



History of the Department of Veterans Affairs Part 5

Post-World War II

After 22 years of service as Bureau and VA administrator, Frank Hines left in August 1945 and shortly afterward was named ambassador to Panama. His successor, Gen. Omar N. Bradley, was a major figure in the European Theater during World War II.

Bradley brought Maj. Gen. Paul Hawley, chief surgeon for the European Theater, to direct VA medicine. Hawley led the formation of a separate department of medicine, outpatient treatment for veterans with disabilities not related to military service, and the creation of resident and teaching fellowships in VA hospitals. He also established a policy of affiliating new VA hospitals with medical schools. In 1946, Hines Hospital in Chicago was the first VA facility to affiliate with medical schools, signing up with Northwestern and the University of Illinois. The appointment of VA medical staffs was removed from civil service rules in an effort to attract doctors and other professionals in larger numbers. It was under Hawley's direction that VA's hospital-based research program was begun.



Gen. Omar N. Bradley

On Feb. 1, 1946, Bradley reported that the VA was operating 97 hospitals with a total bed capacity of 82,241 patients. Hospital construction then in progress projected another 13,594 beds. Money was available for another 12,706 beds with the construction of 25 more hospitals and additions to 11 others.

But because of the demobilization, the total number of veterans would jump to more than 15 million within a few months. The existing VA hospitals were soon filled to capacity, and there were waiting lists for admission at practically all hospitals. In addition, there were 26,057 nonservice-connected cases on the hospital waiting list. Until more VA hospitals could be opened, the Navy and Army both made beds available.

To handle the dramatic increase in veterans claims, VA Central Office staff was increased in two years from 16,966 to 22,008. In the same period, field staff, charged with providing medical care, education benefits, disability payments, home loans and other benefits, rose from 54,689 employees to 96,047.

When he left in 1947, Bradley reported that the VA had established 13 branch offices and 14 regional offices, and set up 721 contact offices. He noted that 29 new hospitals had been opened.

After almost two years as administrator, Bradley returned to the Army to be named chief of staff. During Bradley's tour as administrator, the VA had been expanded to accommodate the largest veteran population the country had ever known.

Korean War

Following the outbreak of the Korean Conflict in June 1950, Congress passed the Vocational Rehabilitation Act of 1950, which reactivated vocational rehabilitation for veterans of the new war and extended the program to peacetime veterans.

The Veterans' Readjustment Assistance Act of 1952, called the Korean GI Bill, provided unemployment insurance, job placement, home loans and mustering-out benefits similar to those offered World War II veterans. The Korean GI Bill made several changes, however, in education benefits, reducing financial benefits generally and imposing new restrictions.

In contrast to the 48 months of education allowed by the 1944 law, the Korean GI Bill permitted a maximum of 36 months. The Korean GI Bill also did not provide tuition payments to the colleges. Instead, veterans were paid subsistence checks, which were also to cover their college expenses. The effect of the changes was that the benefit no longer completely covered the cost of the veteran's education.



*8209th Mobile Army Surgical Hospital (M.A.S.H.)
Korea, August 1952*

The Korean War, creating new veterans on top of the millions who came home from World War II, brought additional workloads to the VA. The number of VA hospitals between 1942 and 1950 had increased from 97 to 151. As of November 30, 1952, the VA had a work force of some 164,000 employees working at the Central Office and its 541 hospitals, regional offices and other field stations. A daily average of 128,000 veterans received medical and domiciliary care.

Each year 2.5 million veterans received outpatient and dental care at VA facilities. Each month 2.5 million veterans and

dependents received \$125 million in compensation and pensions.

To meet the growing workload, the VA was reorganized into three services: medical care, financial assistance to veterans and insurance. In 1953 three departments providing these benefits were established: the Department of Medicine and Surgery, the Department of Veterans Benefits and the Department of Insurance.

In the late 1950s, Chief Medical Director William Middleton expanded the VA's research programs to address the chronic-care problems of most of its patients, including the aged. Congress, agreeing on its importance, began earmarking funds for research within the VA budget.

Meanwhile, the Ex-Servicemen's Unemployment Compensation Act of 1958 established a permanent system of unemployment insurance and for the first time included peacetime veterans. Federal and state laws governed the amount and duration of compensation, which was paid by the state from federal funds.

Following a study of pensions, the VA in 1959 introduced a sliding scale of pension payments based on the recipient's income, rather than a flat-rate pension. The net assets of the veteran's and spouse's income were considered in determining the veteran's level of need. The Veterans' Pension Act of 1959 also specified that anyone already on the pension rolls as of June 30, 1960, could elect to remain under the old law.

End of Part 5

VA operates hundreds of medical facilities, issues millions of checks for education, disability and pensions, and supervises 120 national cemeteries. With approximately 236,000 employees, VA is America's second largest federal agency. When eligible dependents and survivors are included, approximately 63 million people -- about one-quarter of the nation's population -- are eligible for VA benefits and services. On July 21, 2005, VA celebrated 75 years of serving America's veterans. VA is providing this 10-part "History of the VA" to help observe this 75th Anniversary year.