



**STATEMENT  
BY  
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INTERNATIONAL PRESIDENT  
AIR FORCE SERGEANTS ASSOCIATION**

**FOR THE  
HOUSE COMMITTEE  
ON VETERANS' AFFAIRS**

**FY 2006 REVIEW/FY 2007 PRIORITIES OF THE  
DEPARTMENT OF VETERANS' AFFAIRS**

**SEPTEMBER 21, 2006**

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**\*\* A participating organization in The Military Coalition \*\***

## **CURRICULUM VITAE**

Chief Master Sergeant (Ret.) John McCauslin is serving his second term as the Air Force Sergeants Association's (AFSA) elected International President. Previously he served as the association's Trustee, Retired/Veterans Affairs.

Chief McCauslin entered the Air Force in June 1955 and served in a variety of medical-related positions at Air Force installations world-wide. Later in his career, he was selected as the Senior Enlisted Advisor, Fifth Air Force, Yokota AB, Japan, followed by Senior Enlisted Advisor to the Commander, United States Air Forces Europe, Ramstein AB, Germany, where he retired after 32 years of service.

He obtained a Bachelor of Arts degree in History and Sociology from Chaminade University, Hawaii, in 1976 and a Masters of Arts in Management/ Supervision and Education from Central Michigan University in 1978. President McCauslin's certificates of accomplishment include: Financial Management from the University of Wisconsin in 1977; Association Management from the University of Maryland in 1990; and Ministry Training from Cornerstone Ministry Training Institute, Texas, in 1997.

Chief McCauslin's military awards and decorations include a Legion of Merit, a Bronze Star Medal with one oak leaf cluster, a Meritorious Service Medal with two oak leaf clusters, and an Air Force Commendation Medal with one oak leaf cluster.

## **DISCLOSURE OF FEDERAL GRANTS OR CONTRACTS**

The Air Force Sergeants Association (AFSA) does not currently receive, nor has the association ever received, any federal money for grants or contracts. All of the association's activities and services are accomplished completely free of any federal funding.

Mr. Chairman and distinguished committee members, on behalf of the 130,000 members of the Air Force Sergeants Association (AFSA), thank you for this opportunity to review current efforts on veterans-related issues and offer the views of our members on the FY 2008 priorities for the Department of Veterans' Affairs.

AFSA represents active duty, Guard, Reserve, retired, and veteran enlisted Air Force members and their families. Your continuing effort toward improving the quality of their lives has made a real difference, and our members are grateful.

My statement identifies a series of specific goals that we hope this committee will continue to pursue on behalf of current and past enlisted members and their families. It is a compilation of the views expressed by our members as they have communicated them to us. As always, we are prepared to present more details and to discuss these issues with your staffs.

## **EDUCATION PROGRAMS**

Today, the demands of military service are increasing, non-traditional educational programs are evolving, and the efficacy of the Montgomery G.I. Bill (MGIB) to support actual education programs is diminishing. As a member of The Military Coalition and Partnership for Veterans' Education, the Air Force Sergeants Association strongly endorses the need for a better G.I. Bill that meets the needs of all those who wear the uniform, yet is robust enough to assist the individual services in their recruiting efforts.

There's no escaping the fact that college costs are rising—depending on the source, from 5 to 10 percent or more each year. In past years, this committee secured a series of value increases for the MGIB, the last one occurring in October 2005, which raised the benefit to its current level of \$1,034 per month for 36 months.

Despite these commendable increases, the value of the current benefit falls far short of what our veterans actually need to cover the cost of an education. According to the most recent College Board Report, the average costs for colleges and universities are approximately \$1,776 per month—a figure that reflects the cost of books, tuition, and fees at the average college or university for a commuter student.

That means that despite the recent increases, the MGIB covers less than 60 percent of the actual cost incurred by the veteran. As educational costs rise and if Congress does not increase funding, the value of the MGIB will continue to deteriorate. Congress should consider increasing the value of the MGIB. Additionally, without automatic indexing based on annual educational cost increases, the purchasing power of the MGIB will continue to erode, thereby negating the hard work of this committee. We ask that you look toward further increases in the MGIB program by mandating annual benefit value adjustments.

By far the greatest need cited by our members is to provide a second chance for those who turned down their initial opportunity to enroll in the Veterans Educational Assistance Program (VEAP) or the MGIB. VEAP was the program in place for those who were serving immediately prior to the July 1985 initiation of the Montgomery G.I. Bill. VEAP was a far-less beneficial program than the MGIB.

Hundreds of thousands of military members chose not to enroll in the VEAP program with the majority advised not to enroll because a better program would soon be starting. Unfortunately, when the MGIB program began, those who turned down the VEAP program were not allowed to enroll in the MGIB program. So many turned down their one-time opportunity (during the 1980s) to enroll in the VEAP program that approximately 40,000 military members who declined VEAP enrollment are still serving. Approximately 15,000 of the VEAP decliners are still-serving commissioned officers who, by definition, already had at least a bachelor's degree when they entered service and most have government-funded graduate and higher degrees by the time they reach retirement. For that reason, and considering funding challenges, AFSA contends that the MGIB enrollment opportunity should be limited to still-serving enlisted (noncommissioned) members who declined enrollment in the old VEAP program.

Legislation introduced in the 109th Congress addressing the VEAP issue include H.R. 269 by Representative Dave Camp which would provide an MGIB enrollment opportunity to those currently serving who turned down the old VEAP program—including commissioned officers. In evaluating this same legislation in the 108th Congress, CBO scored this bill at \$173 million over 10 years (figure based on the 96,000-plus eligible Active Duty personnel at that time). Taking into consideration that the number of eligibles has more than halved, estimated costs of implementation would now be in the range of \$86 million. However, if we limit the enrollment opportunity to enlisted members only, it would reduce the number by approximately one-fourth and, therefore, the cost by 25 percent. The projected scoring would then be reduced to somewhere in the neighborhood of \$65 million over 10 years (if limited to enlisted members only).

Time is running out for Congress to provide service members from the VEAP era an enrollment opportunity and the vast majority have already retired. As of July 1, 2005, all actively serving members who enlisted in this era were eligible to retire. Being mindful that the principal purpose of educational assistance programs is to assist veterans in their transition back into the civilian workforce, we urge this committee to act quickly to at least provide a transitional education benefit (even at a slightly higher cost if necessary) for the relatively few remaining VEAP-era enlisted members.

Since the end of the VEAP program, thousands of service members have declined enrollment in the MGIB. Most enlisted members did so because they were (and still are) given only a one-time, irrevocable enrollment opportunity at basic military training when

many simply could not afford to give up \$100 per month for the first 12 months of their career. While this may not apply to all accessions, it certainly applies to enlisted members (whose starting pay is roughly half of new commissioned members). In the Air Force alone, there are approximately 25,000 on duty who are in this situation.

As we visit Air Force bases around the world, we routinely run into young enlisted members pleading for another opportunity to get into the MGIB--now that they can afford to do so. Unlike commissioned officers, few enlisted members enter the service with a college degree. Without one, the prospect of earning meaningful income after completion of military service is grim.

In June of last year, Representative Peter Visclosky introduced H.R. 3195, the "Montgomery GI Bill Second Chance Act of 2005." This bill would provide all currently serving servicemembers who declined an educational benefit an MGIB enrollment opportunity. This would include those who entered service during the VEAP-era years between January 1, 1977, and June 30, 1985. Several other bills include similar provisions.

Whereas the costs associated with a second enrollment opportunity may be substantial, failing to meet the needs of these veterans may have even greater consequences. In May of this year the U.S. Bureau of Labor Statistics reported that for the first three quarters of 2005, nearly 15 percent of veterans aged 20 to 24 were jobless--three times the national average. With the number of veterans growing daily, that is an alarming figure. What is not known is how many of these young men and women lack transitional education benefits. We strongly urge this committee to investigate this issue thoroughly to determine how (or if) the absence of an educational benefit correlates to these figures.

The Montgomery GI Bill is one of the only company-provided educational programs in America that requires a student to pay \$1,200 (by payroll deduction during the first 12 months of military service) in order to establish eligibility. DoD's \$1,200 MGIB payroll cost-avoidance method amounts to little more than a tax penalty on an "earned" benefit that must be paid before it is received. As stated earlier, younger enlisted veterans cite their inability to afford this fee as their principal reason for declining the MGIB. Keep in mind, our lower paid, enlisted members are required to sacrifice a significantly higher percentage of their income (in relation to new commissioned officers) in order to be eligible for the program. That is ironic since enlisted members generally enter service without a college degree and tend to be assigned to skills that are not transferable to civilian occupations. S. 43, by Sen. Chuck Hagel, and its companion bill, H.R. 786, by Rep. Lee Terry, would eliminate the \$1,200 user fee for those serving during the period of Executive Order 13235. Abolishing the \$1,200 fee would eliminate the non-enrollment problems described above—a move AFSA strongly supports.

While few would enter the Armed Forces *not* intending to fulfill their full service commitment, it does happen. For some, separation is related to disciplinary action; but for many, their departure is through no fault of their own--and their service was honorable. There is a group of veterans that paid the required \$1,200 MGIB fee, yet by law are not eligible to use their benefit. That's because in order to qualify for the basic MGIB benefit, one must serve on Active Duty for a minimum of two years--no exceptions. If the service member is unable to fulfill their service commitment--even through no fault of their own--they forfeit the \$1,200 (or the portion paid). This is clearly an unethical situation enabled by law! AFSA believes that anyone separated, for other than dishonorable reasons, prior to reaching their 2-year mark should have their money refunded or allow them to use the MGIB benefit they paid for.

This committee should take a serious look at the actual timeframe when the MGIB benefit is being offered to new recruits. Currently they are given a one-time, irrevocable decision when under the pressure of basic military training. Since it takes two years for the individual to become eligible to use the MGIB benefit, it is wrong to require them to make such a monumental financial decision under duress. It is clearly inappropriate and not in the best interests of those receiving the least compensation and who serve this nation in largest numbers. If we are truly looking out for the best interests of our young men and women who serve, the practice of offering the benefit at basic training should be stopped and, at a minimum, the enrollment decision point should be shifted to their first duty station. Another option would be to allow them to enroll at any time during their first or subsequent enlistments. In the 108th Congress, H.R. 3041, which was introduced by House Veterans Affairs Committee Vice Chairman Congressman Michael Bilirakis, would have allowed individuals to make an election to participate in the MGIB at any time during the first two years of service. AFSA would strongly encourage the committee to incorporate this legislation as they look to revamp the MGIB benefit.

When Active Duty veterans separate or retire, they have ten years to use their educational benefit--or they lose any unused portion. Transitioning from a military career to civilian life requires a period of readjustment and satisfying survival needs--especially for enlisted members. These include relocation, job and house hunting, and family arrangements, just to name a few. For many, using their "earned" educational benefit (for which they paid \$1,200), must be delayed a few years--or their education must be pursued piecemeal (e.g., a class at a time) due to conflicting work and family obligations. However, the benefit "self-destruct clock" is ticking as the government prepares to take the benefit away. We urge you to extend that ten-year clock to 20 years, or repeal the "benefit-loss" provision altogether. The benefit program has been earned, the federal computer program that tracks the MGIB usage is not earmarked to go away, and extending the 10-year benefit loss clock would have negligible cost implications (since full use is already part of the scoring for the program).

One proposed MGIB change most requested by our members would be the ability to transfer some or all of their MGIB benefit to family members. “Critical skills” portability for family members was signed into law in the FY 2002 NDAA. To date, this powerful retention incentive has gone largely unused by the individual services, and only a very small percentage of Air Force personnel were ever provided this opportunity. Portability would be an important career incentive for the vast majority of military members and, if we are wise, a good retention tool across the board. For enlisted members in particular, it could mean the ability to offer greater educational opportunities to their children. A career-promoting alternative would be to offer the option to transfer (at least a portion of) the benefit to family members once the individual has served 12 to 15 years. This would make the option available in time to help send their kids to college, and it would serve as an incentive to stay in the service—a “win-win” situation. Please work to extend the “portability” option across the board to all military enrollees, enlisted ones in particular.

Finally, this committee should also look at the Selected Reserve MGIB (SR-MGIB). When it was created more than 20 years ago, Congress intended this benefit to be equal to roughly half of the active duty MGIB. Until recently, it has proved to be a powerful recruiting and retention tool. However, unlike the active duty MGIB, this benefit has seen no legislative increases and lacks an adjustment mechanism to counter the effects of inflation and rising school costs. Consequently, the SR-MGIB’s current value has slipped to roughly 29 percent of the Active Duty program and no longer serves as a powerful inducement to join the reserve components.

Members of the Guard and Reserve don’t retain their educational benefits upon separation from service like Active Duty members do. Declining value of the program and their inability to use the SR-MGIB when it is needed most (after separation from service) are the two biggest problems identified by our reserve component members.

Mr. Chairman, enlisted members are encouraged by your expressed interest in revitalizing the Montgomery G.I. Bill (MGIB). We would greatly encourage the committee to focus on legislation that would allow accelerated payment of MGIB benefits to accommodate accelerated courses, those with labs, on-line programs, higher-level educational courses, and courses leading to certification. Such changes are those being called for by the military members whom we represent.

## **MEDICAL CARE**

The health care system administered by the Veterans Administration impacts, in one way or another, all of those who served. AFSA, like most military and veterans’ associations remain concerned that the requested levels of funding do not reflect the true needs of this department. We recommend the committee scrutinize future Administration proposals closely so as to avoid embarrassing shortfalls like that which occurred last year.

This association believes that the parameters of who will be served, what care will be provided, the facilities needed, and the full funding to accomplish those missions should be stabilized as mandatory obligations. If that were so, and Congress did not have to go through redefinition drills as economic philosophies change, the strength of the economy fluctuates, and the numbers of veterans increases or decreases—these committees and this nation would not have to re-debate obligations and funding each year. We believe that these important programs should be beyond debate and should fall under mandatory rather than discretionary spending.

Veterans around the world would applaud this committee's and Congress' decision to once again reject the Administration's proposed \$250 user fee to receive their promised VA health care. Our feeling has been, and continues to be, that such an enrollment fee should be applied only prospectively. Current veterans should not be charged a fee for access which earlier Congresses determined was not appropriate.

In the past, provisions and policy changes allowed the VA to pay for emergency room care at non-VA facilities and fill prescription by civilian providers. This type of innovative thinking could allow the VA to improve services while simultaneously cutting costs and should be strongly encouraged by this committee. With more than 40 percent of veterans eligible for Medicare, VA-Medicare subvention is a very promising, yet untapped venture that would save taxpayer dollars by reducing an overlap in spending by Medicare and the VA for the same services. Additional savings could be achieved through the judicious use of VA-DoD sharing agreements. This decision alone represents a good, common sense approach that should eliminate problems of inconsistency, save time, and of course, better serve veterans.

The record numbers of veterans being generated by the wars in Afghanistan and Iraq underscore the importance of accelerating the DoD and VA effort to seamlessly transfer medical information and records between the two Federal departments. A lifetime DoD-VA service medical record could help veterans obtain early, accurate, and fair VA disability ratings, save the Department of Veterans Affairs funding, and facilitate pre- and post-deployment research that could advance standards of care. Additional savings would be realized by preventing the "doubling" of diagnostic testing which currently occurs when VA runs similar testing (MRIs/X-rays, etc.) to validate DoD findings. The potential for savings in this area total millions of dollars annually.

Transferability of information is the most critical element in the whole seamless transition process. On one hand you have a department (VA) with a modern electronic record keeping system (VISTA) that is recognized as the best there is, allows information to be transferred globally, and is being emulated by civilian HMOs and entire nations. On the other hand you have a department (DoD) with its own modern electronic records keeping system (AHLTA) that users report is cumbersome, is not user friendly, and does not allow transferability outside of the system. Forward progress on the transferability



issue has stalled, and it is time for Congress to step in and exercise its oversight authority to break what many feel will become a protracted stalemate. Without action, veterans will not be receiving the best care they deserve.

## GENERAL ISSUES

*Funding for State Veterans Homes.* One hundred and thirty-three state-run veterans' homes, serve about 30,000 former service members. These homes are a good federal investment since the states provide funding for two-thirds of total operating costs. Funding reductions in this area could be devastating and would force the closure of several facilities. We thank the committee for its continued support to protect these important national assets.

*Care for Women Veterans.* We applaud the actions of this committee in recent years to directly address the issue of the unique health challenges faced by women veterans. Seven percent of the current veteran populations are women, and the VA predicts that number will swell to 10 percent in the next four years. Tens of thousands of female troops have been serving, or have already returned from service in Iraq and Afghanistan. As the number of women veterans increases, the VA must be funded to increasingly provide the resources and legal authority to care for female-specific health care needs.

*Reducing the Claims Backlog.* On a daily basis the VA's current claims backlog totals several hundred thousand. Too many veterans are waiting to hear about financial assistance they may be entitled to. It's going to take money, thoughtful planning, proper training, and innovative ideas to break through what seems to be an insurmountable problem. We encourage this committee to support departmental plans to reduce pending cases with one exception: we absolutely disagree with plans to reduce claims processing personnel. Technology isn't going to solve this problem; people will, and Congress should reject any plan that reduces the number of personnel in this area until the backlog is cleared. The recent recall of two retired judges to assist the U.S. Court of Appeals for Veterans Claims is exactly the type of smart resource use that we feel will help the department reduce an unprecedented number of pending claims.

*Increased Training Funding.* Training impacts the quality and accuracy of claims decisions. An infusion of funding specifically for this purpose could save the agency millions, if not more, as errors in processing claims and the subsequent appeals they generate are reduced. Much of the past success of this agency can be directly attributed to the funding and support of this committee. The time to take a closer look is long overdue.

*Survivor Support.* AFSA commends this committee for its efforts to ensure survivors of veterans are properly cared for. We strongly recommend the age-57 DIC

remarriage provision be reduced to age-55 to make it consistent with all other federal survivor benefit programs. H.R. 1462 introduced by Rep. Bilirakis would make this important change in law. We also endorse the view that surviving spouses with military Survivor Benefit Plan (SBP) annuities should be able to concurrently receive earned SBP benefits and dependency and indemnity compensation (DIC) payments related to their sponsor's service-connected death.

*Prohibit Awarding Veterans Benefits to Ex-Spouses in Divorce Settlements.* Despite being clearly stated in law, veterans' disability compensation has become easy prey for former spouses and lawyers seeking money. This, despite the fact the law states that veterans' benefits "shall not be liable to attachment, levy, or seizure by or under any legal or equitable process, whatever, either before or after receipt by the beneficiary." Additional legislation is needed to enforce the probation against court-orders or state legislation that would award VA disability dollars to third parties in divorce settlements.

In conclusion, I thank the chairman and the members of this committee for the opportunity to comment on a few of the veterans-related issues on the hearts and minds of Air Force enlisted members. It is imperative, in peacetime or in war, that veterans know their needs will be taken care of. Once they have served honorably and they need help, their care and assistance becomes the responsibility of the nation which they served. On behalf of all AFSA members, we appreciate your efforts to ensure that our nation does just that, and, as always, we are ready to support this committee in matters of mutual concern.

