensation for diseases, such as tuberculosis, incurred while in service. Union veterans were assigned a special priority in the Homestead Act of 1862 which provided Western land at \$1.25 an acre.

The 1873 Consolidated Act revised pension legislation paying on the basis of degree of disability rather than service rank. The concept of aid and attendance was introduced with this Act, paying a disabled veteran to hire a nurse or a housekeeper.

Until 1890, Civil War pensions were granted only to servicemen discharged because of illness or disability attributable to military service. The Dependent Pension Act of 1890 broadened the scope of eligibility, providing pensions to veterans incapable of manual labor. Within the next three years, the number of veterans on the pension roll increased from 489,000 to 996,000 and expenditures doubled. The legislation passed in the 19th century established a general pension system that could be applied to future pension recipients. It was, therefore, not necessary to pass new pension laws following the Spanish-American War in 1898 or the Philippine Insurrection, 1899 to 1901.

The Sherwood Act of 1912 authorized pension at age 62 to veterans of the Mexican War and Civil War,² regardless of whether they were sick or disabled. Records show that of the 429,354 Civil War veterans on the pension rolls in 1914, only 52,572 qualified on the basis of disability.

World War I (WWI). 4.7 million Americans fought in World War I. Of these, 116,000 died in service and 204,000 were wounded. Even before the United States entered the war, Congress passed the War Risk Insurance Act of 1914 to insure American ships and their cargoes. The War Risk law was amended in mid-1917 to provide insurance against loss of life, personal injury or capture by the enemy of personnel on board American merchant ships. The amended law also offered government-subsidized life insurance for veterans.

Among the provisions of the War Risk Insurance Act Amendments of 1917 was authority to establish courses for rehabilitation and vocational training for veterans with dismemberment, sight, hearing, and other permanent disabilities. The program re-trained persons injured during military service for new jobs.

After December 24, 1919, all claims and payments related to a disability or death from World War I were regarded as compensation rather than pension. This was reversed in March 1933, when all payments to veterans were again regarded as pensions. It was not until World War II that the distinction between compensation and pension again was used.

² Union veterans only.

The World War Adjusted Compensation Act of 1924, popularly known as the Bonus Act, provided a bonus to the veteran dependent upon the number of days served on active duty. All veterans whose service exceeded 50 days were given 20-year paid-up endowment life insurance certificates. The principal for these certificates became payable in 1945. During the Great Depression, legislation was passed that gave veterans the right to borrow against bonus certificates for as much as 50 percent of their value.

In 1933, in response to the Great Depression, the Economy Act was passed. The Economy Act repealed all previous laws granting benefits for veterans of the Spanish-American War, all subsequent conflicts, and periods of peacetime service. The law also gave the President the authority to issue new benefits. With that authority, President Roosevelt issued regulations radically reducing veterans benefits. When the President's authority to establish benefits by executive order expired in 1935, Congress reenacted most of the earlier laws.

World War II (WWII). In 1940, with war on the horizon, Congress created a new insurance program, National Service Life Insurance, for servicemen and veterans. The Selective Training and Service Act of 1940, which authorized the nation's first peacetime draft, guaranteed reemployment rights to everyone who left a job to join the armed forces.

The Disabled Veterans Rehabilitation Act of 1943 established a vocational rehabilitation program for disabled World War II veterans who served after December 6, 1941. As a result of this law, VA provided 621,000 disabled World War II veterans with job training.

During the war, public sentiment grew to help World War II veterans return to civilian life.

Some 671,817 men and women had been wounded, and 405,399 had been killed. Hundreds of thousands of dependents were left in need. In 1944, Congress responded with the Servicemen's Readjustment Act, the "GI Bill of Rights." There were three key provisions:

- Benefits for up to four years of education or training;
- Federally guaranteed home, farm, and business loans with no down payment;
- Unemployment compensation designed to ease the unemployment market.

The GI Bill transformed the economy and society of the United States. It contributed more than any other program in history to the welfare of veterans and their families, and to the growth of the nation's economy. When the program ended in 1956, 7.8 million veterans had received some kind of training, and VA had guaranteed 5.9 million home loans totaling \$50.1 billion.

Following World War II, the total veteran population jumped to more than 15 million within a few months.

Korean Conflict (KC). Some 6.8 million active military service persons participated in the Korean Conflict creating new veterans in addition to millions who came home from World War II.

The Vocational Rehabilitation Act of 1950 reactivated vocational rehabilitation for veterans of the Korean Conflict and extended the program to peacetime veterans. During this period, service members were covered, at no cost to themselves, by Servicemen's Indemnity, which paid a \$10,000 death payment, and Veterans The Veterans Readjustment Assistance Act of 1952 provided unemployment insurance, job placement, home loans, and additional benefits similar to those offered to World War II veterans. Education benefits authorized Korean Conflict veterans were less than those offered World War II veterans and more restrictive. As a result, benefits no longer completely covered the cost of the veteran's education.

The number of beneficiaries on the compensation and pension rolls continued to grow rapidly during the Korean Conflict. Each month a total of 2.5 million veterans and dependents received benefits.

The Veterans Pension Act of 1959 introduced a sliding-scale pension program based on the recipient's income, rather than a flat-rate pension. The law specified that anyone already on the rolls as of June 30, 1960, could continue to receive benefits under the prior law, now referred to as "old law" pension.

Vietnam Era (VE). More than 9 million men and women served during the Vietnam Era. At first, benefits for veterans of the Vietnam Era were limited to those who served between August 5, 1964, and May 7, 1975. Congress later expanded the period to February 28, 1961, for those who served in country.

A major difference of Vietnam-era veterans from those of earlier wars was the larger percentage of disabled veterans that surfaced from this war. Advances in airlift and medical treatment meant that more wounded and injured personnel survived.

The veteran's return within days from combat zones to civilian life was also new, creating cultural shock that required greater adjustment. The anti-war climate at home also presented special readjustment problems.

The nation responded to the problems of Vietnam veterans with a number of programs. In 1966, Congress passed the Veterans Readjustment Benefit Act, which restored educational benefits to veterans. The education program for Vietnam veterans was highly successful. By 1980, the Veterans Readjustment Benefits Act of 1966 had trained 5.5 million veterans.

A second program for Vietnam veterans was Servicemen's Group Life Insurance. The program began with \$10,000 maximum coverage. Over the years, this was increased to the December 1992 maximum of \$200,000. Similar coverage was extended to veterans under the Veterans Group Life Insurance program.

In 1971, Congress enacted the Veterans Mortgage Life Insurance program which provided life insurance for severely disabled veterans and allowed for specially adapted housing grants to accommodate their disabilities. The life insurance's maximum mortgage coverage of \$30,000 increased in 1992 to \$90,000.

In the field of vocational rehabilitation, a fundamental change was taking place. This change, enacted with legislation in 1980, provided disabled veterans with training for suitable employment and independence in daily living.

A special medical issue of the Vietnam War was health problems resulting from exposure to the herbicide known as Agent Orange. At first, the only legislatively recognized condition related to Agent Orange was for a skin rash, chloracne. In 1991, two additional conditions, soft-tissue sarcoma and non-Hodgkin's lymphoma, were recognized as service-connected conditions. The Agent Orange Act of 1991 recognized presumptive service connection for disabilities resulting from exposure to herbicides used in Vietnam. As a result, this list of diseases for which service-connection may be granted continues to expand.

A scientific study reported evidence that children of Vietnam veterans face an elevated risk of the birth defect spina bifida. As of October 1997, children of Vietnam veterans with spina bifida were provided assistance, which varies with the severity of the disorder.

Public Law 106-419, Veterans Benefits and Healthcare Improvement Act of 2000 authorized the payment of monetary benefits beginning December 1, 2001, to certain children of female veterans who served in Vietnam. There are three eligibility requirements. To be eligible, the child must:

- Be the biological child of a female veteran who served in the Republic of Vietnam;
- Have been conceived after the date the veteran served in the Republic of Vietnam during the Vietnam era; and
- Have certain birth defects to be identified by the Secretary resulting in permanent physical or mental disability.

Post-Vietnam Era. In 1976, Congress eliminated the draft. This led to a reexamination of the rationale behind veterans benefits. It was argued by some that citizens who were *drafted* to serve in war were owed a greater debt by the nation than those who volunteered during peacetime. According to this reasoning, there should be a greater focus on using veterans benefits to attract enlistees rather than compensate veterans. A shift in emphasis to attract enlistees resulted in the Post-Vietnam Era Veterans Educational Assistance Act of 1977. This program called VEAP, provided that any service member could contribute up to \$2,700 to an educational fund and that the federal government would match the contribution with two dollars for every one contributed. Proponents of the measure argued that the program would attract more enlistees and improve retention rate.

The number of veterans eligible for pensions grew rapidly between 1960 and 1978. World War II veterans were reaching age 65. This is the age when a vast majority of veterans were presumed to be disabled because of their age. The number of pension recipients jumped from 89,526 in 1960 to 691,045 in 1978. The number of pension beneficiaries projected for the 1990s was larger. To address the accelerating cost of pensions, in 1978, Congress passed the Veterans and Survivors' Pension Improvement Act. Under this law, the family income is a factor and there are lower income exclusions. As a result, fewer veterans qualify for pension.

In response to military recruiting shortfalls, Congress passed the Veterans Educational Assistance Act of 1984, popularly known as the Montgomery GI Bill. The law provided educational assistance benefits of \$300 a month for 36 months, in exchange for either three years of active duty or two years of active duty with an additional four years in the reserve. The service member had to agree to have his/her pay reduced \$100 a month for the first 12 months of enlistment. The money was nonrefundable. Reservists could qualify for a maximum of 36 months of educational assistance by agreeing to serve in the Selected Reserve for six or more years.

The 1980s saw some streamlining of benefits by Congress. A minimum length of service requirement was introduced determining eligibility for most VA benefits through the Omnibus Budget Reconciliation Act of 1990. This legislation weighed different criteria for determining eligibility for disability pensions. The law restricted pensions for low-income wartime veterans over age 65.

Gulf War (GW). The Gulf War began on August 2, 1990 and created a new climate in U.S. society favorable to military personnel and veterans benefits. In March 1991, Congress passed the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act. Firstly, this Act declared the *conflict* a *war* – thereby expanding Veterans eligibility to wartime-only pension, educational benefits, and housing loans. Secondly, it authorized increases in monthly educational benefits. Finally, the Gulf War Act doubled the maximum group life insurance (by raising it to \$100,000) for service members and veterans.

Since the Gulf War began, Gulf War service members reported symptoms of illnesses with no readily identifiable cause(s). Scientists examining symptoms of the undiagnosed Gulf War illnesses concluded there may be more than one toxic exposure associated with the illnesses. In 1994, Congress authorized compensation to veterans with chronic disabilities resulting from undiagnosed illnesses, if the illness appeared during active duty in the Gulf or within a presumptive period to be defined by VA. In 1995, VA set the presumptive period at two years. In 1997, VA extended the presumptive period to December 31, 2001.

The Veterans Home Loan Program Amendments of 1992 were the most significant changes in the loan guaranty program in more than two decades. For the first time, home-loan guaranties were extended to individuals who had completed at least six years of honorable service in the Selected Reserves or National Guard. The law also provided for reduced fees for refinancing loans and direct loans to Native American veterans living on Trust Lands.

Assistance Spans Centuries. Here are some examples of how assistance for veterans and dependents spans centuries:

- The last dependent of a Revolutionary War (1775-1784) veteran died in 1911;
- The last dependent of a War of 1812 (1812-1815) veteran died in 1946; and
- The last dependent of a Mexican War (1846-1848) veteran died in 1962.³

As of September 2000:

- 710 dependents of the Civil War (1861-1865), and Indian War (1817-1898), and Spanish-American War (1898-1902) veterans were receiving VA pension benefits;
- 208 dependents of the Mexican Border Period (1916-1917) and World War I (1917-1918) veterans were receiving pension benefits.⁴

In July 2000, the estimated veteran population was 24.4 million.⁵ Nearly 80 out of every 100 living veterans served during official periods of armed hostilities. Approximately 70 million persons who are veterans, dependents or survivors of deceased veterans – are potentially eligible for VA benefits and services.⁶

VBA'S BENEFITS PROGRAMS - IN BRIEF

COMPENSATION - BASED UPON SERVICE-CONNECTED DISABILITY OR DEATH

Disability compensation is a monetary benefit paid to veterans with service-connected disabilities. "Service-connected" means that the disability was a result of disease or injury incurred or aggravated during active military service. To be eligible for disability compensation, the veteran must:

- have been discharged under conditions other than dishonorable; and the
- disability must not have resulted from the veteran's willful misconduct.

Disability compensation is graduated according to the degree of the veteran's disability on a scale from 0 percent disabling to 100 percent disabling, in increments of 10 percent. Benefits in addition to the 100 percent disability rate are payable to veterans with extremely severe disabilities such as the anatomical loss or loss of use of a hand or foot, blindness, or deafness. The most seriously disabled veterans receive the highest benefit amounts, and less severely disabled veterans receive lower benefits.

³ Title 38, United States Code, Statistical Data – War Veterans and Dependents

⁴ RCS 20-0221, Active Compensation, DIC, Pension, and Retirement Cases for All Wars and Regular Establishment, September 2000

⁵ VA Office of Planning and Analysis

⁶ Office of Public Affairs VA Fact Sheet, January 2000

Dependency and Indemnity Compensation (DIC) benefits are generally payable to the survivors of service members who died while on active duty or veterans who died from their service-connected disabilities. However, VA may pay DIC benefits to survivors of veterans whose deaths were not service-connected. In this instance the veteran was continuously rated totally disabled due to service-connected disabilities for:

- Ten or more years immediately preceding the veteran's death; or
- Five years from the date of veteran's discharge.⁷

DIC benefits may also be paid to the survivors of former Prisoners of War (POW) who died after September 30, 1999, and who were continuously rated totally disabled due to a service-connected disability for a period of not less than one year preceding death.⁸

Surviving spouses who are not remarried⁹ and dependent children are potentially eligible for DIC benefits. An additional amount is payable if the veteran was rated totally disabled for a period of at least eight years prior to death. For deaths prior to January 1, 1993, benefit rates are based on the veteran's military pay grade or the current monthly rate established by law, whichever is the greater benefit.

Parents of veterans or service members who die as the result of a service-connected disease or injury are also potentially eligible for DIC benefits. Parents' DIC is a needs-based program for financially dependent parents.

PENSION - BASED UPON NONSERVICE DISABILITY OR DEATH AND FINANCIAL NEED

VA pension programs are designed to provide income support to veterans (with wartime service) and their families who become permanently and totally disabled or die as the result of non-service-connected conditions. These programs, which serve veterans and survivors who are experiencing financial hardship, are means tested. In other words, it is the total family income from sources other than VA that determines the amount of the benefit. Laws establish income limits and regulate the rates of payments.

Wartime veterans who are determined permanently and totally disabled as the result of a non-service-connected disability may be eligible for a disability pension. Entitlement to this disability pension is subject to income limitations. Additional amounts may be paid to a veteran who has dependents; is so disabled as to require the aid and attendance of another person; or is housebound. Benefits are also paid under two protected, or "grandfathered", prior pension programs. These rates and limits are fixed at the amounts in effect when the programs were replaced.

⁷ 38 U.S.C. 1318

⁸ Section 501 of Pub. L. 106-117 was enacted on November 30, 1999

⁹ Public Law 105-178, amended 38 U.S.C. 1311, effective October 1, 1998, to reinstate eligibility to a surviving spouse of a veteran whose remarriage after the veteran's death is terminated by death, divorce, or annulment and to a surviving spouse of a veteran who ceases living with another person and holding himself or herself out openly to the public as that person's spouse.

Surviving spouses and dependent children of wartime veterans are potentially eligible for death pension benefits, subject to income limitations. As with disability pension, death pension is paid under the current pension program as well as under the two “grandfathered” prior programs.

EDUCATION

VBA education programs provide veterans, reservists, and certain Veterans dependents with educational resources to supplement opportunities missed because of military service. These programs are also meant to help the Armed Forces and Reserves to both recruit and retain members. For members of the Armed Forces, VA educational benefits assist in the adjustment to civilian life. On a broader scale, educational benefits are meant to enhance the Nation's competitiveness through the development of a more highly educated and productive workforce.

There are four active education programs:

1. Post-Vietnam Era Veterans Educational Assistance Program (VEAP)

VEAP was the first GI Bill program that required a contribution by the service member. Requirements and features of VEAP are as follows:

- First entered on active duty after December 31, 1976, and before July 1, 1985
- Contributed to VEAP while on active duty and before April 1, 1987
- Maximum contribution of \$2700 by the service member
- Government matches contribution \$2 for \$1
- Maximum entitlement is 36 months
- Benefit must be used within 10 years of discharge from the service
- Unused contributions may be refunded
- Additional "kickers"¹⁰ or contributions from the Department of Defense (DoD) under certain circumstances
- Current full-time VEAP rate is \$300 per month plus any DoD "kicker" adjustment

2. Montgomery GI Bill - Active Duty (MGIB)

In 1996, Public Law 104-275 provided that certain VEAP participants who were on active duty on October 9, 1996, could elect Montgomery GI Bill (MGIB) benefits. The deadline for this election was October 8, 1997. Some 41,041 veterans and service members took advantage of this opportunity to elect MGIB. MGIB is a contributory program. The service member's pay is automatically reduced by \$100 per month for 12 months unless the service member declines to participate at the time of enlistment. Requirements and features of MGIB are as follows:

- Served on active duty after June 30, 1985
- Must fulfill one's basic service obligation
- Must have completed high school
- Must receive an honorable discharge

¹⁰ A “kicker” is an additional monetary contribution paid by the military under certain circumstances.

- Maximum entitlement is 36 months
- Additional "kicker" may be available, as determined by Department of Defense (DoD)
- Generally, must use benefits within 10 years following discharge.

3. Montgomery GI Bill - Selected Reserve (MGIB-SR)

MGIB-SR is the first GI Bill to provide educational assistance to members of the Selected Reserve (including National Guard members). DoD funds this program and is responsible for determining eligibility to MGIB-SR. VBA administers the program. Requirements and features of MGIB-SR are as follows:

- Must agree to a six-year Selected Reserve obligation after July 1, 1985
- Must have completed high school education
- Remain a member in good standing of the Selected Reserve
- Maximum entitlement is 36 months
- Generally, must use benefits within 10 years of date eligibility began

4. Dependents Educational Assistance Program (DEA)

DEA is the only VA educational assistance program designed for students who have never served in the Armed Forces. Features and requirements of DEA are as follows:

- Eligibility is based on the veteran's service-connected death, total service-connected disability, or MIA/POW/hostage status
- Maximum entitlement is 45 months
- Children generally have eight years in which to use benefits
- With some exceptions, children must be between ages 18 and 26
- Spouses have 10 years in which to use benefits
- A spouse's remarriage bars further benefits¹¹ - a child's marriage does not

LIFE INSURANCE

Government life insurance programs were created to provide life insurance at a "standard" premium rate to members of the armed forces who are exposed to the extra hazards of military service, including deadly hazards of war. Members leaving the armed forces are eligible to maintain their VA insurance following discharge. Few commercial insurance companies offer insurance that include coverage against death while in the armed forces. Those that do, charge a high premium rate because of the additional risk.

In general, a new life insurance program was created for each wartime period after World War I. The following government life insurance programs are closed to the issuance of new coverage but continue to have active policies. The "Years" column of the table indicates the time period when VBA was authorized to issue coverage under the program.

¹¹ Public Law 106-117, signed on November 30, 1999, restores entitlement if a surviving spouse's remarriage has been terminated by death or divorce.

Insurance Programs That No Longer Issue Coverage

Program	Years	Maximum Coverage
United States Government Life Insurance (USGLI)	1919-1940	\$10,000
National Service Life Insurance (NSLI)	1940-1951	\$10,000 ¹
Veterans Special Life Insurance (VSLI)	1951-1956	\$10,000 ¹
Veterans Reopened Insurance (VRI)	1965-1966	\$10,000 ¹

Table 1 – Chap. 1

¹ Since 1972, dividends can be used to increase coverage by purchasing paid-up additions to the basic insurance.

The following government life insurance programs continue to issue coverage. The “Year” column indicates the date policies were first issued under each program.

Insurance Programs That Issue Coverage

Program	Year	Maximum Coverage
Service-Disabled Veterans Insurance (SDVI)	1951	\$10,000 ¹
Service members' Group Life Insurance (SGLI)	1965	\$200,000 ²
Veterans Mortgage Life Insurance (VMLI)	1971	\$90,000
Veterans Group Life Insurance (VGLI)	1974	\$200,000 ²

Table 2 – Chap. 1

¹ An additional \$20,000 of supplemental coverage is available to totally disabled veterans.

² Effective April 1, 2001, the maximum coverage for VGLI and SGLI will increase to \$250,000.

HOME LOAN GUARANTY

The Loan Guaranty Program provides housing credit assistance to veterans and service persons with the objective of enabling entry into the home-buying market. Assistance is provided through the Government's partial guaranty of loans made by private lenders in lieu of the substantial down payment and other investment safeguards required in conventional mortgage transactions.

Veterans loans may be used:

- To purchase a home;
- To purchase a residential unit in certain condominium projects;
- To build a home;
- To refinance an existing home loan; or
- To improve a home by installing solar heating or other energy conservation measures.

There is no maximum loan amount for a VA loan. Lenders set maximums based on rules of the secondary market to which they sell their loans. The maximum VA guaranty is currently \$50,750 and lenders are usually willing to make a “no down-payment” loan of up to 4 times the guaranty, or \$203,000. Veterans pay a funding fee ranging from 1.25 percent to 3 percent of the loan amount (0.5 percent for interest rate reduction loans). The funding fee can be included in the loan. Veterans receiving VA compensation are exempt from paying the fee.

Since the program began in 1944, VA has guaranteed more than 16.1 million loans totaling over \$653 billion.

Severely disabled veterans, mostly those who are wheelchair bound, may obtain grants under the specially adapted housing program. This program helps eligible veterans by using these grants to buy, build or modify homes specifically adaptable for their use. These distinctive housing needs may include:

- Wide doorways to accommodate wheelchairs,
- Ramps instead of steps, and
- Oversized specially equipped bathrooms.

Additionally, specially adapted housing grants are available for disabled veterans who are either totally blind or have anatomical loss or loss of use of both hands.

VBA Loan Guaranty is also in the process of implementing the Native American Veteran Direct VA Loan Program. This program will help our Native American Veterans in an effort to develop positive working relationships with Native American groups and tribes, and relevant government entities in fiscal year 2000. Loan Guaranty provides program information and materials to all interested parties and to VA personnel. VA entered into Memoranda of Understanding (MOU) with 57 participating Native American tribes. During fiscal year 2000, VA field offices closed 31 loans under this program. To date, VA has made 212 loans to Native American veterans under this pilot program.

The table below shows a summary of eligibility criteria. In addition to these criteria, a veteran must have been discharged or released from active duty under other than dishonorable conditions. If the veteran served less than the minimum required period (See Table 3), he or she could be eligible if discharged because of a service-connected disability.

Summary of Home Loan Guaranty Entitlements

Period of Service or Entitlement	Service Dates	Length of Service or Other Criteria
World War II	9/16/40 - 7/25/47	90 days
Post-World War II	7/26/47 - 6/26/50	181 continuous days
Korean War	6/27/50 - 1/31/55	90 days
Post-Korean War	2/1/55 - 8/4/64	181 continuous days
Vietnam Era	8/5/64 - 5/7/75	90 days
Post-Vietnam Era	5/8/75 - 9/7/80	181 continuous days
Enlisted	9/8/80 - 8/1/90	2 years
Officers	10/17/81 - 8/1/90	2 years
Gulf War Era	8/2/90 -	2 years; or period called to active duty, (not less than 90 days)
Restored Entitlement		Possible under certain situations
Service Personnel		On active duty, after having served continuously for at least 181 days (90 days for Gulf War Era duty) unless discharged or separated from a previous qualifying period of active duty service
Reservists ¹		6 years
Unremarried Survivor		Of an eligible veteran who died as a result of service or service-connected conditions
Spouse of POW/MIA		Active duty member who is missing in action (MIA) or who is a prisoner of war (POW)

Table 3 – Chap. 1

¹ Entitlement expires on 9/30/03.

VOCATIONAL REHABILITATION AND EMPLOYMENT

The Vocational Rehabilitation and Employment (VR&E) Program helps veterans with service-connected disabilities become employable in order to obtain and maintain suitable employment. When the severity of disability prohibits suitable employment, VR&E assists those veterans achieve independence in daily living. Additionally, the VR&E program provides educational and vocational counseling for eligible service members, veterans, and dependents. The outcome of this counseling is to select an educational and vocational goal and/or select an institution(s) of learning and training where the goal is pursued.

VR&E PROGRAM	STATUTORY AUTHORITY
Vocational rehabilitation for service-connected disabled veterans	38 U.S.C. Chapter 31
Vocational training for certain pension recipients (non-service-connected)	38 U.S.C. Chapter 15
Vocational training and rehabilitation for Vietnam Veterans children with spina bifida	38 U.S.C. Chapter 18
Vocational and educational counseling services for the referenced six authorities	38 U.S.C. Chapters 30, 32, 35, and 36; 10 U.S.C. Chapters 1606 and 107

Table 4 – Chap. 1

CHAPTER 2

BUSINESS DURING FISCAL YEAR 2000

Summary Of Beneficiaries Entering All Benefits Program Rolls During Fiscal Year 2000

The following tables summarize information about the number of people who began receiving a benefit during fiscal year 2000 and the monetary value of the benefits. Total annual amount and average annual amounts reflected in the tables refer to fiscal year 2000 only.

The first table summarizes the benefits that pay a recurring monthly monetary amount.

Summary of Beneficiaries Who Began Receiving Benefits For Programs That Pay Recurring Monthly Benefits During Fiscal Year 2000

Benefit Programs	Number of People	Percent of Total	Total Annual Amounts Paid in FY 2000	Average Annual Amounts Paid in FY 2000
Compensation - Disability	83,159	49.4%	\$442,177,592	\$5,317
Compensation - Death ¹	17,910	10.6%	\$188,239,422	\$10,510
Pension - Disability	45,194	26.8%	\$294,997,216	\$6,527
Pension - Death ²	22,119	13.1%	\$73,017,756	\$3,301
Total of All Programs	168,382	100.0%	\$998,431,986	\$5,930

Table 1 – Chap. 2

¹ This category represents the Dependency and Indemnity Compensation Program.

² Only includes Surviving Spouses.

The second table summarizes the benefits that are paid on a monthly basis, but only during a period of training attended by the person. The number of people receiving Education benefits is the number of people who used their Education benefit for the first time during fiscal year 2000. The number of people receiving the VR&E subsistence allowance benefit (Chapter 31 benefit) is the number who were in an approved program of training during fiscal year 2000 - **not the number who used the benefit for the first time during fiscal year 2000**. The annual amounts of money paid are **not** available at this time for Education or VR&E.

**Summary of Beneficiaries Who Began Receiving
Benefits for Programs That Pay
Monthly Benefits During Training
During Fiscal 2000**

Benefit Programs	Number of People	Percent of Total
Education	82,987	67%
Vocational Rehabilitation	52,505	33%
Total	135,492	100.0%

Table 2 – Chap. 2

The third table summarizes the benefits that provide for a payment if certain events occur, for example, the death of the insured or default on a mortgage. For the Life Insurance program, the coverage amount is the face value of the policies issued during fiscal year 2000. For Home Loan Guaranty, the coverage amount is the guaranty obligations (not the value of the underlying mortgages) established during fiscal year 2000. For the Life Insurance and Home Loan Guaranty programs, the “Total Coverage Amounts” do *not* represent benefits actually paid during the year.

**Summary of Beneficiaries Who Obtained Coverage
During Fiscal Year 2000
Benefit Programs That Constitute Potential Liabilities**

Benefit Programs	Number of People	Percent of Total	Total Coverage Amounts	Average Coverage Amounts
Life Insurance ¹	285,765	58.90%	\$50,426,291,177	\$176,461
Home Loan Guaranty	199,160	41.10%	\$7,071,308,639	\$35,506
Total	484,925	100.0%	\$57,497,599,816	\$118,570

Table 3 – Chap. 2

¹ Excludes VGLI & SGLI

Individual Data For Each Benefit Program

The following sections give specific information about each benefit program. The sections describe the veterans, dependents, and survivors who began receiving benefits during fiscal year 2000. This would include beneficiaries whose awards were stopped prior to the current year but who reestablished eligibility during the year (See Table 4).

1. COMPENSATION - BASED UPON SERVICE-CONNECTED DISABILITY

Disability compensation is payment for disabilities that the VA determines to have occurred during or aggravated by a veteran's military service (except when the disability resulted from willful misconduct of the veteran). **Only** veterans, not dependents, survivors, or others, are eligible to receive disability compensation. Disabilities are evaluated according to the VA Schedule for Rating Disabilities in Title 38, Code of Federal Regulations, Part 4. Extent of disability is expressed as a percentage from zero percent (for conditions that exist but are not disabling to a compensable degree) to 100 percent, in increments of 10 percent.

The Rating Schedule is based on a "whole person" concept. This means that each disability is evaluated for its disabling effect on the whole person. The range of disabling effects of a specific disability on a person rarely includes every 10 percent increment from zero percent to 100 percent. For example, the Rating Schedule provides four possible evaluations for the disabling effect of a disfiguring scar of the head, face, or neck: 0, 10, 30, or 50 percent, according to the extent of the disfigurement. Active pulmonary tuberculosis, on the other hand, is always rated 100 percent disabling.

a. Total Number of Veterans Who Began Receiving Disability Compensation During Fiscal Year 2000

The following table shows data on veterans who began receiving disability compensation during fiscal year 2000, total annual expenditures for those veterans, and the average annual amount paid to these veterans.

**Total Number of Veterans
Who Began Receiving Compensation
During Fiscal Year 2000**

	Number	Total Annual Amounts	Average Annual Amounts
TOTAL	83,159	\$442,177,592	\$5,317

Table 4 – Chap. 2

Source: Benefits Delivery Network - COIN CP-127

b. Conditions Claimed and Disabilities Compensated Being Paid

This section shows information about:

- individual disabilities reported on original claims for benefits;
- individual disabilities determined to be service-connected; and
- the combined degree of disability for veterans who began receiving compensation payments during fiscal year 2000.

An "original" claim is the first application submitted by a veteran. Any single application, original or subsequent, may include multiple disabilities to be evaluated for service-connection.

Note: Some information in the following section is generated from the Rating Board Automation (RBA) Database that was initially implemented in January 1998. The data provides information about disability compensation that did not previously exist. In the past, our computer systems were not capable of collecting and storing data at this level of detail. The information from the RBA Database presented in this report is a sample of the ratings done during fiscal year 2000, instead of a complete record of all the *rating actions* done during the year. The sample includes a total of 72,986 original disability compensation ratings. Tables containing RBA information are labeled “Source: Rating Board Automation Data - Data Warehouse”.

Number of Disabilities Per Claim

An “original” claim is the first application submitted by a veteran. All claims submitted after resolution of the original application, whether they involve re-evaluation of disabilities previously claimed or evaluation of new disabilities, will be identified as “subsequent reopened claims” in this report. This table shows the distributions (by percent) of the number of disabilities claimed in original and subsequent reopened benefits applications. For example, 12.2 percent of original applications rated during fiscal year 2000 claimed service connection for three individual disabilities. The average, range, and median number of disabilities claimed are shown at the bottom of the table.¹²

Applications For Service-Connected Disability Compensation By Number Of Disabilities Claimed For Fiscal Year 2000

Number of Disabilities	Percent of Original Claim Applications	Percent of Subsequent Reopened Claim Applications
1	27.8%	43.4%
2	17.6%	24.7%
3	12.2%	13.2%
4	8.9%	7.2%
5	7.0%	4.0%
6	5.5%	2.5%
7	4.0%	1.6%
8	4.0%	1.1%
9	2.8%	0.7%
10	2.3%	0.5%
11 thru 15	5.6%	0.9%
16 thru 20	1.6%	0.2%
21 thru 25	0.5%	0.0%
Over 25	0.3%	0.0%
Total	100.0%	100.0%
Average Number of Disabilities	4.3	2.4
Range of Disabilities	1 to 60	1 to 54
Median Number of Disabilities	3	2

Table 5 – Chap. 2

Source: Rating Board Automation Data - Data Warehouse

¹² This level of detail was not available prior to introduction of the RBA system. Claims processing data generated by the current systems (i.e., the legacy systems) provide only general information about the number of claimed disabilities (1 to 7 disabilities or 8 or more). RBA data will give a clearer picture for managing the claims process.

Total Number of Service-Connected Individual Disabilities

Service-connected disabilities sorted by the percentage evaluation assigned to each disability are provided in the following table. Data include veterans initially granted compensation (based on either original or subsequent claims) and the average number of service-connected disabilities per veteran for fiscal year 2000.

Note: “Zero percent” means that the disability exists and is related to the veteran’s service but is not disabling to a degree that allows compensation.¹³ The number of zero percent disabilities shown in this table accounts only for those veterans who have individual disabilities rated zero percent but who **also** receive compensation. This would occur when the veteran’s combined¹⁴ disability evaluation is 10 percent or greater, or when the veteran is entitled to payment under one of the statutory provisions for specific disabilities; e.g. tuberculosis. Veterans who do **not** receive compensation but have disabilities rated zero percent are **not** represented in the Tables 6 and 7.

The most frequently assigned percentage during FY 2000 is highlighted in yellow in the following table.

**Total Individual Service-Connected Disabilities - by Percent
For Veterans Who Began Receiving Compensation
During Fiscal Year 2000**

	Number of Disabilities	Percent of All Disabilities
0%	104,081	39.1%
10%	113,401	42.7%
20%	16,173	6.1%
30%	14,691	5.5%
40%	3,183	1.2%
50%	4,882	1.8%
60%	2,177	0.8%
70%	2,452	0.9%
80%	114	0.0%
90%	37	0.0%
100%	4,689	1.8%
Total	265,880	100.0%
Total Veterans		83,159
Average number of disabilities per veteran		3.2
Number of Disabilities 0% thru 30%:		248,346
Percent of all Disabilities:		93.4%

Table 6 – Chap. 2

Source: Benefits Delivery Network - COIN CP-145 and COIN CP-127

¹³ Service connection at zero percent entitles the veteran to medical treatment for the condition through the Veterans Health Administration.

¹⁴ Combined disability evaluation is explained in the “note” on Page 20.

Service-Connected Disabilities, by Combined Degree of Disability, for Veterans Who Began Receiving Compensation during Fiscal Year 2000

Combined degree of disability is expressed as a percentage and represents the overall disabling effect on a veteran of all his or her service-connected disabilities. The combined degree of disability determines the compensation payments. The following table shows information about veterans who began receiving compensation during fiscal year 2000 by the combined percentage of disability. The table also shows the total annual amount and average annual amount of compensation paid to these veterans.

Note: “Percent of combined disability” is not calculated by summing all the individual degrees of disability. Instead, a rating formula is applied to calculate the overall disabling effect of the veteran’s service-connected disabilities. Under certain circumstances, a veteran with two or more disabilities individually evaluated zero percent can still have 10 percent combined disability and entitle the veteran to receive disability compensation [38 CFR 3.324]. These will be called “compensable zeros” and are shown in the 0% row of this table.

The most frequently assigned combined degree of disability during fiscal year 2000 and the highest total annual compensation paid to veterans assigned the same combined disability rating are highlighted in yellow.

Service-Connected Disabilities - by Combined Percent For Veterans Who Began Receiving Compensation During Fiscal Year 2000

Combined Degree	Number	Percent of Total	Total Annual Amounts ¹	Average Annual Amounts
0%	360	0.4%	\$301,752	\$838
10%	29,441	35.4%	\$34,781,597	\$1,181
20%	15,114	18.2%	\$34,195,123	\$2,262
30%	13,332	16.0%	\$51,418,858	\$3,857
40%	7,837	9.4%	\$43,464,315	\$5,546
50%	5,590	6.7%	\$43,681,825	\$7,814
60%	3,848	4.6%	\$51,138,996	\$13,290
70%	2,741	3.3%	\$53,535,348	\$19,531
80%	992	1.2%	\$20,798,193	\$20,966
90%	383	0.5%	\$8,818,989	\$23,026
100%	3,521	4.2%	\$100,042,596	\$28,413
TOTAL	83,159	100.0%	\$442,177,592	\$5,317
Number Combined Percent 0% thru 30%:			58,247	
Percent of All:			70.0%	

Table 7 – Chap. 2

Source: Benefits Delivery Network - COIN CP-127

¹ The total annual amounts of service-connected compensation for each combined degree is calculated by multiplying the Average Benefit amount (derived from COIN CP-127) by 12 months, times the number of veterans who began receiving compensation during fiscal year 2000.

c. Individual Service-Connected Disabilities by Body System

The following table shows all individual service-connected disabilities qualified by body system for veterans compensated during fiscal year 2000. The table includes zero percent disabilities only for those veterans who are in receipt of compensation benefits. The body systems are shown in descending order of the number of disabilities found service-connected within each system.

**Ranking of Individual Service-Connected Disabilities - by Body System
For Veterans Who Began Receiving Compensation
During Fiscal Year 2000**

Body System	Total Number	Percent of Total	Body System	Total Number	Percent of Total
Musculoskeletal System	111,663	42.0%	Genitourinary System	6,502	2.4%
Skin	30,334	11.4%	Eye	3,043	1.1%
Impairment of Auditory Acuity	28,654	10.8%	Gynecological Conditions	2,678	1.0%
Digestive System	16,807	6.3%	Endocrine System	2,485	0.9%
Mental Disorders	16,613	6.2%	Infectious Diseases, Immune Disorders, Nutritional Disorder	2,280	0.9%
Cardiovascular System	14,594	5.5%	Dental and Oral Conditions	1,518	0.6%
Respiratory System	14,423	5.4%	Hemic & Lymphatic Systems	1,025	0.4%
Neurological Conditions	13,261	5.0%	Grand Total - All Conditions	265,880	100.0%

Table 8 – Chap. 2

Source: Benefits Delivery Network - COIN CP-145

d. Individual Service-Connected Disabilities by Body Systems

During fiscal year 2000, 745 separate diagnostic codes were used in rating the 265,880 individual disabilities determined to be service-connected. Body system groupings are displayed in VBA diagnostic code order. VA uses four-digit diagnostic code numbers that signify specific medical conditions. These numeric diagnostic codes are in Title 38, Code of Federal Regulations, Part 4. The following four-page table identifies the total number of individual service-connected disabilities, grouped by body systems and percent of disability assigned. Yellow highlights the degree of disability appearing most often in each body system for veterans who began receiving compensation during fiscal year 2000.

**Total Individual Service-Connected Disabilities – by Percent and Body Systems
For Veterans Who Began Receiving Compensation
During Fiscal Year 2000**

Body System	0%		10%		20%	
	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System
Musculoskeletal System (Codes 5000-5399)	34,188	28.6%	61,617	51.6%	11,014	9.2%
Eye (Codes 6000-6099)	1,494	49.1%	870	28.6%	138	4.5%
Impairment of Auditory Acuity (Codes 6100-6299)	11,846	41.3%	15,004	52.4%	627	2.2%
Infectious Diseases, Immune Disorders, Nutritional Disorder (Codes 6300-6399)	1,839	80.7%	201	8.8%	31	1.4%
Respiratory System (Codes 6501-6899)	7,383	51.2%	3,948	27.4%	24	0.2%
Cardiovascular System (Codes 7000-7199)	2,938	20.1%	7,696	52.7%	1,370	9.4%
Digestive System (Codes 7200-7399)	10,832	64.4%	4,560	27.1%	343	2.0%
Genitourinary System (Codes 7500-7599)	3,532	54.3%	874	13.4%	486	7.5%
Gynecological Conditions (Codes 7610-7699)	1,067	39.8%	335	12.5%	10	0.4%
Hemic & Lymphatic Systems (Codes 7700-7799)	345	33.7%	110	10.7%	123	12.0%
Skin (Codes 7800-7899)	22,985	75.8%	6,765	22.3%	69	0.2%
Endocrine System (Codes 7900-7999)	241	9.7%	1,195	48.1%	784	31.5%
Neurological Conditions (Codes 8000-8999)	3,569	26.9%	6,156	46.4%	1,022	7.7%
Mental Disorders (Codes 9200-9599)	952	5.7%	3,599	21.7%	13	0.1%
Dental and Oral Conditions (Codes 9900-9999)	870	57.3%	471	31.0%	119	7.8%
Grand Total - All Conditions (Codes 5000-9999)	104,081	39.1%	113,401	42.7%	16,173	6.1%

Table 9 – Chap. 2

Source: Benefits Delivery Network - COIN CP-145

**Total Individual Service-Connected Disabilities – by Percent and Body Systems
For Veterans Who Began Receiving Compensation
During Fiscal Year 2000**

Body System	30%		40%		50%	
	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System
Musculoskeletal System (Codes 5000-5399)	1,690	1.4%	1,924	1.6%	131	0.1%
Eye (Codes 6000-6099)	387	12.7%	48	1.6%	27	0.9%
Impairment of Auditory Acuity (Codes 6100-6299)	443	1.5%	289	1.0%	154	0.5%
Infectious Diseases, Immune Disorders, Nutritional Disorder (Codes 6300-6399)	59	2.6%	17	0.7%	1	0.0%
Respiratory System (Codes 6501-6899)	1,606	11.1%	6	0.0%	407	2.8%
Cardiovascular System (Codes 7000-7199)	1,524	10.4%	170	1.2%	7	0.0%
Digestive System (Codes 7200-7399)	650	3.9%	65	0.4%	15	0.1%
Genitourinary System (Codes 7500-7599)	282	4.3%	210	3.2%	0	0.0%
Gynecological Conditions (Codes 7610-7699)	687	25.7%	16	0.6%	520	19.4%
Hemic & Lymphatic Systems (Codes 7700-7799)	66	6.4%	5	0.5%	3	0.3%
Skin (Codes 7800-7899)	417	1.4%	29	0.1%	59	0.2%
Endocrine System (Codes 7900-7999)	56	2.3%	100	4.0%	2	0.1%
Neurological Conditions (Codes 8000-8999)	1,564	11.8%	292	2.2%	216	1.6%
Mental Disorders (Codes 9200-9599)	5,212	31.4%	4	0.0%	3,338	20.1%
Dental and Oral Conditions (Codes 9900-9999)	48	3.2%	8	0.5%	2	0.1%
Grand Total - All Conditions (Codes 5000-9999)	14,691	5.5%	3,183	1.2%	4,882	1.8%

**Total Individual Service-Connected Disabilities – by Percent and Body Systems
For Veterans Who Began Receiving Compensation
During Fiscal Year 2000**

Body System	60%		70%		80%	
	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System
Musculoskeletal System (Codes 5000-5399)	580	0.5%	29	0.0%	5	0.0%
Eye (Codes 6000-6099)	17	0.6%	10	0.3%	4	0.1%
Impairment of Auditory Acuity (Codes 6100-6299)	96	0.3%	58	0.2%	43	0.2%
Infectious Diseases, Immune Disorders, Nutritional Disorder (Codes 6300-6399)	93	4.1%	0	0.0%	2	0.1%
Respiratory System (Codes 6501-6899)	348	2.4%	2	0.0%	0	0.0%
Cardiovascular System (Codes 7000-7199)	618	4.2%	0	0.0%	3	0.0%
Digestive System (Codes 7200-7399)	107	0.6%	6	0.0%	0	0.0%
Genitourinary System (Codes 7500-7599)	147	2.3%	0	0.0%	11	0.2%
Gynecological Conditions (Codes 7610-7699)	6	0.2%	0	0.0%	0	0.0%
Hemic & Lymphatic Systems (Codes 7700-7799)	4	0.4%	11	1.1%	0	0.0%
Skin (Codes 7800-7899)	1	0.0%	1	0.0%	0	0.0%
Endocrine System (Codes 7900-7999)	50	2.0%	0	0.0%	0	0.0%
Neurological Conditions (Codes 8000-8999)	106	0.8%	30	0.2%	45	0.3%
Mental Disorders (Codes 9200-9599)	4	0.0%	2,305	13.9%	1	0.0%
Dental and Oral Conditions (Codes 9900-9999)	0	0.0%	0	0.0%	0	0.0%
Grand Total - All Conditions (Codes 5000-9999)	2,177	0.8%	2,452	0.9%	114	0.0%

**Total Individual Service-Connected Disabilities – by Percent and Body Systems
For Veterans Who Began Receiving Compensation
During Fiscal Year 2000**

Body System	90%		100%		Total	
	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System
Musculoskeletal System (Codes 5000-5399)	9	0.0%	476	0.4%	111,663	100%
Eye (Codes 6000-6099)	6	0.2%	42	1.4%	3,043	100%
Impairment of Auditory Acuity (Codes 6100-6299)	16	0.1%	78	0.3%	28,654	100%
Infectious Diseases, Immune Disorders, Nutritional Disorder (Codes 6300-6399)	0	0.0%	37	1.6%	2,280	100%
Respiratory System (Codes 6501-6899)	0	0.0%	699	4.8%	14,423	100%
Cardiovascular System (Codes 7000-7199)	0	0.0%	268	1.8%	14,594	100%
Digestive System (Codes 7200-7399)	0	0.0%	229	1.4%	16,807	100%
Genitourinary System (Codes 7500-7599)	0	0.0%	960	14.8%	6,502	100%
Gynecological Conditions (Codes 7610-7699)	0	0.0%	37	1.4%	2,678	100%
Hemic & Lymphatic Systems (Codes 7700-7799)	0	0.0%	358	34.9%	1,025	100%
Skin (Codes 7800-7899)	0	0.0%	8	0.0%	30,334	100%
Endocrine System (Codes 7900-7999)	0	0.0%	57	2.3%	2,485	100%
Neurological Conditions (Codes 8000-8999)	6	0.0%	255	1.9%	13,261	100%
Mental Disorders (Codes 9200-9599)	0	0.0%	1,185	7.1%	16,613	100%
Dental and Oral Conditions (Codes 9900-9999)	0	0.0%	0	0.0%	1,518	100%
Grand Total - All Conditions (Codes 5000-9999)	37	0.0%	4,689	1.8%	265,880	100%

e. Most Prevalent Service-Connected Disabilities

This section provides data about the most common disabilities found to be service-connected during fiscal year 2000.

By Body Systems

The next three-page table shows the five disabilities most often found service-connected, by diagnostic code, within each body system, during fiscal year 2000. The body systems are shown in descending order by number of disabilities.

Note: The “Percent of System Total” is the frequency of service connection under each diagnostic code as a *proportion* of the total number of service-connected disabilities recorded within that body system. The “Percent of Grand Total” is the *frequency* of service connection under each diagnostic code as a proportion of the total number of disabilities recorded under all body systems.

**Most Common Service-Connected Disabilities within Body Systems
For Veterans Who Began Receiving Compensation
During Fiscal Year 2000**

Code	Body System and Disability	Total Number	Percent of System Total	Percent of Grand Total
Musculoskeletal System		111,663	100.0%	42.0%
5299	Skeletal conditions	14,626	13.1%	5.5%
5010	Arthritis, due to trauma	12,213	10.9%	4.6%
5295	Lumbosacral strain	9,158	8.2%	3.4%
5293	Intervertebral disc syndrome	7,404	6.6%	2.8%
5257	Knee, other impairment of	7,097	6.4%	2.7%
Skin		30,334	100.0%	11.4%
7805	Scars, other ¹⁵	10,953	36.1%	4.1%
7899	Skin condition	3,881	12.8%	1.5%
7806	Eczema	3,282	10.8%	1.2%
7804	Scars, superficial, tender and painful on objective demonstration	3,241	10.7%	1.2%
7800	Scars, disfiguring, head, face, neck	3,068	10.1%	1.2%
Auditory		28,654	100.0%	10.8%
6260	Tinnitus	13,495	47.1%	5.1%
6100	Auditory, acuity impairment, 0%	12,832	44.8%	4.8%
6200	Otitis media, suppurative, chronic	500	1.7%	0.2%
6211	Tympanic membrane, perforation of	494	1.7%	0.2%
6210	Auditory canal, disease of	244	0.9%	0.1%
Digestive System		16,807	100.0%	6.3%
7336	Hemorrhoids, external or internal	4,761	28.3%	1.8%
7346	Hernia, hiatal	2,562	15.2%	1.0%
7338	Hernia, inguinal	2,078	12.4%	0.8%
7399	Digestive system, disease of	1,782	10.6%	0.7%
7345	Hepatitis, infectious	880	5.2%	0.3%
Mental Disorders		16,613	100.0%	6.2%
9411	Post-traumatic stress disorder	10,010	60.3%	3.8%
9434	Major depressive disorder	1,886	11.4%	0.7%
9400	Generalized anxiety disorder	953	5.7%	0.4%
9433	Dysthymic disorder	545	3.3%	0.2%
9432	Bipolar disorder	448	2.7%	0.2%

Table 10 – Chap. 2

Source: Benefits Delivery Network - COIN CP-145

¹⁵ 38 CFR, Part 4, provides several diagnostic codes used in the evaluation of disabilities associated with scars. These include the following: **7800** - Disfiguring scars to the head, face, or neck; **7801** - Scars from 3rd degree burns; **7802** - Scars from 2nd degree burns; **7803** - Superficial scars which are poorly nourished with repeated ulceration; **7804** - Superficial scars which are tender and painful on objective demonstration. Other scars not covered under the above criteria are evaluated under diagnostic code **7805**.

**Most Common Service-Connected Disabilities within Body Systems
For Veterans Who Began Receiving Compensation
During Fiscal Year 2000**

Code	Body System and Disability	Total Number	Percent of System Total	Percent of Grand Total
Cardiovascular System		14,594	100.0%	5.5%
7101	Hypertensive vascular disease	6,381	43.7%	2.4%
7122	Cold injury residuals	3,350	23.0%	1.3%
7120	Varicose veins	1,390	9.5%	0.5%
7005	Arteriosclerotic heart disease	1,081	7.4%	0.4%
7121	Phlebitis	270	1.9%	0.1%
Respiratory System		14,423	100.0%	5.4%
6522	Allergic or vasometer rhinitis	2,472	17.1%	0.9%
6602	Asthma, bronchial	2,443	16.9%	0.9%
6513	Sinusitis maxillary, chronic	1,787	12.4%	0.7%
6502	Septum, nasal, deviation of	1,140	7.9%	0.4%
6599	Nose and throat, disease of	842	5.8%	0.3%
Neurological Conditions and Convulsive Disorders		13,261	100.0%	5.0%
8100	Migraine	3,871	29.2%	1.5%
8515	Median nerve, paralysis of	1,602	12.1%	0.6%
8599	Peripheral nerve condition	854	6.4%	0.3%
8199	Neurological condition	719	5.4%	0.3%
8045	Brain disease due to trauma	703	5.3%	0.3%
Genitourinary System		6,502	100.0%	2.4%
7528	Malignant neoplasm	1,547	23.8%	0.6%
7599	Genitourinary system condition	1,196	18.4%	0.4%
7527	Prostate gland injuries, infections, postoperative	1,005	15.5%	0.4%
7508	Nephrolithiasis	540	8.3%	0.2%
7522	Penis, deformity, with loss of erectile power	279	4.3%	0.1%
Eye		3,043	100.0%	1.1%
6099	Eye condition	496	16.3%	0.2%
6034	Eye, pterygium	292	9.6%	0.1%
6009	Eye, injury of, unhealed	253	8.3%	0.1%
6018	Eye, Conjunctivitis other, chronic	243	8.0%	0.1%
6013	Eye, Glaucoma, simple, primary, noncongestive	237	7.8%	0.1%

**Most Common Service-Connected Disabilities within Body Systems
For Veterans Who Began Receiving Compensation
During Fiscal Year 2000**

Code	Body System and Disability	Total Number	Percent of System Total	Percent of Grand Total
Gynecological Conditions		2,678	100.0%	1.0%
7618	Uterus, removal of, including corpus	581	21.7%	0.2%
7617	Uterus & ovaries, removal of, complete	467	17.4%	0.2%
7628	Benign neoplasms, gynecological or breast	326	12.2%	0.1%
7699	Gynecological condition or disorder of the breast	252	9.4%	0.1%
7629	Endometriosis	190	7.1%	0.1%
Endocrine System		2,485	100.0%	0.9%
7913	Diabetes mellitus	1,183	47.6%	0.4%
7903	Hypothyroidism	751	30.2%	0.3%
7900	Hyperthyroidism	200	8.0%	0.1%
7999	Endocrine system condition	118	4.7%	0.0%
7914	New growths, malignant, endocrine system	61	2.5%	0.0%
Infectious Diseases, Immune Disorders, Nutritional Deficiencies		2,280	100.0%	0.9%
6304	Malaria	1,595	70.0%	0.6%
6351	HIV-Related illness	151	6.6%	0.1%
6399	Infectious disease, immune disorder, nutritional deficiency	124	5.4%	0.0%
6350	Lupus erythematosus, systemic	88	3.9%	0.0%
6354	Chronic fatigue syndrome	64	2.8%	0.0%
Dental and Oral Conditions		1,518	100.0%	0.6%
9905	Temporomandibular articulation, limited motion	804	53.0%	0.3%
9999	Dental and oral conditions	343	22.6%	0.1%
9904	Mandible, malunion of	217	14.3%	0.1%
9913	Teeth, loss of, due to loss of body of maxilla or mandible	57	3.8%	0.0%
9916	Maxilla, malunion or nonunion	39	2.6%	0.0%
Hemic & Lymphatic Systems		1,025	100.0%	0.4%
7715	Non-Hodgkin's lymphoma	302	29.5%	0.1%
7700	Anemia, hypochromic-microcytic & megaloblastic	163	15.9%	0.1%
7799	Hemic & lymphatic system condition	156	15.2%	0.1%
7706	Splenectomy	134	13.1%	0.1%
7709	Lymphogranulomatosis (Hodgkin's disease)	116	11.3%	0.0%
Grand Total - All Body Systems		265,880	100.0%	100.0%

By The 20 Disabilities Most Frequently Service-Connected

The next table shows the 20 disabilities most frequently found service-connected (by diagnostic code) during fiscal year 2000.

Note: The “Percent Within System” column represents the frequency of service connection under each diagnostic code as a *proportion* of all service-connected disabilities within the body system. The “Percent of Total” column shows the frequency of service connection under each diagnostic code as a proportion of all 265,880 disabilities found service-connected. The “Cumulative Percent” column sums the percentages from the “Percent of Total” Column to include the diagnostic code in that row and all preceding diagnostic codes. For example, the 17 most frequently service-connected disabilities (by diagnostic code) account for 50.4 percent of all service-connected disabilities established in fiscal year 2000.

Disabilities Most Frequently Service-Connected For Veterans Who Began Receiving Compensation During Fiscal Year 2000

Diagnostic Code	Disability	Total	Percent Within System FY 2000	Percent of Total FY 2000	Cumulative Percent FY 2000
TOTAL NUMBER OF DISABILITIES IN FY 2000		265,880		100.0%	
5299	Skeletal conditions	14,626	13.1%	5.5%	5.5%
6260	Tinnitus	13,495	47.1%	5.1%	10.6%
6100	Auditory, acuity impairment, 0%	12,832	44.8%	4.8%	15.4%
5010	Arthritis, due to trauma	12,213	10.9%	4.6%	20.0%
7805	Scars, other ¹	10,953	36.1%	4.1%	24.1%
9411	Post-traumatic stress disorder	10,010	60.3%	3.8%	27.9%
5295	Lumbosacral strain	9,158	8.2%	3.4%	31.3%
5293	Intervertebral disc syndrome	7,404	6.6%	2.8%	34.1%
5257	Knee, other impairment of	7,097	6.4%	2.7%	36.8%
7101	Hypertensive vascular disease	6,381	43.7%	2.4%	39.2%
5003	Arthritis, degenerative	5,509	4.9%	2.1%	41.3%
5271	Ankle, limited motion of	4,792	4.3%	1.8%	43.1%
7336	Hemorrhoids, external or internal	4,761	28.3%	1.8%	44.8%
7899	Skin condition	3,881	12.8%	1.5%	46.3%
8100	Migraine	3,871	29.2%	1.5%	47.8%
5024	Tenosynovitis	3,601	3.2%	1.4%	49.1%
5099	Musculoskeletal condition	3,407	3.1%	1.3%	50.4%
7122	Cold injury residuals	3,350	23.0%	1.3%	51.7%
7806	Eczema	3,282	10.8%	1.2%	52.9%
7804	Scars, superficial, tender, painful	3,241	10.7%	1.2%	54.1%

Table 11 – Chap. 2

Source: Benefits Delivery Network - COIN CP-145

¹ See footnote on page 27

f. Demographic Characteristics of Veterans with Service-Connected Disabilities

The tables in this section present information about veterans with disabilities found service-connected on original claims during fiscal year 2000 in the following categories:

- Age
- Gender
- Race
- Period of Service
- Branch of Service
- Length of Service

Most of the information in this segment is received from the Rating Board Automation (RBA) Database in conjunction with data provided by the Defense Manpower Data Center (DMDC).

Note: As available from DMDC, the following tables include comparable demographic information about military separations during fiscal year 2000. Not all original claims rated during the fiscal year were filed by veterans who were discharged during the same period. However, the information forms a basis for comparison.

By Age

The distribution by age among veterans who began receiving compensation during fiscal year 2000 is shown below. Also shown is the age distribution of veterans discharged from active duty during fiscal year 1999. The age groups with the most veterans are highlighted in yellow.

**Service-connected Compensation – By Age
For Veterans Who Began Receiving Compensation
During FY 2000**

Age	Number of Veterans	Percent of All Ages	Number of Discharges in FY 1999 ¹	Percent of Discharges in FY 1999	Annual Payments ²
Under 25	6,081	7.3%	108,718	47.6%	\$32,334,226
25 - 35	19,136	23.0%	73,077	32.0%	\$101,750,988
36 - 45	22,383	26.9%	38,511	16.9%	\$119,016,114
46 - 55	19,106	23.0%	7,730	3.4%	\$101,591,470
56 - 65	6,512	7.8%	303	0.1%	\$34,625,963
66 - 75	5,190	6.2%	0	0.0%	\$27,596,552
Over 75	4,751	5.7%	0	0.0%	\$25,262,278
All Ages	83,159	100.0%	228,339	100.0%	\$442,177,592

Table 12 – Chap. 2

Source: Benefits Delivery Network - COIN CP-127

Source: Defense Manpower Data Center Activity Duty Loss Profile

¹ Discharge data for FY 2000 is not yet available from DMDC

² The total annual amounts of service-connected compensation for each age group is calculated by multiplying the percentage of veterans for each age group by the total annual amounts, which have been calculated using AVERAGE BENEFIT indicated on COIN CP-127.

By Gender

The distributions by gender of veterans granted service connection (whether compensable or not) during fiscal year 2000 based upon original and subsequent reopened claims follow. Also shown is the gender distribution of veterans discharged from active duty during fiscal year 1999.

Service-Connected Disability Original & Subsequent Reopened Claims Granted - By Gender During Fiscal Year 2000

	Female	Male	Total
Percent of Original Claims Granted ¹	16.0%	84.0%	100.0%
Percent of Subsequent Reopened Claims Granted ¹	7.0%	93.0%	100.0%
Percent of Veterans Discharged in FY 1999 ²	16.3%	83.7%	100.0%

Table 13 – Chap. 2

¹Source: Rating Board Automation Data - Data Warehouse

²Source: Defense Manpower Data Center "Officer and Enlisted Losses by Type" Report
Discharge data for FY 2000 is not yet available from DMDC

By Race

The distributions by race (*where known*) of veterans granted service connection (whether compensable or not) during fiscal year 2000 based upon original and subsequent reopened claims are shown in the following table. Also shown is the race distribution among veterans discharged from active duty during fiscal year 1999.

Service-Connected Disability Original & Subsequent Reopened Claims Granted - By Race During Fiscal Year 2000

Race	Percent of Original Claims Granted ¹	Percent of Subsequent Reopened Claims Granted ¹	Percent of Veterans Discharged in Fiscal Year 1999 ²
White	70.9%	65.9%	69.6%
Black	21.2%	28.1%	17.8%
Hispanic	0.8%	0.6%	7.4%
Asian/Pacific Islander	2.3%	2.2%	2.6%
American Indian/Alaskan	0.5%	0.8%	1.1%
Other	4.2%	2.4%	1.5%
Total	100.0%	100.0%	100.0%

Table 14 - Chap. 2

¹Source: Rating Board Automation - Data Warehouse

²Source: Defense Manpower Data Center "Active Duty Loss Profile"
Discharge data for FY 2000 is not yet available from DMDC

By Period of Service

The next table shows the distributions by period of service of veterans granted service connection (whether compensable or not) during fiscal year 2000 based upon original and subsequent reopened claims.

Service-Connected Disability Original & Subsequent Reopened Claims Granted By Period Of Service During Fiscal Year 2000

Period of Service	Percent of Original Claims	Percent of Subsequent Reopened Claims
World War I	0.0%	0.0%
World War II	0.9%	9.0%
Korean War	0.5%	2.8%
Vietnam Era	4.1%	18.8%
Gulf War Era	56.7%	24.1%
Peacetime	0.7%	6.6%
Unknown ¹	37.1%	38.6%
All Periods	100.0%	100.0%

Table 15 – Chap. 2

Source: Rating Board Automation Data – Data Warehouse

¹ Data not in Rating Board Automation Database

By Branch of Service

The distribution by branch of service of veterans granted service connection (whether compensable or not) during fiscal year 2000 based upon an original claim is shown in the following table. Also shown is the branch of service distribution of veterans discharged from active duty during fiscal year 1999.

Service-Connected Disability Original Claims Granted – By Branch Of Service¹ During Fiscal Year 2000

Branch	Percent of Original Claims Granted	Percent of Veterans Discharged in Fiscal Year 1999 ²
Army	37.9%	35.4%
Navy	30.7%	27.6%
Air Force	15.2%	20.0%
Marines	14.8%	15.3%
Coast Guard	1.3%	1.8%
Other ³	0.1%	Unknown
Total	100.0%	100.0%

Table 16 – Chap. 2

Source: Rating Board Automation Data – Data Warehouse

Source: Defenses Manpower Data Center "Active Duty Separations" Report

¹ Information only represents those cases where Branch of Service is shown in the Rating Board Automation Database

² Discharge data for FY 2000 is not yet available from DMDC

³ Other represents Army National Guard claims

By Length of Service

The next table shows the distributions by length of service of veterans granted service connection (whether compensable or not) during fiscal year 2000 based upon original and subsequent reopened claims. The most frequent are highlighted in yellow.

**Service-Connected Disability Claims Granted
By Length Of Service
During Fiscal Year 2000**

Years of Service	Percent of Original Claims Granted	Percent of Subsequent Reopened Claims Granted
Less than 1	2.7%	4.0%
1 – 3	29.3%	50.6%
4 – 9	18.9%	18.4%
10 – 14	11.5%	6.6%
15 – 19	6.7%	4.2%
20 – 24	25.5%	11.4%
25 – 29	3.7%	2.4%
30 – 34	1.5%	1.0%
35 – 39	0.1%	0.1%
40 and over	0.0%	1.4%
Total	100.0%	100.0%

Table 17 – Chap. 2

Source: Rating Board Automation Data – Data Warehouse

g. Original and Subsequent Claims

Claims Received and Completed

The following table shows the number of original and subsequent reopened claims received and completed during fiscal year 2000.

For administrative purposes, original claims are assigned to one of two categories according to the number of disabilities presented for evaluation of service connection: (1) one to seven disabilities; or (2) eight or more disabilities.

**Original and Subsequent Disability Compensation Claims
During Fiscal Year 2000**

Type of Claim	Number Received	Percent of Grand Total Received	Number Completed	Percent of Grand Total Completed
Original Compensation – 1 to 7 Issues	89,858	21.4%	102,257	23.2%
Original Compensation – 8 or More Issues	21,814	5.2%	22,653	5.1%
TOTAL	111,672	26.6%	124,910	28.4%
Subsequent Reopened Compensation	308,837	73.4%	315,261	71.6%
GRAND TOTAL	420,509	100.0%	440,171	100.0%

Table 18 – Chap. 2

Source: Benefits Delivery Network – COIN DOOR 1001 Sept 2000

Subsequent Reopened Compensation Claims By Age of the Veteran

The next table shows the age distribution of subsequent reopened compensation claims for which rating decisions were completed during fiscal year 2000.

**Subsequent Reopened Compensation Claims
Decided by Rating During FY 2000
By Age of the Veteran¹**

Age	Percent of Claims
Less than 20	0.1%
20-24	0.8%
25-29	2.9%
30-34	4.6%
35-39	5.5%
40-44	8.5%
45-49	11.2%
50-54	19.7%
55-59	10.1%
60-69	12.8%
70-79	16.2%
80+	7.7%
Total	100.0%

Table 19 – Chap. 2

Source: Rating Board Automation Data – Data Warehouse

¹Data only represents those cases where the age of the veteran is shown in the Rating Board Automation Database

h. Grants and Denials for Service-Connected Disability Claims

By Individual Disabilities Claimed

The following table shows the percentages of grants and denials of service connection for individual disabilities for original claims.

**Service-Connected Disability Original Claims
Grants and Denials
By Individual Disabilities Claimed
During Fiscal Year 2000**

	Percent
Grants	46.3%
Denials	53.7%
Total	100.0%

Table 20 – Chap. 2

Source: Rating Board Automation Data – Data Warehouse

Service-Connected Disability Compensation by Disability Percentage

The next table provides the distribution of percentages assigned among all disabilities determined to be service-connected. Depicted are all zero percent service-connected evaluations, whether compensable or not. The highest percent is highlighted in yellow.

**Service-Connected Disability
Original Claims Grants By Individual Disability
During Fiscal Year 2000**

Disability Percent	Percent Granted
0%	50.6%
10%	38.1%
20%	4.6%
30%	3.4%
40%	0.8%
50%	0.9%
60%	0.4%
70%	0.2%
80%	0.0%
90%	0.0%
100%	1.0%
Total	100.0%

Table 21 – Chap. 2

Source: Rating Board Automation Data – Data Warehouse

By Claim

The percentages of grants and denials of original claims for service-connection follow.

Note: Veterans may claim more than one disability in an application for compensation. Information in the table reflects three categories of claims outcomes for original claims – all claimed disabilities were found service-connected (granted); all claimed disabilities were found not service-connected (denied); or some combination of granted and denied.

**Service-Connected Disability
Original Claims Granted or Denied
During Fiscal Year 2000**

	Percent
Veterans Who Had All Issues Claimed Granted	14.0%
Veterans Who Had All Issues Claimed Denied	38.6%
Veterans Who Had A Combination of Issues Granted and Denied	47.4%
Total	100.0%

Table 22 – Chap. 2

Source: Rating Board Automation Data – Data Warehouse

2. COMPENSATION – BASED UPON SERVICE-CONNECTED DEATH

Dependency and Indemnity Compensation (DIC) is a monetary death benefit for survivors of certain deceased veterans or service members. DIC is payable to surviving spouses, children, and/or dependent parents of the following:

- Service members who die during military service of causes that are not due to the person's willful misconduct;
- Veterans who die of a service-connected disease or injury;
- Veterans who die from a non service-connected disability but who were continuously rated 100 percent disabled for service-connected disabilities for at least 10 years immediately preceding death (or at least five years from the date of discharge to the date of death).¹⁶
- Veterans who are former POWs who die after September 30, 1999, and were continuously rated 100 percent for service-connected disabilities for a period of not less than one year immediately preceding death.¹⁷

Congress changed the law for payments to DIC surviving spouses for deaths occurring on or after January 1, 1993. "Protected DIC" refers to payments made for deaths that occurred prior to January 1, 1993. Payments under Protected DIC were based on the deceased veteran's pay grade. "Reformed DIC" refers to payments made for deaths occurring on or after January 1, 1993. Reformed DIC pays a standard fixed rate. An additional amount is added if the veteran was rated totally disabled for eight years immediately preceding death. Surviving spouses entitled to DIC under the protected program will be paid the reformed DIC fixed rate (including the additional amount, if applicable) if it is a greater benefit.

a. Beneficiaries Who Began Receiving DIC during Fiscal Year 2000

The next table shows the number of surviving spouses, children (those not included as dependents in a surviving spouse's award), and dependent parents initially receiving DIC benefits during fiscal year 2000. The table also identifies the total annual amount and the average annual amount of DIC benefits paid to these survivors.

**Total Beneficiaries Who Began Receiving
Dependency and Indemnity Compensation (DIC)
During fiscal Year 2000**

Type of Benefit	Number	Percent of Total	Total Annual Amounts	Average Annual Amounts
Surviving Spouses	15,679	87.5%	\$180,341,860	\$11,502
Surviving Children	2,017	11.3%	\$7,400,737	\$3,669
Surviving Parents	214	1.2%	\$496,825	\$2,322
TOTAL	17,910	100.0%	\$188,239,422	\$10,510

Table 23 – Chap. 2

Source: Benefits Delivery Network - COIN CP-127

¹⁶ 38 U.S.C. 1318

¹⁷ Section 501 of Pub. L. 106-117 enacted on November 30, 1999

b. Demographic Characteristics of Beneficiaries Who Began Receiving DIC during Fiscal Year 2000

The following tables present information in the following categories about beneficiaries who began receiving DIC benefits during fiscal year 2000:

- Relationship
- Age (of surviving spouses and children)
- Marital status (of surviving parents)

By Relationship to the Veteran

New DIC beneficiaries by their relationship to the veteran (i.e., spouse, child, or dependent parent), are shown.

**Beneficiaries Who Began Receiving DIC
By Relationship
During Fiscal Year 2000**

	Surviving Spouse	Children	Parent	Total Beneficiaries
Number	15,679	2,017	214	17,910
Percent	87.5%	11.3%	1.2%	100.0%

Table 24 – Chap. 2

Source: Benefits Delivery Network - COIN CP-127

By Age of Surviving Spouse

The next table shows the age distribution among surviving spouse DIC beneficiaries. The largest age group is highlighted in yellow.

**Surviving Spouses Who Began Receiving DIC
By Age
During Fiscal Year 2000**

Age	Number	Percent of All Ages	Annual Payments
Under Age 25	81	0.5%	\$911,185
25 – 35	282	1.8%	\$3,141,209
36 – 45	806	5.1%	\$9,074,726
46 – 55	2,137	13.6%	\$24,286,524
56 – 65	2,813	17.9%	\$32,401,494
66 – 75	4,421	28.2%	\$51,499,903
Over 75	5,139	32.8%	\$59,026,818
All Ages	15,679	100.0%	\$180,341,860

Table 25 – Chap. 2

Source: Benefits Delivery Network – COIN CP 127

By Age of Children

The following table shows the distribution of DIC children who are not in the custody of a surviving spouse in two age categories: those over age 18 and those under age 18. Children over age 18 are shown according to their beneficiary status: Those eligible to receive DIC because of school attendance and those eligible because they are helpless.

**Children Who Began Receiving DIC
By Age
During Fiscal Year 2000**

	Under Age 18 ¹	Age 18 and Over in School	Age 18 and Over and Helpless	Total All Categories
Number	576	1,269	172	2,017
Percent	28.6%	62.9%	8.5%	100.0%
Annual Payments	\$2,821,806	\$3,590,915	\$988,016	\$7,400,737

Table 26 – Chap. 2

Source: Benefits Delivery Network – COIN CP-127

¹ Includes 292 consolidated awards that account for more than one child.

By Marital Status of Surviving Parents

The marital status of a surviving parent determines how they're paid DIC. Marital status categories and their definitions follow:

- No Spouse – one parent is alive and has no spouse.
- Spouse – both parents are alive and married to other persons.
- Apart – both parents are alive and are not living together.
- Together – both parents are alive and living together
- Remarried – one parent is alive and has remarried.

The distribution of marital status among surviving dependent parents is shown in the next table.

**Surviving Parents Who Began Receiving DIC
By Marital Status
During Fiscal Year 2000**

	No Spouse	Spouse	Apart	Together	Remarried	Total
Number	162	5	14	29	4	214
Percent	75.7%	2.3%	6.5%	13.6%	1.9%	100.0%
Annual Payments	\$425,192	\$8,867	\$26,751	\$30,356	\$5,659	\$496,825

Table 27 – Chap. 2

Source: Benefits Delivery Network - COIN CP-127

3. PENSION - BASED UPON NONSERVICE-CONNECTED DISABILITY

a. Veterans Who Began Receiving Disability Pension During Fiscal Year 2000

The number of veterans added to the disability pension rolls during fiscal year 2000 is shown in the next table. The table also shows the total annual amount and the average annual amount of disability pension payments.

Note: The table groups the two older pension programs into one category called “Other Pensions.” No original claims can be granted under the two protected, or “grandfathered,” pension programs. However, former beneficiaries under these programs can have their benefits restored if they meet certain income and eligibility criteria.

Veterans Who Began Receiving Disability Pension By Program During Fiscal Year 2000

Type of Pension	Number of Veterans	Percent of Total	Total Annual Amounts	Average Annual Amounts
PL 95-588 - New Law Pension	45,121	99.8%	\$294,826,029	\$6,534
Other Pension Programs	73	0.2%	\$171,188	\$2,345
TOTAL	45,194	100.0%	\$294,997,216	\$6,527

Table 28 – Chap. 2

Source: Benefits Delivery Network - COIN CP-103

b. Demographic Characteristics of Veterans Who Began Receiving Disability Pension During Fiscal Year 2000

By Age

The age distribution among veterans who began receiving disability pension in fiscal year 2000 follows. The total annual amount of disability pension payments for each age group is shown in the last column of the table.

For each category of pension, the yellow highlighted boxes indicate the age group with the most veteran beneficiaries.

**Veterans Who Began Receiving Disability Pension
By Age
During Fiscal Year 2000**

Age	Other Pension ¹		New Law Pension		All Pension Programs		Annual Payments
	Number	Percent of All Ages	Number	Percent of All Ages	Total For Age Group	Percent of All Ages	
Under Age 25	0	0.0%	30	0.1%	30	0.1%	\$196,024
25 - 35	0	0.0%	344	0.8%	344	0.8%	\$2,247,737
36 - 45	0	0.0%	1,869	4.1%	1,869	4.1%	\$12,212,270
46 - 55	4	5.5%	14,493	32.1%	14,497	32.1%	\$94,708,381
56 - 65	3	4.1%	5,431	12.0%	5,434	12.0%	\$35,493,841
66 - 75	19	26.0%	10,235	22.7%	10,254	22.7%	\$66,921,274
Over 75	47	64.4%	12,719	28.2%	12,766	28.2%	\$83,217,689
All Ages	73	100.0%	45,121	100.0%	45,194	100.0%	\$294,997,216

Table 29 – Chap. 2

Source: Benefits Delivery Network - COIN CP-103

¹ The “Other Pension” category groups the two older pension programs (Protected Pension and Section 306 Pension) into one category.

4. PENSION - BASED UPON NONSERVICE-CONNECTED DEATH

a. Beneficiaries Who Began Receiving Death Pension During Fiscal Year 2000

The number of beneficiaries added to the death pension rolls during fiscal year 2000 is shown in the next table. The table also shows the total annual amount and the average annual amount of death pension payments.

Note: The table groups the two older pension programs into one category called “Other Pensions.” Original claims can no longer be granted under the two older pension programs. However, survivors whose awards were previously stopped can be reinstated if they show that they continuously met eligibility criteria from the date we stopped their awards.

**Surviving Spouses Who Began Receiving Death Pension
By Program
During Fiscal Year 2000**

Type of Pension	Number of Surviving Spouses	Percent of Total	Total Annual Amounts	Average Annual Amounts
PL 95-588 - New Law Pension	22,070	99.8%	\$72,968,717	\$3,306
Other Pension Programs	49	0.2%	\$49,039	\$1,001
TOTAL	22,119	100.0%	\$73,017,756	\$3,301

Table 30 – Chap. 2

Source: Benefits Delivery Network - COIN CP-103

b. Demographic Characteristics of Surviving Spouses Who Began Receiving Death Pension during Fiscal Year 2000

By Age

The next table shows the distribution among surviving spouses who began receiving death pension in fiscal year 2000 by age groups. The total annual amount of death pension payments for each age group is shown in the last column of the table.

**Surviving Spouses Who Began Receiving Death Pension
By Age
During Fiscal Year 2000**

Age	Other Pension ¹		New Law Pension		All Pension Programs		Annual Payments
	Number	Percent of All Ages	Number	Percent of All Ages	Total For Age Group	Percent of All Ages	
Under Age 25	0	0.0%	116	0.5%	116	0.5%	\$383,524
25 - 35	0	0.0%	90	0.4%	90	0.4%	\$297,562
36 - 45	0	0.0%	648	2.9%	648	2.9%	\$2,142,444
46 - 55	1	2.0%	2,676	12.1%	2,677	12.1%	\$8,848,499
56 - 65	1	2.0%	3,407	15.4%	3,408	15.4%	\$11,265,360
66 - 75	9	18.4%	5,038	22.8%	5,047	22.8%	\$16,665,844
Over 75	38	77.6%	10,095	45.7%	10,133	45.8%	\$33,414,523
All Ages	49	100.0%	22,070	100.0%	22,119	100.0%	\$73,017,756

Table 31 – Chap. 2

Source: Benefits Delivery Network - COIN CP-103

¹ The "Other Pension" category groups the two older pension programs (Protected Pension and Section 306 Pension) into one category.

5. EDUCATION

a. Beneficiaries Who Began Receiving Education Benefits During Fiscal Year 2000

The number of veterans, dependents, service members and reservists that began receiving education benefits for the first time during fiscal year 2000 is shown in the following table.

**Beneficiaries Who Began Receiving Education Benefits
During Fiscal Year 2000**

Program	Number of Beneficiaries	Percent of Total
Dependents Education	5,763	6.9%
Montgomery GI Bill - Active Duty ¹	63,123	76.1%
Montgomery GI Bill – Reserves ²	12,337	14.9%
Post-Vietnam Veterans Education	1,764	2.1%
Total	82,987	100.0%

Table 32 – Chap. 2

Source: Education Service SAS Reports

¹ Based on Active Duty service

² Based on service in the Selected Reserve

b. Characteristics of the Training Being Pursued By Beneficiaries

By Type of Training

The distribution, by program, of the types of training of beneficiaries who began using their education benefit, for the first time, during fiscal year 2000 follows. The most frequent type of training and the program with the largest enrollment are highlighted in yellow.

**Beneficiaries Who Began Receiving Education Benefits
By Type Of Training and Program
During Fiscal Year 2000**

Education Program	College Non-Degree	Graduate	Under-Graduate	Vocational/ Technical	Program Totals	Percent of All Programs
Dependents Education	88	94	3,356	2,225	5,763	6.9%
Montgomery GI Bill - Active Duty ¹	1,907	2,623	52,701	5,892	63,123	76.1%
Montgomery GI Bill – Reserves ²	92	560	11,514	171	12,337	14.9%
Post-Vietnam Veterans Education	26	382	1,295	61	1,764	2.1%
Type Training Totals	2,113	3,659	68,866	8,349	82,987	100.0%
Percent of Program Totals	2.5%	4.4%	83.0%	10.1%		

Table 33 – Chap. 2

Source: Education Service SAS Reports

¹ Based on Active Duty service

² Based on service in the Selected Reserve

By Training Time

The following chart shows the distribution, by program, of the training times of the beneficiaries who began using their education benefit for the first time during fiscal year 2000. The most frequent training time and the program with the largest enrollment are highlighted in yellow.

Beneficiaries Who Began Receiving Education Benefits By Training Time and Program During Fiscal Year 2000

Education Program	Less Than One-Half Time	Half Time	Three Quarter Time	Full Time	Program Totals	Percent of All Programs
Dependents Education	676	692	744	3,651	5,763	6.9%
Montgomery GI Bill - Active Duty ¹	4,296	10,744	7,912	40,171	63,123	76.1%
Montgomery GI Bill – Reserves ²	560	1,258	1,163	9,356	12,337	14.9%
Post-Vietnam Veterans Education	318	422	264	760	1,764	2.1%
Training Time Totals	5,850	13,116	10,083	53,938	82,987	100.0%
Percent of Program Totals	7.0%	15.8%	12.2%	65.0%		

Table 34 – Chap. 2

Source: Education Service SAS Reports

¹ Based on Active Duty service

² Based on service in the Selected Reserve

6. LIFE INSURANCE

a. Coverage Established During Fiscal Year 2000

There are four government life insurance programs in which new coverage is issued. They are:

- Veterans Mortgage Life Insurance (VMLI)
- Service-Disabled Veterans Insurance (SDVI)
- Veterans Group Life Insurance (VGLI)
- Service members' Group Life Insurance (SGLI)

Table 35, page 45 identifies the number of new policies issued during fiscal year 2000, the total face value of the policies, and the average face value of the policies.

Note: Throughout the Insurance program sections of this report, the term "face value" means the amount of money that would be paid upon the death of the veteran. For some policies, the face value can exceed the basic amount of the policy (which is usually \$10,000) because of the option of using dividends to purchase "paid up additions" to the policy.

In the case of SGLI, the military services maintain the records on insured service members. The actual number of service members who enrolled in SGLI in fiscal year 2000 is not known. The information shown in this table is estimated based upon current enrollment rates and the number of people who entered active military service during fiscal year 2000.

**New Insurance Coverage Issued
During Fiscal Year 2000**

Insurance	Number of People Insured	Total Coverage Amount	Average Face Value	Maximum Face Value
VMLI ¹	205	\$20,860,877	\$101,760	\$90,000
SDVI ²	4,705	\$53,626,500	\$11,398	\$10,000 ³
VGLI ⁴	39,886	\$5,833,390,000	\$146,252	\$200,000 ⁶
SGLI ⁵	240,969	\$44,518,413,800	\$184,747	\$200,000 ⁶
TOTAL	285,765	\$50,426,291,177	\$176,461	

Table 35 – Chap. 2

¹ Source: VMLI Quarterly Report

² Source: Insurance Master Record Database - 510 Monthly Report

³ Additional coverage, up to \$20,000, is available for totally disabled policyholders. 981 new Supplemental SDVI policies were issued.

⁴ Source: Veterans And Reservists Group Insurance System - OSGLI Monthly Report. VGLI data is for the policy year ending June 30, 2000.

⁵ Estimates based upon accessions to Active Duty and Reserve forces in FY00. Data on accessions from Defense Manpower Data Center.

⁶ Effective April 1, 2001, the maximum coverage for VGLI and SGLI will increase to \$250,000.

b. Insurance Payments Made During Fiscal Year 2000

Dividends, loans and disability payments are made on some government life insurance policies. These are payments made from active policies to the veteran policyholder. The following table shows data concerning the payments made during fiscal year 2000.

Note: Payments of death claims, cash surrenders and matured endowments end the policy. See page 72 of this report concerning "Benefits That Ended During Fiscal Year 2000" for data in these categories of payments.

Insurance Payments Made During Fiscal Year 2000

Dividends	Number ¹	Amount ²	Average Payment
USGLI	17,973	\$3,608,715	\$201
NSLI	1,802,101	\$595,691,298	\$331
VSLI	233,893	\$96,120,532	\$411
VRI	82,545	\$21,815,838	\$264
TOTAL	2,136,512	\$717,236,383	\$336
Loans	Number ^{3,4}	Amount ⁵	Average Payment
USGLI	51	\$170,000	\$3,333
NSLI	16,706	\$74,460,000	\$4,457
VSLI	4,631	\$13,330,000	\$2,878
VRI	926	\$3,600,000	\$3,888
SDVI	9,127	\$8,610,000	\$943
TOTAL	31,441	\$100,170,000	\$3,186
Disability	Number ⁶	Amount ⁷	Average Payment
USGLI	100	\$58,371	\$584
NSLI	19,533	\$21,926,468	\$1,123
VSLI	3,308	\$4,645,591	\$1,404
VRI	972	\$717,024	\$738
TOTAL	23,913	\$27,347,454	\$1,144
GRAND TOTAL	2,191,866	\$844,753,837	\$385

Table 36 – Chap. 2

¹ Source: Insurance Master Record Database - Insurance Statistical Report-700

² Source: Source: Insurance General Ledger Accounting System - FY00 Statement of Cash Flows

³ Source: Program numbers from an estimate based on a sample of loans from SQC in FY00 and a percent of the total.

⁴ Source: Program totals from Insurance Master Record Database - COIN 84 and Philadelphia MTC Records Report-155

⁵ Source: Insurance General Ledger Accounting System - Statement of Financial Condition Report

⁶ Source: Insurance Master Record Database - 510 Monthly Report

⁷ Source: Insurance General Ledger Accounting System - CFO FY00 Life Insurance Statements (Incurred Basis)

7. HOME LOAN GUARANTY

a. Total Loans Guaranteed

The following table shows the number of home loans guaranteed during fiscal year 2000, the total loan value, and the average value of a loan involved in the guaranty program.

Note: The guaranteed amount is less than the entire loan amount. Therefore, the table also shows the total value of the guaranties involved and the average value of a guaranty.

Loans Guaranteed During Fiscal Year 2000

	Number of Loans	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
TOTAL	199,160	\$23,372,158,574	\$117,354	\$7,071,308,639	\$35,506

Table 37 – Chap. 2

Source: LGY SAS File

b. Types of Loans Guaranteed during Fiscal Year 2000

Note: The three types of loans shown are defined by the purpose of the loan. A “Purchase Loan” is a loan obtained for the purchase of a home. The other two types of loans are obtained to refinance an existing mortgage. Refinancing to reduce the interest rate is shown as a separate item because it is the most common reason for refinancing a loan.

**Loans Guaranteed During Fiscal Year 2000
Based on Purchase Loan Versus Refinance Loans**

Type of Loan	Number of Loans	Percent of Total	Total Loan Amount	Avg. Loan Amount	Total Guaranty Amount	Avg. Guaranty Amount	Avg. Interest
Purchase Loans	185,553	93.2%	\$21,997,251,165	\$118,550	\$6,637,624,381	\$35,772	8.11%
Refinance – Interest Rate Reduction	9,524	4.8%	\$951,408,219	\$99,896	\$302,334,234	\$31,744	7.27%
Refinance - Other Reasons	4,083	2.1%	\$423,499,190	\$103,723	\$131,350,024	\$32,170	7.97%
TOTAL	199,160	100.0%	\$23,372,158,574	\$117,354	\$7,071,308,639	\$35,506	8.06%

Table 38 – Chap. 2

Source: LGY SAS File

c. Specially Adapted Housing Grants and Direct Loans to Native American Veterans

The following table shows information concerning programs designed to provide housing assistance grants to seriously disabled veterans and direct loans to Native American veterans.

**Specially Adapted Housing Grants And Direct Loans
During Fiscal Year 2000**

Programs	Number of Grants/Loans	Amount of Grants/Loans	Average Grant/Loan Amount
Specially Adapted Housing Grants	509	\$21,308,009	\$41,863
Special Housing Adaptation Grants	65	\$506,991	\$7,800
TOTAL	574	\$21,815,090	\$38,005
Direct Loans to Native Americans ¹	21	\$1,870,851	\$89,088
GRAND TOTAL	595	\$23,685,941	\$39,808

Table 39 – Chap. 2

Source: FY 2001 Budget, Construction Valuation

¹ Includes disbursements on loans not yet closed.

d. Characteristics of Home Loan Guaranties

By Down-payment Option

The following table shows the distribution of new home loan guaranties if a down payment was involved in the loan.

Note: The objective of the VA loan guaranty program is to enable veterans (and other eligible people¹⁸) to enter the home-buying market. The “no down-payment” feature is intended to help a veteran purchase a home. As indicated, this option was used in over 90 percent of the loans guaranteed.

**Purchase Loans Guaranteed During Fiscal Year 2000
By Downpayment Status**

Status	Number of Loans	Percent of Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
No Down-payment	166,758	89.9%	\$19,445,064,765	\$116,606	\$5,918,633,544	\$35,492
Down-payment	18,795	10.1%	\$2,552,186,400	\$135,791	\$718,990,837	\$38,254
TOTAL	185,553	100.0%	\$21,997,251,165	\$118,550	\$6,637,624,381	\$35,772

Table 40 – Chap. 2

Source: LGY SAS File

¹⁸ Service members, reservists, surviving spouses, and spouses of POW/MIA service members are also eligible under certain circumstances.

By “First Time Buyer” Status

The distribution of new loan guaranties by “buyer status” is shown in the next table. “First time homeowner” refers to those eligible persons who used their entitlement to purchase their first home.

**Purchase Loans Guaranteed During Fiscal Year 2000
Based on Buyer Status**

Buyer Status	Number of Loans	Percent of Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
First Time Homeowner	101,955	54.9%	\$11,510,009,242	\$112,893	\$3,581,645,252	\$35,130
Previous Homeowner	83,598	45.1%	\$10,487,241,923	\$125,448	\$3,055,679,129	\$36,552
TOTAL	185,553	100.0%	\$21,997,251,165	\$118,550	\$6,637,324,381	\$35,771

Table 41 – Chap. 2

Source: LGY SAS File

e. Demographic Characteristics of People Who Obtained Home Loan Guaranties

By Periods of Service and Other Entitlement Criteria

Data regarding loans guaranteed during fiscal year 2000 by veteran’s period of service and by other entitlement criteria follow. Brief definitions of the entitlement criteria can be found in Chapter 1 on page 14. The following table is subdivided into two parts - entitlements for veterans and other entitlement categories. The largest amounts by category are highlighted in yellow.

**Loans Guaranteed During Fiscal Year 2000
By Period of Service (or Entitlement)**

Entitlement	Number of Loans	Percent of Grand Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
World War II	918	0.5%	\$80,309,778	\$87,483	\$27,721,164	\$30,197
Post-World War II	97	0.0%	\$9,619,137	\$99,166	\$3,139,516	\$32,366
Korean War	1,222	0.6%	\$114,161,113	\$93,422	\$38,029,826	\$31,121
Post-Korean War	2,625	1.3%	\$261,316,593	\$99,549	\$85,059,233	\$32,404
Vietnam Era	19,968	10.0%	\$2,148,162,710	\$107,580	\$672,512,451	\$33,680
Post-Vietnam Era	34,002	17.1%	\$3,867,885,633	\$113,755	\$1,191,161,516	\$35,032
Gulf War Era	52,431	26.3%	\$6,003,575,447	\$114,504	\$1,852,559,089	\$35,333
Restored Entitlement	49,374	24.8%	\$6,336,235,224	\$128,331	\$1,819,034,769	\$36,842
TOTAL	160,637	80.7%	\$18,821,265,635	\$117,166	\$5,689,217,564	\$35,417
Service Personnel ¹	30,565	15.3%	\$3,631,841,703	\$118,824	\$1,100,033,878	\$35,990
Reservists	7,440	3.7%	\$868,207,640	\$116,695	\$265,268,745	\$35,654
Unremarried Survivor	509	0.3%	\$50,022,089	\$98,275	\$16,511,298	\$32,439
Spouse of POW	9	0.0%	\$821,507	\$91,279	\$277,154	\$30,795
TOTAL	38,523	19.3%	\$4,550,892,939	\$118,134	\$1,382,091,075	\$35,877
GRAND TOTAL	199,160	100.0%	\$23,372,158,574	\$117,354	\$7,071,308,639	\$35,506

Table 42 – Chap. 2

Source: LGY SAS File

¹ Based on when the loan was made

By Income

The next table shows the distribution of purchase loans guaranteed during fiscal year 2000 by the annual income of the eligible borrower. The highest number of loans is highlighted in yellow.

**Purchase Loans Guaranteed During Fiscal Year 2000
Based on Annual Income**

Income	Number of Loans	Percent of Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount	Median Assets
Less than \$25,000	9,343	5.0%	\$662,911,345	\$70,953	\$257,283,679	\$27,538	\$2,329
\$25,000 to \$34,999	27,307	14.7%	\$2,360,192,046	\$86,432	\$856,933,826	\$31,381	\$3,000
\$35,000 to \$44,999	39,189	21.1%	\$4,041,224,845	\$103,121	\$1,331,338,268	\$33,972	\$3,856
\$45,000 to \$54,999	37,134	20.0%	\$4,405,565,042	\$118,640	\$1,333,218,620	\$35,903	\$4,596
\$55,000 to \$64,999	28,448	15.3%	\$3,784,275,477	\$133,024	\$1,071,607,351	\$37,669	\$5,600
\$65,000 to \$74,999	19,083	10.3%	\$2,762,289,472	\$144,751	\$748,058,453	\$39,200	\$6,754
\$75,000 and over	25,049	13.5%	\$3,980,792,958	\$158,920	\$1,039,194,184	\$41,486	\$9,556
TOTAL	185,553	100.0%	\$21,997,251,185	\$118,550	\$6,637,634,381	\$35,772	\$4,800
Average Income: \$ 53,088							
Median Income: \$ 49,464							
Median Loan: \$115,260							

Table 43 – Chap. 2

Source: LGY SAS File

By Age

The distribution of new loan guaranties by age of the borrower is shown in the next table. The highest number of loans is highlighted in yellow.

**Home Loans Guaranteed During Fiscal Year 2000
Based on Age**

Age	Number of Loans	Percent of Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
18 - 25	8,431	4.2%	\$799,233,676	\$94,797	\$273,687,001	\$32,462
26 - 35	74,790	37.6%	\$8,772,291,544	\$117,292	\$2,673,083,469	\$35,741
36 - 45	60,180	30.2%	\$7,429,300,768	\$123,451	\$2,191,186,547	\$36,411
46 - 55	36,885	18.5%	\$4,358,580,894	\$118,167	\$1,302,597,094	\$35,315
56 - 65	12,645	6.3%	\$1,406,676,662	\$111,244	\$432,051,034	\$34,168
Over 65	6,229	3.1%	\$606,085,030	\$97,301	\$198,703,494	\$31,900
TOTAL	199,160	100.0%	\$23,372,158,574	\$117,354	\$7,071,308,639	\$35,506
Average overall age: 40.0						

Table 44 – Chap. 2

Source: LGY SAS File

By Race

Providing race information on the application for a purchase loan is voluntary. About 83 percent of borrowers provided race information during fiscal year 2000. The race demographics presented in the following table show the distribution among the 83 percent who provided that information.

**Purchase Loans Guaranteed During Fiscal Year 2000
Based on Known Racial Codes**

Race	Number of Loans	Percent of Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
White	118,750	77.3%	\$13,810,230,159	\$116,297	\$4,202,316,581	\$35,388
Black	22,705	14.8%	\$2,646,355,153	\$116,554	\$804,194,445	\$35,419
Hispanic	9,239	6.0%	\$1,078,568,748	\$116,741	\$327,675,722	\$35,467
Native American	875	0.6%	\$99,509,617	\$113,725	\$30,427,255	\$34,774
Asian	2,083	1.4%	\$289,662,203	\$139,060	\$80,457,697	\$38,626
TOTAL	153,652	100.0%	\$17,924,325,880	\$116,655	\$5,445,071,700	\$35,438

Table 45 – Chap. 2

Source: LGY SAS File

8. VOCATIONAL REHABILITATION AND EMPLOYMENT (VR&E)

a. VR&E Veterans and Eligible Dependents Served during Fiscal Year 2000

The numbers in this table represent the number of services provided to the 65,316 veterans who were served by Vocational Rehabilitation and Employment Services during FY 2000. These services include Evaluation and Planning Services, Employment Services, and Rehabilitation Services.

**Services By The
Vocational Rehabilitation Programs
During Fiscal Year 2000**

Program	Number	Percent
Service-Connected Veterans (Chapter 31)	246,351	99.98%
Pension Recipients (Chapter 15)	7	0.00%
Vietnam Veterans Children With Spina Bifida (Chapter 18)	35	0.01%
Total	246,393	100%

Table 46 – Chap. 2

Sources: VR&E Program Management Reports (10-1-99) and Regional Office Reports

The mission of the Vocational Rehabilitation and Employment (VR&E) Program is to provide comprehensive services and assistance necessary to enable veterans with service-connected disabilities and employment handicaps to become employable, then obtain and maintain stable suitable employment. When the severity of disability prohibits suitable employment, VR&E assists those veterans to achieve maximum independence in daily living activities.

Veterans may progress through a series of steps, or case statuses, that describe the part of the program they are currently in, and what services may be provided. These steps are described below:

- Step 1. Application for the benefit.
- Step 2. Evaluation to assess needs and determine services to which a veteran may be entitled and conduct rehabilitation planning.
- Step 3. Provide rehabilitation services for employment (services and assistance that lead to the veteran to become job-ready or able to live more independently in the community).
- Step 4. Service in “job-ready” status assist the veteran in obtaining and maintaining suitable employment.
- Step 5. Rehabilitation - includes veterans who obtain and maintain suitable employment or achieved maximum independence in daily living (as described on page 74).

The following subsections provide information about veterans who participated in each of the steps during fiscal year 2000. A veteran proceeds through the rehabilitation process step by step. While a veteran may be counted in more than one step as a result of completing a step and moving on, no veteran participates in more than one step at a time. Basic data concerning the number of veterans involved in each step is provided first, followed by demographic information.

b. Step 1: Applicants for a Program of Rehabilitation and Employment Services

A total of 64,692 veterans applied for rehabilitation and employment services during fiscal year 2000. The following three tables show demographic characteristics of the veterans who applied.

This first step (where the veteran enters Applicant Status) begins when the veteran's application is received by VA and the veteran is found to have basic eligibility. Basic eligibility is determined when:

- the veteran has a discharge under *other than dishonorable* conditions, and
- the veteran has a compensable disability (i.e., the disability is evaluated as 10% or more)

During Applicant Status, the veteran is scheduled for an individual appointment to determine his/her entitlement to a program of services. At this time, he/she may be provided with information on the nature and process of the program through either individual communications or through a group briefing. Follow-up activities are conducted to assure that the veteran meets the scheduled appointment or reschedules the appointment date and time.

**Applicants for Vocational Rehabilitation
By Combined Degree of Disability
During Fiscal Year 2000**

Disability Evaluation	Number	Percent
0%	107	0.2%
10%	6,620	11.8%
20%	10,812	19.3%
30%	10,332	18.5%
40%	7,108	12.7%
50%	4,086	7.3%
60%	3,234	5.8%
70%	2,008	3.6%
80%	977	1.7%
90%	362	0.6%
100%	2,651	4.7%
Other ¹	7,677	13.7%
Total	55,974	100%

Table 47 - Chap. 2

VR&E Program Management Reports (FY 2000)
Benefits Delivery Network - Data Warehouse and Disability
Compensation Data

¹Contains cases not rated and memo ratings

Note: The “Other” category includes applicants with non-compensable service connected disabilities; i.e.:

- disabilities were not found to be service-connected, or
- disabilities were service-connected but not so disabling as to allow payment of compensation, or
- no application for service connection was made (In this instance, a memorandum rating is required to determine entitlement to vocational rehabilitation on the basis of service-connected disability level.)

By Gender

**Applicants for Vocational Rehabilitation
By Gender
During Fiscal Year 2000**

	Female	Male	Total
Number	8,831	47,143	55,974
Percent	15.8%	84.2%	100.0%

Table 48 – Chap. 2

Source: VR&E Program Management Reports (FY 2000)
Benefits Delivery Network - Data Warehouse

By Age

**Applicants for Vocational Rehabilitation
By Age
During Fiscal Year 2000**

	Age 17 - 21	Age 22 - 29	Age 30 - 39	Age 40 - 49	Age 50 - 59	Age >60	Total For All Ages ¹
Number	1,049	10,081	14,191	18,232	10,081	2,336	55,970
Percent	1.9%	18.0%	25.4%	32.6%	18.0%	4.2%	100.0%

Table 49 – Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

¹Four records had no age information

c. Step 2: Evaluation and Planning or Extended Evaluation

Veterans are provided a comprehensive evaluation to assess needs and determine their entitlement to a program of rehabilitation and employment services and conduct rehabilitation planning. Each veteran goes through the Evaluation and Planning status, and *may also* go through the Extended Evaluation status if it is needed in the individual case. If entitlement *is* found, VR&E gathers information to develop an individualized plan of services to help the veteran achieve either a specific occupational goal or independence in daily living. If entitlement *is not* found, VR&E assists veterans with developing their options before they exit the process.

In fiscal year 2000, 59,225 veterans participated in evaluation and planning and extended evaluation processes. Demographic data for veterans found to be entitled (for rehabilitation and employment services) during fiscal year 2000 are reflected in the following tables.

Below is a brief description of the Evaluation and Planning status and the Extended Evaluation status:

- 1) Evaluation and Planning: A veteran who reports for his/her initial evaluation appointment is placed in the Evaluation and Planning status. In this status, a comprehensive evaluation of the veteran's abilities, interests, and aptitudes is accomplished by evaluating medical information, educational and work histories, and other information specific to the circumstance of the veteran. The Vocational Rehabilitation Counselor (VRC) or Counseling Psychologist (CP) uses this information to determine if the veteran is entitled to a program of services and, if found to be entitled, works with the veteran to develop a specific plan of services to achieve the agreed upon goal.
- 2) Extended Evaluation: During the Evaluation and Planning Status, the VRC may determine that, due to the extent of the veteran's disabilities, there is insufficient information to determine if a veteran can benefit from a rehabilitation and employment program. The VRC is also unable to determine in these cases if the veteran will eventually achieve the goal of suitable employment or maximization of independent living skills. In order to further assess the veteran's potential, he/she is placed in the Extended Evaluation status. A specialized rehabilitation service provides the VRC or CP with a more detailed assessment of the veteran's potential to achieve a rehabilitation goal. This assessment aids the VRC or CP in developing the veteran's plan for services.

Note: Of the 59,225 veterans who were provided evaluation services in FY 2000, 33,065 were found to be entitled to programs of rehabilitation services. The remainder was not found entitled or dropped out of the evaluation process prior to this determination.

By Combined Degree of Service-connected Disability

Note: The “Other” category includes applicants with non-compensable (0%) evaluations for service-connected disabilities or non-service-connected disabilities.

**Veterans Entitled to Vocational Rehabilitation
By Combined Degree of Disability
During Fiscal Year 2000**

Disability Evaluation	Number	Percent
0%	7	0.0%
10%	1,297	3.9%
20%	6,688	20.0%
30%	6,902	20.9%
40%	5,467	16.5%
50%	3,395	10.3%
60%	2,926	8.8%
70%	1,945	5.9%
80%	1,044	3.2%
90%	411	1.2%
100%	2,079	6.3%
Other ¹	904	2.7%
Total	33,065	100%

Table 50 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network Data Warehouse and Disability Compensation Data

¹ Contains cases not rated and memo ratings

By Gender

**Veterans Entitled to Vocational Rehabilitation
By Gender
During Fiscal Year 2000**

	Female	Male	Total
Number	5,907	27,158	33,065
Percent	17.9%	82.1%	100.0%

Table 51 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) Benefits Delivery Network - Data Warehouse

By Age

**Veterans Entitled to Vocational Rehabilitation
By Age
During Fiscal Year 2000**

	Age 17 - 21	Age 22 - 29	Age 30 - 39	Age 40 - 49	Age 50 - 59	Age >60	Total For All Ages ¹
Number	314	5,960	9,263	10,883	5,663	982	33,065
Percent	0.9%	18.0%	28.0%	32.9%	17.1%	3.0%	100.0%

Table 52 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

By Period of Service

Veterans Entitled to Vocational Rehabilitation By Period of Service During Fiscal Year 2000

	World War II	Post World War II ¹	Korean War	Post Korean War ¹	Vietnam Era	Post Vietnam Era ¹	Gulf War Era	Total All Service Periods
Number	113	23	116	322	4,050	7,238	21,203	33,065
Percent	0.3%	0.1%	0.4%	1.0%	12.2%	21.9%	64.1%	100%

Table 53 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

¹ These three periods are generally combined into "Peacetime" service in other sections of this report.

By Serious Employment Handicap

Veterans Entitled to Vocational Rehabilitation With a Serious Employment Handicap During Fiscal Year 2000

	Number	Percent
Total Veterans	33,065	
Total With SEH	14,125	43%

Table 54 - Chap. 2

Source: VR&E Program Management Reports (FY 2000)
Benefits Delivery Network - Data Warehouse

Note: A serious employment handicap is a significant impairment, caused in part by a service-connected disability, in the veteran's ability to prepare for, obtain, or retain employment consistent with his/her abilities, aptitudes, and interests.

Veterans Who Completed Evaluation and Developed Rehabilitation Plans

Veterans Participating In a Vocational Rehabilitation Program and the Number of New Rehabilitation Plans Developed During Fiscal Year 2000

Total Participants ¹	52,505
Training Plans Developed ²	22,878
Percent of Training Plans	44%

Table 55 - Chap. 2

¹Source: VR&E Program Management Reports (FY 2000)
Benefits Delivery Network - Data Warehouse

²Source: COIN TAR 6001

d. Step 3: Participation in a Program of Rehabilitation Services

Upon the completion of the individualized rehabilitation plan, the veteran enters a rehabilitation program to become:

- job-ready in the selected vocational choice, or
- achieve the maximum ability to live independently in the community

The majority of veterans participating in a plan of services follow the employment track and may receive services that include:

- employment planning
- training or education
- medical or dental care, and
- other supportive services

The length of time a veteran remains in a rehabilitation program varies according to the individual circumstances of each veteran; however, the average time spent in the program is approximately two and one-half years.

A total of 63,979 veterans actively participated in programs during fiscal year 2000. Many of these veterans received subsistence allowance payments if their programs included training or the veteran was eligible for this allowance through other program provisions. Data shown in the tables below reflect only that part of this group that received a subsistence allowance.

By Occupational Goal

**Veterans Participating in a Vocational Training Program
By Occupational Goal
During Fiscal Year 2000**

	Total Number	Percent of Total	Number of Male	Percent of Total	Number of Female	Percent of Total
Agricultural, Fishery and Forestry	131	0.2%	109	0.3%	22	0.2%
Benchwork	352	0.7%	333	0.8%	19	0.2%
Clerical	2,385	4.5%	1,643	4.0%	742	6.7%
Independent Living	504	1.0%	429	1.0%	75	0.7%
Machine Trades	1,029	2.0%	1,012	2.4%	17	0.2%
Miscellaneous	1,473	2.8%	1,236	3.0%	237	2.1%
Processing(Butcher,Meat Processor, etc.)	40	0.1%	31	0.1%	9	0.1%
Professional, Technical, and Managerial	43,332	82.5%	33,688	81.4%	9,644	86.7%
Sales	345	0.7%	295	0.7%	50	0.4%
Service	1,105	2.1%	894	2.2%	211	1.9%
Structural (Building Trades)	1,463	2.8%	1,417	3.4%	46	0.4%
Unknown/Other	346	0.7%	292	0.7%	54	0.5%
Total	52,505	100%	41,379	100%	11,126	100%

Table 56 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

By Type of Training Activity

Veterans Participating in a Vocational Training Program by Type of Training and Gender During Fiscal Year 2000

Type of Training	Total Number	Percent of Total	Number of Male	Percent of Total	Number of Female	Percent of Total
Undergraduate	43,430	82.7%	33,606	81.2%	9,824	88.3%
Vocational/Technical	4,783	9.1%	4,231	10.2%	552	5.0%
Graduate	1,843	3.5%	1,348	3.3%	495	4.4%
College, Non-Degree	1,180	2.2%	1,050	2.5%	130	1.2%
Extended Evaluation	726	1.4%	652	1.6%	74	0.7%
On the Job	242	0.5%	229	0.6%	13	0.1%
Eval/Imp Rehab Potential	65	0.1%	60	0.1%	5	0.0%
High School	43	0.1%	39	0.1%	4	0.0%
Non/Nominal Pay in Gov.	96	0.2%	73	0.2%	23	0.2%
Gov't Work Experience	0	0.0%	0	0.0%	0	0.0%
Apprenticeship	87	0.2%	81	0.2%	6	0.1%
Farm Co-op	10	0.0%	10	0.0%	0	0.0%
Total	52,505	100%	41,379	100%	11,126	100%

Table 57 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

By Serious Employment Handicap

Veterans Participating in a Vocational Training Program With a Serious Employment Handicap During Fiscal Year 2000

Total Participants	52,505
Number with Serious Employment Handicap	19,198
Percent with Serious Employment Handicap	37%

Table 58 - Chap. 2

Source: VR&E Program Management Reports (FY 2000)
Benefits Delivery Network - Data Warehouse

By Gender

Veterans Participating in a Vocational Training Program By Gender

	Female	Male	Total
Number	11,126	41,379	52,505
Percent	21.2%	78.8%	100%

Table 59 - Chap. 2

Source: VR&E Program Management Reports (FY 2000)
Benefits Delivery Network - Data Warehouse

By Age

**Veterans Participating in a Vocational Training Program
By Age
During Fiscal Year 2000**

	Age 17-21	Age 22-29	Age 30-39	Age 40-49	Age 50-59	Age >60	Total for All Ages
Number	150	9,019	17,724	17,876	7,001	735	52,505
Percent	0.3%	17.2%	33.8%	34.0%	13.3%	1.4%	100%

Average Age for Veterans in Training Status: 45.7

Table 60 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

By Period of Service

**Veterans Participating in a Vocational Training Program
By Period of Service
During Fiscal Year 2000**

	World War II	Post World War II ¹	Korean War	Post Korean War ¹	Vietnam Era	Post Vietnam Era ¹	Gulf War Era	Total All Service Periods
Number	37	7	60	229	3,619	9,695	38,858	52,505
Percent	0.1%	0.0%	0.1%	0.4%	6.9%	18.5%	74.0%	100%

Table 61 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

¹ These three periods are generally combined into "Peacetime" service in other sections of this report.

By Branch of Service

**Veterans Participating in a Vocational Training Program
By Branch of Service
During Fiscal Year 2000**

	Army ¹	Navy	Air Force	Marine Corps	Coast Guard	Other ²	Total
Number	24,170	12,007	9,149	5,646	682	851	52,505
Percent	46.0%	22.9%	17.4%	10.8%	1.3%	1.6%	100%

Table 62 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

¹Army includes 2 from Women's Army Corps and 2 from Army Air Corps

²Other includes 1 from NOAA, 2 from Public Health Service and 848 records with no branch of service data.

By Length of Service

**Veterans Participating in a Vocational Training Program
By Length of Service
Beginning Fiscal Year 2000**

	Number	Percent
3 Months or Less	280	5%
3-6 Months	691	1.3%
6 Months to 2 Year	5,530	10.5%
2-4 Years	12,824	24.4%
4-10 Years	15,053	28.7%
10-15 Years	5,654	10.8%
15-20 Years	4,214	8.0%
20-30 Years	8,089	15.4%
Over 30 Years	170	.3%
Total	52,505	100%

Table 63 - Chap 3

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

By Dependency Status: Dependency status identifies known dependents for both single and married veteran participants.

**Veterans Participating in a Vocational Training Program
By Dependency Status
During Fiscal Year 2000**

	Single	Single With Children	Married	Married With Children	Dependent Parent(s)	Total ¹
Number	12,528	6,616	8,950	24,179	117	52,390
Percent	23.9%	12.6%	17.1%	46.2%	0.2%	100%

Table 64 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

¹Does not include 115 veterans whose dependency status is unknown

By Prior Education Level: Distribution by level of education attained prior to the veteran's enrollment in a training program.

**Veterans Participating in a Vocational Training Program
By Prior Education Level
During Fiscal Year 2000**

	Less Than High School	High School	Post High School	Four Year College Degree	Graduate Training	Total
Number	336	29,773	18,359	2,699	1,338	52,505
Percent	0.6%	56.7%	35.0%	5.1%	2.5%	100%

Table 65 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

By Prior Use of VA Educational Benefits: VR&E program participants who previously used VA education benefits during fiscal year 2000.

**Veterans Participating in a Vocational Training Program
By Prior Use of VA Education Benefits
During Fiscal Year 2000**

	Prior Use	No Prior Use	Total
Number	17,768	34,737	52,505
Percent	33.8%	66.2%	100%

Table 66 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

e. Step 4: Job Ready - Preparing for and Searching for a Suitable Job

A veteran, while in the Evaluation and Planning Status, may be found:

- to need additional rehabilitation services before he/she is job-ready, or
- may be found to have transferable skills developed through prior education or experience that would allow him/her to successfully compete in the job market without additional training

Whether the veteran becomes job-ready after participating through rehabilitation to the point of *Employability Status* or is determined to be *job-ready* in the evaluation process, he/she is placed in the Employment Services Status. Here, the employment assistance needs of each veteran is assessed and a plan of services is developed that will lead to moving into suitable employment. Services may include:

- job market exploration
- job seeking skills
- resume preparation
- interview skills, and
- other assistance

Each veteran is provided a case manager who follows the veteran's progress through the program and assures that the prescribed services are delivered.

The following table shows those veterans who progressed from participating in a program of rehabilitation services to employment services. In fiscal year 2000, a total of 15,759 veterans received services in the Employment Services status. This includes 1,337 veterans who were found (in the Evaluation and Planning Status) to possess marketable skills without additional education or training, but needed specific employment services to obtain and maintain suitable employment. Therefore, rather than participate in a program of rehabilitation services that may have included training or education, these veterans were able to move directly to the Employment Services Status. The remaining 14,422 veterans received services in the Rehabilitation to the Point of Employability Status. Veterans in this status may be provided assistance in:

- resume preparation
- interview techniques
- job hunting strategies, and
- other direct employment services

**Veterans Participating in a Vocational Training Program
By Veterans Who Entered Employment Services
During Fiscal Year 2000**

Total Participants ¹	52,505
Employment Plans Developed ²	15,759
Percent in Employment Plans	30%

Table 67- Chap. 2

¹Source: VR&E Program Management Reports (FY 2000)

²COIN TAR 6005

Note: Participants are all veterans who received subsistence allowance while in a training program during FY 2000.

Veterans Served by the Program By Race or Ethnic Background, Sorted By Case Status:

**Veterans in Active Case Statuses
During FY 2000
By Race**

	Applicant Status
American Indian/Alaskan	335
Asian/Pacific Island	843
Black	12,697
White	24,603
Other	1,485
Unknown	4,184
Unidentified	6,792
Total	50,939
	Evaluation and Planning Status
American Indian/Alaskan	324
Asian/Pacific Island	894
Black	11,255
White	22,801
Other	1,250
Unknown	3,826
Unidentified	10,469
Total	50,819
	Extended Evaluation Status
American Indian/Alaskan	7
Asian/Pacific Island	33
Black	432
White	703
Other	31
Unknown	261
Unidentified	1,244
Total	2,711
	Independent Living Status
American Indian/Alaskan	7
Asian/Pacific Island	33
Black	100
White	472
Other	30
Unknown	526
Unidentified	1,662
Total	2,830

Veterans in Active Case Statuses During FY 2000 By Race	
	Rehabilitation to Employment Status
American Indian/Alaskan	342
Asian/Pacific Island	893
Black	12,808
White	30,061
Other	1,115
Unknown	3,434
Unidentified	44,654
Total	93,307
	Employment Status
American Indian/Alaskan	105
Asian/Pacific Island	274
Black	2,690
White	8,309
Other	280
Unknown	1,051
Unidentified	3,519
Total	16,228
Grand Total FY 2000	216,834

Table 68 – Chap. 2

Source: VR&E Program Management Reports
(FY 2000) – Benefits Delivery Network Data Warehouse

f. Step 5: Rehabilitated: This step is discussed in detail on page 74.

Summary of Beneficiaries Leaving The Rolls For All Benefits Programs During Fiscal Year 2000

The Compensation and Pension, Education, Life Insurance, Loan Guaranty and Vocational Rehabilitation and Employment Services programs serve diverse purposes, therefore, the reasons benefits terminate vary from program to program. For Compensation and Pension, benefits generally stop when entitlement ceases to exist, such as the improvement of a service-connected disability to a non-compensable level or exceeding the statutory income limit. For Education, benefits end when training ceases, when entitlement is exhausted or a delimiting date is reached. For Insurance policyholders, termination means either lapse of policy coverage or payment of the policy. For Home Loan Guaranty, termination means either the payment of the guaranty amount to the lender or full payment of the mortgage by the veteran. For Vocational Rehabilitation, termination means stopping of training, either by completing or withdrawing from the program.

Summary of All Active Benefits That Ended During Fiscal Year 2000

Benefits Programs	Number of People	Percent of Total
Compensation – Disability	71,204	9.1%
Compensation – Death ¹	18,122	2.3%
Pension – Disability	60,131	7.7%
Pension – Death	43,589	5.6%
Education ²	27,076	3.5%
Life Insurance	135,546	17.4%
Home Loan Guaranty	407,168	52.3%
Vocational Rehabilitation ³	16,432	2.1%
Total	779,268	100%

Table 69 – Chap. 2

¹ This category consists of the Death Compensation and DIC Programs.

² 20,948 claimants exhausted their entitlement; 6,128 claimants reached their delimiting date.

³ 10,603 veterans completed training; 5,829 veterans discontinued training.

Individual Data for Each Benefit Program

The following sections provide additional information about benefits that ended for veterans, dependents, and survivors under each program during fiscal year 2000.

1. COMPENSATION - BASED UPON SERVICE-CONNECTED DISABILITY

The following table shows the most common reasons for ending disability compensation payments during fiscal year 2000.

Note: Reasons for ending benefit payments are depicted in the boxes above the “Number Removed” and “Percent of Period Removed” columns. “Percent of Period Removed” means the proportion of the total number of veterans from that period of service whose benefits were ended.

Service-Connected Disability Compensation - Reasons For Ending Payments During Fiscal Year 2000

Periods Of Service	Death Of A Veteran		Other Reasons Not Specifically Stated		Veterans Whereabouts Or Address Unknown	
	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed
World War I	40	97.6%	1	2.4%	0	0.0%
World War II	40,585	98.7%	282	0.7%	200	0.5%
Korean War	6,856	98.1%	65	0.9%	41	0.6%
Vietnam Era	11,502	94.0%	344	2.8%	200	1.6%
Gulf War Era	711	28.3%	573	22.8%	284	11.3%
Peacetime Periods	7,325	88.0%	331	4.0%	297	3.6%
Total	67,019		1,596		1,022	
Percent Of Grand Total	94.1%		2.2%		1.4%	
Periods Of Service	Veteran On Active Duty Or In Receipt Of Retirement Pay		All Others		Grand Totals By Periods Of Service	
	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Grand Total
World War I	0	0.0%	0	0.0%	41	0.1%
World War II	12	0.0%	24	0.1%	41,103	57.7%
Korean War	11	0.2%	15	0.2%	6,988	9.8%
Vietnam Era	115	0.9%	78	0.6%	12,239	17.2%
Gulf War Era	594	23.7%	348	13.9%	2,510	3.5%
Peacetime Periods	252	3.0%	118	1.4%	8,323	11.7%
Total	984		583		71,204	100.0%
Percent Of Grand Total	1.4%		0.8%		100.0%	

Table 70 - Chap. 2

Source: Benefits Delivery Network - RCS 20-0243

2. COMPENSATION - BASED UPON A SERVICE-CONNECTED DEATH

The following table shows the most common reasons for ending DIC and Death Compensation¹⁹ payments during fiscal year 2000.

Service-Connected Death Benefits - Reasons For Ending Payments During Fiscal Year 2000

Periods Of Service	Death Of Payee		Child Over 18 Terminates School Or Reaches Age 23		Marital Status Change - Person Entitled Or Dependent	
	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed
World War I and Earlier	567	96.9%	0	0.0%	2	0.3%
World War II	6,663	92.7%	80	1.1%	132	1.8%
Korean War	1,664	87.5%	54	2.8%	59	3.1%
Vietnam Era	2,390	47.4%	1,087	21.6%	411	8.1%
Gulf War Era	17	2.7%	230	37.1%	127	20.5%
Peacetime Periods	1,452	52.2%	513	18.4%	162	5.8%
Total	12,753		1,964		893	
Percent Of Grand Total	70.4%		10.8%		4.9%	
Periods Of Service	Child Reaches Age 18		All Others		Grand Totals By Periods Of Service	
	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Grand Total
World War I and Earlier	1	0.2%	15	2.6%	585	3.2%
World War II	17	0.2%	299	4.2%	7,191	39.7%
Korean War	16	0.8%	108	5.7%	1,901	10.5%
Vietnam Era	390	7.7%	766	15.2%	5,044	27.8%
Gulf War Era	79	12.7%	167	26.9%	620	3.4%
Peacetime Periods	311	11.2%	343	12.3%	2,781	15.3%
Total	814		1,698		18,122	100.0%
Percent Of Grand Total	4.5%		9.4%		100.0%	

Table 71 - Chap. 2

Source: Benefits Delivery Network - RCS 20-0243

¹⁹ The Death Compensation program preceded the DIC program. Basic entitlement, generally, exists for a surviving spouse, child/children, and/or parents if the veteran died before January 1, 1957.

3. PENSION - BASED UPON NONSERVICE-CONNECTED DISABILITY

The following table shows the most common reasons for ending disability pension payments during fiscal year 2000.

Nonservice-Connected Disability Pension - Reasons For Ending Payments During Fiscal Year 2000

Periods Of Service	Death Of A Veteran		Income Provisions		Other Reasons Not Specifically Stated	
	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed
World War I	149	96.1%	1	0.6%	4	2.6%
World War II	28,170	80.7%	3,501	10.0%	1,633	4.7%
Korean War	7,413	58.5%	3,352	26.4%	1,120	8.8%
Vietnam Era	4,771	39.1%	5,332	43.7%	1,227	10.1%
Gulf War Era	38	19.4%	106	54.1%	28	14.3%
Peacetime Periods	N/A		N/A		N/A	
Total	40,541		12,292		4,012	
Percent Of Grand Total	67.4%		20.4%		6.7%	
Periods Of Service	Failed To File Eligibility Verification Report		All Others		Grand Totals By Periods Of Service	
	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Grand Total
World War I	1	0.6%	0	0.0%	155	0.3%
World War II	1,001	2.9%	608	1.7%	34,913	58.1%
Korean War	488	3.9%	301	2.4%	12,674	21.1%
Vietnam Era	296	2.4%	567	4.7%	12,193	20.3%
Gulf War Era	5	2.6%	19	9.7%	196	0.3%
Peacetime Periods	N/A		N/A		N/A	
Total	1,791		1,495		60,131	100.0%
Percent Of Grand Total	3.0%		2.5%		100.0%	

Table 72 Chap. 2

Source: Benefits Delivery Network – RCS 20-0243

4. PENSION - BASED UPON NONSERVICE-CONNECTED DEATH

The following table shows the most common reasons for ending death pension payments to survivors of wartime veterans during fiscal year 2000.

Nonservice-Connected Death Pension - Reasons For Ending Payments During Fiscal Year 2000

Periods Of Service	Death Of Payee		Income Provisions		Other Reasons Not Specifically Stated	
	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed
World War I and Earlier	7,317	93.2%	133	1.7%	103	1.3%
World War II	15,298	57.2%	8,204	30.7%	1,522	5.7%
Korean War	1,020	17.4%	3,825	65.4%	448	7.7%
Vietnam Era	290	9.4%	1,709	55.5%	453	14.7%
Gulf War Era	0	0.0%	41	64.1%	11	17.2%
Peacetime Periods	N/A		N/A		N/A	
Total	23,925		13,912		2,537	
Percent Of Grand Total	54.9%		31.9%		5.8%	
Periods Of Service	Failure To File Eligibility Verification Report (EVR)		All Others		Grand Totals By Periods Of Service	
	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Period Removed	Number Removed	Percent Of Grand Total
World War I and Earlier	165	2.1%	135	1.7%	7,853	18.0%
World War II	811	3.0%	911	3.4%	26,746	61.4%
Korean War	201	3.4%	355	6.1%	5,849	13.4%
Vietnam Era	133	4.3%	492	16.0%	3,077	7.1%
Gulf War Era	2	3.1%	10	15.6%	64	0.1%
Peacetime Periods	N/A		N/A		N/A	
Total	1,312		1,903		43,589	100.0%
Percent Of Grand Total	3.0%		4.4%		100.0%	

Table 73 - Chap. 2

Source: Benefits Delivery Network - RCS 20-0243

5. EDUCATION

Educational assistance ends for one of two reasons - entitlement is exhausted or the deadline for using the benefit (i.e., the delimiting date) is reached.

Entitlement exhausted: Veterans, dependents, service members, and reservists are generally entitled to 36 months of educational assistance (entitlement). Dependents are entitled to 45 months of educational assistance. Once 36 or 45 months of educational assistance is used, payment of the benefit ends.

Delimitation Date: Dependents have a defined amount of time to use their educational assistance. Veterans and service members, generally, have 10 years from the date of their last discharge from active military service. Reservists have either 10 years from the date their eligibility began or until the day following separation from the Selected Reserve, whichever is the earlier. In the Dependents Educational Assistance program, children usually have until age 26; and spouses, or surviving spouses, generally, have 10 years from their date of eligibility.

Beneficiaries Whose Benefits Terminated During Fiscal Year 2000

Program	Entitlement Exhausted	Delimiting Date	Total Terminations	Percent of Total Terminations
Dependents Education	295	116	411	1.5%
Montgomery GI Bill - Active Duty ¹	17,645	3,785	21,430	79.1%
Montgomery GI Bill - Reserves ²	2,702	2,079	4,781	17.1%
Post-Vietnam Veterans Education	306	148	454	1.7%
Total	20,948	6,128	27,076	100%
Percent of Total Terminations	77.37%	22.63%	100%	

Table 74 – Chap. 2

Source: Education Service SAS Reports

¹ Based on Active Duty service

² Based on service in the Selected Reserve

6. LIFE INSURANCE

Life insurance policies end for two reasons - either they are “paid off” or they lapse. The following two tables provide data concerning the policies that ended during fiscal year 2000.

Policies That Were “Paid Off”

Policies may be “paid off” in different ways. Death claims are paid to a veteran’s designated beneficiary upon the death of the veteran. Cash surrenders and matured endowments are paid to the veteran. The following table provides a distribution of payments by insurance program.

**Insurance Payments
During Fiscal Year 2000**

Death Claims	Number¹	Amount²	Average Payment
USGLI	1,473	\$5,173,206	\$3,512
NSLI	91,050	\$837,446,214	\$9,198
VSLI	4,731	\$51,925,993	\$10,976
VRI	4,483	\$34,479,757	\$7,691
SDVI	4,317	\$42,425,298	\$9,827
VMLI	125	\$7,159,409	\$57,275
SGLI ³	1,684	\$313,297,251	\$186,043
VGLI ³	1,140	\$106,267,051	\$93,217
TOTAL	109,003	\$1,398,174,179	\$12,827
Matured Endowment	Number¹	Amount²	Average Payment
USGLI	20	\$124,804	\$6,240
NSLI	917	\$8,767,225	\$9,561
VSLI	655	\$8,093,065	\$12,356
VRI	14	\$163,866	\$11,705
SDVI	286	\$2,058,547	\$7,198
TOTAL	1,892	\$19,207,507	\$10,152
Cash Surrender	Number¹	Amount²	Average Payment
USGLI	204	\$503,870	\$2,470
NSLI	9,673	\$39,671,854	\$4,101
VSLI	1,157	\$5,141,468	\$4,444
VRI	466	\$2,186,743	\$4,693
SDVI	1,163	\$6,924,722	\$5,954
TOTAL	12,663	\$54,428,657	\$4,298
GRAND TOTAL	123,558	\$1,471,810,343	\$11,912

Table 75 – Chap. 2

¹ Sources: Insurance Master Record Database - 510 Monthly Report
VMLI Database - VMLI Quarterly Report

Veterans And Reservists Group Insurance System - OSGLI Monthly Report

² Source: Insurance General Ledger Accounting System - CFO FY00 Life Insurance Statements (Incurred Basis)

³ Source: SGLI and VGLI data are for the policy year ending June 30, 2000

Policies That Lapsed

Policies lapse mainly because the policyholder didn't pay the premiums. The following table provides data about policies that lapsed during FY 2000.

**Policy Lapses
During Fiscal Year 2000**

Policy Lapses	Number ¹	Face Value ¹	Average Face Value
NSLI	9,241	\$58,856,604	\$6,369
VSLI	688	\$5,492,500	\$7,983
VRI	248	\$1,300,250	\$5,243
SDVI	1,811	\$17,765,250	\$9,810
TOTAL	11,988	\$83,414,604	\$6,958

Table 76 – Chap. 2

¹ Sources: Insurance Master Record Database - 510 Monthly Report
VMLI Database - VMLI Quarterly Report
Veterans And Reservists Group Insurance System - OSGLI Monthly Report

7. HOME LOAN GUARANTY

A home loan guaranty is terminated in one of two ways. "Paid in Full" means that the loan was paid in full, by the borrower, to the lending institution. Therefore, the guaranty is no longer applicable and no payment was made based on the guaranty. "Loan Defaulted - Guaranty Payment Made" means that the loan was defaulted by the borrower and the loan guaranty claim was paid. The following table shows the disposition of loan guaranties terminated during fiscal year 2000. Also shown is the amount of money paid to lending institutions under the guaranty provisions during fiscal year 2000.

**Disposition of Home Loans
During Fiscal Year 2000**

Disposition	Number of Loans	Percent of Total	Amount of Payment	Average Payment
Paid in Full by Borrower	378,292	92.9%	--	--
Loan Defaults - Guaranty Payment Made	28,876	7.1%	586,963,000	\$20,327
TOTAL	407,168	100%		

Table 77 – Chap. 2

Source: COIN GIL 01-01, 02-01 & 50-01; DOOR Report 6005
¹ Source: Budget Statistics. This amount is based upon claims processed.

8. VOCATIONAL REHABILITATION AND EMPLOYMENT

The vocational rehabilitation program participants end their association with the program in one of three ways:

- by completing the program and finding employment;
- by completing the program and achieving greater independence in living; or
- by discontinuing pursuit of the rehabilitation objectives.

a. Veterans Ending Their Participation in a Training Program

This table shows the veterans whose participation ended during fiscal year 2000, sorted by termination reason.

**Veterans Who Ended
A Training Program
During Fiscal Year 2000**

Reason For Ending Program	Number	Percent
Employment ¹	9,837	59.9%
Independent Living	766	4.7%
Discontinue ²	5,829	35.5%
Total	16,432	100.0%

Table 78 - Chap. 2

Source: VR&E Program Management Reports (FY 2000)

¹Total includes 230 rehab cases who pursued further education

²Individual who had developed plans of services and discontinued

Step 5: Rehabilitated: Rehabilitated Status represents the achievement of the veteran's goal to be suitably employed or obtain independence in daily living and is the positive outcome measure of the program. Each veteran is provided follow-up assistance to assure that his/her status can be maintained.

b. Participants with Serious Employment Handicaps Who Completed Their Program

Participants who had a serious employment handicap and completed a program of vocational rehabilitation during fiscal year 2000.

**Veterans with a Serious Employment
Handicap Who Completed Training During FY 2000**

	Number	Percent
Total Veterans	10,603	
Total With Serious Employment Handicap	4,039	38%

Table 79 - Chap. 2

Source: VR&E Program Management Reports (FY 2000)

Benefits Delivery Network - Data Warehouse

c. Pre- and Post-Training Annual Earnings

By Gender

Annual earnings of veterans, by gender, who completed their rehabilitation program and gained employment.

Note: The table compares annual earnings before entering the program and after completing it and finding employment. Both total annual earnings and average annual earnings for these veterans are provided.

Veterans Who Successfully Achieved Rehabilitation Pre And Post Annual Earnings By Gender During Fiscal Year 2000

	Number Rehabilitated	Average Annual Earnings Prior To Training	Total Annual Earnings Prior To Training	Average Annual Earnings At Rehabilitation	Total Annual Earnings At Rehabilitation
Male	8,754	4,739	\$ 41,485,206	28,024	\$ 245,322,096
Female	1,849	3,620	\$ 6,693,380	24,338	\$ 45,000,962
Total	10,603¹		\$ 48,178,586		\$ 290,323,058

Table 80 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

¹This total does not include 766 persons who entered into independent living and do not have earnings and 230 Rehab. cases who pursued further education as Cited in 38 Code of Federal Regulations 21.283 – Rehabilitated.

By Occupation Type

The following table shows the distribution of average annual earnings before entering the program and following rehabilitation, by occupational categories.

Veterans Who Successfully Achieved Rehabilitation Pre and Post Annual Earnings By Occupational Category During Fiscal Year 2000

	Number Rehabilitated	Average Annual Earnings Prior to Training	Total Annual Earnings Prior to Training	Average Annual Earnings at Rehab	Total Annual Earnings at Rehab	Percent of Increases in Earnings
Professional, Technical and Managerial	6,814	\$4,993	\$34,022,302	\$29,674	\$202,198,636	494%
Clerical	848	\$4,314	\$3,658,272	\$22,507	\$19,085,936	422%
Sales	243	\$3,994	\$970,542	\$24,764	\$6,017,652	520%
Services	436	\$4,398	\$1,917,528	\$22,482	\$9,802,152	411%
Agricultural, Fishery, & Forestry	29	\$2,603	\$75,487	\$19,516	\$565,964	650%
Processing (Butcher, Meat Processor)	31	\$4,699	\$145,669	\$25,900	\$802,900	451%
Machine Trades	346	\$4,820	\$1,667,720	\$25,210	\$8,722,660	423%
Bench Work	118	\$3,298	\$389,164	\$21,952	\$2,590,336	566%
Structural (Building Trades)	412	\$5,028	\$2,071,536	\$26,733	\$11,013,996	432%
Miscellaneous	330	\$4,806	\$1,585,980	\$24,964	\$8,238,120	419%
Total¹	9,607	\$4,841	\$46,504,200	\$28,004	\$269,038,352	479%

Table 81 - Chap. 2

Source: VR&E Program Management Reports (FY 2000)

¹This total does not include 766 persons who entered into independent living and do not have earnings and 230 Rehab. cases who pursued further education as Cited in 38 Code of Federal Regulations 21.283 – Rehabilitated.

Note: The distribution of participants by gender is shown for each type of training. A subsistence allowance is paid to participants for some or all of the time they are in the training program.

d. Demographic Characteristics of Participants Who Successfully Completed Training

By Gender

**Veterans Who Successfully Achieved Rehabilitation
By Gender
During Fiscal Year 2000**

	Female	Male	Total
Number	1,849	8,754	10,603
Percent	17.4%	82.6%	100%

Table 82 - Chap. 2

Source: VR&E Program Management Reports (FY 2000)
Benefits Delivery Network - Data Warehouse

By Age

**Veterans Who Successfully Achieved Rehabilitation
By Age
During Fiscal Year 2000**

	Age 17 – 21	Age 22 – 29	Age 30 – 39	Age 40 - 49	Age 50 – 59	Age >60	Total for All Ages
Number	9	1,197	3,334	3,658	2,062	343	10,603
Percent	0.1%	11.3%	31.4%	34.5%	19.4%	3.2%	100%

Table 83 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

By Prior Education Level

**Veterans Who Successfully Achieved Rehabilitation
By Prior Education Level
During Fiscal Year 2000**

	Less Than High School	High School	Post High School	Four Year College Degree	Graduate Training	Total
Number	92	5,834	3,495	826	356	10,603
Percent	0.9%	55.0%	33.0%	7.8%	3.4%	100%

Table 84 - Chap. 2

By Dependency Status

Veterans Who Successfully Achieved Rehabilitation By Dependency Status During Fiscal Year 2000

	Single	Single With Children	Married	Married With Children	Dependent Parent(s)	Total ¹
Number	1,998	1,018	1,876	4,348	20	9,260
Percent	21.6%	11.0%	20.3%	47.0%	0.2%	100%

Table 85 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

¹ Does not include 1343 veterans whose dependency status is unknown.

By Branch of Service

Branch-of-service distribution among those who completed rehabilitation programs.

Note: Consistent with requirements established in Title 38 of the United States Code Section 101, service in the National Oceanic and Atmospheric Administration (NOAA) and the Public Health Service qualify persons for vocational rehabilitation programs.

Veterans Who Successfully Achieved Rehabilitation By Branch Of Service During Fiscal Year 2000

	Army ¹	Navy	Air Force	Marine Corps	Coast Guard	Other ²	Total
Number	4,564	2,495	2,104	1,162	126	152	10,603
Percent	43.0%	23.5%	19.8%	11.0%	1.2%	1.4%	100%

Table 86 - Chap. 2

Source: VR&E Program Management Reports (FY 2000)-and Disability Compensation Database

¹Army includes 2 from Womens Army Air Corp.

²Other Includes, 1 from Merchant Marines, 2 NOAA, 1 from Public Health Service.

By Length of Service

Length of time in service among veterans who completed rehabilitation programs

Veterans Who Successfully Achieved Rehabilitation By Length Of Service During Fiscal Year 2000

	3 Month or Less	3 to 6 Months	6 Months to 2 Years	2 to 4 Years	4 to 10 Years
Number	41	95	1,074	2,438	2,865
Percent	0.4%	0.9%	10.2%	23.1%	27.2%
	10 to 15 Years	15 to 20 Years	20 to 30 Years	Over 30 Years	Total ¹
Number	1,120	952	1,899	50	10,534
Percent	10.6%	9.0%	18.0%	0.5%	100%

Table 87 - Chap. 2

Source: VR&E Program Management Reports (FY 2000) - Benefits Delivery Network - Data Warehouse

¹ Does not include 69 veterans whose length of service is unknown.

By Period of Service

Veterans service periods among those who completed rehabilitation programs

**Veteran Who Successfully Achieved Rehabilitation
By Period of Service
During Fiscal Year 2000**

	World War II	Post World War II ¹	Korean War	Post Korean War ¹	Vietnam Era	Post Vietnam Era ¹	Gulf War Era	Total All Service Periods
Number	52	8	28	94	1,041	2,218	7,162	10,603
Percent	0.5%	0.1%	0.3%	0.9%	9.8%	20.9%	67.5%	100%

Table 88 – Chap. 2

Source : VR&E Program Management Reports (FY2000) – Benefits Delivery Network – Data Warehouse

¹These three periods are generally combined in “Peacetime” service in other sections of this report.

Interrupted: While not a step toward the goal of rehabilitation, another status, Interrupted, exists for those veterans who must temporarily suspend active participation in their programs. A veteran who is actively participating in a program of rehabilitation services may find that it is necessary to temporarily suspend his/her rehabilitation program in order to resolve a pressing need, most frequently related to his/her disabling condition. The case manager continues to provide counseling and other assistance to the veteran and his/her family with the intent of resolving the need and allowing the veteran to return to active participation in the program.

CHAPTER 3

BUSINESS BEGINNING FISCAL YEAR 2001

Summary of Active Accounts for All Benefits Programs at the Beginning of Fiscal Year 2001

The following three tables summarize the number of active beneficiaries in VA benefits programs at the beginning of fiscal year 2001 and the monetary value of their benefits.

The first table pertains to programs that pay monthly benefits. It shows the total number of people who were receiving the benefit at the beginning of fiscal year 2000.

Summary of Beneficiaries Receiving Benefits For Programs That Pay Ongoing Benefits At the Beginning of Fiscal Year 2001

Benefit Programs	Number of People	Percent of Total	Total Annual Amounts	Average Annual Amounts
Compensation - Disability	2,308,186	71.2%	\$14,773,382,340	\$6,400
Compensation - Death ¹	313,408	9.7%	\$3,432,300,871	\$10,952
Pension - Disability	364,220	11.2%	\$2,155,208,820	\$5,917
Pension - Death	257,106	7.9%	\$660,940,644	\$2,571
Total	3,242,920	100.0%	\$21,021,832,675	\$6,482

Table 1 – Chap. 3

¹ Includes the DIC and Death Compensation programs

The second table pertains to programs that pay monthly benefits to trainees only during a period of training. The “Number of People” refer to those receiving benefits at the beginning of fiscal year 2001.

Summary of Beneficiaries Receiving Benefits For Programs That Pay Benefits During Training At the Beginning of Fiscal Year 2001

Benefit Programs	Number of People	Percent of Total
Education	205,891	87.2%
Vocational Rehabilitation	30,174	12.8%
Total	236,065	100%

Table 2 – Chap. 3

The third table pertains to programs that pay benefits when certain events occur, such as death of the insured veteran or default on a mortgage. For Life Insurance, the monetary amount represents the face value of policies in effect at the beginning of fiscal year 2001. For Home Loan Guaranty, the monetary amount represents the guaranty obligations (not the value

of the underlying mortgages) of all guaranties in effect at the beginning of fiscal year 2001. For the Life Insurance and Home Loan Guaranty programs, the “Total Coverage Amounts” do *not* represent benefits actually paid out during the year. Instead, they represent potential liabilities that could be paid at some time in the future.

**Summary of All Benefits That Constitute Potential Liabilities
At the Beginning of Fiscal Year 2001**

Benefit Programs	Number of Participants	Percent of Total	Total Coverage Amounts	Average Coverage Amounts
Life Insurance	4,926,919	61.2%	\$486,581,986,561	\$98,760
Home Loan Guaranty ¹	3,121,296	38.8%	\$84,646,159,195	\$27,119
Total	8,048,215	100%	\$571,228,145,756	\$70,976

Table 3 – Chap. 3

¹ Includes direct loans sold and later guaranteed.

Individual Data for Each Benefit Program

The following sections of this chapter are organized by benefit program. Each section provides information about people receiving benefits at the beginning of fiscal year 2001. Many of the tables below correspond with tables in Chapter 2 that provide similar information. The distinction is that the following tables describe the *entire population* of program beneficiaries at the beginning of fiscal year 2001. Tables in Chapter 2 describe only those program beneficiaries who *began receiving* benefits during fiscal year 2001.

1. COMPENSATION - BASED UPON SERVICE-CONNECTED DISABILITY

a. Total Veterans Receiving Service-Connected Disability Compensation

This table shows the total number of veterans, by period of service, receiving disability compensation at the beginning of fiscal year 2001. Also shown are projected total annual and average annual payments to these veterans if all continue on the benefit rolls, receiving the same compensation throughout the fiscal year. The highest period of service is highlighted in yellow.

**Total Veterans Receiving Service-Connected Disability Benefits
Beginning of Fiscal Year 2001**

Period of Service	Number of Veterans	Percent of Total	Total Annual Amounts	Average Annual Amounts
Mexican Border	8	0.0%	\$71,340	\$8,918
World War I	38	0.0%	\$343,308	\$9,034
World War II	505,087	21.9%	\$2,981,862,876	\$5,904
Korean War	170,616	7.4%	\$1,197,547,932	\$7,019
Vietnam Era	740,976	32.1%	\$5,993,431,992	\$8,089
Gulf War Era	324,628	14.1%	\$1,445,573,988	\$4,453
Peacetime Periods	566,833	24.6%	\$3,154,550,904	\$5,565
TOTAL	2,308,186	100.0%	\$14,773,382,340	\$6,400

Table 4 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0221

b. Total Number of Veterans Receiving Disability Compensation Shown by Combined Degree of Disability

The combined degree of disability is expressed as a percentage (from zero to 100 in increments of 10) and represents the overall disabling effect on a veteran of all his or her service-connected disabilities. Disability compensation monetary amounts are set by Congress and correspond to the combined degree of disability. This table shows the number of veterans receiving compensation, sorted by combined percentage of disability. It also shows the projected total annual and average annual payments to these veterans for fiscal year 2001.

Note: "Percent of combined disability" is *not* calculated by summing all the individual degrees of disability. Instead, a rating formula is applied to calculate the overall disabling effect of the veteran's service-connected conditions. Under certain circumstances, a number of disabilities individually evaluated zero percent produce 10 percent combined disability (as directed in 38 Code of Federal Regulation 3.324) and entitle the veteran to receive disability compensation. These will be called "compensable zeros" and are shown in the 0% column of this table.

The largest group of veterans with the same combined disability evaluation is highlighted in yellow. Also highlighted is the largest total dollar amount of compensation paid to veterans with the same combined disability evaluation.

Total Service-connected Benefits by Combined Degree Percent of Disability Beginning of Fiscal Year 2001

Combined Degree	Number	Percent of Total	Total Annual Amounts	Average Annual Amounts
0%	17,469	0.8%	\$14,643,288	\$838
10%	838,886	36.3%	\$991,121,628	\$1,181
20%	370,852	16.1%	\$839,089,176	\$2,263
30%	308,893	13.4%	\$1,191,345,732	\$3,857
40%	197,126	8.5%	\$1,093,278,324	\$5,546
50%	118,638	5.1%	\$927,081,900	\$7,814
60%	122,622	5.3%	\$1,629,623,820	\$13,290
70%	86,497	3.7%	\$1,585,620,060	\$18,332
80%	52,422	2.3%	\$1,099,079,940	\$20,966
90%	24,474	1.1%	\$563,541,768	\$23,026
100%	170,307	7.4%	\$4,838,956,704	\$28,413
TOTAL	2,308,186	100.0%	\$14,773,382,340	\$6,400
Number of beneficiaries by combined percentage of disability 0% thru 30%			1,536,100	
This group as a percentage of the whole			66.6%	

Table 5 - Chap 3

Source: Benefits Delivery Network - RCS 20-0223

c. Total Number of Individual Service-Connected Disabilities

As noted above, a veteran may have more than one disability. In such cases, each disability is evaluated according to its disabling effect, without regard to other disabling conditions present. A rating formula is then applied to assess the overall disabling effect (combined degree) of all the veteran's service-connected conditions. In contrast to the previous table, which organized information according to the *number* of service-connected veterans and their *combined* evaluations, the following table organizes information according to the number of service-connected disabilities and their separate evaluations. The table includes the total number of veterans receiving compensation and the average number of service-connected disabilities per veteran.

A "zero percent" service-connected disability rating means that a disability exists and is related to the veteran's service but is not so disabling that it entitles the veteran to compensation payments. Data for the following tables are taken from compensation payment records. Consequently, the disabilities of service-connected veterans who don't receive compensation (because their combined disability ratings are zero percent) are *not* represented in the table. Zero percent disabilities shown in the table are veterans who receive compensation. The largest category is highlighted in yellow.

**Total Individual Service-Connected Disabilities - by Percent
Veterans Receiving Compensation
Beginning of Fiscal Year 2001**

	Number of Disabilities	Percent of All Disabilities
0%	2,056,279	35.3%
10%	2,191,169	37.6%
20%	515,563	8.9%
30%	463,349	8.0%
40%	154,827	2.7%
50%	109,780	1.9%
60%	103,105	1.8%
70%	47,942	0.8%
80%	8,370	0.1%
90%	2,649	0.0%
100%	168,762	2.9%
Total	5,821,795	100.0%
Total Veterans		2,308,186
Average number of disabilities per veteran		2.52
Number of Disabilities 0% thru 30%:		5,226,360
Percent of all Disabilities:		89.8%

Table 6 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0227 and COIN CP-127

d. Individual Service-Connected Disabilities by Body Systems

The following table shows all service-connected disabilities for veterans receiving compensation at the beginning of fiscal year 2001, sorted by body system and listed in descending order of frequency.

Ranking of Individual Service-Connected Disabilities - by Body System Veterans Receiving Compensation Beginning of Fiscal Year 2001

Body System	Total Number	Percent of Total	Body System	Total Number	Percent of Total
Musculoskeletal System	2,346,864	40.3%	Genitourinary System	141,583	2.4%
Skin	722,474	12.4%	Eye	104,050	1.8%
Impairment of Auditory Acuity	505,298	8.7%	Endocrine System	58,719	1.0%
Digestive System	432,920	7.4%	Infectious Diseases, Immune Disorders, Nutritional Disorder	47,980	0.8%
Mental Disorders	409,071	7.0%	Gynecological Conditions	34,547	0.6%
Cardiovascular System	348,645	6.0%	Dental and Oral Conditions	26,798	0.5%
Neurological Conditions	322,904	5.5%	Hemic & Lymphatic Systems	21,153	0.4%
Respiratory System	298,789	5.1%	Grand Total - All Conditions	5,821,795	100.0%

Table 7 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0227

e. Individual Service-Connected Disabilities by Body System and Degree of Disability

VBA assigned 947 diagnostic codes to describe the 5,821,795 separate service-connected disabilities for veterans receiving disability compensation at the beginning of fiscal year 2001. Diagnostic codes are four to eight-digit numbers that specify medical conditions. These numeric diagnostic codes are in Title 38, Code of Federal Regulations, Part 4. The following four-page table identifies the total number of individual service-connected disabilities, grouped by body systems and percent of disability assigned. Body system groupings are shown in the numeric order of the diagnostic codes associated with the body system. Yellow highlights the degree of disability appearing most often in each body system at the beginning of the fiscal year.

**Total Individual Service-Connected Disabilities – by Percent and Body System
For Veterans Receiving Compensation
Beginning of Fiscal Year 2001**

Body System	0%		10%		20%	
	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System
Musculoskeletal System (Codes 5000-5399)	614,277	26.2%	1,075,960	45.8%	348,765	14.9%
Eye (Codes 6000-6099)	31,638	30.4%	28,964	27.8%	5,289	5.1%
Impairment of Auditory Acuity (Codes 6100-6299)	270,619	53.6%	191,024	37.8%	16,255	3.2%
Infectious Diseases, Immune Disorders, Nutritional Disorder (Codes 6300-6399)	39,180	81.7%	3,322	6.9%	597	1.2%
Respiratory System (Codes 6501-6899)	140,116	46.9%	92,713	31.0%	9,232	3.1%
Cardiovascular System (Codes 7000-7199)	55,573	15.9%	169,161	48.5%	27,817	8.0%
Digestive System (Codes 7200-7399)	249,916	57.7%	113,007	26.1%	31,003	7.2%
Genitourinary System (Codes 7500-7599)	71,483	50.5%	31,547	22.3%	10,395	7.3%
Gynecological Conditions (Codes 7610-7699)	12,534	36.3%	5,703	16.5%	117	0.3%
Hemic & Lymphatic Systems (Codes 7700-7799)	5,642	26.7%	1,440	6.8%	868	4.1%
Skin (Codes 7800-7899)	475,146	65.8%	212,886	29.5%	4,619	0.6%
Endocrine System (Codes 7900-7999)	5,605	9.5%	23,192	39.5%	16,212	27.6%
Neurological Conditions (Codes 8000-8999)	49,621	15.4%	128,798	39.9%	42,478	13.2%
Mental Disorders (Codes 9200-9599)	18,623	4.6%	106,162	26.0%	271	0.1%
Dental and Oral Conditions (Codes 9900-9999)	16,306	60.8%	7,290	27.2%	1,645	6.1%
Grand Total - All Conditions (Codes 5000-9999)	2,056,279	35.3%	2,191,169	37.6%	515,563	8.9%

Table 8 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0227

**Total Individual Service-Connected Disabilities – by Percent and Body System
For Veterans Receiving Compensation
Beginning of Fiscal Year 2001**

Body System	30%		40%		50%	
	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System
Musculoskeletal System (Codes 5000-5399)	135,722	5.8%	88,412	3.8%	19,261	0.8%
Eye (Codes 6000-6099)	23,247	22.3%	7,489	7.2%	1,373	1.3%
Impairment of Auditory Acuity (Codes 6100-6299)	8,201	1.6%	8,268	1.6%	2,361	0.5%
Infectious Diseases, Immune Disorders, Nutritional Disorder (Codes 6300-6399)	1,906	4.0%	231	0.5%	64	0.1%
Respiratory System (Codes 6501-6899)	34,226	11.5%	2,346	0.8%	3,061	1.0%
Cardiovascular System (Codes 7000-7199)	55,124	15.8%	5,414	1.6%	2,671	0.8%
Digestive System (Codes 7200-7399)	17,015	3.9%	8,883	2.1%	851	0.2%
Genitourinary System (Codes 7500-7599)	11,676	8.2%	3,038	2.1%	38	0.0%
Gynecological Conditions (Codes 7610-7699)	8,058	23.3%	316	0.9%	7,613	22.0%
Hemic & Lymphatic Systems (Codes 7700-7799)	10,306	48.7%	154	0.7%	25	0.1%
Skin (Codes 7800-7899)	23,087	3.2%	2,078	0.3%	4,066	0.6%
Endocrine System (Codes 7900-7999)	1,504	2.6%	6,837	11.6%	51	0.1%
Neurological Conditions (Codes 8000-8999)	41,288	12.8%	20,933	6.5%	9,781	3.0%
Mental Disorders (Codes 9200-9599)	90,929	22.2%	149	0.0%	58,399	14.3%
Dental and Oral Conditions (Codes 9900-9999)	1,060	4.0%	279	1.0%	165	0.6%
Grand Total - All Conditions (Codes 5000-9999)	463,349	8.0%	154,827	2.7%	109,780	1.9%

**Total Individual Service-Connected Disabilities – by Percent and Body System
For Veterans Receiving Compensation
Beginning of Fiscal Year 2001**

Body System	60%		70%		80%	
	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System
Musculoskeletal System (Codes 5000-5399)	41,017	1.7%	4,574	0.2%	2,129	0.1%
Eye (Codes 6000-6099)	894	0.9%	1,049	1.0%	134	0.1%
Impairment of Auditory Acuity (Codes 6100-6299)	2,735	0.5%	926	0.2%	1,541	0.3%
Infectious Diseases, Immune Disorders, Nutritional Disorder (Codes 6300-6399)	1,527	3.2%	20	0.0%	86	0.2%
Respiratory System (Codes 6501-6899)	9,614	3.2%	268	0.1%	431	0.1%
Cardiovascular System (Codes 7000-7199)	21,071	6.0%	408	0.1%	107	0.0%
Digestive System (Codes 7200-7399)	5,149	1.2%	112	0.0%	95	0.0%
Genitourinary System (Codes 7500-7599)	6,767	4.8%	8	0.0%	326	0.2%
Gynecological Conditions (Codes 7610-7699)	73	0.2%	3	0.0%	20	0.1%
Hemic & Lymphatic Systems (Codes 7700-7799)	544	2.6%	127	0.6%	6	0.0%
Skin (Codes 7800-7899)	84	0.0%	33	0.0%	305	0.0%
Endocrine System (Codes 7900-7999)	3,664	6.2%	16	0.0%	10	0.0%
Neurological Conditions (Codes 8000-8999)	9,827	3.0%	3,251	1.0%	3,120	1.0%
Mental Disorders (Codes 9200-9599)	130	0.0%	37,145	9.1%	59	0.0%
Dental and Oral Conditions (Codes 9900-9999)	9	0.0%	2	0.0%	1	0.0%
Grand Total - All Conditions (Codes 5000-9999)	103,105	1.8%	47,942	0.8%	8,370	0.1%

**Total Individual Service-Connected Disabilities – by Percent and Body System
For Veterans Receiving Compensation
Beginning of Fiscal Year 2001**

Body System	90%		100%		Total	
	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System	Number of Disabilities	Percent of System
Musculoskeletal System (Codes 5000-5399)	1,148	0.0%	15,599	0.7%	2,346,864	100.0%
Eye (Codes 6000-6099)	446	0.4%	3,527	3.4%	104,050	100.0%
Impairment of Auditory Acuity (Codes 6100-6299)	413	0.1%	2,955	0.6%	505,298	100.0%
Infectious Diseases, Immune Disorders, Nutritional Disorder (Codes 6300-6399)	2	0.0%	1,045	2.2%	47,980	100.0%
Respiratory System (Codes 6501-6899)	4	0.0%	6,778	2.3%	298,789	100.0%
Cardiovascular System (Codes 7000-7199)	13	0.0%	11,286	3.2%	348,645	100.0%
Digestive System (Codes 7200-7399)	0	0.0%	6,889	1.6%	432,920	100.0%
Genitourinary System (Codes 7500-7599)	0	0.0%	6,305	4.5%	141,583	100.0%
Gynecological Conditions (Codes 7610-7699)	0	0.0%	110	0.3%	34,547	100.0%
Hemic & Lymphatic Systems (Codes 7700-7799)	0	0.0%	2,041	9.6%	21,153	100.0%
Skin (Codes 7800-7899)	7	0.0%	163	0.0%	722,474	100.0%
Endocrine System (Codes 7900-7999)	9	0.0%	1,619	2.8%	58,719	100.0%
Neurological Conditions (Codes 8000-8999)	604	0.2%	13,203	4.1%	322,904	100.0%
Mental Disorders (Codes 9200-9599)	3	0.0%	97,201	23.8%	409,071	100.0%
Dental and Oral Conditions (Codes 9900-9999)	0	0.0%	41	0.2%	26,798	100.0%
Grand Total - All Conditions (Codes 5000-9999)	2,649	0.0%	168,762	2.9%	5,821,795	100.0%

f. Most Prevalent Service-Connected Disabilities

This section presents data identifying the most common service-connected disabilities at the beginning of the fiscal year.

1. By Body Systems

The three-page table identifies the five most prevalent individual disabilities (by diagnostic code) for each of the body systems, in descending order of frequency.

Note: The “Percent of System Total” column indicates the proportion of service-connected disabilities *within* each body system that have been assigned the diagnostic code shown at the left of each row. The “Percent of Grand Total” column indicates the proportion of service-connected disabilities in *all* body systems that have been assigned the diagnostic code at the left of each row.

**Most Prevalent Service-Connected Disabilities within Body Systems
For Veterans Receiving Compensation
Beginning of Fiscal Year 2001**

Code	Body System and Disability	Total Number	Percent of System Total	Percent of Grand Total
Musculoskeletal System		2,346,864	100.0%	40.3%
5299	Skeletal conditions	244,029	10.4%	4.2%
5257	Knee, other impairment of	225,410	9.6%	3.9%
5010	Arthritis, due to trauma	185,521	7.9%	3.2%
5295	Lumbosacral strain	169,360	7.2%	2.9%
5293	Intervertebral disc syndrome	132,552	5.6%	2.3%
Skin		722,474	100.0%	12.4%
7805	Scars, other	284,428	39.4%	4.9%
7800	Scars, disfiguring, head, face, neck	93,719	13.0%	1.6%
7899	Skin condition	84,106	11.6%	1.4%
7804	Scars, superficial, tender and painful on objective demonstration	72,749	10.1%	1.2%
7806	Eczema	55,466	7.7%	1.0%
Auditory		505,298	100.0%	8.7%
6260	Tinnitus	144,243	28.5%	2.5%
6100	Auditory, acuity impairment, 0%	139,005	27.5%	2.4%
6297	Hearing Loss	73,701	14.6%	1.3%
6200	Otitis media, suppurative, chronic	23,653	4.7%	0.4%
6101	Auditory, acuity impairment, 10%	14,538	2.9%	0.2%
Digestive System		432,920	100.0%	7.4%
7336	Hemorrhoids, external or internal	123,002	28.4%	2.1%
7305	Ulcer, duodenal	62,516	14.4%	1.1%
7338	Hernia, inguinal	49,229	11.4%	0.8%
7346	Hernia, hiatal	36,618	8.5%	0.6%
7399	Digestive system, disease of	30,052	6.9%	0.5%
Mental Disorders		409,071	100.0%	7.0%
9411	Post-traumatic stress disorder	133,789	32.7%	2.3%
9400	Generalized anxiety disorder	86,823	21.2%	1.5%
9203	Schizophrenic reaction, paranoid type	35,921	8.8%	0.6%
9204	Schizophrenic reaction, chronic undifferentiated type	23,903	5.8%	0.4%
9405	Depressive reaction	19,437	4.8%	0.3%

Table 9 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0227

**Most Prevalent Service-Connected Disabilities within Body Systems
For Veterans Receiving Compensation
Beginning of Fiscal Year 2001**

Code	Body System and Disability	Total Number	Percent of System Total	Percent of Grand Total
Cardiovascular System		348,645	100.0%	6.0%
7101	Hypertensive vascular disease	141,899	40.7%	2.4%
7122	Cold injury residuals	43,901	12.6%	0.8%
7120	Varicose veins	41,894	12.0%	0.7%
7005	Arteriosclerotic heart disease	35,861	10.3%	0.6%
7000	Rheumatic heart disease	13,491	3.9%	0.2%
Neurological Conditions and Convulsive Disorders		322,904	100.0%	5.5%
8100	Migraine	43,683	13.5%	0.8%
8515	Median nerve, paralysis of	24,169	7.5%	0.4%
8045	Brain disease due to trauma	23,659	7.3%	0.4%
8516	Ulnar nerve, paralysis of	19,905	6.2%	0.3%
8520	Sciatic nerve, paralysis of	18,851	5.8%	0.3%
Respiratory System		298,789	100.0%	5.1%
6602	Asthma, bronchial	44,094	14.8%	0.8%
6513	Sinusitis maxillary, chronic	31,316	10.5%	0.5%
6599	Nose and throat, disease of	25,436	8.5%	0.4%
6502	Septum, nasal, deviation of	23,961	8.0%	0.4%
6510	Sinusitis, pansinusitis, chronic	16,259	5.4%	0.3%
Genitourinary System		141,583	100.0%	2.4%
7599	Genitourinary system condition	28,465	20.1%	0.5%
7527	Prostate gland injuries, infections, postoperative	24,953	17.6%	0.4%
7508	Nephrolithiasis	13,560	9.6%	0.2%
7528	Malignant neoplasm	12,139	8.6%	0.2%
7512	Cystitis, chronic	8,371	5.9%	0.1%
Eye		104,050	100.0%	1.8%
6099	Eye condition	11,812	11.4%	0.2%
6018	Eye, Conjunctivitis other, chronic	8,914	8.6%	0.2%
6070	Blindness, light perception only one eye, other normal	7,579	7.3%	0.1%
6009	Eye, injury of, unhealed	6,627	6.4%	0.1%
6066	Blindness, anatomical loss one eye, other normal	6,548	6.3%	0.1%

**Most Prevalent Service-Connected Disabilities within Body Systems
For Veterans Receiving Compensation
Beginning of Fiscal Year 2001**

Code	Body System and Disability	Total Number	Percent of System Total	Percent of Grand Total
Endocrine System		58,719	100.0%	1.0%
7913	Diabetes mellitus	37,985	64.7%	0.7%
7903	Hypothyroidism	9,046	15.4%	0.2%
7900	Hyperthyroidism	4,440	7.6%	0.1%
7999	Endocrine system condition	2,242	3.8%	0.0%
7914	Neoplasm, malignant, endocrine system	1,220	2.1%	0.0%
Infectious Diseases, Immune Disorders, Nutritional Deficiencies		47,980	100.0%	0.8%
6304	Malaria	34,363	71.6%	0.6%
6399	Infectious disease, immune disorder, nutritional deficiency	3,289	6.9%	0.1%
6351	HIV-Related illness	2,515	5.2%	0.0%
6350	Lupus erythematosus, systemic	1,665	3.5%	0.0%
6313	Avitaminosis	1,260	2.6%	0.0%
Gynecological Conditions		34,547	100.0%	0.6%
7617	Uterus and ovaries, removal of, complete	6,872	19.9%	0.1%
7618	Uterus, removal of, including corpus	6,655	19.3%	0.1%
7699	Gynecological condition or disorder of the breast	5,986	17.3%	0.1%
7628	Benign neoplasms, gynecological or breast	2,796	8.1%	0.0%
7619	Ovaries, removal of	2,779	8.0%	0.0%
Dental and Oral Conditions		26,798	100.0%	0.5%
9999	Dental and oral conditions	8,002	29.9%	0.1%
9905	Temporomandibular articulation, limited motion	7,478	27.9%	0.1%
9904	Mandible, malunion of	6,647	24.8%	0.1%
9913	Teeth, loss of, due to loss of body of maxilla or mandible	1,421	5.3%	0.0%
9910	Maxilla, loss of whole or part, nonunion of or malunion of	992	3.7%	0.0%
Hemic & Lymphatic Systems		21,153	100.0%	0.4%
7706	Splenectomy	7,422	35.1%	0.1%
7799	Hemic & lymphatic system condition	4,041	19.1%	0.1%
7709	Lymphogranulomatosis (Hodgkin's disease)	2,638	12.5%	0.0%
7715	Non-Hodgkin's lymphoma	2,276	10.8%	0.0%
7700	Anemia, hypochromic-microcytic & megaloblastic	1,390	6.6%	0.0%
Grand Total - All Body Systems		5,821,795	100.0%	100.0%

2. By The 20 Most Prevalent Disabilities

The next table identifies the 20 most prevalent service-connected disabilities (by diagnostic code) for veterans receiving compensation at the beginning of fiscal year 2001.

Note: The “Percent Within System” column indicates the *proportion* of service-connected disabilities within each body system that have been assigned the diagnostic code shown at the left of each row. The “Percent of Total” column shows the *proportion* of all 5,821,795 service-connected disabilities that have been assigned the diagnostic code shown at the left of each row. The “Cumulative Percent” column shows the *sum* of the “Percent of Total” box in each row for the associated diagnostic code and all preceding diagnostic codes. For example, 45.0 percent of all disabilities rated service-connected are accounted for by the 20 most prevalent service-connected diagnostic codes.

**Most Prevalent Disabilities
For Veterans Receiving Compensation
Beginning of Fiscal Year 2001**

Diagnostic Code	Disability	Total	Percent Within System FY 2001	Percent of Total FY 2001	Cumulative Percent FY 2001
TOTAL NUMBER OF DISABILITIES IN FY 2001		5,821,795		100.0%	
7805	Scars, other ²⁰	284,428	39.4%	4.9%	4.9%
5299	Skeletal conditions	244,029	10.4%	4.2%	9.1%
5257	Knee, other impairment of	225,410	9.6%	3.9%	12.9%
5010	Arthritis, due to trauma	185,521	7.9%	3.2%	16.1%
5295	Lumbosacral strain	169,360	7.2%	2.9%	19.0%
6260	Tinnitus	144,243	28.5%	2.5%	21.5%
7101	Hypertensive vascular disease	141,899	40.7%	2.4%	24.0%
6100	Auditory, acuity impairment, 0%	139,005	27.5%	2.4%	26.3%
9411	Post-traumatic stress disorder	133,789	32.7%	2.3%	28.6%
5293	Intervertebral disc syndrome	132,552	5.6%	2.3%	30.9%
7336	Hemorrhoids, external or internal	123,002	28.4%	2.1%	33.0%
7800	Scars, disfiguring, head, face, neck	93,719	13.0%	1.6%	34.6%
5003	Arthritis, degenerative	91,585	3.9%	1.6%	36.2%
9400	Generalized anxiety disorder	86,823	21.2%	1.5%	37.7%
7899	Skin condition	84,106	11.6%	1.4%	39.2%
6297	Hearing loss	73,701	14.6%	1.3%	40.4%
7804	Scars, superficial, tender, painful	72,749	10.1%	1.2%	41.7%
5271	Ankle, limited motion of	70,671	3.0%	1.2%	42.9%
5284	Foot injuries, other	62,828	2.7%	1.1%	44.0%
7305	Ulcer, duodenal	62,516	14.4%	1.1%	45.0%

Table 10 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0227

²⁰ See footnote on page 27.

3. By Period of Service

The next five tables in this section show the 10 service-connected disabilities most prevalent (by diagnostic code) for veterans of World War II, the Korean War, the Vietnam Era, the Gulf War Era, and the various Peacetime periods. Data for WWI veterans and other periods with very few beneficiaries are not included.

**Most Prevalent World War II Disabilities
Beginning of Fiscal Year 2001**

Diagnostic Code	Disability	Number of Disabilities	Percent of Total
9400	Generalized anxiety disorder	53,714	5.9%
7805	Scars, other ²¹	44,043	4.8%
5010	Arthritis, due to trauma	29,777	3.2%
7122	Cold injury residuals	28,024	3.1%
5276	Flatfoot, acquired	23,455	2.6%
7804	Scars, superficial, tender, painful	19,704	2.1%
9411	Post-traumatic stress disorder	16,917	1.8%
7800	Scars, disfiguring, head, face, neck	16,704	1.8%
5314	Muscle injuries, thigh	15,317	1.7%
5311	Muscle injuries, foot and leg	15,303	1.7%
Total Number of Disabilities¹		917,231	
Average Number of Disabilities Per Veteran		1.82	
Total Number of Disability Codes		877	
Total World War II Veterans With Compensation²		505,087	
Percent of All Veterans With Compensation		21.9%	
Total World War II Veteran Population³		5,559,487	
Percent of Total Veteran Population³		22.8%	

Table 11 – Chap. 3

¹ Source: Benefits Delivery Network - RCS 20-0227

² Source: Benefits Delivery Network - RCS 20-0221

³ Source: VA Office of Policy and Planning – Veteran Population as of July 1, 2000

²¹ See footnote on page 27

**Most Prevalent Korean War Disabilities
Beginning of Fiscal Year 2001**

Diagnostic Code	Disability	Number of Disabilities	Percent of Total
7805	Scars, other ²²	18,320	5.3%
7122	Cold injury residuals	9,708	2.8%
5010	Arthritis, due to trauma	9,117	2.6%
7305	Ulcer, duodenal	8,714	2.5%
9400	Generalized anxiety disorder	7,167	2.1%
7804	Scars, superficial, tender, painful	6,850	2.0%
5299	Skeletal conditions	6,715	1.9%
5257	Knee, other impairment of	6,642	1.9%
7800	Scars, disfiguring, head, face, neck	6,569	1.9%
6260	Tinnitus	6,268	1.8%
Total Number of Disabilities¹		346,410	
Average Number of Disabilities Per Veteran		2.03	
Total Number of Disability Codes		846	
Total Korean War Veterans With Compensation²		170,616	
Percent of All Veterans With Compensation		7.4%	
Total Korean War Veteran Population³		3,945,798	
Percent of Total Veteran Population³		16.2%	

Table 12 – Chap. 3

¹ Source: Benefits Delivery Network - RCS 20-0227

² Source: Benefits Delivery Network - RCS 20-0221

³ Source: VA Office of Policy and Planning – Veteran Population as of July 1, 2000

²² See footnote on page 27

**Most Prevalent Vietnam Era Disabilities
Beginning of Fiscal Year 2001**

Diagnostic Code	Disability	Number of Disabilities	Percent of Total
7805	Scars, other ²³	126,539	6.2%
9411	Post-traumatic stress disorder	98,716	4.8%
5299	Skeletal conditions	81,608	4.0%
5257	Knee, other impairment of	66,873	3.3%
7101	Hypertensive vascular disease	55,272	2.7%
6100	Auditory, acuity impairment, 0%	53,867	2.6%
6260	Tinnitus	53,289	2.6%
5295	Lumbosacral strain	53,195	2.6%
5010	Arthritis, due to trauma	51,092	2.5%
7336	Hemorrhoids, external or internal	50,729	2.5%
Total Number of Disabilities¹		2,048,734	
Average Number of Disabilities Per Veteran		2.76	
Total Number of Disability Codes		877	
Total Vietnam Era Veterans With Compensation²		740,976	
Percent of All Veterans With Compensation		32.1%	
Total Vietnam Era Veteran Population³		8,055,019	
Percent of Total Veteran Population³		33.0%	

Table 13 – Chap. 3

¹ Source: Benefits Delivery Network - RCS 20-0227

² Source: Benefits Delivery Network - RCS 20-0221

³ Source: VA Office of Policy and Planning – Veteran Population as of July 1, 2000

²³ See footnote on page 27

**Most Prevalent Gulf War Era Disabilities
Beginning of Fiscal Year 2001**

Diagnostic Code	Disability	Number of Disabilities	Percent of Total
5299	Skeletal conditions	69,017	6.5%
5257	Knee, other impairment of	60,366	5.7%
5295	Lumbosacral strain	48,030	4.5%
5010	Arthritis, due to trauma	44,024	4.2%
7805	Scars, other ²⁴	38,245	3.6%
6260	Tinnitus	37,390	3.5%
7101	Hypertensive vascular disease	32,788	3.1%
5293	Intervertebral disc syndrome	32,385	3.1%
6100	Auditory, acuity impairment, 0%	32,351	3.1%
5271	Ankle, limited motion of	23,098	2.2%
Total Number of Disabilities¹		1,057,617	
Average Number of Disabilities Per Veteran		3.26	
Total Number of Disability Codes		842	
Total Gulf War Era Veterans With Compensation²		324,628	
Percent of All Veterans With Compensation		14.1%	
Total Gulf War Era Veteran Population³		2,400,114	
Percent of Total Veteran Population³		9.8%	

Table 14 – Chap. 3

¹ Source: Benefits Delivery Network - RCS 20-0227

² Source: Benefits Delivery Network - RCS 20-0221

³ Source: VA Office of Policy and Planning – Veteran Population as of July 1, 2000

²⁴ See footnote on page 27

**Most Prevalent Peacetime Periods Disabilities
Beginning of Fiscal Year 2001**

Diagnostic Code	Disability	Number of Disabilities	Percent of Total
5257	Knee, other impairment of	80,552	5.6%
5299	Skeletal conditions	77,045	5.3%
7805	Scars, other ²⁵	56,840	3.9%
5295	Lumbosacral strain	53,691	3.7%
5010	Arthritis, due to trauma	51,363	3.6%
7101	Hypertensive vascular disease	49,309	3.4%
6100	Auditory, acuity impairment, 0%	41,082	2.9%
5293	Intervertebral disc syndrome	40,850	2.8%
7336	Hemorrhoids, external or internal	36,228	2.5%
6260	Tinnitus	35,433	2.5%
Total Number of Disabilities¹		1,441,000	
Average Number of Disabilities Per Veteran		2.54	
Total Number of Disability Codes		885	
Total Peacetime Veterans With Compensation²		566,833	
Percent of All Veterans With Compensation		24.6%	
Total Peacetime Veteran Population³		5,780,721	
Percent of Total Veteran Population³		23.7%	

Table 15 – Chap. 3

¹ Source: Benefits Delivery Network - RCS 20-0227

² Source: Benefits Delivery Network - RCS 20-0221

³ Source: VA Office of Policy and Planning – Veteran Population as of July 1, 2000

²⁵ See footnote on page 27

g. Demographic Characteristics of Veterans Receiving Compensation

This section presents age and period of service information for all veterans with service-connected disabilities and in receipt of compensation at the beginning of fiscal year 2001.

By Age

The first table in this section shows the distribution, by age, of all veterans receiving compensation. The age group with the most veterans and receiving the highest total dollar amount is highlighted in yellow.

Service-Connected Disability Compensation By Age Beginning of Fiscal Year 2001

Age	Total Veterans	Percent of All Ages	Annual Payments
Under 20	122	0.0%	\$369,420
20-29	77,927	3.4%	\$273,208,308
30-39	216,257	9.4%	\$1,031,246,028
40-49	392,320	17.0%	\$2,349,225,540
50-59	606,994	26.3%	\$4,637,030,472
60-69	314,723	13.6%	\$2,104,544,352
70-79	470,082	20.4%	\$3,000,486,180
80-89	219,619	9.5%	\$1,321,270,020
90 and Over	10,100	0.4%	\$55,951,980
Ages Unknown	42	0.0%	\$50,040
ALL AGES	2,308,186	100.0%	\$14,773,382,340
Average Age of Veterans: 59		Mean Age of Veterans : 56	

Table 16 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0236

By Period of Service

The distribution of all veterans receiving compensation by period of service and by combined degree of disability is shown in the next table. For each combined disability rating level, yellow highlighting indicates the largest group of veterans, by service period, rated at that level.

**Service-Connected Disability Compensation
By Period of Service and Combined Percent of Disability
Beginning of Fiscal Year 2001**

Combined Percent	World War I ¹	World War II	Korean War	Vietnam War	Gulf War Era	Peacetime Periods	Total For All Periods
0%	1	7,531	5,056	1,644	533	2,704	17,469
Percent of All Periods	0.0%	43.1%	28.9%	9.4%	3.1%	15.5%	100.0%
10%	7	190,923	56,587	227,800	123,948	239,621	838,886
Percent of All Periods	0.0%	22.8%	6.7%	27.2%	14.8%	28.6%	100.0%
20%	6	69,299	23,884	102,836	67,416	107,411	370,852
Percent of All Periods	0.0%	18.7%	6.4%	27.7%	18.2%	29.0%	100.0%
30%	7	73,012	23,293	100,946	47,466	64,169	308,893
Percent of All Periods	0.0%	23.6%	7.5%	32.7%	15.4%	20.8%	100.0%
40%	7	41,431	14,387	66,094	33,469	41,738	197,126
Percent of All Periods	0.0%	21.0%	7.3%	33.5%	17.0%	21.2%	100.0%
50%	3	27,948	8,766	43,772	15,953	22,196	118,638
Percent of All Periods	0.0%	23.6%	7.4%	36.9%	13.4%	18.7%	100.0%
60%	4	30,316	11,125	41,805	13,895	25,477	122,622
Percent of All Periods	0.0%	24.7%	9.1%	34.1%	11.3%	20.8%	100.0%
70%	3	18,609	6,801	38,443	7,909	14,732	86,497
Percent of All Periods	0.0%	21.5%	7.9%	44.4%	9.1%	17.0%	100.0%
80%	1	12,672	4,508	21,450	4,743	9,048	52,422
Percent of All Periods	0.0%	24.2%	8.6%	40.9%	9.0%	17.3%	100.0%
90%	1	5,955	2,195	10,192	1,979	4,152	24,474
Percent of All Periods	0.0%	24.3%	9.0%	41.6%	8.1%	17.0%	100.0%
100%	6	27,391	14,014	85,994	7,317	35,585	170,307
Percent of All Periods	0.0%	16.1%	8.2%	50.5%	4.3%	20.9%	100.0%
Total Receiving Comp.	46	505,087	170,616	740,976	324,628	566,833	2,308,186
Percent of All Periods	0.0%	21.9%	7.4%	32.1%	14.1%	24.6%	100.0%
Total Veterans²	2,415	5,559,487	3,945,798	8,055,019	2,400,114	5,780,721	24,411,563³
Percent of All Veterans	0.0%	22.8%	16.2%	33.0%	9.8%	23.7%	100.0%

Table 17 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0223

¹ Includes 8 veterans with Mexican Border service

² Source: VA Office of Policy and Planning – Veteran Population as of July 1, 2000

³ Veterans who served in more than one war period only counted once in total.

2. COMPENSATION - BASED UPON SERVICE-CONNECTED DEATH

a. Total Number Of Beneficiaries Receiving DIC/Death Compensation Benefits At The Beginning Of Fiscal Year 2001

This table shows the number of beneficiaries receiving DIC or Death Compensation benefits, the total projected annual payment to beneficiaries, and the projected average annual payment to each beneficiary.

**Total Beneficiaries Receiving
Service-Connected Death Benefits
Beginning of Fiscal Year 2001**

Type of Benefit	Number	Percent of Total	Total Annual Amounts	Average Annual Amounts
DIC - Surviving Spouses	288,145	91.9%	\$3,339,185,418	\$11,589
DIC - Surviving Children	12,877	4.1%	\$66,897,522	\$5,195
DIC - Surviving Parents	10,413	3.3%	\$24,295,327	\$2,333
SUBTOTAL	311,435	99.4%	\$3,430,378,267	\$11,015
Death Compensation	1,973	0.6%	\$1,922,604	\$974
GRAND TOTAL	313,408	100.0%	\$3,432,300,871	\$10,952

Table 18 – Chap. 3

Source: Benefits Delivery Network - COIN CP-127 and RCS 20-0221

b. Demographic Characteristics of All DIC and Death Compensation Beneficiaries

This section provides demographic characteristics of beneficiaries receiving DIC or Death Compensation benefits at the beginning of fiscal year 2001.

By The Veteran's Period of Service

The first table shows total beneficiaries receiving DIC or Death Compensation sorted by the veteran's period of service. Also shown are projected total annual payments and average annual payments, by period of service and program.

**Total Beneficiaries Receiving Service-Connected Death Benefits
By Period of Service
Beginning of Fiscal Year 2001**

Period of Service	Number of Beneficiaries ¹	Percent of Beneficiaries	Total Annual Amounts ²	Average Annual Amounts
Civil War	1	0.0%	\$11,262	\$11,262
Death Compensation	0	0.0%	\$0	\$0
DIC	1	0.0%	\$11,262	\$11,262
Spanish American War	13	0.0%	\$146,402	\$11,262
Death Compensation	0	0.0%	\$0	\$0
DIC	13	0.0%	\$146,402	\$11,262
Mexican Border Period	3	0.0%	\$33,785	\$11,262
Death Compensation	0	0.0%	\$0	\$0
DIC	3	0.0%	\$33,785	\$11,262
World War I	2,877	0.9%	\$31,680,108	\$11,011
Death Compensation	1	0.1%	\$974	\$974
DIC	2,876	0.9%	\$31,679,133	\$11,015
World War II	118,111	37.7%	\$1,292,041,545	\$10,939
Death Compensation	889	45.1%	\$866,292	\$974
DIC	117,222	37.6%	\$1,291,175,253	\$11,015
Korean Conflict	37,592	12.0%	\$404,533,433	\$10,761
Death Compensation	950	48.2%	\$925,734	\$974
DIC	36,642	11.8%	\$403,607,699	\$11,015
Vietnam Era	106,448	34.0%	\$1,172,478,992	\$11,015
Death Compensation	2	0.1%	\$1,949	\$974
DIC	106,446	34.2%	\$1,172,477,043	\$11,015
Gulf War Era	7,394	2.4%	\$81,444,540	\$11,015
Death Compensation	0	0.0%	\$0	\$0
DIC	7,394	2.4%	\$81,444,540	\$11,015
Peacetime	40,967	13.1%	\$449,930,804	\$10,983
Death Compensation	131	6.6%	\$127,654	\$974
DIC	40,836	13.1%	\$449,803,150	\$11,015
All Periods	313,408	100.0%	\$3,432,300,871	\$10,952
Death Compensation	1,973	100.0%	\$1,922,604	\$974
DIC	311,435	100.0%	\$3,430,378,267	\$11,015

Table 19 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0221 and COIN CP-127

¹ The number of DIC beneficiaries for each period of service is calculated by multiplying the total number of beneficiaries from the COIN CP-127 by the percentage of DIC cases for each period of service (derived from RCS 20-0221).

² The total annual amounts of DIC for each period of service are calculated by multiplying the percentage of beneficiaries for each period of service (derived from RCS 20-0221) by the total annual amounts from COIN CP-127.

By Relationship to the Veteran

This table shows the distribution of DIC beneficiaries based upon relationship to the veteran - surviving spouse, child, or dependent parent.

**Total Beneficiaries Receiving DIC by Relationship
Beginning of Fiscal Year 2001**

	Surviving Spouse	Children	Parent	Total Beneficiaries
Number	288,145	12,877	10,413	311,435
Percent	92.6%	4.1%	3.3%	100.0%

Table 20 – Chap. 3

Source: Benefits Delivery Network - COIN CP 127

By Age of Surviving Spouses

The age distribution of surviving spouses in receipt of DIC and the projected total annual payments, by age group, are presented in the following table.

**Surviving Spouses Receiving DIC
By Age
Beginning of Fiscal Year 2001**

Age	Number	Percent of All Ages	Annual Payments
Under Age 25	226	0.1%	\$2,549,278
25 - 35	2,678	0.9%	\$29,459,708
36 - 45	9,386	3.3%	\$103,927,766
46 - 55	27,411	9.5%	\$308,796,785
56 - 65	43,100	15.0%	\$497,719,968
66 - 75	78,532	27.3%	\$918,770,491
Over 75	126,812	44.0%	\$1,477,961,422
All Ages	288,145	100.0%	\$3,339,185,418

Table 21 – Chap. 3

Source: Benefits Delivery Network - COIN CP 127

By Dependency Status of Surviving Spouses

Surviving spouses with dependents are entitled to higher DIC payments than those with no dependents. The following table provides a distribution of surviving spouses, sorted by dependency status.

**Dependency and Indemnity Compensation (DIC)
By Surviving Spouse and Dependents
Beginning of Fiscal Year 2001**

	Surviving Spouses Without Dependents	Surviving Spouses with Dependents	Total Surviving Spouses ¹
Number	277,394	10,751	288,145
Percent	96.3%	3.7%	100.0%

Table 22 – Chap. 3

Source: Benefits Delivery Network - COIN CP-127

¹ Four surviving spouse records did not show status of dependents.

By Age of Children

The following table shows the distribution of DIC children in two age categories: under age 18 and over age 18. Children over age 18 are shown according to their eligibility status:

- Those who are eligible because of school attendance and
- Those who are eligible because of incapacity for self support prior to age 18

Children Receiving DIC By Age Beginning of Fiscal Year 2001

	Under Age 18 ¹	Age 18 and Over in School	Age 18 and Over and Helpless	Total All Categories
Number	4,784	1,112	6,981	12,877
Percent	37.2%	8.6%	54.2%	100.0%
Annual Payments	\$23,650,055	\$3,146,649	\$40,100,819	\$66,897,522

Table 23 – Chap. 3

Source: Benefits Delivery Network – COIN CP-127

¹ Includes 2,595 consolidated awards that account for more than one child.

By Marital Status of Surviving Parents

DIC benefit payment amounts are calculated according to the marital status of a surviving parent. Marital status categories and their definitions follow:

- No Spouse - one parent is alive and is not married
- Spouse - both parents are alive and one or both married other persons
- Apart - both parents are alive but do not live together
- Together - both parents are alive and live together
- Remarried - one parent is alive and has remarried

The following table shows the distribution of dependent parents, by marital status.

Surviving Parents Receiving DIC by Marital Status Beginning of 2001

	No Spouse	Spouse	Apart	Together	Remarried	Total
Number	7,581	126	1,511	1,096	99	10,413
Percent	72.8%	1.2%	14.5%	10.5%	1.0%	100.0%
Annual Payments	\$19,897,397	\$223,458	\$2,887,158	\$1,147,249	\$140,065	\$24,295,327

Table 24 - Chap.3

Source: Benefits Delivery Network - COIN CP-127

3. PENSION - BASED UPON NONSERVICE-CONNECTED DISABILITY

a. Total Number of Veterans Receiving Disability Pension

The number of veterans receiving disability pension at the beginning of fiscal year 2001 is shown in the following table. Also shown are projected total annual amounts and average annual amounts of disability pension payments for the three disability pension programs.

**Total Veterans Receiving Disability Pension
By Program
Beginning Fiscal Year 2001**

Type of Pension	Number of Veterans	Percent of Total	Total Annual Amounts	Average Annual Amounts
Protected Pension	304	0.1%	\$315,072	\$1,036
Section 306 Pension	23,604	6.5%	\$38,739,864	\$1,641
PL 95-588 - New Law Pension	340,312	93.4%	\$2,116,153,884	\$6,218
Total	364,220	100.0%	\$2,155,208,820	\$5,917

Table 25 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0221

b. Demographic Characteristics of Veterans Receiving Disability Pension at the Beginning of Fiscal Year 2001

By Age

The number and projected total annual amount of disability pension payments for each age group is shown in the next table. For each category of pension, yellow highlighting indicates the age group with the most veteran recipients.

**Total Veterans Receiving Disability Pension
By Age Beginning Fiscal Year 2001**

Age	Other Pension ¹		New Law Pension		All Pension Programs		Annual Payments
	Number	Percent of All Ages	Number	Percent of All Ages	Total for Age Group	Percent of All Ages	
Under Age 20	0	0.0%	1	0.0%	1	0.0%	\$16,860
20-29	0	0.0%	269	0.1%	269	0.1%	\$2,189,712
30-39	0	0.0%	949	0.3%	949	0.3%	\$7,623,816
40-49	160	0.7%	29,160	8.6%	29,320	8.1%	\$241,834,848
50-59	895	3.7%	71,800	21.1%	72,695	20.0%	\$596,638,188
60-69	2,773	11.6%	53,640	15.8%	56,413	15.5%	\$316,225,620
70-79	10,822	45.3%	124,894	36.7%	135,716	37.3%	\$645,903,804
80-89	7,724	32.3%	54,657	16.1%	62,381	17.1	\$311,862,156
90 and Over	1,534	6.4	4,931	1.4%	6,465	1.8%	\$32,853,540
Age Unknown	0	0.0%	11	0.0%	11	0.0%	\$60,276
All Ages	23,908	100.0%	340,312	100.0%	364,220	100.0%	\$2,155,208,820
Average Age of Veterans: 69							

Table 26 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0236

¹ The “Other Pension” category groups the two older pension programs (Protected Pension and Section 306 Pension) into one category.

By Period of Service

The next table provides a distribution by period of service for those veterans receiving disability pension at the beginning of fiscal year 2001. The total projected annual amount of disability pension payments for each period of service is shown in the last column of the table.

**Disability Pension by
Period of Service
Beginning Fiscal Year 2001**

Period of Service	Other Pension ¹		New Law Pension		All Pension Programs		Annual Payments
	Number	Percent of All Periods	Number	Percent of All Periods	Total for Period	Percent of All Periods	
Mexican Border	0	0.0%	5	0.0%	5	0.0%	\$40,932
World War I	32	0.1%	137	0.0%	169	0.0%	\$1,241,412
World War II	17,942	75.0%	153,015	45.0%	170,957	46.9%	\$825,909,672
Korean War	4,797	20.1%	79,390	23.3%	84,187	23.1%	\$436,313,688
Vietnam War	1,137	4.8%	106,249	31.2%	107,386	29.5%	\$879,464,400
Gulf War Era	0	0.0%	1,516	0.4%	1,516	0.4%	\$12,238,716
All Periods	23,908	100.0%	340,312	100.0%	364,220	100.0%	\$2,155,208,820

Table 27 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0221

¹ The “Other Pension” category groups the 2 older pension programs (Protected Pension and Section 306 Pension) into one category.

4. PENSION - BASED UPON NONSERVICE-CONNECTED DEATH

a. Total Number of Beneficiaries Receiving Death Pension at the Beginning of Fiscal Year 2001

The number of beneficiaries receiving death pension at the beginning of fiscal year 2001, as well as projected total annual amounts and average annual amounts of payment for all three VA death pension programs is provided in the following table. Beneficiaries include surviving spouses, children and parents.

**Total Beneficiaries Receiving Death Pension
By Program
Beginning Fiscal Year 2001**

Type of Pension	Number of Beneficiaries	Percent of Total	Total Annual Amounts	Average Annual Amounts
Protected Pension	1,381	0.5%	\$973,056	\$705
Section 306 Pension	75,796	29.5%	\$79,661,604	\$1,051
PL 95-588 (New Law Pension)	179,929	70.0%	\$580,305,984	\$3,225
Total	257,106	100.0%	\$660,940,644	\$2,571

Table 28 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0221

b. Demographic Characteristics of Beneficiaries Receiving Death Pension at the Beginning of Fiscal Year 2001

By Age for Surviving Spouses

The following table shows the distribution by age among surviving spouses. The projected total annual amount of death pension payments for each age group is also shown in the last column of the table.

**Total Surviving Spouses Receiving Death Pension
By Age
Beginning of Fiscal Year 2001**

Age	Other Pension ¹		New Law Pension		All Pension Programs		Annual Payments
	Number	Percent of All Ages	Number	Percent of All Ages	Total For Age Group	Percent of All Ages	
Under Age 25	0	0.0%	243	0.1%	243	0.1%	\$797,234
25 - 35	0	0.0%	409	0.2%	409	0.2%	\$1,341,847
36 - 45	54	0.1%	3,510	2.0%	3,564	1.5%	\$11,575,164
46 - 55	603	0.9%	16,295	9.3%	16,898	7.1%	\$54,127,893
56 - 65	1,803	2.8%	30,054	17.2%	31,857	13.3%	\$100,603,148
66 - 75	10,424	16.1%	45,278	26.0%	55,702	23.3%	\$160,116,283
Over 75	51,973	80.1%	78,612	45.1%	130,585	54.6%	\$315,183,148
Age Unknown	19	0.0%	0	0.0%	19	0.0%	\$20,676
All Ages	64,876	100.0%	174,401	100.0%	239,277	100.0%	\$643,765,394

Table 29 – Chap. 3

Source: Benefits Delivery Network - COIN CP-103

¹ The "Other Pension" category groups the two older pension programs (Protected Pension and Section 306 Pension) into one category.

By Period of Service for All Beneficiaries

The number of surviving spouses, children and dependent parents receiving death pensions, sorted by the veteran's period of service, is shown in the next table. The table also includes projected annual payments. The largest group is highlighted in yellow.

**Nonservice-Connected Death Pension by Period of Service
Beginning of Fiscal Year 2001**

Period of Service	Other Pension ¹		New Law Pension		All Pension Programs		Annual Payments
	Number	Percent of All Periods	Number	Percent of All Periods	Totals for Period	Percent of All Periods	
Wars of the 1800s ²	523	0.7%	377	0.2%	900	0.4%	\$2,031,648
World War I	15,277	19.8%	16,015	8.9%	31,292	12.2%	\$64,168,968
World War II	56,544	73.3%	120,322	66.9%	176,866	68.8%	\$397,258,716
Korean War	4,133	5.4%	27,030	15.0%	31,163	12.1%	\$110,340,168
Vietnam Era	700	0.9%	16,045	8.9%	16,745	6.5%	\$86,399,052
Gulf War Era	0	0.0%	140	0.1%	140	0.1%	\$742,092
All Periods	77,177	100.0%	179,929	100.0%	257,106	100.0%	\$660,940,644

Table 30 – Chap. 3

Source: Benefits Delivery Network - RCS 20-0221

¹ The "Other Pension" category groups the 2 older pension programs (Protected Pension and Section 306 Pension) into one category.

² "Wars of the 1800s" include the Civil War, Indian Wars, Mexican Border Era and Spanish-American War.

5. EDUCATION

a. Beneficiaries Receiving Education Benefits at the Beginning of Fiscal Year 2001

Number of veterans, dependents, service members and reservists receiving education benefits at the beginning of fiscal year 2001 in each education benefit program is shown in the following table.

**Beneficiaries Receiving Education Benefits
Beginning of Fiscal Year 2001**

Program	Number of Beneficiaries	Percent of Total
Dependents Education	14,963	7.3%
Montgomery GI Bill - Active Duty ¹	153,983	74.8%
Montgomery GI Bill – Reserves ²	36,147	17.6%
Post-Vietnam Veterans Education	798	0.4%
Total	205,891	100%

Table 31 – Chap. 3

Source: Education Service SAS Reports

¹ Based on Active Duty service

² Based on service in the Selected Reserve

b. Characteristics of the Training Pursued by Beneficiaries

By Type of Training

The next table shows the distribution, by program, of the types of training in which the beneficiaries were using their education benefit at the beginning of fiscal year 2001. The most frequent type of training and the program with the largest enrollment are highlighted in yellow.

**Beneficiaries Receiving Education Benefits
By Type Of Training and Program
Beginning of Fiscal Year 2001**

Education Program	College, Non-Degree	Graduate	Under- Graduate	Vocational/ Technical	Program Totals	Percent of All Programs
Dependents Education	76	449	12,354	2,084	14,963	7.3%
Montgomery GI Bill - Active Duty ¹	2,384	10,219	134,776	6,604	153,983	74.8%
Montgomery GI Bill – Reserves ²	270	1,639	33,737	501	36,147	17.6%
Post-Vietnam Veterans Education	12	186	569	31	798	0.4%
Type Training Totals	2,742	12,493	181,436	9,220	205,891	100%
Percent of Program Totals	1.3%	6.1%	88.1%	4.5%		

Table 32 – Chap. 3

Source: Education Service SAS Reports

¹ Based on Active Duty service

² Based on service in the Selected Reserve

By Training Time

The distribution, by program, of the training times of the beneficiaries using their education benefit at the beginning of fiscal year 2001 is presented in the next table. The most frequent training time and the program with the largest enrollment are highlighted in yellow.

**Beneficiaries Receiving Education Benefits
By Training Time and Program
Beginning of Fiscal Year 2001**

Education Program	Less Than One-Half Time	Half Time	Three Quarter Time	Full Time	Program Totals	Percent of All Programs
Dependents Education	2,591	1,511	2,190	8,671	14,963	7.3%
Montgomery GI Bill - Active Duty ¹	10,562	26,882	20,605	95,934	153,983	74.8%
Montgomery GI Bill – Reserves ²	1,642	3,685	3,409	27,411	36,147	17.6%
Post-Vietnam Veterans Education	129	192	116	361	798	0.4%
Training Time Totals	14,924	32,270	26,320	132,377	205,891	100%
Percent of Program Totals	7.2%	15.8%	12.8%	64.3%		

Table 33 – Chap. 3

Source: Education Service SAS Reports

¹ Based on Active Duty service

² Based on service in the Selected Reserve

6. LIFE INSURANCE

a. Total Number of Policyholders and the Value of Their Coverage

The next table shows the total number of veterans insured under each program, the total face value of their policies, and the average face value of a policy in each program.

Note: The face value of the policies includes “paid up additions” for those programs that offer that feature (USGLI, NSLI, VSLI, VRI). The face value is the amount that would be paid upon the death of the veteran.

**Total Insurance Policies In-Force
Beginning of Fiscal Year 2001**

Insurance	Number of Policies	Total Face Value	Average Face Value	Maximum Face Value
USGLI ¹	16,280	\$53,217,338	\$3,269	\$10,000
NSLI ¹	1,715,536	\$17,012,828,150	\$9,917	\$10,000
VSLI ¹	242,608	\$2,668,722,374	\$11,000	\$10,000
VRI ¹	77,638	\$647,700,783	\$8,343	\$10,000
SDVI ¹	151,315	\$1,418,459,765	\$9,374	\$10,000 ²
VMLI ³	3,457	\$197,988,151	\$57,272	\$90,000
SGLI ⁴	2,338,500 ⁵	\$429,324,200,000	\$183,590	\$200,000
VGLI ⁴	381,585	\$35,258,870,000	\$92,401	\$200,000
TOTAL	4,926,919	\$486,581,986,561	\$98,760	

Table 34 – Chap. 3

¹ Source: Insurance Master Record Database - Insurance Statistical Report 700

² Additional \$20,000 available for totally disabled policyholders

³ Source: VMLI Database - VMLI Quarterly Report

⁴ Source: Veterans And Reservists Group Insurance System - OSGLI Monthly Report

⁵ Includes 127,092 policies of veterans separating from service with a 120-day transition period coverage

b. Insurance Payments Made on a Monthly Basis

Although people usually choose to receive payment in a single “lump sum,” a monthly payment option is available to beneficiaries for death claims, and to veterans for cash surrenders and matured endowments. In the two disability benefit provisions of policies - Total and Permanent Disability Provision and Total Disability Income Provision - no lump sum option exists. Payments must be made monthly. The following table provides data on monthly payments to either veterans or their beneficiaries.

**Insurance Monthly Award Payments
Beginning of Fiscal Year 2001**

Payment Type	Number of Awards	Annual Payments	Average Payment
Death Awards			
USGLI	3,408	\$1,045,248	\$307
NSLI	54,206	\$34,048,428	\$628
VSLI	829	\$656,328	\$792
VRI	315	\$198,852	\$631
SDVI	330	\$139,920	\$424
TOTAL	59,088	\$36,088,776	\$611
Total Disability Income Provision			
USGLI	85	\$54,108	\$637
NSLI	18,107	\$21,114,534	\$1,166
VSLI	3,170	\$4,508,370	\$1,422
VRI	910	\$698,664	\$768
TOTAL	22,272	\$26,375,676	\$1,184
Matured Endowments			
USGLI	0	\$0	\$0
NSLI	1,220	\$1,479,066	\$1,212
VSLI	840	\$1,386,390	\$1,650
VRI	78	\$97,716	\$1,253
SDVI	12	\$8,532	\$711
TOTAL	2,150	\$2,971,704	\$1,382
Cash Surrenders			
USGLI	2	\$1,056	\$528
NSLI	67	\$53,412	\$797
VSLI	2	\$9,744	\$4,872
VRI	3	\$1,512	\$504
SDVI	0	\$0	\$0
TOTAL	74	\$65,724	\$888
Total and Permanent Disability			
USGLI	134	\$36,936	\$276
TOTAL	134	\$36,936	\$276
GRAND TOTAL	83,718	\$65,538,816	\$783

Table 35 – Chap. 3

Source: Insurance Master Record Database - AVS 2012

c. Ranking Among Commercial Life Insurance Companies

The following table compares VA life insurance programs with commercial life insurance companies. The comparison is based on the total face value of active life insurance in effect. Rankings based upon 1999 data are shown below since 2000 data is unavailable.

1999 Rankings by Total Life Insurance In-Force

Rank	Company	Total Insurance
1	Metropolitan Life	\$1,615,308,000,000
2	Prudential of America	\$1,072,989,000,000
3	Northwestern Mutual Life	\$583,426,000,000
4	Transamerica Occidental Life	\$564,983,000,000
5	Lincoln National Life	\$522,731,000,000
6	Connecticut General Life	\$509,647,000,000
	VA	\$488,495,000,000
7	RGA Reinsurance	\$445,595,000,000
8	New York Life	\$396,412,000,000
9	State Farm Life	\$380,739,000,000

Table 36 – Chap. 3

Source: Best's Review, July 2000. Compilation of 1999 data.

d. Demographic Characteristics of Policyholders

By Age

The next table shows the age distribution of policyholders in VA insurance programs. The age groups that have the greatest percentage of policyholders in each program are highlighted in yellow.

Note: Because certain programs were active only during past wartime periods, their age distributions parallel the aging of all other veterans of those periods. The programs in which policies can still be obtained (SDVI, VMLI, SGLI, VGLI) have policyholders across a wide distribution of ages.

Age Distribution for Insurance Programs

	USGLI ¹ % of Total	NSLI ¹ % of Total	VSLI ¹ % of Total	VRI ¹ % of Total	SDVI ¹ % of Total	VMLI ² % of Total	SGLI ⁴ % of Total	VGLI ³ % of Total	Totals % by Age Group
<19	0%	0%	0%	0%	2 0%	0%	184,675 8%	1,296 0%	185,973 4%
20-29	0%	0%	0%	0%	998 1%	37 1%	1,023,954 46%	69,110 18%	1,094,099 23%
30-39	0%	0%	0%	0%	668 4%	338 10%	699,406 31%	124,417 33%	830,847 17%
40-49	0%	0%	0%	0%	27,486 18%	764 22%	265,803 12%	88,867 23%	382,920 8%
50-59	0%	0%	0%	0%	61,378 41%	1,633 47%	66,664 3%	79,505 21%	209,180 4%
60-69	0%	123,326 7%	164,097 68%	5,004 6%	37,998 25%	685 20%	998 0%	17,603 5%	349,711 7%
70-79	3,054 19%	1,080,292 63%	76,872 32%	48,133 62%	14,764 10%	0%	0%	776 0%	1,223,891 25%
80-89	12,601 77%	490,079 29%	1,579 1%	24,011 31%	1,955 1%	0%	0%	10 0%	530,235 11%
90>	625 4%	21,839 1%	60 0%	490 1%	48 0%	0%	0%	1 0%	23,063 0%
Total	16,280 100%	1,715,536 100%	242,608 100%	77,638 100%	151,315 100%	3,457 100%	2,241,500 ⁵ 100%	381,585 100%	4,829,919 100%
Avg. Age	83.5	76.2	68.6	76.9	55.4	50.6	30.5	41.0	

Table 37 - Chap. 3

All data as of September 30, 2000 with the exception of SGLI which is as of December 31, 1999.

¹ Source: Insurance Master Record Database - AVS 2010

² Source: VMLI Database

³ Source: Veterans and Reservists Group Insurance System

⁴ Includes both Active Duty and Ready Reservists

⁵ Does not include 127,092 policies for veterans separating from service with the 120-day transition period coverage.

By Component and Branch of Service for SGLI Coverage

SGLI policyholders, by component and branch of service, are shown in the following table.

Note: The top of the table shows the active duty components for the branches. The bottom of the table shows the reserve components for the branches. For the branches that have a National Guard, the Guard members are included in the reserve component.

**SGLI Coverage
By Branch and Component of Service**

Branch	Total Number	Number With SGLI	Percent With SGLI	Percent of Total With SGLI
Army Active	477,724	470,830	98.6%	21.3%
Navy Active	392,569	380,672	97.0%	17.2%
Air Force Active	355,721	340,843	95.8%	15.4%
Marine Corps Active	180,292	178,596	99.1%	8.1%
Coast Guard Active	36,218	34,801	96.1%	1.6%
NOAA	231	196	84.8%	0.0%
Public Health Service	5,798	5,503	94.9%	0.2%
TOTAL	1,448,553	1,411,441	97.4%	63.8%
Army Reserve/Guard	568,636	531,866	93.5%	24.1%
Navy Reserve	66,886	60,246	90.1%	2.7%
Air Force Reserve/Guard	182,779	168,422	92.1%	7.6%
Marine Corps Reserve	33,483	32,142	96.0%	1.5%
Coast Guard Reserve	8,516	7,291	85.6%	0.3%
TOTAL	860,300	799,967	93.0%	36.2%
GRAND TOTAL	2,308,853	2,211,408¹	95.8%	100.0%

Table 38 – Chap. 3

Source: Payroll databases of each branch of service - September 2000 SGLI Monthly Premium Payment Reports

¹ Does not include 127,092 policies for veterans separating from service with the 120-day transition period coverage.

By Amount of SGLI Coverage

Note: SGLI coverage of up to \$200,000 is available in increments of \$10,000. Minimum allowable coverage is \$10,000. This table shows the number of SGLI members covered at each \$10,000 increment. Yellow highlighting indicates the coverage level with the most members.

**SGLI Coverage by Coverage Level
Active Duty and Reserve Duty**

ACTIVE DUTY	Coverage Level						
	\$10,000	\$20,000	\$30,000	\$40,000	\$50,000	\$60,000	\$70,000
Number with Coverage	14,509	5,440	2,236	1,480	14,359	1,517	1,045
Percent with Coverage	1.03%	0.39%	0.16%	0.10%	1.02%	0.11%	0.07%
	\$80,000	\$90,000	\$100,000	\$110,000	\$120,000	\$130,000	\$140,000
Number with Coverage	1,236	589	82,692	1,842	3,134	1,142	535
Percent with Coverage	0.09%	0.04%	5.86%	0.13%	0.22%	0.08%	0.04%
	\$150,000	\$160,000	\$170,000	\$180,000	\$190,000	\$200,000	TOTAL
Number with Coverage	12,573	682	511	893	527	1,264,499	1,411,441
Percent with Coverage	0.89%	0.05%	0.04%	0.06%	0.04%	89.59%	100.0%
	Coverage Level						
RESERVE DUTY	\$10,000	\$20,000	\$30,000	\$40,000	\$50,000	\$60,000	\$70,000
Number with Coverage	18,362	5,350	1,842	958	20,845	853	612
Percent with Coverage	2.30%	0.67%	0.23%	0.12%	2.61%	0.11%	0.08%
	\$80,000	\$90,000	\$100,000	\$110,000	\$120,000	\$130,000	\$140,000
Number with Coverage	715	250	87,477	598	1,079	361	255
Percent with Coverage	0.09%	0.03%	10.94%	0.07%	0.13%	0.05%	0.03%
	\$150,000	\$160,000	\$170,000	\$180,000	\$190,000	\$200,000	TOTAL
Number with Coverage	5,056	187	129	235	182	654,621	799,967
Percent with Coverage	0.63%	0.02%	0.02%	0.03%	0.02%	81.83%	100.0%

Table 39 – Chap. 3

Source: Payroll databases of each branch of service - September 2000 SGLI Monthly Premium Payment Reports

7. HOME LOAN GUARANTY

a. Total Active Guaranteed Loans

This table shows the total number of active home loan guaranties at the beginning of fiscal year 2001. The table also includes the total value and average value of the loans, as well as the total value and average value of the VA guaranties on those loans.

**Active Loans Based on Purchase Loan Versus Refinance Loans
Beginning of Fiscal Year 2001**

Type of Loan	Number of Loans	Percent of Total	Total Loan Amount	Avg. Loan Amount	Total Guaranty Amount	Avg. Guaranty Amount	Avg. Interest
Purchase Loans	2,283,172	73.2%	\$170,402,292,684	\$74,634	\$59,465,463,664	\$26,045	8.22%
Refinance – Interest Rate	726,971	23.3%	\$69,090,134,567	\$95,038	\$22,309,558,990	\$30,688	7.38%
Refinance - Other Reasons	108,597	3.5%	\$8,360,590,880	\$76,987	\$2,839,873,779	\$26,151	8.40%
TOTAL	3,118,740	100.0%	\$247,853,018,131	\$79,472	\$84,614,896,433	\$27,131	8.03%

Table 40 – Chap. 3

Source: LGY SAS file

b. Characteristics of Home Loan Guaranties

By Down-payment Option

The objective of the VA home loan guaranty program is to enable veterans (and other eligible people) to enter the home-buying market. The “no down-payment” feature is intended to help veterans afford to buy suitable homes. The following table shows the distribution of active loan guaranties, sorted by whether or not the borrower made a down payment.

**Active Purchase Loans By Downpayment Status
Beginning of Fiscal Year 2001¹**

Status	Number of Loans	Percent of Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
No Down-payment	1,404,858	85.2%	\$127,064,817,720	\$90,447	\$43,544,371,598	\$30,996
Down-payment	243,596	14.8%	\$24,660,593,996	\$101,236	\$7,189,420,780	\$29,514
TOTAL	1,648,454	100.0%	\$151,725,411,716	\$92,041	\$50,733,792,378	\$30,777

Table 41 – Chap. 3

Source: LGY SAS file

¹ For loans made FY 1979 or later (Purchase Price used to determine downpayment N/A prior to FY 1979).

By “First Time Buyer” Status

Distribution of active loan guaranties by “first time buyers.” A first time buyer is an eligible person who used the loan guaranty to enter the home-buying market and purchase a home for the first time.

**Active Purchase Loans Based on Buyer Status
Beginning of Fiscal Year 2001¹**

Buyer Status	Number of Loans	Percent of Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
First Time Homeowner	616,903	54.2%	\$61,970,368,682	\$100,454	\$20,437,673,686	\$33,129
Previous Homeowner	521,525	45.8%	\$57,916,236,411	\$111,052	\$20,437,673,686	\$39,188
TOTAL	1,138,428	100.0%	\$119,886,605,093¹	\$105,309	\$40,875,347,372	\$35,905

Table 42 – Chap. 3

Source: LGY SAS file

¹ First time buyer information not available prior to FY 1993.

c. Demographic Characteristics of All People with Active Guaranteed Loans

By Period of Service and Other Entitlement Criteria

The next table shows the distribution of active home loan guaranties at the beginning of fiscal year 2001, sorted by the veteran’s period of service and other entitlement criteria.

Note: Brief definitions of the entitlement criteria may be found in Chapter 1. The following table is divided into two parts:

- Veteran entitlement and
- Other entitlement categories.

**Active Home Loans By Period of Service (or Entitlement)
Beginning of Fiscal Year 2001**

Entitlement	Number of Loans	Percent of Grand Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
World War II	90,577	2.9%	\$4,014,470,958	\$44,321	\$1,638,186,235	\$18,086
Post-World War II	3,193	0.1%	\$228,152,804	\$71,454	\$82,829,815	\$25,941
Korean War	69,487	2.2%	\$3,585,676,964	\$51,602	\$1,377,458,852	\$19,823
Post-Korean War	244,240	7.8%	\$11,577,933,346	\$47,404	\$4,533,771,080	\$18,563
Vietnam Era	913,330	29.3%	\$55,249,890,655	\$60,493	\$20,655,802,355	\$22,616
Post-Vietnam Era	543,786	17.4%	\$51,354,554,521	\$94,439	\$17,094,619,485	\$31,436
Gulf War Era	233,659	7.5%	\$24,139,383,758	\$103,310	\$7,817,884,334	\$33,459
Restored Entitlement	507,908	16.3%	\$53,416,153,422	\$105,169	\$16,425,360,368	\$32,339
TOTAL	2,606,180	83.6%	\$203,566,216,428	\$78,109	\$69,625,912,524	\$26,716
Service Personnel ¹	458,474	14.7%	\$38,574,166,982	\$84,136	\$13,209,589,342	\$28,812
Reservists	45,887	1.5%	\$4,927,889,285	\$107,392	\$1,566,154,149	\$34,131
Unremarried Survivor	7,951	0.3%	\$556,155,501	\$69,948	\$206,694,373	\$25,996
Spouse of POW	151	0.0%	\$11,613,356	\$76,910	\$3,914,140	\$25,921
TOTAL	512,463	16.4%	\$44,069,825,124	\$85,996	\$14,986,352,004	\$29,244
GRAND TOTAL	3,118,643	100.0%	\$247,636,041,552	\$79,405	\$84,612,264,528	\$27,131

Table 43 – Chap. 3

Source: LGY SAS file

¹ Based on when the loan was made.

By Age

The distribution of all active loan guaranties by age of the eligible person is shown in the following table.

**Active Home Loans Based On Age
Beginning of Fiscal Year 2001**

Age	Number of Loans	Percent of Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
18 - 25	18,636	0.6%	\$1,638,129,800	\$87,901	\$579,724,423	\$31,108
26 - 35	425,815	13.6%	\$43,341,349,804	\$101,784	\$14,136,457,601	\$33,199
36 - 45	758,329	24.3%	\$75,196,398,518	\$99,161	\$24,456,349,265	\$32,250
46 - 55	1,021,008	32.7%	\$75,441,276,781	\$73,889	\$26,286,901,827	\$25,746
56 - 65	538,968	17.3%	\$33,394,851,964	\$61,961	\$11,980,727,792	\$22,229
Over 65	358,540	11.5%	\$18,893,895,191	\$52,697	\$7,205,998,287	\$20,098
TOTAL¹	3,121,296	100.0%	\$247,905,902,058	\$79,424	\$84,646,159,195	\$27,119
Average overall age: 49.6						

Table 44 – Chap. 3

Source: LGY SAS file

¹ Includes direct loans sold and later guaranteed.

By Race

The next table provides the distribution of active purchase loan guaranties by race. Providing race information on the application is voluntary. Not all borrowers choose to report their race. Consequently, the table is based on available information, which describes 63 percent of the total number of records that have valid racial information.

Active Purchase Loans Based On Known Racial Codes Beginning of Fiscal Year 2001

Race	Number of Loans	Percent of Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
White	2,049,398	79.4%	\$161,313,787,129	\$78,713	\$55,447,837,146	\$27,056
Black	349,880	13.6%	\$27,126,773,585	\$77,532	\$9,447,109,364	\$27,001
Hispanic	134,134	5.2%	\$10,542,871,247	\$78,600	\$3,633,268,069	\$27,087
Native American	14,566	0.6%	\$1,280,531,210	\$87,912	\$426,412,338	\$29,274
Asian	31,965	1.2%	\$3,477,718,997	\$108,798	\$1,039,125,928	\$32,508
TOTAL	2,579,943	100.0%	\$203,741,682,168	\$78,971	\$69,993,752,845	\$27,130

Table 45 – Chap. 3

Source: LGY SAS file

By Gender

Active Home Loans Based on Gender Beginning of Fiscal Year 2001

Gender	Number of Loans	Percent of Total	Total Loan Amount	Average Loan Amount	Total Guaranty Amount	Average Guaranty Amount
Male	2,994,118	96.3%	\$232,569,356,435	\$77,675	\$80,311,455,157	\$26,823
Female	116,637	3.7%	\$11,035,872,256	\$94,617	\$3,679,494,145	\$31,547
TOTAL¹	3,110,755	100.0%	\$243,605,228,691	\$78,311	\$83,990,949,302	\$27,000

Table 46 – Chap. 3

Source: LGY SAS File

¹ Excludes 8,675 loans that did not contain gender information in the record.

8. VOCATIONAL REHABILITATION AND EMPLOYMENT

a. VR&E Program Participants at the Beginning of Fiscal Year 2001

The following table shows the total number of eligible persons who are participants of the Vocational Rehabilitation program at the beginning of fiscal year 2001.

**Veterans Participating In
Vocational Rehabilitation Programs
Beginning Fiscal Year 2001**

Program	Number	Percent
Service-connected Veterans (Chapter 31)	50,239	99.9%
Pension Recipients (Chapter 15)	7	<1%
Vietnam Veterans Children with Spina Bifida (Chapter 18)	35	<1%
Total	50,281	100.0%

Table 47 - Chap. 3

Sources: VR&E Program Management Reports (FY 2000) and Regional Office Reports

Note: The data shown in this section is a snapshot of the program activity as of the first day of fiscal year 2001, 10/01/2000. Please refer to Chapter 2 for a description of each step, or case status. The following shows the number of veterans who were in each status as of 10/01/2000:

Step 1: At the beginning of FY 2001, 6,792 veterans received services in the Applicant Status.

Step 2: At the beginning of FY 2001, 10,433 veterans received services in the Extended Evaluation and Planning Status.

Step 2a: At the beginning of FY 2001, 789 veterans received services in the Extended Evaluation Status.

Step 3: At the beginning of FY 2001, 1,546 veterans received services in Independent Living Status.

Step 3a: At the beginning of FY 2001, 15,806 veterans received services in Rehabilitation to the Point of Employability Status.

Step 4: At the beginning of FY 2001, 3,316 veterans received services in Employment Status.

Step 5: At the beginning of FY 2001, 0 veterans received services in Rehabilitation Status.

Step 5a: At the beginning of FY 2001, 11,557 veterans received services in Interrupted Status.

b. Type of Occupational Goals and Training Activities of Veterans Who Participated in a Training Program

The following tables provide information concerning the occupational goals and training activities of veterans participating in vocational training at the beginning of fiscal year 2001.

By Occupational Goals

The table below shows occupational goals of veterans who participated in a training program, sorted by vocation.

**Veterans Participating In A Vocational Training Program
By Occupational Goal
Beginning Fiscal Year 2001**

	Total Number	Percent of Total	Number of Male	Percent of Total	Number of Female	Percent of Total
Agricultural, Fishery and Forestry	70	0.2%	57	0.2%	13	0.2%
Benchwork	148	0.5%	138	0.6%	10	0.1%
Clerical	1,141	3.8%	750	3.2%	391	5.7%
Independent Living	283	0.9%	234	1.0%	49	0.7%
Machine Trades	494	1.6%	487	2.1%	7	0.1%
Miscellaneous	760	2.5%	622	2.7%	138	2.0%
Processing (Butcher, Meat Processor, etc)	20	0.1%	15	0.1%	5	0.1%
Professional, Technical, and Managerial	25,641	85.0%	19,567	84.0%	6,074	88.2%
Sales	166	0.6%	146	0.6%	20	0.3%
Service	570	1.9%	454	1.9%	116	1.7%
Structural (Building Trades)	694	2.3%	669	2.9%	25	0.4%
Unknown/Other	187	0.6%	150	0.6%	37	0.5%
Total	30,174	100%	23,289	100%	6,885	100%

Table 48 - Chap. 3

Source: VR&E Program Management Reports - Benefits Delivery Network - Data Warehouse

By Type of Training Activity:

This table reflects the various types of training activities among veterans who participated in a training program.

**Veterans Participating In A Vocational Training Program
By Type of Training and Gender
Beginning Fiscal Year 2001**

Type of Training	Total Number	Percent of Total	Number of Male	Percent of Total	Number of Female	Percent of Total
Undergraduate	26,263	87.0%	20,015	85.9%	6,248	90.7%
Vocational/Technical	1,867	6.2%	1,626	7.0%	241	3.5%
Graduate	1,004	3.3%	724	3.1%	280	4.1%
College, Non-Degree	563	1.9%	491	2.1%	72	1.0%
Ext. Eval/ Individual Living	294	1.0%	267	1.1%	27	0.4%
On the Job	93	0.3%	89	0.4%	4	0.1%
Evaluation/Imp. Rehab Pot.	17	0.1%	14	0.1%	3	0.0%
High School	19	0.1%	16	0.1%	3	0.0%
Non/Nom Pay in Gov.	28	0.1%	23	0.1%	5	0.1%
Gov't Work Experience	0	0.0%	0	0.0%	0	0.0%
Apprenticeship	20	0.1%	18	0.1%	2	0.0%
Farm Co-op	6	0.0%	6	0.0%	0	0.0%
Total	30,174	100%	23,289	100%	6,885	100%

Table 49 - Chap. 3

Source: VR&E Program Management Reports (2000) – Benefits Delivery Network – Data Warehouse

c. Demographic Characteristics of Veterans Participating in a Training Program

The following table contains demographic information about veterans participating in a vocational rehabilitation program at the beginning of fiscal year 2001.

By Combined Degree of Service-connected Disability

**Veterans Participating In A Vocational Training Program
By Combined Degree of Disability
Beginning Fiscal Year 2001**

	Number	Percent
0%	11	0.0%
10%	1,116	3.7%
20%	6,881	22.8%
30%	6,702	22.2%
40%	5,539	18.4%
50%	3,155	10.5%
60%	2,785	9.2%
70%	1,454	4.8%
80%	785	2.6%
90%	269	0.9%
100%	1,106	3.7%
Other	371	1.2%
Total	30,174	100%

Table 50 - Chap. 3

Source: VR&E Program Management Reports (2000)
Benefits Delivery Network – Data Warehouse

By Serious Employment Handicap

A serious employment handicap is a significant impairment caused in part by a service-connected disability. This handicap affects the veteran's ability to prepare for, obtain or retain employment consistent with his/her abilities, aptitudes and interests.

Veterans Participating In A Vocational Training Program With A Serious Employment Handicap Beginning Fiscal Year 2001

Total Participants	30,174
Number with Serious Employment Handicap	10,593
Percent with Serious Employment Handicap	35%

Table 51 - Chap. 3

Source: VR&E Program Management Reports (2000) – Benefits Delivery Network – Data Warehouse

By Gender

Veterans Participating In A Vocational Training Program By Gender Beginning Fiscal Year 2001

	Female	Male	Total
Number	6,885	23,289	30,174
Percent	22.8%	77.2%	100%

Table 52 - Chap. 3

Source: VR&E Program Management Reports (2000)
Benefits Delivery Network – Data Warehouse

By Age

Veterans Participating In A Vocational Training Program By Age Beginning Fiscal Year 2001

	Age 17-21	Age 22-29	Age 30-39	Age 40-49	Age 50-59	Age >60	Total for All Ages
Number	122	6,091	10,325	9,969	3,339	328	30,174
Percent	0.4%	20.2%	34.2%	33.0%	11.1%	1.1%	100%
Average Age for Veterans in Training Status:							45.7

Table 53 - Chap. 3

Source: VR&E Program Management Reports (2000) – Benefits Delivery Network – Data Warehouse

By Period of Service

Veterans Participating In A Vocational Training Program By Period of Service Beginning Fiscal Year 2001

	World War II	Post World War II ¹	Korean War	Post Korean War ¹	Vietnam Era	Post Vietnam Era ¹	Gulf War	Total All Service Periods
Number	14	1	25	101	1,717	5,037	23,279	30,174
Percent	0.0%	0.0%	0.1%	0.3%	5.7%	16.7%	77.1%	100%

Table 54 - Chap. 3

Source: VR&E Program Management Reports (2000) – Benefits delivery Network – Data Warehouse

¹These three periods are generally combined into “Peacetime” service in other sections of this report.

By Branch of Service

Veterans Participating In A Vocational Training Program By Branch of Service Beginning Fiscal Year 2001

	Army ¹	Navy	Air Force	Marine Corps	Coast Guard	Other ²	Total
Number	13,829	6,882	5,295	3,227	415	526	30,174
Percent	45.8%	22.8%	17.5%	10.7%	1.4%	1.7%	100%

Table 55 - Chap. 3

Source: VR&E Program Management Reports (2000) – Benefits Delivery Network – Data Warehouse and Disability Compensation Database

¹Army includes 1 from Women’s Army Corps

²Other includes 1 from Public Health Service and 525 records with no branch of service data.

By Length of Service

Veterans Participating In A Vocational Training Program By Length of Service Beginning Fiscal Year 2001

	Number	Percent
3 Months or Less	172	0.6%
3-6 Months	380	1.3%
6 Months-2 Years	3,101	10.3%
2-4 Years	7,425	24.6%
4-10 Years	8,761	29.0%
10-15 Years	3,279	10.9%
15-20 Years	2,351	7.8%
20-30 Years	4,609	15.3%
Over 30 Years	96	.3%
Total	30,174	100%

Table 56 - Chap. 3

Source: VR&E Program Management Reports (2000) – Benefits Delivery Network Data Warehouse

By Dependency Status

This table identifies dependency status for dependents of both single and married veteran participants.

**Veterans Participating In A Vocational Training Program
By Dependency Status
Beginning Fiscal Year 2001**

	Single	Single with Children	Married	Married with Children	Dependent Parent(s)	Total ¹
Number	7,141	3,845	5,014	14,054	67	30,121
Percent	23.7%	12.8%	16.6%	46.7%	0.2%	100%

Table 57 - Chap. 3

Source: VR&E Program Management Reports (2000) – Benefits Delivery Network – Data Warehouse

¹Does not include 53 veterans whose dependency status is unknown.

By Prior Education Level

This table reflects the distribution of veterans by level of education attained prior to enrollment in a vocational training program.

**Veterans Participating In A Vocational Training Program
By Prior Education Level
Beginning Fiscal Year 2001**

	Less Than High School	High School	Post High School	Four Year College Degree	Graduate Training	Total
Number	168	17,002	10,785	1,428	791	30,174
Percent	0.6%	56.3%	35.7%	4.7%	2.6%	100%

Table 58 - Chap. 3

Source: VR&E Program Management Reports (2000) – Benefits Delivery Network – Data Warehouse

By Prior Use of VA Educational Benefits

This table reflects all program participants at the beginning of fiscal year 2001 who previously used VA education benefits.

**Veterans Participating In A
Vocational Training Program
By Prior Use of VA Benefits
Beginning Fiscal Year 2001**

	Prior Use	No Prior Use	Total
Number	9,712	20,462	30,174
Percent	32.2%	67.8%	100%

Table 59 - Chap. 3

Source: VR&E Program Management Reports (2000) – Benefits Delivery Network Data Warehouse

CHAPTER 4

THE FUTURE – FORECASTING PROGRAM LIABILITIES

Forecasting Program Liabilities

This chapter projects program usage and associated financial obligations of the government to veterans and survivors, well beyond the current fiscal year. In conjunction with the preparation of its financial statements for fiscal year 2000, VA estimates the liability for the future benefit payments of the compensation program. This estimate is required in order to comply with Statement of Federal Financial Accounting Standards Number 5: Accounting for Liabilities of the Federal Government adopted by the Federal Accounting Standards Advisory Board (FASAB).

Historically, each year the VA is dependent upon appropriations to fund their compensation programs. This is unlike the Social Security program, for which the government maintains a trust fund against “future liabilities.” In a broad sense, future liabilities are payments that the government (or any entity) is obligated to deliver in future years. This is much like the obligation of a life insurance company to pay the face amount of a standard policy to beneficiaries at the time of the insured person’s death. The present value of these obligations constitutes the company’s future liability.

Future liabilities are carefully constructed forecasts and, as applied in this report, are conservatively drawn estimates. These estimates for long-term usage and costs provide a baseline for VBA’s unfunded future liabilities. This “rational link” to the future of VBA programs brings important factual information to long-term policy and management decision making in both the Executive and Legislative branches of government.

The data presented in this chapter are drawn from a 2000 study¹. The study estimates the VA’s liability as of the end of fiscal year 2000. While calculated information from the study is presented in the Secretary’s report, this chapter details descriptions of the study’s assumptions, parameters, and methods. It also gives projected compensation payments to veterans and survivors for years 2001 through 2070. This period corresponds closely with that used by the Office of the Chief Actuary of the Social Security Administration (which uses 75 years). The report addresses some of the estimated future liabilities (noted in last year’s Annual Benefits Report) for the compensation programs only. Our attention to the compensation programs in this report is based on the availability of adequate data and the special significance of the disability and death benefit programs to veterans and the Nation.

¹ Department of Veterans Affairs, Compensation and Pension Program, Liability for Future Benefits as of September 30, 2000. Study dated November 12, 2000, prepared by Sam Gutterman, FSA, FCAS, MAAA, Hon FIA, PricewaterhouseCoopers LLP.

Liability for Future Compensation Benefits

The liability projections for the compensation program as of September 30, 2000, are shown below. The total estimated future benefit payments of \$2,155.3 billion (\$2.1553 trillion) represents the sum of the cash flows needed in future years to pay benefits. The total program liability estimate of \$542.9 billion represents the present value of these expected future benefit payments of the program. The present value is calculated from the projected cash flows and represents an estimate of the amount which, if invested now, would assure that the government could cover projected future compensation payments.

Estimate of Compensation Program Liability as of September 30, 2000

	Estimated Future Benefits Payments*	Compensation Program Liability**
Benefits to Veterans	\$1,756.3 billion	\$451.9 billion
Benefits to Survivors	399.0 billion	91.0 billion
Total	\$2,155.3 billion	\$542.9 billion

Table 1 – Chap. 4

*Compensation benefit estimates for the period fiscal years 2000-2069, excluding retroactive payments. See Table 2.

**Compensation program liability is an estimate of the amount of money which, if invested now, at current Treasury interest rates, would assure that government could provide for the projected future compensation payments. See Table 3.

The estimated liability for the compensation program is based on the present value of expected future compensation benefit payments for:

- All veterans currently receiving benefits under these programs;
- All survivors currently receiving benefits under these programs;
- All future survivors of those veterans currently receiving benefit payments;
- All existing veterans not currently receiving benefit payments but who are expected to in the future;
- All future survivors of existing veterans not currently receiving benefit payments but who are expected to in the future; and
- A provision for those currently in active military service who will become veterans in the future (and their survivors).

These estimates of the compensation liability reflect only current benefits and types of disability. Benefits associated with types of exposures or significantly increased benefits that may occur in the future (e.g., significant benefit amounts associated with Hepatitis C, diabetes mellitus or smoking) are not reflected.

Key financial and actuarial elements associated with the development of this liability estimate are provided in Tables 2 through 6.

TABLE 2 - Estimated Future Benefit Payments

Table 2 shows the expected total annual benefit payments for veterans and survivors through fiscal year 2070 (70 years). Some noteworthy points from this table include:

- The 70-year projection period is comparable to the period used by the Office of the Chief Actuary of the Social Security Administration (75 years).
- The source of cash flows necessary to pay these benefits is annual U.S. government appropriations for the program.
- The highest annual compensation outlay for payments to service-connected disabled veterans is \$36.1 billion and is expected to occur in 2033 and is highlighted in yellow.
- The highest annual compensation outlay for payments to survivors of veterans whose deaths are related to service is \$6.6 billion and is expected to occur in 2047 and is highlighted in yellow.
- The highest annual compensation outlay for combined payments is \$42.2 billion and is expected to occur in 2033 and is highlighted.

The model used to project the future benefit payments is based on estimates of:

- The number of beneficiaries expected to receive compensation during a fiscal year.
- Whether these beneficiaries will receive payments for a full fiscal year or part of a fiscal year.
- The amount of benefits they will receive, excluding retroactive payments.
- The number of awards stopped during a fiscal year.
- Cost of living adjustments that will apply to future benefit payments.

Estimated Future Benefit Payments (Regular Monthly Benefits)

Fiscal Year	Compensation Veterans	Compensation Survivors	Compensation Veterans & Survivors
2001	\$15,396,010,966	\$3,586,513,339	\$18,982,524,305
2002	\$16,189,700,239	\$3,702,232,507	\$19,891,932,746
2003	\$16,966,587,459	\$3,817,448,230	\$20,784,035,689
2004	\$17,760,288,034	\$3,935,414,224	\$21,695,702,258
2005	\$18,559,882,648	\$4,052,693,728	\$22,612,576,376
2006	\$19,362,079,975	\$4,167,837,866	\$23,529,917,841
2007	\$20,166,328,454	\$4,280,223,239	\$24,446,551,693
2008	\$20,972,181,674	\$4,389,471,397	\$25,361,653,071
2009	\$21,779,064,642	\$4,495,132,528	\$26,274,197,170
2010	\$22,586,210,009	\$4,596,859,039	\$27,183,069,048
****	****	****	****
2015	\$26,590,210,262	\$5,040,924,163	\$31,631,134,425
****	****	****	****
2020	\$30,422,681,281	\$5,387,373,902	\$35,810,055,183
****	****	****	****
2025	\$33,726,549,723	\$5,677,044,035	\$39,403,593,758
****	****	****	****
2030	\$35,769,072,778	\$5,959,706,883	\$41,728,779,661
****	****	****	****
2033	\$36,062,837,289	\$6,127,489,092	\$42,190,326,381
****	****	****	****
2035	\$35,821,843,384	\$6,235,653,116	\$42,057,496,500
****	****	****	****
2040	\$33,875,043,946	\$6,463,444,615	\$40,338,488,561
****	****	****	****
2045	\$30,498,796,529	\$6,589,473,420	\$37,088,269,949
****	****	****	****
2047	\$28,826,462,291	\$6,605,093,994	\$35,431,556,285
****	****	****	****
2050	\$25,999,489,110	\$6,587,225,055	\$32,586,714,165
****	****	****	****
2055	\$20,834,813,571	\$6,457,462,041	\$27,292,275,612
****	****	****	****
2060	\$15,533,565,323	\$6,210,423,913	\$21,743,989,236
****	****	****	****
2065	\$10,600,726,059	\$5,846,271,927	\$16,446,997,986
****	****	****	****
2070	\$6,695,857,575	\$5,374,423,898	\$12,070,281,473
Total	\$1,756,314,998,349	\$399,018,687,061	\$2,155,333,685,410

Table 2 – Chap. 4

Source: *Compensation and Pension Program Liability for Future Benefits as of September 30, 2000* - PricewaterhouseCoopers LLP, Table 2

TABLE 3 - Discounted Estimated Future Compensation Payments

Table 3 shows the expected future compensation payments from Table 1 discounted at current U.S. Treasury interest rates. The present value of the total projected future liability for compensation is \$542.9 billion. This figure is calculated by totaling the discounted values of projected future cash flows. It represents the estimated amount which, if invested now, would assure that the government could cover the projected future compensation payments shown in Table 2 (\$2.2 trillion). Factors to consider when viewing Table 3 include:

- This method of selecting discount rates was used because VA does *not* hold specific assets (which might carry a different rate of return) to support future obligations.
- Under current law, the benefit payments will be made from future general revenues of the U.S. government each year.
- As a result of using current interest rates (which are likely to vary from year to year), the liability estimates may vary considerably from year to year.
- As these rates fluctuate in the future, the value of the liability will fluctuate accordingly (the higher the interest rates, the smaller the present value of the liability).

Table 3 includes estimates of expected compensation payments after the 70-year period, as well as estimates of retroactive benefits. Retroactive benefits are paid when:

- A veteran is entitled to compensation for any month(s) earlier than the month in which VA starts his/her award
- A veteran already receiving compensation is found entitled to increased benefits for past months

Discounted Estimated Future Benefit Payments

Fiscal Year	Compensation Veterans	Compensation Survivors	Compensation Veterans & Survivors
2001	\$14,934,216,360	\$3,478,937,908	\$18,413,154,268
2002	\$14,829,495,820	\$3,391,183,325	\$18,220,679,145
2003	\$14,685,655,523	\$3,304,243,108	\$17,989,898,631
2004	\$14,534,025,353	\$3,220,522,663	\$17,754,548,016
2005	\$14,361,156,587	\$3,135,869,463	\$17,497,026,050
2006	\$14,148,193,397	\$3,045,508,346	\$17,193,701,743
2007	\$13,884,701,392	\$2,946,972,807	\$16,831,674,199
2008	\$13,635,391,401	\$2,853,883,371	\$16,489,274,772
2009	\$13,416,641,279	\$2,769,153,847	\$16,185,795,126
2010	\$13,194,249,363	\$2,685,359,979	\$15,879,609,342
****	****	****	****
2015	\$11,503,950,156	\$2,180,898,148	\$13,684,848,304
****	****	****	****
2020	\$9,564,670,657	\$1,693,751,336	\$11,258,421,993
****	****	****	****
2025	\$8,057,897,177	\$1,356,350,930	\$9,414,248,107
****	****	****	****
2030	\$6,606,694,644	\$1,100,782,338	\$7,707,476,982
****	****	****	****
2035	\$4,989,617,510	\$868,562,894	\$5,858,180,404
****	****	****	****
2040	\$3,545,924,860	\$676,571,490	\$4,222,496,350
****	****	****	****
2045	\$2,399,179,272	\$518,359,078	\$2,917,538,350
****	****	****	****
2050	\$1,537,004,535	\$389,415,144	\$1,926,419,679
****	****	****	****
2055	\$925,614,801	\$286,881,494	\$1,212,496,295
****	****	****	****
2060	\$518,611,516	\$207,344,373	\$725,955,889
****	****	****	****
2065	\$265,972,636	\$146,683,194	\$412,655,830
****	****	****	****
2070 & later	\$634,895,880	\$801,420,859	\$1,436,316,739
Total Regular	\$418,037,844,763	\$84,175,180,062	\$502,213,024,825
Retroactive	\$33,861,065,426	\$6,818,189,585	\$40,679,255,011
Total	\$451,898,910,189	\$90,993,369,647	\$542,892,279,836

Table 3 – Chap. 4

Source: Compensation and Pension Program Liability for Future Benefits as of September 30, 2000 – PricewaterhouseCoopers LLP, Table 1

TABLE 4 - Veterans Receiving Compensation

Table 4 shows the total number of veterans receiving compensation payments (2,308,187) and their average monthly benefits, sorted by age and gender, at the end of fiscal year 2000.

In the table below, the highest number of male and female veterans by age category is highlighted in yellow.

Veterans Receiving Compensation as of September 30, 2000

Number of Veterans		Average Monthly Benefit		Age	Number of Veterans		Average Monthly Benefit		
Males	Females	Males	Females		Males	Females	Males	Females	
17	-	-	\$200.00	\$200.00	60	28,585	472	\$565.01	\$720.77
18	6	3	\$150.50	\$128.00	61	26,881	393	\$545.34	\$732.89
19	64	48	\$313.41	\$190.67	62	27,196	372	\$544.25	\$717.44
20	257	162	\$225.62	\$237.23	63	27,690	320	\$551.17	\$684.72
21	750	386	\$328.51	\$256.98	64	28,628	352	\$541.82	\$661.63
22	1,613	713	\$292.69	\$267.32	65	29,101	309	\$552.31	\$736.29
23	3,083	1,125	\$278.99	\$273.93	66	30,298	321	\$545.53	\$692.88
24	4,522	1,470	\$271.82	\$302.57	67	33,384	328	\$556.80	\$650.02
25	6,173	1,866	\$269.86	\$319.64	68	39,492	338	\$573.77	\$643.05
26	8,144	2,227	\$277.31	\$290.81	69	39,928	335	\$568.49	\$653.91
27	9,484	2,430	\$286.60	\$327.71	70	40,496	312	\$569.80	\$678.38
28	12,129	2,787	\$293.85	\$321.37	71	36,253	290	\$565.39	\$666.92
29	15,164	3,442	\$300.55	\$325.50	72	32,623	259	\$552.69	\$569.24
30	17,070	3,542	\$314.38	\$323.90	73	29,013	231	\$539.07	\$642.67
31	17,139	3,439	\$323.71	\$358.22	74	38,739	232	\$502.73	\$665.79
32	16,830	3,288	\$347.50	\$373.11	75	57,924	290	\$517.25	\$495.71
33	16,902	3,377	\$359.32	\$388.13	76	61,597	645	\$527.11	\$585.87
34	16,876	3,158	\$375.39	\$434.03	77	57,411	801	\$521.95	\$480.63
35	17,662	3,434	\$397.03	\$454.96	78	56,795	838	\$524.95	\$498.62
36	18,628	3,497	\$406.08	\$473.03	79	54,566	767	\$523.85	\$456.21
37	18,633	3,574	\$429.69	\$479.09	80	46,773	673	\$523.74	\$468.51
38	19,599	3,604	\$455.16	\$517.06	81	41,485	486	\$517.81	\$479.23
39	22,044	3,960	\$456.54	\$534.95	82	35,472	413	\$508.35	\$571.23
40	24,836	4,146	\$466.68	\$528.77	83	26,224	353	\$489.51	\$499.32
41	28,189	4,230	\$466.62	\$550.40	84	20,204	292	\$490.67	\$509.98
42	30,095	4,247	\$465.00	\$557.89	85	15,418	258	\$479.08	\$473.24
43	32,744	4,273	\$466.47	\$571.39	86	11,766	205	\$479.79	\$506.42
44	34,478	4,568	\$465.83	\$568.26	87	8,458	192	\$463.97	\$502.29
45	36,206	4,680	\$469.49	\$598.72	88	6,225	148	\$457.41	\$494.02
46	37,581	4,415	\$476.14	\$636.22	89	4,471	103	\$445.04	\$465.90
47	38,689	4,021	\$491.21	\$634.07	90	3,255	91	\$463.99	\$452.00
48	42,075	3,656	\$505.41	\$652.68	91	2,220	78	\$445.86	\$501.73
49	46,106	3,085	\$566.03	\$636.05	92	1,578	50	\$460.88	\$447.56
50	58,810	2,770	\$637.69	\$657.17	93	1,130	39	\$440.50	\$411.23
51	77,297	2,308	\$664.16	\$679.77	94	671	31	\$433.98	\$725.81
52	88,786	1,937	\$669.49	\$692.65	95	378	18	\$521.61	\$483.94
53	91,492	1,710	\$662.49	\$703.12	96	138	22	\$406.12	\$512.18
54	72,677	1,361	\$634.57	\$726.17	97	81	7	\$579.28	\$492.00
55	50,475	976	\$629.25	\$721.55	98	65	13	\$369.37	\$550.08
56	43,650	788	\$602.93	\$744.98	99	45	6	\$613.38	\$367.33
57	41,159	749	\$589.40	\$767.84	100	36	3	\$415.32	\$762.33
58	37,328	630	\$574.00	\$718.49	101 +	143	5	\$721.26	\$319.20
59	31,569	522	\$570.26	\$752.15	Unknown	42	-	\$256.36	\$-
Total/Average					2,189,892	118,295	\$534.27	\$516.69	

Table 4 – Chap. 4

Source: *Compensation and Pension Program Liability for Future Benefits as of September 30, 2000* - PricewaterhouseCoopers LLP, Table 9

TABLE 5 - Death Rates

Table 5 presents a comparison between death rates in the general U.S. population (as reported in the 1989-91 U.S. Life Tables) and those in veterans receiving compensation. The death rates shown are for ages 40 to 80. The majority of veterans receiving compensation are in this age group.

The death rates are shown as percentages by age. For example, the age 40 male death rate of 0.32% means that this percentage of males in the general population are likely to die during this one-year period. Death rate factors and forecasting future liability are used as follows:

- Death rates were developed based on compensation program experience for fiscal years 1995 through 2000. In earlier years, death rates for the Service-Disabled Veterans Life (SDVI) insurance program were used. The SDVI death rates were significantly higher than those based on actual compensation program experience.
- Death rates for the male compensation group slightly exceed those in the general male population for the ages under 70, but are actually lower at the oldest ages.
- Death rates for the female compensation group exceed those of the general population at all ages. However, significantly less experience is available for calculating death rates among female veterans.
- Projected mortality in veterans receiving compensation reflects an assumed annual rate of improvement (decline in the mortality rate) of one percent (e.g., a one percent improvement in the .32% rate would improve to 99 percent of .32%, or .31%).
- The greater the mortality decline, the larger the liability for the compensation program, because more beneficiaries will live to collect benefits for a longer period.

Death Rates

Age	1989-1991 U.S. Life Tables (All Races)		Veterans Compensation FY 1995-00 Experience	
	Males	Females	Males	Females
40	0.32%	0.14%	0.43%	0.25%
41	0.33%	0.15%	0.44%	0.27%
42	0.34%	0.17%	0.46%	0.30%
43	0.37%	0.18%	0.49%	0.30%
44	0.39%	0.20%	0.53%	0.31%
45	0.42%	0.22%	0.56%	0.32%
46	0.46%	0.24%	0.60%	0.32%
47	0.50%	0.27%	0.64%	0.33%
48	0.54%	0.30%	0.69%	0.36%
49	0.58%	0.32%	0.73%	0.40%
50	0.63%	0.36%	0.78%	0.44%
51	0.69%	0.39%	0.83%	0.48%
52	0.76%	0.43%	0.88%	0.52%
53	0.83%	0.48%	0.95%	0.58%
54	0.91%	0.52%	1.03%	0.63%
55	1.00%	0.57%	1.11%	0.70%
56	1.09%	0.62%	1.19%	0.77%
57	1.20%	0.68%	1.28%	0.85%
58	1.32%	0.75%	1.39%	0.94%
59	1.46%	0.82%	1.50%	1.04%
60	1.59%	0.90%	1.62%	1.15%
61	1.73%	0.97%	1.75%	1.27%
62	1.88%	1.06%	1.89%	1.40%
63	2.04%	1.15%	2.06%	1.48%
64	2.21%	1.24%	2.26%	1.55%
65	2.40%	1.35%	2.47%	1.63%
66	2.59%	1.46%	2.70%	1.72%
67	2.79%	1.57%	2.96%	1.81%
68	3.03%	1.71%	3.15%	1.98%
69	3.30%	1.87%	3.36%	2.16%
70	3.61%	2.04%	3.58%	2.36%
71	3.95%	2.24%	3.82%	2.58%
72	4.31%	2.46%	4.07%	2.82%
73	4.69%	2.69%	4.39%	3.09%
74	5.08%	2.93%	4.73%	3.38%
75	5.49%	3.18%	5.10%	3.69%
76	5.94%	3.46%	5.50%	4.04%
77	6.43%	3.77%	5.93%	4.42%
78	6.97%	4.15%	6.46%	4.79%
79	7.58%	4.60%	7.04%	5.18%
80	8.28%	5.11%	7.67%	5.61%

Table 5 – Chap. 4

Source: *Compensation and Pension Program Liability for Future Benefits as of September 30, 2000* -
PricewaterhouseCoopers LLP, Table 11

TABLE 6 - Rates of Newly Adjudicated Compensation Cases

The following two tables provide information about newly adjudicated disability compensation awards to veterans. In this table, the term “newly adjudicated” cases includes both initial first-time awards and subsequent award actions.

Table 6A shows the projected number of newly adjudicated compensation awards, (based upon 2000 data) in total and sorted by age and gender, for fiscal year 2001. These projections come directly from the model used to estimate future liability. The projected total of 77,638 newly adjudicated awards corresponds with the fiscal year 2001 estimate of new compensation cases shown in Table 4 of the PricewaterhouseCoopers LLP study. Approximately 1.1 million new awards are projected over the entire 70-year period through fiscal year 2070 (also shown in Table 4).

Table 6B presents the rates of disability compensation awards as percentages. The percentages are then used to project number of newly adjudicated awards. For example, the age 25 male disability rate of 2.26% is the percentage of male veterans who are likely to receive a new compensation award during a one-year period.

The following factors regarding rates and data should be considered:

- Rates of newly adjudicated awards were developed based on compensation program experience for fiscal years 1995 through 2000.
- Data were not explicitly available by individual age and gender. The values were derived indirectly from the in-force and termination data that were available.
- Rates of new awards were then developed by dividing the number of new entrants by the number of living veterans not currently receiving compensation.
- These rates were then applied to the veteran population to arrive at estimates of new compensation awards for fiscal year 2001 and for future years.

Projected FY 2001 Newly Adjudicated Compensation Cases for Veterans

Age	Males	Females	Combined	Age	Males	Females	Combined
17	0	0	0	57	947	24	971
18	15	3	18	58	869	19	888
19	42	10	52	59	697	15	712
20	93	19	112	60	613	12	625
21	281	46	327	61	571	10	581
22	703	98	801	62	515	8	523
23	1,172	154	1326	63	529	7	536
24	1,446	197	1643	64	523	6	529
25	1,436	217	1653	65	532	5	537
26	1,347	232	1579	66	560	5	565
27	1,250	260	1510	67	595	5	600
28	1,192	265	1457	68	624	4	628
29	1,182	272	1454	69	584	4	588
30	1,216	274	1490	70	578	3	581
31	1,229	282	1511	71	528	3	531
32	1,136	264	1400	72	470	2	472
33	1,158	265	1423	73	587	2	589
34	1,154	263	1417	74	669	2	671
35	1,136	258	1394	75	699	2	701
36	1,181	267	1448	76	717	5	722
37	1,164	266	1430	77	703	7	710
38	1,356	304	1660	78	670	6	676
39	1,531	342	1873	79	637	5	642
40	1,771	398	2169	80	575	4	579
41	2,122	441	2563	81	488	2	490
42	2,295	446	2741	82	394	1	395
43	2,129	429	2558	83	257	1	258
44	1,934	411	2345	84	154	1	155
45	1,697	372	2069	85	81	1	82
46	1,492	330	1822	86	30	2	32
47	1,278	276	1554	87	42	2	44
48	1,406	209	1615	88	29	1	30
49	1,394	162	1556	89	20	1	21
50	1,621	136	1757	90	13	0	13
51	1,968	110	2078	91	8	0	8
52	2,098	82	2180	92	5	0	5
53	2,187	69	2256	93	3	0	3
54	2,061	56	2117	94	2	0	2
55	1,391	35	1426	95	1	0	1
56	1,129	29	1158	96	0	0	0
				Total	68,912	8,726	77,638

Table 6A – Chap. 4

Source: *Compensation and Pension Program Liability for Future Benefits as of September 30, 2000* -
PricewaterhouseCoopers LLP

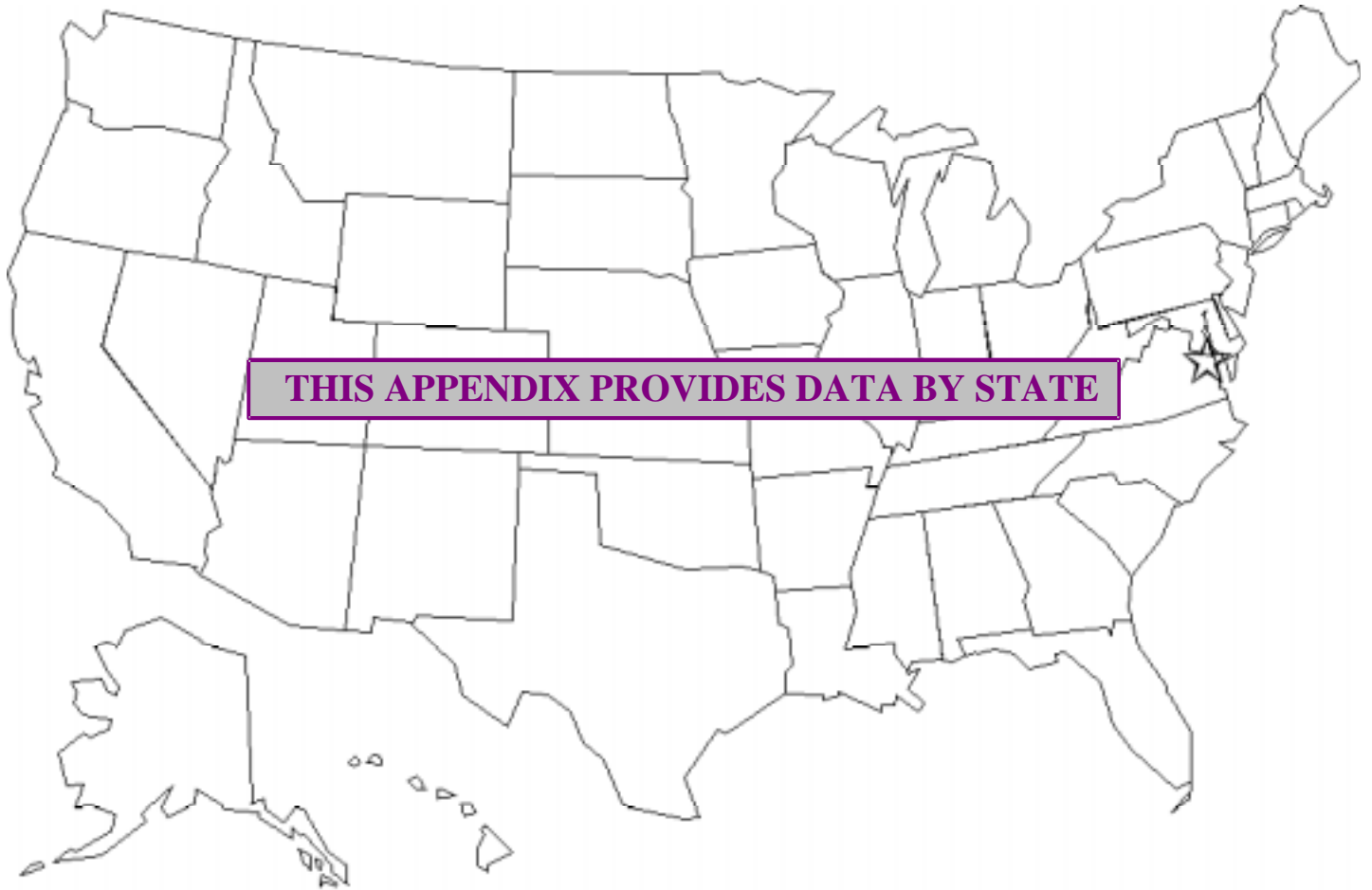
Rates of Newly Adjudicated Compensation Cases for Veterans

Age	Males	Females	Age	Males	Females
17	4.00%	5.00%	57	0.20%	0.20%
18	4.00%	5.00%	58	0.18%	0.16%
19	4.00%	5.00%	59	0.17%	0.14%
20	4.00%	5.00%	60	0.15%	0.11%
21	4.00%	5.00%	61	0.14%	0.10%
22	4.00%	5.00%	62	0.13%	0.08%
23	3.31%	4.42%	63	0.13%	0.07%
24	2.74%	3.91%	64	0.13%	0.06%
25	2.26%	3.46%	65	0.13%	0.06%
26	1.87%	3.06%	66	0.13%	0.05%
27	1.55%	2.71%	67	0.13%	0.04%
28	1.32%	2.30%	68	0.13%	0.04%
29	1.13%	1.95%	69	0.12%	0.03%
30	0.96%	1.65%	70	0.12%	0.03%
31	0.82%	1.40%	71	0.11%	0.03%
32	0.70%	1.18%	72	0.11%	0.02%
33	0.67%	1.13%	73	0.12%	0.02%
34	0.64%	1.07%	74	0.13%	0.02%
35	0.61%	1.02%	75	0.14%	0.03%
36	0.59%	0.97%	76	0.16%	0.03%
37	0.56%	0.93%	77	0.17%	0.03%
38	0.62%	1.00%	78	0.17%	0.02%
39	0.69%	1.08%	79	0.18%	0.02%
40	0.76%	1.16%	80	0.18%	0.02%
41	0.84%	1.26%	81	0.18%	0.01%
42	0.92%	1.35%	82	0.18%	0.01%
43	0.80%	1.28%	83	0.14%	0.01%
44	0.69%	1.22%	84	0.11%	0.02%
45	0.59%	1.15%	85	0.07%	0.02%
46	0.51%	1.09%	86	0.04%	0.03%
47	0.44%	1.04%	87	0.07%	0.03%
48	0.43%	0.89%	88	0.06%	0.03%
49	0.41%	0.77%	89	0.06%	0.02%
50	0.40%	0.66%	90	0.05%	0.01%
51	0.39%	0.57%	91	0.04%	0.01%
52	0.38%	0.49%	92	0.04%	0.00%
53	0.33%	0.41%	93	0.03%	0.00%
54	0.29%	0.34%	94	0.02%	0.00%
55	0.26%	0.28%	95	0.01%	0.00%
56	0.23%	0.24%	96	0.01%	0.00%

Table 6B – Chap. 4

Source: *Compensation and Pension Program Liability for Future Benefits as of September 30, 2000* - PricewaterhouseCoopers LLP, Table 13

GEOGRAPHIC DISTRIBUTION OF BENEFITS

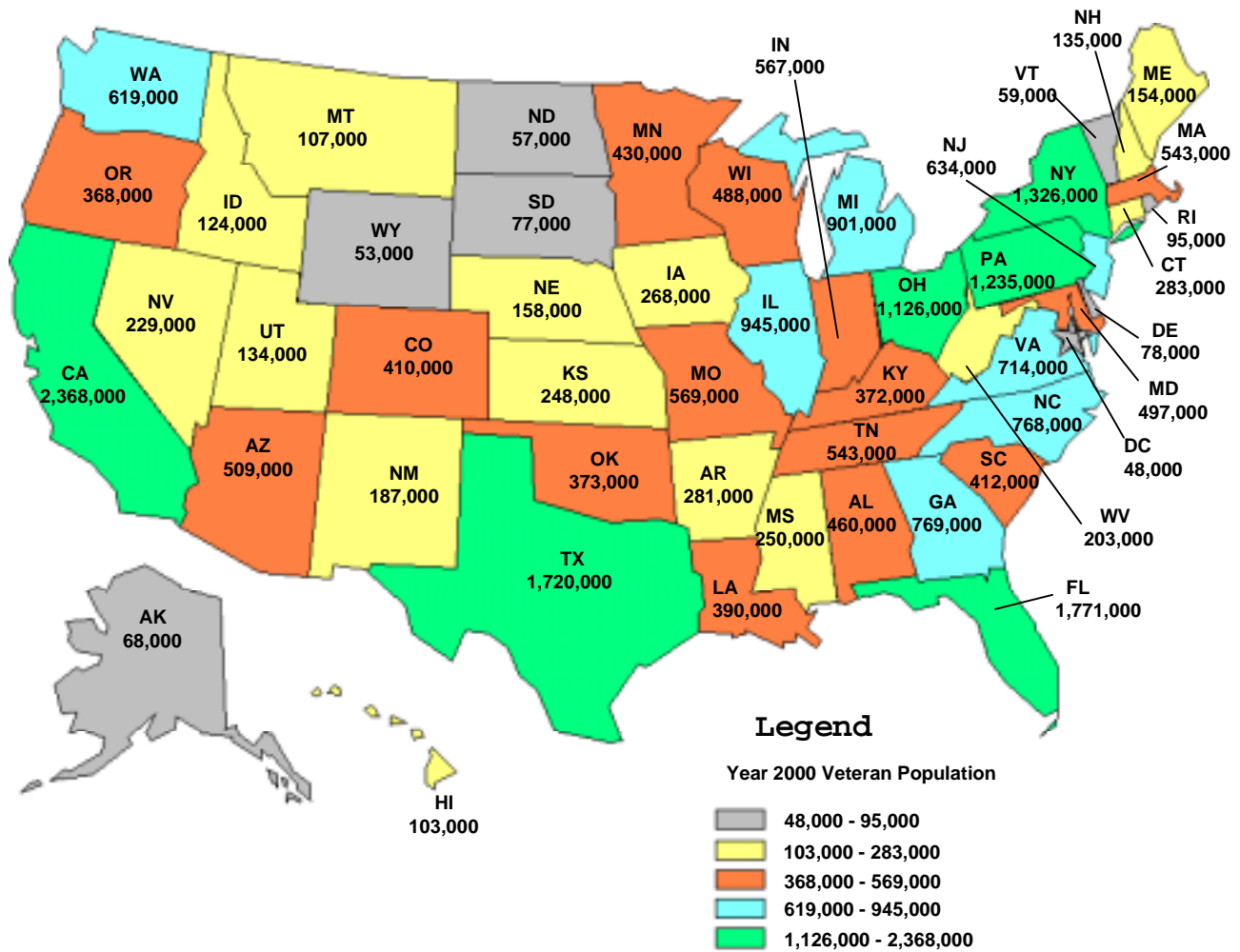


**Estimated Veteran Population by State FY 2000
(In Ascending Order)**

Dist. Of Columbia	48,000
Wyoming	53,000
North Dakota	57,000
Vermont	59,000
Alaska	68,000
South Dakota	77,000
Delaware	78,000
Rhode Island	95,000
Hawaii	103,000
Montana	107,000
Idaho	124,000
Utah	134,000
New Hampshire	135,000
Maine	154,000
Nebraska	158,000
New Mexico	187,000
West Virginia	203,000
Nevada	229,000
Kansas	248,000
Mississippi	250,000
Iowa	268,000
Arkansas	281,000
Connecticut	283,000
Oregon	368,000
Kentucky	372,000
Oklahoma	373,000
Louisiana	390,000
Colorado	410,000
South Carolina	412,000
Minnesota	430,000
Alabama	460,000
Wisconsin	488,000
Maryland	497,000
Arizona	509,000
Massachusetts	543,000
Tennessee	543,000
Indiana	567,000
Missouri	569,000
Washington	619,000
New Jersey	634,000
Virginia	714,000
North Carolina	768,000
Georgia	769,000
Michigan	901,000
Illinois	945,000
Ohio	1,126,000
Pennsylvania	1,235,000
New York	1,326,000
Texas	1,720,000
Florida	1,771,000
California	2,368,000
US Total	25,229,000

Source: <http://vaww.va.gov/data/htm> – Geographic Distribution of VA Expenditures Report
Veteran Population for FY 2000

YEAR 2000 Veteran Population Estimate



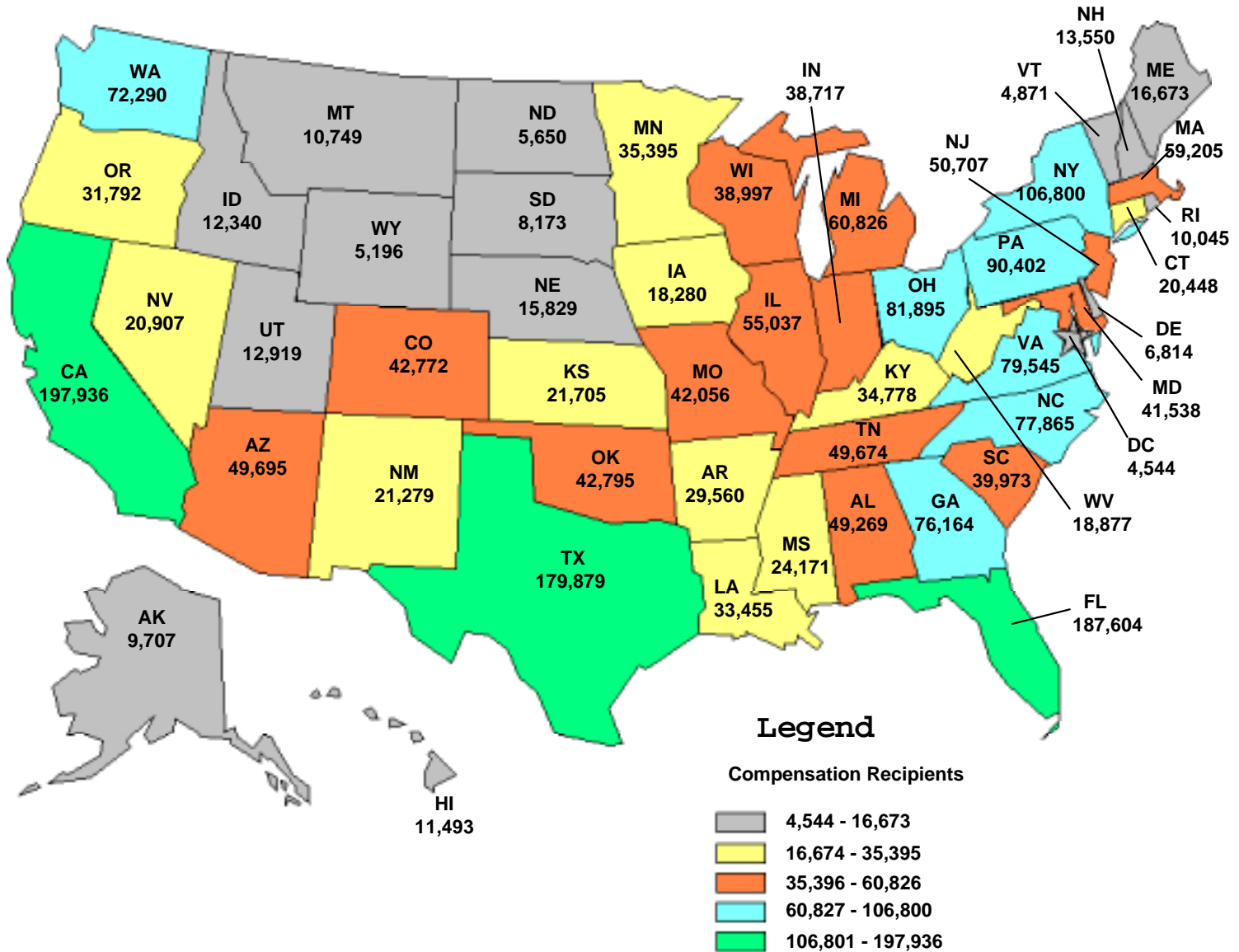
**Compensation Recipients By State of Residence
Beginning Fiscal Year 2001 (In Ascending Order)**

District of Columbia (DC)	4,544
Vermont	4,871
Wyoming	5,196
North Dakota	5,650
Delaware	6,814
South Dakota	8,173
Alaska	9,707
Rhode Island	10,045
Montana	10,749
Hawaii	11,493
Idaho	12,340
Utah	12,919
New Hampshire	13,550
Nebraska	15,829
Maine	16,673
Iowa	18,280
West Virginia	18,877
Connecticut	20,448
Nevada	20,907
New Mexico	21,279
Kansas	21,705
Mississippi	24,171
Arkansas	29,560
Oregon	31,792
Louisiana	33,455
Kentucky	34,778
Minnesota	35,395
Indiana	38,717
Wisconsin	38,997
South Carolina	39,973
Maryland	41,538
Missouri	42,056
Colorado	42,772
Oklahoma	42,795
Alabama	49,269
Tennessee	49,674
Arizona	49,695
New Jersey	50,707
Illinois	55,037
Massachusetts	59,205
Michigan	60,826
Washington	72,290
Georgia	76,164
North Carolina	77,865
Virginia	79,545
Ohio	81,895
Pennsylvania	90,402
New York	106,800
Texas	179,879
Florida	187,604
California	197,936
United States TOTAL	2,270,841
Philippines	5,780
Puerto Rico	18,500
All Other US Possessions & Foreign Countries	13,065
Total Compensation Recipients	2,308,186

Source: Benefits Delivery Network – RCS 20-0237

COMPENSATION RECIPIENTS BY STATE OF RESIDENCE BEGINNING FY 2001

(United States Total - 2,270,841)



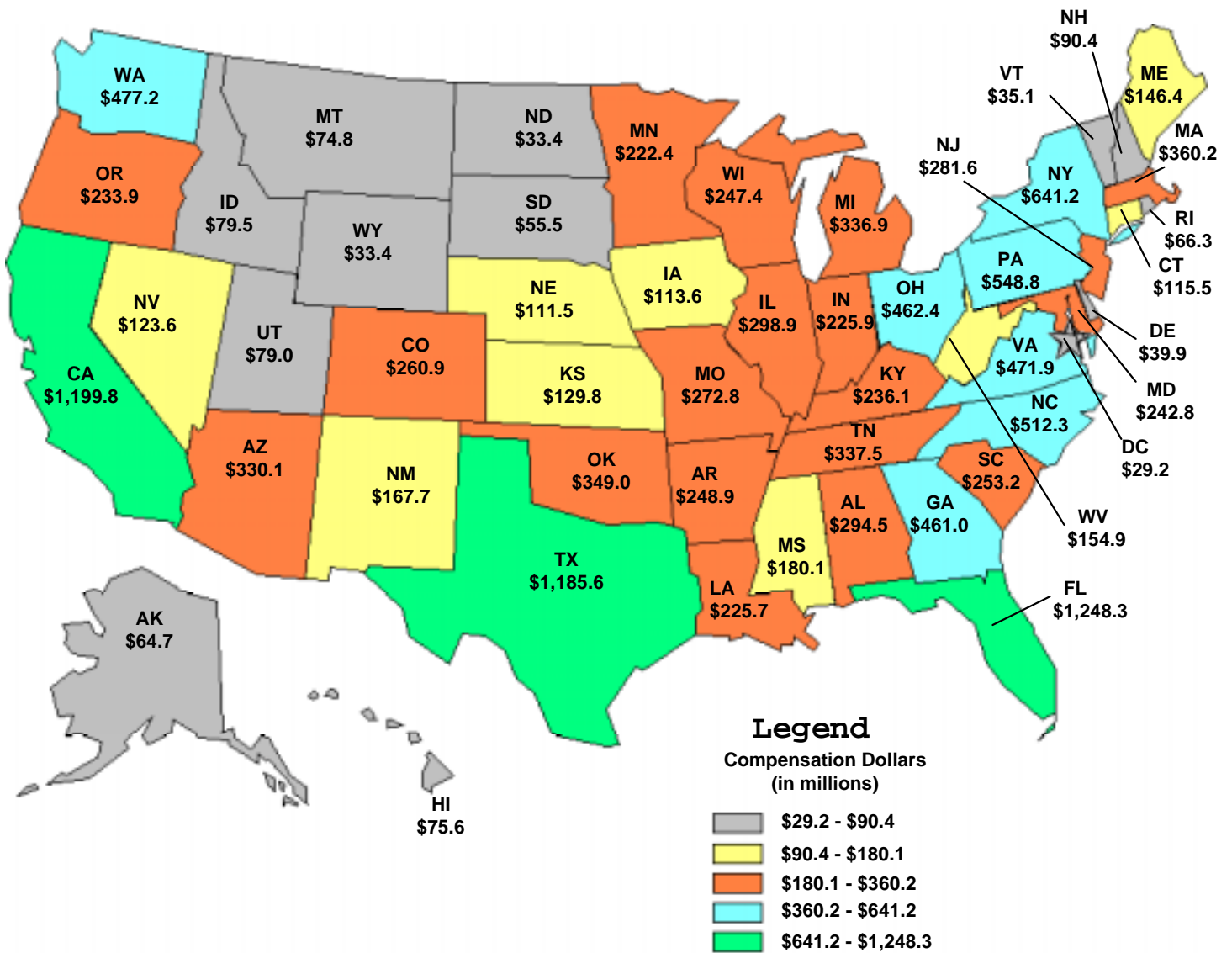
**Projected Compensation Cost Based on State of Residence
Monthly Value Beginning FY 2001 and Projected FY 2001**

Residence	Monthly Value Beginning FY 2001	Projected Annual Value FY 2001
District of Columbia (DC)	\$2,432,036	\$29,184,432
Wyoming	\$2,780,222	\$33,362,664
North Dakota	\$2,783,931	\$33,407,172
Vermont	\$2,920,935	\$35,051,220
Delaware	\$3,329,118	\$39,949,416
South Dakota	\$4,622,544	\$55,470,528
Alaska	\$5,391,147	\$64,693,764
Rhode Island	\$5,520,894	\$66,250,728
Montana	\$6,229,825	\$74,757,900
Hawaii	\$6,303,899	\$75,646,788
Utah	\$6,580,545	\$78,966,540
Idaho	\$6,622,391	\$79,468,692
New Hampshire	\$7,530,716	\$90,368,592
Nebraska	\$9,291,172	\$111,494,064
Iowa	\$9,462,646	\$113,551,752
Connecticut	\$9,628,151	\$115,537,812
Nevada	\$10,299,774	\$123,597,288
Kansas	\$10,814,547	\$129,774,564
Maine	\$12,202,328	\$146,427,936
West Virginia	\$12,908,746	\$154,904,952
New Mexico	\$13,974,647	\$167,695,764
Mississippi	\$15,004,971	\$180,059,652
Minnesota	\$18,529,467	\$222,353,604
Louisiana	\$18,804,898	\$225,658,776
Indiana	\$18,827,086	\$225,925,032
Oregon	\$19,495,488	\$233,945,856
Kentucky	\$19,677,764	\$236,133,168
Maryland	\$20,230,656	\$242,767,872
Wisconsin	\$20,618,368	\$247,420,416
Arkansas	\$20,739,461	\$248,873,532
South Carolina	\$21,102,956	\$253,235,472
Colorado	\$21,739,350	\$260,872,200
Missouri	\$22,730,742	\$272,768,904
New Jersey	\$23,464,563	\$281,574,756
Alabama	\$24,537,778	\$294,453,336
Illinois	\$24,904,830	\$298,857,960
Arizona	\$27,505,523	\$330,066,276
Michigan	\$28,072,437	\$336,869,244
Tennessee	\$28,126,531	\$337,518,372
Oklahoma	\$29,085,785	\$349,029,420
Massachusetts	\$30,013,102	\$360,157,224
Georgia	\$38,413,555	\$460,962,660
Ohio	\$38,536,744	\$462,440,928
Virginia	\$39,327,348	\$471,928,176
Washington	\$39,762,767	\$477,153,204
North Carolina	\$42,689,504	\$512,274,048
Pennsylvania	\$45,731,855	\$548,782,260
New York	\$53,431,487	\$641,177,844
Texas	\$98,798,932	\$1,185,587,184
California	\$99,979,484	\$1,199,753,808
Florida	\$104,025,311	\$1,248,303,732
United States TOTAL	\$1,205,538,957	\$14,466,467,484
Philippines	\$3,231,226	\$38,774,712
Puerto Rico	\$16,042,356	\$192,508,272
All Other US Possessions & Foreign Countries	\$6,302,656	\$75,631,872
Total Compensation	\$1,231,115,195	\$14,773,382,340

Source: Benefits Delivery Network - RCS 20-0237

PROJECTED COMPENSATION COST BY STATE FOR FY 2001

(In Millions)

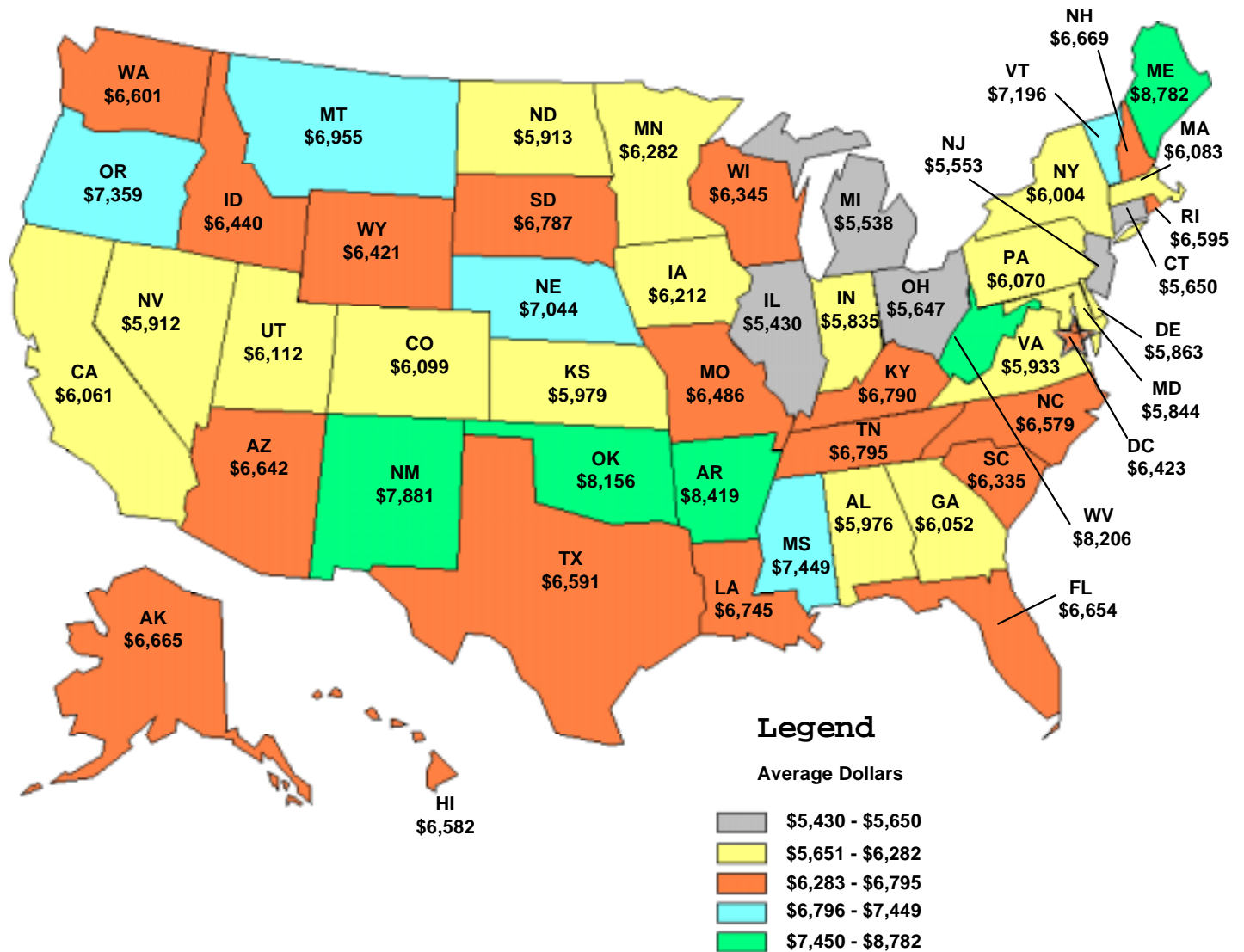


**Projected Average Disability Compensation Benefit
Per Veteran Beneficiary by State of Residence for FY 2001**

Illinois	\$5,430
Michigan	\$5,538
New Jersey	\$5,553
Ohio	\$5,647
Connecticut	\$5,650
Indiana	\$5,835
Maryland	\$5,844
Delaware	\$5,863
Nevada	\$5,912
North Dakota	\$5,913
Virginia	\$5,933
Alabama	\$5,976
Kansas	\$5,979
New York	\$6,004
Georgia	\$6,052
California	\$6,061
Pennsylvania	\$6,070
Massachusetts	\$6,083
Colorado	\$6,099
Utah	\$6,112
Iowa	\$6,212
Minnesota	\$6,282
South Carolina	\$6,335
Wisconsin	\$6,345
Wyoming	\$6,421
District of Columbia	\$6,423
Idaho	\$6,440
Missouri	\$6,486
North Carolina	\$6,579
Hawaii	\$6,582
Texas	\$6,591
Rhode Island	\$6,595
Washington	\$6,601
Arizona	\$6,642
Florida	\$6,654
Alaska	\$6,665
New Hampshire	\$6,669
Louisiana	\$6,745
South Dakota	\$6,787
Kentucky	\$6,790
Tennessee	\$6,795
Montana	\$6,955
Nebraska	\$7,044
Vermont	\$7,196
Oregon	\$7,359
Mississippi	\$7,449
New Mexico	\$7,881
Oklahoma	\$8,156
West Virginia	\$8,206
Arkansas	\$8,419
Maine	\$8,782

Source: Benefits Delivery Network - RCS 20-0237

PROJECTED AVERAGE DISABILITY COMPENSTAION PER VETERAN BENEFICIARY PER STATE DURING FY 2000



**COMPENSATION RECIPIENTS BY RESIDENCE BASED ON COMBINED DEGREE
END OF FY 2000/BEGINNING OF FY 2001**

Residence	0%	10%	20%	30%	40%	50%
Alabama	292	17,762	8,499	6,833	4,522	2,652
Alaska	50	2,642	1,587	1,279	1,067	777
Arizona	370	17,950	8,136	6,568	4,173	2,377
Arkansas	165	8,395	4,336	3,890	2,714	1,742
California	2,197	75,598	32,398	26,659	16,265	9,377
Colorado	276	15,379	7,344	5,819	3,856	2,187
Connecticut	211	8,528	3,205	2,536	1,488	941
Delaware	53	2,549	1,174	945	586	343
District of Columbia (DC)	55	1,623	682	615	357	237
Florida	1,142	69,897	29,649	23,940	15,361	9,202
Georgia	400	27,633	13,578	10,448	6,821	3,609
Hawaii	194	4,008	1,831	1,542	1,022	562
Idaho	73	4,276	2,141	1,665	1,088	671
Illinois	578	22,572	8,952	7,357	4,299	2,648
Indiana	331	14,498	6,568	5,136	3,367	1,933
Iowa	137	6,708	2,933	2,467	1,573	922
Kansas	149	8,363	3,663	2,885	1,790	922
Kentucky	265	11,395	5,609	4,867	3,296	1,955
Louisiana	201	11,753	5,181	4,550	2,868	1,895
Maine	89	4,976	2,348	2,037	1,377	906
Maryland	361	15,285	7,019	5,749	3,767	2,046
Massachusetts	378	23,802	8,179	8,231	4,324	3,109
Michigan	626	24,174	9,877	8,527	4,714	3,068
Minnesota	281	13,849	5,370	4,405	2,701	1,765
Mississippi	150	7,720	3,777	3,357	2,118	1,234
Missouri	338	15,229	6,528	5,754	3,682	2,213
Montana	60	3,590	1,744	1,451	986	598
Nebraska	68	5,387	2,398	2,099	1,497	881
Nevada	131	7,935	3,542	2,790	1,777	956
New Hampshire	69	4,755	2,162	1,747	1,192	789
New Jersey	412	21,257	7,632	6,477	3,810	2,597
New Mexico	148	6,868	3,205	2,626	1,887	1,040
New York	1,038	44,780	14,864	13,473	7,256	5,587
North Carolina	450	25,743	13,446	11,019	7,546	4,156
North Dakota	30	2,071	979	784	504	296
Ohio	685	31,952	13,661	11,176	6,885	4,070
Oklahoma	224	12,021	6,785	5,651	4,024	2,636
Oregon	258	10,020	4,758	4,116	2,919	1,860
Pennsylvania	767	34,771	13,908	12,136	7,189	4,741
Rhode Island	51	3,869	1,487	1,255	762	509
South Carolina	195	14,298	6,743	5,462	3,592	1,970
South Dakota	48	2,818	1,375	1,105	688	429
Tennessee	397	16,783	8,292	6,766	4,244	2,538
Texas	1,157	62,090	29,883	24,022	16,458	9,244
Utah	78	4,614	2,219	1,705	1,149	732
Vermont	43	1,587	721	657	420	287
Virginia	449	27,398	14,046	11,745	7,944	4,118
Washington	456	25,154	11,683	9,668	6,609	3,746
West Virginia	136	5,663	2,591	2,457	1,652	1,208
Wisconsin	307	14,885	5,997	4,902	3,158	1,990
Wyoming	22	1,759	893	703	497	281
US TOTAL	17,041	828,632	365,578	304,053	193,841	116,552
Philippines	120	1,171	649	738	583	319
Puerto Rico	210	4,748	2,288	2,160	1,351	1,010
All Other US Possessions & Foreign Countries	98	4,335	2,337	1,942	1,351	757
Total Compensation Recipients	17,469	838,886	370,852	308,893	197,126	118,638

**COMPENSATION RECIPIENTS BY RESIDENCE BASED ON COMBINED DEGREE
END OF FY 2000/BEGINNING OF FY 2001**

Residence	60%	70%	80%	90%	100%	Total
Alabama	2,428	1,609	1,028	478	3,166	49,269
Alaska	819	488	359	167	472	9,707
Arizona	2,794	1,891	1,198	628	3,610	49,695
Arkansas	2,182	1,498	1,012	492	3,134	29,560
California	8,936	7,046	4,111	1,946	13,403	197,936
Colorado	2,142	1,457	885	436	2,991	42,772
Connecticut	862	667	348	157	1,505	20,448
Delaware	311	168	101	46	538	6,814
District of Columbia (DC)	229	192	87	38	429	4,544
Florida	10,556	7,180	4,536	2,029	14,112	187,604
Georgia	3,816	2,451	1,498	607	5,303	76,164
Hawaii	581	424	234	107	988	11,493
Idaho	676	472	300	157	821	12,340
Illinois	2,271	1,615	932	449	3,364	55,037
Indiana	2,040	1,227	771	412	2,434	38,717
Iowa	974	681	414	203	1,268	18,280
Kansas	985	686	385	223	1,654	21,705
Kentucky	2,020	1,279	838	400	2,854	34,778
Louisiana	1,857	1,379	772	346	2,653	33,455
Maine	1,012	1,207	685	282	1,754	16,673
Maryland	1,998	1,203	669	370	3,071	41,538
Massachusetts	2,935	2,287	1,126	434	4,400	59,205
Michigan	2,812	1,788	979	500	3,761	60,826
Minnesota	1,796	1,373	862	417	2,576	35,395
Mississippi	1,490	948	676	317	2,384	24,171
Missouri	2,250	1,548	991	441	3,082	42,056
Montana	613	429	277	144	857	10,749
Nebraska	989	630	464	232	1,184	15,829
Nevada	1,097	717	437	238	1,287	20,907
New Hampshire	772	559	367	160	978	13,550
New Jersey	2,208	1,522	1,013	533	3,246	50,707
New Mexico	1,305	1,293	781	321	1,805	21,279
New York	4,846	3,829	2,078	902	8,147	106,800
North Carolina	4,503	2,922	1,831	802	5,447	77,865
North Dakota	309	149	129	65	334	5,650
Ohio	3,817	2,354	1,469	719	5,107	81,895
Oklahoma	3,032	2,326	1,327	578	4,191	42,795
Oregon	1,977	1,489	958	481	2,956	31,792
Pennsylvania	4,567	3,339	1,922	874	6,188	90,402
Rhode Island	544	416	243	92	817	10,045
South Carolina	1,979	1,502	897	408	2,927	39,973
South Dakota	408	271	176	116	739	8,173
Tennessee	2,788	1,813	1,178	568	4,307	49,674
Texas	10,839	7,363	4,613	1,999	12,211	179,879
Utah	667	469	261	149	876	12,919
Vermont	353	234	135	60	374	4,871
Virginia	4,252	2,561	1,583	734	4,715	79,545
Washington	3,796	3,349	1,825	946	5,058	72,290
West Virginia	1,153	1,109	691	314	1,903	18,877
Wisconsin	2,049	1,347	877	494	2,991	38,997
Wyoming	296	178	123	59	385	5,196
US TOTAL	119,931	84,934	51,452	24,070	164,757	2,270,841
Philippines	829	330	217	77	747	5,780
Puerto Rico	1,147	823	494	220	4,049	18,500
All Other US Possessions & Foreign Countries	715	410	259	107	754	13,065
Total Compensation Recipients	122,622	86,497	52,422	24,474	170,307	2,308,186

Source: Benefits Delivery Network – RCS 20-0238



**Compensation Recipients by Residence Based on Age
End of Fiscal Year 2000/Beginning of FY 2001**

	Under 20	20-29	30-39	40-49	50-59	60-69	70-79	80-84	85+	Total
Alabama	3	1,452	4,391	9,744	13,726	7,552	8,768	2,782	851	49,269
Alaska	0	365	1,338	2,838	3,285	999	672	167	43	9,707
Arizona	3	1,666	4,411	8,307	12,324	7,784	10,382	3,634	1,184	49,695
Arkansas	1	982	2,832	4,955	7,768	4,520	5,655	2,158	689	29,560
California	16	7,369	17,579	32,298	52,008	27,891	40,354	15,025	5,396	197,936
Colorado	2	1,651	4,812	8,714	11,983	6,130	6,443	2,269	768	42,772
Connecticut	2	539	1,471	2,431	4,954	2,292	5,488	2,437	834	20,448
Delaware	0	199	620	1,336	1,866	950	1,310	417	116	6,814
District of Columbia	0	95	401	821	1,219	612	867	332	197	4,544
Florida	8	5,079	14,230	30,539	43,538	28,540	43,232	16,497	5,941	187,604
Georgia	2	2,884	9,372	18,064	20,886	10,371	10,177	3,431	977	76,164
Hawaii	0	297	996	2,153	3,238	1,781	2,132	712	184	11,493
Idaho	3	492	1,357	2,016	3,312	1,783	2,307	800	270	12,340
Illinois	3	2,635	5,742	8,027	14,096	5,638	12,526	4,747	1,623	55,037
Indiana	2	1,457	4,434	6,683	10,149	4,331	8,073	2,758	830	38,717
Iowa	2	594	1,926	2,668	4,742	1,916	4,129	1,716	587	18,280
Kansas	0	670	2,080	4,118	5,798	2,785	4,186	1,524	544	21,705
Kentucky	2	1,339	3,635	5,934	8,997	4,580	7,207	2,338	746	34,778
Louisiana	5	1,571	3,596	5,206	8,587	4,966	6,641	2,211	672	33,455
Maine	0	641	1,621	2,921	4,801	2,328	2,990	1,047	324	16,673
Maryland	1	1,356	4,645	8,242	11,146	5,440	7,286	2,539	883	41,538
Massachusetts	3	1,159	3,190	6,110	12,885	8,668	17,477	7,065	2,648	59,205
Michigan	2	1,973	5,794	8,233	16,723	6,571	14,804	5,202	1,524	60,826
Minnesota	3	1,154	3,600	5,000	9,015	3,967	7,874	3,576	1,206	35,395
Mississippi	0	678	2,133	4,147	6,099	3,857	5,061	1,678	518	24,171
Missouri	1	1,247	4,028	7,227	11,319	5,307	8,753	3,118	1,056	42,056
Montana	2	485	1,113	1,932	3,094	1,462	1,772	675	214	10,749
Nebraska	0	711	1,724	2,914	3,941	2,125	2,873	1,146	395	15,829
Nevada	1	692	1,921	3,765	5,674	3,424	3,948	1,157	325	20,907
New Hampshire	1	445	1,177	2,260	3,765	2,157	2,622	835	288	13,550
New Jersey	2	902	2,939	5,479	12,430	6,509	14,390	6,001	2,055	50,707
New Mexico	5	594	1,595	3,696	6,072	3,379	4,003	1,453	482	21,279
New York	6	2,523	6,984	12,582	27,851	12,363	28,172	11,631	4,688	106,800
North Carolina	5	3,290	9,251	16,844	20,297	11,065	12,407	3,624	1,082	77,865
North Dakota	0	227	601	1,000	1,526	630	988	503	175	5,650
Ohio	7	2,771	8,324	12,551	20,839	9,112	19,162	6,967	2,162	81,895
Oklahoma	4	1,371	3,740	7,453	12,491	6,554	7,859	2,539	784	42,795
Oregon	1	1,478	3,504	5,338	9,033	3,832	5,776	2,109	721	31,792
Pennsylvania	4	2,143	6,360	11,183	22,324	10,891	25,033	9,485	2,979	90,402
Rhode Island	1	233	668	1,202	2,475	1,189	2,702	1,141	434	10,045
South Carolina	6	1,567	4,303	8,275	10,883	6,205	6,353	1,861	520	39,973
South Dakota	1	313	889	1,585	2,273	1,090	1,332	512	178	8,173
Tennessee	1	1,933	5,778	9,605	13,306	6,742	8,691	2,791	827	49,674
Texas	9	7,123	17,563	33,460	48,338	27,783	31,170	10,824	3,609	179,879
Utah	0	487	1,165	2,222	3,366	1,731	2,716	964	268	12,919
Vermont	0	133	410	800	1,408	652	1,011	341	116	4,871
Virginia	5	2,531	7,853	17,218	23,115	11,944	11,997	3,731	1,151	79,545
Washington	4	2,999	8,435	15,308	20,998	9,480	10,402	3,513	1,151	72,290
West Virginia	2	722	1,742	2,504	5,492	2,652	4,097	1,243	423	18,877
Wisconsin	6	1,740	4,336	6,095	10,361	4,589	8,013	2,978	879	38,997
Wyoming	0	203	523	988	1,597	654	873	266	92	5,196
US Totals	137	77,160	213,132	384,991	597,413	309,773	463,156	168,470	56,609	2,270,841
Philippines	21	8	47	272	495	304	1,662	2,630	341	5,780
Puerto Rico	1	316	1,383	3,643	5,316	2,876	3,840	893	232	18,500
All Other US	2	442	1,695	3,414	3,777	1,770	1,418	382	165	13,065
Total Comp.	161	77,926	216,257	392,320	607,001	314,723	470,076	172,375	57,347	2,308,186

Source: Benefits Delivery Network – RCS 20-0238

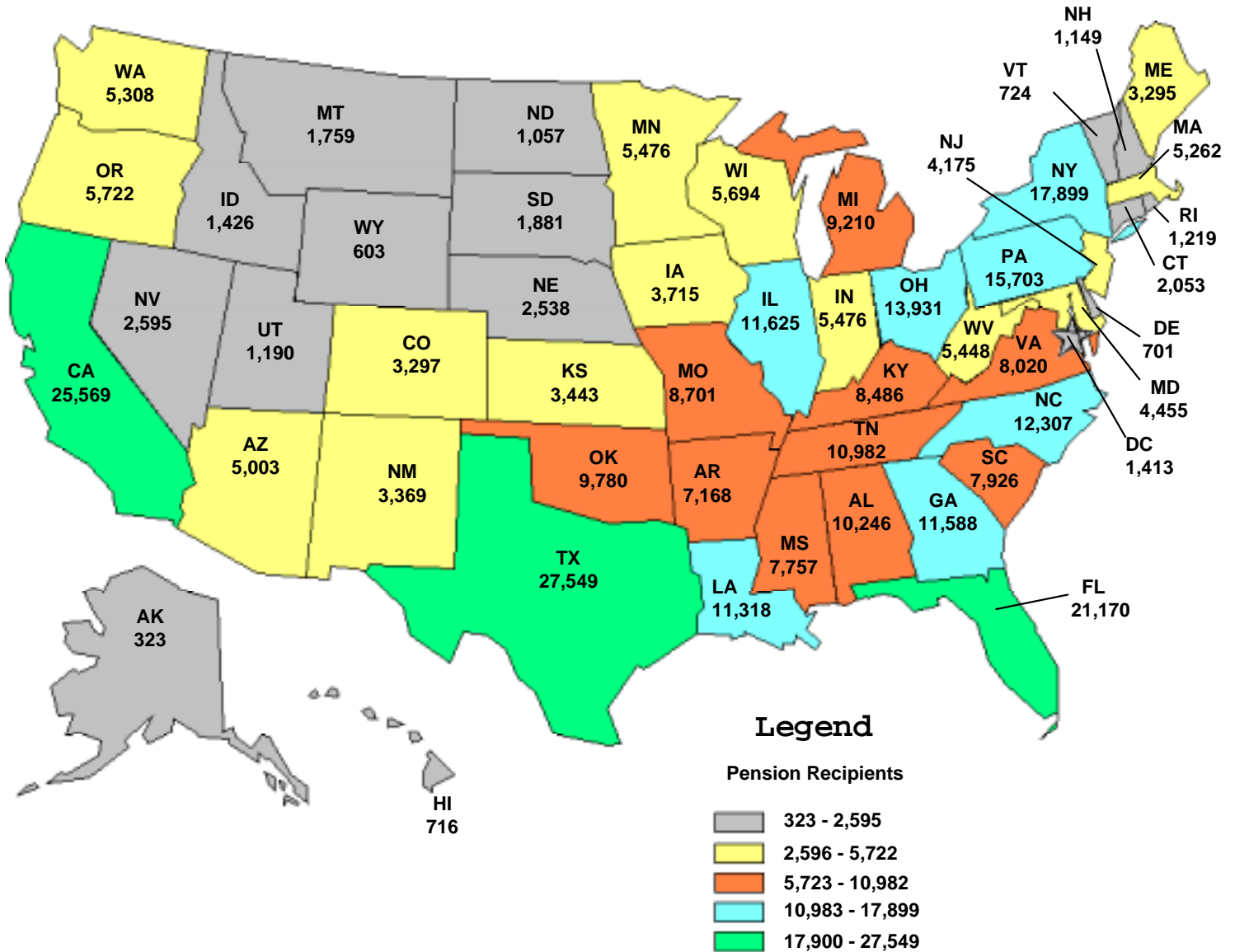
**Pension Recipients by State of Residence Beginning
Fiscal Year 2001 (In Ascending Order)**

Alaska	323
Wyoming	603
Delaware	701
Hawaii	716
Vermont	724
North Dakota	1,057
New Hampshire	1,149
Utah	1,190
Rhode Island	1,219
District of Columbia (DC)	1,413
Idaho	1,426
Montana	1,759
South Dakota	1,881
Connecticut	2,053
Nebraska	2,538
Nevada	2,595
Maine	3,295
Colorado	3,297
New Mexico	3,369
Kansas	3,443
Iowa	3,715
New Jersey	4,175
Maryland	4,455
Arizona	5,003
Massachusetts	5,262
Washington	5,308
West Virginia	5,448
Indiana	5,476
Minnesota	5,476
Wisconsin	5,694
Oregon	5,722
Arkansas	7,168
Mississippi	7,757
South Carolina	7,926
Virginia	8,020
Kentucky	8,486
Missouri	8,701
Michigan	9,210
Oklahoma	9,780
Alabama	10,246
Tennessee	10,982
Louisiana	11,318
Georgia	11,588
Illinois	11,625
North Carolina	12,307
Ohio	13,931
Pennsylvania	15,703
New York	17,899
Florida	21,170
California	25,569
Texas	27,549
United States TOTAL	347,420
Philippines	1,087
Puerto Rico	14,729
All Other US Possessions & Foreign Countries	984
Total Pension Recipients	364,220

Source: Benefits Delivery Network – RCS 20-0238

PENSION RECIPIENTS BY STATE OF RESIDENCE BEGINNING FY 2001

(United States Total - 347,420)

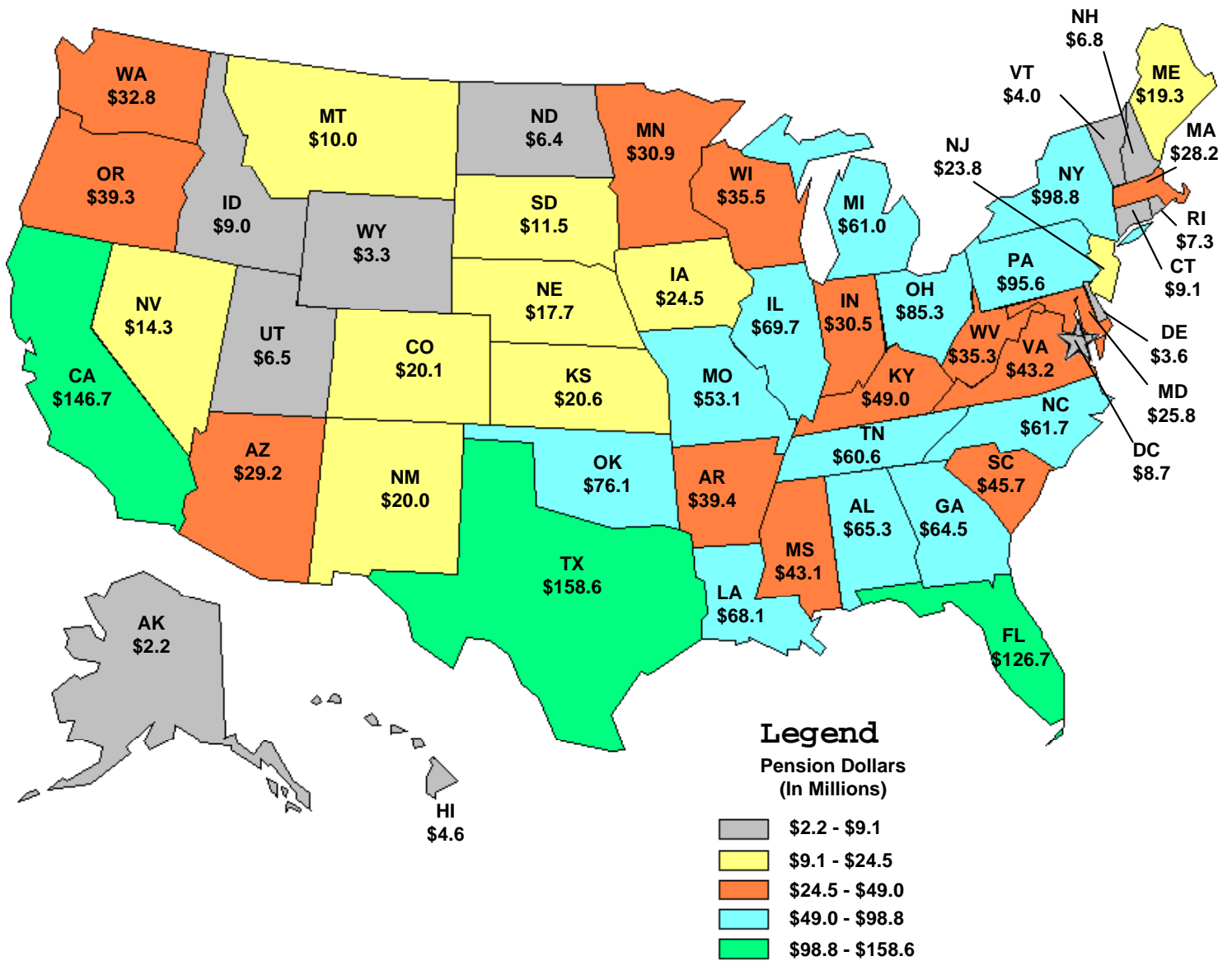


**Projected Pension Cost Based on State of Residence Monthly Value
Beginning FY 2001 and Projected FY 2001 (In Ascending Order)**

Residence	Monthly Value Beginning FY 2001	Projected Annual Value FY 2001
Alaska	\$181,804	\$2,181,648
Wyoming	\$272,077	\$3,264,924
Delaware	\$298,647	\$3,583,764
Vermont	\$331,991	\$3,983,892
Hawaii	\$381,413	\$4,576,956
North Dakota	\$535,087	\$6,421,044
Utah	\$541,674	\$6,500,088
New Hampshire	\$570,270	\$6,843,240
Rhode Island	\$604,851	\$7,258,212
District of Columbia (DC)	\$723,439	\$8,681,268
Idaho	\$746,343	\$8,956,116
Connecticut	\$754,872	\$9,058,464
Montana	\$840,082	\$10,080,984
South Dakota	\$959,862	\$11,518,344
Nevada	\$1,194,293	\$14,331,516
Nebraska	\$1,478,156	\$17,737,872
Maine	\$1,606,950	\$19,283,400
New Mexico	\$1,664,376	\$19,972,512
Colorado	\$1,673,145	\$20,077,740
Kansas	\$1,717,655	\$20,611,860
New Jersey	\$1,985,598	\$23,827,176
Iowa	\$2,041,906	\$24,502,872
Maryland	\$2,151,991	\$25,823,892
Massachusetts	\$2,351,000	\$28,212,000
Arizona	\$2,437,123	\$29,245,476
Indiana	\$2,545,654	\$30,547,848
Minnesota	\$2,572,744	\$30,872,928
Washington	\$2,732,131	\$32,785,572
West Virginia	\$2,942,196	\$35,306,352
Wisconsin	\$2,958,763	\$35,505,156
Oregon	\$3,279,152	\$39,349,824
Arkansas	\$3,287,274	\$39,447,288
Mississippi	\$3,587,967	\$43,055,604
Virginia	\$3,600,238	\$43,202,856
South Carolina	\$3,804,329	\$45,651,948
Kentucky	\$4,079,352	\$48,952,224
Missouri	\$4,428,318	\$53,139,816
Tennessee	\$5,053,162	\$60,637,944
Michigan	\$5,080,033	\$60,960,396
North Carolina	\$5,140,685	\$61,688,220
Georgia	\$5,373,833	\$64,485,996
Alabama	\$5,447,818	\$65,373,816
Louisiana	\$5,676,050	\$68,112,600
Illinois	\$5,804,439	\$69,653,268
Oklahoma	\$6,342,690	\$76,112,280
Ohio	\$7,107,817	\$85,293,804
Pennsylvania	\$7,963,479	\$95,561,748
New York	\$8,230,625	\$98,767,500
Florida	\$10,554,404	\$126,652,848
California	\$12,220,629	\$146,647,548
Texas	\$13,212,878	\$158,554,536
United States TOTAL	\$171,071,265	\$2,052,855,180
Philippines	\$1,053,037	\$12,636,444
Puerto Rico	\$6,904,894	\$82,858,728
All Other US Possessions & Foreign Countries	\$571,539	\$6,858,468
Total Pension	\$179,600,735	\$2,155,208,820

Source: Benefits Delivery Network - RCS 20-0237

PROJECTED PENSION COST BY STATE FOR FY 2001 (In Millions)





**Pension Recipients by Residence Based on Age
End of Fiscal Year 2000/Beginning of FY 2001**

	Under 20	20-29	30-39	40-49	50-59	60-69	70-79	80-84	85+	Total
Alabama	1	4	24	574	1,260	1,455	4,433	1,719	776	10,246
Alaska	0	0	1	68	156	45	45	7	1	323
Arizona	0	2	19	498	1,178	860	1,722	468	256	5,003
Arkansas	0	5	21	544	1,320	966	2,602	1,110	600	7,168
California	5	24	73	2,569	5,947	4,074	8,515	2,785	1,577	25,569
Colorado	0	1	10	339	730	497	1,100	397	223	3,297
Connecticut	1	0	2	155	399	291	715	296	194	2,053
Delaware	0	0	2	74	141	102	248	90	44	701
District of	0	0	4	140	331	239	534	126	39	1,413
Florida	0	18	52	1,829	4,653	3,502	7,446	2,457	1,213	21,170
Georgia	1	7	36	848	2,120	1,844	4,414	1,644	674	11,588
Hawaii	0	1	0	82	227	113	209	47	37	716
Idaho	1	0	2	96	248	231	543	207	98	1,426
Illinois	0	13	27	1,004	2,696	1,841	4,290	1,179	575	11,625
Indiana	1	2	15	485	1,146	953	2,008	591	275	5,476
Iowa	0	3	7	284	650	542	1,413	507	309	3,715
Kansas	0	2	11	342	725	504	1,196	427	236	3,443
Kentucky	1	1	14	467	1,443	1,357	3,539	1,137	527	8,486
Louisiana	0	7	50	878	2,101	1,472	4,456	1,619	735	11,318
Maine	0	8	7	366	773	533	1,105	339	164	3,295
Maryland	0	3	19	436	939	707	1,681	453	217	4,455
Massachusetts	1	4	21	460	1,098	882	1,943	527	326	5,262
Michigan	0	3	37	935	2,500	1,446	3,011	868	410	9,210
Minnesota	1	5	6	359	856	754	1,972	926	597	5,476
Mississippi	0	3	17	382	952	863	3,406	1,473	661	7,757
Missouri	0	2	8	764	1,723	1,299	3,216	1,089	600	8,701
Montana	0	1	5	166	411	254	589	217	116	1,759
Nebraska	2	3	6	189	453	382	963	342	198	2,538
Nevada	0	1	4	250	594	476	926	231	113	2,595
New Hampshire	0	2	3	90	235	191	397	145	86	1,149
New Jersey	0	4	9	309	754	689	1,645	522	243	4,175
New Mexico	0	2	8	298	743	470	1,220	421	207	3,369
New York	2	17	52	1,561	3,795	2,841	6,557	1,933	1,141	17,899
North Carolina	0	8	34	826	1,840	1,594	5,204	2,047	754	12,307
North Dakota	0	0	1	57	183	124	451	145	96	1,057
Ohio	1	12	47	1,534	3,734	2,315	4,505	1,220	563	13,931
Oklahoma	0	5	28	806	2,245	1,624	3,358	1,146	568	9,780
Oregon	2	5	20	601	1,425	888	1,845	616	320	5,722
Pennsylvania	2	8	48	1,299	3,519	2,463	5,694	1,731	939	15,703
Rhode Island	0	0	1	107	285	197	423	125	81	1,219
South Carolina	0	7	17	504	1,397	1,175	3,231	1,133	462	7,926
South Dakota	0	1	4	109	320	313	734	238	162	1,881
Tennessee	1	4	20	701	1,845	1,681	4,391	1,605	734	10,982
Texas	1	30	75	2,160	5,650	3,948	10,293	3,457	1,935	27,549
Utah	1	1	4	116	250	180	434	134	70	1,190
Vermont	0	1	0	56	152	120	270	71	54	724
Virginia	0	1	24	602	1,409	1,209	3,236	1,104	435	8,020
Washington	1	4	17	575	1,311	823	1,695	573	309	5,308
West Virginia	0	4	15	483	1,310	919	1,892	524	301	5,448
Wisconsin	0	6	12	527	1,113	839	2,010	730	457	5,694
Wyoming	0	0	4	65	128	119	201	62	24	603
US Totals	26	245	943	28,969	71,413	53,206	127,926	42,960	21,732	347,420
Philippines	1	0	1	11	105	91	219	467	192	1,087
Puerto Rico	1	2	4	303	1,059	3,005	7,134	2,398	823	14,729
All Other US	0	0	1	37	118	111	437	168	112	984
Total Pension	28	247	949	29,320	72,695	56,413	135,716	45,993	22,859	364,220

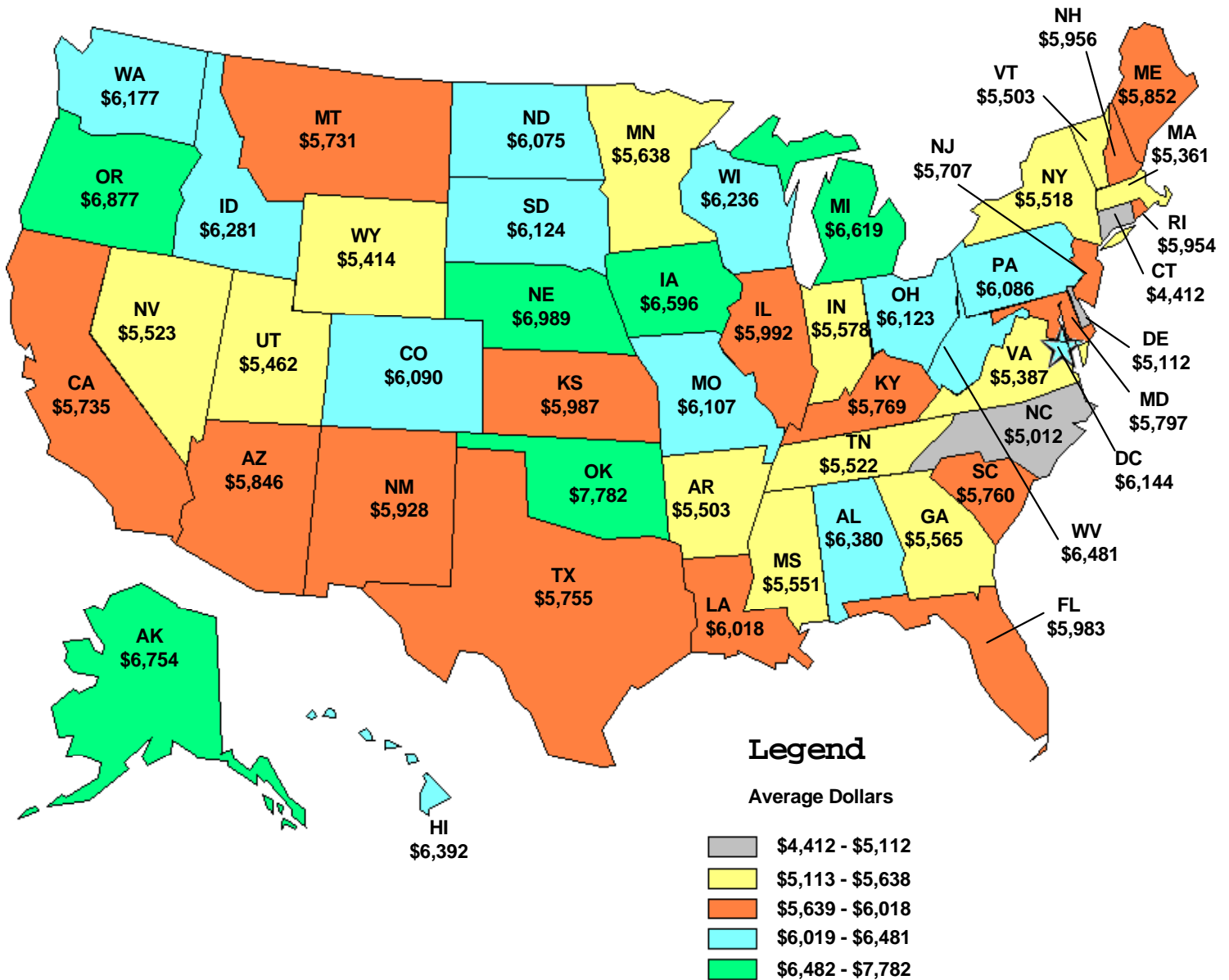
Source: Benefits Delivery Network – RCS 20-0238

**Projected Average Disability Pension Benefit
Per Veteran Beneficiary by State of Residence for FY 2001**

Connecticut	\$4,412
North Carolina	\$5,012
Delaware	\$5,112
Massachusetts	\$5,361
Virginia	\$5,386
Wyoming	\$5,414
Utah	\$5,462
Vermont	\$5,502
Arkansas	\$5,503
New York	\$5,518
Tennessee	\$5,521
Nevada	\$5,522
Mississippi	\$5,550
Georgia	\$5,564
Indiana	\$5,578
Minnesota	\$5,637
New Jersey	\$5,707
Montana	\$5,731
California	\$5,735
Texas	\$5,755
South Carolina	\$5,759
Kentucky	\$5,768
Maryland	\$5,796
Arizona	\$5,845
Maine	\$5,852
New Mexico	\$5,928
Rhode Island	\$5,954
New Hampshire	\$5,955
Florida	\$5,982
Kansas	\$5,986
Illinois	\$5,991
Louisiana	\$6,018
North Dakota	\$6,074
Pennsylvania	\$6,085
Colorado	\$6,089
Missouri	\$6,107
Ohio	\$6,122
South Dakota	\$6,123
District of Columbia	\$6,143
Washington	\$6,176
Wisconsin	\$6,235
Idaho	\$6,280
Alabama	\$6,380
Hawaii	\$6,392
West Virginia	\$6,480
Iowa	\$6,595
Michigan	\$6,618
Alaska	\$6,754
Oregon	\$6,876
Nebraska	\$6,988
Oklahoma	\$7,782

Source: Benefits Delivery Network – RCS 20-0238

PROJECTED AVERAGE DISABILITY PENSION BENEFIT PER VETERAN BENEFICIARY PER STATE FOR FY 2001

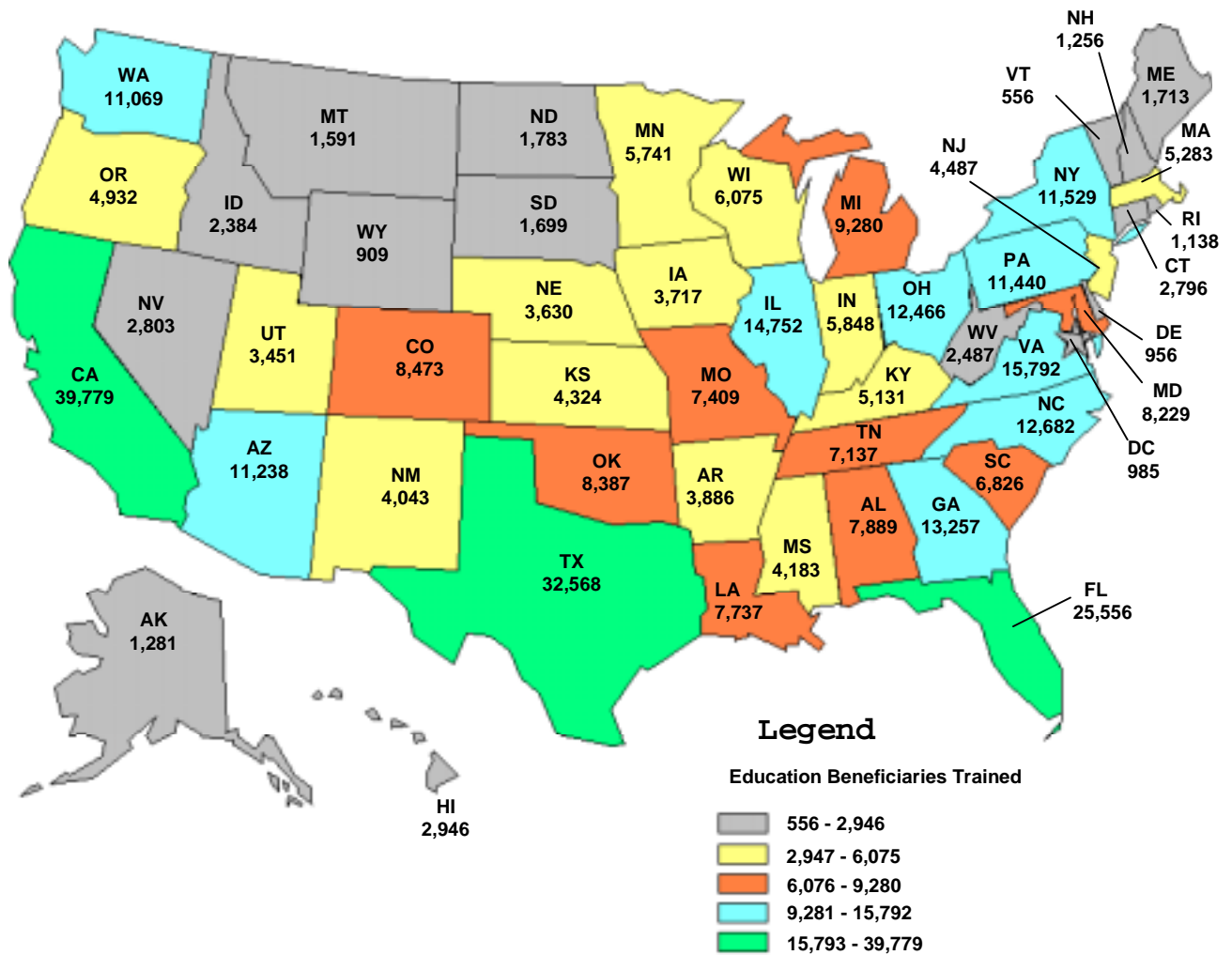


**Education Beneficiaries Trained
During Fiscal Year 2000**

Alabama	7,889
Alaska	1,281
Arizona	11,238
Arkansas	3,886
California	39,779
Colorado	8,473
Connecticut	2,796
Delaware	956
District of Columbia (DC)	985
Florida	25,556
Georgia	13,257
Hawaii	2,946
Idaho	2,384
Illinois	14,752
Indiana	5,848
Iowa	3,717
Kansas	4,324
Kentucky	5,131
Louisiana	7,737
Maine	1,713
Maryland	8,229
Massachusetts	5,283
Michigan	9,280
Minnesota	5,741
Mississippi	4,183
Missouri	7,409
Montana	1,591
Nebraska	3,630
Nevada	2,803
New Hampshire	1,256
New Jersey	4,487
New Mexico	4,043
New York	11,529
North Carolina	12,682
North Dakota	1,783
Ohio	12,466
Oklahoma	8,387
Oregon	4,932
Pennsylvania	11,440
Rhode Island	1,138
South Carolina	6,826
South Dakota	1,699
Tennessee	7,137
Texas	32,568
Utah	3,451
Vermont	556
Virginia	15,792
Washington	11,069
West Virginia	2,487
Wisconsin	6,075
Wyoming	909
United States TOTAL	375,512
Puerto Rico	3,910
Other US Possessions	18,167
Total Number of Beneficiaries	397,589

Source: Benefits Delivery Network – RCS 20-0238

EDUCATION BENEFICIARIES TRAINED By State During FY 2000



**Life Insurance Payments by State of Residence
During Fiscal Year 2000 (In Ascending Order)**

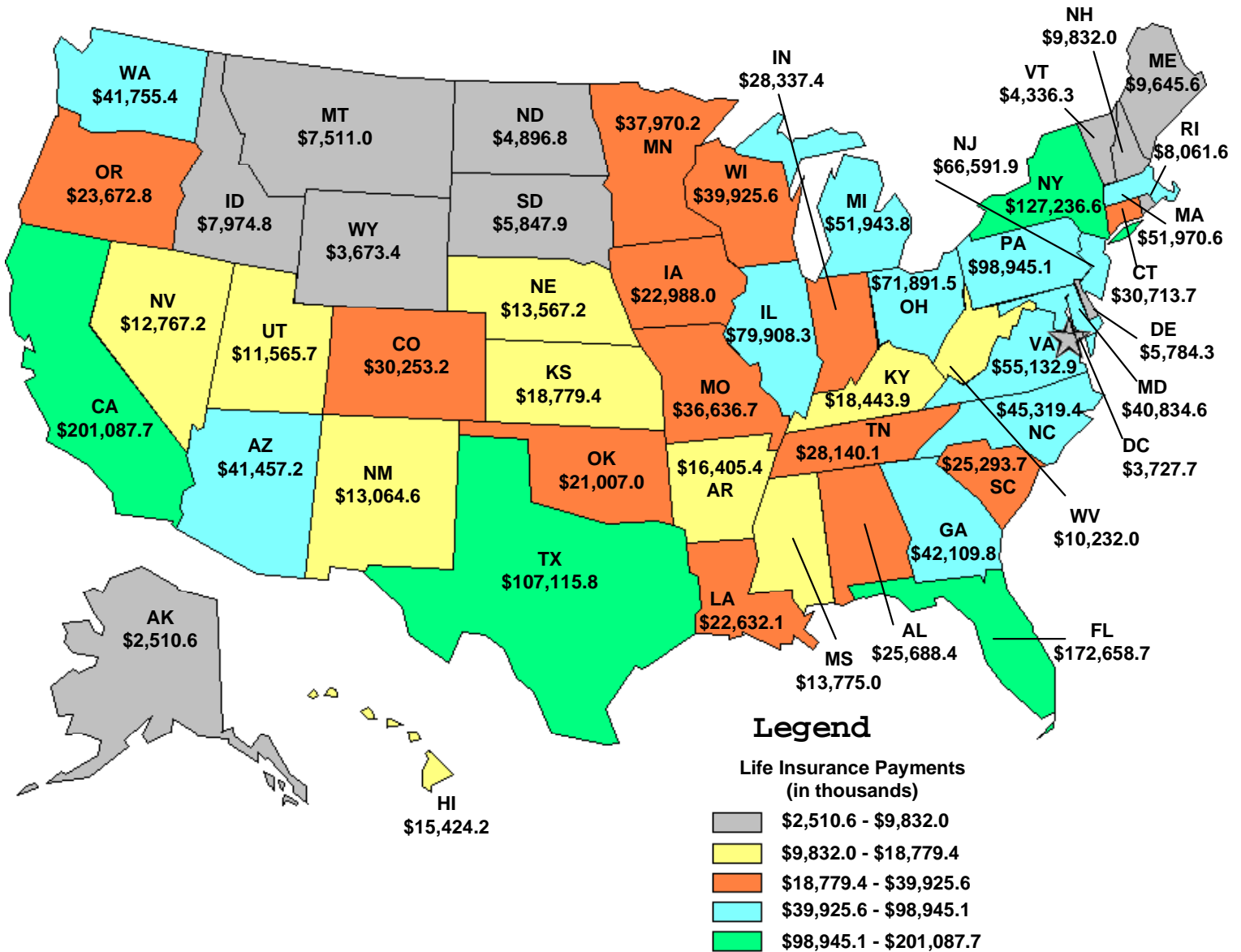
Alaska	\$2,510,570
Wyoming	\$3,673,436
District of Columbia (DC)	\$3,727,683
Vermont	\$4,336,257
North Dakota	\$4,896,768
Delaware	\$5,784,329
South Dakota	\$5,847,870
Montana	\$7,510,988
Idaho	\$7,974,757
Rhode Island	\$8,061,593
Maine	\$9,645,613
New Hampshire	\$9,832,001
West Virginia	\$10,231,986
Utah	\$11,565,731
Nevada	\$12,767,167
New Mexico	\$13,064,582
Nebraska	\$13,567,195
Mississippi	\$13,774,961
Hawaii	\$15,424,151
Arkansas	\$16,405,439
Kentucky	\$18,443,936
Kansas	\$18,779,371
Oklahoma	\$21,007,019
Louisiana	\$22,632,135
Iowa	\$22,988,006
Oregon	\$23,672,753
South Carolina	\$25,293,693
Alabama	\$25,688,421
Tennessee	\$28,140,140
Indiana	\$28,337,425
Colorado	\$30,253,225
Connecticut	\$30,713,677
Missouri	\$36,636,719
Minnesota	\$37,970,214
Wisconsin	\$39,925,649
Maryland	\$40,834,604
Arizona	\$41,457,208
Washington	\$41,755,408
Georgia	\$42,109,803
North Carolina	\$45,319,353
Michigan	\$51,943,812
Massachusetts	\$51,970,635
Virginia	\$55,132,911
New Jersey	\$66,591,944
Ohio	\$71,891,480
Illinois	\$79,908,271
Pennsylvania	\$98,945,132
Texas	\$107,115,788
New York	\$127,236,638
Florida	\$172,658,653
California	\$201,087,657
United States TOTAL	\$1,887,044,757
Philippines	\$425,689
Puerto Rico	\$4,141,680
All Other US Possessions & Foreign Countries	\$5,387,752
Total Life Insurance Payments	\$1,896,999,878¹

Source: Insurance General Ledger Accounting System - FY00 Statement of Cash Flows and CFO FY00 Life Insurance Statements (Incurred Basis)

¹ Excludes VGLI & SGLI

LIFE INSURANCE PAYMENTS BY STATE DURING FY 2000

(United States Total - \$1,887,044,757)



**Face Value of Life Insurance by State of Residence
Beginning Fiscal Year 2001 (In Ascending Order)**

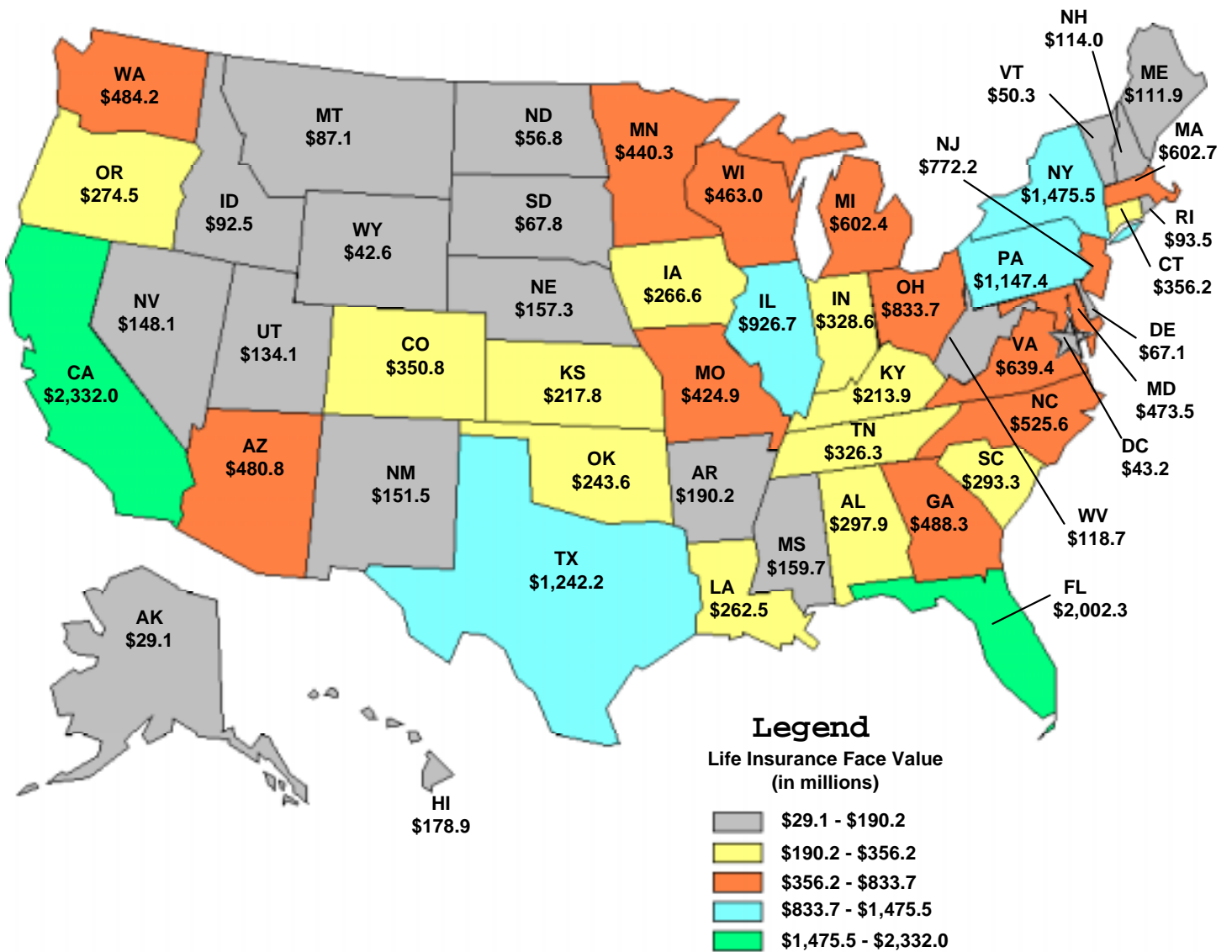
Alaska	\$29,114,295
Wyoming	\$42,599,688
District of Columbia	\$43,228,775
Vermont	\$50,286,224
North Dakota	\$56,786,289
Delaware	\$67,079,056
South Dakota	\$67,815,928
Montana	\$87,102,592
Idaho	\$92,480,774
Rhode Island	\$93,487,783
Maine	\$111,857,164
New Hampshire	\$114,018,655
West Virginia	\$118,657,150
Utah	\$134,124,173
Nevada	\$148,056,857
New Mexico	\$151,505,883
Nebraska	\$157,334,532
Mississippi	\$159,743,936
Hawaii	\$178,869,068
Arkansas	\$190,248,767
Kentucky	\$213,888,581
Kansas	\$217,778,509
Oklahoma	\$243,611,851
Louisiana	\$262,457,821
Iowa	\$266,584,747
Oregon	\$274,525,544
South Carolina	\$293,323,078
Alabama	\$297,900,610
Tennessee	\$326,332,438
Indiana	\$328,620,294
Colorado	\$350,837,228
Connecticut	\$356,176,941
Missouri	\$424,864,616
Minnesota	\$440,328,747
Wisconsin	\$463,005,310
Maryland	\$473,546,184
Arizona	\$480,766,328
Washington	\$484,224,456
Georgia	\$488,334,261
North Carolina	\$525,554,418
Michigan	\$602,376,210
Massachusetts	\$602,687,267
Virginia	\$639,359,193
New Jersey	\$772,246,024
Ohio	\$833,703,101
Illinois	\$926,671,319
Pennsylvania	\$1,147,435,864
Texas	\$1,242,188,419
New York	\$1,475,523,647
Florida	\$2,002,268,601
California	\$2,331,950,930
United States TOTAL	\$21,883,470,126
Philippines	\$4,936,580
Puerto Rico	\$48,029,778
All Other US Possessions & Foreign Countries	\$62,480,077
Total Face Value	\$21,998,916,561¹

Source: Insurance Master Record Database - Insurance Actuarial Subsystem
Report-AVS 2007

¹ Excludes VGLI & SGLI

FACE VALUE OF LIFE INSURANCE By State Beginning FY 2001

(United States Total - \$21,883,470,126)



**Life Insurance Policies by State of Residence
Beginning Fiscal Year 2001 (In Ascending Order)**

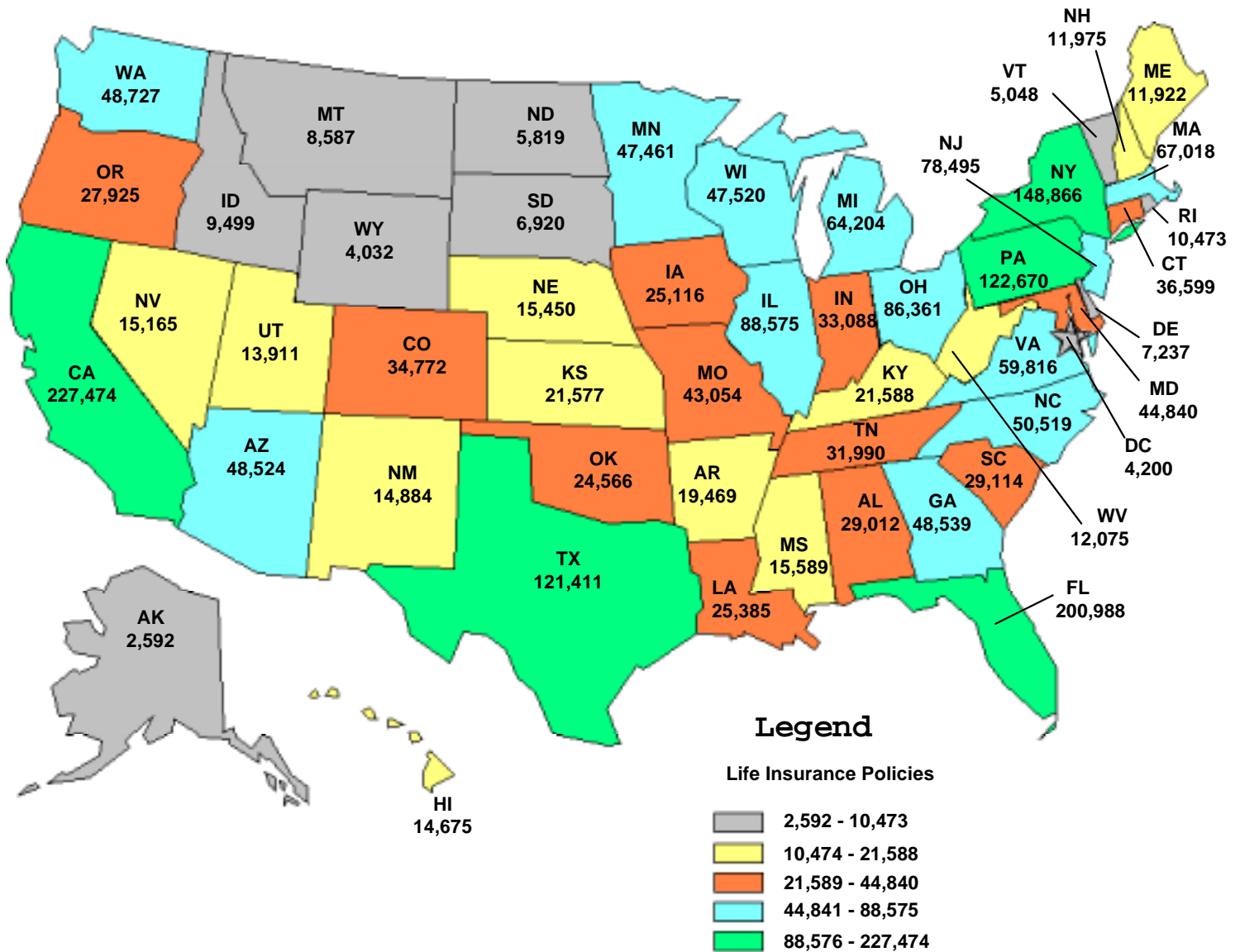
Alaska	2,592
Wyoming	4,032
District of Columbia	4,200
Vermont	5,048
North Dakota	5,819
South Dakota	6,920
Delaware	7,237
Montana	8,587
Idaho	9,499
Rhode Island	10,473
Maine	11,922
New Hampshire	11,975
West Virginia	12,075
Utah	13,911
Hawaii	14,675
New Mexico	14,884
Nevada	15,165
Nebraska	15,450
Mississippi	15,589
Arkansas	19,469
Kansas	21,577
Kentucky	21,588
Oklahoma	24,566
Iowa	25,116
Louisiana	25,385
Oregon	27,925
Alabama	29,012
South Carolina	29,114
Tennessee	31,990
Indiana	33,088
Colorado	34,772
Connecticut	36,599
Missouri	43,054
Maryland	44,840
Minnesota	47,461
Wisconsin	47,520
Arizona	48,524
Georgia	48,539
Washington	48,727
North Carolina	50,519
Virginia	59,816
Michigan	64,204
Massachusetts	67,018
New Jersey	78,495
Ohio	86,361
Illinois	88,575
Texas	121,411
Pennsylvania	122,670
New York	148,866
Florida	200,988
California	227,474
United States TOTAL	2,195,316
Philippines	571
Puerto Rico	5,349
All Other US Possessions & Foreign Countries	5,598
Total Policies	2,206,834¹

Source: Insurance Master Record Database - Insurance Actuarial Subsystem
Report-AVS 2007

¹ Excludes VGLI & SGLI

LIFE INSURANCE POLICIES By State Beginning FY 2001

(United States Total - 2,195,316)



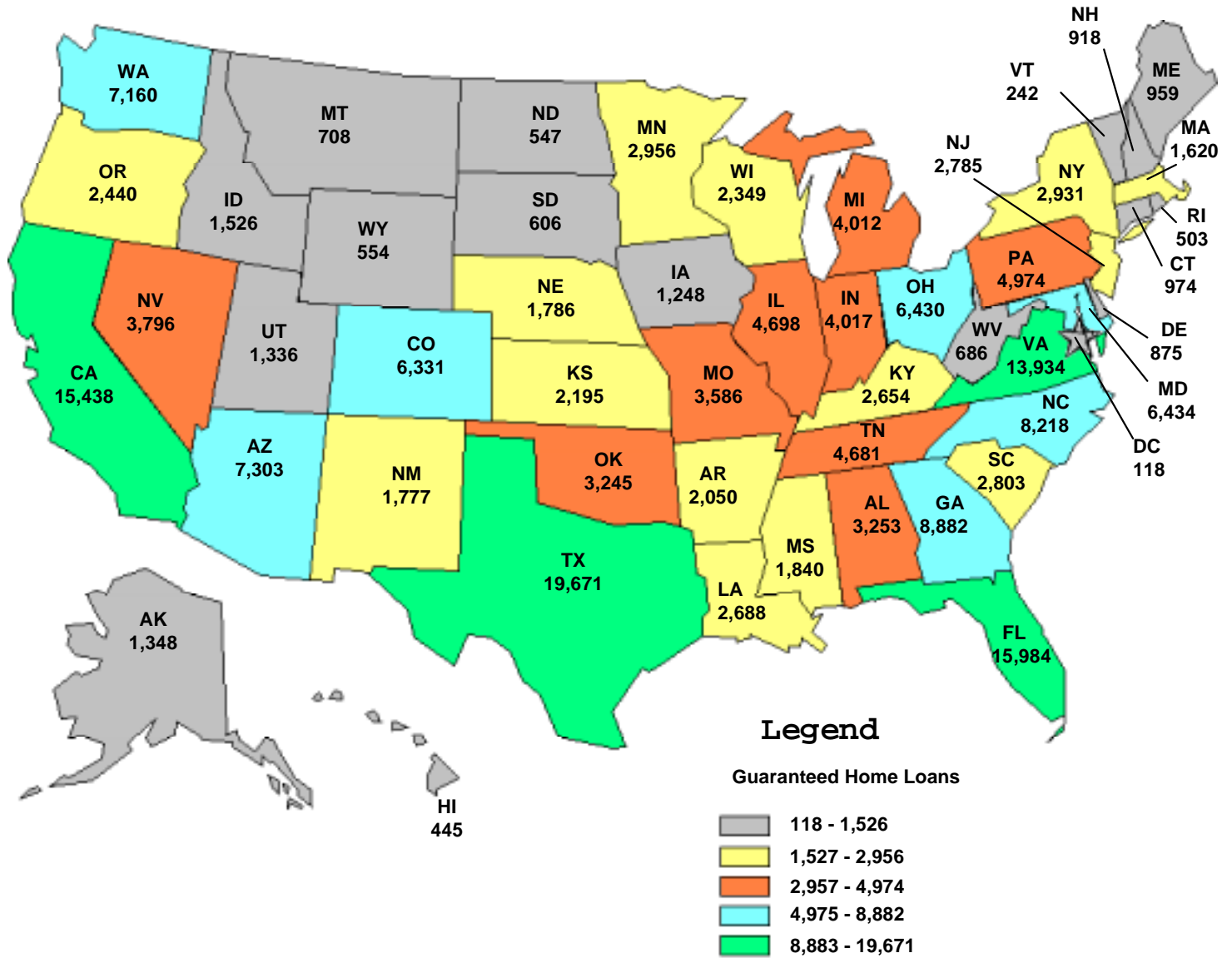
**Home Loans Guaranteed by State of Residence
During Fiscal Year 2000 (In Ascending Order)**

District of Columbia (DC)	118
Vermont	242
Hawaii	445
Rhode Island	503
North Dakota	547
Wyoming	554
South Dakota	606
West Virginia	686
Montana	708
Delaware	875
New Hampshire	918
Maine	959
Connecticut	974
Iowa	1,248
Utah	1,336
Alaska	1,348
Idaho	1,526
Massachusetts	1,620
New Mexico	1,777
Nebraska	1,786
Mississippi	1,840
Arkansas	2,050
Kansas	2,195
Wisconsin	2,349
Oregon	2,440
Kentucky	2,654
Louisiana	2,688
New Jersey	2,785
South Carolina	2,803
New York	2,931
Minnesota	2,956
Oklahoma	3,245
Alabama	3,253
Missouri	3,586
Nevada	3,796
Michigan	4,012
Indiana	4,017
Tennessee	4,681
Illinois	4,698
Pennsylvania	4,974
Colorado	6,331
Ohio	6,430
Maryland	6,434
Washington	7,160
Arizona	7,303
North Carolina	8,218
Georgia	8,882
Virginia	13,934
California	15,438
Florida	15,984
Texas	19,671
United States TOTAL	198,514
Puerto Rico	611
Other US Possessions	35
Total Loans Guaranteed FY 2000	199,160

Source: LGY SAS PROGRAM

HOME LOANS GUARANTEED During FY 2000

(United States Total - 198,514)



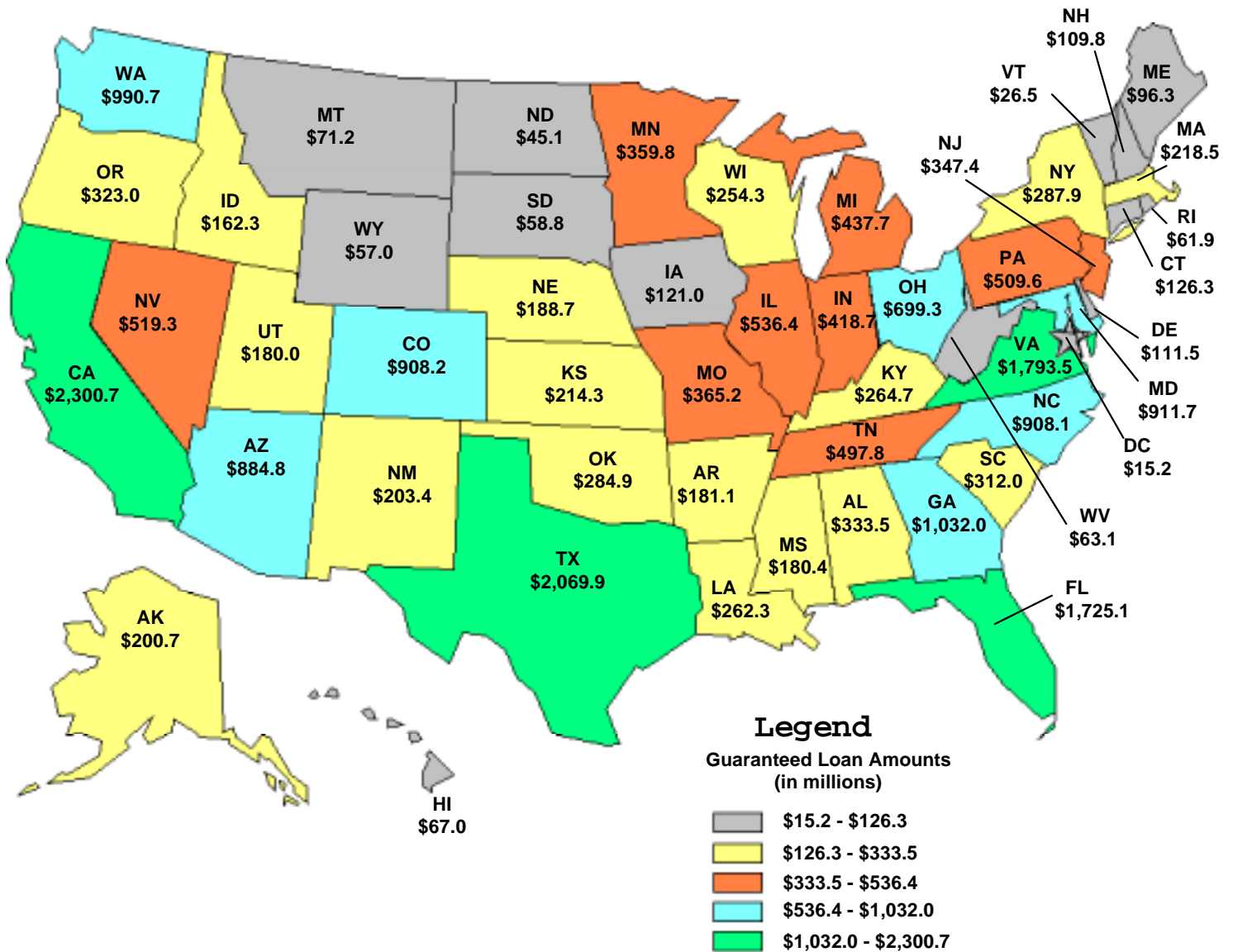
**Loan Amounts Guaranteed by State of Residence
During Fiscal Year 2000 (In Ascending Order)**

District of Columbia (DC)	\$15,183,585
Vermont	\$26,497,708
North Dakota	\$45,070,981
Wyoming	\$56,992,611
South Dakota	\$58,830,911
Rhode Island	\$61,918,528
West Virginia	\$63,055,120
Hawaii	\$67,042,056
Montana	\$71,197,903
Maine	\$96,336,075
New Hampshire	\$109,772,726
Delaware	\$111,473,075
Iowa	\$120,961,003
Connecticut	\$126,252,233
Idaho	\$162,282,085
Utah	\$179,988,444
Mississippi	\$180,399,918
Arkansas	\$181,136,560
Nebraska	\$188,734,000
Alaska	\$200,743,443
New Mexico	\$203,427,944
Kansas	\$214,331,833
Massachusetts	\$218,497,862
Wisconsin	\$254,303,998
Louisiana	\$262,305,295
Kentucky	\$264,669,643
Oklahoma	\$284,861,977
New York	\$287,912,326
South Carolina	\$312,031,917
Oregon	\$322,387,575
Alabama	\$333,540,749
New Jersey	\$347,361,947
Minnesota	\$359,819,667
Missouri	\$365,174,151
Indiana	\$418,731,051
Michigan	\$437,740,526
Tennessee	\$497,801,018
Pennsylvania	\$509,582,604
Nevada	\$519,290,275
Illinois	\$536,419,608
Ohio	\$699,265,856
Arizona	\$884,797,504
North Carolina	\$908,114,880
Colorado	\$908,153,215
Maryland	\$911,708,457
Washington	\$990,745,751
Georgia	\$1,031,969,906
Florida	\$1,725,132,839
Virginia	\$1,793,544,235
Texas	\$2,069,911,472
California	\$2,300,673,752
United States TOTAL	\$23,298,078,798
Puerto Rico	\$68,696,656
Other US Possessions	\$5,383,120
Total Amounts Guaranteed During FY2000	\$23,372,158,574

Source: LGY SAS PROGRAM

LOAN AMOUNTS GUARANTEED During FY 2000

(United States Total - \$23,298,078,798)



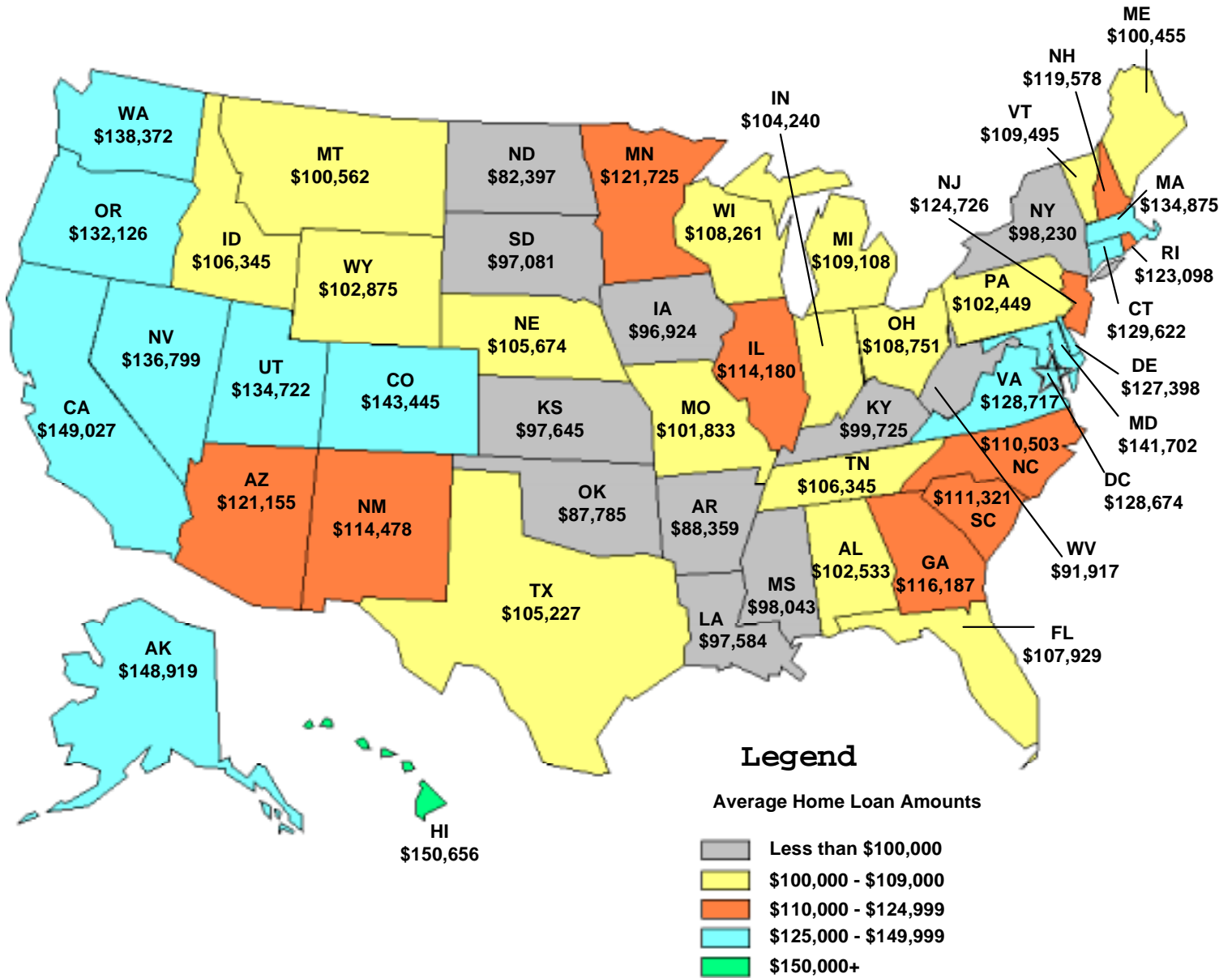
**Average Home Loan Amounts by State of Residence
Loan Guaranteed During FY 2000 (In Ascending Order)**

North Dakota	\$82,397
Oklahoma	\$87,785
Arkansas	\$88,359
West Virginia	\$91,917
Iowa	\$96,924
South Dakota	\$97,081
Louisiana	\$97,584
Kansas	\$97,645
Mississippi	\$98,043
New York	\$98,230
Kentucky	\$99,725
Maine	\$100,455
Montana	\$100,562
Missouri	\$101,833
Pennsylvania	\$102,449
Alabama	\$102,533
Wyoming	\$102,875
Indiana	\$104,240
Texas	\$105,227
Nebraska	\$105,674
Idaho	\$106,345
Tennessee	\$106,345
Florida	\$107,929
Wisconsin	\$108,261
Ohio	\$108,751
Michigan	\$109,108
Vermont	\$109,495
North Carolina	\$110,503
South Carolina	\$111,321
Illinois	\$114,180
New Mexico	\$114,478
Georgia	\$116,187
New Hampshire	\$119,578
Arizona	\$121,155
Minnesota	\$121,725
Rhode Island	\$123,098
New Jersey	\$124,726
Delaware	\$127,398
District of Columbia (DC)	\$128,674
Virginia	\$128,717
Connecticut	\$129,622
Oregon	\$132,126
Utah	\$134,722
Massachusetts	\$134,875
Nevada	\$136,799
Washington	\$138,372
Maryland	\$141,702
Colorado	\$143,445
Alaska	\$148,919
California	\$149,027
Hawaii	\$150,656
United States Average Loan	\$117,362
Puerto Rico	\$112,433
Other US Possessions	\$153,803
Average Loan for All	\$117,354

Source: LGY SAS PROGRAM

AVERAGE HOME LOAN AMOUNTS PER STATE

Guaranteed During FY 2000

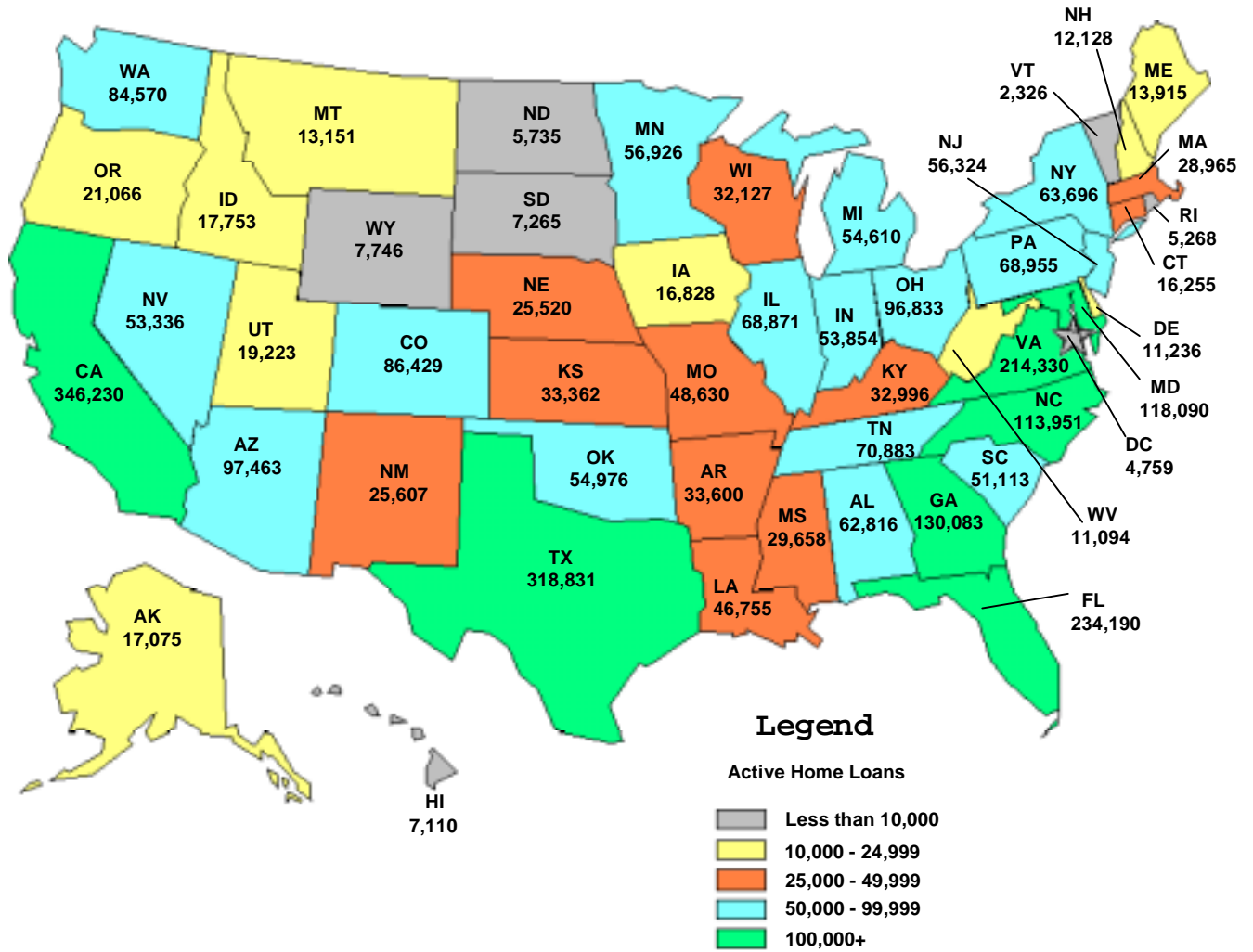


**Active Home Loans by State of Residence
Beginning Fiscal Year 2001 (In Ascending Order)**

Vermont	2,326
District of Columbia (DC)	4,759
Rhode Island	5,268
North Dakota	5,735
Hawaii	7,110
South Dakota	7,265
Wyoming	7,746
West Virginia	11,094
Delaware	11,236
New Hampshire	12,128
Montana	13,151
Maine	13,915
Connecticut	16,255
Iowa	16,828
Alaska	17,075
Idaho	17,753
Utah	19,223
Oregon	21,066
Nebraska	25,520
New Mexico	25,607
Massachusetts	28,965
Mississippi	29,658
Wisconsin	32,127
Kentucky	32,996
Kansas	33,362
Arkansas	33,600
Louisiana	46,755
Missouri	48,630
South Carolina	51,113
Nevada	53,336
Indiana	53,854
Michigan	54,610
Oklahoma	54,976
New Jersey	56,324
Minnesota	56,926
Alabama	62,816
New York	63,696
Illinois	68,871
Pennsylvania	68,955
Tennessee	70,883
Washington	84,570
Colorado	86,429
Ohio	96,833
Arizona	97,463
North Carolina	113,951
Maryland	118,090
Georgia	130,083
Virginia	214,330
Florida	234,190
Texas	318,831
California	346,230
United States TOTAL	3,104,513
Puerto Rico	16,218
Other US Possessions	685
Total Loans Beginning FY 2001	3,121,416

Source: LGY SAS Program

ACTIVE HOME LOANS BEGINNING FY 2001 (United States Total - 3,104,513)



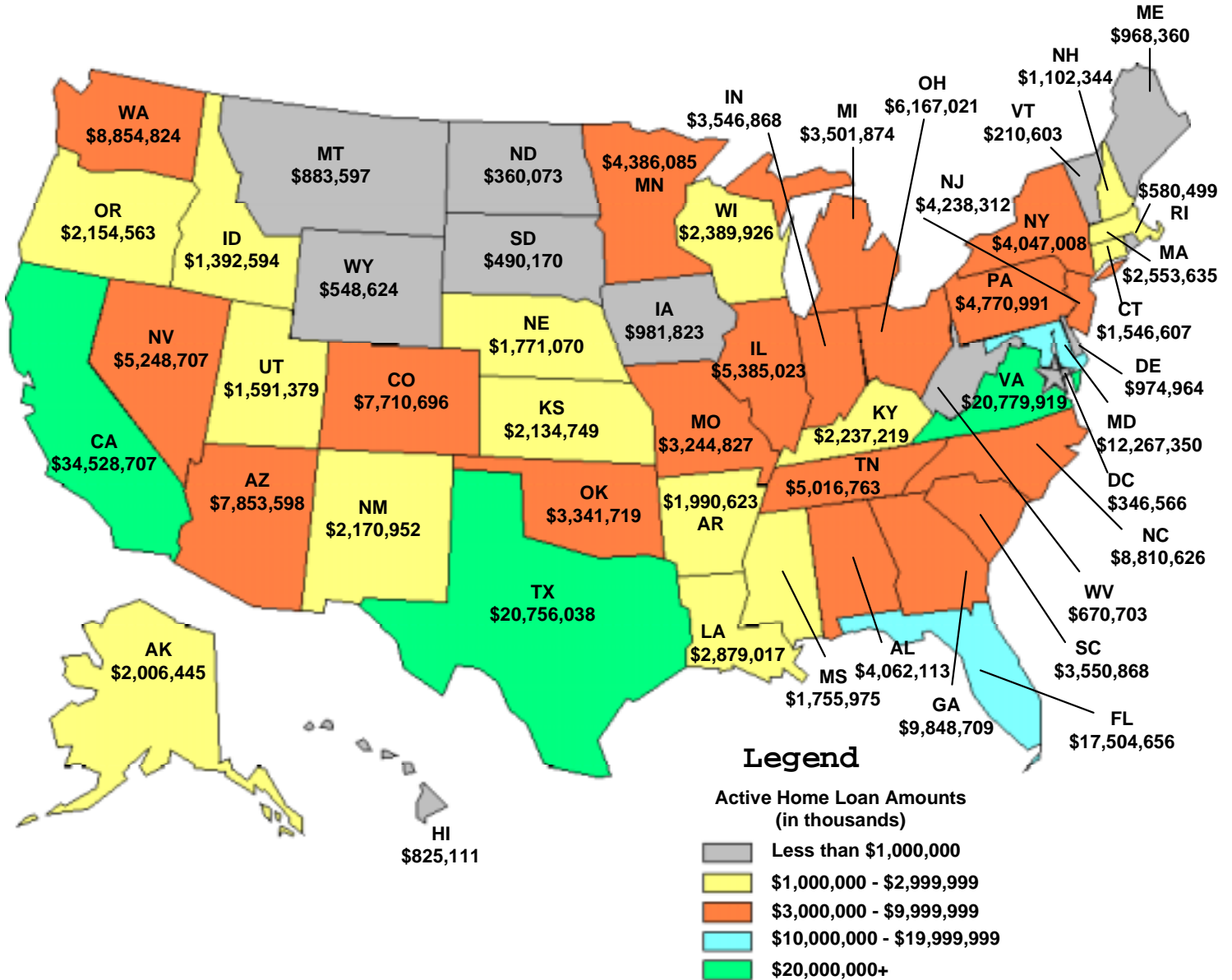
**Active Home Loan Amounts by State of Residence
Beginning Fiscal Year 2001 (In Ascending Order)**

Vermont	\$210,602,636
District of Columbia (DC)	\$346,566,186
North Dakota	\$360,073,096
South Dakota	\$490,169,503
Wyoming	\$548,624,363
Rhode Island	\$580,498,601
West Virginia	\$670,703,414
Hawaii	\$825,111,094
Montana	\$883,596,689
Maine	\$968,360,302
Delaware	\$974,964,213
Iowa	\$981,822,623
New Hampshire	\$1,102,344,467
Idaho	\$1,392,594,215
Connecticut	\$1,546,607,244
Utah	\$1,591,379,401
Mississippi	\$1,755,974,777
Nebraska	\$1,771,070,125
Arkansas	\$1,990,623,123
Alaska	\$2,006,444,829
Kansas	\$2,134,748,843
Oregon	\$2,154,563,200
New Mexico	\$2,170,951,744
Kentucky	\$2,237,219,492
Wisconsin	\$2,389,926,172
Massachusetts	\$2,553,634,898
Louisiana	\$2,879,017,111
Missouri	\$3,244,827,366
Oklahoma	\$3,341,718,984
Michigan	\$3,501,873,873
Indiana	\$3,546,867,731
South Carolina	\$3,550,867,579
New York	\$4,047,008,177
Alabama	\$4,062,113,100
New Jersey	\$4,238,311,929
Minnesota	\$4,386,085,395
Pennsylvania	\$4,770,990,699
Tennessee	\$5,016,763,251
Nevada	\$5,248,707,020
Illinois	\$5,385,023,431
Ohio	\$6,167,020,816
Colorado	\$7,710,696,001
Arizona	\$7,853,598,297
North Carolina	\$8,810,625,907
Washington	\$8,854,823,594
Georgia	\$9,848,708,918
Maryland	\$12,267,350,261
Florida	\$17,504,655,703
Texas	\$20,756,037,539
Virginia	\$20,779,919,234
California	\$34,528,707,390
United States TOTAL	\$246,941,494,556
Puerto Rico	\$908,137,805
Other US Possessions	\$64,983,324
Total Active Loan Amounts Beginning FY 2001	\$247,914,615,685

Source: LGY SAS Program

ACTIVE HOME LOAN AMOUNTS BEGINNING FY 2001

(United States Total - \$246,941,494,556)



VBA REGIONAL OFFICE MAILING ADDRESSES

ALABAMA

VA Regional Office
345 Perry Hill Road
Montgomery, AL 36109-3798

ARIZONA

VA Regional Office
3225 North Central Avenue
Phoenix, AZ 85012-2405

CALIFORNIA

VA Regional Office
Federal Building
11000 Wilshire Blvd.
Los Angeles, CA 90024-3602

CALIFORNIA

VA Regional Office
8810 Rio San Diego Drive
San Diego, CA 92108-1508

CONNECTICUT

VA Regional Office
450 Main Street
Hartford, CT 06103-3077

DISTRICT OF COLUMBIA

VA Regional Office
1120 Vermont Avenue, NW
Washington, DC 20421-1111

GEORGIA

VA Regional Office
1700 Clairmont Rd.
Decatur, GA 30333-4032

IDAHO

VA Regional Office
805 W. Franklin Street
Boise, ID 83702-5560

ALASKA

VA Outpatient Clinic & Regional Office
2925 Debarr Road
Anchorage, AK 99508-2989

ARKANSAS

VA Regional Office
P.O. Box 1280
North Little Rock, AR 72115-1280

CALIFORNIA

VA Regional Office
Oakland Federal Building
1301 Clay Street - Suite 1300N
Oakland, CA 94612-5209

COLORADO

VA Regional Office
P.O. Box 25126
Denver, CO 80225-0126

DELAWARE

VA Medical and Regional Office Center
1601 Kirkwood Highway
Wilmington, DE 19805-4988

FLORIDA

VA Regional Office
P.O. 1437
St. Petersburg, FL 33708

HAWAII

VA Medical & Regional Office Center
300 Ala Moana Blvd.
Honolulu, HI 96813

ILLINOIS

VA Regional Office
536 S. Clark Street
Chicago, IL 60605-1523

INDIANA

VA Regional Office
575 North Pennsylvania Street
Indianapolis, IN 46204-1526

KANSAS

VA Medical and Regional Office Center
5500 E. Kellogg
Wichita, KS 67218-1698

LOUISIANA

VA Regional Office
701 Loyola Avenue - Room 4210
New Orleans, LA 70113-1912

MARYLAND

VA Regional Office
Federal Building
31 Hopkins Plaza - Room 233
Baltimore, MD 21201-0001

MICHIGAN

VA Regional Office
Patrick V. McNamara Federal Bldg.
477 Michigan Avenue - Room 1400
Detroit, MI 48226-2591

MISSISSIPPI

VA Regional Office
1600 East Woodrow Wilson Avenue
Jackson, MS 39216-5102

MONTANA

VA Medical and Regional Office Center
Williams Street
Fort Harrison, MT 59636-9999

NEVADA

VA Regional Office
1201 Terminal Way
Reno, NV 89520-0118

IOWA

VA Regional Office
210 Walnut Street - Room 1063
Des Moines, IA 50309-9825

KENTUCKY

VA Regional Office
545 S. 3rd Street
Louisville, KY 40202-3835

MAINE

VA Medical and Regional Office Center
1 VA Center
Bldg. 248, Room 103
Togus, ME 04330-6795

MASSACHUSETTS

VA Regional Office
John F. Kennedy Building
Government Center - Room 1265
Boston, MA 02203-0393

MINNESOTA

VA Regional Office
One Federal Drive
St. Paul, MN 55111-4050

MISSOURI

VA Regional Office
400 South 18th Street
St. Louis, MO 63103-2676

NEBRASKA

VA Regional Office
5631 S. 48th Street
Lincoln, NE 68516-4198

NEW HAMPSHIRE

VA Regional Office
Norris Cotton Federal Bldg.
275 Chestnut Street
Manchester, NH 03101-2489

NEW JERSEY

VA Regional Office
20 Washington Place
Newark, NJ 07102-3174

NEW YORK

VA Regional Office Federal Building
111 West Huron Street
Buffalo, NY 14202-2368

NORTH CAROLINA

VA Regional Office Federal Building
251 North Main Street
Winston-Salem, NC 27155-1000

OHIO

VA Regional Office
Anthony J. Celebreeze Federal Building
1240 East Ninth Street
Cleveland, OH 44199-2001

OREGON

VA Regional Office
Federal Building
1220 Southwest 3rd Avenue Room 1217
Portland, OR 97204-2825

PENNSYLVANIA

VA Regional Office
1000 Liberty Avenue
Pittsburgh, PA 15222-4004

PUERTO RICO

VA Regional Office
P.O. Box 364867
San Juan, PR 00936-4867

SOUTH CAROLINA

VA Regional Office
1801 Assembly Street
Columbia, SC 29201-2495

NEW MEXICO

VA Regional Office
Dennis Chavez Federal Bldg.
500 Gold Avenue, SW
Albuquerque, NM 87102-3118

NEW YORK

VA Regional Office
245 W. Houston Street
New York, NY 10014-4805

NORTH DAKOTA

VA Medical & Regional Office Center
2101 Elm Street
Fargo, ND 58102-2417

OKLAHOMA

VA Regional Office Federal Building
125 South Main Street
Muskogee, OK 74401-7025

PENNSYLVANIA

VA Regional Office and Insurance Center
P.O. Box 8079
Philadelphia, PA 19101-8079

PHILIPPINES

U.S. Department of Veterans Affairs
FPO AP 96515-1110
Manila, PI 1000

RHODE ISLAND

VA Regional Office
380 Westminster Mall
Providence, RI 02903-3246

SOUTH DAKOTA

VA Medical and Regional Office Center
P.O. Box 504
Sioux Falls, SD 57117-5046

TENNESSEE

VA Regional Office
110 Ninth Avenue, South
Nashville, TN 37203-3817

TEXAS

VA Regional Office
One Veterans Plaza
701 Clay Avenue
Waco, TX 76799-0001

VERMONT

VA Medical and Regional Office Center
215 N. Main Street
White River Junction, VT 05009-0001

WASHINGTON

VA Regional Office
Federal Building
915 Second Avenue
Seattle, WA 98174-1060

WISCONSIN

VA Regional Office
5000 W. National Avenue - Bldg. 6
Milwaukee, WI 53295-0006

TEXAS

VA Regional Office
6900 Almeda Road
Houston, TX 77030-4200

UTAH

VA Regional Office
Federal Bldg.
125 South State St.
Salt Lake City, UT 84147-0500

VIRGINIA

VA Regional Office
210 Franklin Road, SW
Roanoke, VA 24011-2204

WEST VIRGINIA

VA Regional Office
640 4th Avenue
Huntington, WV 25701-1340

WYOMING²⁶

2360 E. Pershing Blvd.
Cheyenne, WY 82001

²⁶ The Denver Regional Office serves the state of Wyoming. The local address provided is for the Benefits Office.

CONTACTING VA BY TELEPHONE

General Benefits

Disability Compensation, Pension, Vocational Rehabilitation, and Home Loans	1-800-827-1000 *
Education & Training	1-888-GI BILL 1 * (1-888-442-4551)
Burial, Headstones, and Markers	1-800-697-6947 *
VA Life Insurance	1-800-669-8477 *

Healthcare Benefits

Veterans Healthcare	1-800-827-1000 *
Veterans Healthcare in Canada	1-800-296-6379
Veterans Healthcare in Philippines	011-632-833-4566
Veterans Healthcare in all Other Countries	1-303-331-7590
National Mammography Helpline	1-888-492-7844 *
CHAMPVA	1-800-733-8387 *

Miscellaneous

Telecommunication Device for the Deaf (TDD)	1-800-829-4833 *
Gulf War Hotline	1-800-PGW-VETS*

* Indicates toll-free numbers

WEB SITES

Web sites where additional information may be obtained about VA.

VA WEB SITES

Board of Veterans Appeals	http://www.va.gov/vbs/bva/index.htm
Center for Minority Veterans	http://www.va.gov/minority/index.htm
Center for Women Veterans	http://www.va.gov/womenvet/index.htm
Compensation & Pension Benefits Home Page	http://www.vba.va.gov/bln/21/internet.htm
Education Benefits Home Page	http://www.gibill.va.gov
Health Benefits & Services	http://www.va.gov/vbs/health/index.htm
Home Loan Guaranty Service Home Page	http://www.homeloans.va.gov
Homeless Program Web Page	http://www.va.gov/health/homeless
Hot Topics	http://www.va.gov/hottopic/index.htm
Life Insurance Program Home Page	http://www.insurance.va.gov
National Cemetery Administration Home Page	http://www.cem.va.gov
Public Affairs & Special Events	http://www.va.gov/opa/index.htm
VA Home Page – Department of Veterans Affairs	http://www.va.gov
VA's Office of Congressional Affairs Home Page	http://www.va.gov/oca/index.htm
VBA Forms Page	http://www.vba.va.gov/pubs/forms1.htm
Veterans Benefits Administration	http://www.vba.va.gov
Vocational Rehabilitation & Employment Services	http://www.vba.va.gov/bln/vre/vbsvre.htm
What's New	http://www.va.gov/whatsnew/index.htm

CONGRESSIONAL WEB SITES

House Committee on Veterans Affairs	http://veterans.house.gov
House of Representatives	http://www.house.gov
Senate	http://www.senate.gov
Senate Committee on Veterans Affairs	http://www.senate.gov/~veterans

WHITE HOUSE WEB SITE

White House	http://www.whitehouse.gov
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Glossary¹

Adjudicated – The disposition of a claim – either granting or denying benefits.

Aid and Attendance – An additional monetary allowance payable to those individuals who are found to be:

- In a nursing home or
- In need of daily care to help with feeding, dressing, or keeping clean.

Benefits Delivery Network – One of the current VBA computer systems used to collect and store statistical data on veterans and their families.

Body Systems - The VBA Compensation & Pension Service has classified the various areas of the body into fifteen (15) different systems. They are as follows:

Musculoskeletal (muscles and bones)	Eye
Ear	Infectious diseases
Respiratory	Cardiovascular
Digestive	Genitourinary
Gynecological	Skin
Hemic and lymphatic (blood & lymph systems)	Neurological
Endocrine	Dental
Mental	

Buyer Status – A “first-time homeowner” or “previous homeowner”.

Cash Surrenders – A policyholder receives the cash value that has accrued in their policy, and in return surrenders all right, title, and interest to their basic and/or paid-up additional insurance coverage amounts.

Chapter 31 Benefits – VR&E Program to provide benefits, services to veterans whose service-connected disabilities prohibit the veteran from obtaining and/or maintaining employment.

Compensable Zeros – A number of disabilities that although independently evaluated zero percent produce an employment handicap to warrant a 10 percent combined disability evaluation. This evaluation entitles the veteran to receive disability compensation payments.

Computer Systems – DMO derives statistical data from multiple sources from computer systems, e. g. Benefits Delivery Network, BIRLS, Veterans Information Systems (VIS), Data Warehouse.

Dependents Educational Assistance (DEA) – Refers to Dependents’ Educational Assistance Program (Chapter 35 of the Title 38, U.S. Code). See Survivors’ and Dependents Educational Assistance.

Dependency Indemnity Compensation (DIC) – Benefits generally payable to surviving family members (spouse, parent or children) as a result of veterans who died from service-connected injuries.

Dependents – Qualifying dependents for VA benefit purposes are a veteran’s spouse and child (natural child, adopted child, or stepchild). A veteran’s mother or father may also be considered a dependent if the veteran provides support for him or her.

¹ Definitions were compiled through the joint efforts of the business lines: Compensation and Pension, Education, Vocational Rehabilitation and Employment, Life Insurance and Loan Guaranty.

Diagnostic Codes – Four to eight digit numeric value that represents specific medical conditions.

Direct Loan - A loan made by the Department of Veterans Affairs directly to veterans. This is distinct from loans, which are made by private lenders and guaranteed by VA.

Direct Loans to Native American Veterans – Guaranteed loans to Native Americans.

Disability Compensation – Monetary benefits paid to veterans with service-connected disability.

Disability Pension – Monetary benefit paid to veterans with a permanent disability (not due to service) and whose annual income does not exceed the limit set by Congress.

Discounted Estimated Future Compensation Payments – The estimated amount which, if invested now, would provide for the future compensation payments.

DMDC – Defense Manpower Data Center, This data maintains the largest archive of personnel, manpower, training and financial data in the Department of Defense (DoD).

Down-payment Option – The VA home loan guaranty program allows the veteran to enter the home-buying market with “no down-payment” which is intended for the veteran to afford to buy suitable home.

Educational Assistance - The monetary benefits received by a veteran or eligible person. This term is generally used interchangeably with the term “education benefits”, however, under the Montgomery GI Bill Active Duty, this term refers to basic educational assistance, supplemental educational assistance, and all additional amounts payable, commonly called “kickers”.

Eligibility - Most VA benefits require that the veteran be discharged from active military service under any condition other than dishonorable. In addition to this general requirement, there are specific requirements described in each of the Benefit Programs section of this report.

Entitlement (EDU) – The number of months the student is eligible for VA education benefits. This is usually expressed in the numbers of months and days the student will be eligible for full-time benefits, or the equivalent in part-time training, but also may be expressed in a dollar amount. Entitlement may vary depending on the education program the individual qualifies under. In no event will entitlement exceed 48 months under any combination of laws.

Entitlement (C&P) – Once eligibility requirements have been met, decisions on entitlement are based on the evidence of record. Evidence consists of documents, records, testimonials and information provided by, or obtained for, a claimant.

Estimate of Compensation Program Liability – The estimated liability for the compensation program is based on the present value of expected future compensation benefit payments for:

- a. all veterans receiving benefits under current programs,
- b. all survivors currently receiving benefits under these programs,
- c. all future survivors of veterans currently receiving benefits,
- d. all existing veterans not receiving benefit payment, but who are expected to in the future,
- e. all future survivors of existing veterans not currently receiving benefits payments but who are expected to in the future, and
- f. veterans currently in active military service who will become veterans in the future, and their survivors.

Evaluation for Entitlement for a Program of Rehabilitation Services – To determine whether the veteran’s disabilities cause an employment handicap; and/or if the handicap exists, the course of rehabilitation and feasibility in obtaining the vocational goals.

Face Value – The amount of insurance coverage in force and payable at death.

First Time Homeowner – A veteran using his home loan entitlement for the first time.

Fiscal Year – A period for settling accounts; a 12 month period at the end of which all accounts are completed in order to furnish a statement of financial condition. A fiscal year does not necessarily correspond to a calendar year.

Fiscal Year 2000 – Began October 1, 1999 and ended September 30, 2000. The Department of Veterans Affairs operates under this budgetary scheduled.

Forecasting of Program Liabilities (Future Liabilities) – Future liabilities are payments that the government is obligated to deliver in future years. This is much like the obligation of a life insurance company to pay the face amount of a standard policy to beneficiaries at the time of the insured person’s death.

Funding Fee – A fee, required by law, charged to veterans who obtain a VA guaranteed home loan.

Guaranteed Loan– Federally backed by the VA home loan provision.

Housebound – An additional monetary allowance payable to those individuals who are confined to their home as a result of a permanent disability.

In country – Countries that bordered Vietnam and surrounding countries i.e. Laos, Guam, and Thailand.

Loan Defaulted-Guaranty Payment Made – A term used by loan guaranty where the borrower defaults on the loan and the VA pays the loan guaranty claim.

Loan Guaranty Program – The benefit program whereby VA guarantees a portion of a loan to lenders to facilitate veterans obtaining a home.

Matured Endowment - The face amount of insurance less any indebtedness is paid to the insured based on the plan of insurance. The proceeds may be paid as a lump sum or the insured may request installment payments.

MGIB – Montgomery GI Bill, Educational Benefits – Refers to the Montgomery GI Bill-Active Duty Educational Assistance Program (Chapter 30 of Title 38, U.S. Code). Provides educational assistance to persons who served on the active duty in the Armed Forces.

MGIB-SR – Montgomery GI Bill- Selective Reserve – Refers to the Montgomery GI Bill-Selected reserve Educational Assistance Program (Chapter 20 of Title 38, U.S. Code) Provides educational assistance to members of the Selected Reserve of the Ready Reserve of any of the reserve components of the Armed Forces.

Newly Adjudicated – A claim that was recently decided (either granting or denying) benefits.

National Service Life Insurance, Life Insurance (NSLI) - Was established in 1940 to meet the insurance needs of World War II veterans. The program closed in 1951.

Original Claim – A claim that has not been previously filed or adjudicated by the VBA.

Paid up Additions – Established in 1972 for policyholders with participating policies to use their annual dividends to purchase paid-up additional insurance (PUA). PUA is the only way most policyholders may increase their insurance coverage amount.

Percent of Period Removed – This term means the proportion of the *total* number of veterans from the period of service benefits ended.

Peacetime Veterans – Those veterans who served during a period of non-war.

Pension – A non-service-connected disability benefit that is based upon non-service disability and income computation.

Prisoner of War (POW) – Those veterans who were forcibly detained (confined) by an enemy, foreign government or hostile force while serving in the active military, naval or air service.

Previous Homeowner – A person who has had a previous ownership interest in a home.

Protected DIC – The monetary rate based upon the veteran's pay grade.

Protected Pension – Pension benefits that were determined under Public Law 95-588 Section 306.

Purchase Loans – Solely for the purpose for purchasing a home.

Range of Disabilities – A percentage of disabilities that are rated in increments of 10, i.e. 0,10,20,30---90, 100%.

Rating Board Automation Database (RBA) - This database contains disability information for veterans and their families, and is maintained in the Data Management Office.

Reformed DIC – This is a flat rate payable to those surviving spouses, surviving children and parents of veterans whose death was:

- either related to a service-connected disability or
- was the result of hospitalization or treatment at a VA facility.

Reservist (EDU)– A member of the Selected Reserve who is eligible for educational assistance under Title 10 of the United States Code Chapter 1606, and who is also a member of a military reserve component.

Reservist (C&P) – A member of a reserve component of one of the Armed Forces that may be or may not be eligible for some VA assistance.

Restored Entitlement – This term is applied to survivors of veterans who died of service-connected causes incurred or aggravated prior to Aug. 13, 1981, when survivors may be eligible for special benefits.

SDVI – Service Disabled Veterans Insurance was established in 1951 to meet the insurance needs of veterans with service-connected disabilities. S-DVI is open to veterans separated from the service on or after April 25, 1951, who receive a service-connected disability rating of 0 percent or greater.

Secondary Market – The market where mortgages are bought and sold. This generates more money for the mortgage originators.

Service-Connected – A disease or injury determined to have occurred in or was aggravated during military service.

Serious Employment Handicap – A "serious employment handicap" is a significant impairment, caused in part by a service-connected disability, in the veteran's ability to prepare for, obtain, or retain employment consistent with their abilities, aptitudes, and interests.

Servicemember – An individual who is currently serving on active duty. This term is also referred to as “serviceperson”.

SGLI – Service Members Group Life Insurance was established in 1965 to meet the insurance needs of service-members.

Special Adaptive Housing Grants – Housing grants for seriously disabled veterans.

Subsistence Allowance – A monthly living allowance paid to a qualified veteran in a program of vocational rehabilitation. The allowance is generally paid to those veterans who are enrolled in education or training programs. The amount is based on training time and number of dependents.

Survivors’ and Dependents Educational Assistance – This term refers to Chapter 35 of Title 38, U.S. Code, a monetary educational benefit payable to eligible dependents and survivors of veterans. It is often abbreviated simply as DEA (Dependent Educational Assistance).

Title 38 United States Code – Code of Federal Regulations that pertain to Veterans Benefits.

Total and Permanent Disability Provision – A special rating status with a requirement that a veteran, regardless of age, has a single disability rated 60 percent or a combined evaluation of 70 percent, with one disability ratable at 40 percent or higher.

Total Disability Income Provision – Income limits set by Congress.

USGLI – United States Government Life Insurance was established in 1919 to meet the insurance needs of World War I veterans. This program closed in 1940.

VEAP – Refers to Veterans Educational Assistance Program (Chapter 32 of Title 38, U.S. Code) A contributory educational assistance program for Post-Vietnam Era veterans.

Veteran -“The term ‘veteran’ means a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorably.

VGLI – Veterans Group Life Insurance was established in 1974 to meet the insurance needs of veterans after separation from service.

VMLI – Veterans Mortgage Life Insurance was established in 1971 to provide mortgage protection life insurance to severely disabled veterans who have received grants for the purchase of specially adapted housing.

VR&E – The Vocational Rehabilitation and Employment (VR&E), programs available to help service disabled veterans to become employable while achieving their independence.

VRI – Veterans Reopened Insurance was established in 1965 to provide insurance protection for certain classes of disabled veterans from World War II and the Korean Conflict. This program closed in 1966.

VSLI – Veterans Special Life Insurance was established in 1951 to meet the insurance needs of veterans who served during the Korean Conflict and post-Korean era. The program closed in 1956.

Zero (0) Percent Disability – A “zero percent disability” rating means that a disability exists and is related to the veteran’s service but is not so disabling that it entitles the veteran to compensation payments.

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