



National Association for Uniformed Services

TESTIMONY

of

NATIONAL ASSOCIATION FOR UNIFORMED SERVICES

on

**NAUS Legislative Priorities for
Veterans Health Care and Benefits**

**Thursday,
February 16, 2006**

before the

House Committee on Veterans' Affairs

presented by

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National Association for Uniformed Services

Chairman Buyer, Ranking Member Evans, and members of the Committee:

On behalf of the nationwide membership of the National Association for Uniformed Services (NAUS), I am pleased to present our legislative priorities to the Committee on Veterans' Affairs regarding the programs and policies of the Department of Veterans Affairs (VA).

Founded in 1968, NAUS represents all ranks, branches and components of uniformed services personnel, their spouses and survivors. The Association includes all personnel of the active, retired, Reserve and National Guard, disabled veterans, veterans community and their families. We support our troops, remember our veterans and honor their service.

For the record, NAUS has not received any federal grants or contracts during the current fiscal year or during the previous two years in relation to any of the subjects discussed today.

Among the top issues that we will address today are the provision of a cost-of-living adjustment for compensation and survivor benefits, adequate funding for the Department of Veterans Affairs (VA) health care, appropriate staffing to address VA's disability claims backlog, and related priority concerns such as the diagnosis and care of troops returning with Post Traumatic Stress Disorder (PTSD), the need for enhanced priority in the area of prosthetics research, and providing improved seamless transition between the Department of Defense (DoD) and VA for returning troops.

VA Health Care

NAUS urges the Committee's support to ensure veterans have access to quality health care from VA. The Department's Veterans Health Administration (VHA) is a world-class leader in advanced care medicine and in the provision of primary care. In addition, VHA has consistently pioneered research initiatives in areas that have directly benefited not only veterans, but also our entire population.

Shortfalls within VA's budget, however, have challenged the system to maintain availability of care to all veterans and have threatened its position as a high quality provider. Last year saw serious shortfalls that required Congress and the President to include an emergency supplemental of \$1.5 billion for VA in the Interior Department spending bill. NAUS applauds the Committee in its efforts to lead Congress on the "discovery" of this shortfall and for taking action to shore-up the financial troubles of VHA.

NAUS also appreciates your work, Mr. Chairman, in seeing that VA was exempted from the one percent across-the-board cut made in appropriations for the current year.

NAUS firmly believes that the veterans healthcare system is an irreplaceable national investment, critical to the nation and its veterans. The provision of quality, timely care is considered one of the most important benefits afforded veterans. And our citizens have benefited from the advances made in medical care through VA research and through VA innovations as well, such as the electronic medical record.

We urge the Committee to take the actions necessary for honoring our obligation to those men and women who have worn the nation's military uniform. Clearly, when VA does not receive adequate funding, it is forced to ration, delay or deny care. We support a recommendation to fully fund VHA at levels that would allow the healthcare system to deliver the quality of care those who served deserve. And we endorse The Independent Budget recommendation of \$32.4 billion, without increased fees and copays, for total medical care.

Prescription Drug Assistance

Mr. Chairman, for several years certain veterans have been prohibited from enrollment in VA's healthcare system under a decision made by the Secretary on January 17, 2003. NAUS urges the Committee to review this policy and provide a measure of relief to allow Medicare-eligible veterans to gain access to VA's prescription drug program.

As a result of VA's decision to restrict new enrollments, a great number of veterans, including Medicare-eligible veterans, are denied access to VA. NAUS recognizes that VA fills and distributes more than 100 million prescriptions annually to 5 million veteran-patients. As a high-volume purchaser of prescriptions, VA is able to secure a significant discount on medication purchases.

Enrolled veterans can obtain prescriptions, paying \$8.00 for each 30-day supply. However, veterans not enrolled for care before January 2003 are denied an earned benefit that similarly situated enrolled veterans are able to use.

NAUS asks the Committee to consider legislation that would allow Medicare-eligible veterans to gain a measure of relief and get a break on prescription drug pricing.

What we recommend is to give Medicare-eligible veterans, currently banned from the system and paying retail prices or using the newly established Part D program, access to the same discount provided VA in their purchase of prescriptions. This issue is a win-win situation. Providing the discount would not cost the government a cent. Medicare-eligible patients would pay the same price VA pays. And these veterans would see value returned in the benefit each earned through military service.

Disability Claims Backlog

NAUS strongly supports the provision of timely benefits to disabled veterans and their families. These benefits help offset the economic effects of disability and are one of the essential functions of the Department of Veterans Affairs (VA). The capacity of the disabled veteran to afford the necessities of life is oftentimes dependent on these benefits, so delays in the resolution of a claim is a matter of serious concern.

Despite VA's best efforts to deliver benefits to entitled veterans, the workload of the Veterans Benefits Administration (VBA) continues to increase. Simply stated, VBA does not currently

have the requisite budget to allow it to process and adjudicate claims in a timely and accurate fashion. It is falling farther behind.

As of mid-February, VBA had more than 500,000 compensation and pension claims pending decision, an increase of nearly 70,000 from this time last year. In addition, nearly 25 percent of these pending claims have been in the VBA system for more than 180 days. Rather than making headway and overcoming the chronic claims backlog and consequent protracted delays in claims disposition, VA has lost ground to the problem, with the backlog of pending claims growing substantially larger over the past year.

NAUS does not see the problem as something that cannot be overcome. It is important, however, that Congress and the administration provide a stronger VBA budget to provide for the hiring and training of claims adjudicators and the investment in appropriate technology to overcome the backlog and get the program back on track.

NAUS calls on lawmakers to make the VBA a priority within the national budget. The challenge is to provide timely decisions on claims submitted by veterans who suffer disability as a result of their military service. And the solution is to ensure that VBA has adequate funding to reduce the backlog and achieve the mission of providing timely claims adjudication.

Seamless Transition Between the DoD and VA

NAUS urges the House Veterans' Affairs Committee to continue their excellent record of oversight of administrative efforts to improve the seamless transition of benefits and services for servicemembers as they leave military service and become veterans. It is our view that providing a seamless transition for recently discharged military is especially important for servicemembers leaving the military for medical reasons related to combat, particularly for the most severely injured patients.

The President's Task Force (PTF) to Improve Health Care Delivery for Our Nation's Veterans report, released in May 2003 regarding transition of soldiers to veteran status, stated, "timely access to the full range of benefits earned by their service to the country is an obligation that

deserves the attention of both VA and DoD.” NAUS agrees with this assertion and believes that good communication between the two Departments means VA can better identify, locate and follow up with injured servicemembers separated from the military.

And most important in the calculus of a seamless transition is the capacity to share information at the earliest possible moment prior to separation or discharge. It is essential that surprises be reduced to a minimum to ensure that all troops receive timely, quality health care and other benefits earned in their military service.

In this regard, NAUS is pleased to read a TRICARE Management Activity news release (No. 05-37) stating that displaced medical providers from Keesler Air Force Base, Biloxi, Miss., received immediate access to medical information of TRICARE beneficiaries evacuated due to Hurricane Katrina through the military electronic health record. The next step is to deploy similar data-sharing availability for incorporation of a fully interoperable healthcare system between DoD and VA.

There is a need to improve the system for handing over responsibility to VA from DoD for the continuance of medical care to those leaving service. To improve this exchange, the hand-off should include a detailed history of care provided and an assessment of what each patient may require in the future, including mental health services. No veteran leaving military service should fall through the bureaucratic cracks.

NAUS requests that the Committee continues to schedule oversight hearings on DoD progress regarding congressionally directed pre- and post-deployment medical examinations. Advances in this area would enhance collaboration between DoD and VA. Establishing a better record would help identify and treat troops who may exhibit symptoms of undiagnosed illness or injury. Institution of such a system may be expensive, but we should recognize that the lack of such information led to so many issues and unknowns with Gulf War Syndrome, particularly among our National Guard and Reserve forces.

Another area that would enhance a seamless transition for our uniformed services is the further expansion of single-stop separation physical examinations. A servicemember takes a physical exam when he is discharged. While progress is being made in this area, we recommend expanding VA's benefit delivery at discharge (BDD) program to all discharge locations in making determination of VA benefits before separation. This will allow more disabled veterans to receive their service-connected benefits sooner.

NAUS compliments VA and DoD for following through on establishing benefits representatives at military hospitals. This is an important step and can often reduce the amount of frustration inherent in the separation process for service members and their families.

NAUS calls on Congress to ensure adequate funding is available to DoD and VA to cover the expenses of providing for these measures. Taking care of veterans is a national obligation, and doing it right sends a strong signal to those currently in military service as well as to those thinking about joining the military.

Prosthetic Research

As Congress moves forward in consideration of the new budget for fiscal 2007, NAUS encourages a strong effort to see that critical funding is provided for the Department of Veterans Affairs (VA) mission to conduct medical research, especially in the area of prosthetic research.

As described in *The Independent Budget*, a comprehensive budget and policy document authored by leading veterans service organizations and endorsed by NAUS, VA prosthetic research is a national asset that attracts high-caliber researchers and advances care for veterans with special needs.

Clearly, care for our troops with limb loss is a matter of national concern. The global war on terrorism in Iraq and Afghanistan has produced wounded soldiers with multiple amputations and limb loss who in previous conflicts would have died from their injuries. Improved body armor

and better advances in battlefield medicine reduce the number of fatalities, however injured soldiers are coming back oftentimes with severe, devastating physical losses.

NAUS encourages congressional decision-makers to assure that funding for VA's prosthetic research is adequate to support the full range of programs needed to meet current and future health challenges facing wounded veterans. To meet the situation, Congress and the administration need to focus a substantial, dedicated funding stream on VA research to address the care needs of a growing number of casualties who require specialized treatment and rehabilitation that result from their armed service.

As of Dec. 31, 2005, 16,329 troops had been wounded but survived their injuries, according to U.S. Defense Department figures. And according to Col. Daniel Garvey, USA, deputy commander of the U.S. Army Physical Disability Agency, located at Walter Reed and responsible for evaluating whether a soldier is physically able to return to active duty, the caseload the agency reviews has increased by almost 50 percent since the wars in Afghanistan and Iraq began.

The need is great. Lt. Col Paul Pasquina, chief of physical medicine and rehabilitation at Walter Reed, says about 15 percent of the amputees at Walter Reed have lost more than one limb. And according to Lt Col Jeffrey Gambel, chief of the amputee clinic, about one-third of the amputations done on recently injured service members have involved upper extremities, because of the types of munitions used by the enemy.

In order to help meet the challenge, VA research must be adequately funded to continue its intent on treatment of troops surviving this war with grievous injuries. The research program also requires funding for continued development of advanced prosthesis that will focus on the use of prosthetics with microprocessors that will perform more like the natural limb.

NAUS encourages Congress to see that VA research dollars are leveraged in partnerships with the National Institutes of Health and other federal research funding agencies, for-profit industry partners, nonprofit organizations, and academic affiliates. We would also like to see better

coordination between VA and the Department of Defense Advanced Research Projects Agency in the development of prosthetics that are readily adaptable to aid amputees.

NAUS reiterates its firm belief that the building block to a successful public-private and even an intra-departmental cooperation is a strong commitment to funding VA's annual research budget for maximum productivity. NAUS looks forward to working with you, Mr. Chairman, to see that priority is given to care for these brave men and women who crossed harm's way.

Post Traumatic Stress Disorder (PTSD)

NAUS supports a higher priority on VA care of troops demonstrating symptoms of mental health disorders and treatment for PTSD.

The mental condition known as PTSD has been well known for over a hundred years under an assortment of different names. For example more than fifty years ago, Army psychiatrists reported, "That each moment of combat imposes a strain so great that ... psychiatric casualties are as inevitable as gunshot and shrapnel wounds in warfare."

In a recent interview with the American Legion, VA Sec. Jim Nicholson said VA is seeing about 12 percent of returning troops for PTSD examination. "What we're treating right now," he said, "is something in the area of 4 to 5 percent of the total of those returnees from Operation Iraqi and Enduring Freedom." According to VA, about 40,000 OIF/OEF soldiers are showing symptoms of mental health disorders and are currently in some process of treatment.

Over the past several years, VA has dedicated a higher level of attention to veterans who exhibit PTSD symptoms. NAUS applauds the extent of help provided by VA. VA assistance is essential to many of those who must deal with the debilitating effects of mental injuries, as inevitable in combat as gunshot and shrapnel wounds.

Regarding the new emphasis on mental health and PTSD, the fiscal 2007 VA budget requests \$3.2 billion for VA mental health services, an increase of \$337 million. While many new

approaches to treatments have been developed and are available to veterans, this year's dedicated funding will assist in the development of additional treatments going forward.

NAUS encourages the Members of the Committee to closely monitor the expenditure of these funds to see they are not redirected to other areas of VA spending.

It is important to note that beyond the number of new veterans from OIF and OEF, VA provides treatment for some type of mental health service to more than 833,000 of the nearly 5 million veterans who received VA care in fiscal year 2004. These veterans diagnosed with mental health disorders and PTSD are receiving treatment within a network of 160 specialized programs, including an outreach programs to address patients in the community.

While VA and Congressional leaders have taken important steps to move VA toward better care for veterans with mental health problems, many challenges still remain. NAUS urges the development of a consistent, seamless, and working approach that allows VA and DOD to screen returning service members and provide more effective early intervention that leads to healing.

Cost-of-living Adjustments (COLAs)

NAUS appeals to the Committee on Veterans' Affairs to approve an annual COLA sufficient to prevent inflation from eroding disability compensation and dependency and indemnity compensation (DIC) to eligible survivors. Veterans whose income is limited due to service-connected disabilities rely on VA disability compensation to maintain purchasing power. And compensation and DIC rates require adjustment to keep pace with increases in living costs.

Montgomery GI Bill, Education for the Total Force

NAUS also urges the Committee to support a Total Force framework for a new GI Bill for education. We ask you to take a look at the concept of veterans' educational assistance program that provides benefits based on a continuum of service and includes members of the National Guard and Reserves.

It is apparent to NAUS and the associate member groups in the Partnership for Veterans Education that the current GI Bill programs do not consider the SelRes as an integral part of the Total Force. Although educational benefits for Reserve Components are addressed under Chapter 1607 of Title 10, US Code, the main body of educational benefits provided veterans are part of Title 38. Oftentimes when upgrades occur, Title 10 benefits are neglected.

NAUS would like the Committee to address this matter. As a start, we recommend pulling Guard and Reserve educational benefits into Title 38, so the value of these earned benefits can be modernized and treated with the equity they deserve.

Traumatic Injury Protection under Servicemembers' Group Life Insurance (TSGLI)

Although a DOD benefit, the benefit is administered by the VA. Initial reports indicate that the program has started well. The legacy claims, for those injured from October 7, 2001, to December 1, 2005, are being processed very expeditiously.

NAUS is informed that the average time for the newest claims from time of actual injury to receipt of money is 21 days or less. We were also told that 11 claims have already been paid to service members injured worldwide, not just those from Afghanistan or Iraq.

This auspicious beginning to this new and very necessary program is much appreciated by those who actually need the funds. They are now able to start getting their lives and the lives of their families back to a more normal routine much more quickly. These brave men and women deserve nothing less, and we deeply appreciate your efforts on their behalf.

Medicare Reimbursement

NAUS supports legislation to authorize Medicare reimbursement for health care services provided Medicare-eligible veterans in VA facilities. Medicare subvention will benefit veterans, taxpayers and VA.

NAUS sees an all around win-win-win for establishment of Medicare subvention. VA would receive additional, non-appropriated funding. Medicare-eligible veterans would receive world-class medical treatment in the system our government provided for their care. Scare resources would be saved because medical services can be delivered for less cost at VA than in the private sector.

In addition, direct billing between VA and the Centers for Medicare and Medicaid Services (CMS) would reduce opportunities for waste, fraud and abuse losses in the Medicare system.

NAUS encourages the Committee to closely review permitting Medicare-eligible veterans to use their Medicare entitlement for care at local VA medical facilities.

Concurrent Receipt

Since the FY 2003 National Defense Authorization Act (NDAA) authorized a special compensation for certain military retirees injured in combat, Congress has advanced NAUS-supported concurrent receipt to include benefits to most military retirees with combat related disabilities and personnel with service-connected VA disability ratings of 50 percent or higher.

In last year's NDAA, Congress accelerated the phase in of concurrent receipt for individuals rated 100 percent disabled as a result of Individual Unemployability. NAUS urges members of the House Veterans Affairs Committee (HVAC) to press legislation for full and complete concurrent receipt to all disabled retirees.

We recognize that the issue is not under HVAC jurisdiction, but we ask committee members to play an active role in helping to move the issue forward. We also recommend the committee work to extend concurrent receipt to include individuals medically discharged from service prior to achieving 20 years of service.

Appreciation for Opportunity to Testify

As a staunch advocate for veterans, NAUS recognizes that these brave men and women did not fail us in their service to country, and we, in turn, must not fail them in providing the benefits and services they *earned* through honorable military service.

Mr. Chairman, you and your Committee members have made progress. We thank you for your efforts and look forward to working with you to ensure that we continue to protect, strengthen, and improve veterans benefits and services.

Again, NAUS deeply appreciates the opportunity to present the Association's priorities on veterans health care and benefits.

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