

# *VETERANS OF FOREIGN WARS OF THE UNITED STATES*

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STATEMENT OF

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VETERANS OF FOREIGN WARS OF THE UNITED STATES

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS  
UNITED STATES HOUSE OF REPRESENTATIVES

WITH RESPECT TO

THE VETERANS OF FOREIGN WARS' LEGISLATIVE AGENDA

WASHINGTON, D.C.

FEBRUARY 15, 2006

MR. CHAIRMAN AND MEMBERS OF THIS COMMITTEE:

Thank you for allowing the Veterans of Foreign Wars of the U.S. (VFW) to testify today. With thousands of men and women toiling in the deserts of Iraq and the mountains of Afghanistan, the price of war is visible on our TV screens on a nightly basis. But war has long-lasting effects, many of which must be taken care of long after the last shots are fired. Today's soldiers are tomorrow's veterans. And just as this nation is renewing its commitment to care for those in uniform today, so must it live up to its obligation to care for those who worn the uniform before.

Last year's VA funding problems are something we never care to see again. The errors, which resulted in a healthcare system on the verge of bankruptcy, are inexcusable. We thank Congress' efforts in correcting the problems, and we welcome continued oversight into VA's budget methodology to ensure that this dilemma does not happen in the future.

With respect to the FY 2007 budget, we were pleased to see the administration's request, and we think that it is an excellent starting point. It appropriates \$31.4 million for Medical Care, which is nearly \$2.7 million more than the total amount from FY 2006. Total discretionary funding is up by \$3.4 million. We view this as an acknowledgment of this nation's obligations to our veterans. This does not mean that we view the administration's proposal as the final answer, but we hope to build from here.

For one, VFW strongly opposes the use of enrollment fees and co-payment increases to raise money in lieu of appropriated dollars. These fees would be a great burden on a large number of veterans, and VA has even admitted that they would force many thousands of veterans to decline to receive their earned health care through VA. This is unacceptable. Category 7 veterans, for example, make under a geographically adjusted figure of approximately \$28,000. While \$250

isn't a lot for you or me, to that man or woman, it is a significant burden. If they are receiving several prescriptions, the enrollment fee, combined with the near doubling of the pharmaceutical co-payment will cost many hundreds of dollars. That is an unfair, unjust burden. These harmful proposals have made their way back this year, and just as in past years, we look to Congress to reject them.

We also feel that VA's collection goals are too ambitious. This budget is relying on \$2.8 billion in collections, when VA, despite improvements in their collection process, has only once collected \$2 billion. VA has never been able to meet their collection targets, and we fear that next year will be no exception.

Turning to the Veterans Benefits Administration (VBA), we remain greatly concerned with VBA's ability to process compensation and pension claims in a timely and accurate manner. These claims directly affect the economic well-being of our nation's sick and disabled veterans. These payments help to make the veteran whole, and help him or her to provide for their family.

Unfortunately, the claims backlog has swelled to unreasonable lengths. On average, it takes VBA 171 days to process a claim, nearly six months. VA projects that this will increase to 180 days during FY 2007. This lengthy delay represents real-world hardships for veterans waiting for money for food and shelter for them and their families.

Not only does it take longer for a claim, when VBA decides a claim, it is frequently wrong. VBA has a major error in 15% of the claims they process. These errors are adversely affecting veterans. In an attempt to make superficial improvements in the claims backlog, and because of inexperienced staff, more errors are being made, further lengthening the time veterans must wait through the appeals process, or completely preventing a veteran from receiving their disability compensation entirely.

VBA must get better. And with the inexcusable proposal contained in the President's budget to cut 149 FTE's in compensation direct labor, there is not much chance for VBA to make meaningful improvements next year.

We must also be mindful of those service members transitioning from active duty to veteran status. It is inexcusable that, after many years of trying, VA and DoD are still unable to transfer medical information. We must continue to work towards a truly seamless transition, which will serve to lessen the delays for disabled veterans, and will help to improve the accuracy of VA's claims with improved and timelier medical data.

To help aid their transition back into civilian life, we also support strengthening the Montgomery GI Bill (MGIB). The MGIB has allowed thousands of men and women to educate themselves and take their places as the leaders of this country. It remains the VFW's goal to have a GI Bill for the 21<sup>st</sup> Century, which, like the WWII model, would pay for the full costs of attendance at any school of a veterans choosing.

Further, we would like to see the \$1,200 buy-in for MGIB eligibility eliminated. No other form of Federal student aid requires payments by individuals. The \$1,200 fee is an unnecessary and

significant burden with the low salaries service members receive during their first year. Additionally, eliminating the fee would help those men and women, whose priorities in life later change to become eligible for the program. Circumstances sometimes change, and we need a MGIB that is flexible enough to adapt.

We would also like to see the benefit provided to the Guard and Reserve strengthened. Over the last several years, the active duty benefit has dramatically increased. And although we would like to see meaningful improvements in that, it is important that the Guard and Reserve portion keep pace. These were not increased in proportion with the Active Duty benefit, and we would like to see them re-proportioned with the Active Duty benefit.

There are several other issues, which while not under the purview of this Committee are important to our members. First, we would urge Congress to approve full and immediate concurrent receipt for all disabled military retirees to eliminate the offset of retired pay and disability compensation. We also would like to see improvements made to the benefits provided to our men and women currently in uniform. We support pay comparability for those in uniform, and improved access to quality housing, including communities with full support for families and children. We also look for improved health insurance coverage options for all members of the guard and reserves. We have made great strides in this area over the last few years, but there is still room for improvement as we attempt to acknowledge the Reserve component's changing role.

We thank you for allowing us to testify today, and we look forward to working with you and the members of this Committee to improve veterans benefits and health care. I would be happy to answer any questions that you or the Committee may have.



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Dennis Cullinan is a native of Buffalo, New York, and was promoted to the position of Director of the National Legislative Service of the VFW Washington Office.

Prior to being honorably discharged from the U.S. Navy in 1970, Dennis served as an electronic technician aboard the USS Intrepid (CVS-11) and completed three tours of duty in Vietnamese waters. After his discharge, Dennis studied abroad with two years at the Catholic University of Nijmegen, the Netherlands. He later completed his undergraduate education at State University of New York in Buffalo where he also received his M.A. degree in English.

After several years of teaching freshmen composition and creative writing, Dennis became a member of the VFW Washington Office staff in its National Veterans Service department. He later advanced to positions in the VFW's National Legislative Service department and became its Director in August, 1997.

Dennis enjoys an active involvement in crew as a member of the Occoquan Boat Club of Northern Virginia. He and his family reside in Lakeridge, Virginia, where he is a member of VFW Post No. 7916.



The Veterans of Foreign Wars is not in receipt  
of any Federal grant or contract.