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HEARING

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

JUNE 8, 2011

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PENDING LEGISLATION

WEDNESDAY, JUNE 8, 2011

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 9:29 a.m., in room 418, Russell Senate Office Building, Hon. Patty Murray, Chairman of the Committee, presiding.

Present: Senators Murray, Brown of Ohio, Begich, Burr, and Boozman.

OPENING STATEMENT OF HON. PATTY MURRAY, CHAIRMAN, U.S. SENATOR FROM WASHINGTON

Chairman MURRAY. Good morning and welcome to today's hearing. Today we have a very ambitious agenda that really reflects the hard work of the Members on both sides of the aisle of this Committee.

We have numerous challenges to meet for our Nation's veterans, and I am pleased that this Committee has worked and will continue to work to develop legislation that substantially improves their lives and the lives of their families, especially during this time of war.

There is much on the agenda that is important, but I want to speak briefly at the top here about one item, my Hiring Heroes Act of 2011. Ensuring that our veterans can find employment when they come home is an area where I believe we have to do a lot more. For too long we have been investing billions of dollars in training our young men and women to protect our Nation, only to ignore them when they come home. For too long we have patted them on the back and pushed them into the civilian-job market with no support, and that is simply unacceptable and does not meet the promise we made to our men and women in uniform.

Our hands-off approach has left us now with an unemployment rate in February of over 27 percent among young veterans coming home from Iraq and Afghanistan. That is over 1 in 4 of our Nation's heroes who cannot find a job to support their family when they come home. Over 1 in 4 of our servicemen and -women lack the stability that is so critical to their transition home.

So last month, I introduced the bipartisan Hiring Heroes Act of 2011, which now has 19 cosponsors. This legislation will help us rethink the way we support our servicemembers as they return home and search for living-wage jobs.

I introduced this critical legislation because I have heard firsthand from the veterans for whom we have failed to provide better

job support. I have had veterans tell me they no longer write that they are a veteran on their resume because they fear the stigma they believe employers attach to the invisible wounds of war. I have heard from medics who return home from treating battlefield wounds 24/7 who cannot get certifications to be an EMT or even drive an ambulance. These many stories are heart-breaking and they are frustrating. But more than anything, they are a reminder that we have to act now.

The Hiring Heroes Act would allow our men and women in uniform to capitalize on their service while making sure the American people capitalize on the investment that we made in them. For the first time, it would require every servicemember transitioning from active duty to participate in the Transition Assistance Program. That is a program that supports our servicemembers by providing them with broad job skills training before they separate from service. It will also allow servicemembers to begin the Federal employment process prior to separation. And, it will require the Department of Labor to take a hard look at what military skills and training should be translatable to the civilian sector, which is a much needed step toward making it simpler for veterans to obtain licenses and certifications.

Finally, my legislation would allow for innovative partnerships between VA, DOD, and organizations that provide mentorship and training programs designed to lead to job placements for veterans. All of these are real and substantial steps to put our veterans to work, and they come at a pivotal time during our economic recovery and for our servicemembers.

The second bill I want to quickly mention is the Veterans Programs Improvement Act of 2011, which will allow the Department of Veterans Affairs to continue the important work of ending veterans' homelessness. It will improve the quality of the fiduciary programs that are administered by the VA and provide for a number of other VA enhancements.

VA has made some great strides in the effort to eliminate homelessness. In a report released jointly by VA and HUD in January 2010, VA estimated approximately 76,000 veterans were homeless on any given night, down from 131,000 in the previous year, but clearly we are not there yet. This bill will expand assistance for homeless veterans by improving the Grant and Per Diem Program, as well as providing health care services, community resource centers, and case management for homeless veterans. It will also direct the VA to provide further details about its comprehensive plan to eliminate veterans' homelessness. Finally, the bill addresses the needs of some of Nation's most vulnerable veterans by improving oversight of fiduciaries and by eliminating procedures that have unnecessarily contributed to delays in claims filed on behalf of incompetent veterans.

Last, all across the Nation, too many veterans and their families continue struggling to make ends meet. The Veterans' Compensation Cost-of-Living Adjustment Act of 2011, cosponsored by all Members of this Committee, may provide some much-needed relief. The bill increases the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

We know there is a lot to be done as we continue our work on behalf of our Nation's veterans, and I am glad to see that we are considering a wide array of bills to address these challenges. I am eager for a productive discussion about the items on this agenda. I look forward to hearing from all of our witnesses, and I want to thank Senators in particular who are here to talk about their legislation this morning. We will turn to you both in just a minute, but first I will hear from the Ranking Member, Senator Burr.

STATEMENT OF HON. RICHARD BURR, RANKING MEMBER, U.S. SENATOR FROM NORTH CAROLINA

Senator BURR. Good morning, Madam Chairman. I want to welcome our witnesses and our colleagues first. I also want to highlight one of our witnesses, Jerry Ensminger, from my homestate of North Carolina. Jerry, welcome. Thank you for your tireless advocacy for veterans and their families who lived at Camp Lejeune and faced a water contamination problem.

Madam Chairman, I also want to note once again that the Administration failed to submit testimony on time. Although the VA made efforts to ensure the Committee had relevant information ahead of time, we did not receive the views of the Department of Labor until less than 24 hours ago. Madam Chairman, this cannot be allowed to continue. It seems like it occurs almost every time we have a hearing.

Before I discuss a few bills of interest to me, I want to talk generally about the path forward. This legislative hearing is one step in figuring out whether the 35 bills on the agenda should be advanced by this Committee at a markup later this month. These bills would collectively spend billions of dollars to expand or modify existing veterans programs and in some cases create new ones. As we examine each bill, I think it is important to keep in mind that our Nation is faced with staggering deficits and debt and is on a fiscal path that is unsustainable.

At the same time, the GAO has been telling us that there is duplication, fragmentation, and overlapping in Federal programs governmentwide. According to GAO, reducing or eliminating overlap could actually help agencies provide better services and save billions of dollars each and every year.

So as we consider whether to create or expand veterans programs, we should start by taking a serious look at what programs already exist and in a novel way ask how well they work. We should be looking at whether reducing any duplication could make existing services more efficient and more effective. This would help us narrow in on what legislative changes are actually needed to improve benefits and services for veterans, their families, and their survivors.

In addition, I hope it would help us avoid a situation like we discussed in recent Committee hearings where efforts to solve problems facing transitioning servicemembers seem to have created more bureaucracy without improving services to our Nation's wounded warriors.

Finally, we need to understand the cost of any legislative changes and, more importantly, we must figure out how we would pay for them. I will not shy away from providing those who have

served and sacrificed for our Nation with the benefits and services they need—more importantly, that they were promised. But I also want to make sure we pay for these benefits and services by cutting other spending so that we do not continue to saddle future generations of Americans with enormous financial burdens.

Turning to today's agenda, I want to mention three bills I have introduced. The first is the Caring for Camp LeJeune Veterans Act of 2011. As we discussed at other hearings, the water at Camp Lejeune was contaminated with known or probable human carcinogens for decades. Unaware of danger, servicemembers and their families drank, bathed, and cooked in that water. Unfortunately, some of them have become seriously ill or have died from devastating conditions like rare cancers. Today we will hear one heartbreaking account of a child, Jerry Ensminger's daughter, who was born at Camp Lejeune while the water was contaminated and tragically died of leukemia at the age of 9.

To try to provide some answers about why Jerry's daughters and others have become sick, studies are underway to gauge how much of the dangerous chemicals they were exposed to and how it impacted their health. But those who were put at risk should not have to wait for these studies before the VA provides them with care. We should make sure that they get the treatments they need now to combat any adverse effects from these toxins we know they were exposed to.

To that end, this bill would allow veterans to get medical care from the VA if they were stationed at Camp Lejeune when the water was contaminated. It would also allow their families who lived on the base to receive care for conditions that can be associated with the contaminated water. After hearing Jerry's painful story, I hope my colleagues will agree that this is the right thing to do. Families like Jerry's have already waited too long for answers they deserve and the help they need.

Another bill, S. 423, would help deal with the backlog of claims at the VA. If a veteran gathers up any necessary evidence before sending the claim to the VA, the bill would allow benefits to be paid for up to 1 year before that claim was submitted.

Let me say that again. For veterans who send in fully developed claims, we would actually give them 1 year's additional benefits. This would ensure that veterans will not lose out on any benefits while putting together a fully developed claim and would allow the VA to provide faster decisions on the claims backlogs they have got today.

Finally, S. 928 would ensure if VA realizes bid savings, savings that we have made on bids that are outstanding on major construction projects, there will be more Congressional oversight as to how those funds are used. With the large backlog of medical construction projects at the VA, it is important to prioritize every available construction dollar regardless of its source.

I look forward to discussing these bills and other bills with our witnesses today. More importantly, I look forward to working with my colleagues, the Administration, veterans groups, and other stakeholders to improve the effectiveness of existing veterans programs, to figure out what legislative changes are truly needed, and to find the best ways to pay for these.

Madam Chairman, I thank you for holding this legislative hearing. I look forward to the exchange with our witnesses.

Chairman MURRAY. Thank you very much, Senator Burr. I do agree there are a significant number of bills on the agenda. I do think that reflects the tremendous needs of our servicemen and -women and their families when they come home. It is a reflection of the cost of war that we have to consider when we are making policy decisions here, and I think it is important that we do not lose sight of that in the broader conversation we have coming in front of us.

I do want to say that my goal is to have either the VA or CBO cost estimates on the legislation that this Committee will present to the full Senate. And, in fact, our staff has been working very closely with CBO to make sure we have cost estimates for all these bills before we do a markup.

Senator Boozman, do you have an opening statement?

STATEMENT OF HON. JOHN BOOZMAN, U.S. SENATOR FROM ARKANSAS

Senator BOOZMAN. I think in the interest of time, I know these folks are busy, so I will figure out a time to insert that so we can go forward.

[The prepared statement of Senator Boozman follows:]

PREPARED STATEMENT OF HON. JOHN BOOZMAN, U.S. SENATOR FROM ARKANSAS

Madam Chair and Ranking Member, Thank you for arranging this hearing so that we can examine ways in which to improve veterans' benefits and evaluate ways in which we can address some of the concerns that have been brought before the Committee during the hearings we have had throughout the first half of the year.

As you all are aware, there are many bills on the agenda today, but I would just like to express my support for those of which I am a cosponsor, S. 894 and S. 491, and say that I look forward to working with my colleagues who have legislation before us today to address the needs of our Nation's veterans and their families.

I would especially like to thank you for providing us with the opportunity to review and comment on legislation I have introduced, S. 957, the Veterans' Traumatic Brain Injury Rehabilitative Services' Improvements Act of 2011. I would also like to thank Senator Begich for all of his hard work in helping me with this legislation as the Lead Co-sponsor of the Bill

This common sense legislation seeks to ensure that our veterans who have sustained Traumatic Brain Injuries are guaranteed the highest quality of care and ensure the highest quality of life for them and their families—a goal that I think every American can support.

These devastating and complex injuries are increasingly prevalent on today's battlefield, and each one can be different from the next and require unique treatment to ensure that our veterans make as full a recovery possible

I am pleased about the steps that the VA and Congress has already taken in the past to meet the needs of our wounded warriors suffering from TBI, and I believe that my common sense legislation is just another step in the right direction.

PANEL 1:

Thank you all for being here today and for everything you are doing to help our veterans. Dr. Jesse, I am pleased to see you here today, and I very much appreciate all of the hard work you have done as we have worked to improve veterans' health care.

I appreciate your comments regarding the Veterans' Traumatic Brain Injury Rehabilitative Services' Improvements Act of 2011 and hope that we can work together to make this legislation serve our veterans in the best way possible.

During your testimony, you mentioned concerns regarding definitions in Section 2 of S. 957 that you found could possibly be "unworkable" or possibly "exceed the VA's statutory mission."

I would look forward to working with you and your staff in drafting possible improvements to the bill that can ensure that it does not create confusing or duplicative issues in the VA, or any other serious problems, but also ensure that we preserve the spirit of the legislation.

PANEL 2:

I would just like to say thank you to all of you for being here today and for everything you are doing to serve our veterans and address the needs of them and their families.

I would also like to thank the VFW, the DAV, and The American Legion for their support of my legislation, S. 957.

I would also express my appreciation to the Wounded Warrior Project for their support of the Veterans' Traumatic Brain Injury Rehabilitative Services' Improvements Act of 2011, and for their continued work on this issue.

Chairman MURRAY. Thank you for your consideration.

We have four Senators with us today who are presenting legislation, and I appreciate the work all of you have done on all of this. Senator Snowe, we will start with you and your testimony.

STATEMENT OF HON. OLYMPIA J. SNOWE, U.S. SENATOR FROM MAINE

Senator SNOWE. Thank you very much, Madam Chairman, Ranking Member Burr, and Members of this Committee for giving me the opportunity to testify on the legislation that I have introduced, the Sanctity of Eternal Rest for Veterans Act, otherwise known as the SERVE Act, to protect the rights of families to mourn the loss of a loved one at a military funeral with the dignity and solemnity appropriate to the occasion. Chair Murray, I certainly want to say at the outset congratulations to you for being the first woman to chair the Committee of Veteran's Affairs after being the first woman ever to serve on the Committee. I appreciate your leadership and that of Ranking Member Burr at a time in which we have so many people who have served our country, who are serving both in Iraq and Afghanistan and around the world.

Chair Murray, I also have joining me today one of my constituents whom you met, Zach Parker, a senior at Searsport District High School in Maine, who truly became a catalyst for the introduction of this bipartisan bill. By the way, Zach is graduating this week, on Sunday. He is in the middle of exam week, so we appreciate the fact that he is spending 24 hours to make the trip down here to hear this testimony.

I am pleased to report that this bill now has 25 cosponsors, equally divided between Democrats and Republicans. As was reported in one Maine newspaper, Zach and his classmates were each assigned to research a political or social issue and then act upon it, and act upon it Zach did. On January 5th of this year, to raise awareness about the imperative of proper decorum and respect at military funerals—and this was when the Supreme Court case was pending, *Snyder* v. *Phelps*—Zach arranged a public seminar that drew 400 individuals on a cold Maine night and garnered broad attention not just in Maine but nationwide. So I want to personally thank you, Zach, for your patriotic initiative and for being with us today. Your inspirational love of country and vigilant advocacy for our bravest and finest in uniform speak well not just of you and your generation but the future of America.

Zach turned his classroom project into a strong statement for citizen action against protests in close proximity to military funerals. Sadly, as all of us here have attended services for those who have perished in Iraq and Afghanistan. Without question we would all agree that those who fight and die serving our country in defense of our Constitution and the principles we cherish, heroic men and women embodying the noblest courage and boundless love of country, deserve our deference, our reverence, and eternal gratitude. And for the families they leave behind who are the linchpins in allowing our brave men and women to perform the duties they have sworn to our Nation, it is painful enough to lose a son or daughter without then having to confront detestable and distasteful protests that exponentially compound their agony and anguish.

Indisputably, these families have more than earned the right to bury their loved ones in peace with the veneration the ceremony commands. So it was beyond horrific what the family of Lance Corporal Matthew Snyder was forced to endure in 2006 when they were subjected to inhumane protestations just outside the church where their one and only opportunity to say goodbye to their beloved Matthew was taking place. That family had no choice, no chance to fight back, no option to move to another location, no recourse at a moment in time they could never, ever recapture. But that family was determined not to let this injustice stand, so they sued the protesters, and eventually the case was heard by the Supreme Court.

Regrettably, the Court ruled in favor of the protesters, citing free speech protection under the First Amendment. But there should be no mistake. That decision does not mean that preserving both freedom of speech and the sanctity of a military funeral are mutually exclusive. To the contrary, the ability to vigorously express opinions, an ideal for which our soldiers have fought and died through centuries, need not and should not come at the expense of families of those very soldiers. In fact, the Supreme Court only addressed the right to protest, leaving open the questions of where and when protests may take place, and providing the genesis of our legislation by further defining time and place where funeral disruptions are not allowed.

What the SERVE Act does is to build off Federal law enacted in 2006 that established buffer zones of 150 feet from the service and 300 feet from the roads to and from a military funeral. However, that law only covered funerals at federally administered cemeteries, which had excluded the Snyder family's funeral. That is why we provide a uniform zone of protection around civilian as well as Federal locations where funerals are taking place.

Specifically, based on a wide variety of statutory provisions that are already in law in 43 States, our bill increases quiet time before and after military funerals from 60 minutes to 120 minutes, increases the buffer around a military funeral from 150 feet—which is approximately from here to the end of the building on C Street, which is virtually no buffer at all, so we increase it to 300 feet, and then increase from 300 to 500 feet the buffer around access routes to a funeral service, which at least 20 States currently have in place. Moreover, for the first time, we provide for civil penalties as a deterrent and to allow immediate family members as well as the

U.S. Attorney General to sue violators for monetary damages up to $50,000. What we do not do in our bill is dictate the content of any speech.

Madam Chair, a military funeral is a one-time event for the survivors. There are no do-overs for something so solemn and heartbreaking for grieving families. That is why this bill has been endorsed by 35 veterans service organizations, including the Military Coalition, the Military Families United, who are here today, the VFW, The American Legion, and Gold Star Wives.

As Zach has said, "this is about the people who sacrificed their lives to serve this country. I am going to fight the fight and see what we can get accomplished." Well, Madam Chairman, Ranking Member Burr, and Members of this Committee, this is a battle that we should all feel obliged to wage, and I hope this Committee would view this bill favorably with your full support that honors America's true American heroes and their families to whom we owe a debt of gratitude we can never, ever repay but one we must never, ever forget.

Thank you.

Chairman MURRAY. Thank you, Senator Snowe.

Zach, welcome to the Committee, and thank you for your work on this. It is great to have you here, and good luck on your graduation this week.

Senator Warner?

STATEMENT OF HON. MARK R. WARNER, U.S. SENATOR FROM VIRGINIA

Senator WARNER. Thank you, Madam Chairman and Ranking Member Burr, and Members of the Committee. I appreciate the opportunity to testify, and I want to, though I am not on the Committee, lend my support to Senator Snowe and her leadership on this piece of legislation, and for Zach and the contribution he has made.

I have a piece of legislation that I hope will be equally as noncontroversial. It was last June when many people first heard about some of the excesses and problems at Arlington National Cemetery. I think all of us as Americans were shocked to hear about some of the mismanagement and ineptitude that was taking place at the cemetery.

On top of what had already been reported, earlier this year there were media reports that there had been a practice going on at Arlington Cemetery where the last two superintendents had been, in effect, reserving gravesites for their friends. Now, Army procedures since basically 1962 had been that when somebody had fallen, they would go through an appropriate burial procedure and they would, in effect, get the next slot. Unfortunately, what was taking place was the superintendents were going out and having a secret reservation list. Some general might come in and say, "I want that spot underneath that tree over there," and because there were no record-keeping techniques, that slot would be reserved. Astonishingly, the Army's own Inspector General came up with a report in the early 1990s that said this practice was ongoing, yet nothing was done about it.

So in late March, I filed legislation in the Senate to once and for all end the improper system of reserved gravesites at Arlington. The legislation passed overwhelmingly in the House 3 weeks ago. I appreciate the support of House Chairman Runyon and Ranking Member McNerney. Obviously, this is an issue that knows no party and has no cost involved.

The legislation we are discussing will codify Army regulations that ban reserving gravesites and provide accountability and transparency to the process with a full audit and report back to Congress. It will also direct the Army to fully investigate and report back to Congress within 180 days on the number of plots that may have been set aside in violation of Army policy.

What we are simply saying is that the Arlington managers must follow the rules. Again, some general or somebody that is a friend of the superintendent should not be able to jump the line in front of any of our other brave servicemen and -women who have served. I think this past procedure has been offensive to not just veterans but to any American, and this small piece of legislation will correct it once and for all.

I would only like to make one other comment. I know we have got Senator Whitehouse. But, you know, this circumstance at Arlington—and I know this Committee has looked at it and other Committees have looked at it, but it really is still an ongoing challenge. When we found the first reports not only of misplaced remains, but in effect, that the record system was three-by-five cards, and we were not only one fire but we were one spilled cup of coffee away from destroying where all of the records of the remains were at Arlington.

So, the Army said that they were going to work on this. We took a separate approach. We actually contacted a lot of the tech companies in Northern Virginia. There are about 300,000 remains. It is a challenge, but then you are thinking that it is only about a recordkeeping system. So we got about 20 companies in the Northern Virginia Technical Council to come together on a pro bono basis, and they spent thousands of hours coming forward with a report to the Army on what would be a step-by-step audit and process of how the Army ought to move forward to correct this problem.

Secretary McHugh received our report and said they would work with the tech community. It did not cost a dime; we did it all pro bono. Well, the Army got this report about 120 days ago, which included both short-term and long-term recommendations for the cemetery, such as digitizing of records system, improving handling procedures for the remains, work flow charts for improving business practices, and basic management techniques.

I would love to say that the Army in that 120 days has implemented these actions. To our knowledge, they have made small incremental improvements. But this is still an area of concern to the Committee and all Members of Congress. This is a disgrace.

Not quite the story of Zach, but let me just close on one note. I want to also mention and salute the work done by a Virginia high school student who is not graduating this year because he's an 11th grader. His name is Ricky Gilleland. He is a whiz kid computer student from Stafford County, which is due south, just north of Fredericksburg. Ricky has succeeded in doing something on his

own that Arlington has not been able to do. So he went out and, with his own little computer, started to digitize where all of the remains for all the Iraq and Afghanistan veterans were.

Now, the Army spent $8 million on IT contracts, and they have not been able to accomplish this so far. Ricky, with his computer and only access to public records has created the Preserve andhonor.com Web site, and he has gotten some national news that catalogues where all of these Iraq and Afghanistan veterans are buried. So, if Ricky can do this in 11th grade with his home computer, the Army ought to be able to do it with millions of dollars of resources and appropriate management to try to get this job done correctly once and for all so we never again have to read about these kind of stories.

One small step we can take in that direction today is making sure we put to rest this practice of jumping the line and having the superintendent reserve a gravesite for a friend or some ranking official. Both of those are blots on the honor of Arlington.

We in the Commonwealth of Virginia are proud that for the last 130 years we have been the site of what is truly hallowed ground for our whole Nation, and my hope is that the Committee will act upon this small piece of legislation.

I thank the Committee for your attention, and I apologize for having to step out.

[The prepared statement of Senator Warner follows:]

PREPARED STATEMENT BY HON. MARK R. WARNER, U.S. SENATOR FROM VIRGINIA

Thank you Madam Chairman and Ranking Member Burr for the opportunity to testify before the Committee today. I am very pleased the Committee is marking up a bill today to move through the Senate as a companion to the Senate legislation that I filed in late March. This legislation will end the improper and unofficial system of "reserved" gravesites for VIPs at Arlington National Cemetery.

I know Chairman Murray and Ranking Member Burr care as deeply about our Veterans and their families as I do and I think this shows that this is an issue that crosses party lines and we are united in an effort to get fix this problem.

Earlier this year, there were media reports about a practice of reserving gravesites for VIPs at Arlington National Cemetery. As I dug deeper into the issue, I found that this was not a one-time issue, but a practice that had continued for many years with previous superintendents. I was outraged that preferential treatment and setting aside gravesites for the friends of the superintendent was common practice, despite the fact that it was completely against Army regulations.

Although the practice of reserving gravesites has been banned by Army regulations since 1962, cemetery superintendents allowed selected "senior officials" to pick areas of the cemetery where they wished to be buried. Astonishingly, the Army's own Inspector General identified this practice as a serious violation of Army policy in the early 1990's, but nothing was done to stop the practice and the process continued.

The legislation we are discussing today will codify Army regulations that ban reserving gravesites and provide accountability and transparency to the process, with a full audit and a report back to Congress. It will also direct the Army to fully investigate and report back to Congress within 180 days on the number of plots that may have been set aside in violation of Army policy—which clearly states that Arlington National Cemetery plots must be provided to any qualified military veteran, without regard to rank or status.

It is a disgrace that back room deals apparently were being made that allowed high-ranking officers and other VIPs to pre-select the gravesites where they wished to be buried. It is offensive that this improper reservation system could allow some general to trump the Arlington burial rights of a fallen soldier from Iraq or Afghanistan.

What we're saying is Arlington managers must follow the rules. Some general should not be able to say, "See that plot under the tree with the view? That's the

one I want." I want to lend my support to Army Secretary John McHugh and Superintendent Condon, who are trying to clean up this mess after years of neglect.

This VIP reservation system is the latest in a series of problems that have emerged over the previous management of Arlington. When details first emerged about serious problems at Arlington National Cemetery, I was appalled by the reports of chronic mismanagement and requested detailed information from Secretary McHugh on Army plans to correct the issues. When the Army IG briefed me, I sensed that there could be a creative private sector solution to help fix Arlington.

I asked the Northern Virginia Technology Council for help, and they responded the next day with a group of more than 20 leading IT companies which perform data management, recovery, and digitization work every day. These 20 companies offered to produce a report for the Army pro bono, due to the historic and sacred nature of Arlington. Secretary McHugh accepted our offer, and worked with NVTC leadership to provide access.

NVTC subsequently produced a report which included both short-term and long-term recommendations for the Cemetery. It detailed potential paths to digitizing records and improvements in the way the Cemetery handled some remains. This pro-bono assessment also included workflow charts for improving business practices and suggestions on basic management techniques.

Superintendent Condon has said that many of the recommendations in the report already have been incorporated by the Army, including the hiring of additional staff and creation of a call center to improve communication with families on burial requests.

I also want to salute work I just became aware of—a project by a Virginia high school student named Rickey Gilleland. Rickey is an 11th-grade computer whiz from just down the road in Stafford County, Virginia, who apparently has succeeded in creating something that $8 million in technology spending could not.

On his own, with his new Zoom tablet computer, Rickey created his own digitized record of Iraq and Afghanistan veterans who have been laid to rest at Arlington. His Web site, preserveandhonor.com, catalogues the gravesites of these fallen heroes.

Now why would it be so hard for the Army to produce the same kind of digital record and guide for all of the other heroes buried at Arlington?

And finally, for nearly 130 years, the Commonwealth of Virginia has proudly provided a final resting place for our Nation's military men and women at Arlington National Cemetery. I look forward to continuing our efforts to make sure that the men and women who have bravely served our country are buried with honor and dignity.

I want to repeat my earlier calls to have the Army implement the recommendations contained in the NVTC report. And if they need help, I know a certain 11th grader who might have a few ideas. Thank you, Madam Chairman.

Chairman MURRAY. Thank you very much, Senator Warner. I am sure every parent here knows exactly who we should turn the Nation's problems over to when it comes to technology. Tell Ricky thank you.

[Laughter.]

Chairman MURRAY. Senator Whitehouse?

STATEMENT OF HON. SHELDON WHITEHOUSE, U.S. SENATOR FROM RHODE ISLAND

Senator WHITEHOUSE. Thank you, Chairman Murray and Ranking Member Burr and Senator Boozman. I very much appreciate your service to our veterans through the work of this Committee, and I am very pleased to join Senator Snowe and Senator Warner, having heard the legislation that they have come forward to support today to protect the integrity and dignity of military funerals and the integrity and dignity of the process through which gravesites are allocated at Arlington. So I am honored to be in their company today and, again, very much appreciate your service.

I am here to speak about legislation to improve protection for military families from losing their homes through wrongful foreclosure. While operations in Iraq, Afghanistan, and around the

world have put tremendous demands on our brave men and women in uniform, lenders at home have repeatedly disregarded the laws that are designed to protect servicemembers and their families from losing their homes when they deploy.

Just last month, the Department of Justice announced a $22 million settlement with lenders who had violated the Servicemembers Civil Relief Act and wrongfully foreclosed on as many as 175 servicemembers. In addition, thousands of military families have been overcharged on their mortgages.

All of us have heard horror stories from our home states about how badly some financial institutions have treated our homeowners in distress. When these abusive mortgage practices harm the men and women we send in harm's way to protect our country, it deserves our attention. Not only are these practices illegal and morally repugnant, they can also be a dangerous distraction from our military mission. Servicemembers overseas have enough to worry about without worrying about their families being mistreated on the homefront.

Returning servicemembers have also been hit particularly hard by the current economic downturn. As this Committee well knows, in 2010 the unemployment rate for returning veterans averaged 11.5 percent compared to a 9.4-percent national rate. Furthermore, according to a recent comprehensive report on veteran homelessness, veterans are 50 percent more likely to become homeless than other Americans. These troubling statistics underscore the difficulty of readjustment to life at home. For our returning servicemembers who need time to get back on solid financial footing, we should do everything we can to accommodate their needs, especially during these difficult economic times.

To better protect our men and women in uniform, I have introduced the Protecting Servicemembers from Mortgage Abuses Act, cosponsored by Senator Baucus, Senator Blumenthal, Senator Boxer, Senator Durbin, Senator Feinstein, Senator Hagan, Senator Lautenberg, Senator Leahy, Senator Merkley, Senator Mikulski, Senator Nelson of Florida, Senator Pryor, Senator Reed of Rhode Island, Senator Sanders, and Senator Tester. This bill would double the maximum criminal and civil penalties for violations of current foreclosure and eviction protections. It would also extend and make permanent the period of foreclosure protection coverage after military service has ended.

Under current law servicemembers have 9 months of foreclosure protection after military service. However, this provision is due to expire on December 31, 2012. Then servicemembers will only get 90 days of foreclosure protections. My bill would permanently extend the period of foreclosure protection beyond 9 months.

I hope Senators on both sides of the aisle will come together and join me in supporting this legislation, and I thank you again for the opportunity to speak on this important issue. I look forward to working with Chairman Murray, Ranking Member Burr, and other Members of this Committee to pass this legislation, which I believe will discourage loan servicers from further violations and help to protect the financial and emotional well-being of our military families.

Chairman MURRAY. Thank you very much, Senator Whitehouse, and I would let all of you know, Senator Snowe, Senator Warner, and Senator Whitehouse, that all of your provisions have strong merit, and I hope to work with Senator Burr to include them in the package that we will consider for our markup on the 29th of this month. So thank you very much for your testimony.

I do not have any questions. Thank you very much. We really appreciate it.

We will now move to our first panel, and if you would please come up and sit at the witness table, I will introduce you as you join us.

From the Department of Veterans Affairs, we have Michael Cardarelli, Principal Deputy Under Secretary for Benefits, and Dr. Robert Jesse, Principal Deputy Under Secretary for Health. They are accompanied today by Walt Hall and Richard Hipolit, both Assistant General Counsels.

With us from the Department of Labor is John McWilliam, Deputy Assistant Secretary for the Veterans' Employment and Training Service, and as they are being seated, I notice that Senator Burr stepped out for just a minute, but I do want to just address the issue that he mentioned in his opening statement.

Mr. Cardarelli, Dr. Jesse, Mr. McWilliam, I understand from my staff that your testimony was late, due in large part to a hold-up at OMB, I recognize that none of you are responsible for hold-ups at OMB. But I do want to emphasize for you and for everyone who comes before this Committee that we do require testimony to be received 48 hours before a scheduled hearing because our Members need time to adequately prepare for the hearing and make sure that the positions of your respective departments are properly presented for this Committee. So I will be following up with OMB directly to make sure that they understand that delays in clearing testimony before this Committee are simply unacceptable. So I join with my colleague, Senator Burr, and we will be talking to OMB.

Before I turn to our first panel, I notice that Senator Blumenthal has joined us, and I want to give him an opportunity to give his testimony on the bill that he has presented before the Committee. Senator Blumenthal?

STATEMENT OF HON. RICHARD BLUMENTHAL, U.S. SENATOR FROM CONNECTICUT

Senator BLUMENTHAL. Thank you very much, Senator Murray. Thank you very much to you and Senator Burr for having me, and I particularly want to thank you, Senator Murray, for your leadership in this area. I have introduced a bill, S. 1060, called the Honoring All Veterans Act, and S. 1147, the Chiropractic Care Available for All Veterans Act, which very much follows the leadership that you and other colleagues in the Senate have provided, leaders who have really started and carried forward this effort to keep faith with the men and women who serve and sacrifice for our freedom.

The VA has taken some very strong steps toward the goal of building a 21st century support system, but gaps in the system remain, and they are debilitating and devastating for many of our veterans. We can do better, and we must do more. And the legisla-

tion I have introduced provides a comprehensive package of 16 provisions aimed at better health care jobs, educational opportunities, and streamlining and modernizing the VA.

I will submit for the record my full testimony. I very much appreciate your giving me this opportunity to talk to the panel today. But I just want to say that my experience, as I know yours and other Members of this panel, is that we really need to have a comprehensive approach to deal with the signature wounds of the Afghanistan and Iraq conflicts, which are Traumatic Brain Injury and Post Traumatic Stress, as well as other injuries that veterans of prior conflicts have suffered. And that comprehensive approach has to involve both the Department of Defense and the Veterans Administration, for example, providing effective diagnosis of these wounds. Right now some 30 percent of them are undiagnosed and, therefore, untreated. We need to provide treatment, not just diagnosis. We need to make sure that information and medical information is tracked and that care is transitioned between those agencies, the Department of Defense to the Veterans Administration. The legislation I have introduced would provide veterans leaving the VA medical facilities to have a recovery plan for those kinds of injuries. It would provide for qualified psychiatrists, psychologists, and nursing professionals to work in VA medical hospitals and outpatient clinics and access graduates from the Uniformed Services University of the Health Sciences, for example, in Connecticut and other kinds of institutions.

On economic opportunity, veterans, like all Americans, are striving to provide for their families and find jobs in a still faltering economy. The Honoring All Veterans Act would build on the work already initiated by this Committee to address the issues, such as the recently expanded Post-9/11 GI bill. The legislation would raise the statutory cap for the Vocational Rehabilitation and Employment and Independent Living Programs to welcome hundreds of additional veterans, and it would authorize veterans to re-use the transitional program, the DOD Transition Assistance Program, and meet with counselors at any military installation for up to a year after their separation. It also authorizes other measures such as a study of how best to ensure that civilian employers and educational institutions recognize veterans' military training, and it reauthorizes the Veterans Education Outreach Program to provide for campus-based outreach programs to veterans.

We need also measures for veterans who lack a job and lack a home and need a roof over their heads, and those kinds of facilities can be supported and funded through the Honoring All Veterans Act and other measures that this panel is considering.

I am realistic about the difficulty of approving and passing this kind of measure. I hope for bipartisan support. I think that keeping faith with our veterans should command support from both sides of the aisle, and I know that you have worked very hard as Chairman of this Committee to muster that kind of support, and I thank you for it. Thank you also for giving me the opportunity to sponsor legislation, the Chiropractic Care Available for All Veterans Act, modeled on legislation that you have introduced in the past. It would provide for the kind of musculoskeletal and connective system injuries that so many of the returning Iraq and Afghanistan

veterans suffer from. They are one of the most frequent medical diagnoses of this set of conflicts, and every veteran in the Nation should have the same immediate access to chiropractic care that Connecticut offers through the National Director for the Veterans Health Administration's Chiropractic Service based in West Haven, and that kind of care should be available to all veterans. So the legislation would actually require the Secretary of Veterans Affairs to provide chiropractic care at a minimum of 75 VA medical centers by December 31, 2012, and at VA medical centers by December 31, 2014.

Again, I thank you for your leadership and others on this panel in supporting these kinds of measures, and I look forward to working with you. Again, many thanks for giving me this opportunity to talk today.

[The prepared statement of Senator Blumenthal follows:]

PREPARED STATEMENT OF HON. RICHARD BLUMENTHAL,
U.S. SENATOR FROM CONNECTICUT

INTRODUCTION

Members of the Committee, thank you for the opportunity to testify before you in support of two needed pieces of legislation, namely S. 1060, the Honoring All Veterans Act and S. 1147, the Chiropractic Care Available for All Veterans Act.

I am honored to appear before my colleagues who lead the Senate in making sure our Nation keeps faith with the men and women who serve and sacrifice for our freedom. The VA has taken strong steps toward the goal of building a 21st century support system, but gaps in the system remain and they are debilitating and devastating for many veterans. We can do better and we must do more. The legislation I have introduced, the Honoring All Veterans Act of 2011, is a comprehensive package of 16 provisions. In my testimony, I would like to focus on two of the gaps the legislation closes, first with providing comprehensive mental health care services and second, helping veterans with the economic challenges of rejoining civil society.

MENTAL HEALTH CARE SERVICES

I was recently privileged to join a group of veterans at the Vet Center in Rocky Hill, Connecticut. They gather weekly to support and help each other recover from Post-Traumatic Stress Disorder and Traumatic Brain Injury. Their conversation dramatized to me again that the treatment of veterans with PTSD or TBI requires a comprehensive approach. The Honoring All Veterans Act requires the Department of Defense to identify and then close the gap between screening and treatment. More effective diagnosis is vital, but simply diagnosing a warrior suffering from PTSD or TBI does not heal them. The legislation targets both the DOD and VA to ensure that medical information is tracked and care transitioned between the agencies, as a warrior returns to civilian life. These problems must be addressed by both agencies. The legislation requires veterans leaving VA medical facilities to have a recovery plan that specifically includes vocational rehabilitation and job training. It addresses the problem of finding qualified psychiatrists, psychologists and nursing professionals to work in VA medical hospitals and outpatient clinics by accessing graduates from the Uniformed Services University of the Health Sciences. The legislation also strengthens the Department of Labor's existing programs to assist both veterans with TBI or PTSD in the workplace and their employers.

ECONOMIC OPPORTUNITY

Like all Americans, veterans are striving to provide for their families and find jobs in a still faltering economy. The Honoring All Veterans Act builds on the work already initiated by this Committee to address this issue, such as the recently expanded Post-9/11 GI Bill. The legislation raises the statutory cap for the Vocational Rehabilitation and Employment Independent Living program to welcome hundreds of additional veterans. It authorizes veterans to reuse the DOD Transition Assistance Program (TAP) and meet with counselors at any military installation for up to one year after separation. It authorizes a study of how best to ensure that civilian employers and educational institutions recognize veterans' military training. It also

reauthorizes the Veterans Education Outreach Program to provide for campus-based outreach services to veterans.

For those veterans who cannot find a job or a home, our Nation must offer immediate help and support. Any skeptic about the value of such programs should visit the East Hartford Veterans Homeless Shelter where the pride of veterans in their service is reflected in every rack and locker squared away to pass the toughest Gunny's inspection. The Honoring All Veterans Act supports veterans' shelters in each of your home towns, by revising the current per diem they receive to reflect rising costs of care and regional variations in helping homeless veterans.

I'm realistic about the prospects of enacting all these provisions. I am committed to a sustained and consistent effort to honor all veterans and open to the ideas from my colleagues on how to modify these proposals. I am especially hopeful and determined that the effort be bipartisan. I look forward to working with you to see its enactment. Together we can resolve these challenges.

THE CHIROPRACTIC CARE AVAILABLE FOR ALL VETERANS ACT

I would also like to take this opportunity to commend to you bipartisan legislation I introduced this week along with Senators Moran, Whitehouse, Harkin and Grassley, and cosponsored by Senator Tester, to expand access to chiropractic care at VA facilities.

As you are aware, one of the most frequent medical diagnoses reported among Iraq and Afghanistan veterans are musculoskeletal and connective system diseases. More than 197,000 Iraq and Afghanistan veterans seeking VA care have been diagnosed with these conditions. Yet, less than one-third of the VA medical centers offer chiropractic care and services. Every veteran in the Nation should have the same immediate access to chiropractic care that Connecticut offers through the National Director for the Veterans Health Administration's Chiropractic Service based at the West Haven Medical Center. They should have the kind of resources available at the Nation's first university-based college for chiropractic physicians at the University of Bridgeport.

The legislation would require the Secretary of Veterans Affairs to provide chiropractic care at a minimum of 75 VA medical centers by December 31, 2012 and at all VA medical centers by December 31, 2014. In introducing the legislation, I am following in the esteemed footsteps of Chairman Murray and the Members of the Committee who have been tireless advocates on this issue. Veterans would not have the chiropractic care and support they have today without your leadership.

Thank you for the opportunity to testify and for holding this hearing today.

Chairman MURRAY. Thank you very much, Senator Blumenthal, and thank you for your comprehensive consideration of issues very important to our men and women who serve the country.

Senator BLUMENTHAL. Thank you.

Chairman MURRAY. Thank you very much.

With that, we will now move to our first panel. Thank you very much for joining us today, and we will begin with Michael Cardarelli.

STATEMENT OF MICHAEL CARDARELLI, PRINCIPAL DEPUTY UNDER SECRETARY FOR BENEFITS, VETERANS BENEFITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

Mr. CARDARELLI. Yes, ma'am. Good morning, Chairman Murray, Ranking Member Burr, and Members of the Committee. Thank you for inviting us here today to present the Administration's views. I apologize for the delay in delivering our testimony to the Committee.

Joining me today is Richard Hipolit, Assistant General Counsel. While VA's full written statement with views and estimated costs has been submitted for the record, I would like to briefly discuss eight bills that affect VBA and CA. After my remarks, Dr. Robert Jesse, Principal Deputy Under Secretary for Health, will discuss the Administration's views on the VHA-related bills on today's agenda.

Chairman Murray, VA appreciates your efforts to improve employment opportunities for returning servicemembers. VA supports Sections 2 through 5 of your Hiring Heroes Act of 2011. S. 951, which would provide rehabilitative services and assistance to certain severely disabled active-duty servicemembers and expand VA's authority to pay employers for providing on-the-job training to veterans, among other things. We respectfully defer to the Department of Labor's witness, John McWilliam, regarding Sections 8, 11, and 13 of the bill. Although VA does not support Section 9 of this bill, we would be happy to discuss our concerns with the Committee.

Let me assure you that VA's leadership shares your concern about veterans' employment, and we are committed to working with Congress to improve employment opportunities for our Nation's veterans.

S. 536 would exempt individuals eligible for VA education benefits under Chapter 35 from the 48-month limitation on the use of educational assistance under multiple veterans and related educational assistance programs. VA supports the intent of S. 536 and favors enactment of the bill subject to Congress finding offsetting savings.

S. 745 would protect certain veterans who are enrolled in VA's Post-9/11 Veterans Educational Assistance Program as it existed before the enactment of Public Law 111–377 who otherwise would be subject to a reduction in educational assistance benefits. VA has concerns with the proposed legislation as written, including the timeline for implementing it and the impact on existing beneficiaries. We will continue working with the Committee to ensure that legislative changes do not negatively impact education beneficiaries.

S. 894, the Veterans' Compensation Cost-of-Living Adjustment Act of 2011, would mandate a cost-of-living adjustment in the rates of disability compensation and dependency indemnity compensation payable for periods beginning on or after December 1, 2011. VA supports Chairman Murray's bill and believes that our veterans and their dependents deserve no less.

S. 780, the Veterans Pensions Protection Act of 2011, would exclude certain payments from determinations of annual income for purposes of determining eligibility for improved pension. VA opposes excluding from countable income payments received for pain and suffering because such payments do not constitute a reimbursement for expenses related to daily living. This provision of the bill would be inconsistent with a needs-based program. VA does not oppose the remaining provisions of the bill.

S. 423 would authorize a potentially retroactive award of disability compensation to a veteran whose compensation application was fully developed as of the date submitted to VA. VA does not support this bill because it would result in the inequitable treatment of veterans in litigation over whether a claim was fully developed when it was submitted. Although VA does not support S. 423, it appreciates the attempt to create an incentive for veterans to file fully developed claims.

S. 815, the SERVE Act of 2011, would guarantee that military funerals are conducted with dignity and respect. VA supports its

enactment because it would establish a unified approach to preserve the dignity of funeral services and reinforce the commitment to protect the privacy of attendees during their time of bereavement. The bill would also ensure the privacy and protection of grieving families during funeral, memorial, and ceremonial services meant to honor those fallen heroes who, through their service, paid the ultimate price.

Finally, VA notes that Chairman Murray's Veterans Programs Improvement Act of 2011, S. 1184, carries many provisions proposed by the Administration in its draft Veterans Benefits Improvement Act of 2011. Although we have not had the opportunity to review the bill closely, we offer here our support of the general intent of the bill and VA's appreciation for your introducing them for consideration. We believe they are very worthy of the Committee's endorsement. We also look forward to reviewing the other titles of the bill which address VA's programs to combat homelessness as well as VBA's fiduciary program.

Madam Chairman, this concludes my statement. Now Dr. Jesse will discuss the Administration's views on the health-related bills on today's agenda.

Chairman MURRAY. Thank you very much.

Dr. Jesse?

STATEMENT OF ROBERT L. JESSE, M.D., PH.D., PRINCIPAL DEPUTY UNDER SECRETARY FOR HEALTH, VETERANS HEALTH ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; ACCOMPANIED BY WALTER A. HALL, ASSISTANT GENERAL COUNSEL; AND RICHARD J. HIPOLIT, ASSISTANT GENERAL COUNSEL

Dr. JESSE. Thank you, Madam Chairman, Ranking Member Burr, and Members of the Committee. I too appreciate the opportunity to appear before you today and to provide comments on some of the Veterans Health Administration-related bills on today's agenda. I am accompanied by Mr. Walter Hall, who is the General Counsel, and I too apologize for the tardiness of our oral statements. I appreciate your indulgence.

VA supports S. 490, which would extend the eligibility for health care coverage of children under the CHAMPVA program until the age of 26. This would bring VA's health care benefits program for children into line with coverage available via the private sector under the Affordable Care Act, which was enacted last year. This is an important program that would potentially benefit almost 60,000 children of veterans.

We appreciate the intent of S. 666, the Veterans Traumatic Brain Injury Care Improvement Act of 2011, which would require the Secretary to submit a report on the advisability of establishing a broader polytrauma presence in the Northern Rockies or the Dakotas. We appreciate the concerns about making these valuable services available in this area, and I am pleased to report that based on the assessment we conducted last year, we are expanding our services by establishing an enhanced polytrauma support clinic team in Fort Harrison, Montana. We expect it will have the staff in place to begin providing these additional services by the end of the year.

We support the intent of S. 769 and have already taken steps to address the concerns the bill would remedy. The Veterans Equal Treatment for Service Dogs Act of 2011 would prohibit the Secretary from excluding service dogs trained for use by veterans from any VA facilities or property or any facilities that receive funding from VA. In March, we published VHA Directive 2011–013, which directs that veterans and members of the public with disabilities who require the use of a trained guide dog or service dog be allowed to enter VA facilities. We will publish a regulation that will establish criteria for service dog access to all VA facilities and property that will ensure consistent standards while maintaining a safe environment for patients, employees, visitors, and service dogs.

We also support the intent of S. 696, which would allow VA to provide beneficiary travel benefits to veterans using the Vet Centers for readjustment counseling. This is an issue that has had our attention for some time now, and we have begun an assessment to develop more insight into the possible impact of providing this benefit.

The privacy issue is particularly important to us as the Vet Centers currently offer veterans confidential treatment, and veterans would have to submit a claim for beneficiary travel, which could diminish their faith that this treatment is indeed confidential. Veterans have responded very positively to the current Vet Center model, and any changes we make to the service should not reduce the appeal of readjustment counseling benefits to veterans. Because of this concern, we ask the Committee to withhold action on this bill until we can provide you with the results of our assessment later this year.

S. 957, the Veterans' Traumatic Brain Injury Rehabilitative Services Improvements Act of 2011, seeks to improve our programs by requiring rehabilitative services to be an integral component of our health care services. We generally have no objections to this. Indeed, we have been developing individualized recovery plans for all enrolled veterans with severe TBI for several years. Our primary aim for veterans with serious or severe injuries has always been and always will be to maximize a veteran's independence, health, and quality of life. My written statement identifies two concerns with this bill that essentially raise a question if the bill requires VHA to provide benefits beyond health care.

Regarding S. 277, VA takes the Camp Lejeune matter very seriously but has several significant concerns with the bill. VA would be required to provide treatment for any condition that cannot be specifically eliminated as related to the contaminated water at Camp Lejeune. This would be a broader authority for care than that conferred on Persian Gulf and post-Persian Gulf veterans. We have concerns about the adequacy of the scientific evidence available today, but ongoing research by the Agency for Toxic Substances and Disease Registry may provide a clearer view on what kinds of conditions are associated with this exposure. There are other concerns detailed in the testimony such as being able to identify those who may have been at Camp LeJeune for very short periods of time. At the same time, we are committed to continue to monitor the research and respond appropriately to findings.

This concludes my prepared statement. My written statement provides our positions on many of the other bills on the docket, and we will provide views later for those that we are unable to discuss at this time. Madam Chairman, I would be pleased to respond to any questions you may have.

[The prepared statement of Dr. Jesse follows:]

PREPARED STATEMENT OF ROBERT L. JESSE, M.D., PH.D., PRINCIPAL DEPUTY UNDER SECRETARY FOR HEALTH, VETERANS HEALTH ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS

Good Morning Chairman Murray, Ranking Member Burr and Members of the Committee: Thank you for inviting me here today to present the Administration's views on several bills that would affect Department of Veterans Affairs (VA) benefits programs and services. Joining me today are Michael Cardarelli, Principal Deputy Under Secretary for Benefits, Richard Hipolit, Assistant General Counsel, and Walter A. Hall, Assistant General Counsel. We do not yet have cleared views on S. 411, S. 491, S. 873, S. 874, S. 914, S. 1017, S. 1060, S. 1089, S. 1104, S. 1123, S. 1124, and S. 1127 and the draft bill entitled "Veterans Programs Improvements Act of 2011." Also, we do not have estimated costs associated with implementing S. 396, S. 666, S. 910, S. 935, and section 9 of S. 951. We will forward the views and estimated costs to you as soon as they are available.

S. 277, CARING FOR CAMP LEJEUNE VETERANS ACT OF 2011

S. 277 would amend title 38 to extend special eligibility for hospital care, medical services and nursing home care for certain Veterans stationed at Camp Lejeune during a period in which well water was contaminated notwithstanding that there is insufficient scientific evidence to conclude that a particular illness is attributable to such contamination. It would also make family members of those Veterans who resided at Camp Lejeune eligible for the same services, but only for those conditions or disabilities associated with exposure to the contaminants in the water at Camp Lejeune, as determined by the Secretary.

VA takes the Camp Lejeune matter very seriously but has a variety of significant concerns with this bill. For example, although we believe that the intent of S. 277 is to provide these Veterans with the same enrollment and treatment authority as for Persian Gulf and post-Persian Gulf Veterans, the bill does not do so because it fails to amend section 1710(e)(2) to address the new special eligibility provision. As the legislation is written, VA would be required to provide treatment for any condition that cannot be specifically eliminated as related to the contaminated water at Camp Lejeune. This bill would not make the special eligibility of these Veterans subject to the limitation that care may not be provided "with respect to a disability that is found, in accordance with guidelines issued by the Under Secretary for Health, to have resulted from a cause other than the service or testing described in such subparagraph." As a result, this bill grants these Veterans a broader special eligibility than that conferred on Persian Gulf and post-Persian Gulf Veterans.

The Agency for Toxic Substances and Disease Registry (ATSDR) is conducting ongoing research related to the potential exposures at Camp Lejeune. Current ATSDR research is concentrating on refining hydrological modeling to determine the extent of benzene contamination. This information will then be used along with results from ongoing population studies to determine if the potentially exposed population at Camp Lejeune has experienced an increase in adverse health effects such as birth defects, cancers, and mortality. VA will closely monitor this research and will quickly consider the findings and take appropriate action. In addition, VA will support these studies by acting on ATSDR requests to confirm specific Veteran's health issues. VA has a close working relationship with ATSDR which allows the Department to stay informed about current research.

We are also greatly concerned that the Department of Defense (DOD), and consequently VA, is unable to accurately identify those that may have visited for short periods of time at Camp Lejeune and surrounding areas during the period of potential exposure. While the legislation provides that the Secretary in conjunction with ATSDR shall determine the applicable period, discussion usually centers on the period of 1957–1987. DOD records have proven problematic in identifying all potential beneficiaries, especially since the legislation does not provide for any limitations as to how long an individual had to be on base at Camp Lejeune. It is possible through the Defense Manpower Data Center to identify Veterans assigned to Camp Lejeune. However, it is impossible to identify those Veterans who visited Camp Lejeune for

temporary duty and many of the family members who resided at or visited the base. We note that VA treatment of family members as prescribed by S. 277 would be an unprecedented extension of VA's provision of care to non-veterans.

Veterans who are part of this cohort may apply to enroll in VA health care if they are otherwise eligible, and are encouraged to discuss any specific concerns they have about this issue with their health care provider. VA environmental health clinicians can provide these Veterans with information regarding the potential health effects of exposure to volatile organic compounds and VA's War-Related Illness and Injury Study Centers are also available as a resource to providers. Veterans are also encouraged to file a claim for VA disability compensation for any injury or illness they believe is related to their military service. Currently, Camp Lejeune disability claims are handled on a case by case basis and significant weight is given to the opinions provided by qualified medical examiners who are aware of the contaminants and their potential long-term health effects. In an effort to provide fair and consistent decisions based on service at Camp Lejeune during the period of water contamination, VA has consolidated claims processing at the Louisville Regional Office.

Because of these concerns and others about the adequacy of the underlying scientific evidence, VA does not support this bill.

It is unclear exactly how many people were potentially affected by the water contamination at Camp Lejeune, but some estimates place the number at one million Veterans and family members. VA estimates that the costs associated with this bill are $292 million in fiscal year 2012, $1.6 billion over five years, and $3.9 billion over ten years. In addition, the Department anticipates that this legislation would result in lost revenue associated with collections. VA estimates this loss of revenue to be $19.5 million in fiscal year 2012, $110 million over five years, and $213 million over ten years.

S. 396, MEETING THE INPATIENT HEALTH CARE NEEDS OF FAR SOUTH TEXAS VETERANS ACT OF 2011

S. 396 would require the Secretary of VA to ensure that the South Texas Veterans Affairs Health Care Center in Harlingen, Texas, includes a full-service VA inpatient health care facility. If necessary, the Secretary would be required to modify the existing facility to meet this requirement. A report would also be required to be submitted, within 180 days of enactment, outlining the specific actions the Secretary plans to take to satisfy the requirements of the bill, including a detailed cost estimate and a timeline for completion of any necessary modification.

The Department has strong concerns about this bill. VA recognized the need for enhanced access to care in the Lower Rio Grande Valley and Coastal Bend areas of South Texas several years ago. In 2006 and 2007, VA contracted Booz-Allen-Hamilton (BAH) to study options for expanding access to ambulatory specialty and inpatient services in the region. VA implemented their recommended option by converting the clinic at Harlingen into a Health Care Center (HCC) to provide a broad array of specialty services, and to contract with local hospitals in the area to provide inpatient hospital and emergency care. BAH concluded that this option solved secondary care access gaps in the Valley in a way that was cost-effective and consistent with high quality patient care.

Actuarial projections from the 2007 BAH study were a key factor in the Department's decision to expand the clinic at Harlingen into a Health Care Center, and to contract for inpatient care and emergency room services in the local community. In May 2010, in an effort to determine whether this course of action continued to be the best way to serve Veterans, VA reassessed the recommendations made in the BAH study. This reassessment included examination of the most current projections for inpatient utilization, as well as a review of enrollment and actual utilization data for inpatient contracts over the last 12 months. Following a comprehensive review of all available data, we determined the best way to serve inpatient needs for Veterans in the area was to continue using contract care at local hospitals. This course of action will provide Veterans access to a broad array of high quality inpatient services that would not be feasible in a smaller, VA-run facility. In recognition of the significance of the growing Veteran population in this area, we will continue to closely monitor and compare the actual demand for inpatient and emergency room care at the contract hospital systems with the demand identified in the actuarial projections from the BAH study. Should evidence indicate a change in course is required, the Department will consider all viable options.

VA is unable to estimate a cost for compliance with the requirements of this bill at this time but will provide that information in writing for the record. Expansion of the existing facility or construction of a new facility would be necessary for VA

to provide inpatient care directly. If the bill is enacted, VA would comply with section 3(b) which requires VA to report to Congress within 180 days on the actions the Secretary plans to take and the estimated cost of such actions.

S. 423, PROVIDING AUTHORITY FOR A RETROACTIVE EFFECTIVE DATE FOR AWARDS OF DISABILITY COMPENSATION IN CONNECTION WITH APPLICATIONS THAT ARE FULLY-DEVELOPED AT SUBMITTAL

S. 423 would amend 38 U.S.C. § 5110(b) to authorize a potentially retroactive award of disability compensation to a Veteran whose compensation application was fully developed as of the date submitted to VA. The effective date of a compensation award based on the submittal of a fully developed application would be "fixed in accordance with the facts found," but could not be earlier than the date one year before the date the application was received by VA. The bill would allow VA to prescribe what constitutes a fully-developed claim for purposes of this provision.

VA does not support this bill because it would result in the inequitable treatment of Veterans who cannot submit a "fully-developed" claim. Currently, section 5110 authorizes a retroactive compensation award in two instances, both based on the timing of the application. VA may award compensation retroactively if VA receives the application within one year from the date of a Veteran's discharge or release from service or, in cases of increased compensation, if VA receives the application within one year of the date that an increase in disability is ascertainable. In either case, the timing of the application, and hence the eligibility for a retroactive award, is within a Veteran's control. The retroactive award S. 423 would authorize, however, is based not on the timing of the application, but rather on the nature of the claim and the evidence needed to decide the claim, matters that are not within a Veteran's control. S. 423 would essentially penalize Veterans who cannot submit an application with the evidence necessary to decide the claim. The bill would result in retroactive compensation awards to Veterans whose claims involve simple factual issues or evidence within their possession or readily obtainable, but not to Veterans whose claims involve complex factual issues or evidentiary development, but are no less meritorious than the simple claims.

In addition, S. 423 would likely result in litigation over whether a claim was fully developed when submitted because VA's decision to obtain or request further evidence would preclude a retroactive award.

Although VA does not support S. 423, it appreciates the attempt to create an incentive for Veterans to file fully developed claims. VA believes a more balanced approach would create that incentive. VA has implemented a Fully Developed Claim (FDC) Program at all regional offices as a result of the Veterans' Benefits Improvement Act of 2008, Public Law 110–389, signed by the President on October 10, 2008. This law required VA to assess the feasibility and advisability of expeditiously adjudicating fully developed compensation or pension claims. Under the FDC program, a Veteran who submits a formal claim for benefits within one year from the date of VA's acknowledgement of receipt of the Veteran's informal claim may be awarded benefits effective from the date VA received the informal claim. Because the acknowledgement letter will include information about the evidence necessary to substantiate a claim for benefits, Veterans will be able to facilitate the processing of their claim by submitting evidence in conjunction with their formal claim. Thus, the timing of the application, not whether a fully developed claim is received, is determinative of whether retroactive benefits can be awarded. Further, this extra time allows any claimant the opportunity to assemble his or her claim package for submission, while still affording them the benefit of the FDC program and the potential of an earlier effective date.

VA estimates that enactment would result in benefit costs of $54.9 million for fiscal year 2012, $315.7 million over five years, and $761.7 million over ten years.

S. 486, PROTECTING SERVICEMEMBERS FROM MORTGAGE ABUSES ACT OF 2011

S. 486 would extend the Servicemembers Civil Relief Act (SCRA) period of protections relating to real and personal property from 9 months to 24 months. This bill would also change violations of SCRA from a misdemeanor to a felony and increase civilian penalty amounts.

VA defers to the Departments of Defense and Justice regarding the merits of this bill. We are unable at this time to provide cost estimates associated with enactment of this bill, but will provide that information in writing for the record.

S. 490, INCREASE THE MAXIMUM AGE FOR CHILDREN ELIGIBLE FOR CHAMPVA

VA supports S. 490, which would amend 38 U.S.C. § 1781(c) to extend eligibility for coverage of children under the Civilian Health and Medical Program of the De-

partment of Veterans Affairs (CHAMPVA) until they reach age 26 so that eligibility for coverage of children under CHAMPVA will be consistent with private sector coverage under the Affordable Care Act . S. 490 would extend eligibility for coverage of children under CHAMPVA regardless of age, marital status, and school enrollment status up to the age of 26; and the bill would ensure that CHAMPVA eligibility would not be limited for individuals described in § 101(4)(A)(ii) (individuals who, before attaining age 18, became permanently incapable of self-support).

The amendments made by S. 490 would apply with respect to medical care provided on or after the date of enactment of the bill. The extension of eligibility to age 26 would not be limited to children who are currently enrolled in or even those who are currently eligible for CHAMPVA. This is because we read this bill to provide that a "child who is eligible for benefits" under § 1781(a) will still be considered an eligible "child" until his or her 26th birthday, notwithstanding the age limits in 38 U.S.C. § 101(4). We offer for the Committee's information that S. 490 would not extend eligibility for children who, before January 1, 2014, are eligible to enroll in an eligible employer-sponsored health plan (as defined in I.R.C. § 5000A(f)(2)). This means that the age, school status, and marital status requirements in 38 U.S.C. § 101(4) will, before 2014, apply to children who are eligible to enroll in an eligible employer-sponsored health plan and would not extend eligibility for coverage of those individuals. This provision in the bill is thus in accordance with the discretion provided to grandfathered health plans that are group health plans in the private sector under the Affordable Care Act.

VA estimates the cost of implementing S. 490 to be $64.6 million in fiscal year 2012, $390.5 million over five years, and $1.022 billion over ten years.

S. 536, PROVIDE THAT UTILIZATION OF SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE SHALL NOT BE SUBJECT TO THE 48-MONTH LIMITATION

S. 536 would amend section 3695(a)(4) of title 38, United States Code, to exempt individuals eligible for VA education benefits under the chapter 35 Survivors' and Dependents' Educational Assistance (DEA) program from the 48-month limitation on the use of educational assistance under multiple Veterans' and related educational assistance programs. This amendment would allow an individual to receive up to 45 months of benefits under the DEA program and up to 48 months of benefits under other educational assistance programs administered by VA. The amendment would take effect on the date of enactment of S. 536. By its own terms, however, it would not revive any entitlement to educational assistance under chapter 35 or any other provision of law listed in section 3695(a) that terminated prior to that date.

Under current law, section 3695(a) limits to 48 months the aggregate entitlement for any individual who receives educational assistance under two or more programs. This provision applies, in part, to the Montgomery GI Bill Active Duty (MGIB-AD/chapter 30), the Vietnam Era Assistance Program (VEAP/chapter 32), the Post-9/11 GI Bill (chapter 33), the Survivors' and Dependents' Educational Assistance program (chapter 35), the Montgomery GI Bill Selected Reserve (MGIB-SR/chapter 1606), and the Reserve Educational Assistance Program (REAP/chapter 1607).

Beginning on the date of enactment of this bill, as noted above, VA would not consider an individual's chapter 35 entitlement when applying the 48-month limitation in section 3695(a). The amendment also would be applicable to those individuals who, as of the day before enactment, had not used a total of 48 months of benefits entitlement (regardless of whether the 48 months included receipt of chapter 35 benefits). Thus, those individuals with remaining entitlements under other educational assistance programs administered by VA on the bill's date of enactment would have their entitlement to such programs determined without consideration of the benefits they used under chapter 35.

VA does not have the specific data necessary to cost this proposal. While VA can determine the number of participants who used prior VA training and the amount of entitlement used in previous programs, we cannot extract the specific Survivors' and Dependents' Educational Assistance program population affected by this proposal. The system used to process chapter 35 claims stores and retrieves information for beneficiaries using the Veteran's file number. Although information specific to the individual is stored in the record, the system uses the file number to search for multiple records. As a result, a query of the chapter 35 file numbers would provide information on Veterans rather than the beneficiaries of the Survivors' and Dependents Educational Assistance program. Further, VA has no way of determining how many servicemembers elected not to participate in the MGIB-AD program because of prior chapter 35 benefits or how many individuals potentially eligible for the Post-9/11 GI Bill are or were eligible for chapter 35 benefits.

VA supports the intent of S. 536 and favors enactment of the bill, subject to Congress finding offsetting savings. While we are unable to extract a specific population and are unable to provide costs, we estimate that a student who used 45 months of benefits under the Survivors' and Dependents' Educational Assistance program would receive an additional $51,336 for a full 36 months of training under the Montgomery GI Bill—Active Duty program. Similarly, we estimate that a student in receipt of benefits at the 100 percent eligibility tier under the Post-9/11 GI Bill program would receive an additional $87,544 for 36 months of benefits.

S. 572, REPEAL OF THE PROHIBITION ON COLLECTIVE BARGAINING WITH RESPECT TO MATTERS AND QUESTIONS REGARDING COMPENSATION OF EMPLOYEES OF THE DEPARTMENT OF VETERANS AFFAIRS OTHER THAN RATES OF BASIC PAY

S. 572 would amend 38 U.S.C. 7422 by replacing the word "compensation" in sections (b) and (d) with the words "rates of basic pay." While we appreciate the many contributions collective bargaining and the labor-management partnership make to VA's mission, we strongly oppose S. 572.

VA would like to stress to the Committee that we deeply value the contributions of our employees, and work to enjoy a collaborative, positive working relationship with unions across the country. We hold retention of employees as a critically important goal, and encourage the management teams of VA facilities to offer professional development opportunities and encourage personal growth.

This bill would repeal the prohibition on collective bargaining with respect to compensation of title 38 employees. Currently, 38 U.S.C. 7422(b) and (d) exempt "any matter or question concerning or arising out of * * * the establishment, determination, and adjustment of [title 38] employee compensation" from collective bargaining. This bill would replace the word "compensation" with the phrase "rates of basic pay." This change would apparently make subject to collective bargaining all matters relating to the compensation of title 38 employees (physicians, dentists, nurses, et al.) over which the Secretary has been granted any discretion.

In order to provide the flexibility necessary to administer the title 38 system, Congress granted the Secretary significant discretion in determining the compensation of VA's health care professionals. When Congress first authorized title 38 employees to engage in collective bargaining with respect to conditions of employment, it expressly exempted bargaining over "compensation" in recognition of the U.S. Supreme Court's ruling in *Ft. Stewart Schools* v. *FLRA*, 495 U.S. 641 (1990). In that case the Court held that the term "conditions of employment," as used in the Federal Service Labor-Management Relations Statute (5 U.S.C. 7101), included salary, to the extent that the agency has discretion in establishing, implementing, or adjusting employee compensation. Id. at 646–47. Thus, Congress sought to make clear in 38 U.S.C. 7422(b) that title 38 employees' right to bargain with respect to "conditions of employment" did not include the right to bargain over compensation. Over the years, Congress has authorized VA to exercise considerable discretion and flexibility with respect to title 38 compensation to enable VA to recruit and retain the highest quality health care providers.

The term "rates of basic pay" is not defined in title 38. However, the Department has defined "basic pay" as the "rate of pay fixed by law or administrative action for the position held by an employee before any deductions and exclusive of additional pay of any kind." VA Handbook 5007, Part IX, par. 5. Such additional pay includes market pay, performance pay, and any other recruitment or retention incentives. Id. Accordingly, S. 572 would subject many discretionary aspects of title 38 compensation to collective bargaining. For example, there are two discretionary components of compensation for VA physicians and dentists under the title 38 pay system-market pay and performance pay. Market pay, when combined with basic pay, is meant to reflect the recruitment and retention needs for the specialty or assignment of the particular physician or dentist in a VA facility. Basic pay for physicians and dentists is set by law and would remain non-negotiable under this bill, but the Secretary has discretion to set market pay on a case-by-case basis. Market pay is determined through a peer-review process based on factors such as experience, qualifications, complexity of the position, and difficulty recruiting for the position. In many cases, market pay exceeds basic pay. In those situations, this bill would render a large portion or even the majority of most physicians' pay subject to collective bargaining. The Secretary also has discretion over the amount of performance pay, which is a statutorily authorized element of annual pay paid to physicians and dentists for meeting goals and performance objectives. Under this bill, performance pay would also be negotiable. Likewise, pay for nurses entails discretion because it is set by locality-pay surveys. Further, Congress has granted VA other pay flexibilities involving discretion, including premium pay, on-call pay, alternate work schedules,

Baylor Plan, special salary rates, and recruitment and retention bonuses. The ability to exercise these pay flexibilities is a vital recruitment and retention tool. It is necessary to allow VA to efficiently compete on a cost-effective basis with the private sector and to attract and retain clinical staff who deliver health care to Veterans. As described below, this flexibility would be greatly hindered by the collective bargaining ramifications of S. 572.

This bill would obligate VA to negotiate with unions over all discretionary matters relating to compensation, and to permit employees to file grievances and receive relief from arbitrators when they are unsatisfied with VA decisions about discretionary pay. If VA were obligated to negotiate over such matters, it could be barred from implementing decisions about discretionary pay until it either reaches agreements with its unions or until it receives a binding decision from the Federal Service Impasses Panel. Stated differently, VA could be prevented from hiring clinical staff and have decisions regarding appropriate clinical staff subject to third party delay and retroactive change. This could significantly hinder our ability and flexibility to hire clinical staff as needed to timely meet patient-care needs.

Moreover, any time an employee was unsatisfied with VA's determination of his or her discretionary pay, the union could grieve and ultimately take the matter to binding arbitration. This would allow an arbitrator to substitute his or her judgment for that of VA and, with regard to physician market pay, to override peer review recommendations. This bill would allow independent third-party arbitrators and other non-VA, non-clinical labor third parties who lack clinical training and expertise to make compensation determinations. VA would have limited, if any, recourse to appeal such decisions.

Importantly, S. 572 would result in unprecedented changes in how the Federal Government operates. It would permit unions to bargain over, grieve, and arbitrate a subject—employee compensation—that is generally exempted from collective bargaining even under title 5. Although Congress has built much more Agency discretion into the title 38 compensation system both to achieve the desired flexibility and because the system is unique to VA, permitting title 38 employees to negotiate the discretionary aspects of their compensation would be at odds with how other Federal employees are generally treated. Further, collective bargaining over discretionary aspects of pay is unnecessary. VA's retention rates for physicians and dentists are comparable to private sector retention rates, while retention rates for VA registered nurses significantly exceed those of the private sector, strongly suggesting that the lack of bargaining ability over discretionary aspects of pay has not negatively affected VA's ability to retain title 38 employees.

To address some of the concerns expressed by the unions, the Secretary convened a group of union and management officials to formulate recommendations to jointly explore and clarify the implementation of the title 38 exclusions under section 7422.

This workgroup was a significant cooperative effort, spanning multiple meetings, in person and via conference calls, from July 2009 through May 2010. The 7422 workgroup membership included field clinicians, the Office of General Counsel, the Office of Labor Management Relations, and the five national unions (American Federation of Government Employees (AFGE); National Association of Government Employees (NAGE); Service Employees International Union (SEIU); United American Nurses (UAN) (now National Nurses United (NNU)); and, National Federation of Federal Employees (NFFE). Assistant Secretary for HR&A, John Sepúlveda, participated in all face to face meetings of the workgroup.

The final result of the workgroup was sixteen individual recommendations, as well as concise position papers of the parties and joint supporting documents. Included in the recommendations approved by the Secretary in December 2010 was language to address union concerns with the way section 7422, including the compensation exclusion is implemented. Also in December 2010, Memorandum of Understanding (MOU) with the approved recommendations was signed by the Deputy Secretary, W. Scott Gould; the Under Secretary for Health, Robert A. Petzel, MD; the Assistant Secretary for HR&A, John U. Sepúlveda; and the leaders of four of the five national unions. The Secretary has charged an implementation team to work on further development of an action plan to implement the 7422 working group's approved recommendations. A meeting is scheduled for July 6–7, 2011, in Washington, DC. Additional meetings will be scheduled to complete the implementation process. The MOU as well as our actions to implement it show our commitment to collaborate with the unions and make the passage of S. 572 unnecessary.

We are not able to estimate the cost of S. 572 for two reasons. First, if VA is required to negotiate over compensation matters, and if the Agency is unable to reach agreements with the unions, the final decisions on pay will ultimately rest with the Federal Service Impasses Panel. The Panel has discretion to order VA to comply

with the unions' proposals. Second, if pay issues become grievable and arbitrable, the final decisions on pay will rest in the hands of arbitrators.

On the whole, our efforts to recruit and retain health care professionals have been widely successful, and have not in any way been impaired by the exclusion of matters concerning or arising out of compensation from collective bargaining. We would be glad to share applicable data with the Committee and brief the members on our continuing efforts in this area.

S. 666, "VETERANS TRAUMATIC BRAIN INJURY CARE IMPROVEMENT ACT OF 2011"

S. 666, the "Veterans Traumatic Brain Injury Care Improvement Act of 2011," would require the Secretary to submit to Congress a report on the feasibility and advisability of establishing a Polytrauma Rehabilitation Center or Polytrauma Network Site for VA in the northern Rockies or the Dakotas.

VA shares the concern for providing treatment facilities for polytrauma in this region. Consequently, in 2010, VA completed an assessment of need and determined that an enhanced Polytrauma Support Clinic Team with a strong telehealth component at the Ft. Harrison, Montana, VA facility would meet the needs and the workload volume of Veterans with mild to moderate Traumatic Brain Injury (TBI) residing in the catchment area of the Montana Healthcare System. It would also facilitate access to TBI rehabilitation care for other Veterans from the northern Rockies and the Dakotas through telehealth. VA has initiated hiring actions to fill additional positions needed to enhance the Polytrauma Support Clinic Team at Fort Harrison. We anticipate these positions will be in place by the end of 2011. However, establishment of a Polytrauma Rehabilitation Center or Polytrauma Network Site, which would focus on the treatment of moderate to severe TBI, is not feasible or advisable in this area based on the needs of the population served. Because of the action already being taken by VA, this bill is not necessary, and we thus cannot support it.

The estimated cost of staffing the Polytrauma Support Clinic Team at Ft. Harrison would be $1.5 million in the first year, $6.2 million for five years, and $13.0 million over ten years. We do not have estimated costs for implementing the bill but will provide them when they are available.

Mr. Chairman, we would be pleased to provide the Committee with more detailed information about our findings and decisions regarding the northern Rockies and the Dakotas.

S. 696, TREATMENT OF VET CENTERS AS DEPARTMENT OF VETERANS AFFAIRS FACILITIES FOR PURPOSES OF PAYMENTS OR ALLOWANCES FOR BENEFICIARY TRAVEL TO DEPARTMENT FACILITIES

S. 696 would require VA to make beneficiary travel payments to persons traveling to and from Vet Centers if those persons would otherwise be eligible for these payments under VA's authority to pay beneficiary travel. VA is very interested in the possibility of expanding this benefit to include travel to and from Vet Centers, but recommends that no action be taken on this bill at this time. In an effort to better assess the various factors potentially affecting implementation of such a travel benefit, VA began a 6-month analysis on May 1, 2011 at three Vet Centers to identify a model process for administering benefits. The analysis will: assess the likely utilization of the benefit; identify issues associated with administering this benefit; determine the potential impact this benefit would have on the Vet Center culture and Veterans' privacy concerns; develop a model that can determine the upper and lower bounds for demand for this benefit; and create a behavioral model that can estimate potential changes in Veteran utilization of Vet Center services.

This analysis will include focus groups of Veterans utilizing Vet Center services to assess various cultural variables, such as the effect this benefit might have on the Vet Center environment and services, as well as Veteran support for the implementation of this program. VA will also survey Veterans receiving Vet Center services to identify their interest, the average distance they travel to a Vet Center, and the number of visits they typically make each month. VA will also review data from the existing beneficiary travel program to estimate economic and behavioral impacts on utilization rates. VA believes this to be a prudent approach that will allow us to determine the likely impacts of such a change, prepare for any changes in demand for Vet Center services, and include a budget request sufficient to support these benefits or any other changes resulting from enactment. VA will provide an update to Congress at the end of this analysis with its results, conclusions and recommendations.

Given available data, VA estimates the cost of S. 696 in fiscal year 2012 to be $3.7 million, $23.3 million over five years, and $63.2 million over ten years. VA notes these estimates may change based on the results of the aforementioned analysis,

and VA will provide an updated cost estimate to the Committee when we have completed this analysis.

S. 698, CODIFYING THE PROHIBITION AGAINST THE RESERVATION OF GRAVESITES AT ARLINGTON NATIONAL CEMETERY

S. 698 would limit to one the number of gravesites at Arlington National Cemetery that may be provided to a Veteran or a Member of the Armed Forces who is eligible for interment at that cemetery and the Veteran's or Member's family members who are eligible for interment there. The bill would also prohibit pre-need reservations of gravesites at Arlington National Cemetery and would require the Secretary of the Army to submit to Congress a report on reservations made at Arlington National Cemetery.

VA defers to DOD regarding S. 698 because the Secretary of the Army is responsible for the management and operation of Arlington National Cemetery.

S. 745, PROTECT CERTAIN VETERANS WHO WOULD OTHERWISE BE SUBJECT TO A REDUCTION IN EDUCATION BENEFITS

S. 745 would protect certain Veterans who were enrolled in VA's Post-9/11 Veterans Educational Assistance Program (generally referred to as the "Post-9/11 GI Bill) as it existed before the enactment of Public Law 111–377, the "Post-9/11 Veterans Educational Assistance Improvements Act of 2010," who otherwise would be subject to a reduction in educational assistance benefits.

Prior to the passage of Public Law 111–377 on January 4, 2011, individuals using benefits under the Post-9/11 GI Bill at a private institution of higher learning were paid the lesser amount of the established charges (the actual charges for tuition and fees which similarly-circumstanced nonveterans enrolled in the program of education would be required to pay) or the established in-state maximum tuition-and-fee rate at a public institution within that state. With the enactment of Public Law 111–377, individuals pursuing a program of education at a private institution of higher learning for the academic year beginning on August 1, 2011, would be limited to the actual net cost for tuition and fees assessed by the institution, not to exceed $17,500.

S. 745 would modify the amount of educational assistance payable to specific beneficiaries to make an exception for those who are enrolled in a private institution of higher learning in certain states. This exception would apply to an individual entitled to educational assistance under the Post-9/11 GI Bill, who, on or before January 4, 2011, was enrolled in a private institution of higher learning in a state in which the maximum amount of tuition per credit hour in the 2010–2011 academic year exceeded $700. There are seven states that meet this criterion: Arizona, Michigan, New Hampshire, New York, Pennsylvania, South Carolina, and Texas. Beginning on August 1, 2011, and ending on December 31, 2014, the amount payable under this proposed legislation would be the lesser of (1) the established charges for the program of education; or (2) for the academic year beginning on August 1, 2011, an amount equal to the established charges payable based on the Department of Veterans Affairs Post-9/11 GI Bill 2010–2011 Tuition and Fee In-State Maximums published October 27, 2010; or (3) for the academic year beginning on August 1, 2012, and any subsequent academic year, an amount equal to the amount for the previous academic year beginning on August 1, as increased based on the average cost of undergraduate tuition as determined by the National Center for Education Statistics.

This legislation would have significant PAYGO costs requiring offsets. In addition, VA has concerns with the proposed legislation as written, including, in particular, the timeline for implementing it, as described in detail below.

VA is working aggressively on its Long-Term Solution (LTS) for processing Post-9/11 GI Bill claims. As of January 2011, VA and the Space and Naval Warfare Systems Center Atlanta (SPAWAR) have developed four releases for the LTS system. The enactment of Public Law 111–377, which modifies aspects of the Post-9/11 GI Bill, has already impacted VA's ability to deploy previously-planned functionality enhancing the capability of the LTS. VA plans to implement changes to the Post-9/11 GI Bill mandated by Public Law 111–377 across three releases of the LTS. The first release was deployed on March 5, 2011; future releases are scheduled for deployment on June 6, 2011, and October 17, 2011. The enactment of S. 745 would further hamper VA's LTS deployment efforts.

If it were enacted before completion of the aforementioned releases, the proposed legislation would also have a negative impact on service delivery for those students using benefits this fall. VA claims processors would have to thoroughly examine each claim manually to determine if it meets the new requirements of these provi-

sions, which would result in labor-intensive manual processing. This would lead to a significant increase in the average number of days to process all education claims.

VA has identified several other technical concerns with regard to the bill text. For example, it is unclear if an individual must be enrolled in the same school and program on or before January 4, 2011, to be covered under this legislation. It is also unclear how the legislation would apply to an individual who changes programs or schools. We would be pleased to assist the Committee in addressing these concerns.

While the amendments made by this legislation would take effect on August 1, 2011, VA strongly recommends that language be added to allow VA to begin making payments in accordance with these provisions no later than August 1, 2012, to allow for necessary system changes and reduce the impact on existing beneficiaries.

VA estimates that, if S. 745 is enacted, the cost to the Readjustment Benefits account would be $13.9 million in fiscal year 2011 and a total of $57.8 million over the four years fiscal year 2011 through fiscal year 2014.

S. 769, VETERANS EQUAL TREATMENT FOR SERVICE DOGS ACT OF 2011

S. 769 would prohibit the Secretary from excluding from any VA facilities or property or any facilities or property that receive funding from VA, service dogs trained for use by Veterans enrolled in the VA health care system who were provided service dogs for reasons of hearing impairment, spinal cord injury or dysfunction or other chronic impairment that substantially limits mobility, and mental illness including Post Traumatic Stress Disorder.

VA acknowledges that trained service dogs can have a significant role in maintaining functionality and promoting maximum independence of Veterans with disabilities. VA recognizes the need for Veterans with disabilities to be accompanied by their trained service dog on VA properties consistent with the same terms and conditions, and subject to the same regulations as generally govern the admission of members of the public to the property. However, S. 769 is unnecessary. Under existing statutory authority in 38 U.S.C. 901, VA can implement national policy for all VA properties, and in fact did so for VHA facilities and property on March 10, 2011 (VHA Directive 2011–2013), directing that both Veterans and members of the public with disabilities who require the assistance of a trained guide dog or trained service dog be authorized to enter VHA facilities and property accompanied by their trained guide dog or trained service dog consistent with the same terms and conditions, and subject to the same regulations that govern the admission of members of the public to the property. We would be glad to provide a copy of the Directive for the record. This Directive requires each Veterans Integrated Service Network (VISN) Director to ensure all VHA facilities have a written policy on access for guide and service dogs meeting the requirements of the national policy by June 30, 2011. In addition, VA intends to initiate rulemaking that will establish criteria for service dog access to all VA facilities and property in a manner consistent with the same terms and conditions, and subject to the same regulations as generally govern the admission of members of the public to the property while maintaining a safe environment for patients, employees, visitors, and the service dog.

We note that VA's new Directive is much broader in scope than S. 769 which would only apply to certain Veterans and not members of the public. In particular, it would only apply to that subset of Veterans who are enrolled in VA's health care system and who were provided service dogs for reasons of hearing impairment, spinal cord injury or dysfunction or other chronic impairment that substantially limits mobility, and mental illness including Post Traumatic Stress Disorder pursuant to 38 U.S.C. 1714. VA's policy allows not only all Veterans with a disability that requires the assistance of a trained guide dog or trained service dog, but also members of the public including Veterans' families and friends with disabilities, to be accompanied by their trained guide dogs or trained service dogs in VHA facilities or properties.

The bill also prohibits the Secretary from excluding service dogs from any facility or on any property that receives funding from the Secretary. Such a prohibition is unnecessary because it duplicates other statutes discussed below.

Any non-VA facilities and properties with which S. 769 is concerned that are also owned or controlled by the Federal Government must under current law at 40 U.S.C. § 3103, admit on the same terms and conditions, and subject to the same regulations, as generally govern the admission of the public to the property, specially trained and educated guide dogs or other service animals accompanying individuals with disabilities. Other non-VA properties not otherwise owned or controlled by the Federal Government, including but not limited to professional offices of health care providers, hospitals, and other service establishments, will almost certainly meet the definition of a place of public accommodation or public entity under the Ameri-

cans with Disabilities Act of 1990 as prescribed in regulations at 28 CFR §§ 35.104 and 36.104, and therefore be required to modify their policies, practices, or procedures to permit the use of a service animal by an individual with a disability in accordance with 28 CFR §§ 35.136 and 36.302. We would note that VA facilities are not subject to the Americans with Disabilities Act of 1990, but are subject to the Rehabilitation Act. The Rehabilitation Act does not specifically address the issue of service dogs in buildings or on property owned or controlled by the Federal Government, but does prohibit discrimination against individuals with disabilities, including those who use service animals, in federally-funded or -conducted programs and activities. In addition, as explained above, there are other existing authorities that address the issue of bringing guide dogs and other service animals onto VA property.

VA estimates that there would be no costs associated with implementing this bill.

S. 780, EXEMPTING REIMBURSEMENTS OF EXPENSES RELATED TO ACCIDENT, THEFT, LOSS, OR CASUALTY LOSS FROM DETERMINATIONS OF ANNUAL INCOME WITH RESPECT TO PENSIONS FOR VETERANS AND SURVIVING SPOUSES AND CHILDREN OF VETERANS

S. 780, the "Veterans Pensions Protection Act of 2011," would liberalize the existing exemption in 38 U.S.C. § 1503(a)(5) by excluding from determinations of annual income, for purposes of determining eligibility for improved pension, two types of payments: (1) payments regarding reimbursements for expenses related to accident, theft, loss, or casualty loss and reimbursements for medical expenses resulting from such causes; and (2) payments regarding pain and suffering related to such causes.

The exemption for payments received to reimburse Veterans for medical costs and payments regarding pain and suffering is an expansion of the current exclusions. VA opposes excluding from countable income payments received for pain and suffering because such payments do not constitute a reimbursement for expenses related to daily living. This provision of the bill would be inconsistent with a needs-based program.

Payments for pain and suffering are properly considered as available income for purposes of the financial means test for entitlement to improved pension.

VA does not oppose the remaining provisions of this bill, which would exempt payments for reimbursement for accident, theft, loss, casualty loss, and resulting medical expenses, subject to Congress identifying offsets for any additional costs. Current law exempts from income determinations reimbursements for any kind of "casualty loss," which is defined in VA regulation as "the complete or partial destruction of property resulting from an identifiable event of a sudden, unexpected or unusual nature." S. 780 would broaden the scope of this exemption by including reimbursements for expenses resulting from accident, theft, and ordinary loss.

VA cannot determine the potential benefit costs related to the exemption for payments for pain and suffering related to accident, theft, loss, or casualty loss because insufficient data are available regarding the frequency or amounts of such payments to the population of pension beneficiaries.

S. 815, SANCTITY OF ETERNAL REST FOR VETERANS ACT OF 2011 OR THE SERVE ACT OF 2011

S. 815, the "Sanctity of Eternal Rest for Veterans Act of 2011" or the "SERVE Act of 2011," would amend titles 18 and 38, United States Code, to guarantee that military funerals are conducted with dignity and respect. Section 2 of the bill would state the purpose of the bill, to provide necessary and proper support for the recruitment and retention of the U.S. Armed Forces and militia employed in the service of the United States by protecting the dignity of their members' service and the privacy of persons attending their members' funerals. It would also state Congress' findings regarding the constitutional authority for the bill. Section 3 of the bill would amend title 18, United States Code, making it unlawful to engage in certain activities within a certain distance from, and during a certain period in relation to, any funeral of a member or former member of the Armed Forces not located at a cemetery under the control of the National Cemetery Administration (NCA) or a part of Arlington National Cemetery. It would provide for punishment by fine or imprisonment or both, give U.S. district courts jurisdiction to entertain suits for enjoining violations of the provision and complaints for damages resulting from conduct that violates the provision, authorize the Attorney General to institute proceedings, and authorize suits to recover damages. Although this section of the bill is inapplicable to NCA cemeteries, VA supports its enactment because it would establish a unified approach to preserve the dignity of funeral services and reinforces

the commitment to protect the privacy of attendees during their time of bereavement.

Section 4 of the bill would make several changes to 38 U.S.C. § 2413 to make it align with the title 18 provisions applicable to non-NCA cemeteries. Section 2413 currently prohibits certain demonstrations: (1) on the property of an NCA-controlled national cemetery or of Arlington National Cemetery without official approval; and (2) during a period beginning one hour before and ending one hour after a funeral, memorial service, or ceremony is held if any part of the demonstration takes place within a certain distance of such a cemetery, disturbs the peace, or impedes access to or egress from such a cemetery. The effect of the amendment is to expand the time period during which demonstrations are prohibited to begin two hours before and end two hours after a funeral, and increase the distance restriction for demonstrations from 150 feet to 300 feet of the cemetery or a road, pathway, or other route of ingress or egress from the cemetery. It would increase protections against willful conduct which causes or assists in making noise or diversion that disturbs the funeral or memorial service, or unauthorized conduct that impedes the access to or egress from the cemetery by the funeral procession by increasing the boundary limits for engaging in such prohibited conduct from 300 feet to within 500 feet of the cemetery where the funeral is held. The bill provides for punishment by fine or imprisonment or both, gives U.S. district courts jurisdiction to entertain suits for enjoining violations of the provision and complaints for damages resulting from conduct that violates the provision, authorizes the Attorney General to institute proceedings, and authorizes suits to recover damages. The bill also contains a clerical amendment to revise the heading for section 2413.

VA supports section 4 of this bill to ensure the privacy and protection of grieving families during funeral, memorial and ceremonial services meant to honor these fallen heroes who, through their service, paid the ultimate price. If enacted, S. 815 would have no monetary impact on NCA's current practice of coordinating with local law enforcement and community supporters.

S. 894, VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 2011

S. 894, the "Veterans' Compensation Cost-of-Living Adjustment Act of 2011," would mandate a cost-of-living adjustment (COLA) in the rates of disability compensation and dependency indemnity compensation payable for periods beginning on or after December 1, 2011. The COLA would be the same as the COLA that will be provided under current law to Social Security benefit recipients, which is currently estimated to be an increase of 0.9 percent. This increase is identical to that proposed in the President's fiscal year 2012 budget request to protect the affected benefits from the eroding effects of inflation. VA supports the bill and believes that our Veterans and their dependents deserve no less. VA estimates that enactment would result in benefit costs of $329 million for fiscal year 2012, $2.1 billion over five years, and $4.6 billion over ten years. However, because COLA costs are assumed in the baseline for Compensation and Pensions each year, enactment of this bill does not result in PAYGO costs.

S. 910, VETERANS HEALTH EQUITY ACT OF 2011

S. 910 would amend Title 38, Part II, Chapter 17, of the United States Code to include new section 1706A. Section 1706A would require the Secretary to ensure that Veterans in each of the 48 contiguous States have access to at least one full-service Department medical center or to comparable hospital care and medical services through contract with other in-State health care providers. Section 1706A would define a full-service Department medical center as a facility that provides medical services including, hospital care, emergency medical services, and standard-level-complexity surgical care.

Additionally, the Secretary would be required to submit a report to Congress within one year describing VA's compliance with these requirements and how the quality and standards of care provided to Veterans has been impacted.

VA opposes this legislation because it is unnecessary. VA engages in an extensive analysis of factors in order to identify appropriate locations to site VA health care facilities. These factors include, but are not limited to, projected total Veteran population, Veteran enrollee population, and utilization trends. VA analyzes this demand projection data over a 20-year period and takes into account Veteran access to various types of care and services. VA also utilizes its access guidelines, which take into account an acceptable amount of time a Veteran should reasonably travel to receive care depending upon whether the Veteran resides in an urban, rural, or highly rural community.

VA engages in population-based planning and seeks to provide services through a continuum of delivery venues, including outreach clinics, community-based outpatient clinics, and medical facilities or hospitals. When it is determined that a full-service hospital is not required, VA uses a combination of interventions to ensure the delivery of high quality health care such as contracting for care in the community, use of telehealth technologies and referral to other VA facilities. VA improves Veteran access to health care by providing care within or as close to the Veteran's community as possible, regardless of state boundary lines.

To address the needs and concerns of the New Hampshire constituency, VA is providing expanded acute care services to New Hampshire Veterans through contracts with local health care providers. This model has been used for more than a decade to provide VA-coordinated care in a safe and cost effective manner.

Providing services in this manner ensures that Veterans who use the Manchester VAMC have available locally the same level of acute care services as other Veterans within the VA New England Healthcare System and elsewhere. Patients who require tertiary care, such as cardiac surgery or neurosurgery, and extended inpatient psychiatry will continue to be referred to appropriate VA facilities for this care. Current VA workload projection models reflect a 34 percent reduction in Inpatient Bed Services for VA New England Healthcare System by 2021.

We are unable at this time to provide cost estimates associated with enactment of this bill, but will provide that information in writing for the record.

S. 928, LIMITING THE AUTHORITY OF THE SECRETARY OF VETERANS AFFAIRS TO USE BID SAVINGS ON MAJOR MEDICAL FACILITY PROJECTS OF THE DEPARTMENT OF VETERANS AFFAIRS TO EXPAND OR CHANGE THE SCOPE OF A MAJOR MEDICAL FACILITY PROJECT OF THE DEPARTMENT

S. 928 would amend title 38, Section 8104(d)(2) of the United States Code, to limit the authority of the Secretary of VA to use bid savings on major medical facility projects of the Department, to expand or change the scope of a major medical facility project of the Department, and for other purposes. The Secretary would be required to submit a notice to the Committees identifying the major medical facility project that is the source of the bid savings, the major medical facility project to be expanded or changed in scope, describe the expansion or change in scope, and identify the amounts intended to be obligated for the expansion or change in scope. The Secretary would then be required to wait until legislation is enacted before making a contract obligation. However, ample congressional notification requirements for changes or expansions in scope are already in place. VA thus opposes this legislation as unnecessary.

S. 935, VETERANS OUTREACH ENHANCEMENT ACT OF 2011

S. 935, the "Veterans Outreach Enhancement Act of 2011," would require the Secretary to establish a 5-year program of outreach to increase Veterans' access, use, and awareness of, and their eligibility for, Federal, State, and local programs that provide compensation and other benefits for service in the Armed Forces. The bill would authorize VA to enter into agreements with Federal and State agencies to carry out projects under their jurisdictions and to enter into agreements with certain authorities, commissions, and development boards to provide technical assistance, award grants, enter into contracts, or otherwise provide funding for projects and activities that would: (1) increase outreach and awareness of benefit programs; (2) provide incentives to State and local governments and Veterans service organizations to increase Veterans' utilization of available resources; (3) educate communities and State and local governments about Veterans' employment rights; (4) provide technical assistance to Veteran-owned businesses; and (5) promote Veteran-assistance programs by nonprofit organizations, businesses, and institutions of higher learning. This bill would also require the Secretary to submit to Congress a comprehensive report on its outreach activities and would authorize appropriations for this program of $7 million for fiscal year 2011 and $35 million for fiscal years 2012 through 2016.

VA supports the objective of S. 935, to improve outreach initiatives. However, we believe VA's existing programs and authorities are adequate in this regard.

VA continues to work to improve its outreach services. VA's program offices and administrations are currently engaged in outreach activities similar to those identified in S. 935. Because outreach is a critical component of VA's mission, and in light of its current efforts, VA would like to continue to build upon its current planned strategies and activities to increase and improve its outreach initiatives. VA has created a National Outreach Office (NOO), within the Office of Intergovernmental and Public Affairs (OPIA), to help standardize how outreach is being conducted through-

out VA. These efforts have resulted in considerable progress in obtaining information essential to VA's analysis of its current programs and activities and will enable OPIA and NOO to undertake a more efficient and effective approach to conduct department-wide outreach in support of VA's major initiatives.

Significant efforts are being made to ensure the effective coordination of outreach efforts to Veterans in rural areas. Section 506 of Public Law 111–163, the Caregivers and Veterans Omnibus Health Services Act of 2010, requires VA to provide outreach to Veterans and their families about the availability of benefits and connect them with appropriate care and benefit programs.

Through the efforts of OPIA, NOO, and various other VA offices and administrations, we believe that VA continues to expand and develop its outreach initiatives to reach out to all Veterans. We do not have a cost estimate for implementing this bill but will provide it when it is available.

S. 951, HIRING HEROES ACT OF 2011

Chairman Murray, we are pleased to provide our views on sections 2, 3, 4, 5, and 9 of your bill, S. 951, the "Hiring Heroes Act of 2011," but respectfully defer to the views of DOD regarding sections 6, 7, and 12; the Department of Labor (DOL) regarding sections 8, 11, and 13; and the Office of Personnel Management (OPM) regarding section 10.

Section 2 of the bill would extend through 2014 a provision enacted in Title XVI of Public Law 110–181, known as the Wounded Warrior Act, which authorizes VA to provide rehabilitative services and assistance to certain severely disabled active-duty Servicemembers in the same manner as provided to Veterans. VA proposed a similar provision in its draft Veterans Benefits Improvement Act of 2011, transmitted to the Senate on May 19, 2011. While the provisions differ in the length of the extension, VA supports section 2.

Section 3 of the bill would amend section 3116(b)(1) of title 38, United States Code, to expand VA's authority to pay employers for providing on-job training to Veterans. Under current law, VA is authorized to make payments to employers for providing on-job training to Veterans who have been rehabilitated to the point of employability in certain cases. By removing the requirement that Veterans be rehabilitated to the point of employability before VA can make payments to employers for providing on-job training, this section would allow VA to make these payments to employers for providing on-job training to many more Veterans. VA supports this provision. VA estimates benefit costs to be $792 thousand for the first year, $4.2 million for five years, and $9.1 million over ten years.

Section 4 of the bill would provide for additional rehabilitation programs for persons who have exhausted rights to unemployment benefits under state law. Under section 3102 of title 38, United States Code, as amended by this section, a person who has completed a chapter 31 rehabilitation program would be entitled to an additional rehabilitation program if the person meets the current requirements for entitlement to a chapter 31 rehabilitation program and has, under State or Federal law, exhausted all rights to regular compensation with respect to a benefit year, has no rights to regular compensation with respect to a week, and is not receiving compensation with respect to such week under the unemployment compensation law of Canada. In addition, the person must begin the additional rehabilitation program within 6 months of the date of such exhaustion. Under this section, a person would be considered to have exhausted rights to regular compensation under a State law when no payments of regular compensation can be made under such law because the person has received all regular compensation available based on employment or wages during a base period, or such person's rights to compensation have been terminated by reason of the expiration of the benefit year.

Section 4 of the bill would also amend section 3105 of title 38, United States Code, to limit the period of an additional rehabilitation program to 24 months, and sections 3105 and 3695 to exempt Veterans pursuing an additional rehabilitation program from certain limits. Under current section 3105, a rehabilitation program may not be pursued after 12 years after a veteran's discharge or release from active service. Under current section 3695(b), assistance under chapter 31 in combination with certain other provisions of law is limited to 48 months. Section 4 of the bill would amend sections 3105 and 3695(b) to make these limitations inapplicable to an additional rehabilitation program.

VA supports this provision because it would help VA serve more Veterans in need of assistance. VA estimates benefit costs to be $51 thousand in the first year, $294 thousand for five years, and $724 thousand over ten years.

Section 5 of the bill would amend section 3106 of title 38, United States Code, to require an assessment and follow-up on Veterans with service-connected disabil-

ities who participate in VA training and rehabilitation. In addition, section 5 would require VA to ascertain the employment status of a participating Veteran and assess his or her rehabilitation program not later than 180 days after completion of, or termination of, his or her participation in that program, and at least once every 180 days thereafter for a period of one year. VA supports this provision. We believe that providing follow-up is an important endeavor. No benefit costs would be associated with this provision. VA estimates administrative costs to be $4.7 million in the first year, $24.2 million over five years, and $55 million over ten years. In addition, VA estimates that $250 thousand will be needed in FY 2012 to develop an IT solution to automate follow up activity.

Finally, section 9 of the bill would require VA, DOD, and DOL to select a contractor to conduct a study to identify equivalencies between skills developed by members of the military through various military occupational specialties (MOS) and the qualifications required for private sector civilian employment positions and report on the results of the study. This section would also require Federal Government departments and agencies to cooperate with the contractor. VA, DOD, and DOL would be required to transmit the report with appropriate comments to Congress.

Section 9 would also require DOD to use the results of the study and other information to ensure that each member of the military participating in the Transition Assistance Program (TAP) receives an assessment of the various private sector civilian employment positions for which the member may be qualified as a result the member's MOS. DOD would have to transmit the individualized assessment to VA and DOL to use in providing employment-related assistance in the transition from military service to civilian life and to facilitate and enhance the transition.

VA does not support this provision to enter into a joint contract to identify civilian equivalencies of military jobs. Software applications that analyze military occupational data and provide equivalent civilian jobs currently exist. Therefore, VA believes a contract to conduct a study to identify this information is not necessary. VA is currently utilizing web software available in the public domain that translates military skills to equivalent civilian jobs. VA will continue to closely monitor the market place to identify software that may improve our ability to identity civilian equivalents of military jobs.

We do not have a cost estimate for implementing this section but will provide it when it is available.

S. 957, VETERANS' TRAUMATIC BRAIN INJURY REHABILITATIVE SERVICES IMPROVEMENTS ACT OF 2011

In 2008, Congress established several programs targeted at the comprehensive rehabilitation of Veterans and members of the Armed Services receiving VA care and services for Traumatic Brain Injuries (TBI). In general, S. 957 seeks to improve those programs (established by 38 U.S.C. §§ 1710C-E) by requiring rehabilitative services, as defined by the bill and discussed below, to be an integral component of those on-going programs. With two exceptions, we have no objection to S. 957.

Currently, the provisions of 38 U.S.C. § 1710C set forth the requirements for an individualized rehabilitation and reintegration plan that must be developed for each Veteran or member of the Armed Forces receiving VA inpatient or outpatient rehabilitative hospital care or medical services for a TBI. VA Handbook 1172.04, *Physical Medicine and Rehabilitation Individualized Rehabilitation and Community Reintegration Care Plan*, implements section 1710C.

Section 2(a) of S. 957 would amend some of the mandated requirements in section 1710C. Specifically, it would clarify that the goal of each individualized plan is to maximize the individual's independence and quality of life. It would also require, as part of a plan's stated rehabilitative objectives, the sustaining of improvements made in the areas of physical, cognitive, and vocational functioning. Section 2(a) of the bill would further require that each such plan include rehabilitation objectives for improving and sustaining improvements in the individual's behavioral functioning as well as mental health.

These amendments would not alter VA's policy or operations in any significant way, as VA's primary aim for Veterans with serious or severe injuries has always been, and continues to be, maximizing their independence, health, and quality of life. It is out of these concerns that VA has developed robust rehabilitation therapy programs to help them learn or re-learn skills and develop resources for sustaining gains made in their rehabilitation.

Section 2(a) of the bill would require the individual plans to include access, as warranted, to all appropriate rehabilitative services of the TBI continuum of care. The law now requires these plans to provide access, as warranted, to rehabilitative

components of the TBI continuum of care (which includes, as appropriate, access to long-term care services).

Current law also requires that each individualized plan include a description of the specific "rehabilitation treatments and other services" needed to achieve the patient's rehabilitation and reintegration goals. Section 2(a) of the bill would replace all references to "treatments" in the affected provision with "services." This would ostensibly broaden the scope of rehabilitative benefits available to these patients beyond what is deemed to be treatment per se.

It would also add to each plan the specific objective of improving (and sustaining improvements in) the patient's behavioral functioning. That addition, together with the existing rehabilitation objective to improve a patient's cognitive functioning, would effectively encompass all relevant mental health issues related to TBI. For that reason, we believe the bill's other amendment to separately include a rehabilitation objective for improving "mental health" would create confusion or redundancy. We thus recommend that language be deleted.

Most notably, section 2(a) of S. 957 would establish a new definition of the term "rehabilitative services," for purposes of all of VA's specially targeted, statutory programs for TBI-patients (i.e., 38 U.S.C. §§ 1710C–E). Such services would include not only those that fall under the current statutory definition found in 38 U.S.C. 1701 but also "services (which may be of ongoing duration) to sustain, and prevent loss of, functional gains that have been achieved." Plus, they would include "any other services or supports that may contribute to maximizing an individual's independence and quality of life." This last definition is overly broad and could be read to include services or items well beyond the field of health care. It is also unworkable. What maximizes an individual's "quality of life" is highly subjective, and, as such, the term defies consistent interpretation and application. Quite simply, we believe enactment of that last provision of the proposed new definition would conflict with, and exceed, our primary statutory mission, which is to provide medical and hospital care. It should therefore be deleted, leaving only the first two prongs of the definition.

Next, as briefly alluded to above, the individualized rehabilitation and reintegration plans required by section 1710C must include access, where appropriate, to long-term care services. The eligibility and other requirements of VA's mandated comprehensive program of long-term care for the rehabilitation of post-acute TBI are found in 38 U.S.C. § 1710D. Section 2(b) of S. 957 would require the Secretary to include rehabilitative services (as that term would be defined by Sec. 2(a) of the bill) in the comprehensive program. It would also eliminate the word "treatment" in the description of the interdisciplinary teams to be used in carrying out that program. We have no objection to this proposed revision.

Last, Congress authorized VA, under specified circumstances, to furnish hospital care and medical services required by an individualized rehabilitation and reintegration plan through a cooperative agreement. (A cooperative agreement may be entered only with an appropriate public or private entity that has established long-term neurobehavioral rehabilitation and recovery programs.) This authority is found at 38 U.S.C. 1710E. Section 2(c) of S. 957 would add "rehabilitative services" (again as defined by Sec. 2(a) of the bill) to the types of services that may be provided under those agreements. We have no objection to this proposed revision.

Section 2(d) of S. 957 is merely a technical amendment to correct a typographical error in section 1710C(c)(2)(S) of title 38, United States Code. We would also like to point out another technical issue. Current law permits inclusion of "educational therapists" among the TBI-experts responsible for conducting a comprehensive assessment of each patient. (It is this assessment which serves as the basis for the individualized plans discussed above.) This categorization of professionals is no longer used in the field of medical rehabilitation.

Aside from the two (substantive) modifications discussed above (deleting the phrase "any other services or supports that may contribute to maximizing an individual's independence and quality of life" from the new definition of the term "rehabilitative services," and deleting the bill's amendment to separately include a rehabilitation objective for improving "mental health"), we have no objection to S. 957, and no new costs would be associated with its enactment.

S. 1148, THE VETERANS PROGRAMS IMPROVEMENT ACT OF 2011

On June 6, Chairman Murray introduced S. 1148, the Veterans Programs Improvement Act of 2011. We note that the bill carries many provisions proposed by the Administration, in its draft Veterans Benefits Improvement Act of 2011, transmitted to the Senate on May 19, 2011. We have not had the opportunity to review the bill closely regarding its technical aspects, but we offer here our support of the

general intent of those provisions, and VA's appreciation for your including them for consideration. We believe they are very worthy of the Committee's endorsement. We also look forward to reviewing the other titles of the bill which address VA's programs to combat homelessness as well as VBA's fiduciary program.

This concludes my prepared statement. Madam Chairman, we would be pleased to respond to whatever questions you may have.

ADDITIONAL VIEWS FROM HON. ERIC K. SHINSEKI, SECRETARY, U.S. DEPARTMENT OF VETERANS AFFAIRS

THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

June 28, 2011

The Honorable Patty Murray
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510

Dear Madam Chairman:

The agenda for the Senate Committee on Veterans' Affairs' June 8, 2011, hearing included a number of legislative proposals that the Department of Veterans Affairs (VA) was unable to address in its testimony. We are aware of the Committee's interest in receiving VA's views on those proposals as soon as possible. By this letter, I am providing VA's views and cost estimates on Title II of S. 1148, the Veterans Programs Improvement Act of 2011. I will provide views on the remaining legislative proposals in a separate letter.

Section 201

Section 201(a) would amend 38 U.S.C. § 5502(a), VA's statutory authority for paying VA benefits to a fiduciary on behalf of a beneficiary rated incompetent to handle his or her funds, to require VA to pay "the person or entity caring for or having primary custody of the beneficiary or the beneficiary's estate, including a person or entity who has been named by the incompetent beneficiary under a durable power of attorney," in the absence of special circumstances VA determines necessitate otherwise.

VA strongly opposes section 201(a) because it would mandate, in the absence of special circumstances, payment of an incompetent beneficiary's benefits to the beneficiary's caregiver. The policy of the Veterans Benefits Administration (VBA) is to consider first as a fiduciary the person charged with the care or custody of an incompetent beneficiary. However, it is also VBA policy to employ the most effective and least restrictive method of payment. A caregiver should be subject to the same qualifications as required by 38 U.S.C. § 5507 for any other fiduciary, which ensure that a fiduciary has the ability to utilize benefit payments for the beneficiary's well being while safeguarding the beneficiary's family and taxpayers. Paying benefits to a beneficiary's caregiver may simply not be in the beneficiary's best interest.

VA also strongly opposes mandating payment of an incompetent beneficiary's benefits to the person or entity named by the beneficiary in a durable power of attorney. Again, payment of benefits to such a person or entity may not be in the beneficiary's best interest. The beneficiary's incompetence to handle funds itself calls into question whether the person or entity named in a power of attorney by an incompetent beneficiary is best suited to act as fiduciary.

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Also, ascertaining the validity of a durable power of attorney would be difficult because state laws governing powers of attorney vary considerably from state to state, and the investigation into the validity of a power of attorney would ultimately delay payments.

Section 201(b) would reorganize the provisions of section 5502(d), governing the distribution of benefits suspended or withheld from a fiduciary. The reorganization would improve the readability of the provisions, and for that reason VA supports that amendment. As a technical matter, the word "veterans'" on page 14 of the bill, line 12, should be changed to "veteran's."

Section 201(c) would amend the definition of the term "fiduciary" in 38 U.S.C. § 5506 to include a person named as an agent under a durable power of attorney. As explained above, VA strongly opposes the mandatory recognition as a fiduciary of the person or entity named by an incompetent beneficiary in a durable power of attorney.

No mandatory or discretionary cost would be associated with section 201 of S. 1148.

Section 202

Section 202(a) would grant VA the authority to require a fiduciary for a VA beneficiary to authorize VA to obtain from any financial institution any financial record held by the institution regarding an account of the fiduciary or beneficiary when VA determines that the record is necessary for the administration of a VA program or to safeguard the beneficiary's benefits against neglect, misappropriation, misuse, embezzlement, or fraud. The authorization would remain in effect until the earliest of the following: the approval by a court or VA of a final accounting of payment of VA benefits to a fiduciary on behalf of the beneficiary; in the absence of evidence of neglect, misappropriation, misuse, embezzlement, or fraud, the fiduciary's express revocation of the authorization in a written notification to VA; or the expiration of three years from the date of authorization. Section 202(a) would also require VA to inform any person or state or local governmental entity providing authorization of the duration and scope of the authorization. If a fiduciary refuses to provide or revokes any authorization to permit VA to obtain from any financial institution financial records concerning VA benefits paid for a beneficiary, VA would be specifically authorized to revoke the appointment or recognition of the fiduciary for the beneficiary in question and for any other beneficiary for whom the fiduciary has been appointed or recognized. Section 202(b) would amend the definition of the term "fiduciary" in 38 U.S.C. § 5506 to explicitly include a state or local governmental entity.

3.

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Section 202 is almost identical to section 106 of a legislative proposal the Secretary transmitted to the Committee on May 19, 2011. VA strongly supports its enactment. Section 202 would increase VA's access to fiduciaries' accounts and allow VA to monitor fiduciary activities more effectively, including verification of account balances. It also would assist VA in preventing misuse and abuse of benefit payments.

Under 38 U.S.C. § 5502, VA is required to supervise the fiduciaries it appoints to manage the financial affairs of incompetent beneficiaries. In 38 U.S.C. § 5507, Congress increased VA's fiduciary oversight responsibilities and imposed penalties on VA for cases involving misuse where failure to properly supervise fiduciaries is found. A main component of estate supervision is a yearly audit to ensure proper use of VA funds. Under 12 U.S.C. § 3404(a)(1), disclosures are authorized for a period not to exceed three months. Therefore, VA must frequently solicit an updated authorization. Section 202 would reduce this administrative burden. Given that many fiduciary appointments remain in place for the life of a beneficiary, the authorization should be extended to the life of the fiduciary relationship. This would further enhance VA's efficiency and oversight ability.

There would be no additional benefit or administrative costs associated with this provision.

Section 203

Current 38 U.S.C. § 5507 requires VA to conduct an inquiry or investigation into the fitness of a person to serve as a beneficiary's fiduciary before certifying the person to receive VA benefit payments as a fiduciary. The inquiry or investigation is to include, to the extent practicable, obtaining a copy of the person's credit report and requesting information concerning whether the person has been convicted of an offense that resulted in imprisonment for more than one year. Section 203(a) of S. 1148 would amend section 5507 to require VA to segregate from a claimant's file any credit report and criminal background report obtained pursuant to that section. It would permit disclosure of such reports only upon obtaining a signed release from the person to whom the reports relate.

Section 203(b) would amend 38 U.S.C. § 5701 to deem all files, records, reports, and other papers and documents pertaining to any credit report, criminal background evaluation, or financial record obtained in connection with the evaluation, appointment, or removal of a person as a fiduciary, as well as the names and addresses of such persons, confidential, privileged, and protected from disclosure except as provided in section 5701. It would also add to the list in section 5701(b) of statutorily mandated disclosures disclosure to a person who has submitted to VA personal identifying, financial, or criminal background

information in connection with an appointment as a fiduciary for a beneficiary as to matters concerning the person or the person's duly authorized agent or representative.

Furthermore, section 203(b) would limit one disclosure currently mandated by section 5507(b), that required by process of a United States court to be produced in a pending suit or proceeding. In an electronic or paper filing with a court that contains an individual's Social Security number, tax identification number, or claim number, only the last four digits of such number could be included. In such a filing that contains an individual's birth date, only the year of birth could be included. In such a filing that contains the name of an individual known to be a minor or whom VA has determined to be incompetent, only the individual's initials could be included. And in such a filing that contains a financial account number, only the last four digits of that number could be included.

Current section 5701(h)(1) authorizes the release of certain information if the release is necessary for a purpose described in section 5701(h)(2). Those purposes now relate to matters under VA's housing and small business loan programs. Section 203(b) would add to that list of purposes determining and verifying the creditworthiness, credit capacity, income, or financial resources of a person who is or is being considered for appointment as a fiduciary.

VA supports the concept of providing additional confidentiality guarantees to information obtained from or about individuals who are considered for appointment as fiduciaries for VA beneficiaries, but VA objects to amending 38 U.S.C. § 5701 to accomplish this objective. Within VA, section 5701 is known as the "Veterans Confidentiality Statute" because it pertains solely to information collected from and about Veterans, their beneficiaries, and survivors claiming or receiving benefits administered by VA. The current provisions of section 5701 in no way relate to fiduciaries or any other individuals about or from whom VA may collect information. Generally, records regarding those individuals are protected by Executive Branch-wide confidentiality statutes such as the Privacy Act of 1974, 5 U.S.C. § 552a. We would be happy to work with Committee staff to find an alternative to accomplish the purpose for these amendments.

Administrative costs associated with section 203 cannot be determined before creating a separate system of records to hold confidential information.

Section 204

Under 38 U.S.C. § 5101(a), a specific claim in the form prescribed by VA is required for benefits to be paid or furnished to any individual. VA generally requires an application form signed by the claimant. Section 204 would authorize someone other than the claimant to sign the required form under certain circumstances. If a claimant has not yet attained age 18, is mentally

incompetent, or is physically unable to sign a form, section 204 would authorize signature by a court-appointed representative, a person responsible for the care of the claimant (including a spouse or other relative), or an attorney in fact or agent authorized under a durable power of attorney to act on the claimant's behalf. If a claimant is in the care of an institution, it would authorize signature by the manager or principal officer of the institution.

Section 204 would also require a person who signs an application form on behalf of a claimant to furnish, if requested by VA, his or her Social Security number or taxpayer identification number if "the person is not an individual." It would also define the term "mentally incompetent" for purposes of these provisions.

VA does not oppose section 204 because it would make the application process easier and more convenient for some claimants.

No mandatory or discretionary cost would be associated with section 204.

Section 205

Section 205 would make two changes to 38 U.S.C. § 5105, which currently requires VA and the Social Security Administration (SSA) to jointly prescribe forms for use by survivors of deceased Servicemembers or Veterans to apply for survivors' benefits administered by each agency and requires that an application on such a form filed with either agency be deemed to be an application for benefits from both agencies. Section 205 would change the former mandate to an authorization and would liberalize the latter mandate to apply to an application "on any document indicating an intent to apply for survivor benefits."

VA supports section 205. Providing VA and the SSA the option of jointly prescribing a form, rather than requiring it, is appropriate in view of the changes that have occurred since the enactment in 1956 of the provisions now codified in section 5105. The advent of the Internet, online applications, and assistive resources such as state and county claim representatives have obviated the need for a jointly prescribed form to reduce the administrative burden on Veterans' survivors in obtaining survivors' benefits. Furthermore, a mutual application form is impracticable given each agency's different eligibility requirements and each agency's employees' unfamiliarity with the legal and administrative requirements of the other agency. Section 205 will give VA and SSA flexibility to formulate application processes best suited to each agency's needs.

No mandatory or discretionary cost would be associated with section 205.

6.

The Honorable Patty Murray

Section 206

Section 206 would add to the list in 38 U.S.C. § 101 of definitions generally applicable to title 38, United States Code, a definition of "durable power of attorney." That term would be used in 38 U.S.C. §§ 5101(a) and 5502(a) as amended by sections 201(a) and 204(a) of the bill.

VA does not support this provision. Because VA opposes sections 201(a) and 204(a), VA believes there is no need for a definition of "durable power of attorney" generally applicable to title 38. No mandatory or discretionary cost would be associated with section 206.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

Eric K. Shinseki

THE SECRETARY OF VETERANS AFFAIRS,
Washington, DC, June 28, 2011.

Hon. PATTY MURRAY,
Chairman,
Committee on Veterans' Affairs,
U.S. Senate, Washington, DC.

DEAR MADAM CHAIRMAN: The agenda for the Senate Committee on Veterans Affairs' June 8, 2011, legislative hearing included a number of bills that the Department of Veterans Affairs was unable to address in our testimony. We are aware of the Committee's interest in receiving our views on those bills in advance of the June 29 mark-up. By this letter, we are providing our views and cost estimates on S. 411, S. 491, S. 914, S. 1017, sections 202 and 305 of S. 1060, S. 1104, S. 1127, and titles I and III of S. 1148. We will provide views on the remaining bills in a separate letter.

This Office of Management and Budget advises that there is no objection to the submission of this letter from the standpoint of the Administration.

We appreciate this opportunity to comment on this legislation and look forward to working with you and the other Committee Members on these important legislative issues.

Sincerely,

ERIC K. SHINSEKI

Enclosure.

ENCLOSURE
VA VIEWS

S. 411 "HELPING OUR HOMELESS VETERANS ACT OF 2011"

S. 411 would authorize VA to enter into agreements with certain entities to collaborate in the provision of case management services as part of the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program. In addition, S. 411 would require the Department of Veterans Affairs (VA), in consultation with the Department

of Housing and Urban Development (HUD), to ensure that the distribution of vouchers to Veterans under the HUD-VASH program meets the needs of Veterans in rural areas and underserved Veterans in metropolitan areas or on Indian lands. This bill would expand VA's existing authority to provide case management services and collaborate with other entities. VA supports this bill, although we do have one technical comment and a suggestion for improving this bill.

S. 411 specifically authorizes VA to enter into these agreements with tribal organizations. However, tribal lands do not have public housing agencies and because public housing agencies are the sole mechanism for issuing section 8 Housing Choice Vouchers to Veterans, S. 411 would not expand the HUD-VASH program to Veterans living on Indian lands. We note that there are other HUD programs available to Veterans on Indian lands.

In order to maximize care coordination and to implement and sustain a shared case management model that supports permanent housing, VA proposes including a provision in S. 411 to authorize VA to provide Technical Assistance (TA) to community partners. TA would focus on compliance with documentation and program evaluation standards, implementing best practices strategies to coordinate with VA treatment, and other supportive services that promote rapid access and sustainment of permanent supportive housing. TA would also support site visits for monitoring and promoting the coordination and creation of shared learning communities, as well as the development of webinars that teach shared best practices. TA would encourage a "Housing First" treatment intervention for homeless Veterans by targeting the chronic homeless and the most vulnerable Veterans. Money management and addressing unmet health care needs of homeless Veterans are other essential components that TA would further enhance. Through these efforts, VA will continue to work with local public housing agencies and support interventions with homeless Veterans in crisis by utilizing motivational interviewing to promote treatment.

VA estimates that there would be no costs associated with implementing S. 411. If S. 411 is amended to include a provision authorizing VA to provide technical assistance, VA anticipates the cost associated with this bill would be $300,000 in fiscal year (FY) 2012 and $750,000 over the next three fiscal years. VA only anticipates the need for additional funds for technical assistance for the first three fiscal years. After that, VA believes the costs could be rolled into the homeless program's operating budget.

S. 491 "HONOR AMERICA'S GUARD-RESERVE RETIREES ACT OF 2011"

S. 491 would add to chapter 1, title 38, United States Code, a provision to honor as Veterans, based on retirement status, certain persons who performed service in reserve components of the Armed Forces but who do not have qualifying service for Veteran status under 38 U.S.C. 101(2). The bill provides that such persons would be "honored" as Veterans, but would not be entitled to any benefit by reason of the amendment.

Under 38 U.S.C. 101(2), Veteran status is conditioned on the performance of "active military, naval, or air service." Under current law, a National Guard or Reserve member is considered to have had such service only if he or she served on active duty, was disabled or died from a disease or injury incurred or aggravated in line of duty during active duty for training, or was disabled or died from an injury incurred or aggravated in line of duty or from an acute myocardial infarction, a cardiac arrest, or a cerebrovascular accident during inactive duty training. S. 491 would eliminate these service requirements for National Guard or Reserve members who served in such a capacity for at least 20 years. Retirement status alone would make them eligible for Veteran status.

VA recognizes that the National Guard and Reserves have admirably served this country and in recent years have played an important role in our Nation's overseas conflicts. Nevertheless, VA does not support this bill because it represents a departure from active service as the foundation for Veteran status. This bill would extend Veteran status to those who never performed active military, naval, or air service, the very circumstance which qualifies an individual as a Veteran. Thus, this bill would equate longevity of reserve service with the active service long ago established as the hallmark for Veteran status.

VA estimates that there would be no additional benefit or administrative costs associated with this bill if enacted.

S. 914 TO AUTHORIZE WAIVER OF COPAYMENTS FOR TELEHEALTH AND TELEMEDICINE

S. 914 would add a new section to title 38, U.S.C., that would authorize VA to waive copayment requirements for Veterans' telehealth and telemedicine visits. VA

opposes this legislation because it would create an inequity in billing practices for services provided to Veterans. We believe it would be inappropriate to waive copayments for Veterans who receive telehealth services at a VA facility while Veterans who see their VA provider in person in the same facility would be charged a copayment.

Under existing authority, no Veteran is charged a copayment for telephone calls, since in many cases they are used simply as a means to check on the progress of a Veteran, not to deliver care. VA believes the use of video consultation into the home is analogous to that of a telephone call and that copayments for clinical video telehealth services provided directly into a patient's home should be considered for exclusion from copayments. VA plans under its existing authority (38 U.S.C. 1710(g)) to exempt copayments for video consultations when the Veteran is located at his or her home.

Recent VA experience demonstrates that copayments for home-telehealth may have resulted in a reduced use of this intervention. To ensure convenient and cost effective care to populations of patients who will otherwise delay care and incur larger costs from emergency room visits and hospital admissions, VA will take the appropriate action to exempt copayments for in-home video telehealth care for Veterans. Because VA already has the authority to waive or modify the imposition of copayments for such care, legislation is not required.

If copayments are not collected for all telehealth or telemedicine services, VA estimates a revenue loss of $2.2 million in FY 2012, $18.0 million over 5 years, and $72.9 million over 10 years.

S. 1017 "DISABLED VETERAN CAREGIVER HOUSING ASSISTANCE ACT OF 2011"

S. 1017 would increase the amount of Specially Adapted Housing (SAH) assistance available to disabled Veterans who reside temporarily in housing owned by family members, and would also expand SAH eligibility for the visually impaired. Provided Congress identifies appropriate and acceptable offsetting PAYGO cost savings, VA supports this legislation.

Section 2 of the bill would amend 38 U.S.C. 2102A, SAH assistance for disabled Veterans and Servicemembers who reside temporarily in housing owned by a family member. In general, subsection (a) would increase, from $14,000 to $28,000, the amount of assistance available for individuals eligible for SAH grants under section 2101(a), and would increase the amount from $2,000 to $5,000 for individuals eligible for SAH grants under section 2101(b). Subsection (b) would eliminate the December 31, 2011, termination date currently in effect, and make such assistance permanent. Subsection (c) would tie the newly increased amounts to the same cost-of-construction index as that authorized for grants made pursuant to sections 2101(a) and 2101(b), meaning that the grants would adjust upwards with the costs of inflation.

We note that both this section and sections 303 and 304 of S. 1148 would make similar improvements to section 2102A. The relevant sections of S. 1148 would extend the authority of assistance for individuals residing temporarily in housing owned by a family member through 2021 and would implement a cost-of-construction index. These provisions are substantively the same as sections 306 and 307 of VA's draft bill, the "Veterans Benefits Programs Improvement Act of 2011." VA supports both of these provisions.

Section 3 would amend 38 U.S.C. 2101(b) to expand SAH eligibility for the visually impaired. Under current law, an individual is not eligible for what is commonly called a "2101(b) grant" unless his or her visual acuity is 5/200 or less, an exceptionally stringent standard in comparison to other areas of law. Many grant applicants who are considered legally blind by other commonly-held standards are ineligible for 2101(b) grants because their visual impairments, though profound, are not severe enough to meet the standard set under current law. For example, under the Social Security Administration's eligibility standards for supplemental security income (SSI), individuals are considered legally blind with visual acuity of 20/200 or less, or a peripheral field of vision of 20 degrees or less. Additionally, VA's Servicemembers' Group Life Insurance Traumatic Injury Protection Program's eligibility standard related to visual acuity is "20/200 or less." However, since the standard for "blindness" for the 2101(b) grant is "5/200 visual acuity or less," a Veteran or Servicemember who is legally blind for purposes of SSI or VA life insurance would not be eligible for a 2101(b) grant.

By establishing a qualifying degree of blindness at visual acuity of 20/200 best-corrected visual acuity or less, or as a field of vision subtending an angle of 20 degrees or less, the bill would bring the SAH requirements in line with more commonly recognized standards. It would also make the 2101(b) grant available to a

wider range of Veterans and Servicemembers, including those who use rehabilitative low-vision adaptive medical devices.

Section 4 of S. 1017 would no longer count grants authorized under 38 U.S.C. 2102A (commonly referred to as "TRA grants") against the aggregate dollar amount of SAH assistance available to eligible individuals. Under current law, an eligible individual may receive up to three grants of SAH assistance totaling in aggregate not more than $63,780 for a 2101(a) grant or $12,756 in the case of a 2101(b) grant. If an individual receives a TRA grant, the amount is subtracted from the total amount of assistance available, leaving him or her with fewer funds for future adaptations to a permanent residence.

If section 4 were enacted, a veteran who had previously adapted a family member's residence using a TRA grant would be able to adapt his or her own permanent residence as if the TRA grant funds had not been used. Although the TRA grant would still count as one of the three allowable uses, it would not reduce the amount of assistance available for a grant authorized under section 2101(a) or 2101(b).

VA estimates benefits costs of enactment to be $3.4 million in the first year, $13.0 million over five years, and $20.6 million over ten years. VA does not identify any increase in General Operating Expense (GOE) cost associated with these provisions.

S. 1060 "HONORING ALL VETERANS ACT OF 2011"

Section 202

Section 202 would dramatically change VA's Grant and Per Diem (GPD) program, which has been a key factor in reducing Veteran homelessness. The GPD Program is designed to support transitional housing for Veterans. VA generally supports the spirit of the section, but is apprehensive that this legislation will result in policy problems and lead to significantly higher costs.

Currently, payments to eligible programs receiving grants to provide services to homeless Veterans are made on a per diem basis. Section 202(a)(2)(A) would eliminate all references to "per diem" in 38 U.S.C. 2012 and change the basis of grants from the "daily cost of care" to the "annual cost of furnishing services." It would also remove the prohibition on VA providing a rate in excess of the rate authorized for State domiciliaries and grant the Secretary the discretion to set a maximum amount payable to grant recipients.

Section 202(a)(2)(B) would direct the Secretary to adjust the rate of payment to reflect anticipated changes in the cost of furnishing services and take into account the cost of services in different geographic areas. Section 202(a)(2)(C) would remove the requirement that the Secretary consider other available sources of funding and would leave it to his or her discretion. Section 202(a)(2)(E) would require the Secretary to make quarterly payments based on the estimated annual basis and would require recipients to declare the actual amount paid by quarter for services and repay any outstanding balances if the amount spent by the recipient is less than the estimated quarterly disbursement. Similarly, if recipients spend more than the estimated amount, determined on a quarterly basis, the Secretary would be required to make an additional payment equal to that sum. It would limit payment to recipients to the amount of the annual payment as determined by the Secretary. Section 202(a)(3) would allow grant recipients to use VA grants to match other payments or grants from other providers. Finally, section 202(a)(4) would repeal a "grandfather" provision extending the time period for certain grantees to satisfy applicable requirements of the Life Safety Code of the National Fire Protection Association, as this provision expired in December 2006.

Although VA is not opposed to the concept of making its per diem authorities more flexible to better reflect the actual cost of providing services, especially in different geographic regions, VA is currently evaluating the impact of shifting from the "per diem" or "daily cost of care" approach to an "annual cost of furnishing services" paid and reconciled on a quarterly basis. Though this change may offer VA's partners needed capital and funds at the beginning of the fiscal year to support their work, it would require significantly more detailed auditing as well as increased direct oversight by VA. Furthermore, the requirement in section 202(a)(2)(E), to reconcile payments each quarter, would allow more immediate accounting of unpaid balances and/or over-billings; however, this approach would impose significant administrative burdens, requiring VA to monitor and process GPD provider accounts nationwide. VA would welcome the opportunity to discuss these issues with Congress but asks that section 202 be deferred until VA can fully evaluate its impact.

VA does not oppose removing the existing rate cap pursuant to section 202(a)(2)(B). Currently, the statute limits VA's GPD per diem payments to the rate for state domiciliary care. The difference between what VA pays and the actual cost of expenditures is absorbed by the provider. Allowing the Secretary to establish the

basis and the formula for payment based on cost and geographic location would increase the sustainability of community-based providers and promote increased and more comprehensive services for Veterans.

Although section 202 would no longer require the Secretary to consider the availability of other sources of income for grant recipients, the Secretary would in all likelihood consider the availability of other funds when evaluating a grant application. GPD Program Office experience has shown that the availability of other sources of income is often an indicator of a viable GPD project.

VA supports the authorization in section 202(a)(2)(D) for VA operational payments to be used in conjunction with grants from other federal programs. The purpose of the payment contained in 38 U.S.C. 2012 is to pay for operational costs for a specific program operation.

VA estimates the cost of this section to be $450.0 million in the first year, $2.8 billion over 5 years and $6.9 billion over 10 years.

Section 305

Section 305 would authorize VA to disclose information about Veterans and their dependents to State prescription monitoring programs to the extent necessary to prevent misuse and diversion of prescription medications. VA supports section 305 of this bill. It would enhance the ability of VA clinicians to provide treatment to VA beneficiaries by improving the visibility of both VA and non-VA prescriptions for controlled substance medications. VA estimates the cost associated with implementing this section would be $361,501 in FY 2012, $1.3 million over 5 years, and $2.4 million over 10 years.

S. 1104 "VETERAN TRANSITION ASSISTANCE PROGRAM AUDIT ACT OF 2011"

S. 1104 would require the Department of Labor to contract for audits of the Transition Assistance Program. We defer to the Departments of Labor and Defense for views on this bill.

S. 1127 CENTERS OF EXCELLENCE FOR RURAL HEALTH RESEARCH, EDUCATION, AND CLINICAL ACTIVITIES

Section 2(a) of S. 1127 would require the Secretary to establish and operate at least one and not more than five centers of excellence for rural health research, education, and clinical activities through the Director of the Office of Rural Health. These centers would be geographically dispersed and would be established to: 1) conduct research on the furnishing of health services in rural areas; 2) develop specific models to be used by the Department in furnishing health services to Veterans in rural areas; 3) provide education and training for health care professionals of the Department on the furnishing of health services to Veterans in rural areas; and 4) develop and implement innovative clinical activities and systems of care for the Department for the furnishing of health services to Veterans in rural areas. The activities of clinical and scientific investigation at each center would receive priority in the award of VA funds for medical and prosthetics research to the extent that these funds are awarded to projects for research in the care of rural Veterans. Section 2(c) would also recognize that there are Veterans rural health resource centers which serve as satellite offices of the Office of Rural Health.

VA supports section 2(c), but opposes section 2(a). The Office of Rural Health (ORH) currently supports rural program resource centers and implements research initiatives that are largely duplicative of the activities proposed for the Centers of Excellence. Specifically, ORH currently funds three Veterans Rural Health Resource Centers (VRHRC). These Centers function as field-based clinical laboratories for demonstration projects. A number of these projects are focused on developing models of care, as well as the implementation of innovative clinical practices and systems of care. VRHRC staff members also serve as rural health experts for the field. They provide training and education to VA and non-VA service providers caring for rural Veterans. ORH also supports VISN Rural Consultants (VRCs). In each VISN, there is a VRC who serves as the primary interface between ORH and VISN rural activities. The VRCs work closely with internal and external stakeholders to introduce, implement, and evaluate ORH-funded projects. The VRCs are also instrumental in conducting outreach to develop strong partnerships with community members, state agencies, rural health providers, and special interest groups. Since being established, ORH has funded well over 500 projects across the VA health care system. These projects cover a wide range of areas, including education, home based primary care, long-term care, mental health, case management, telehealth, primary care, and specialty care.

ORH is funded by Medical Services appropriations, which cannot be used to conduct research. Rather ORH supports demonstration and pilot projects. ORH has established partnerships within VA, namely VA Health Services Research & Development (HSR&D), to conduct relevant rural health research.

ORH has already committed considerable resources to implementing and evaluating models of care in rural areas, developing and providing education to rural providers, and developing innovative clinical activities and systems of care. Although ORH does not conduct research, collaborations with HSR&D have allowed for ORH to be involved in rural health research activities. Furthermore, HSR&D currently has a very extensive rural health portfolio including studies on access, health disparities, and developing new models of care appropriate for rural areas. The research findings are then shared with ORH and are used to form rural health policies and programs. Funding the proposed Centers of Excellence would be duplicative of activities that are already being addressed.

If this bill provision is passed, it would be more cost effective to add this function in our existing VRHRCs rather than to establish three new Centers of Excellence.

VA estimates the cost of adding a research component to each of the three existing VRHRCs to be $3 million dollars per year. However, VA estimates the cost of establishing three new independent and separate Centers of Excellence to be $7.5 million dollars per year.

S. 1148 "VETERANS PROGRAMS IMPROVEMENT ACT OF 2011"

TITLE I—HOMELESS VETERANS MATTERS

Section 101

Section 101(a) would amend 38 U.S.C. 2011(a) by expanding the kinds of projects for which grants are available to include the new construction of facilities. Section 101(a)(3)(A) would also amend section 2011(c) to prohibit the Secretary from denying a grant application based only on the fact that an entity proposes to use funding from other private or public sources, as long as a private nonprofit organization will provide oversight and site control for the project. Section 101(a)(3)(B) would also define the term private non-profit organization to include a for profit limited partnership or limited liability corporation whose managing or general partner is a nonprofit as defined under this section.

Section 101(b) would also require the Secretary to conduct a study of the method used to make per diem payments under 38 U.S.C. 2012 and develop an improved method for reimbursing grants under section 2011. The Secretary would be required to submit a report of the findings within a year after enactment of this bill.

Last, section 101(c) would amend 38 U.S.C. 2013 to increase the amount authorized to be appropriated to $250,000,000 for FY 2012 and each fiscal year thereafter.

VA does not support the provisions of section 101(a)(3)(B) and has concerns about section 101(c), but supports section 101(b). Section 101(a)(3)(B) would amend the definition of private nonprofit organization, to include a private nonprofit organization "that has received, or has temporary clearance to receive, tax-exempt status under * * * section 501(c) of the Internal Revenue Code of 1986 * * *" as well as allow additional entities to become eligible for grants under the Grant and Per Diem (GPD) Program.

VA believes that the "temporary clearance" proposed in this subsection does not adequately ensure the capability of the grant applicant to administer federal funds. This change would void the reason for the final determination by the Internal Revenue Service (IRS) as to organizational suitability for nonprofit status, increasing the risk that unsuitable grant applicants would apply for GPD projects. Furthermore, the "temporary clearance" provision is not needed because the IRS can expedite applications for tax-exempt status.

Additionally, VA does not believe section 501(c)(2) entities should be included in the definition of a private nonprofit organization. In general, section 501(c)(2) provides a tax-free means of managing and protecting real estate and other assets. Inclusion of a section 501(c)(2) organization in the definition of a "nonprofit organization" does not seem necessary.

VA also finds the inclusion of sections 101(a)(3)(B)(ii) and 101(a)(3)(B)(iii) unnecessary and potentially burdensome. Under the present statute, 38 U.S.C. 2011, eligible applicants include nonprofit organizations, state or local government agencies, or Indian tribal governments. Additionally, IRS rules allow under the definition of organization, limited liability corporations to apply for section 501(c)(3) status. Consequently there is no need to specifically include limited liability companies in the statutory definition of a "nonprofit organization."

VA has no objection to the section 101(b)'s requirement to conduct a study and develop a payment method under 38 U.S.C. 2011 and 2012; however, VA proposes that Congress grant VA more than one year to conduct the study and provide the report to Congress. Based on past program office experience, it is generally not feasible to analyze findings, implement changes, draft findings, and report to Congress within one year after the date of the enactment. VA estimates the study proposed in section 101(b) would cost approximately $300,000.

VA supports in principle raising the authorized appropriation amounts in section 101(c) but has concerns about the proposed annual appropriation level. VA estimates that the proposed maximum annual authorization level of $250 million would be inadequate for this important program after fiscal year 2015. We recommend that a specific authorization funding level be dropped from the statute.

VA estimates that there would be no additional costs associated with this provision as the budget through FY 2013 includes the program.

Section 102

Section 102 would amend 38 U.S.C. 2061 by expanding eligibility for the grant program to entities eligible for grants and per diem payments under sections 2011 and 2012 of title 38. It would also broaden the definition of homeless Veterans with special needs to include any Veteran who cares for minor dependents, not just women. Last, this section would allow recipients of grants under section 2061 to use grant amounts to provide services directly to a dependent of a homeless Veteran if the Veteran is receiving services from the recipient.

In principle, VA supports section 102 and agrees that modifications are needed to fully realize the potential of special needs grants through the GPD Program. Specifically, VA has no objection to the inclusion of subparts (a), (b), and (c) in section 102. However, VA believes the modifications as written are insufficient to adequately meet the needs of the special needs population presently served by the GPD Program.

VA respectfully suggests that the Committee consider the language in sections 303 to 305 of VA's draft bill, the "Veterans Health Care Act of 2011," which was transmitted to Congress on June 7, 2011, relating to GPD special needs grants. These provisions would amend 38 U.S.C. 2061 and also create a new section for establishment of per diem programs for homeless Veterans with special needs. VA considers the language in Title III, sections 303–305 of VA's draft bill an effective way to meet the needs of the special needs population served by GPD Program grants.

We will provide costs associated with implementing this section as soon as they are available. If section 102 is amended to contain the proposed special needs amendments in sections 303 through 305 of VA's draft bill, the costs would be $15.2 million in FY 2012, $79.9 million over 5 years, and $217.7 million over 10 years.

Section 103

Section 103 would amend 38 U.S.C. 2031(a) by authorizing VA to provide services listed in section 2031 to homeless Veterans, regardless of whether such Veterans suffer from serious mental illness (SMI). VA fully supports the draft bill language in section 103. In the drive to end homelessness among Veterans, VA recognizes the need to provide homeless Veterans with emergency housing, case management services, and outreach services. Consequently, VA fully supports removing the requirement in 38 U.S.C. 2031 that a Veteran must have a co-occurring SMI before receiving Health Care for Homeless Veterans (HCHV) program services.

While co-occurring disorders such as SMI have traditionally been the markers of homelessness among Veterans and have been well documented in relevant research, conditioning the provision of services on the existence of SMI unnecessarily limits the scope of services to thoroughly address the condition of homelessness.

HCHV program field experience has shown that there are many Veterans who are homeless for reasons other than mental health-related issues. Therefore, expanding the scope of 38 U.S.C. 2031 would allow VA to better reach and serve Homeless Veterans.

VA estimates the cost of this section to be $3.5 million in the first year, $19.1 million over 5 years and $42.1 million over 10 years.

Section 104

Section 104 of S. 1148 would require VA to submit to Congress a comprehensive plan to end homelessness among Veterans. VA does not support this provision because VA has already formulated and is presently implementing a comprehensive strategic plan to end Veteran homelessness. VA's Plan to End Homelessness Among Veterans Initiative is built upon six strategies: Outreach/Education, Treatment, Prevention, Housing/Supportive Services, Income/Employment/Benefits and Community

Partnerships. These six strategies encompass a wide continuum of interventions and services to prevent and end homelessness among Veterans. Homeless Veterans will benefit from the expansion of existing program capacity and treatment services, as well as the implementation of new programs focused on homelessness prevention and increased access to permanent housing with supportive services. Although the provision of safe housing is fundamental, programming will include mental health stabilization, substance use disorder treatment services, enhancement of independent living skills; vocational and employment services, and assistance with permanent housing searches and placement. VA does not anticipate any additional costs associated with implementing section 104.

Section 105

VA fully supports section 105(a) that would extend authority for the Health Care for Homeless Veterans (HCHV) Program through December 31, 2014. The HCHV Program, as authorized by 38 U.S.C. 2031, allows VA to provision care and services to homeless Veterans suffering from serious mental illness (SMI). Specifically, the HCHV Program provides emergency housing, outreach services, and case management services. This authority has been extended several times since November 21, 1997. The most recent extension of this authority was from December 31, 2006 through December 31, 2011.

As an essential component of VA's Plan to End Homelessness Among Veterans, VA fully supports any effort to extend this important authority.

VA also supports section 105(b) that would amend 38 U.S.C. 2033 to extend by an additional three years until December 31, 2014, VA's authority to expand and improve benefits to homeless Veterans. Section 2033 authorizes VA, subject to appropriations, to operate a program to expand and improve the provision of benefits and services to homeless Veterans. The program includes establishing sites under VA jurisdiction to be centers for the provision of comprehensive services to homeless Veterans (also known as Community Resource and Referral Centers (CRRCs)). This authority has been extended several times since November 21, 1997. The most recent extension of this authority was from December 31, 2006 through December 31, 2011. CRRCs are an important component of VA's Plan to End Homelessness Among Veterans, and VA fully supports any effort to extend this authority.

VA estimates there would be no additional costs associated with these provisions.

Subsection (c) of section 105 would extend through December 31, 2014, the Secretary's authority to enter into agreements with non-profit organizations for the purpose of selling, leasing, or donating homes acquired through the guaranteed loan program. VA supports this provision. Under current law, 38 U.S.C. 2041, this authority is set to expire on December 31, 2011. The proposed extension would allow VA to continue using homes acquired through the guaranteed loan program to help provide shelter to homeless Veterans.

VA estimates that enactment of section 105(c) will result in no additional costs.

Section 105(d) would amend 38 U.S.C. 2066 to extend Congressional authority to continue the Advisory Committee for Homeless Veterans for an additional two years until December 30, 2013. This Committee was Congressionally-mandated by Public Law 107–95. The mission of the Committee is to provide advice and make recommendations to the Secretary on issues affecting homeless Veterans and determine if VA and other programs and services are meeting the needs of homeless Veterans. VA has implemented many of the Committee's recommendations through policy and regulatory changes to enhance access and services for homeless Veterans.

The costs associated with the Advisory Committee were $114,000 in FY 2010 and we estimate an increase in 3 to 5 percent in the additional two years of operation for hotel room, air travel, and meeting space.

Section 106

VA supports section 106 which would re-authorize appropriations for the Department of Labor's (DOL) Homeless Veterans Reintegration Program (HVRP) for fiscal years 2012 and 2013. HVRP is a grant program intended to assist homeless Veterans rejoin the workforce. Grantees provide homeless Veterans with job training and employment placement assistance, as well as related supportive services such as transitional housing, transportation and referral to treatment services. In Fiscal Year 2011, DOL used HVRP funds to restart its Incarcerated Veterans Transition Program (IVTP), under which grantees provide HVRP services to Veterans reentering their communities from prison or jail. HVRP grantees conduct regular outreach to identify homeless Veterans, and often refer them to VA for health care. Veterans ineligible for services from the Veterans Health Administration may often be able to access needed services through HVRP. The HVRP program, especially the IVTP component, is therefore an extremely valuable, complementary resource for

VHA Justice Program's staff. Reauthorization will contribute to achieving VA's Plan to End Homelessness Among Veterans.

Reauthorization would be cost-neutral for VA. VHA Justice Programs staff coordinate with HVRP grantees and serve the Veterans they refer to VA, but these staff are funded under separate authority.

Section 107

Section 107 would amend 38 U.S.C. 2044(e) to extend VA's authority to provide financial assistance to entities approved to provide and coordinate the provision of supportive services for very low-income Veteran families occupying permanent housing to fiscal year 2012. Section 107 would also make available $100 million from the amounts appropriated to the Department of Medical Services to carry out section 2044. Last, this provision makes a technical amendment to correct a grammatical error in subsection 2044(e).

Although VA fully supports the reauthorization of appropriations for the Supportive Services for Veteran Families (SSVF) Program under section 107, VA respectfully suggests that the Committee consider the language in section 306 of VA's draft bill, the "Veterans Health Care Act of 2011," which was transmitted to Congress on June 7, 2011. Section 306 would extend Congressional authority to continue the SSVF Program permanently. Additionally, beginning in fiscal year 2014, VA would be authorized to fund the program with the amounts deemed necessary. This modification would give VA maximum flexibility to redirect resources to prevention efforts as the VA's Plan to End Homelessness Among Veterans reduces the overall number of homeless Veterans.

The current statute authorizes funding for the SSVF Program through the end of fiscal year 2011. However, at the current level of funding, VA can only provide approximately 85 grants nationwide, leaving significant areas of the country, both urban and rural, without services.

The SSVF Program is the only VA homeless program that is national in scope that can provide direct services to both Veterans and their family members. Recent Community Homelessness Assessment, Local Education and Networking Groups (CHALENG) reports indicate that homeless and formerly homeless Veterans consider family concerns as their highest unmet need. Additionally, homeless prevention is one of the key strategies in eliminating Veteran homelessness. Currently, approximately 1.3 million Veterans live in poverty. Estimates from the 2009 Annual Homelessness Assessment Report (AHAR) indicate that ten percent of all Veterans in poverty will become homeless at some point during the year. Prevention services are critical to reducing this incidence of homelessness. Continued authorization of the SSVF Program would allow VA to serve over 20,000 Veteran families in FY 2012. As the SSVF Program is one of the cornerstones of VA's Plan to End Homelessness Among Veterans and the Federal Strategic Plan to Prevent and End All Homelessness, its reauthorization at levels that allow for national access is critical to the success of both efforts.

The cost of the SSVF program is contained in the current VHA Homeless Veteran program budgets so there are no additional cost associated with this section.

Section 108

Pursuant to 38 U.S.C. 2061, VA makes grants for homeless Veterans with special needs to VA health care facilities and GPD providers. The "grants" to GPD providers are in the form of supplemental per diem payments for additional operating expenses not covered by per diem payments under the GPD program. The section 2061 grant authority expires on September 30, 2011.

Section 108 which would amend 38 U.S.C. 2061 to extend by an additional 2 years, until December 31, 2013, VA's authority to offer grants to health care facilities and grant and per diem providers for the development of programs for homeless Veterans with special needs. Veterans with special needs are those who are: women, including women who have care of minor dependents; frail, elderly; terminally ill; or chronically mentally ill.

VA supports section 108, however respectfully requests that the Committee consider adopting the language found in section 303 of VA's draft bill, the "Veterans Health Care Act of 2011," which was transmitted to Congress on June 7, 2011, which would grant permanent authority to offer capital grants for homeless Veterans with special needs.

VA estimates the costs associated with this section to be $5 million for the first fiscal year and $10 million over two years.

TITLE III—OTHER ADMINISTRATIVE AND BENEFITS MATTERS

Section 301

Section 301 would amend 38 U.S.C. 3704(c) to allow a Veteran's dependent child to satisfy the occupancy requirements of VA home loans. Currently, only a Veteran or a Veteran's spouse may satisfy the requirement, which means that a single parent on active duty may be prevented from obtaining a VA-guaranteed loan. The proposed change would make it easier for those serving in the Armed Forces to use their VA home loan benefits.

VA supports section 301, noting it is identical to section 3 of S. 874 and substantively the same as section 301 of VA's draft bill, the "Veterans Benefits Programs Improvement Act of 2011," which was transmitted to Congress on May 19, 2011.

VA estimates that enactment of this provision would result in additional loan subsidy costs of $370 thousand the first year, $3.9 million over the first five years and $10.8 million over ten years.

Section 302

Section 302 would amend 38 U.S.C. 3729(c) to allow an individual to receive a fee waiver if, during a pre-discharge program, he or she receives a disability rating for purposes of VA compensation based on existing medical evidence, such as service medical and treatment records. VA supports this provision, noting that it is substantively the same as section 304 of VA's draft bill, the "Veterans Benefits programs Improvement Act of 2011," which was transmitted to Congress on May 19, 2011. Under current law, the loan fee may be waived if the Veteran receives a predischarge rating based on a VA examination and rating. This provision would extend the waiver to individuals rated eligible for VA compensation based on existing evidence.

VA estimates that there would be no additional costs associated with implementing section 302.

Section 303

Section 303 would amend 38 U.S.C. 2102A(e) by extending, through December 31, 2021, the Secretary's authority to provide Specially Adapted Housing assistance to eligible individuals residing temporarily with family members. VA supports this provision, noting that it is substantively the same as section 306 of VA's draft bill, the "Veterans Benefits Programs Improvement Act of 2011." Under current law, the authority is set to expire on December 31, 2011.

VA estimates that there would be no additional costs associated with implementing section 303.

Section 304

Section 304 would amend 38 U.S.C. 2102A(b) to provide that amounts of assistance payable under that section to certain individuals who reside temporarily in housing owed by family members be adjusted on an annual basis based on a cost-of-construction index already in effect for other Specially Adapted Housing grants authorized under chapter 21 of title 38, United States Code. The proposal is substantively the same as section 307 of VA's draft bill, the "Veterans Benefits Programs Improvement Act of 2011." VA supports this provision to ensure that seriously disabled Veterans temporarily living with family members may have continued access to residences that suit the Veterans' day to day needs.

VA estimates that there would be no additional costs associated with implementing section 304.

Section 305

Section 305 of S. 1148 would extend eligibility for Presidential memorial certificates to the survivors of any Servicemember who died in active military, naval or air service. An alternate version of this provision was introduced in S. 874, and section 305 is identical to a provision the Secretary proposed on May 19, 2011. VA strongly supports enactment of this provision.

Under current law, eligibility for a Presidential memorial certificate is limited to survivors of Veterans who were discharged under honorable conditions. Under the statutory definition of "Veteran" generally applicable to title 38, United States Code, an individual who died in active service, including an individual killed in action, technically is not a "Veteran" because the individual was not "discharged or released" from service. Therefore, under current law, the survivors of such an individual are not eligible for a Presidential memorial certificate to honor the memory of the individual. Section 305 would authorize VA to provide a Presidential memorial certificate to the next of kin, relatives, or friends of such individuals, who have

made the supreme sacrifice for our country, and express our country's grateful recognition of the individual's service in the Armed Forces. We estimate that this eligibility expansion would result in discretionary costs of $8,924 the first year, $44,436 over five years, and $88,416 over ten years.

Section 306

Section 306 would amend 38 U.S.C. 7105 to incorporate an automatic waiver of the right to initial consideration of certain evidence by the agency of original jurisdiction (AOJ). The evidence that would be subject to the waiver is evidence that the claimant or his or her representative submits to VA concurrently with or after filing the substantive appeal. Such evidence would be subject to initial consideration by the Board of Veterans' Appeals unless the appellant or his or her representative requests in writing that the AOJ initially consider the evidence. Such request would be required to be submitted with the evidence. The amendment made under this provision would become effective 180 days after enactment of this provision. Section 306 is very similar to section 204 of VA's draft bill, the "Veterans Benefits Programs Improvement Act of 2011," which was transmitted to Congress on May 19, 2011. VA strongly supports its enactment.

Current law precludes the Board's initial consideration of evidence submitted in connection with a claim, unless the claimant waives the right to initial consideration by the AOJ. Evidence must first be considered by the AOJ in order to preserve a claimant's statutory right under 38 U.S.C. 7104 to one review on appeal, which the Board provides on behalf of the Secretary. The requirement that the AOJ initially consider all evidence, unless the claimant waives the right, frequently delays the final adjudication of claims because claimants often submit additional evidence after perfecting their appeals to the Board by filing a substantive appeal. Under current procedures, each time a claimant, after filing a substantive appeal, submits more evidence without waiving the right to initial AOJ consideration, the AOJ must review the evidence submitted and issue a supplemental statement of the case that addresses it. If a claimant submits relevant evidence to the Board without waiving the right to initial AOJ consideration, the Board must remand the claim to the AOJ for initial consideration and preparation of a supplemental statement of the case. The effect of the bill would not be to deprive claimants of the right to initial consideration by the AOJ. It would permit claimants to obtain initial consideration by the AOJ by requesting such review in writing.

The establishment of an automatic waiver would necessarily improve the timeliness of processing appeals as a whole. Because the Board bases its decisions on a de novo review of all the evidence of record, many more appeals could be more quickly transferred to the Board following the receipt of a substantive appeal. AOJs would spend less time responding to appellants who submit additional evidence following the filing of a substantive appeal, and the Board would avoid time-consuming remands in cases when the appellant submits evidence directly to the Board. By presuming a waiver of AOJ review of new evidence, the Board would be able to adjudicate claims without the delay of a remand, thereby getting final decisions to Veterans more quickly and reducing the increased appellate workload caused by the reworking of remanded claims.

We anticipate that enactment of section 306 would have no measurable monetary costs or savings. The potential benefits that would result from enactment of the proposal include expedited adjudication of claims on appeal and a reduction in the time spent processing appeals, both at AOJs and the Board, allowing more time for deciding new claims.

Section 307

Section 307 would permit VA to continue to use income information from other agencies in making certain benefits determinations by extending the sunset provision for using income data from the Internal Revenue Service (IRS) and the Social Security Administration (SSA) from September 30, 2011, to September 30, 2016, and extending the sunset provision for using income data from the U.S. Department of Health and Human Services (HHS) from September 30, 2011, to September 30, 2021. VA supports this provision, noting that it is substantively the same as sections 502 and 503 of VA's draft bill, the "Veterans Benefits Programs Improvement Act of 2011." VA estimates that enactment of section 307 would result in a net savings of $159 million over 5 years with respect to the IRS/SSA extension and a net savings of $13 million over 10 years with respect to the HHS extension.

Section 308

Section 308 would permit the VA Regional Office in Manila, Philippines, to maintain its operations until December 31, 2012. Section 504 of VA's draft bill, the "Veterans Benefits Programs Improvement Act of 2011," which was transmitted to Con-

gress on May 19, 2011, proposed extending to December 31, 2016, the authority to maintain a regional office in the Philippines. Although section 308 would provide a shorter extension, VA nevertheless supports enactment. It is more cost effective to maintain the facility in Manila than it would be to transfer its functions and hire equivalent numbers of employees to perform those functions on the U.S. mainland. In addition, VA's presence in Manila significantly enhances the ability to manage potential fraud. For these reasons, there is no increased cost associated with this provision.

RESPONSE TO POSTHEARING QUESTIONS SUBMITTED BY HON. PATTY MURRAY TO U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 1. S. 1148, the Veterans Programs Improvement Act of 2011, would automatically waive agency of original jurisdiction consideration of new evidence. How many remands and how many days from the average appeals processing period would this automatic waiver eliminate?

Response. In fiscal year (FY) 2010, the Board of Veterans' Appeals remanded 2,146 cases to have the Department of Veterans Affairs (VA) regional office prepare a Supplemental Statement of the Case. We estimate that approximately 75 percent of these remands (1,610) were appealed claims in which the appellant submitted additional evidence to VA but failed to waive initial review at the VA regional office level. In FY 2010, a remand added an average of 493 days to an appeal. Thus, VA expects that S. 1148 would therefore eliminate an average of 493 days for each case that would have otherwise been remanded to allow for VA regional office consideration of new evidence.

Question 2. Convenient access to care continues to be a considerable challenge for many veterans throughout this country, particularly in rural and remote areas. While VA has taken some steps to address these issues, more clearly needs to be done. As you know, we have several bills on the agenda dealing with the placement of medical facilities. I believe some further background information would be helpful for the Committee's consideration of these bills.

a. Please describe the process the Department uses to select sites for medical facilities, and what factors are considered or not considered in that process?

Response. All significant VA capital investments (including the establishment of new and/or replacement medical facilities) must be reviewed, prioritized and approved through the Department's Strategic Capital Investment Plan (SCIP).

The intent of the SCIP process is to provide a comprehensive and complete picture of VA's current inventory and outline the steps needed to enable VA to continually improve the delivery of benefits and services to Veterans, their families and their survivors.

The SCIP plan provides a rational, data-driven strategic framework to ensure all capital investments are focused on the most critical infrastructure needs first and funded in priority order.

VA assesses the need for projects based on space, condition, access, safety, and utilization/workload gaps and determines the best methods to resolve these gaps and identified backlogs. The first step in deciding which projects (including medical facilities) should be chosen (and the area in which they are to be located) is to establish the type and level of the health care services needed and their appropriate location(s). VA's Health Care Planning Model provides data on the projected Veteran population, demographics, utilization, and access that assist in this determination.

In the second step, capital and non-capital solutions are developed to meet existing and project gaps over a ten-year period. For FY 2012, over 1,100 business cases were prioritized and considered for funding. In the third step, these capital projects are scored by the SCIP Panel, which is a sub-group of the SCIP Board and is comprised of representatives from across the Department.

The SCIP Panel and Board work within the VA Governance process. The structure of governance begins with the SCIP Board, and proceeds through the Senior Review Group/Strategic Management Council (SRG/SMC) to the Veterans Affairs Executive Board (VAEB), with an increasing level of authority at each step. The SRG/SMC is chaired by the Deputy Secretary and is comprised of senior management representatives from across VA. The VAEB is also comprised of a cross-Departmental group of senior VA management officials, and is chaired by the Secretary. This governance process culminates with the selection of capital projects for inclusion in VA's annual budget request.

The decision methodology used to score projects is the Analytic Hierarchy Process (AHP). The AHP provides a structure, or "model," to determine which projects contribute the most to addressing Departmental priorities. The SCIP decision model is

comprised of the major criteria, sub-criteria, and their priority weights. Each project is scored on how well it addresses the each of the criteria.

SCIP Decision Criteria 2012 Capital Projects were ranked based on the following six criteria:

- Improving Safety and Security;
- Fixing What We Have (Making the Most of Current Infrastructure/Extending Useful Life);
- Increasing Access;
- Right-Sizing Inventory;
- Ensure Value of Investment; and
- Major Initiatives.

More information on the 2012 decision criteria and the scoring process can be found in the FY 2012 Budget Submission, Construction and 10-Year Capital Plan, Volume 4 of 4, February 2011, which can be found at http://www.va.gov/budget/products.asp, pages 10–3, 10–5, and 8.2–1.

The highest priority SCIP projects are submitted in the VA budget submission. Major construction projects must be approved through the appropriation process, and medical facilities and leases must also be specifically authorized by law.

Once a project is authorized and funded, a site can be selected for a major medical facility construction, or a major medical facility lease project pursuant to 38 U.S.C. §§ 8103–8104. The site selection process is a joint initiative with the requirement initiated by the Veterans Health Administration (VHA) and executed by the Office of Acquisition, Logistics, and Construction (OALC).

For authorized and funded major medical facility leases, once VHA has determined the need to establish a new site of care within a defined delineated area, OALC typically follows a standard two-step process for procuring a built-to-suit lease-based medical facility, in situations where procuring existing space may not be practical or feasible. Step one involves obtaining an assignable option to purchase a suitable site, and step two is the competitive procurement of a developer.

Step one is the site selection process, which is initiated by the predetermined delineated area. This area is used to determine the location parameters within which VA will seek sites. This step has an estimated completion timeframe of 4 to 6 months. The preferred site is competitively selected within the delineated area, by a market survey team composed of VA employees with experience in various disciplines, such as real property, engineering, environmental issues, and clinical or program management. The market survey team utilizes a standard set of evaluation criteria, including expected enhancements to Veteran access, access to amenities, site conditions, availability of utilities, and other factors.

During this stage, VA also negotiates with the landowner(s), based on the appraised determination of fair market value, to reach a proposed purchase price. Once a price is agreed upon, VA and the landowner(s) work to execute the necessary assignable option(s) to purchase the site. Also, as part of this stage, VA is required to conduct certain due diligence activities including those in the areas of real estate (title, survey, geotechnical survey and appraisal); environmental (compliance with the National Environmental Policy Act and Comprehensive Environmental Response, Compensation and Liability Act); and historic preservation (Section 106 of the National Historic Preservation Act). The option to purchase is later assigned to the developer selected in step two.

When all due diligence requirements are satisfied, the assignable option and all due diligence documentation become part of the Solicitation for Offers (SFO) package in step two.

Step two is the competitive procurement of a developer to purchase the land and build the facility to VA specifications. This step has an estimated completion timeframe of 9 to 10 months. This process is conducted as a best value competition in accordance with the Competition in Contracting Act, the General Services Administration Acquisition Regulation, the Federal Acquisition Regulation, and other applicable laws and executive orders. Every effort is made to obtain the greatest amount of competition during the procurement process to ensure reasonable rental rates. VA works with an Architectural/Engineering firm and the local users to determine the specific technical requirements of the clinic. These requirements are made available to the offerors in the SFO. The offerors are typically allotted 45 days to submit their proposals to VA. Once VA receives the offers, VA establishes a Technical Evaluation Board (TEB), which evaluates each offer according to a set of pre-determined criteria. VA also conducts a price evaluation. Based on these evaluations, VA establishes a competitive range, negotiates with those offerors within the range, and requests Final Proposal Revisions from the developers. The TEB then reconvenes to review any new technical data received from the developers, before the Contracting

Officer determines which offer presents the best value to the government. Once VA has selected a developer, VA proceeds to negotiate the lease with the developer. Once those negotiations are completed, the proposed final lease is then vetted through internal VA elements before the lease contract is awarded.

b. How would the passage of these bills impact the Strategic Capital Investment Plan and the prioritization of projects in other states?

Response. VA has an established department-wide capital investment process in place, the SCIP, which is utilized to make methodical decisions on construction priorities. A hallmark of the SCIP process is its objective data-driven approach, whereby the full extent of VA's infrastructure and its gaps in services (access, utilization, space, condition, energy, security and IT deficiencies) are captured, and a long-range Departmental strategy is developed to address and/or correct the identified gaps.

SCIP addresses the Department's highest needs first, including those that best meet Veterans infrastructure needs in priority areas that include Veteran/patient safety and security, expansion of Veterans' access to services, right-sizing VA's inventory, mitigating environmental impacts, and ensuring the value of investments. All capital projects are considered in a uniform and consistent way, which places emphasis on improving the delivery of services and benefits to Veterans, streamlining operations, and investing responsibly for the future.

Through the SCIP process, VA has formulated an objective, rational, fair, and defensible plan to meet VA's capital investment needs. To fund projects that are not consistent with SCIP goes against this important principle, and would require VA to fund lower priorities in place of the Department's highest priority needs.

VA is committed to updating this plan each year, in order to capture changes in the environment, including evolving Veteran demographics, newly-emerging medical technology, advances in modern health care delivery, and improvements in construction technology, all to better serve Veterans, their families, and their survivors.

VA does not support S. 928. As written, it may not allow the Department to utilize existing funds or bid savings to carry out FY 2012 high priority major construction projects. Under 38 U.S.C. § 8104, VA already must comply with authorization and congressional notification requirements for its proposed major construction projects, including where VA is proposing to obligate funds toward a major construction project in an amount that would exceed by more than 10%, the total project cost specified in law. Also under Section 8104, VA must, for major construction projects, notify the Committees of proposed changes in scope that are not consistent with the authorization received.

VA is concerned that S. 928 as currently written may lead to unnecessary delays caused by VA's need to have projects reauthorized for changes that should be considered within the projects original purpose, such as improvements in building and/or medical technologies, and in enhanced delivery of health care to Veterans. VA would be inclined to support a revised bill that would allow projects to move forward without changing VA's current authorization and congressional notification requirements.

Question 3. S. 490 would expand the eligibility of dependent children for CHAMP-V.A. to age 26. As you know, the Health Administration Center processes claims for CHAMP-V.A. and has had significant backlogs in those claims when elements of the program have been expanded in the past. What additional resources would the Department need to process the expected increase in claims if this legislation were enacted?

Response. VA estimates that to fulfill the requirements of S. 490, it would need to hire approximately 65 additional staff in FY 2012 to process applications and benefits for the larger population of beneficiaries. These employees would require additional program support, particularly in FY 2012 when more resources would be necessary for the initial processing of applications and for programmatic expansion costs. VA estimates total costs (including medical costs for beneficiaries) for FY 2012 to be $64.59 million, for FY 2013 to be $70.06 million, with 5 year costs of $390.51 million and 10 year costs of $1.022 billion.

Question 4. The Department's testimony on S. 935 discussed efforts underway to implement section 506 of the Public Law 111–163. As you know, that section creates pilot programs on outreach in rural areas. Please provide the Committee with an update on the Department's implementation of the outreach pilot programs required under Section 506 of Pub. L. 111–163.

Response. VA has completed staff recruitment for this initiative and made initial determinations on several policy issues, which have allowed VA subject matter experts to begin drafting and reviewing a set of regulations that will be needed to administer this program. A draft Notice of Funding Availability is currently in development as well, and Grant Applications and Instructions are also in development.

In addition, VA is finalizing a plan for stakeholder and consumer input through focus groups.

Question 5. S. 1089 would introduce pay-for-performance mechanisms into contracts of VA CBOCs.

a. Please discuss whether the pay-for-performance approach been more or less effective in increasing quality of care than other approaches.

Response. The scientific evidence on the impact of pay for performance on the quality of care delivered by individual physicians is inconclusive. To date, there is no systematic evidence that this approach improves performance above-and-beyond other quality improvement activities, such as report cards and audits. There are concerns that utilizing pay for performance may incentivize physicians to avoid caring for patients with more complex medical problems, such as individuals with serious mental illness. There are also logistical concerns with this approach. VA notes that few contract physicians have seen a sufficient number of Veterans from which the Department could establish a base for reliable metrics of quality. VA currently includes performance requirements directly into contract requirements so that VA makes no payment in situations where substandard care is delivered.

b. DAV testified that pay-for-performance has a mixed record of success in both the public and private sectors. Are you aware of these concerns, and do you share them?

Response. VA's response above addresses some of the Department's concerns with pay for performance incentives for health care delivery in general.

Question 6. VA identified three Vet Centers to participate in a 6-month analysis on the potential effects instituting travel reimbursements could have on the culture of independence and privacy fostered by the Vet Centers.

a. Does the Department expect, or has it identified, concerns with this pilot program?

Response. As VA noted in testimony before the Committee on June 8, 2011, VA is attempting to identify Veterans views regarding their interest in the benefit including the potential impact this benefit would have on the Vet Center culture and Veterans' privacy concerns, as well as administrative issues that may develop in delivering the benefit. These potential concerns include the provision of financial or other information required to determine eligibility that is not currently needed to receive Vet Center services, recording of appointments in the electronic database of the VA medical center that would process travel reimbursement claims, and the requirement of eligibility determination, travel claims and subsequent payments to be processed by the support VA medical center (VAMC). The 6 month analysis will help the Department develop a model that can determine the upper and lower bounds for demand for this benefit and inform a behavioral model that can estimate potential changes in Veteran utilization of Vet Center services. In addition, the analysis will collect Veterans views on this subject, considerations that will be reviewed are outlined below in greater detail.

Considerations

1. Requires Veteran enrollment at the VAMC that would process travel reimbursement claims.
2. Requires one of the following eligibility criteria be met:
   a. Rated at 30 percent or more service connection.
   b. Rated at less than 30 percent service connection but receiving care in relation to the service-connected condition.
   c. In receipt of a VA pension.
   d. Income at or below VA pension level.
3. Requires provision of financial or other information required to determine eligibility that is not currently needed to receive Vet Center services.
4. Requires record of appointments in the electronic database of the VA medical center that would process travel reimbursement claims. This process would be outside of the Readjustment Counseling Service separate system of records and would not be afforded the level of confidentiality (records released with written informed consent) of Vet Center records.
5. Would require eligibility determination, travel claims and subsequent payments to be processed by the support VAMC. These are additional administrative and budgetary requirements for both the Vet Center and support VAMC not currently present. May create challenges to the historic streamlined nature of the Vet Center program.
6. There has been an historical increase in the number of Veteran claimants (approximately 30 percent) and travel claims (approximately 75 percent) when the mileage rate increased. This could affect the service availability at the Vet Centers,

which have relatively small staffing levels compared to VA medical centers and community-based outpatient clinics.

b. If so, what are you doing to mitigate these concerns?

Response. The 6-month analysis will address these considerations, and a report for the Under Secretary for Health will be generated that outlines all options to address these concerns. This report is expected to be complete by the end of November 2011.

Question 7. What is the Department doing to expedite the hiring of chiropractors given the high number of musculoskeletal injuries coming out of the military?

Response. Decisions on hiring chiropractors are made at the facility level based on local needs and resources. Chiropractic care at VA facilities may be provided through appointment of, or contracts with, licensed chiropractors, dependent upon the needs of the facility (consistent with Public Law 107–135, Section 204(e)(1)). In the past two fiscal years, VHA has added 6.5 new full time equivalent employee (FTE) chiropractors, and added five new chiropractic clinics across VA.

Timely recruitment to fill VA health care positions, particularly recruitment of independent and dependent providers, continues to be an important goal of the Department. To support this goal, VA has sponsored a national learning Systems Redesign Collaborative on Human Resources Recruitment, over the past two fiscal years, which is systematically analyzing the recruitment process and identifying barriers to timely actions. This will result in shorter hiring timelines for our health care occupations, including chiropractors.

Question 8. When VA decides to contract for case management services for homeless veterans in the HUD-VASH program, what role—if any—do community providers have in the discussion? If none, what would be an appropriate role for them in the HUD-VASH process?

Response. VA bases the decision to contract for case management services for homeless Veterans in the Department of Housing and Urban Development-VA Supported Housing (HUD-VASH) program on several need-based factors, including: whether there is a need to enhance collaboration with community providers in delivering more comprehensive and integrated services; and whether there is a need to offer specialized services, such as housing location and placement, that are already available in the local community and can promote more timely access to permanent housing. In order to accurately determine these need-based factors, VA Homeless Program staff and HUD-VASH case managers are actively involved in the local Continuums of Care, Homeless Summits held by each VA medical center and other community partners. This collaboration allows VA staff to discuss community and homeless Veteran needs and possible solutions, including whether contract case management services are needed. Through these discussions, community partners play a role in determining whether VA should contract for case management services.

RESPONSE TO POSTHEARING QUESTIONS SUBMITTED BY HON. RICHARD BURR TO U.S. DEPARTMENT OF VETERANS AFFAIRS

Question 1. In written testimony for the June 8, 2011, legislative hearing, the Department of Veterans Affairs (VA) estimated that enactment of S. 423 (which would allow up to a one-year retroactive effective date for fully-developed claims) would "result in benefit costs of $54.9 million for FY 2012, $315.7 million over five years, and $761.7 million over ten years." However, in October 2010, with regard to identical legislation, VA stated that "[w]e cannot estimate costs without knowing how many fully-developed claims would be submitted and the disability ratings awarded to these Veterans."

a. In light of VA's 2010 statements, please explain how it was possible to determine specific cost estimates in 2011.

Response. Each piece of proposed legislation is read and evaluated to determine a plausible method of cost estimation. We build assumptions that are based on program knowledge and actual experience. Public Law 110–389 established the pilot program on expedited treatment for fully developed claims (FDC). The pilot program was implemented in 10 VA regional offices nationwide in May 2010 and ended in December 2010. When legislation identical to S. 423 was proposed during the 111th Congress, the FDC pilot program was ongoing.

After reviewing S. 423, VBA determined there was applicable data gathered from the FDC pilot program. Along with this data, VBA used program judgment to determine caseload that allowed an adequate estimate of potential costs associated with this legislation.

b. In developing the 2011 cost estimate, how many fully-developed claims per year did VA assume would be filed and what was the basis for that assumption?

Response. The estimated total number of fully developed claims in FY 2011 is 17,756. Based on actual experience and program judgment, approximately 2 percent of total workload presents as a fully developed claim. Of those FDCs, 59 percent and 24 percent are reopened and original claims, respectively. These percentages are based on the percent of original and reopened claims that make up the compensation program's total workload. Of those worked, it also assumed that 75 percent would result in a grant of benefits to Veterans. A similar methodology was used to calculate the number of FDCs in the outyears with the assumption that the number of FDC claims would increase by five percent each year as more people became aware of the increased benefits associated with filing FDC under this proposed bill.

c. In developing the 2011 cost estimate, what disability ratings did VA assume would be awarded and what was the basis for that assumption?

Response. The average combined degree of disability is 40 percent for Veterans compensation, and was used to generate total obligations for the original FDCs. We assumed reopened claims would increase by an average of 10 percent.

d. In developing the 2011 cost estimate, how many months of retroactive benefits did VA assume would be awarded for fully-developed claims and what was the basis for that assumption?

Response. In developing the cost estimate, the monthly payment was annualized to calculate the total obligations assuming Veterans would receive a retroactive payment award for a 12-month period.

Question 2. The Caring for Camp Lejeune Veterans Act of 2011 (S. 277) would provide health care for veterans and their families who may have been affected by the contaminants in the water while living on Camp Lejeune. In testimony submitted to this Committee on June 8, 2011, VA stated that the cost of implementing S. 277 would be $1.6 billion over five years and $3.9 billion over ten years.

a. In general, please explain the metrics used in developing this cost estimate.

Response. VA estimated that 500,000 Veterans would be eligible for benefits under this program and that 500,000 family members would also be eligible, based upon data from the Agency for Toxic Substances and Disease Registry (ATSDR). Veterans meeting the criteria in the legislation would be placed in Enrollment Priority Group 6 in a manner similar to other special eligibility populations (recent Combat Veterans, etc.). VA would need to establish a separate program to provide care to family members eligible for benefits under this authority. The family program design would be delivered in a manner similar to the Spina Bifida Health Care Program for Children of Certain Vietnam and Korean Veterans.

VA assumed that 25,000 family members would become beneficiaries under this program. VA would need to hire an additional 50 full time employees (FTE) to support the program based on a ratio of 1 FTE for every 500 eligible beneficiaries. VA estimated a one percent annual increase in the patient population; this is a conservative estimate because the qualifying medical conditions have not been scientifically established. VA estimated that medical costs per family member would exceed the existing costs of beneficiaries participating in the Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA), but would be less than the medical costs for beneficiaries under the Spina Bifida program described above. The average annual cost of medical care per beneficiary is estimated to fall somewhere between these programs because we assume beneficiaries under S. 277 would require additional medical care as a result of a covered condition. VA utilized an inflation rate of 5.3 percent annually for medical costs for family members.

Based on VA population and enrollment data, VA assumed that approximately 23 percent of Veterans nationally are users of VA health care and that a similar proportion of the Camp Lejeune population would be as well. This results in an estimated population of approximately 110,000 likely current users within the Camp Lejeune population. Based on the current population of Priority Group 7 and 8 Veterans, VA estimated that 29,700 of these Veterans are currently in Priority Groups 7 or 8. If S. 277 became law, these Veterans would be moved into at least Priority Group 6, resulting in the loss of copayments and third party collections. VA also assumed that approximately five percent of Veterans who were not previously eligible to enroll would be able to do so under this new authority. VA estimated this population would be 5,931 Veterans in FY 2012. VA's cost estimate included both the revenue loss of Veterans no longer making copayments for care and VA no longer securing third party reimbursement for care, as well as from additional costs to provide currently non-qualifying Veterans with care. VA conservatively estimated a one percent increase in workload each year for this population.

b. How many veterans and family members did VA assume lived or worked at Camp Lejeune during the contamination period?

Response. As noted in the previous response, VA estimates 500,000 Veterans would be eligible and 500,000 family members would be eligible for this program.

c. How many veterans and family members did VA assume would receive health care under this bill and what is the basis for that assumption?

Response. As noted in the response to Question 2(A), VA assumed 25,000 family members and 5,931 Veterans would be beneficiaries under this program in FY 2012. VA also assumed 30,297 Veterans would move from Priority Groups 7 or 8 into a Priority Group that would not allow VA to collect revenue from third party sources.

Question 3. As requested at the hearing, please explain how much VA spends on veteran outreach annually.

Response. VA created the National Outreach Office within the Office of Public and Intergovernmental Affairs (OPIA) in FY 2010 to standardize how outreach is being conducted throughout VA. While we are not currently able to extract the total spending for outreach across the department for FY 2010 and 2011, we are working diligently toward that goal for FY 2012. VA has made considerable progress in researching and analyzing VA's outreach programs and activities and have developed a framework to guide us through creating a more efficient and effective approach to conducting outreach department-wide, in support of VA's major initiatives. Key to the final plan is building a process that helps VA's administrations (Veterans Health Administration, Veterans Benefits Administration and National Cemetery Administration) and program offices:

- Provide Veterans with high-quality products and activities that are consistent;
- Provide outreach coordinators with training;
- Evaluate and measure the effectiveness of outreach programs; and
- Track costs associated with outreach programs.

Question 4. Section 103 of S. 1148, the "Veterans Programs Improvement Act of 2011," would expand the authority to contract treatment and rehabilitation services under section 2031 of title 38, United States Code, to include homeless veterans who are not seriously mentally ill.

a. Under the current authority, please provide the number of contract beds per Veterans Integrated Service Network (VISN).

Response. The table below provides the requested information for each Veterans Integrated Service Network's contracted beds for the Health Care for Homeless Veterans (HCHV) program, emergency housing, and Safe Haven program.

VISN	HCHV	Emergency Housing	Safe Haven	Total
1	29	26	0	55
2	6	41	0	47
3	93	40	40	173
4	54	19	0	73
5	16	40	0	48
6	39	20	0	59
7	140	20	0	160
8	101	74	20	195
9	39	0	0	39
10	6	48	0	54
11	109	73	0	182
12	82	0	0	82
15	97	47	0	144
16	214	36	0	246
17	95	0	0	95
18	31	86	0	117
19	93	93	0	186
20	17	20	0	37
21	107	86	0	193
22	27	17	0	44
23	26	30	0	56

b. Please provide a breakdown of contract beds available to each VA medical center within VISN 6.

Response. The table below provides the requested information for VISN 6, using the same conditions as described above.

Facility	HCHV	Emergency Housing	Safe Haven	Total
Asheville	0	0	0	0
Beckley	0	5	0	5
Durham	0	0	0	0
Fayetteville	0	0	0	0
Hampton	4	0	0	4
Richmond	5	0	0	5
Salem	15	0	0	15
Salisbury	15	15	0	30

Question 5. The Government Accountability Office (GAO) has found duplication, fragmentation, and overlap in Federal programs government wide. GAO has also advised that reducing or eliminating overlap could help agencies provide better services and save billions of dollars each year.

Please provide a joint assessment of whether there is any duplication among the veterans' programs administered by VA and the Department of Labor and, if so, how it could be addressed.

Response. VA and the Department of Labor (DOL) provide services to Veterans to improve employment outcomes for our Nation's Veterans through the VA Education and VA Vocational Rehabilitation and Employment (VR&E) programs and the DOL Veterans Employment and Training (DOLVETS) program. Services provided by each of these programs complement one another, maximizing service delivery to Veterans.

VR&E works with DOLVETS under a Memorandum of Understanding to provide individualized, face-to-face services to Veterans with disabilities. While VR&E's primary focus is disabled Veterans, DOLVETS provides employment assistance services to all Veterans.

DOLVETS and VR&E adopted a team approach to job development and placement activities, in which all Veterans entering a program of vocational rehabilitation are informed of the employment assistance available through the DOLVETS programs and are encouraged to register with their State Workforce Agency. VR&E collaborates with the DOLVETS Disabled Veterans Outreach Program (DVOP) Specialists and Local Veterans' Employment Representatives (LVER) on the following services: apprenticeship and on-the-job training programs, job referrals, work-specific prosthetic devices, sensory aids, and other special equipment, communication with community leaders and resources, and counseling and testing services. Although the services that VA's VR&E and DOLVETS provide Veterans have some similarities, working together maximizes the employment services available to Veterans and increases the opportunities for successful employment. VA's 87 employment coordinators are VR&E's liaisons to the DOLVETS Specialists in their respective jurisdictions, and they ensure seamless service delivery.

VA's Education programs provide payments for eligible students pursuing college, apprenticeship programs, on-the-job training, and vocational training programs. VR&E has authority to provide similar benefits for disabled Veterans, but VR&E provides individually-tailored services that include case management support, specialized assistance, equipment, and accommodations.

In 2007, the Government Accountability Office issued a report titled, "VA Student Financial Aid: Actions Needed to Reduce Overlap in Approval Activities." The report stated that, "Many education and training programs approved by state approving agencies have also been approved by Education and Labor." However, Pub. L. 111–377, which modifies the Post-9/11 GI Bill and other education benefit programs, allows VA to accept registered apprenticeships for VA benefits without additional reviews from state approving agencies. Based on that legislation, VA believes any potential overlap pertaining to program approval of VA education benefits has been addressed. VA will continue to coordinate our programs with DOL to ensure effective and efficient operation of these important programs.

Chairman MURRAY. Thank you very much.

Mr. McWilliam?

STATEMENT OF JOHN MCWILLIAM, DEPUTY ASSISTANT SECRETARY, VETERANS' EMPLOYMENT AND TRAINING SERVICE, U.S. DEPARTMENT OF LABOR

Mr. MCWILLIAM. Chairman Murray, Ranking Member Burr, I am pleased to appear today before the Committee to discuss legislation pending in this Committee aimed at helping our transitioning servicemembers and returning servicemembers transition back to civilian life. I would like to comment on two bills.

S. 951, Hiring Heroes Act of 2011. Section 11 would require mandatory participation in the Transition Assistance Program. We believe that all transitioning servicemembers who plan to enter civilian employment would benefit from attending the DOL employment workshop, but defer to the Department of Defense on whether the program should be mandatory for all transitioning servicemembers.

DOL supports the concept of the TAP follow-up contained in Section 7, but believes that the metrics of our redesigned employment workshop will make this requirement unnecessary. As part of the redesign, a comprehensive follow-up program will be implemented to track participants' success in entering the civilian workforce. We believe that this program may provide the information that the Committee desires, and we would like to work with the Committee to provide additional information on our initiative.

DOL believes that Section 8, the Competitive Grant Program for Nonprofit Organizations, is unnecessary. We note that this section seems to closely follow the parameters of the existing Veterans' Workforce Investment Program. It is unclear whether the intent of this section differs from the intent of the Veterans Workforce Investment Program, or VWIP. Therefore, we would like to work with the Committee to discuss the potential overlap between these two areas.

DOL believes that Section 9, concerning identifying the equivalencies between military occupational specialties and civilian employment, duplicates existing processes that currently provide the capability to crosswalk servicemember skills to equivalent civilian occupations. We note that there are several tools that allow the servicemember to do that, as well as the redesign of the TAP employment workshop, which will include practical exercises to assist participants in translating their skills, as well as creating an Individual Transition Plan.

The Department supports Section 11 but requests that the time period be changed from 105 days to 15 weeks to coincide with the end of a benefit week for the purposes of unemployment compensation.

DOL supports the concept of Section 13 and believes the credentialing and licensure of veterans is very helpful in transitioning servicemembers to the civilian sector. We would like to work with the Committee to help resolve the issues that are existent in credentialing and licensure of veterans.

Addressing S. 1060, Honoring All Veterans Act of 2011, we defer to the VA and the DOD for most sections of this bill, but we point out that we believe Section 105 is unnecessary. The Department created the America's Heroes at Work Program in 2008 to fulfill

this need. We would propose to work with the Committee to determine if our program needs further enhancements.

I again thank the Committee for your commitment to our Nation's veterans and for the opportunity to testify before you today. We would be happy to work with your staffs to provide technical assistance on any of these bills, and I would be happy to respond to any questions.

[The prepared statement of Mr. McWilliam follows:]

PREPARED STATEMENT OF JOHN MCWILLIAM, DEPUTY ASSISTANT SECRETARY, VETERANS' EMPLOYMENT AND TRAINING SERVICE, U.S. DEPARTMENT OF LABOR

Chairman Murray, Ranking Member Burr, and distinguished Members of the Committee, I am pleased to appear before you today to discuss legislation pending in this Committee aimed at helping our returning Servicemembers transition back to civilian life.

The Veterans' Employment and Training Service (VETS) proudly serves Veterans and transitioning Servicemembers by providing resources and expertise to assist and prepare them to obtain meaningful careers, maximize their employment opportunities and protect their employment rights.

Secretary Solis has been an incredible source of guidance and support, and has made Veterans and VETS one of her top priorities. Our programs are an integral part of Secretary Solis's vision of "Good Jobs for Everyone" and her unwavering commitment to help Veterans and their families get into the middle class and maintain stability. We strive to achieve this vision through four main programs:

- Jobs for Veterans State Grants;
- Transition Assistance Program Employment Workshops;
- Homeless Veterans' Reintegration Programs; and
- Uniformed Services Employment and Reemployment Rights Act.

Your letter of invitation seeks input on a significant number of bills at this hearing, and you ask VETS to specifically provide input on S. 951, the "Hiring Heroes Act of 2011." We have done so in subsequent portions of this testimony, in addition to providing comments on the proposed "Honoring All Veterans Act of 2011," which would require the Department of Labor (DOL), through the Assistant Secretary of the Office of Disability Employment Policy (ODEP), to initiate a program providing technical assistance to employers of Veterans who have a Traumatic Brain Injury or Post Traumatic Stress Disorder.

As the remaining pieces of proposed legislation being addressed at this hearing fall under the purview of other departments, VETS defers to those departments and I will restrict my testimony to the appropriate sections of S. 951, and the "Honoring All Veterans Act of 2011" that have a direct impact on DOL and the Veterans' Employment and Training Service.

In addition to the invitation for today's hearing, VETS has received a follow-up request to comment on Senator Casey's proposed "Veteran Transition Assistance Program Audit Act of 2011." Due to time constraints, VETS was unable to conduct a thorough review in time for today's hearing, but we look forward to providing our comments for the record and continuing to work with Senator Casey and this entire Committee to ensure that our Servicemembers receive the best assistance possible as they transition back to civilian life.

S. 951: "HIRING HEROES ACT OF 2011"

Section 6: This section would require the mandatory participation of members of the Armed Forces in the Transition Assistance Program (TAP). We assume that this mandatory participation would include participation in all segments of the TAP, to include the Department's Employment Workshop.

We believe that all transitioning Servicemembers who plan to enter civilian employment would benefit from attending the Employment Workshop, but defer to the Department of Defense (DOD) as to whether this program should be mandatory for all transitioning Servicemembers.

Section 7: This section would require DOL to follow-up on the employment status of members of the Armed Forces who recently participated in TAP. In particular, it would require that DOL contact each participating Veteran no later than six months after their completion of the program (TAP), and every three months thereafter for the rest of the year in order to ascertain the Veteran's employment status.

DOL supports the concept of the TAP follow-up, but believes that the metrics of our redesigned Employment Workshop makes this requirement unnecessary. As you may recall, we recently testified on our current initiative to redesign and transform the Employment Workshop. As part of this initiative, a comprehensive follow-up program will be implemented to track participants' success entering the civilian workforce. DOL believes that this program may provide the information that the Committee desires, and we would like to work with the Committee to provide additional information on this initiative.

Section 8: This section would: 1) establish a competitive grant program for nonprofit organizations that provide mentoring and training to Veterans; 2) require DOL and nonprofit organizations to collaborate in order to facilitate the placement of Veterans in jobs that lead to economic self-sufficiency; 3) require DOL to conduct an assessment of grant performance no later than 18 months after enactment; and 4) authorize appropriations of $4.5 million for Fiscal Years 2012 and 2013.

DOL believes that this section is unnecessary. We note that this section seems to closely follow the parameters of the existing Veterans' Workforce Investment Program (VWIP) established under section 168 of the Workforce Investment Act of 1998, and it is unclear whether the intent of this section differs from the intent of the VWIP. Therefore, we would like to work with the Committee to discuss the potential overlap between this section and the VWIP.

Section 9: Among other things, this section would require DOL, DOD, and the Department of Veterans Affairs (VA) to conduct a joint study to identify any equivalences between the skills developed by members of the Armed Forces through various military occupational specialties (MOS) and the qualifications required for various positions of civilian employment in the private sector.

Section 9 is unnecessary as it duplicates existing processes that provide the capability to crosswalk Servicemember skills to equivalent civilian occupations. We note that there are several tools that partially meet the need for skill equivalencies for separating Servicemembers, such as the Department's Occupational Information Network (O*NET) and DOD's Credentialing Opportunities On-Line (COOL). In addition, the TAP redesign will include practical exercises to assist participants in translating their skills, abilities, experience, and training on to a resume, as well as creating an Individual Transition Plan. We would like to work with the Committee to explore ways to strengthen these resources and improve the transition of Veterans into civilian employment.

Section 11: This section would require the Department to conduct outreach to recently-separated Veterans in receipt of unemployment compensation for longer than 105 days in order to provide employment assistance.

The Department supports this section, but requests that the time period be changed from 105 days to 15 weeks to coincide with the end of a benefit week for the purposes of Unemployment Compensation.

Section 13: This section would reauthorize and modify the demonstration program for the credentialing and licensure of Veterans contained in 38 U.S.C. 4114.

DOL supports the concept of this section and believes that the credentialing and licensing of Veterans will be helpful in transitioning Servicemembers into the civilian sector, but there continue to be serious implementation issues with this provision. In particular, licensure and credentialing is mostly a function of the individual States, and to facilitate credentialing and licensure for Veterans, the demonstration project would require DOD to align its military training and assessments to more closely match States' civilian licensing requirements. We also note that credentialing and licensure requirements differ from State to State. We would like to work with the Committee to help resolve these issues so that the credentialing and licensure of Veterans can be more successfully implemented.

DRAFT BILL: "HONORING ALL VETERANS ACT OF 2011"

The stated purpose of this bill is to: "improve education, employment, independent living services, and health care for veterans, to improve assistance for homeless veterans, and to improve the administration of the Department of Veterans Affairs, and for other purposes." Accordingly, we defer to VA and DOD for most of the sections of the bill.

Section 105: This section would require the Secretary of Labor, through the Assistant Secretary for the Office of Disability Employment Policy, to initiate a program to provide technical assistance to prospective employers, employers of covered Veterans and entities in the workforce system to assist Veterans who have Traumatic Brain Injury or Post Traumatic Stress Disorder in the area of employment.

DOL believes that this section is unnecessary. ODEP, in cooperation with VETS, created the America's Heroes at Work (AHAW) program in 2008 to fulfill this need.

We are currently in the process of transitioning the leadership and funding for this program to our office, and propose to work with the Committee to determine if AHAW needs further enhancements.

CONCLUSION

We are reminded everyday of the tremendous sacrifices made by our Veterans, Servicemembers and their families. Secretary Solis and the Veterans' Employment and Training Service believe that America must honor those sacrifices by providing the Nation's bravest with the best possible programs and services that we have to offer. We look forward to continuing our work with this Committee to do just that.

I again thank this Committee for your commitment to our Nation's Veterans and for the opportunity to testify before you. We would be happy to work with your staffs to provide technical assistance on any of these or future bills, and I would be happy to respond to any questions.

Chairman MURRAY. Thank you very much.

Mr. McWilliam, let me begin the questions with you. I note that the Administration opposed several provisions in the Hiring Heroes Act, and the goal of this legislation is to make sure that our men and women in uniform really capitalize on their service. The American people have invested a great deal of money in training for these men and women as they go to service, and we want to make sure that we get a benefit from that and that.

Today we have an unemployment rate of 27 percent among our veterans who are coming home from Iraq and Afghanistan, and I think it is most telling to remind all of us that the Army alone, just the Army, is paying out nearly $1 billion in unemployment benefits every year. That is $1 billion because these men and women are not at work. And we continue to hear all the time from veterans who do not have the job support they need when they leave the service.

So doing nothing is not the right approach, and I wanted to ask you today what you propose.

Mr. MCWILLIAM. Madam Chair, we believe that the redesigned Transition Assistance Program is the real keystone to assisting people as they leave the service. Our Assistant Secretary has testified before this Committee in the past on the parameters of that. We believe that the restructured and reengineered program has great strengths in it that will allow transitioning servicemembers to identify the skills that they need and how to translate their skills, their military skills, into civilian skills.

One of the really key unique aspects of that is the Individual Transition Plan where each individual participant will write out a plan to get them to their goals in moving to that. We believe there are many tools currently available that assist people in identifying that translation between skills, both into the civilian workforce and into the Federal workforce, and our program will strengthen the participants' ability to take advantage of those.

Chairman MURRAY. I want to come back and ask you more explicitly about that, but before I do, I want to turn to Dr. Jesse, because recent work by the GAO uncovered some very disturbing information about sexual assaults among veterans in inpatient mental health and other programs. It is unacceptable that our veterans, especially our most vulnerable veterans, under the Department's supervision cannot be kept safe, and I am very concerned that the VA police failed to inform leadership about these many allegations.

I wanted to ask you today to tell us what is going on out there and what VA is doing to address this situation to make sure that our veterans are safe.

Dr. JESSE. Yes, ma'am. VA does take patient and employee safety very seriously. Since General Shinseki was sworn in as the Secretary, he has constantly reminded us that we have two responsibilities: to accomplish the mission and to take care of the people. And much of the Secretary's agenda has centered around the safety of both veterans and employees.

One of the first things he did was to stand up the Office of Security and Preparedness under Assistant Secretary Riojas, which includes operationalizing in 2009 the Integrated Operating Center, which gets reports from all of—aggregates reports from all of the police departments at the VA and provides the Secretary frequent briefings on what indeed is going on. And we take any of these allegations very seriously. We investigate them very seriously.

So we are in the process now of reviewing the GAO's recommendations, and particularly where they have identified critical areas where they point out that we may have issues for improvement.

We also have in 2010, I believe, March 2010, issued VA Directive 2010–014, I believe, which assigns a responsibility to emergency departments in the VA for the appropriate management of veterans who present with alleged sexual assault to ensure that they get sensitive and appropriate treatment, including treatment that meets all the standards that would protect their legal rights. We think that was a very important component of bringing this in place.

We will take steps to expand and improve our reporting of allegations. We have two processes, as I mentioned: the IOC and also Issue Brief process that comes up through the medical centers themselves. I think we need to reconcile and make sure that we have got coherence and clarity from both of those directions. But the bottom line is that we do have a responsibility to protect our veterans and to protect our employees. And just as the veterans have protected us, we would take that responsibility very seriously. I know we have discussions next week to go into this in depth.

Chairman MURRAY. Well, this Committee is going to be following this very closely because it is very disturbing, and it is hard to believe that senior leaders in those facilities did not know what was going on. The breakdown in communication is a serious issue. You addressed it for a second there. But just that these were happening and people did not feel safe enough to tell people about it or follow up on it or report it is extremely disturbing. So, Dr. Jesse, we want to keep this conversation going, and we expect it to be followed by the VA.

Dr. JESSE. Yes, ma'am.

Chairman MURRAY. Mr. McWilliam, I want to return to you. You talked about redesign of the TAP program. That actually will work very well with our legislation, and I appreciate that. But we have been waiting a long time for a redesign. When do you expect to revamp TAP?

Mr. MCWILLIAM. Madam Chair, our deadline, our objective is to have this in place by this November, Veterans Day, to have it in place worldwide and being taught at that point.

Chairman MURRAY. OK. November of this year.

Mr. MCWILLIAM. Yes, ma'am.

Chairman MURRAY. All right. Well, as you know, DOD is opposed to mandatory TAP, and you stated that all transitioning servicemembers who plan to enter civilian employment would benefit from attending the employment workshop. So how do you explain the disconnect between the two agencies?

Mr. MCWILLIAM. Madam Chair, I prefer not to speak on behalf of the Department of Defense, but I believe it is the definition of all members of the Armed Forces. I believe that is their issue. And the mandatory issue perhaps includes people such as people who are retiring who are not going into employment, who are just strictly retiring. I believe their concerns have to do with the demobilizing Guard and the Reserve and the ability to bring them back for a full 2½-day employment workshop.

Chairman MURRAY. OK. We will be following up with them as well.

Senator Burr?

Senator BURR. Madam Chairman, we have got so much that really does not pertain to the bills that we are here to talk about that we could spend a day with just the VA alone.

Mr. Cardarelli and Dr. Jesse, I want to at least acknowledge the fact that both of you apologized for not having testimony here on time. I will note I did not hear either one of you say this will not happen again. Now, we have rules in the Committee, and I might say, Mr. McWilliam, I did not even hear you apologize.

This may be a joke to some of you. I do not know. Maybe it is the instructions not to have it here to where Committee Members can thoroughly go through and dissect what an agency says. Many of the bills we do not have views on. It is impossible for me to believe that pieces of legislation that have been introduced for some time you have no views on, that you have no cost estimates on. It raises big questions when you take lightly Committee rules about when testimony needs to be here.

I guess I should not be bewildered that we cannot hit deadlines that are statutory for claims processing or for other things when there is no sense of a deadline being anything other than a goal.

Now, the Chairman raised an issue I was not going to raise, but I will chime in on it, and that is the GAO report. And let me assure our VA witnesses, we will spend many hearings on this. Let me just read to you the chart out of the GAO report.

In 2010, 14 rapes, 44 inappropriate touches, 3 forced medical examinations, 5 forced inappropriate oral sex.

In 2009, 23 rapes, 66 inappropriate touches, 3 forceful medical examinations, 3 forceful or inappropriate oral sex, 9 other.

Now, that is just since we set up a new center, and of the 67 rape allegations that were listed in 2007, 2008, 2009, and 2010, only 25 were sent to the Office of the Inspector General. Of the 67 rape allegations, only 25 were referred to the Office of the Inspector General. There is a breakdown that is tremendous. I cannot imagine any company in America not referring to their counsel or

to outside counsel an allegation by an employee or a customer of sexual charges. But it seems like this is just another piece of business at the VA.

Let me assure you that I, and I believe the Chairman, will raise this to the highest level. I have absolute confidence that we will explore this in great detail.

Let me turn to our VA witnesses. In your testimony on my bill, S. 277, Caring for Camp Lejeune Veterans Act, you indicated the number of veterans and their families affected by water contamination to be 1 million. In a preliminary cost estimate provided to me by CBO, they put the number of affected veterans at 650,000. CBO arrived at this number with information provided to them by the Department of Defense on the number of military personnel family members who lived at Camp Lejeune during the affected period.

Can you describe the matrix that you used to identify 1 million affected veterans and family members?

Mr. HALL. Sir, I think our testimony reflects that we do not have good numbers. We do not have numbers that we could use to estimate the cost.

Senator BURR. Well, VA has estimated the cost in the past. That is what drew the conclusion, I think, that they came to. But can you account for the discrepancy in the two numbers? That is 350,000 people.

Mr. HALL. No, sir, I cannot.

Senator BURR. OK. Mr. McWilliam, the TAP program is currently undergoing a redesign, as you mentioned, with the goal of rolling the new program out by Veterans Day. In your testimony you indicated that the new TAP program will include a comprehensive follow-up plan to track the progress of veterans who took TAP while in the military.

Now, let me ask you, could you detail for us the comprehensive follow-up plan?

Mr. MCWILLIAM. Yes, sir. The plan is to collect metrics on how well the program assisted the participant in entering civilian employment. We plan to do it at three times—three moments of truth—the first being when the person completes the program while they are still in the military; the second being while they are in job search mode looking for employment; and then the third one being shortly after they enter employment and have become a member of a civilian organization.

Senator BURR. Do these metrics check anything other than the participant satisfaction?

Mr. MCWILLIAM. Sir, it is supposed to look at satisfaction and what portions of the program assisted them or what additional parts of the program they would need to have done better on their job search or to have done the on-boarding and to become a new member of an organization.

Senator BURR. How long do you think it will take to collect enough data to gauge the effectiveness and outcomes of the redesigned TAP?

Mr. MCWILLIAM. Sir, I do not know that I can put a timeframe on that now. We plan to start doing this as soon as we start teaching the new TAP. So I am assuming that during the next fiscal year that we will begin gathering the data.

Senator BURR. OK. Mr. Cardarelli, as you know, I have a bill on the agenda that would allow veterans with fully developed claims to receive benefits for up to 1 year before those claims are filed. Now, last year, the VA provided these views on a very similar piece of legislation, "The availability of a retroactive effective date for an award of disability compensation granted on a claim fully developed when submitted would create an incentive for veterans to file fully developed claims. Submission of more fully developed claims would free up resources at VA regional offices to address the claims backlog."

Now, I will be honest with you. I am going to use the testimony as my own words as to why people should vote for this bill. I think the VA has made the greatest, simplest claim as to why this bill ought to become law. So let me ask you: what percentage of claims are now fully developed when submitted to the VA?

Mr. CARDARELLI. Right. Yes, sir. I appreciate your comments about the backlog. I want to reassure you that the leadership—my job—we live and breathe the backlog every day. We have many initiatives, as you know, that we have put in place—some short term, some very long term. We have some technology issues we are doing. We are doing business processes.

One of the things is what we call a fully developed claim, a program that we have where basically we incentivize sort of along the lines of what you talked about, that if your case comes complete to us, we will process it within 90 days, an incentive modeled after the idea of a tax—if you complete your tax——

Senator BURR. So how many fully developed claims do you get?

Mr. CARDARELLI. We have had less than 1 percent, so we put into play——

Senator BURR. Working?

Mr. CARDARELLI. Working. And what we realized——

Senator BURR. Is it working?

Mr. CARDARELLI. Yes, sir. So what we realized——

Senator BURR. Is it working like you thought it would?

Mr. CARDARELLI. Oh, no, sir. And so what happened is, as we put it into use, we realized that one of the things that it lacked was outreach to the veterans, making sure that they were aware of this program, us reaching out to them. So we realized we have an initiative, and what we want to do is make sure—what we do not want to do is get inundated with so many that we are working so many that we cannot focus. But we started with this initiative, and then we realized as we started to assess it, we were not getting the return that we wanted.

Senator BURR. Not limited to fully developed claims, how much does the VA spend on veteran outreach annually?

Mr. CARDARELLI. Sir, I do not know. I know that we in VBA have put a priority on that because we realize the more information we can get out to the veteran, the more communication, it enhances our trust, our confidence. I know you know this, but one of our biggest challenges as we process claims is development, gathering all that information. And if we can partner with the veteran to do that, that will help us get better claims coming to us——

Senator BURR. Mr. Cardarelli, understand my frustration. We are standing up a new national outreach office, yet you do not

know how much we currently spend on outreach. Outreach is the reason that we are less than 1 percent on fully-developed claims. I would be willing to bet that there is not a VSO—and I will ask them at the next hearing how many of them know that you have got an incentive program. I know it because I have assessed that it is a failure. That is one of the reasons that I have tried to create a new program that actually has a real incentive which would say to VSOs it is worth us going out and working with veterans to fully develop claims; it is worth it to the veterans to understand it.

Currently what is the average time it takes to complete a fully developed claim versus the average time it takes to complete a not fully developed claim?

Mr. CARDARELLI. Right. In our most recent statistics for the month of April, it was taking approximately 160 days to process a claim. A fully developed claim we could do in approximately 100 days. So we realized—our goal was 90 days. We are a little over that, but we realized we can cut the time in half. What we are trying to do, going back to your point about outreach, is working with the veterans, but also working with the VSOs, letting them know that we have this capability and encouraging them to, in fact, use it, to say, hey, this is a great way—if you can collect your case and then bring it to us, that is how much quicker we can actually adjudicate it.

Senator BURR. Well, I thank you for your optimism. As just a personal observation, I have been through two Administrations and multiple people who fill your role come in and share with the Chairman and me the great plan that they had in effect to reduce the backlog, yet annually I have seen the backlog increase and increase and increase. Every year we have been told about the new technology, and I have sat down with the head of technology. I have got tremendous confidence in him. But if it does not work, where are we? Isn't it time that we focus on how we get claims in which reduce the amount of time because it reduces the amount of time that an individual has to spend finding the information that they need to make a decision on a claim?

Mr. CARDARELLI. Yes, sir.

Senator BURR. I hate to bring my business background into this, but sometimes common sense has to trump trying to look for some major breakthrough that is not being used.

The good news for veterans is we have damn near used every excuse as to why the disability claims process is not working. We are just about out of new suggestions, and it may be that if technology does not work, then we have exhausted everything, and we can all get on the same page and focus on what we do to drastically change the outcome for our Nation's veterans.

I thank the Chair. She has been very patient with me.

Chairman MURRAY. Thank you very much, Senator Burr.

Senator Brown?

STATEMENT OF HON. SHERROD BROWN,
U.S. SENATOR FROM OHIO

Senator BROWN OF OHIO. Thank you, Madam Chair, and thank you for your leadership, the ambitious agenda of this Committee, and the tremendous amount of work that you have all done. I par-

ticularly appreciate your leadership on S. 894, the Veterans' Compensation Cost-of-Living Adjustment Act, and the Hiring Heroes Act of 2011. The focus of the Administration and a major component of our focus on job creation should be about veterans and what we can do in that direction. We can, I think, perhaps more in this Committee than in any other, send a powerful bipartisan message that veterans issues are more important than partisan politics and that job creation among veterans especially is important. As we spend so much money in this country on defense and so many veterans are out of work, something does not quite fit there.

Finally, Madam Chair, I hope the Committee will consider S. 572, a bill to improve collective bargaining over pay matters for VA doctors and nurses. In a moment I will ask Dr. Jesse a question about that. The bill passed out of Committee last year restored bargaining rights for VA clinical care employees—bargaining rights that had been eroding over time. The bill is not about bargaining over pay scales but about giving employees the right to challenge violations of the VA's own pay rules. It is about fairness and ensuring that VA medical professionals have the same rights as other VA employees, and doctors and nurses at other Federal facilities. The bill is about holding VA accountable to those employees, accounts about complying with its own pay rules. I look forward to the testimony later of David Cox, the National Secretary-Treasurer of the AFGE, the American Federation of Government Employees, on this matter.

Dr. Jesse, a couple of questions about the reason for this bill, if you will. Two questions. First, does the VA collect data on how many medical professionals quit the VA over VA's pay policy or the lack of bargaining rights over unfair pay practices? And, second, in your opinion, is there a good chance that a physician who was promised incentive pay to come to the VA may leave when VA breaks that promise, and because of the lack of collective bargaining the employee does not have the recourse that she might have or he might have otherwise for doctors and nurses? Dr. Jesse, if you would weigh in on both of those.

Dr. JESSE. Sure. In response to the first question, I do not know the answer offhand, so I would have to get back to you, and we can look at that.

RESPONSE TO REQUEST ARISING DURING THE HEARING

Question. Sen. Brown of Ohio asked whether VA has data on the number of physicians and nurses who have left VA service because VA "reneged" on a commitment to them to provide incentives or bonuses or because their collective bargaining rights were limited.

Response. The Department of Veterans Affairs (VA) does not collect or maintain data on employees who may have left VA employment due to the failure of VA to fulfill a commitment to provide incentives or bonuses. Moreover, data show that VA's recruitment and retention of physicians and nurses has not been negatively impacted by limitations on collective bargaining rights.

The number of physicians and nurses on VA rolls has steadily increased over the past six fiscal years and the turnover rates for these occupations have remained at very low levels (see data below). VA's generous benefits packages and our title 38 pay systems, such as the Physician and Dentist Pay System and the Nurse Locality Pay System, have made VA more competitive and improved our ability to recruit and retain physicians and nurses.

0602 Physicians

	in fiscal years—					
	06	07	08	09	10	11
Total Onboard	15,472	16,440	17,876	19,249	20,173	20,558
Total Losses	1,436	1,385	1,467	1,433	1,556	662
Loss Rate	9.28%	8.42%	8.21%	7.44%	7.71%	3.22%

0610 Nurses

	in fiscal years—					
	06	07	08	09	10	11
Total Onboard	39,713	42,162	46,983	50,309	52,428	53,603
Total Losses	3,325	3,388	3,242	2,786	3,289	1,825
Total Turnover/Loss Rate	8.37%	8.04%	6.90%	5.54%	6.27%	3.40%

Dr. JESSE. The answer to the second question is that my sense is we have done very well over the past several years in both recruiting and maintaining the workforce, thanks to the Congress for the physician pay bill that passed in 2006, I believe. It was an extraordinary effort that really changed our capability to get high-quality physicians both to come to the VA and to stay there. And I can speak to that from a personal sense, having been a chief of cardiology in Richmond and having to recruit what are very competitive positions in both interventional cardiology and electrophysiology. We have been able to retain those physicians.

In terms of people leaving because we renege on performance pay, my sense is, yes, they may. And it would be our loss that they would because, frankly, these positions can get paid two, three, or four times higher in the private sector than we pay them. What we do offer them is a superb work environment that is unencumbered by having to bill, unencumbered by having to have their salary predicated on doing procedures that are—well, I want to be careful about my words here, but that we can do appropriate procedures, we can do the right things for patients because we have a model of physician reimbursement that supports doing the right thing for the patients. And that work construct, the pay construct, the pay rates we have now have been very beneficial in doing that. We do use retention bonuses to keep particularly the more challenging positions, which I would include interventional radiology, interventional cardiology, electrophysiology, nuclear medicine, and some of the surgical specialties. And I do not know that we have suffered significant loss because we have reneged on them.

Senator BROWN OF OHIO. Are you acknowledging that you have reneged on some of them?

Dr. JESSE. No. I do not know that we have.

Senator BROWN OF OHIO. OK.

Dr. JESSE. I mean, I sign off on moving them forward, but I do not have visibility into ones where they may have reneged on them. But I can find that out for you. I do not have that in front of me. I have not heard it is a problem. I have not heard complaints from physicians that they are leaving because they had a pay agreement and were reneged upon. I do know that, you know, people may move because we do not pay them the salary that they want to get.

But, frankly, the pay structure we have in place now, thanks to the physician pay reform in 2006, makes us able to compete for good, high-quality physicians. I am very proud of that workforce.

Senator BROWN OF OHIO. I did not just make it up, so we will talk about the reneging.

Dr. JESSE. OK, yes.

Senator BROWN OF OHIO. But I also do not have—we do not have——

Dr. JESSE. I am sure there are incidents, but I just have not seen them yet.

Senator BROWN OF OHIO. I accept that, and we do not—you know, we just want to explore more. There are some physicians, some of your most qualified physicians and nurses leaving because of that, but we will pursue that. The point in part is that collective bargaining, that legislation, will help work that through so that there is some recourse for those doctors and nurses, and in an environment that can be not all that contentious to make it work in the best ways. We are having a major fight in Ohio right now, a political fight on the whole idea of collective bargaining for public employees, and people that support taking away collective bargaining rights forget that when people are talking that there is actually less animosity and less anger and more resolution, and a political agenda or an ideological fervor sometimes obscures that.

Thank you.

Chairman MURRAY. Thank you very much.

Dr. Jesse, as you know, there are a lot of reasons that veterans become homeless. Sometimes it is the impact of invisible wounds of war, breakup of a marriage, the loss of a job—a lot of factors. Currently, VA can only contract for emergency shelter care for homeless veterans who are seriously mentally ill or have substance abuse issues.

One of the provisions in S. 1148, the Veterans Programs Improvement Act, will allow VA to contract for emergency shelter care for homeless veterans regardless of current eligibility restrictions. I know you do not have cleared views on the homeless sections of this bill, but can you talk generally about how expanding the population of homeless veterans who are eligible for emergency shelter would help the VA accomplish its goals of eliminating homelessness?

Dr. JESSE. Sure. I would like to start off by saying that your question is exactly on key. Our goal is not to reduce it. The Secretary has been very frank and committed to eliminating homelessness in veterans, and we do know that this is not an issue of just providing a bed. It is an issue of health care, it is an issue of education, it is an issue of working with the courts to try to support veterans who might be otherwise in trouble and need help. But it requires not just—it requires this broad base of social services all woven together if we are really going to accomplish this goal. So my sense is that anything we can do to move that forward is useful toward reaching that goal of eliminating homelessness.

I think we have made great strides. I think Ranking Member Burr said we went from about 111,000 last year down to about 76,000. These are actually difficult numbers to get because it is a population that actually is in flux. But I think the trend at least

is very promising, and I think we are moving that in the right direction. I am extremely proud of the VA's homelessness program. It has got some extraordinarily talented people who have managed this in just remarkable ways in a relatively short period of time.

Chairman MURRAY. OK. Mr. Cardarelli, I want to turn to you because we heard recently about an employee of a fiduciary who was recently charged with embezzlement of over $626,000 from the estates of incompetent VA beneficiaries. As you know, I have introduced legislation to improve VA's ability to actually access the bank accounts of fiduciaries, and I wanted you to comment on that today on whether or not the provisions of this bill will allow the VA with direct access to fiduciary bank accounts to better increase the likelihood of something like that not happening.

Mr. CARDARELLI. Yes, ma'am. One of the Secretary's major concerns is fiduciary, realizing that these are among our most vulnerable veterans, and he has emphasized that to the VBA leadership, so we clearly take that very seriously.

One of the things we realized what we wanted to do was have better oversight, better oversight within our organization and also external to our organization. As you know, as members of your staff know, we have done some reorganization in VBA that allows us to do that. We created a senior executive position. We are doing some consolidation of our fiduciaries into a few less sites so that we could have better fidelity of our people who do that. We think the bill that you introduced, what I know of it, will give us more access and more oversight so that we can look in and if there is potentially something going on that does not look right, we could then raise that issue.

So whatever we can do to have better oversight and better insight into a bank account or whatever will assist us in providing better oversight of that program.

Chairman MURRAY. OK. I appreciate that.

I have a number of other questions that I am going to submit for the record.

Senator Burr, did you have any more for this panel? Senator Brown?

[No response.]

Chairman MURRAY. I note that Senator Begich has just arrived, and before I dismiss this panel, do you have any questions for this panel?

Senator BEGICH. No.

Chairman MURRAY. Alright, then we will submit questions for the record. We want each of you to respond to those in a timely manner. So, at this point I thank you very much for your testimony. I would like to excuse this panel and move to the second panel.

In order to be expeditious, I am going to introduce you as you are coming up, so if everybody can keep their comments down as you move around, that would be great.

I do understand that there were a lot of bills that some of the panelists addressed in their written testimony, so I want to thank you, all of you, for your participation. It really benefits this Committee to know your comments.

We are going to be hearing from Jeff Steele, who is the assistant legislative director at The American Legion; Joe Violante, who is the national legislative director for the Disabled American Veterans; Raymond Kelley, who is the national legislative director for the Veterans of Foreign Wars; Jerry Ensminger, who is a retired Master Sergeant of the U.S. Marine Corps; and J. David Cox, who is the national secretary-treasurer of the American Federation of Government Employees.

I thank all of you for coming before the Committee today with your testimony. Mr. Steele, I am going to begin with you. I see you just barely sat down, but are you ready to go? OK. Thank you very much.

STATEMENT OF JEFF STEELE, ASSISTANT DIRECTOR, NATIONAL LEGISLATIVE COMMISSION, THE AMERICAN LEGION

Mr. STEELE. Chairman Murray, Ranking Member Burr, Members of the Committee, thank you for this opportunity for The American Legion to present its views on legislation pending before the Committee. I will limit my remarks to three issues we would like to highlight for today's hearing.

The American Legion supports S. 815, the Sanctity of Eternal Rest for Veterans Act.

This bill would create a zone of protection around military funerals by limiting any protests within 300 feet of such a funeral for 120 minutes preceding or following a service at any cemetery in the country. Additionally, the bill would extend the zone to 500 feet for any memorial services at cemeteries under control of the National Cemetery Administration and Arlington National Cemetery.

The American Legion supports the freedom of speech protected by the First Amendment to the U.S. Constitution which all our members swore to protect and uphold. However, the Supreme Court has made it clear that, and I quote, "[e]ven protected speech is not equally permissible in all places and at all times." The choice of where and when to conduct picketing is not beyond the Government's regulatory reach. It is, again, quoting the Supreme Court, "subject to reasonable time, place, or manner restrictions."

We embrace fully a world where groups espousing varied and unpopular political messages have the ability to voice those concerns in proper venues; however, in so doing it is not necessary to harm the grieving families of our heroes. This legislation will protect the families of our fallen soldiers and help preserve the dignity of military funerals from those who wish to disrupt and cause pain and suffering while respecting the intent of the First Amendment to our Constitution. Finally, it should be noted that there is no cost to this bill, but it will be priceless for the families of our fallen servicemembers.

S. 490 would expand eligibility requirements for children who receive health care under the Civilian Health and Medical Program of the VA, or CHAMPVA. The aim of this bill is to give CHAMPVA the same benefits now available to other Americans established by the Patient Protection and Affordable Care Act signed into law last year. Prior to passage of this legislation, concerns were raised that provisions extending health insurance coverage to dependent children until age 26 did not extend either to TRICARE or CHAMPVA

beneficiaries. The fiscal year 2011 National Defense Authorization Act enacted earlier this year gave the Defense Department the authority it needed to extend TRICARE coverage to young adults. This leaves only CHAMPVA beneficiaries without this extended eligibility. It is only fair to afford children who are CHAMPVA beneficiaries the same eligibility. Surely coverage for veterans' family members in need should meet this new national standard. The American Legion supports this bill.

S. 1104, the Transition Assistance Program Audit Act of 2011, calls for an independent third-party audit of the Department of Labor's Transition Assistance Program, or TAP, every 3 years to ensure that it is providing services that are up-to-date and useful to servicemembers and their spouses making the initial transition from military service to the civilian workplace.

While acknowledging the current efforts underway to reform the TAP program, the fact remains that it should not have taken the Department of Labor nearly two decades to modernize this program, and the Department should welcome the assistance that would come from an independent audit with recommendations for improving the effectiveness of the program at regular intervals. The American Legion supports this bill. It would recommend, however, that a sunset provision be added to the bill.

This concludes my statement. I would be pleased to answer any questions you or the Committee might have. Thank you.

[The prepared statement of Mr. Steele follows:]

STATEMENT OF JEFF STEELE, ASSISTANT DIRECTOR, NATIONAL LEGISLATIVE COMMISSION, THE AMERICAN LEGION

Chairman Murray, Ranking Member Burr, Members of the Senate Veterans' Affairs Committee, thank you for this opportunity for The American Legion to present its views on the following pieces of pending legislation.

S. 277, CARING FOR CAMP LEJEUNE VETERANS ACT OF 2011

The purpose of this bill is to amend title 38, U.S.C., and to furnish hospital care, medical services, and nursing home care to veterans currently suffering from adverse health effects who were stationed at Camp Lejeune, North Carolina, during the time the water was contaminated by known human carcinogens and probable human carcinogens.

The Camp Lejeune water contamination problem occurred at Marine Corps Base Camp Lejeune from 1957 to 1987. During that time, United States Marine Corps (USMC) servicemembers and their families living at the base apparently bathed in and ingested tap water contaminated with harmful chemicals. An undetermined number of former base residents later developed cancer or other ailments, which many blame on the contaminated drinking water. Victims claim that USMC leaders concealed knowledge of the problem and did not act properly in trying to resolve it or notify former base residents that their health might be at risk.

The American Legion favorably acknowledges an April 2011 letter sent to the Navy wherein five Members of Congress, including Senators Bill Nelson of Florida, Kay Hagan and Richard Burr and Representatives Brad Miller of North Carolina, and John Dingell of Michigan, criticize the service's continued behavior regarding the water contamination issue. In the letter, the members accused the Navy of continuing to mischaracterize a 2009 report by the National Academy of the Sciences' National Research Council, which concluded there was no concrete link between the chemicals trichloroethylene and tetrachloroethylene and a host of ailments suffered by veterans and family. The Navy states the report also assessed benzene exposure, which is false, according to the letter. Also, the letter criticized the Navy for not agreeing to a communications protocol with the Agency for Toxic Substances and Disease Registry (ATSDR) to allow that agency to review all Navy public relations material related to the contamination issue. The letter pointed out that the Marine

Web site with information on the contamination did not contain direct links to the ATSDR Web site documenting their study of the issue.

The American Legion supports this bill and the conducting of further scientific studies of the residents who were affected by those contaminants in order to finally resolve this long-standing issue.

S. 396, MEETING THE INPATIENT HEALTH CARE NEEDS OF FAR SOUTH TEXAS VETERANS ACT OF 2011

This bill directs the Secretary of Veterans Affairs (VA) to: (1) ensure that the South Texas Veterans Affairs Health Care Center in Harlingen, Texas, includes a full-service VA inpatient health care facility; and (2) if needed, modify the existing facility to meet this requirement.

While The American Legion generally takes no position on the specific placement of VA healthcare facilities, we are strongly committed to seeing that veterans should not be forced to travel long distances to access quality health care because of where they choose to live. All veterans deserve convenient access to proper medical attention. Earlier this year, VA did open a new $40 million Health Center in Harlingen to accommodate the needs of South Texans. The Health Center, which offers only outpatient care, can be seen as a first step toward full-service health care to the region. Previously, the closest VA facility was in San Antonio—a laborious trip for many patients suffering from chronic conditions. VA has therefore recognized the need for an expansion of veterans' health care services in Deep South Texas.

We remained concerned, however, that VA's Major and Minor Construction Programs continue to be targeted for reductions. Acknowledging this Nation's present fiscal difficulties does not entail that we as a nation are unable to meet the obligations to our veterans. The American Legion understands VA is facing increasing issues with regards to providing care and benefits to our returning servicemembers, and the veterans of previous conflicts. But with more veterans coming home from Iraq and Afghanistan, the costs of providing care and benefits are going to have to continue to increase.

The American Legion recommends the President's budget request for $590 million for Major Construction and $550 million for Minor Construction in FY 2012 be increased to $1.2 billion for Major Construction projects and $800 million for Minor Construction projects to provide for additional facilities.

S. 411, HELPING OUR HOMELESS VETERANS ACT OF 2011

This bill would improve outreach to rural and underserved urban veterans by authorizing and encouraging VA to partner with eligible state and local governments, tribes, and community-based service providers to ensure homeless veterans have access to the existing HUD-Veterans Affairs Supportive Housing (HUD-VASH) program that provides chronically homeless veterans with housing vouchers and case management services, such as assistance accessing counseling and job training.

The President and VA Secretary are committed to eliminating veteran's homelessness. The HUD-VASH program is a prominent part of the five year plan developed to do so. VA has acknowledged in previous congressional testimony it can't achieve this goal on its own. It "will need the collaboration of Federal and State and community partners and, of course, Congress," a VA representative said.

By allowing VA to collaborate with states and nonprofits on case management service provision, the bill would help ensure distribution of rental assistance and other services to veterans in rural areas and underserved urban veterans where case management services are otherwise not available. It should be noted the bill does not require additional funding.

The American Legion supports this bill.

S. 423, A BILL TO AMEND TITLE 38, UNITED STATES CODE, TO PROVIDE AUTHORITY FOR RETROACTIVE EFFECTIVE DATE FOR AWARDS OF DISABILITY COMPENSATION IN CONNECTION WITH APPLICATIONS THAT ARE FULLY-DEVELOPED AT SUBMITTAL, AND FOR OTHER PURPOSES.

One of many initiatives the Department of Veterans Affairs (VA) has launched to help address the claims backlog has been the Fully Developed Claims (FDC) Program. VA successfully piloted the program at ten VA regional offices through which VA expedited FDC claims. Last year, VA expanded the FDC process to all VA regional offices. This legislation is designed to encourage the use of this program by providing an incentive for veterans to file these fully-developed claims by compensating them for a period up to one year prior to the date the claim was filed.

Although VA already allows for the locking in of an earlier effective date with an informal claim if a veteran needs time to gather evidence for their FDC claim, not

all who avail themselves of the FDC claims process will know of or use an informal claim, thus losing the benefit of an earlier effective date. This legislation would provide a safety net for those veterans.

The American Legion supports this bill.

S. 486, PROTECTING SERVICEMEMBERS FROM MORTGAGE ABUSES ACT OF 2011

This bill encourages compliance with the Servicemembers Civil Relief Act (SCRA) by doubling the maximum criminal penalties for violations of its foreclosure and eviction protections. It would also double civil penalties in cases where the Attorney General has commenced a civil action. In addition, the bill will give servicemembers the time they need after returning from deployment to regain solid financial footing, by extending the period of foreclosure protection coverage from 9 to 24 months after military service has ended.

Earlier this year, when reports that one of America's largest banks had been overcharging about 4,000 servicemembers on their home loans, and had improperly foreclosed on the homes of 14 military families, we wholeheartedly joined the chorus of justifiable outrage about this shocking situation and called upon all financial institutions that handle mortgages for military families to review policies and practices, to make sure they are obeying Federal law.

While the bank involved has issued a mea culpa and made efforts to reassure the men and women of our military their commitment to make this right, the episode makes it clear that further strengthening of the SCRA is called for. It is a national security imperative that servicemembers be able to fight the Nation's wars without having to worry about their rights being trampled at home. The tragic stories of those who have been adversely affected by the failure of our financial institutions to play by the rules further highlight the necessity of enhancing the effectiveness of the legal and regulatory protections for our servicemembers and veterans.

The American Legion supports this bill.

S. 490, THIS BILL WOULD EXPAND ELIGIBILITY REQUIREMENTS FOR CHILDREN WHO RECEIVE HEALTH CARE UNDER THE CIVILIAN HEALTH AND MEDICAL PROGRAM OF THE VETERANS AFFAIRS DEPARTMENT (CHAMPVA).

The aim of this bill is to give CHAMPVA the same benefits now available to other Americans established by the Patient Protection and Affordable Care Act (P.L. 111–148) signed into law last year. Prior to passage of this legislation, concerns were raised that provisions extending health insurance coverage to dependent children until age 26 did not extend either to TRICARE or CHAMPVA beneficiaries. The fiscal 2011 National Defense Authorization Act enacted earlier this year gave the Defense Department the authority it needed to extend TRICARE coverage to young adults. This leaves only CHAMPVA beneficiaries without this extended eligibility. It is only fair to afford children who are CHAMPVA beneficiaries the same eligibility. Surely coverage for veterans' family members in need should meet this new national standard.

The American Legion supports this bill.

S. 666, VETERANS TRAUMATIC BRAIN INJURY CARE IMPROVEMENT ACT OF 2011

This bill directs the Secretary of Veterans Affairs to report to Congress on the feasibility and advisability of establishing a Polytrauma Rehabilitation Center or Polytrauma Network Site for the Department of Veterans Affairs (VA) in the northern Rockies or the Dakotas. It further requires the Fort Harrison Department of Veterans Affairs Hospital in Lewis and Clark County, Montana, to be evaluated as a potential location for such a Center or Site.

Again, The American Legion generally takes no position on the specific placement of VA healthcare facilities, but we are strongly committed to seeing that veterans should not be forced to travel long distances to access quality health care because of where they choose to live. Therefore, we support the establishment of additional Polytrauma Rehabilitation Centers or Polytrauma Network Sites wherever a need for them is apparent and petitions Congress to provide required operations and construction funding to ensure proper healthcare is a realistic option for veterans.

S. 696, A BILL TO AMEND TITLE 38, UNITED STATES CODE, TO TREAT VET CENTERS AS DEPARTMENT OF VETERANS AFFAIRS FACILITIES FOR PURPOSES OF PAYMENTS OR ALLOWANCES FOR BENEFICIARY TRAVEL TO DEPARTMENT FACILITIES, AND FOR OTHER PURPOSES.

Readjustment Counseling Centers, also known as Vet Centers, assist veterans through such services as individual, group or family counseling to help overcome psychological problems. Trips to a Vet Center are as important as trips to a VA clinic. But the latter earns the patient mileage reimbursement, while a visit to the former does not. This legislation corrects that inequity by treating Vet Centers the same as other VA facilities for the purpose of reimbursements for travel.

The American Legion supports this bill.

S. 745, THIS BILL MODIFIES ONE ASPECT OF THE MAJOR REVISION TO THE POST-9/11 GI BILL SIGNED INTO LAW EARLIER THIS YEAR, I.E., THE POST-9/11 VETERANS EDUCATION ASSISTANCE IMPROVEMENT ACT.

In an attempt to simplify the new GI Bill program, the new law creates a less complex method for deciding tuition and fee reimbursement for private institutions. Instead of setting a reimbursement cap for each state, based on the highest in-state rates for tuition and fees charged by a four-year public college or university, the bill would create a flat-rate cap for the entire U.S. of $17,500/yr for tuition and fees. Unfortunately, that cap could result in a drop in benefits for people using the GI Bill in six to 10 states when the relevant provisions of the law go into effect this fall. Over the past two years, however, many students chose a particular school with the expectation the GI Bill program they began with would still be there when they completed their degree. S. 745 would hold harmless current private school students from potential drops in tuition and fee payments.

However, there are additional issues The American Legion would like to see addressed in any legislation to further modify the new GI Bill program. Three changes in particular are a priority. One involves grandfathering those who attend out-of-state public universities who also fall under the same $17,500 cap. A second change is aimed at a cost-cutting measure in the law that severely restricts payment of living stipends between school terms. Starting this fall, payments between terms will be made only if there is a natural disaster or other unexpected disruption in the term. Otherwise, living stipends cease at the end of the term and don't begin again until the start of the next term. However, these interval payments are important to full-time students who do not have jobs and who may not have other sources of income. Finally, the new law reduces the current role of the state approving agencies by deeming certain educational programs and courses as constructively approved when such courses are approved by other Federal entities for programs under their jurisdiction. State approving agencies will now assume a compliance and oversight role. This Committee should reconsider the advisability of this change.

S. 769, VETERANS EQUAL TREATMENT FOR SERVICE DOGS ACT OF 2011

This bill will permanently close a loophole in VA policy that has created hurdles to care for certain disabled veterans. Under current VA policy, only seeing-eye and guide dogs are offered unrestricted access to VA health care facilities. Veterans who utilize service dogs as VA-sanctioned prosthetic devices for other physical or mental injuries can still be denied access at the discretion of each VA medical center director. While VA recently made an effort to close this loophole through a directive on service dog access, a legislative solution will offer the permanent equality in access that veterans deserve and save VA the trouble of having to reissue the directive at future intervals.

The American Legion supports this bill.

S. 780, VETERANS PENSIONS PROTECTION ACT OF 2011

This bill would exclude from annual income, for purposes of eligibility for pensions for veterans and their surviving spouses and children, reimbursements resulting from: (1) any accident; (2) any theft or loss; (3) any casualty loss; (4) medical expenses resulting from any such accident, theft, or loss; and (5) pain and suffering (including insurance settlement payments and general damages awarded by a court) related to such accident, theft, or loss.

Currently, any money received from an insurance claim, court judgment, or injury settlement counts toward a veteran's income when the VA determines pension eligibility. This means low-income veterans who are compensated even for small settlements risk losing their pensions. The bill seeks to change the rules surrounding the

income eligibility rules. Veterans should not have to worry about losing their pensions because they became victims by some other person's actions.

The American Legion supports this bill.

S. 815, SANCTITY OF ETERNAL REST FOR VETERANS ACT OF 2011

This bill would create a zone of protection around military funerals by limiting any protests within 300 feet of such a funeral for 120 minutes preceding or following a service at any cemetery in the country. Additionally, this bill would extend that zone to 500 feet for any memorial services at cemeteries under control of the National Cemetery Administration and Arlington National Cemetery.

The American Legion supports the freedom of speech protected by the First Amendment to the U.S. Constitution which all of our members swore to protect and uphold. However, "[e]ven protected speech is not equally permissible in all places and at all times." *Frisby* v. *Schultz*, 487 U. S. 474, 479. The choice of where and when to conduct picketing is not beyond the Government's regulatory reach—it is "subject to reasonable time, place, or manner restrictions." *Clark* v. *Community for Creative Non-Violence*, 468 U. S. 288, 293.

We embrace fully a world where groups espousing varied and unpopular political messages have the ability to voice those concerns in proper venues; however, in so doing it is not necessary to harm the grieving families of our heroes. This legislation will protect the families of our fallen soldiers and help preserve the dignity of military funerals from those who wish to disrupt and cause pain and suffering while respecting the intent of the First Amendment to our Constitution.

The American Legion supports this bill.

S. 873, A BILL TO AMEND TITLE 38, UNITED STATES CODE, TO PROVIDE BENEFITS FOR CHILDREN WITH SPINA BIFIDA OF VETERANS EXPOSED TO HERBICIDES WHILE SERVING IN THE ARMED FORCES DURING THE VIETNAM ERA OUTSIDE VIETNAM, AND FOR OTHER PURPOSES.

Under title 38, United States Code, Chapter 18, benefits are currently payable to children of veterans that served in the Republic of Vietnam during the period January 9, 1962, to May 7, 1975, and who suffer from the birth defect spina bifida. Recent legislation has extended the spina bifida benefits to include the children of veterans who served in or near the Korean Demilitarized Zone during the period of September 1, 1967, and August 31, 1971, and determined by the Secretary of Veterans Affairs to have been exposed to herbicides during such service. However, the children of veterans who served in locations other than Vietnam and Korea who were possibly exposed to Agent Orange would be denied entitlement to compensation for spina bifida under the current statute and regulations. This inequity would be corrected by this legislation.

The American Legion supports this bill.

S. 894, VETERANS COST-OF-LIVING ADJUSTMENT ACT OF 2011

The purpose of this bill is to increase, effective as of December 1, 2011, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans. The amount of increase shall be the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1, 2011.

The American Legion supports this annual cost-of-living adjustment in compensation benefits, including dependency and indemnity compensation (DIC) recipients. It is imperative that Congress annually considers the economic needs of disabled veterans and their survivors and provide an appropriate cost-of-living adjustment to their benefits, especially should the adjustment need to be higher than that provided to other Federal beneficiaries, such as recipients of Social Security.

S. 935, A BILL TO REQUIRE THE SECRETARY OF VETERANS AFFAIRS TO CARRY OUT A PROGRAM OF OUTREACH TO VETERANS, AND FOR OTHER PURPOSES.

The American Legion believes that proper and thorough outreach is essential to ensuring this Nation's veterans and their dependents are fully informed and aware of all of the benefits to which they may be entitled to receive based on their honorable military service to our Nation.

S. 951, HIRING HEROES ACT OF 2011

This critical legislation will combat rising unemployment among our Nation's veterans by requiring transition assistance for all servicemembers returning home,

modifying Federal hiring practices to encourage the hiring of separating servicemembers and create new programs aimed at improving the transition from servicemember to civilian.

In 2010, more than one in four veterans aged 20–24 were unemployed. Even as the civilian unemployment rate begins to decline, we continue to see the new veteran unemployment rate rise month to month in 2011. With less than half a percent of Americans fighting in the current wars and only 8 percent of Americans having ever served in the military, it is critical that we bridge the widening gap between the civilian workforce and our Nation's veterans and this legislation has the potential to help tackle this unacceptable problem.

The American Legion supports this bill.

S. 957, VETERANS' TRAUMATIC BRAIN INJURY REHABILITATIVE SERVICES' IMPROVEMENT ACT OF 2011

This important piece of legislation will close gaps in both the duration and types of services provided to our wounded servicemembers who have sustained what are often profoundly debilitating Traumatic Brain Injuries. Specifically, the bill would clarify that VA may not prematurely cutoff needed rehabilitation services, and that these veterans can get the support they need—whether health-services or non-medical assistance—to achieve maximum independence and quality of life.

Traumatic Brain Injury (TBI) represents one of the most complex and potentially severe injuries incurred by servicemembers of the OEF/OIF conflicts. Each Traumatic Brain Injury is unique. Those with severe TBI may have such profound cognitive and neurological impairment that they require long years of caretaking and specialized rehabilitation. While many VA facilities have dedicated rehabilitation-medicine staff, the scope of services actually provided to veterans with TBI can be limited, both in duration and in the range of services VA will provide or authorize. We must guarantee that our veterans are supported not only in the acute phase of their recovery while they continue to make rehabilitative and medical gains, but that they are supported in the long term so that those gains are not lost.

Independent living and community reintegration are of the utmost importance to this young generation of warriors. Yet the VA's rehabilitation focus relies almost exclusively on a medical model that doesn't necessarily provide the range of support a young person needs to achieve the fullest possible life in the community. In contrast, other models of rehabilitative care meet those needs through such services as life-skills coaching, supported employment, and community reintegration therapy. But these services are seldom made available to veterans. Congress must close the gap to ensure veterans receive the full range of services needed to live meaningful and independent lives in their communities.

The American Legion supports this bill.

S. 1017

This bill would extend permanently VA's authority to provide to eligible severely service-connected disabled veterans Temporary Residence Adaptation (TRA) Grants when those veterans do not intend to permanently reside in a residence owned by a family member; increase the maximum grant from $14,000 to $28,000 for eligible veterans who have a permanent and total service-connected disability as a result of loss or loss of use of both lower extremities; increase the maximum assistance from $2,000 to $5,000 for eligible veterans who have a permanent and total service-connected disability rating due to blindness in both eyes with 5/200 visual acuity or less; due to the anatomical loss or use of both hands; or due to severe burn injury. In addition, the legislation provides an annual adjustment based on the residential home cost-of-construction index for the preceding calendar year. Further, the proposed legislation would expand eligibility for Special Adaptive Housing Assistance for veterans with vision impairment to those veterans having a central visual acuity of 20/200 or less in the better eye with the use of a standard correcting lens which is consistent with other central visual acuity requirements elsewhere in title 38, United States Code. Finally, the bill would assure the TRA grant would no longer be counted against the Special Adaptive Housing Assistance maximum grant.

Military personnel in Iraq and Afghanistan are surviving wounds in numbers far greater than previous wars. Largely due to advances in body armor and combat medicine as well as the rapidity of evacuation, survival rates are close to ninety percent. However many wounded servicemembers are surviving severe injuries which will require sophisticated, comprehensive, and often lifelong care. Blasts, especially those generated by IEDs are the cause of 65 percent of OEF/OIF casualties. Explosive devices produce a characteristic pattern of injuries: TBI, blindness, spinal cord

injuries, burns, and damage to the limbs resulting in amputation. Many military personnel are sustaining more than one of these wounds.

Many of these wounded warriors will require constant care from a family caregiver for years after they leave service. During this time, they frequently reside in a home that is not their own and not a permanent residence where they may live on their own after recovery. Adaptations, like ramps and elevators, must often be made to their permanent home and that of their caregiver while they are recovering from their injuries. While the VA does provide grants for adaptive housing, the benefit is largely based on the assumption that wounded warriors are living in their permanent home. Section 2102A of Title 38 allows the VA to issue a separate grant to adapt the temporary homes of recovering veterans; however, it is set to expire at the end of this year. By extending this program permanently, Congress can show their strong support for those veterans who have made extreme sacrifices for our freedom. The other upgrades in the bill would also constitute a necessary recognition by Congress of the evolving needs of these wounded warriors.

The American Legion supports this bill.

S. 1060, HONORING ALL VETERANS ACT OF 2011

Senator Blumenthal is certainly to be praised for the priority he is placing on this Nation's veterans by having the first piece of legislation he is introducing since becoming a member of the Senate be a veteran's bill.

We are particularly pleased that the legislation addresses a number of Legion priorities, including helping unemployed veterans find successful careers, assisting homeless veterans, meeting the behavioral health needs of veterans and military families, and enhancing DOD/VA collaboration to better institutionalize a truly seamless transition for returning servicemembers.

The seamless transition from active service to civilian life is a pressing concern for The American Legion. Every day in combat zones our servicemembers face grueling obstacles and challenges; they should not face these challenges as they return home and reintegrate into society after defending their country. Because this legislation takes needful steps toward making sure military skills and training are translatable into the civilian sector, attending to the needs of veterans living with Traumatic Brain Injury and/or Post Traumatic Stress Disorder, and increasing the number of veterans who may participate in VA's Vocational Rehabilitation and Employment Independent Living Program, we find there is much we can approve of in it.

The American Legion supports this bill.

S. 1104, TRANSITION ASSISTANCE PROGRAM AUDIT ACT OF 2011

This bill calls for an independent third party audit of the Department of Labor's Transition Assistance Program (TAP) every three years to ensure that it is providing services that are up-to-date and useful to servicemembers and their spouses making the initial transition from military service to the civilian workplace.

While acknowledging the current efforts underway to reform the TAP program, the fact remains that it should not have taken the Department of Labor nearly two decades to modernize this program and it should welcome the assistance which would come from an independent audit with recommendations for improving the effectiveness of the program at regular intervals.

The American Legion supports this bill.

S. XXXX, ALASKA HERO'S CARD ACT OF 2011

This bill establishes a pilot program under which veterans in the State of Alaska may receive health care benefits from VA at non-VA medical facilities.

While The American Legion generally takes no position on state specific issues, we are concerned at the precedence this act may have upon the overall quality of care for veterans. While Alaskans certainly must wrestle with the challenges of rural health delivery as much if not more so than the veterans of other states, even within Alaska, shared resources with the Department of Defense, telemedicine and other unique delivery models are being pioneered. Moreover, this program can already be accomplished through the VA fee-basis program.

Allowing Alaskan veterans to access almost any medical facility through use of a "hero card" negates the powerful resources of electronic medical records, case management, and VA oversight that can be offered through careful patient management. Furthermore, implementation of this program in Alaska would provide an unparallel benefit to one category of veterans not available to others in rural areas of the western United States and elsewhere. Finally, it detracts from the need of

the VA to provide the necessary resources and facilities, or access to these, to every veteran no matter where they live.

The American Legion opposes this bill.

As always, The American Legion thanks this Committee for the opportunity to testify and represent the position of the over 2.4 million veteran members of this organization. I would be happy to answer any questions you may have.

Chairman MURRAY. Thank you very much.

Mr. Violante?

STATEMENT OF JOSEPH A. VIOLANTE, NATIONAL LEGISLATIVE DIRECTOR, DISABLED AMERICAN VETERANS

Mr. VIOLANTE. Chairman Murray, Ranking Member Burr, Members of the Committee, on behalf of the Disabled American Veterans, I am pleased to be here today to present our views on the bills under consideration. These bills impact almost every VA business line as well as programs under the jurisdiction of other departments. As requested, my oral remarks will focus on the bills and issues with which we have the greatest interest and concerns.

Many of the bills under consideration today address important gaps in services to disabled veterans or enhance or improve current programs. DAV delegates to our most recent national convention in August 2010 passed numerous resolutions mandating DAV's support for many of the issues under consideration by this Committee, and I have identified DAV's position in detail in my written statement. However, as Congress considers authorizing new programs or enhancing or expanding current programs, it is essential that they do so in a manner that does not have negative effect on existing programs and services.

In today's economic environment, VA cannot be all things to all veterans, their families, and survivors without obtaining substantially more resources which are dependable and stable. If we are to increase the services VA must provide, we must also allow VA the time and resources to properly plan how best to deliver the services authorized by Congress to a deserving veteran population.

Madam Chairman, DAV and our members are acutely aware and grateful. Veterans programs have been benefited from generous increases and have been spared from deep cuts facing other Federal programs. However, we also realize that we are a Nation at war and that war produces more sick, disabled, and wounded veterans every day, thereby increasing the need for VA's services for veterans.

As this Committee knows well, veterans' need do not end when the shooting stops. VA is still caring for widows of World War I veterans, veterans and families of World War II, and all wars since. VA today is also confronted with a new generation of war-disabled veterans with many complicated and expensive needs that will continue for decades to come. All of this demand puts extreme pressure on VA's current resources.

In the face of this ambitious legislative agenda, we ask this Committee not to forget its responsibility to ensure that when it mandates a new service in law or admits a new eligible population to VA rolls that sufficient resources accompany that mandate to assure the promise is kept. The creation or expansion of a new benefit should not create the unintended consequences of restricting, reducing, or limiting benefits or services currently available. Au-

thorizing new or expanded current programs without providing new financial, human, and capital resources will only force VA to slice their budget pie into smaller pieces. And when relatively fewer resources are available, VA is forced to ration services—an outcome that should not be supported by this Committee.

Madam Chairman, while we share the goals of expanding access to VA health care for all eligible veterans, including those who live in rural, remote locations, DAV believes the VA must first ensure that doing so will not diminish or threaten the quality of care for enrolled veterans. Sustaining a robust VA health care system capable of providing a full continuum of high-quality, timely health care to all enrolled veterans remains one of DAV's highest priorities.

We have concerns about proposals that seek to increase access to VA health care but do not identify or guarantee new funding to pay for expanded care. In particular, care provided to veterans outside the VA system but paid for from within the VA budget must be done in a judicious manner so as not to endanger VA's ability to maintain a full range of specialized inpatient and outpatient services for enrolled veterans. VA must maintain a critical mass of capital, human, and technical resources to promote effective, high-quality care for veterans, especially those with complex health problems such as blindness, amputation, spinal cord injury, Traumatic Brain Injury, and mental health problems.

Madam Chairman, we have noted in our testimony the bills that we support. I would like to note that we strongly support passage of S. 894, which provides a cost-of-living adjustment for disability compensation and other payments. However, we oppose the continuing rounding down of that cost-of-living adjustment. Veterans are the only Federal recipients who have such a rounding-down.

Madam Chairman and Members of the Committee, this concludes my statement, and I would be happy to answer any questions you have.

[The prepared statement of Mr. Violante follows:]

PREPARED STATEMENT OF JOSEPH A. VIOLANTE, NATIONAL LEGISLATIVE DIRECTOR, DISABLED AMERICAN VETERANS

Chairman Murray, Ranking Member Burr and Members of the Committee: On behalf of the Disabled American Veterans (DAV) and our 1.2 million members, all of whom are wartime disabled veterans, I am pleased to be here today to present our views on 34 bills under consideration today.

S. 277, CARING FOR CAMP LEJEUNE VETERANS ACT OF 2011

Section 2 of this bill would furnish Department of Veterans Affairs (VA) hospital care, medical services, and nursing home care to veterans who were stationed at Camp Lejeune, North Carolina during a period, determined by the VA Secretary in conjunction with the Agency for Toxic Substances and Disease Registry of the Department of Health and Human Services, in which the water at Camp Lejeune was contaminated by volatile organic compounds, including known human carcinogens, notwithstanding that there is insufficient evidence to conclude such illness is attributable to such contamination.

Section 3 of this measure would create a new section 1786 under subchapter VIII of title 38, United States Code. Specifically, this bill would require a family member of the above described veteran who resided at Camp Lejeune during the same period, or who was in utero during such period, to be eligible for the same VA hospital care, medical services and nursing home care furnished by the Secretary for any condition, or any disability that is associated with such condition. The Secretary shall prescribe regulations that specify which conditions and disabilities are associated with said exposure.

The delegates to our most recent National Convention in Atlanta, Georgia, July 31–August 3, 2010, adopted two resolutions related to this bill. Resolution No. 298 urges congressional oversight and Federal vigilance to provide for research, health care and improved surveillance of disabling conditions in veterans resulting from military toxic and environmental hazards exposure. Resolution No. 278 calls for supporting legislation to provide for service connection of veterans for disabling conditions resulting from toxic and environmental exposures.

Accordingly, we support section 2 of this measure; however, we recommend any medical care provided to veterans' dependents under section 3 of this bill should be provided either under the military TRICARE program, or if in VA, in the Civilian Health and Medical Program of VA (CHAMPVA). We do not believe providing direct eligibility for these dependents in VA health care facilities would be in the best interest of either the VA system of care, or of the veterans who must rely on that system. Without a significant infusion of new funding—which this bill would not authorize—introducing a large, new treatment population into direct VA health care would cause rationing of care for those already enrolled in order for VA to generate the considerable additional resources that would be needed for the care of a new, unanticipated population. We would prefer that TRICARE be assigned this responsibility as a more appropriate source of continuing Federal care for this dependent population.

S. 396, MEETING THE INPATIENT HEALTH CARE NEEDS OF FAR SOUTH TEXAS VETERANS ACT OF 2011

If enacted, this measure would require the Secretary of Veterans Affairs to ensure that the South Texas Veterans Affairs Health Care Center in Harlingen, Texas includes a full-service VA inpatient health care facility—and, if necessary, shall modify the existing facility to meet this requirement.

The author of the measure argues that given the veteran population in the area, there is a high demand for VA medical services and that VA is not meeting the current health care needs of veterans residing in far south Texas. Additionally, it was noted that travel times in that area can exceed six hours for certain veterans in need of acute inpatient health care from VA, and they must seek that care in distant cities such as San Antonio, Houston and Dallas.

DAV does not have a specific resolution from our membership on this issue, nor does the national organization get involved in the placement of VA medical facilities. However, we acknowledge that access to inpatient services is a challenge for many veterans living in more rural and remote areas and certain areas of the country where there is only a minor community-based outpatient clinic (CBOC) available to deal with primary health care needs. We note that in Public Law 108–170, sections 223 and 224, Congress directed VA to establish a defined plan to provide inpatient hospital care to veterans residing in far south Texas and other rural, frontier and remote regions in need of a greater VA bed presence. This act also gave VA a variety of new statutory tools to accomplish that goal.

We believe that the Veterans Health Administration (VHA) Office of Rural Health (ORH) is deeply engaged today in establishing better access to care for rural and remote veterans. Since its inception, the ORH has funded well over 500 projects/programs across the VA health care system to accomplish its mission of increasing access and improving the quality of health care for enrolled rural and highly rural veterans. In the 2010–2014 ORH strategic plan, six major goals are outlined:

1) Improve access and quality of care through the establishment of new access points, by supporting new and ongoing transportation solutions to VA facilities and by supporting initiatives such as the home based primary care program

2) Optimize the use of available and emerging technologies such as telemedicine, web-based networking tools, and the use of mobile devices to deliver care to and monitor the health of rural and highly rural veterans

3) Maximize utilization of existing and emerging studies and analyses to impact care delivered to rural and highly rural veterans

4) Improve availability of education and training for VA and non-VA health care providers to rural and highly rural veterans by supporting initiatives such as the Graduate Medical Education Enhancement Initiative for residents, nurse practitioners and social workers who want specialized training in Rural Health

5) Enhance existing and implement new strategies to improve collaborations and increase service options for rural and highly rural veterans such as the recent Indian Health Service-VA Memorandum of Understanding, which will improve health care delivery by sharing programs, improving coordination of care, and increasing efficiency through sharing contracts and purchasing agreements

6) Develop innovative methods to identify, recruit and retain medical professionals and requisite expertise in rural and highly rural areas.

In fiscal year (FY) 2011, ORH is supporting over 275 individual projects across the country at a cost of over $500 million (this does not include ORH-funded projects overseen by three Veterans Rural Health Resource Centers). Many of these are in collaboration with other VA program offices such as the Office of Mental Health, Geriatric and Extended Care Office, and the Office of Telehealth Services.

We strongly concur that VA must work to improve access for veterans that are challenged by long commutes and other obstacles in gaining reasonable access to the full continuum of health care services at VA facilities and explore practical solutions when developing policies in determining the appropriate location and setting for providing VA health care services. At a minimum, VA should include experts and veterans service organization representatives from the areas in question in decisions made regarding access to inpatient care services to help VA consider alternative program and policy decisions that would have positive effects on veterans who live in these areas.

DAV recommends the sponsors of this bill ask VA to provide them with a current assessment of the veteran population in far south Texas including the need for hospital services to see if adding an inpatient capability is feasible and what methods if any VA intends to pursue to achieve that goal.

S. 411, HELPING OUR HOMELESS VETERANS ACT OF 2011

Veterans living in rural areas, underserved metropolitan areas, or Indian lands require an adequate share of targeted housing vouchers. This legislation instructs the VA to ensure appropriate Housing and Urban Development—Veterans Affairs Supportive Housing (HUD-VASH) vouchers are distributed to these populated areas as well. Allowing these services to be administered by local community organizations will give underserved veterans greater access to this important program. Inclusion of other partners into housing as part of case management is an important step in moving forward on ending veteran homelessness.

This legislation supports our mission, which is to build better lives for disabled veterans, their families and survivors. We support this bill, in accordance with DAV Resolution No. 223, which calls for sustained sufficient funding to improve services for homeless veterans. It is projected that there will be a need for a significant increase in services over current levels to serve veterans of all eras. The Secretary of Veterans Affairs' campaign to end homelessness among veterans through enhanced collaboration with other Federal and state agencies, faith-based organizations, veterans' service organizations and other community partners is essential. This legislation addresses these issues by expanding case management services delivery through nonprofits and state entities.

Accordingly, DAV supports S. 411.

S. 423, A BILL TO PROVIDE AUTHORITY FOR RETROACTIVE EFFECTIVE DATE FOR THE AVAILABILITY OF COMPENSATION WITH THE SUBMISSION OF A FULLY DEVELOPED CLAIM.

This bill would amend title 38, United States Code, section 5110(b) to allow for a retroactive effective date up to one year earlier than the date of submittal of a fully developed claim, based on the facts found.

Although DAV does not have a resolution on this specific issue, DAV Resolution No. 073 supports reform of the VA disability claims process. DAV supports passage of this legislation, as it is in the best interest of both the VA and veterans, it will improve the current claims process and provide for the timely delivery of claims.

S. 486, PROTECTING SERVICEMEMBERS FROM MORTGAGE ABUSES ACT OF 2011

This bill amends the Servicemembers Civil Relief Act, extending the period of protection from the current nine months to 24 months after leaving military service against mortgage sale or foreclosure, as well as the stay of proceedings, in the case of an obligation on real property that originated before the period of military service. This bill also increases criminal and civil penalties for mortgage abuses, including felonies for unlawful eviction or distress or for unlawful sale, foreclosure, or seizure.

While DAV does not have a resolution on this matter, we would not be opposed to its favorable consideration.

S. 490, A BILL TO INCREASE THE MAXIMUM AGE FOR CHILDREN ELIGIBLE FOR MEDICAL CARE UNDER THE CHAMPVA PROGRAM.

This measure would amend title 38, United States Code, section 1781(c) to increase the maximum age for children eligible for medical care under CHAMPVA.

CHAMPVA was established in 1973 within the VA to provide health care services to dependents and survivors of our Nation's veterans. CHAMPVA enrollment has grown steadily over the years and, as of FY 2009, covers more than 336,000 beneficiaries.

Under current law, a dependent child's eligibility, which otherwise terminates at age 18, continues to age 23 when such child is pursuing an approved full-time course of education.

The landmark health care reform act that was enacted into law last year includes a provision that requires private health insurance to cover dependent children until age 26.

This is in line with DAV Resolution No. 201, supporting legislation to extend eligibility for CHAMPVA until an eligible child's graduation from an approved course of full-time education.

DAV therefore strongly supports this measure.

S. 491, HONOR AMERICA'S GUARD-RESERVE RETIREES ACT OF 2011

This bill would amend Chapter 12 of title 38, United States Code, by conferring the designation of "veteran" on members of the Reserve component of the Armed Forces who retired due to age. While the bill does specify that these individuals are entitled to retired pay for their nonregular service, they would not be entitled to benefits provided to those who served on active duty.

DAV does not have a resolution on this matter. We are concerned, however, that measures such as this, if enacted, may then lead to a misunderstanding in the minds of the American public about those veterans who earned the designation of veteran by virtue of their active duty service, injury or deployment and those who have been honored with the title veteran and a misunderstanding of what benefits they receive or are entitled to receive.

S. 536, A BILL TO PROVIDE THAT UTILIZATION OF SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE SHALL NOT BE SUBJECT TO THE 48-MONTH LIMITATION ON THE AGGREGATE AMOUNT OF ASSISTANCE UTILIZABLE UNDER MULTIPLE VETERANS AND RELATED EDUCATIONAL ASSISTANCE PROGRAMS.

This bill amends title 38, United States Code, to remove the 48-month limitation for survivors and dependents to use the aggregate amount of assistance utilizable under multiple veterans and related educational assistance programs.

DAV has no resolution, but is not opposed to its favorable consideration.

S. 572, A BILL TO REPEAL THE PROHIBITION ON COLLECTIVE BARGAINING WITH RESPECT TO MATTERS AND QUESTIONS REGARDING COMPENSATION OF EMPLOYEES OF THE DEPARTMENT OF VETERANS AFFAIRS OTHER THAN RATES OF BASIC PAY.

This bill would restore some bargaining rights for clinical care employees of the VHA that had been eroded. The bill would amend subsections (b) and (d) of section 7422 of title 38, United States Code, by striking "compensation" both places where the term appears and inserting "basic rates of pay" in its place. The intent of the bill would be to authorize employee representatives of recognized bargaining units to bargain with VHA management over matters of employee compensation other than rates of basic pay.

We understand recently VA has given Federal labor organizations some indication of additional flexibility in negotiating labor-management issues such as some features of compensation, and we are hopeful that this change of heart signals a new trend in these key relationships that directly affect sick and disabled veterans under VA care.

DAV does not have an approved resolution from our membership on the specific issues addressed by this bill. However, we would not oppose its enactment, while continuing to hope that VA and Federal labor organizations can find a sustained basis for compromise and resolution.

S. 666, VETERANS TRAUMATIC BRAIN INJURY CARE IMPROVEMENT ACT OF 2011

This bill would require VA to submit a report to Congress on the feasibility and advisability of establishing a Polytrauma Rehabilitation Center or Polytrauma Network Site for the VA in the northern Rockies or the Dakotas.

DAV does not have a resolution on this particular issue, and we therefore have no position.

S. 696, A BILL TO TREAT VET CENTERS AS DEPARTMENT OF VETERANS AFFAIRS FACILITIES FOR PURPOSES OF PAYMENTS OR ALLOWANCES FOR BENEFICIARY TRAVEL TO DEPARTMENT FACILITIES.

The legislation would amend title 38, United States Code, section 111, to allow for beneficiary travel benefits to eligible veterans who receive care at Vet Centers as those who travel to VA health care facilities.

Under current law, readjustment counseling authorized under title 38, United States Code, section 1712A is not considered part of VA's medical benefits package under title 38, Code of Federal Regulations, section 1738.

DAV believes adequate travel expense reimbursement is directly tied to access to care for many veterans, and is not a luxury. DAV supports this legislation based on DAV Resolution No. 214, and urge its favorable consideration.

S. 698, A BILL TO CODIFY THE PROHIBITION AGAINST THE RESERVATION OF GRAVESITES AT ARLINGTON NATIONAL CEMETERY.

This bill would amend title 38, United States Code, to codify the prohibition against the reservation of gravesites at Arlington National Cemetery, and for other purposes. It stipulates that no more than one gravesite shall be provided at Arlington to a veteran or member of the Armed Forces or family member who is eligible for burial. Additionally, it specifies that no gravesite shall be reserved at Arlington before an individual's death, except in the case of a request submitted to the Secretary of the Army before January 1, 1962.

DAV does not have a resolution on this matter and, therefore, we have no position on this measure.

S. 745, A BILL TO PROTECT CERTAIN VETERANS WHO WOULD OTHERWISE BE SUBJECT TO A REDUCTION IN EDUCATIONAL ASSISTANCE BENEFITS.

This bill would amend title 38, United States Code, to protect certain veterans who would otherwise be subject to a reduction in educational assistance benefits, and for other purposes. This bill would allow veterans who are using the Post-9/11 GI Bill and enrolled at nonpublic institutions of higher education from August 1, 2011 through December 31, 2014, the lesser of: (1) the established charges for that program; (2) the established charges payable under the VA's maximum payments table published on October 27, 2010; or (3) the amount for the previous academic year, increased by the authorized annual percentage increase.

While DAV does not have a resolution on this matter, we are not opposed to its favorable consideration.

S. 769, VETERANS EQUAL TREATMENT FOR SERVICE DOGS ACT OF 2011

This bill would ensure that the VA Secretary not prohibit the use of service dogs provided by VA for veterans with a hearing impairment, spinal cord injury/dysfunction or any other chronic impairment that limits mobility in any facility or on any property of the Department or in any facility or on any property that receives funding from the Secretary.

Congress found that the usage of medical service dogs among veterans is increasing. Likewise, VA currently allows seeing-eye dogs in Department facilities and does not place any limitations on the access of seeing-eye dogs to Department facilities. This legislation would amend Section 1714 of title 38, United States Code, by adding a new subsection—aimed to ensure that veterans with service dogs have the same access in VA facilities as guide dogs for the blind.

The VHA published VHA Directive 2011–013 on March 10, 2011, related to its policy on access of guide dogs and service dogs on VHA property. The directive acknowledges that trained guide dogs and other trained service dogs can play a significant role in maintaining functionality and promoting maximal independence of individuals with disabilities. Therefore, individuals with disabilities are authorized to enter VHA facilities accompanied by their guide dogs or trained service dogs consistent with the same terms and conditions, and subject to the same regulations, that govern the admission of the general public to the property.

VA does note that therapy animals, companion animals, emotional support animals, and pets are not covered by this directive. The directive further notes that VHA facility directors do have the authority to make determinations regarding the entry of dogs into VHA facilities or on VHA property. Furthermore, each facility director is required to ensure there is a written published policy that addresses the

issue of VHA access for guide and service dogs. The policy states that dogs are not permitted to roam free in VHA facilities and must be on a leash, in a guide harness or under control at all times.

Although VA's directive on this issue is clear and addresses the issue specifically—DAV has received information over the past year that this policy directive may not be consistently applied at all VA facilities. DAV has no specific resolution from our membership in support of this measure; however, it appears the bill would clarify current VHA policy on this matter and would be beneficial to a number of service-disabled veterans. Therefore, we would not object to its passage. We are aware that VA is engaged in a formal research project dealing with the use of service dogs for patients with certain mental health conditions. We believe the results of this research will better inform VA policy on the management of service and guide dogs on VA premises.

S. 780, VETERANS PENSIONS PROTECTION ACT OF 2011

This bill would amend title 38, United States Code, to exempt reimbursements of expenses related to accident, theft, loss, or casualty loss from determinations of annual income with respect to nonservice-connected pension benefits.

Because this is outside of our mission, we do not have a resolution on this matter; however, we would not oppose passage of this legislation.

S. 815, SANCTITY OF ETERNAL REST FOR VETERANS ACT OF 2011

This measure would amend the Federal criminal code prohibition of disrupting funerals, including those at national cemeteries, of members of the Armed Forces or veterans, changing the time from one hour to two hours before and after the burial. Such unlawful conduct would include any disturbance or disruption occurring within 500 feet of the residence of a surviving member of a deceased's immediate family. The bill also provides civil remedies to include actual and statutory damages.

While DAV does not have a resolution on this matter, we are not opposed to its favorable consideration.

S. 873, A BILL TO PROVIDE BENEFITS TO CHILDREN WITH SPINA BIFIDA

This bill would amend title 38, United States Code, to provide benefits for children with spina bifida of veterans exposed to herbicides while serving in the Armed Forces during the Vietnam era outside Vietnam.

Although we do not have a resolution on this, DAV would not oppose passage of this legislation, since this benefit is currently provided to children of veterans exposed to Agent Orange during service in the Republic of Vietnam.

S. 874, A BILL TO MODIFY THE MONTH OF DEATH BENEFITS FOR SURVIVING SPOUSES.

This bill would amend title 38, United States Code, to modify the month of death benefit for surviving spouses of veterans who die while entitled to compensation or pension; expands the eligibility for the Presidential Memorial Certificates to include those individuals who die while on active duty; and to improve housing loan benefits.

DAV does not oppose passage of this legislation.

S. 894, VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 2011

This bill would amend title 38, United States Code, to provide for an increase, effective December 1, 2011, in the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation. DAV supports passage of this legislation; however, we oppose the rounding down to the next whole dollar amount of the cost-of-living adjustment.

S. 910, VETERANS HEALTH EQUITY ACT OF 2011

This measure would require availability of at least one full-service VA hospital or comparable services through contract, in each of the 48 contiguous states.

Arguments have been made that New Hampshire was the only state that did not have access to a VA full-service medical center and that the most ill veterans in that state routinely had to drive or be transported to Boston for more comprehensive health care services. Members of Congress have stated they are particularly concerned that the sickest and generally very elderly veterans with complex and chronic health problems were subjected to having to first report to the VA's Manchester facility—which could be up to a three-hour drive—and then continue on for another hour to the Boston VA Medical Center (VAMC) or other VA provider sites,

in order to receive their care. It was also noted by former Congresswoman Shea-Porter of New Hampshire, that it may not be fiscally responsible, given the veteran population in New Hampshire, to have VA provide a full continuum of hospital services and that contracting for such services may be a better option.

Convenient access to comprehensive VA health care services remains a problem for many of our Nation's sick and disabled veterans. While VA must contract or use fee basis to provide care to some veterans, it maintains high quality care and cost effectiveness by providing health services within the system. According to VA, the Manchester VAMC in New Hampshire provides urgent care, mental health and primary care services, ambulatory surgery, a variety of specialized clinical services, hospital based home care and inpatient long-term care. In addition, CBOCs are located in Somersworth, Tilton, Portsmouth, Littleton and Conway.

In light of the escalating costs of health care in the private sector, to its credit, VA has done a remarkable job of providing high quality care and holding down costs by effectively managing in-house health programs and services for veterans. However, outside care coordination is poorly managed by VA. When it must send veterans outside the system for care, those veterans lose the many safeguards built into the VA system through its patient safety program, evidence-based medicine, electronic health records, and bar code medication administration program (BCMA). The proposal in S. 910 to use broad-based contracting for necessary hospital services in the New Hampshire area concerns us because these unique internal VA features noted above culminate in the highest quality care available, public or private. Loss of these safeguards, which are generally not available in private sector health systems, equate to diminished oversight and coordination of care, and, ultimately, may result in lower quality of care for those who deserve it most. However, we agree that VA must ensure that the distance veterans travel, as well as other hardships they face in gaining access, be considered in VA's policies in determining the appropriate locations and settings for providing VA health care services.

In general, current law places limits on VA's ability to contract for private health care services in instances in which VA facilities are incapable of providing necessary care to a veteran; when VA facilities are geographically inaccessible to a veteran for necessary care; when medical emergency prevents a veteran from receiving care in a VA facility; to complete an episode of VA care; and for certain specialty examinations to assist VA in adjudicating disability claims. VA also has authority to contract to obtain the services of scarce medical specialists in VA facilities. Beyond these limits and outside certain ongoing rural health initiatives by VHA, there is no general authority in the law to support broad-based contracting for the care of populations of veterans, whether rural or urban.

DAV believes that VA contract care for eligible veterans should be used judiciously and only in these authorized circumstances so as not to endanger VA facilities' ability to maintain a full range of specialized inpatient and outpatient services for all enrolled veterans. VA must maintain a "critical mass" of capital, human, and technical resources to promote effective, high-quality care for veterans, especially those with complex health problems such as blindness, amputations, spinal cord injury, Traumatic Brain Injury or chronic mental health problems. Putting additional budget pressures on this specialized system of services without making specific appropriations available for new VA health care programs would only exacerbate the problems currently encountered.

Nevertheless, after considerable deliberation, and in good faith to be responsive to those who have come forward with legislative proposals such as S. 910, to offer alternatives to VA health care, we have asked VA to develop a series of tailored demonstration projects and pilot programs to provide VA-coordinated care (or VA-coordinated care through local, state, or other Federal agencies) in a selected group of communities that are experiencing access challenges, and to provide to the Committees on Veterans' Affairs reports of the results of those programs, including relative costs, quality, satisfaction, degree of access improvements, and other appropriate variables, compared to similar measurements of a like group of veterans in VA health care. To the greatest extent practicable, VA should coordinate these demonstration pilots with interested health professions' academic affiliates. We suggest the principles of our recommendations from the "Contract Care Coordination" section of the FY 2012 Independent Budget be used to guide VA's approaches in this effort. Also, any such demonstration pilot projects should be funded outside the Veterans Equitable Resource Allocation (VERA) system, and their expenditures should be monitored in comparison with VA's historic costs for care.

Veterans service organization representatives from the local areas involved, and other experts need a seat at the table to help VA consider important program and policy decisions, such as those described here, that would have positive effects on veterans who live in these areas. VA must work to improve access for veterans that

are challenged by long commutes and other obstacles in getting reasonable access to a full continuum of health care services at VA facilities and explore practical solutions when developing policies in determining the appropriate location and setting for providing VA health care services.

As a final note, we believe VA must fully support the right of all enrolled veterans to have reasonable access to health care and we insist that funding for alternative care approaches and outreach be specifically appropriated for this purpose, and not be the cause of reductions in highly specialized VA medical programs within the health care system.

S. 914, A BILL TO AUTHORIZE THE WAIVER OF THE COLLECTION OF COPAYMENTS FOR TELEHEALTH AND TELEMEDICINE VISITS OF VETERANS.

This measure would amend title 38, United States Code, section 1722A to provide VA the discretionary authority to waive collection of copayments for VA telehealth and telemedicine.

The VA is recognized as a national leader in developing and using telehealth and we applaud VA for publicly stating its intent to expand use of cutting edge telehealth technology to broaden access to care while improving the quality of health care services. Since its implementation in 2003, VA's home telehealth includes monitoring of patients with diabetes, heart conditions, hypertension, and depression. Plans for this program include a doubling of unique veterans served in FY 2010 from about 46,000 to 92,000 by FY 2012. Telehealth is also a key initiative in collaboration with the Office of Rural Health to meet the needs veterans residing in rural and remote areas.

Aided by the required expansion of telehealth services in VA's CBOCs and readjustment counseling centers as authorized under Public Law 109–461, the Department also uses clinical videoconferencing to counsel patients suffering from mental health issues and polytrauma injuries, and patients in need of rehabilitation. VA also has the capability of store-and-forward telehealth for diabetic retinal imaging and dermatology to provide a connection between patients and doctors to distant specialists. However, we note the limited use of VA's store-and-forward telehealth for diabetic retinal imaging and dermatology is primarily used for the latter in cases such as wound care and lesion diagnosis.

General outcomes of VA's telehealth programs indicate a reduction in hospital admissions and increased patient satisfaction. Last fiscal year alone, VA invested $121 million in telehealth and treated over 300,000 veterans.

However, while VA faces many issues to improve and further expand telehealth, the success of these programs is contingent upon the adoption of this type of care by the veteran patient population. Eliminating copayments is one important tool that could facilitate VA's success.

Accordingly, and with DAV Resolution No. 208 calling for the repeal of medical copayments, DAV supports this legislation and looks forward to its favorable consideration.

S. 928, A BILL TO LIMIT THE AUTHORITY OF THE SECRETARY OF VETERANS AFFAIRS TO USE BID SAVINGS ON MAJOR MEDICAL FACILITY PROJECTS OF THE DEPARTMENT OF VETERANS AFFAIRS TO EXPAND OR CHANGE THE SCOPE OF A MAJOR MEDICAL FACILITY PROJECT OF THE DEPARTMENT.

This bill, if enacted, would provide for more efficient but controlled use of bid savings from major medical facility construction project contract awards by the Secretary of Veterans Affairs.

While we have no resolution from our membership dealing with this specific issue, we would not object to enactment of this bill.

S. 935, VETERANS OUTREACH ENHANCEMENT ACT OF 2011

This bill would require the Secretary of Veterans Affairs to carry out a program of outreach for veterans to increase the access and use by veterans of Federal, State, and local programs providing compensation for service in the Armed Forces and the awareness of such programs by veterans and their eligibility for such programs.

Although we do not have resolution on this particular matter, DAV currently provides such outreach to veterans and, therefore, we would not oppose passage of this legislation.

S. 951, HIRING HEROES ACT OF 2011

This bill provides enhancements to several programs impacting veterans. Section 10 modifies Federal hiring practices to encourage the hiring of separating servicemembers and would allow them to begin the Federal employment application proc-

ess prior to separation. This is in line with DAV Resolution 305, which supports veterans' preference in public employment. The current Federal hiring process is slow and cumbersome and the total number of Federal employees hired under veterans' preference categories has shown only incremental increases over the years. This legislative change could result in the substantive improvement of recruitment and hiring of veterans generally and service-disabled veterans specifically.

Section 2 provides a two-year extension, from December 31, 2012 to December 31, 2014, of a program that provides rehabilitation and vocational benefits to severely wounded members of the Armed Forces under the Wounded Warrior Act.

This is line with DAV Resolution No. 307, which supports strengthening of the Vocational Rehabilitation and Employment (VR&E) program to meet the demands of disabled veterans.

Section 4 would provide up to an additional 24 months of vocational rehabilitation and employment services to veterans who have exhausted both these benefits and state-provided unemployment benefits.

Section 5 of the measure requires VA to engage, on a periodic basis, with each veteran who has participated in its VR&E Program, to determine whether the veteran is employed. This provision is in line with DAV Resolution No. 307, which calls for VR&E to provide for placement follow-up with employers for at least six months.

Section 6 of this measure would make participation in the Transition Assistance Program (TAP) mandatory.

This provision is in line with DAV Resolution No. 230, which recognizes the importance of TAP and the Disabled Transition Assistance Program for those servicemembers transitioning to civilian status.

Section 8 creates a competitive grant program for nonprofit organizations that provide mentorship and job training programs that are designed to lead to job placements. Although DAV does not have a resolution on this matter, we are not opposed to its favorable consideration.

Section 9 requires that each servicemember receive an individualized assessment of jobs they may qualify for when they participate in TAP.

Although DAV does not have a resolution on this matter the provision would greatly benefit transitioning servicemembers. Therefore, we are not opposed to its favorable consideration.

Section 9 also requires the Department of Defense (DOD), the Department of Labor (DOL) and VA to jointly contract for a study to identify the equivalencies between certain military occupational specialty (MOS)-related skills and civilian employment, and to eliminate barriers between military training and civilian licensure or credentialing for several military occupational specialties. This provision is in line with DAV Resolution No. 100, which supports efforts to eliminate employment barriers that impede the transfer of military job skills to the civilian labor market.

Section 11 requires DOL to engage with each veteran on a periodic basis to determine whether the veteran is employed or whether the veteran might be interested in further assistance.

Although we have no applicable resolution regarding section 11, we have no objection to the efforts proposed.

DAV strongly supports the passage of S. 951.

S. 957, VETERANS' TRAUMATIC BRAIN INJURY REHABILITATIVE SERVICES' IMPROVEMENTS ACT OF 2011

This bipartisan and bicameral legislation would make improvements to the so-called "Wounded Warrior" provisions of the National Defense Authorization Act of 2008, Public Law 110–181, in that it would add specificity and emphasis to preexisting requirements of VA's polytrauma centers and other VA facilities that are treating and rehabilitating brain-injured veterans from Iraq and Afghanistan. The language of this bill is fully consistent with DAV's Resolution No. 215, which deals with VA's treatment of Traumatic Brain Injuries (TBI).

Section 1710C(a), title 38, United States Code, as amended by the Wounded Warrior provisions, requires VA to develop a rehabilitation plan for each veteran being treated for TBI. If this bill is enacted, that existing plan would need amendment to address expanded and redefined rehabilitation, improved quality of life, and expressed methods for the sustainment of improvements from rehabilitative services provided by VA for TBI.

A new subsection (h) in section 1710C would redefine "rehabilitative services" for the purpose of sustaining these improvements, promoting independence and advancing quality of life in this severely injured population. While these concepts could be the assumed or inherent goals of any physical rehabilitation plan, the bill would

make them explicit in the law, and would address cognitive and mental health rehabilitation as well.

DAV strongly supports this bill, commends the sponsors in both Congressional Chambers, and urges the immediate enactment of this important legislation.

S. 1017, DISABLED VETERAN CAREGIVER HOUSING ASSISTANCE ACT OF 2011

This measure provides increased assistance for the Temporary Residence Allowance (TRA) Grant program for disabled veterans living in housing owned by a family member, and expands eligibility for Specially Adapted Housing (SAH) grants for veterans with vision impairment from blindness in both eyes, having only light perception, to those having central visual acuity of 20/200 or less in the better eye with the use of a standard correcting lens.

While the TRA Grant program has the potential to be an important tool, a continued problem is that, should an eligible veteran choose to participate in this program, the amount used is deducted from the overall amount of the SAH Grant. The aggregate amount of assistance available for SAH grants made pursuant to title 38, United States Code, section 2101(a) is $63,780 throughout FY 2011. The aggregate amount of assistance available for SAH grants made pursuant to section 2101(b) is $12,756 during FY 2011. The TRA grant amounts are not indexed and remain unchanged at $14,000 for grants administered under section 2101(a) and $2,000 for grants administered under section 2101(b).

The deduction of the TRA Grant from the overall SAH Grant alone may cause many veterans to bypass this program and instead wait until they have recuperated and use the SAH Grant to adapt their permanent residence. While DAV does not have a resolution on this matter, we believe Congress should decouple the TRA Grant from the SAH Grant so the grant amount would not count against the overall grant for permanent housing. The TRA grant amounts should also be indexed in the same manner as the SAH Grant.

DAV supports the favorable consideration of this bill, since it benefits severely disabled veterans living with their family members.

S. 1060, HONORING ALL VETERANS ACT OF 2011

This bill would improve education, employment, independent living services, and health care for veterans, improve assistance for homeless veterans, and improve the administration of the VA.

TITLE I, Education, Employment, and Independent Living Services for Veterans, addresses a number of topics within our area of interest. Section 101 increases the cap on the VA's Independent Living program and Section 102 authorizes veterans to attend DOD TAP within their first year of military separation. Section 103 requires the VA to conduct a study on the recognition of military training and qualifications of veterans by civilian employers and educational institutions.

Section 103 requires the VA to conduct a study on the recognition of military training and qualifications of veterans by civilian employers and educational institutions. This is a critical area that has been addressed on many occasions and numerous forums.

The provision is in line with DAV Resolution No. 100, which supports efforts to eliminate employment barriers that impede the transfer of military job skills to the civilian labor market. Based on a review of both bills, DAV would encourage passage of S. 951, the Hiring Heroes Act of 2011.

TITLE II, Assistance for Homeless Veterans, addresses repeal of sunset on extension of enhanced protections for servicemembers relating to mortgages and mortgage foreclosure under Servicemembers Civil Relief Act in Section 201, and the modification for payment of services to those providing services to homeless veterans in Section 202.

DAV has no resolution on these matters. We are not opposed to their favorable consideration.

TITLE III, Health Care and Mental Health Services for Veterans, addresses three areas of interest for the DAV.

Section 301 of this bill would require VA and DOD to establish a mechanism for monitoring and reviewing the referral process of veterans and servicemembers who are identified as having a potential mental health condition based on DOD's post-deployment health assessment. The review is to include identification and comparison of the number of individuals who were referred to those who complete a course of mental health treatment based on such referral.

Because VA and DOD share a unique obligation to meet the health care needs, including mental health care and rehabilitation needs, of veterans who are suffering from readjustment difficulties as a result of wartime service, DAV supports this sec-

tion based on DAV Resolution No. 217, which supports program improvement and enhanced resources for VA mental health programs, including its Vet Centers, to achieve readjustment of new war veterans and continued effective mental health care for all enrolled veterans needing such services.

Section 302 would amend title 38, United States Code, section 1710C to require the individualized rehabilitation and reintegration plan developed with the veteran or servicemember suffering from Traumatic Brain Injury to include consideration for participation in the Department's Independent Living Program and use of VA's employment services provided through its Compensated Work Therapy Supported Employment Services (CWT-SE) program. We also note that Section 101 of this bill calls for an increase in the cap of the Independent Living program.

The Independent Living program is aimed at veterans whose service-connected disabilities are so severe they are currently unable to pursue an employment goal under Chapter 31. The CWT-SE program has been demonstrated to substantially increase competitive employment outcomes for people who have severe disabilities and a demonstrated inability to gain and/or maintain competitive employment.

Because the primary focus of the CWT-SE implementation is to provide services to veterans diagnosed with Serious Mental Illness (SMI), who, because of the severity of their disabilities, would not be able to function independently in employment without intensive ongoing support services, SMI veterans with psychosis constitute the majority of participants in these programs. If this section is to be favorably considered, we urge strong oversight by this Committee to ensure programs services are adjusted to veterans suffering from the cognitive and other adverse effects of Traumatic Brain Injury.

While DAV does not have a resolution on this matter, we are concerned about the adequacy of the authorized participation rate for the Independent Living program given the potential for expansion of service to those suffering from Traumatic Brain Injury as well. The solution is for Congress to eliminate the statutory cap. Otherwise, the effect of the cap, with this anticipated increase in veteran demand for services, is a delay in access to the Independent Living program by severely disabled veterans.

Section 303 would authorize VA to provide the immediate family members of a deployed servicemember consultation, professional counseling, marriage and family counseling, training, and mental health services necessary in connection with that deployment.

We are cognizant of and sensitive to the stresses on dependents of servicemembers who are deployed; however, we question why such authority should be afforded to the VA when such dependents have access to mental health services under TRICARE.

TITLE IV, Administration of the Department of Veterans Affairs, addresses two issues within our area of interest in Section 401 and 403.

Section 401 calls for monitoring of the DOD/VA Integrated Disability Evaluation System (IDES). Specifically, it requires the Secretaries of Defense and Veterans Affairs to jointly develop an IDES-wide monitoring mechanism to identify and address issues following collection and analysis of data on staffing levels at DOD and VA, sufficiency of exam summaries and diagnostic disagreements. In addition, they are to monitor data on caseloads and case processing time by individual rating offices of the VA and the Physical Evaluation Boards of the DOD as well as create a formal mechanism for agency officials at local facilities to communicate challenges and best practices to DOD and VA headquarters.

The President's Commission on Care for America's Returning Wounded Warriors recommended that DOD and VA create a single, comprehensive, standardized medical examination that the DOD administers. It would serve DOD's purpose of determining fitness and VA's of determining initial disability level. The Disability Evaluation System (DES) pilot project premised on the commission's recommendation was launched by the DOD and the VA in 2007. Using lessons learned from that pilot, the legacy DES is transitioning to IDES in 2011 in a total of 140 locations, with the goal of expediting the delivery of VA benefits to all out-processing servicemembers. Issues such as the sufficiency of staffing levels and their training, adequacy of medical and mental health exam summaries, the resolution of diagnostic disagreements, caseloads and case processing time have been reported as having a negative impact on the rollout of this program.

Initially, DOD and VA had indicated in their planning documents that they had a target of delivering VA benefits to 80 percent of servicemembers within the 295-day (active component) and 305-day (reserve component) targets. The various rollout problems noted above, however, have resulted in a reduction from the 80 percent to a 50 percent target.

DAV does not have a specific resolution on this matter, although DAV Resolution No. 073 does address improvements in the VA claims process. The steps laid out in Section 401 of the legislation are essential to improving the IDES so benefits can be delivered closer to the time veterans leave military service. Therefore, we support the favorable consideration of this section of the bill.

Section 403 of this bill addresses treating certain misfiled documents as "motions for reconsideration" of decisions by the Board of Veterans' Appeals (Board). If an individual disagrees with a Board decision, and has not filed a notice of appeal with the United States Court of Appeals for Veterans Claims (Court) within the 120-day period allowed, but files a document with the Board or the agency of original jurisdiction not later than 120 days after the date of such decision, which expresses disagreement with the Board's decision, such document shall be treated as a "motion for reconsideration." However, if the Board or agency of original jurisdiction receives a document from an appellant, which expresses the intent to appeal the Board's decision to the Court, and the Board or agency of original jurisdiction must forward such document to the Court within the 120-day appeal period allowed, and it will be treated as a proper notice of appeal to the Court

Section 403 of this bill is in line with the intent of DAV Resolution 287, which supports legislation to ensure all veterans are not prevented from filing timely appeals with the Court as a result of sending the request for appeal to the wrong office or other good cause reasons.

S. 1089, A BILL TO PROVIDE FOR THE INTRODUCTION OF PAY-FOR-PERFORMANCE COMPENSATION MECHANISMS INTO CONTRACTS OF THE DEPARTMENT OF VETERANS AFFAIRS WITH COMMUNITY-BASED OUTPATIENT CLINICS FOR THE PROVISION OF HEALTH CARE SERVICES, AND FOR OTHER PURPOSES

Madam Chairman, we have not been afforded an opportunity to date to examine the language specific to this bill; thus, we offer no evaluative or definitive testimony on it during this hearing. Nevertheless, we caution the Committee that "pay for performance" has a mixed record of success in both the private and public sectors (including in primary and secondary education), so we would be keenly interested in closely examining this bill if its intent is to instill similar incentives into VA's nearly 150 contract CBOCs. We understand that historically, many of these mostly-rural and remote clinics (including clinics in the Commonwealth of Kentucky) have expressed concerns that they are significantly underpaid for the work they are required to do under their variable contracts with VA Veterans Integrated Service Networks (VISN) or individual VA medical centers. While improving their contract pay rates would not necessarily be objectionable to DAV on its face, any unintended effects of such a policy (on supervising VA medical centers, other CBOCs within the region or VISN, on labor relations, on cost control, and on veteran patients themselves) need further scrutiny. Also, it should be noted that VA's contractual methods for obtaining CBOCs are not uniform throughout the VA system. As a partner organization of the *Independent Budget* for Fiscal Year 2012, we have commented on this contract variability and recommended the VISNs use a more uniform approach in addressing their contract CBOC relationships. On this basis, and since we have not examined the bill itself prior to today's hearing, we ask that the Committee defer further consideration at this time on this particular proposal.

S. 1104, VETERAN TRANSITION ASSISTANCE PROGRAM AUDIT ACT OF 2011

This bill requires the Secretary of Labor to conduct regular audits of TAP, not less often than once every three years. These audits would be done via a contractual relationship with a private organization not affiliated with the program and the contractor would measure the effectiveness of TAP, and identify any measures needed to improve the effectiveness of the program.

The contractor will be required to submit its report to the Secretary of Labor in conjunction with the Secretary of Defense, the Secretary of Homeland Security, and the Secretary of Veterans Affairs, as well as the Committees on Armed Services and the Committees on Veterans' Affairs of the House and Senate. The Secretary of Labor, in conjunction with the other Secretaries, will review the report and implement any measures needed to improve the effectiveness of TAP.

This legislation is in keeping with the intent of DAV Resolution 230, by ensuring the TAP and Disabled Transition Assistance Program are viable, up to date programs, helpful in the difficult task of transitioning from military service to civilian life as well as overcoming the many obstacles to successful employment.

DAV supports this bill.

S. 1123, ASSISTANCE TO VETERANS AFFECTED BY NATURAL DISASTERS ACT

This bill would amend title 38, United States Code, to improve the provision of benefits and assistance under laws administered by the Secretary of Veterans Affairs to veterans affected by natural or other disasters, and for other purposes.

Section 1, Assistance to Veterans Affected by Natural Disasters, would amend chapter 21 of title 38, United States Code, to allow the Secretary of Veterans Affairs to award a grant to a veteran whose home was previously adapted with assistance of a grant under this chapter in the event the adapted home that the veteran occupied was destroyed or substantially damaged in a natural or other disaster, as determined by the Secretary. The amount of the grant that could be awarded may not exceed the lesser of either the reasonable cost, as determined by the Secretary, of repairing or replacing the damaged or destroyed home in excess of the available insurance coverage on such home; or the maximum grant amount the veteran would have been entitled under the applicable section 2102 of this title had the veteran not obtained the prior grant.

Grants should be available for special adaptations to homes veterans purchase or build to replace an initial specially adapted home. Further, an initial home may become too small when the family structure changes or the nature of the veteran's disability changes, necessitating a home configured differently and/or changes to the special adaptations. In addition, technological changes occur rapidly and additional modifications, after the initial housing grant, may maximize the veteran's independence as well as improve the ability for caregivers to provide medically necessary care. These evolving requirements merit a second grant to cover the costs of adaptations to a new home.

While DAV does not have a resolution on this matter, we are not opposed to favorable consideration of this legislation.

This bill also provides for a two-month extension of subsistence allowance for veterans completing vocational rehabilitation program. Specifically, when the Secretary determines that a veteran participating in VA's Vocational Rehabilitation program is displaced as the result of a natural or other disaster, two months of additional payments of subsistence allowance may be granted.

This measure would waive the cap on the Independent Living program by amending Section 3120(e) of such title 38, United States Code, so that such a cap shall not apply when the Secretary determines that a veteran participating in the Independent Living program has been displaced or otherwise been adversely affected by a natural or other disaster.

This legislation also seeks to modify covenants and liens created by public entities in response to disaster-relief assistance. Specifically, the Secretary, in determining whether a loan is so secured, may either disregard or allow for subordination to a superior lien created by a duly-recorded covenant running with the realty in favor of either a public entity that has provided or will provide assistance in response to a major disaster as determined by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance; or a private entity to secure an obligation to such entity for the homeowner's share of the costs of the management, operation, or maintenance of property, services, or programs within and for the benefit of the development or community in which the veteran's realty is located, if the Secretary determines that the interests of the veteran-borrower and of the government will not be prejudiced by the operation of such covenant.

Last, this bill proposes modification to section 3903 of title 38, United States Code, covering automobiles and other conveyances for certain disabled veterans and members of the Armed Forces. If enacted, the Secretary would have the option of providing or assisting eligible veterans with a second automobile or other conveyance. The Secretary would require satisfactory evidence that the automobile or other conveyance previously purchased with assistance under this chapter was destroyed as a result of a natural or other disaster, as determined by the Secretary. The loss of the vehicle would be no fault of the eligible person; and the eligible person would not otherwise receive compensation from a property insurer for the loss.

DAV has no resolution on these matters. However, we would not oppose the favorable consideration of this legislation.

S. 1124, VETERANS TELEMEDICINE ACT OF 2011

This measure would require VA to provide teleconsultation for mental health and Traumatic Brain Injury assessments and require VA ensure each VISN has a teleretinal imaging program. VA would also be required to increase the number of enrolled veterans in both programs by five percent annually from FY 2010 to 2015.

DAV has no resolution to support this measure; however, we would like to highlight those provisions we believe would be beneficial to service-connected disabled

veterans. This measure would require each VA medical facility with an affiliate agreement to develop an elective rotation to train in telemedicine. The bill would also require VA to address its resource allocation system to act as an incentive for using telehealth. DAV believes this is a critical component of this measure. How health services are funded, whether through allocation or reimbursement systems, plays a major role in determining how the service delivery is organized. The VHA is no different in this respect. VHA resources are allocated by a system known as VERA. This funding mechanism has features that encourage the development of certain services such as for non-institutional care and serious mental illness. To ensure funding arrangements such as these are targeted to the intended patient populations, there are eligibility criteria for patients and requirements that must be met.

The evolution of VERA over the years did not reflect the growing access and utilization of telehealth services. Since at least 2008, telehealth workload is reported for program evaluation and meeting performance standards but there is no VERA credit to allow for proper allocation of resources. DAV is concerned that little has been done to address this glaring flaw.

While it is not clear whether correcting VERA to give credit to telehealth would increase telehealth workload, increasing resources to those facilities providing telehealth, and thus providing the means to provide greater access, DAV believes it would at minimum address the resistance to telehealth by VA providers.

S. 1127, VETERANS RURAL HEALTH IMPROVEMENT ACT OF 2011

This bill would establish authority for the Secretary to form and operate from one to five new "Centers of Excellence for Rural Health Research, Education, and Clinical Activities," modeled on legislation that authorizes VA Mental Illness Research, Education and Clinical Centers (MIRECC) and Geriatric Research, Education and Clinical Centers (GRECC). Based on DAV Resolution No. 221, calling for improvements in rural health, we support this bill and urge its enactment. We believe both the MIRECC and GRECC model programs are effective in organizing resources and concentrating energy to solve myriad issues in mental illness, geriatrics and gerontology, and we would anticipate similar results from implementation of this new authority to address deficits in rural health. We appreciate the sponsor's intentions and strongly endorse the bill.

DRAFT BILL, VETERANS PROGRAMS IMPROVEMENTS ACT OF 2011

Draft legislation entitled the "Veterans Programs Improvement Act of 2011" would amend title 38, United States Code, to improve the provision of assistance to homeless veterans and the regulation of fiduciaries who represent individuals for purposes of receiving benefits under laws administered by the Secretary of Veterans Affairs, as well as other administrative and benefit matters.

TITLE I, Homeless Veterans Matters, addresses a number of issues, including an update on the campaign to end homelessness among veterans through enhanced collaboration with other Federal, state, faith-based, veterans service organization and community partners that was launched by the Secretary of Veterans Affairs in 2009.

This provision is in line with DAV Resolution 223, which supports strengthening the capacity of the VA Homeless Veterans program.

TITLE II, Fiduciary Matters, focuses on appointment of caregivers and persons named under durable power of attorney as fiduciaries for purposes of benefits and access to financial records of individuals represented by fiduciaries and receiving benefits under laws administered by VA and other issues.

DAV has no resolution on these matters, and therefore, we take no position.

TITLE III, Other Administrative and Benefits Matters, touches on several areas. Of interest to DAV is Section 302, which would provide a waiver of loan fees for individuals with disability ratings issued during pre-discharge programs. This section would partially fulfill DAV Resolution 074, which supports repeal of funding fees for VA home loans for all veterans.

DAV also supports Section 306, automatic waiver of agency of original jurisdiction review of new evidence. This is in line with DAV Resolution No. 073, which calls for reform of the Veterans Benefits Administration disability claims process to significantly reduce the claims backlog.

DRAFT BILL, ALASKA HERO'S CARD ACT OF 2011

This bill would establish a new pilot program under which, in the most remote locales in Alaska, service-disabled veterans (at any level of disability) would be issued an "Alaska Hero Card" by the Department of Veterans Affairs. Issuance of the card would entitle the possessor to obtain unlimited health care (hospital care and medical services) at no out-of-pocket cost for any condition from a private pro-

vider, if the private provider were eligible to receive payments under Medicare or the military TRICARE program. The Secretary would be required under the bill to take measures to ensure care received under the pilot program was of equal quality to that which would be obtained directly from VA; and that providers were qualified, accredited and credentialed to provide the care needed by these veterans.

We have long been concerned about the use of non-VA purchased health care. While our members are major users of both the fee-basis and contract hospitalization programs under current statutory authority, we have criticized those programs as expensive, uncoordinated, and even of questionable quality, safety and value to these disabled veterans. Despite those problems we continue to believe that current legal authorities are sufficient to meet most needs of service-disabled veterans if certain improvements were made by VA in how these programs are administered. We have discussed these concerns and needs for improvement on multiple occasions in testimony and in the *Independent Budget* for Fiscal Year 2012.

In good conscience we could not support this proposal for Alaska veterans without also advocating a similar program for veterans in all rural and remote regions. We have noted in prior testimony our concern that there must be a balance in using non-VA services to avoid the slippery slope of replacing VA as a direct provider and substitutes an insurance function in its place. Absent exclusive funding outside the Medical Services appropriation, this shift has the potential to erode VA's congressionally mandated specialized medical programs, and may diminish care for all veterans. Thus, we cannot offer our support for this pilot program.

We note that the Office of Rural Health is conducting multiple pilot programs (funded separately by Congress) to extend access to care for veterans who live in frontier areas, including in Alaska. We urge the sponsor of this measure to work closely with that office to address the problem identified by the purposes of this bill.

Madame Chairman and Members of the Committee, this concludes my statement and I would be happy to answer any questions you may have.

Chairman MURRAY. Thank you very much.

Mr. Kelley?

STATEMENT OF RAYMOND C. KELLEY, DIRECTOR, NATIONAL LEGISLATIVE SERVICE, VETERANS OF FOREIGN WARS OF THE UNITED STATES

Mr. KELLEY. Madam Chairman, Ranking Member Burr, Members of the Committee, thank you for the opportunity to allow me to testify today and on behalf of the 2.1 million members of the Veterans of Foreign Wars and our auxiliaries. I am going to limit my remarks to just a handful of the bills that are on the table today.

The VFW supports the concept of the Caring for Camp Lejeune Veterans Act of 2011. While we believe the Government has a moral obligation to provide care for those affected by contaminated water at Camp Lejeune, we would emphasize that the burden of care provided for those family members affected should be on the Department of Defense.

The VFW supports S. 411. Homelessness can best be reduced with local solutions. The bill will allow VA and local communities to partner together to help reach a goal of eradicating veterans' homelessness.

The VFW admires the concept of S. 423 but has reservations and will withhold support for this legislation. A veteran could provide all the medical evidence available, making the claim appear to be fully developed, but further medical tests could be needed to determine the severity of the disability. The VFW also believes that this could lead to new types of appeal. If the veteran feels they submitted a fully developed claim and VA decides to do additional but unnecessary development, should the veteran be allowed to protest or appeal the additional development or appeal the effective date?

Also, the fully developed incentive is not limited to initial claims. Simple claims that are being reopened for an increase that take little to no development would qualify for the retroactive payment, as would claims for certain hospitalized veterans who would rate temporary 100 percent rating. All these veterans would need is a report of hospitalization with an entry and discharge date, a diagnosis, and they would qualify for 1 year of retroactive pay at 100 percent rating. The VFW does not believe that this is the intent of the legislation but identifies them as patient unintended consequences.

The VFW also sees an impact on veterans service officers who help veterans file claims. If a service officer pronounces a claim fully developed and VA then develops the claim further, liability on the service officers and the VSOs could increase when the veteran sues them for the loss of the retroactive payment because the VSO stated it was fully developed.

The VFW supports S. 745. This legislation would protect students who are currently enrolled in a degree-seeking program for any possible negative effect of changes that were made in the post-9/11 GI bill last year. These students chose their degree program with the expectation that the Yellow Ribbon Program they began with would still be there until they completed their degree. We must keep up our end of the bargain.

The VFW supports S. 815, the SERVE Act. We fully support any legislative effort that emphasizes that the right of free speech does not trump a family's right to mourn in private. Those who use the First Amendment as both a shield and a sword to harm their fellow citizens need to have limits on such abuse, and S. 815 provides those limits.

The VFW supports S. 951, the Hiring Heroes Act of 2011. I would like to highlight a few of the provisions in the bill.

TAP must be mandatory for all servicemembers leaving the military. The VFW also believes that consultation with the VA should be included in all TAP programs.

Direct hiring authority for Federal agencies and offering citizen work experience for potential civil service employees while on terminal leave will cut down on red tape for veterans seeking careers within the Federal workforce.

The intent of voc rehab is to ensure that veterans who are disabled in the line of duty would be trained and employable in a new career field. If a veteran has used their voc rehab benefits yet remains unemployed, then their initial voc rehab program clearly has failed. Adding an additional 2 years of VR&E benefits to those veterans will greatly assist them in finding employment.

Madam Chairwoman, this concludes my oral remarks, and I look forward to any questions the Committee may have.

[The prepared statement of Mr. Kelley follows:]

PREPARED STATEMENT OF RAYMOND C. KELLEY, DIRECTOR, NATIONAL LEGISLATIVE SERVICE, VETERANS OF FOREIGN WARS OF THE UNITED STATES

Madam Chairwoman and Members of this Committee: On behalf of the 2.1 million members of the Veterans of Foreign Wars of the United States and our Auxiliaries, the VFW would like to thank this Committee for the opportunity to present its views on these important veterans' bills.

S. 277, CARING FOR CAMP LEJEUNE VETERANS ACT OF 2011

The VFW supports the concept of the Caring for Camp Lejeune Veterans Act of 2011, which would require the Department of Veterans Affairs (VA) to provide health care to servicemembers, veterans, and their family members who have experienced adverse health effects as a result of exposure to well water contaminated by human carcinogens at Camp Lejeune.

Thousands of Navy and Marine veterans and their families who lived on Camp Lejeune have fallen ill with a variety of cancers and diseases believed to be attributable to their service at the base before the Environmental Protection Agency (EPA) designated it a Superfund site in 1988. Additionally, the National Research Council recently reported numerous adverse health effects associated with human exposure to the chemicals known to have been in water at the installation.

This legislation would allow a veteran or military family member who was stationed at Camp Lejeune during the time the water was contaminated to receive needed health care at a VA facility. While we believe the government has a moral obligation to provide care for those affected by contaminated water at Camp Lejeune, we would emphasize that the burden for care provided to those family members affected should be on the Department of Defense (DOD). DOD should allow TRICARE to cover the cost and services of any health care given family members who were stationed on base at the time of the exposure.

If DOD is unwilling to provide care then they should at the very least reimburse VA for any care provided through CHAMPVA services. We applaud the Committee's work on this legislation but note that many years have gone by with no solution for those suffering. Providing health care benefits to those who were exposed at Camp Lejeune is the right thing to do and we hope that there is a positive conclusion this year.

S. 396, MEETING THE INPATIENT HEALTH CARE NEEDS OF FAR SOUTH TEXAS VETERANS ACT OF 2011

VFW does not hold an opinion regarding this legislation. The bill calls for the expansion of the Harlingen VA Outpatient Clinic to a full-service, inpatient care facility. VFW would suggest that VA asses South Texas' access and utilization gaps to ensure that veterans in that region are receiving a full continuum of care without the burden of excessive travel, and if there are gaps, prioritize the need and have it added to SCIP.

S. 411, THE HELPING OUR HOMELESS VETERANS ACT OF 2011

The VFW supports this legislation to give VA more tools to eliminate homelessness among our veterans. Not only does a veteran living on the streets indicate a break of trust and a deeply flawed system of care, it also represents missed opportunities and big challenges to help these men and a growing number of women get their lives back on track. We firmly believe that veterans should have every opportunity to lead productive and fulfilling lives in the manner and location of their choosing, and this legislation is an important step in that direction.

Provisions in the bill would allow VA to expand partnerships with community and local government entities, which we believe will improve options to rural and underserved urban veterans. Critical measures to ensure quality are embedded in the legislation along with essential case management services including employment, financial and family counseling among others. Community groups receiving grants from VA will be given an opportunity to provide formal recommendations to improve the process; a positive development VFW believes will enhance the partnerships between VA and the local community.

S. 423, RETROACTIVE PAY FOR "FULLY-DEVELOPED" DISABILITY CLAIMS SUBMITTED BY VETERANS

VFW admires the concept, but has reservations and will withhold support for this legislation. S. 423 would provide authority to retroactively award veterans with an additional year of disability compensation for submitting a "fully developed" claim; however, VFW believes there are potential problems that could arise from enacting the bill in its current form.

Defining fully developed will be critical. A veteran could provide all the medical evidence available, making the claim appear to be fully developed, but further medical tests could be needed to determine the severity of the disability. This could be defined as not fully developed leaving the veterans feeling that the process of doing VA's job was disingenuous. VFW also believes that this could lead to a new type of appeal. If the veteran feels they submitted a fully-developed claim and VA decides

to do additional but unnecessary development should the veterans be allowed to protest, appeal the additional development, or appeal the effective date?

Also, the fully developed incentive is not limited to initial claims. Simple claims that are being reopened for an increase that take little to no development would qualify for retroactive payment, as would claims from veterans who are hospitalized in a VA facility for treatment of a service-connected disability for more than 21 days who are entitled to a temporary 100-percent disability rating. All these veterans would need is a report of hospitalization with an entry and discharge date, and a diagnosis and they would qualify for one year of retroactive pay at a 100-percent rating. VFW does not believe this is the intent of the legislation, but identifies them as potential unintended consequences.

VFW also sees an impact on veterans' service officers who help veterans file claims. If a service officer pronounces a claim fully developed and VA then develops the claim further, liability on the service officer and the VSOs could increase when a veteran sues them for the loss of the retroactive payment because the VSO stated it was fully developed.

S. 486, PROTECTING SERVICEMEMBERS FROM MORTGAGE ABUSES ACT OF 2011

The VFW supports S. 486 which would extend SCRA mortgage protections from the current nine months to 24 months after military service is completed. At a time when the housing market is in crisis and many homeowners are in foreclosure, it is critical that we help protect those who have served. Long deployments, injuries and illness often contribute to financial difficulties of many deployed servicemembers. We believe that they should not have to worry about a possible mortgage foreclosure, eviction and/or seizure of their home. This legislation would offer some time for servicemembers and their families to get their finances in order and explore viable options so that they can keep their homes. We hope the Committee will consider this legislation and enact it soon.

S. 490, A BILL AMEND TITLE 38, UNITED STATES CODE, TO INCREASE THE MAXIMUM AGE FOR CHILDREN ELIGIBLE FOR MEDICAL CARE UNDER THE CHAMPVA PROGRAM, AND FOR OTHER PURPOSES.

The VFW strongly supports this legislation to extend the age limit for coverage of veterans' dependents through the Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) to the level set by the Patient Protection and Affordable Care Act.

The health care reform legislation, passed in early 2010, allowed families with private health insurance coverage to keep their children on their plans until age 26. Left out of that change was TRICARE and CHAMPVA recipients. Thanks to responsible leaders in Congress, TRICARE coverage has been guaranteed to this age group. Unfortunately, CHAMPVA beneficiaries have not been afforded the same privileges. This program, which was established in 1973 and has more than 330,000 unique beneficiaries, comprised of dependents and survivors of certain veterans, should in no instance ever receive less than the national standard. This legislation would provide equity to CHAMPVA beneficiaries and rectify this outstanding issue.

S. 491, THE HONOR AMERICA'S GUARD-RESERVE RETIREES ACT

The VFW strongly supports this legislation, which would give the men and women who choose to serve our Nation in the Reserve component the recognition that their service demands. Many who serve in the Guard and Reserve are in positions that support the deployments of their active duty comrades to make sure the unit is fully prepared when called upon. Unfortunately, some of these men and women serve 20 years and are entitled to retirement pay, TRICARE, and other benefits, but are not considered a veteran according to the letter of the law.

Such men and women have answered the call just like their active duty comrades have- with distinction and honor- but have fallen subject to certain types of orders and other administrative stumbling blocks. In recent years, Congress has enhanced material benefits to the members of the Guard and Reserve and this bill does not seek to buildupon those provisions; it simply seeks to bestow honor upon the men and women of the Guard and Reserve to whom it is due. After much work on this legislation in recent years, we can say with confidence that there will be no unintended material benefits garnered by anyone through the language of this bill, and we are proud to support its passage.

S. 536, A BILL TO AMEND TITLE 38, U.S.C., TO PROVIDE THAT UTILIZATION OF CHAPTER 35 EDUCATIONAL ASSISTANCE SHALL NOT BE SUBJECT TO THE 48-MONTH LIMITATION WHEN UTILIZING MULTIPLE VA EDUCATIONAL PROGRAMS.

VFW supports S. 536 which would amend Section 3695 of title 38 to remove the 48-month limitation on the use of Chapter 35 and any other qualifying educational benefits. There are approximately 100 servicemembers per year who, because of their military service, quality for other educational benefits.

S. 572, A BILL TO AMEND TITLE 38, UNITED STATES CODE, TO REPEAL THE PROHIBITION ON COLLECTIVE BARGAINING WITH RESPECT TO MATTERS AND QUESTIONS REGARDING COMPENSATION OF EMPLOYEES OF THE VA OTHER THAN RATES OF BASIC PAY AND OTHER PURPOSES.

The VFW has no position on this bill.

S. 666, THE VETERANS TRAUMATIC BRAIN INJURY CARE IMPROVEMENT ACT OF 2011

The VFW supports the legislation to require a report on establishing a Polytrauma Rehabilitation Center or Network site in the northern Rockies or Dakotas. Polytrauma care is provided to veterans and returning servicemembers with injuries to more than one physical region or organ system that could be life threatening and/or result in a physical, cognitive, psychological, or psychosocial impairment. The vast majority of polytrauma patients have been on active duty and sustained a traumatic injury while in combat. Most of these patients are then discharged and receive very specialized follow-up care at a Polytrauma Network Site or other VA facility.

VA's Polytrauma System of Care (PSC) includes four Polytrauma Rehabilitation Centers and 21 Polytrauma Network Sites. The area that this bill would require VA to study—North Dakota, South Dakota, Idaho, Montana, eastern Washington and Wyoming—have no PSC coverage, and yet have among the highest per capita rates of veterans with injuries from military service in Iraq and Afghanistan. The importance of providing every treatment option to polytrauma patients cannot be overstated, and we will look closely at any and all research related to the provision of such treatment for these veterans.

S. 696, A BILL TO AMEND TITLE 38, UNITED STATES CODE, TO TREAT VET CENTERS AS VA FACILITIES FOR PURPOSES OF PAYMENT OR ALLOWANCES FOR BENEFICIARY TRAVEL TO DEPARTMENT FACILITIES AND FOR OTHER PURPOSES.

This legislation would provide veterans with a travel reimbursement for trips to Vet Centers that is equal to what they currently receive for travel to VA health centers. Veterans seeking help at Vet Centers will be able to receive mileage reimbursement without having to reveal their identity beyond current VA policies, a point of particular concern for privacy purposes. VFW supports this bill and believes that not only will it ease some of the costs incurred by the veteran; it may encourage more veterans to seek out the unique counseling offered at the centers.

S. 698, A BILL TO CODIFY THE PROHIBITION OF GRAVESITES AT ARLINGTON NATIONAL CEMETERY, AND FOR OTHER PURPOSES.

This legislation is long overdue. It will finally prohibit, in law, the insider practice of allowing certain high-ranking military members and other YIPs to pre-select their gravesites. This practice was banned by Army policy in 1962—nearly 50 years ago—yet cemetery administrators continued to arbitrarily allow some to skirt the rules. Burial at Arlington National Cemetery is a tremendous honor that depends on honorable service, not rank. It is obvious that greater accountability and transparency is needed, so we appreciate language in this bill that requires a full audit and a report back to Congress.

S. 745, A BILL TO PROTECT CERTAIN VETERANS WHO WOULD OTHERWISE BE SUBJECT TO A REDUCTION IN EDUCATIONAL ASSISTANCE BENEFITS, AND FOR OTHER PURPOSES.

The VFW supports this legislation. It would protect students who are currently enrolled in a degree seeking program from any possible negative effects of changes that were made to the Post-9/11 GI Bill last year. Those changes established a nationwide cap on tuition at private institutions and for students seeking a degree from a public institution at a state other than the one in which they reside. Many of these students could potentially be saddled with debt or out-of-pocket expenses as a result of these changes in tuition payment rates set to take effect this August because the changes did not exempt students who were already enrolled into a degree program.

These students chose their degree program with the expectation that the Yellow Ribbon Program they began with would still be there until they completed their degree, and we must keep up our end of the bargain. S. 745 would only apply to students who were already enrolled before last year's changes, and would sunset in December 2014. This is sound policy and the VFW supports it.

S. 769, VETERANS EQUAL TREATMENT FOR SERVICE DOGS ACT

The use of medical service dogs among veterans is increasing, and many of our newest veterans who are returning home from war with mental and physical disabilities have a particular need for their services. We believe that trained dogs play a significant role in helping provide independence to individuals with disabilities, and research shows they can lessen symptoms associated with depression, PTSD and other mental illnesses.

Currently VA allows seeing-eye dogs to enter medical facilities without limitations. Senator Harkin's legislation would allow all service dogs into facilities that receive VA funding. VFW is happy to lend our support to a benefit that is often overlooked and can go a long way toward helping an individual with a disability that may not be able to perform a task independently.

S. 780, VETERANS PENSIONS PROTECTION ACT OF 2011

The VFW appreciates the intent of this legislation, but believes it will impose an undue burden on VA. It would require VA to make further determinations regarding replacement values in cases of insurance settlements thus reducing resources available to the timely processing of other pension claims. These additional decisions will further delay and complicate a relatively simple benefit. We urge the Committee to craft a less burdensome method for accomplishing this laudable goal.

S. 815, SANCTITY OF ETERNAL REST FOR VETERANS ACT OF 2011

The VFW is proud to support the SERVE Act to strengthen and extend protections already provided by Section 1388 of title 18, United States Code by including civilian cemeteries in the law. It would also double the "No Protesting" window to two hours before and after funerals, increase protest distances for those grieving and toughen penalties to two years in jail and/or a $250,000 dollar fine, and permit family members and the U.S. Attorney General to sue violators for monetary damages.

We fully support any legislative effort that emphasizes that the right of free speech does not trump a family's right to mourn in private. Those who use the First Amendment as both a shield and a sword to harm their fellow citizens need to have limits on such abuse and S. 815 provides those limits.

S. 873, TO AMEND TITLE 38, UNITED STATES CODE, TO PROVIDE BENEFITS FOR CHILDREN WITH SPINA BIFIDA OF VETERANS EXPOSED TO HERBICIDES WHILE SERVING IN THE ARMED FORCES DURING THE VIETNAM ERA.

VFW strongly supports S. 873, legislation that would allow all children of veterans exposed to herbicides with spina bifida to receive medical service and benefits at VA. As stipulated in Chapter 18, Sec 1821 of title 38, U.S.C., a child of a veteran who was exposed to herbicides used in Korea is currently covered for all health care, vocational rehabilitation and other benefits, as if the veteran had served in qualifying areas in and around Vietnam. That authority, however, does not extend to those claimants that may have been outside of Korea but were also exposed to herbicides during the Vietnam era and whose children were then born with birth defects or abnormalities like spins bifida. This legislation expands coverage and includes those children. The VFW has long supported entitlements for conditions caused by herbicide exposure, and we believe this bill will correct an inequity in the current law.

S. 874, TO AMEND TITLE 38, UNITED STATES CODE, TO MODIFY THE PROVISION OF COMPENSATION AND PENSION TO SURVIVING SPOUSES OF VETERANS IN THE MONTHS OF THE DEATHS OF THE VETERANS, TO IMPROVE LOAN BENEFITS FOR VETERANS, AND FOR OTHER PURPOSES.

The VFW supports all the provisions in this bill. Although we find merit in Section 1 which liberalizes current law, we do have concerns that it does not address those veterans who may be receiving compensation but who are seeking an increased evaluation because of increased disability. Under this legislation, it appears that VA would only pay the amount of current compensation and not that which would have been payable but for the untimely death of the veteran. We urge the

Committee to amend this bill to include those veterans who die while a claim for increased compensation is pending.

S. 894, THE VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 2011

The VFW supports this legislation. Veterans have not received a COLA increase in two years, but are still paying more at the grocery store, pharmacy, gas pump, and elsewhere. We are encouraged that recent data shows a 2.9-percent increase in the CPI-W over the 2008 COLA base, the last base to result in a COLA increase. We are hopeful that veterans and survivors will see a corresponding increase in their pensions and other compensation, such as DIC, in the coming year. This legislation is the vehicle to ensure that takes place.

S. 910, THE VETERANS HEALTH EQUITY ACT OF 2011

The VFW supports an access evaluation for regions with an ever-growing veterans' population, as we do find it noteworthy that a state in the contiguous United States would not have a full-service VA Medical Center. We view the VA's Strategic Capital Investment Plan (SCIP) to prioritize capital investments favorably, but remain concerned that funding levels do not suggest such matters are high priority for VA. Unless the out-years are funded much more aggressively than the current years, VA will not be able to meet demands, facilities will require more maintenance funding, and the priority list will continue to grow. At this time, VFW cannot support the legislation to mandate facilities in each of the contiguous 48 states, but we would support an evaluation to determine the need of underserved locales like Manchester, N.H.

S. 914, A BILL TO AMEND TITLE 38, UNITED STATES CODE, TO AUTHORIZE THE WAIVER OF THE COLLECTION OF COPAYMENTS FOR TELEHEALTH AND TELEMEDICINE VISITS OF VETERANS, AND FOR OTHER PURPOSES.

The VFW strongly supports this legislation, which would exempt disabled veterans from paying copayments for telehealth and telemedicine visits. By waving copayments we encourage the use of a range of convenient and cost-effective services that connect care providers to the veteran using modem telecommunications applications.

The VFW applauds VA for their pioneering efforts in this new area of health care. Telehealth leverages new technologies to make diagnoses, manage care, perform check-ups, and actually provide care to veterans. The use of video technologies makes it possible for veterans, many of whom live in rural or remote areas, to come to VA's community-based outpatient clinics and connect to a specialist or other practitioner who may be in a hospital hundreds or even thousands of miles away. Offering these services is a wise stewardship of limited resources. They provides a great return on investment and can expedite care to veterans while reducing some of the hassles and headaches associated with travel for routine or intensive services. Therefore, we are pleased to offer our support for this legislation.

S. 928, A BILL TO LIMIT THE VA SECRETARY'S AUTHORITY TO USE BID SAVINGS TO EXPAND OR CHANGE CAPITAL PROJECTS.

The VFW supports this legislation to limit the Secretary of VA's authority to use bid savings from major construction projects as long as the savings will be reinvested in other construction projects. Congress must authorize construction spending; therefore it is logical that Congress be made aware of how the savings will be utilized. However, VFW must insist that any bid savings that occur must be reinvested in construction to help reduce the every growing backlog of construction projects.

S. 935, VETERANS OUTREACH ENHANCEMENT ACT OF 2011

The VFW supports this legislation that would require VA to carry out a program of outreach to veterans by reaching out to Federal and state agencies as well as veterans service organizations (VSO) to provide information about VA benefits and services available.

Section 3 is critical in filling a gap in our most rural and economically challenged areas. VA will be required to enter into agreements with the Appalachia Regional Commission, the Delta Regional Authority, the Denali Commission, the Northern Great Plains Regional Authority and other areas of historically high poverty, unemployment, substandard housing, low educational levels, and poor health care services. Many within the military/veteran population living in these areas are unaware of the benefits provided by VA or other local, county and state veterans' services.

Combine that with scant access to care, varying support services and problems finding transportation to VA appointments and we can all agree more outreach is needed in these isolated areas. We look forward to working with the communities mentioned in this bill and encourage Congress to appropriate adequate funding to be able to continue offering comprehensive education and outreach to rural veterans.

However, the VFW does have concerns over the language in Section 2 regarding potential grants and contracts for VSOs and small businesses. VFW understands that the section may be designed to encourage outreach to veterans eager to start small businesses in underserved communities, but in its current form, VFW believes the language creates the potential for businesses to take advantage of Federal grants.

S. 951, HIRING HEROES ACT OF 2011

The VFW supports S. 951, the Hiring Heroes Act of 2011, and considers this bill a critical and overdue piece of legislation that will help our Nation's heroes reenter and remain competitive in the workforce. During recent difficult economic times, young veterans of the wars in Iraq and Afghanistan have been disproportionately affected by a stagnant job market, which is why VFW believes Congress should take every step necessary to ensure that our Nation's heroes have viable careers available to them when they leave the military. VFW generally supports the provisions of S. 951, but we would like to focus on several of the bill's sections in our testimony.

First, VFW agrees that TAP must be mandatory for all servicemembers leaving the military. This is a missed opportunity to ensure that all servicemembers have a viable baseline from which to work once they reenter the civilian workforce. The VFW also believes that consultation with VA should be included in all TAP programs, ensuring that veterans transitioning out of the military are at least aware of the benefits and services to which they are entitled.

VFW also agrees that direct hiring authority for Federal agencies and offering civilian work experience for potential civil service employees while on terminal leave will cut down on red tape for veterans seeking careers in the Federal workforce. Allowing qualified veterans a direct path to a civil service career also helps Federal agencies fulfill their obligations to employ veterans.

Finally, VFW supports offering two additional years of VocRehab benefits for unemployed veterans who have exhausted all of their state and Federal benefits. The intent of VocRehab is to ensure that veterans who were disabled in the line of duty would be trained and employable in a new career field. If a veteran has used their VocRehab benefits, yet remains unemployed, then their initial VocRehab program clearly failed. To VFW, VA is obligated to ensure that veterans who participate in the program truly receive the job skills they need to remain competitive in the civilian workforce.

VFW also has a suggestion for improving S. 951. Section 9 of the bill has the right objective; making the transition from military to civilian life easier by allowing servicemembers to apply the skills learned from military to their MOS to the civilian workforce. The problem with Section 9 is the approach; calling for a study and report requiring coordination between the secretaries of Defense, Veterans Affairs, and Labor. This approach wastes time on bureaucracy, rather than helping to place the servicemember in a civilian occupation. Replacing Section 9 with an ongoing private sector initiative, one of which is already being tested at Fort Bragg, would streamline this transition by cutting out bureaucracy. Some of these initiatives already utilize mathematical algorithms through which servicemembers can simply enter their MOS to populate a list of viable civilian careers, and industry experts continue to develop ways to translate this data into usable information to guide veterans on their educational and professional training needs. VFW is eager to discuss this idea further with Members of the Committee following this hearing. VFW believes that the private sector already has the capacity bring the departments of Defense, Labor and Veterans Affairs into the 21st century through these ongoing initiatives without wasting additional resources on a duplicative study.

S. 957, THE VETERANS' TRAUMATIC BRAIN INJURY REHABILITATIVE SERVICES' IMPROVEMENTS ACT OF 2011

The VFW supports this legislation to significantly improve and expand the plan for rehabilitation and reintegration of TBI patients. This legislation would ensure that, when providing care to help veterans recuperate after a brain injury, VA must take into account and provide treatment that improves a veteran's independence and quality of life. It expands objectives for the rehabilitation of veterans suffering from a TBI to include behavioral and mental health concerns. As a result of this

bill, the phrase "rehabilitative services" takes precedence over mere treatment in pertinent areas of the United States Code, thereby conforming it to the prevailing wisdom that TBI patients deserve more than mere treatment of their injuries, because we all know they deserve ongoing evaluation and additional intervention where necessary to ensure a full recovery. We believe the changes in this bill would make it easier for veterans struggling with the aftermath of a TBI to receive such coverage. Finally, this bill would also support TBI patients by associating sections of the law related to TBI rehabilitation and community reintegration to a broader definition of the term "rehabilitative services" in title 38 that comprises a range of services such as professional counseling and guidance services. This bill would help to ensure our response to Traumatic Brain Injuries consists of more than just healing the physical wounds of war. Our veterans deserve every chance to lead productive lives, which is why the VFW believes that VA and DOD should look into any and all potential rehabilitation and treatment models for veterans who suffer from TBI.

S. 1017, DISABLED VETERAN CAREGIVER HOUSING ASSISTANCE ACT OF 2011

The VFW is happy to support S. 1017. In 2006, The Veterans' Housing Opportunity and Benefits Improvement Act authorized VA to allow adaptive housing assistance grants to disabled veterans temporarily living in a home owned by a family member, known as Temporary Residence Adaptation (TRA), but the benefit often leaves needs unmet in the veteran community.

To date the number of veterans using the benefit has been low. According to a recent report by the Government Accountability Office (GAO-l0-786, July 15, 2010), VA has only processed 18 TRA grants through April 2010. This legislation increases the benefit without allowing it to go against future adaptive grants which would encourage more use of the program. We would also add that VA should be encouraged to strengthen its outreach by providing more information about who is eligible for the grants which we believe would boost the number of grants awarded in the future.

DRAFT BILL, HONORING ALL VETERANS ACT OF 2011

The VFW supports this legislation which provides a number of important improvements to services that are currently not meeting the needs of our veterans. To improve the livelihood of those who have experienced a Traumatic Brain Injury, this legislation directs the Secretary of Labor to assist veterans as they transition to the civilian workplace. It also improves their health by directing VA to use all applicable programs in a more comprehensive manner to assist their long-term care and rehabilitation. It raises the statutory cap for Vocational Rehabilitation and Employment Independent Living program participants, and increases pension for married couples who are both disabled veterans receiving aid and attendance payments.

To help veterans who have misfiled documents with the Veterans Appeals Board by spurring new and needed reforms, the bill provides assistance to homeless veterans by modifying the Servicemembers Civil Relief Act and applying changes to VA homeless programs that would allow payments to better reflect housing costs where a particular veteran resides. It also builds on the growing consensus that military skills should have broad recognition in the civilian world by authorizing a study to help employers understand how military skills apply in the open market.

DRAFT BILL, VETERANS PROGRAMS IMPROVEMENTS ACT OF 2011

VFW supports draft legislation that would enhance many benefit programs within the Department of Veterans Affairs (VA). We especially applaud Title I of the bill which would improve upon existing homeless veterans programs. This bill greatly expands the availability of resources needed by homeless veterans, while including provisions that encourage treatment facilities providing care to homeless veterans to use the available funding effectively. It also allows male homeless veterans with children to be eligible for grant and per diem services; and requires VA to provide a comprehensive plan on how it plans to prevent and end homelessness in coordination with other Federal programs with cost estimates and benchmarks that have proven effective.

Title II closes several loopholes with regard to fiduciaries. Most importantly it protects our most vulnerable veterans by allowing a caregiver or primary custodian of an impaired veteran to file a claim in the name of the veteran. It also would allow VA to monitor fiduciary activities or unresponsive fiduciary accounts by having direct access to those veterans' financial institutions. VA would also have the authority to direct the fiduciary, in the event of the death of the veteran, to make final payments to the veteran's dependents in order of precedence. This offers family

members who may have incurred medical or burial expenses on behalf of the veteran some reimbursement for costs. We would also like to add that we believe the VA should require increased audits if there is any irregularities in the fiduciaries accounting.

Title III reauthorizes and extends several programs beneficial to veterans.

The VFW applauds the Committee for making changes like those found in Section 301 which would allow a guardian that may be taking care of children while a servicemember is gone for many months on active duty to remain in their family home without the threat of losing the home; and Section 306 which would help streamline and shorten the time it takes for an appeal to be resolved by the Board of Veterans Appeals by eliminating duplication of efforts. We look forward to the passage of all the provisions in this extensive bill.

DRAFT BILL TO IMPROVE THE PROVISION OF BENEFITS AND ASSISTANCE UNDER LAWS ADMINISTERED BY THE SECRETARY OF VETERANS AFFAIRS TO VETERANS AFFECTED BY NATURAL OR OTHER DISASTERS, AND FOR OTHER PURPOSES.

The VFW supports this legislation, which would help veterans who have suffered loss at the hands of a natural disaster such as an earthquake, flood, tornado, or other types of disasters receive critical VA assistance more quickly. Currently, when a veteran's home or automobile needs to be replaced as a result of such an event, Congress must step in and authorize the Secretary of Veterans Affairs to come to the aid of disaster-stricken veterans. This legislation would give the Secretary discretion to designate events as natural or other disasters, and would convey the authority to provide for the remediation of previously granted benefits. Among other things, it would also allow the Secretary to extend subsistence allowances for veterans undertaking a vocational rehabilitation program when disaster strikes. Allowing the Secretary to act in these situations independently of explicit Congressional approval will undoubtedly expedite the process and help veterans who are victims of natural disasters to get back on their feet.

Madam Chairwoman and Members of the Committee again, thank you for allowing us to present our views on this legislation, I would be happy to answer any questions you may have.

DRAFT BILL TO ESTABLISH A PILOT PROGRAM UNDER WHICH VETERANS IN THE STATE OF ALASKA MAY RECEIVE HEALTH CARE BENEFITS FROM THE DEPARTMENT OF VETERANS AFFAIRS AT NON-DEPARTMENT MEDICAL FACILITIES, AND FOR OTHER PURPOSES.

While we understand the good intent behind this effort, the VFW cannot lend its support to this legislation. The bill would establish a new pilot program with the goal of providing certain Alaskan veterans in the most remote locations with what would be known as the "Alaska Hero Card." This card would essentially serve as an insurance card, enabling veteran cardholders to acquire unlimited health care at no out-of-pocket cost from any doctor who participates in the TRICARE network, the Indian Health Service, or Medicare.

One concern VFW has with this well-meaning proposal is that VA could provide the same benefit to these veterans under existing law and practice. We also recognize that Alaska, though perhaps the most poignant example, is not the only state in the union that grapples with the issue of extremely rural and remote populations. Finally, because the VA is already conducting pilot programs to study the improving access to care for all rural veterans regardless of state, on its face we see this effort as duplicative. VFW would strongly prefer VA focus on existing pilots to find solutions for all rural veterans, and work quickly to ensure that Alaska's highly rural and underserved populations have access to quality health care by leveraging existing VA policies.

Chairman MURRAY. Thank you very much.

Mr. Ensminger?

STATEMENT OF JERRY ENSMINGER, MSGT USMC (RET.), ELIZABETHTOWN, NORTH CAROLINA

Mr. ENSMINGER. Good morning. My name is Jerry Ensminger. I served our Nation faithfully for nearly a quarter of a century in the U.S. Marine Corps. I want to personally thank you, Madam Chairman and Senator Burr, the Ranking Member and senior Senator from my homestate of North Carolina, for providing me this oppor-

tunity to testify in support of S. 277, the Caring for Camp Lejeune Veterans Act of 2011.

I became deeply involved researching the history of the water contamination at Camp Lejeune nearly 13 years ago after I learned that my daughter, Janey, was exposed to the base's contaminated drinking water. My daughter, Janey, was the only one of my four daughters to have been conceived, carried, or born while living aboard Camp Lejeune. When Janey was 6 years old, our entire world was turned upside down after she was diagnosed with acute lymphoblastic leukemia, or ALL.

Janey fought a valiant battle against her malignancy for nearly 2½ years, but she ultimately lost that war. We watched Janey go through hell during her illness, and all who loved her went through hell with her. She succumbed to her disease on 24 September 1985. She was only 9-years old.

Unlike the tragic stories of combat troops who have died in the past decade overseas or come home with broken bodies and painful memories, the human tragedies caused by this massive contamination incident have been going on for many, many decades in private homes and hospital rooms in every State and territory of our Nation. Many of the sick have been virtually bankrupted by the expense of the medical care and therapies required to combat the catastrophic illnesses which are inherent to the exposures to the chemicals that have been found in the water at Camp Lejeune. Two known carcinogens—benzene and vinyl chloride, TCE, which will soon be classified as a human carcinogen by our EPA, and PCE, a probable human carcinogen—were present in our tap water. Those of us who lived and worked at Camp Lejeune never gave a moment's thought that we and our families were being poisoned by the very water we drank and bathed in. I along with many other Marines and their family members have devoted years of our lives and our money to comb through the historical record of Navy and Marine Corps documents to find the truth about how this contamination was allowed to continue despite the repeated warnings given to them by analytical laboratories.

My 13-year journey has taken me and my allies down many paths, and it has led us to numerous revealing and very, very troubling discoveries related to this issue. I must say that some of the most troubling discoveries have been the Department of the Navy and the U.S. Marine Corps' own documents which clearly reveal their leadership's knowledge that our tap water was contaminated for nearly 5 years before they took any action to locate the sources or to stop it from flowing.

Another disturbing revelation has been the discovery of Navy and Marine Corps regulations, some dating as far back as 1963, that required a protective standard of care for the base's drinking water systems. Had these regulations and orders been followed, most of this tragedy more than likely would have been averted.

Last, as a career Marine, the most audacious realization has been a lack of honesty and transparency demonstrated by the Department of the Navy and Marine Corps relating to this issue, a problem that continues to this very day and reaches the highest levels of leadership.

The documents we have uncovered indicate there have been many obfuscations, half-truths, and outright lies disseminated by these two organizations and their leaders through statements to the press, in correspondence to the affected community members, in brochures issued to Congress, and, yes, even in Congressional testimony. The examples of these mischaracterizations are too numerous for me to list here today in this testimony, but I would be more than willing to provide examples today if the Committee is interested, and I will gladly sit down with any Senator or their staff members to point these things out. I would encourage everyone to visit our Web site and view the timeline of events linked to our home page. Our timeline of events is interactive; the reader can click on the "blue" document numbers embedded in each entry to access the Department of the Navy and the U.S. Marine Corps' own documents. This was done to assure the reader that we do not speculate and that our timeline is factual.

Senator Burr's bill, S. 277, is a step in the right direction in rectifying this tragic situation. Some of you may not know this, but Camp Lejeune is the largest documented DOD environmental contamination incident on record. I know that some Members of Congress and a couple of national veterans service organizations have expressed a lack of support for S. 277 when it was introduced as S. 1518 in 2009, but much has come to light since then. In the past year and a half, significant discoveries of previously undisclosed documents show that the Navy estimated that the contamination on the base was far greater than imagined in 2009. One Navy document states that the total fuel loss from underground storage tanks on the base could have reached beyond 1 million gallons and caused massive amounts of benzene, a known human carcinogen, to have infiltrated the ground water used by the base's drinking water systems. I would think that anyone here today who found out that the water they had been drinking contained gasoline would find that a little alarming.

There are currently over 170,000 members of the Camp Lejeune community who have registered with the Marine Corps since 2008. They come from every State in the Nation. I have heard their stories over the years as I have criss-crossed the country looking for information and meeting veterans and their families who lived on the base. In the past 2 years alone, we have discovered over 70 men who lived at Camp Lejeune who now have male breast cancer, a rare disease which afflicts only about 2,000 men a year in the entire United States.

This issue is the subject of an award-winning documentary titled "Semper Fi: Always Faithful," which will be shown the evening of 23 June 2011 in the Capitol Visitor Center. I hope the Senators on this Committee will take a closer look at this issue and seriously consider the scope and severity of the contamination and the duty we owe those veterans, their loved ones, and the thousands of civilian employees who were exposed at Camp Lejeune. I ask each of you to see the film or send a member of your staff to do so. This very real story is finally being told after years in the shadows, and the people whose lives are directly affected by it need help. S. 277 is the first step toward doing the right thing.

Thank you. I look forward to your questions, and thank you for bearing with me in my overage on time.

[The prepared statement of Mr. Ensminger follows:]

PREPARED STATEMENT OF JEROME ENSMINGER, USMC (RET.), NORTH CAROLINA

Good morning! My name is Jerry Ensminger. I served our Nation faithfully for nearly a quarter century in the United States Marine Corps. I want to personally thank you Madam Chairman and Senator Burr, the Ranking Member and senior Senator from my home state of North Carolina, for providing me this opportunity to testify in support of S. 277, the Caring for Camp Lejeune Veterans Act of 2011.

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Janey fought a valiant battle against her malignancy for nearly 2½ years, but she ultimately lost the war. We watched Janey go through hell during her illness and all who loved her went through hell with her, but she succumbed to her disease on 24 September 1985, she was only nine years old. Unlike the tragic stories of combat troops who have died in the past decade overseas or come home with broken bodies and painful memories, the human tragedies caused by this massive contamination incident have been going on for many decades in private homes and hospital rooms in every state and territory of our Nation. Many of the sick have been virtually bankrupted by the expense of the medical care and therapies required to combat the catastrophic illnesses which are inherent to the exposures to the chemicals found in the water at Camp Lejeune. Two known carcinogens-benzene and vinyl chloride, TCE, which is soon to be classified as a human carcinogen by the EPA, and PCE a probable human carcinogen were present in our tap water. Those of us who lived and worked at Camp Lejeune never gave a moment's thought that we and our families were being poisoned by the very water we drank and bathed in. I, along with many other Marines and their family members have devoted years of our lives and our money to comb through the historical record of Navy and Marine Corps documents to find the truth about how this contamination was allowed to continue despite the repeated warnings given by analytical laboratories.

My 13-year journey has taken me and my allies down many paths and led us to numerous revealing and very troublesome discoveries related to this issue. I must say that some of the most troubling discoveries have been the Department of the Navy (DoN) and the United States Marine Corps' (USMC) own documents which clearly reveal their leadership's knowledge that our tap-water was contaminated for nearly five years before they took any action to locate the source(s) and stop it from flowing. Another disturbing revelation has been the discovery of Navy and Marine regulations, some dating as far back as 1963, that required a protective standard of care for the base's drinking water systems. Had these regulations and orders been followed, most of this tragedy more than likely would have been averted. As a career Marine, the most audacious realization has been a lack of honesty and transparency demonstrated by the Department of the Navy and Marine Corps relating to this issue, a problem that continues to this day and reaches the highest levels of leadership.

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Senator Burr's bill, S. 277 is a step in the right direction in rectifying this tragic situation. Some of you may not know this, but Camp Lejeune is the largest documented domestic DOD environmental contamination incident on record. I know that some Members of Congress and a couple of national Veterans Service Organization (VSO's) groups have expressed a lack of support for S. 277 when it was introduced

as S. 1518 in 2009, but much has come to light since then. In the past year and a half, significant discoveries of previously undisclosed documents show the Navy estimated that the contamination on the base was far greater than imagined in 2009. One Navy document states the total fuel loss from underground tanks on the base could have reached beyond one million gallons and caused massive amounts of benzene, a known human carcinogen, to have infiltrated the ground water used by the base. I would think that anyone here today who found out the water they had been drinking contained gasoline would find that alarming!

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This issue is the subject of an award winning documentary titled "Semper Fi: Always Faithful" which will be shown the evening of 23 June 2011 in the Capitol Visitor's Center. I hope the Senators on the Committee will take a closer look at this issue and seriously consider the scope and severity of the contamination and the duty we owe to those veterans, their loved ones and the thousands of civilian employees who were exposed at Camp Lejeune. I ask each of you to see the film or send a member of your staff to do so. This very real story is finally being told after years in the shadows and the people whose lives are directly affected by it need help. S. 277 is the first step toward doing the right thing.

Thank you and I look forward to your questions.

Chairman MURRAY. Thank you very much, Mr. Ensminger. I really appreciate your continued diligence and work on this very, very important issue.

Mr. Cox?

STATEMENT OF J. DAVID COX, R.N., AFGE NATIONAL SECRETARY-TREASURER, ON BEHALF OF THE AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES—AFL-CIO AND AFGE NATIONAL VA COUNCIL

Mr. COX. Chairman Murray, Ranking Member Burr, and Members of the Committee, thank you very much for the opportunity to be here today TO testify on S. 572 on behalf of the American Federation of Government Employees, the largest employee representative of Federal employees, including over 80,000 VA title 38 medical professionals.

Chairman Murray, this is my first opportunity to testify before you as a Chairman, and I join with Senator Snowe in commending you in your field and being Chairman of this Committee. As a man who spent 40 years being a registered nurse, I applaud you as Chair of this Committee today and look forward to your leadership.

S. 572 provides a small, commonsense fix to Section 7422 of Title 38, the law that gives VA medical professionals the right to grieve and negotiate over routine pay matters. The VA must be accountable for its own pay policies. Amending the law is the only way to get that accountability. How can anyone oppose making the VA abide by its own pay rules?

Last year, Secretary Shinseki acknowledged the widespread abuse of VA's pay rules at VA medical facilities, and he pulled back the Under Secretary's authority to make 7422 determinations. Now all 7422 cases go before the Secretary.

You may hear from opponents that S. 572 creates new rights and gives VA clinicians more rights than other Federal employees. This is simply not true. Medical professionals who work for the Depart-

ment of Defense and Bureau of Prisons can grieve and negotiate agency violations of pay rules. All this bill does is restore the same rights as their counterparts in the VA.

Under VA's current policies on compensation bargaining, registered nurses working weekends have no recourse when management refuses to provide weekend premium pay even though premium pay is required by the VA's own pay regulations. VA's own management officials have acknowledged that they could not run their hospitals if they did not apply the same pay rules as every other health care provider. However, the VA found an unexpected loophole in the law to ignore its own pay rules: the compensation exclusion in Section 7422.

VA's broad interpretation of this exclusion prevents the enforcement of nurse pay provisions in the 2010 Caregiver Act as well as other nurse and physician pay laws passed in recent years to keep VA pay competitive.

It is clear that Congress intended to provide VA medical professionals with full bargaining rights, the same rights as other employees in the VA and the rest of the Federal Government. Congress enacted Section 7422 in a direct response to a Federal Court decision that the VA had the right to refuse to bargain with a group of Colorado nurses. The plain language in Section 7422 confirms that the only compensation matters that are off the bargaining table are establishment, determination, and adjustment of employee compensation. That is because Congress sets Federal pay scales, and the VA has never been able to come up with an example of a union trying to bargain over pay scales.

Even in the face of this clear intent and VA's past agreement to apply a narrow interpretation of the law, the VA continues to refuse to bargain over many types of pay disputes that have nothing to do with setting pay scales. This is why the law needs to be tweaked, to clarify what Congress intended and what is common sense in the health care workplace.

The VA's interpretation of Section 7422 may be permissible under the laws of statutory interpretation, but it is definitely not preferable. VA's current policies divert time and money away from direct veteran services through protracted labor-management disputes and the cost of losing nurses and doctors and other clinicians to other employers. We all vote with our feet when it comes time to getting paid properly for the work we do. In short, S. 572 restores what Congress intended, saves VA health care dollars that should be spent on veterans, boosts workplace morale, and helps the VA remain an employer of choice in the health care marketplace.

Thank you very much, and I would be glad to take any questions.

[The prepared statement of Mr. Cox follows:]

PREPARED STATEMENT OF J. DAVID COX, R.N., AFGE NATIONAL SECRETARY-TREASURER ON BEHALF OF AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO AND THE AFGE NATIONAL VA COUNCIL

Chairman Murray, Ranking Member Burr and Members of the Committee: The American Federation of Government Employees (AFGE) and the AFGE National VA Council (NVAC) (hereinafter "AFGE") appreciate the opportunity to testify today on S. 572.

AFGE represents over 200,000 employees in the Department of Veterans Affairs (VA), more than two-thirds of whom are Veterans Health Administration (VHA) em-

ployees who are on the front lines at VA hospitals, clinics and nursing homes caring for our Nation's veterans.

S. 572 does not create new bargaining rights. Rather, this bill restores equal bargaining rights over routine compensation matters that were previously afforded to the following medical professionals covered by the VA's Title 38 personnel system: registered nurses (RN), physicians, dentists, physician assistants, optometrists, podiatrists, chiropractors and expanded-duty dental auxiliaries.

Until 2003, VA's Title 38 medical professionals had the same compensation bargaining rights as VHA employees covered by Title 5 bargaining rights and medical professionals at military hospitals and other Federal facilities. Over the past eight years, the VA has interpreted the Title 38 bargaining rights law—Section 7422—to single out Title 38 medical professionals and deprive them of basic rights to grieve and negotiate over routine pay matters such as nurse overtime pay and physician incentive pay. The VA has also used Section 7422 to block complaints arising out of violations of rights under other Federal laws.

How can anyone oppose making the VA abide by its own pay rules? Last year, Secretary Shinseki acknowledged the widespread abuse of VA's pay rules at many VA medical facilities. In fact, he determined that this problem was significant enough to pull back the Undersecretary of Health's authority to determine when Section 7422 prohibits bargaining. Now, all 7422 disputes must be decided by the Secretary.

Contrary to the VA's past assertions, S. 572 will not interfere with the role of Congress and the Secretary in setting rates of pay. The bill specifically excludes from bargaining the "establishment, determination, or adjustment of rates of basic pay." In contrast, VA medical professionals—like other Federal employees—must have the right to bargain over whether a pay rule is applied fairly and accurately.

The VA has argued that this bill will give VA medical professionals more rights than other Federal employees. This assertion is also completely untrue. The plain language of S. 572 is unambiguous: it would only restore the same rights to bargain over routine pay matters as those afforded to Federal employees covered by Title 5. We also note that the VA has never offered this Committee a single example of a VA's employee's attempt to bargain over a pay scale.

VA's 7422 policy seems especially arbitrary because it singles out one group of VHA employees while affording full compensation bargaining rights to others working in the same hospitals and clinics. For example, a VA registered nurse cannot grieve over overtime pay while a VA licensed practical nurse can. Similarly, a VA psychiatrist cannot grieve over the loss of incentive pay while a VA psychologist can. It seems equally arbitrary for a DOD physician treating active duty personnel to have greater bargaining rights than a VA physician treating veterans. This disparate treatment also harms the VA's ability to attract and retain medical professionals.

S. 572 is consistent with the clear intent of Congress to provide VA medical professionals with equal bargaining rights. Congress enacted Section 7422 shortly after a Federal appeals court held that the VA did not have to bargain with a group of Colorado nurses. In addition, the plain language of the 1991 law makes clear that bargaining is only prohibited in matters involving the "establishment, determination, or adjustment of employee compensation." Surely, Congress did not contemplate that the VA would invoke Section 7422 to block complaints about the application of nurse premium pay rules, access to wage survey data, pay discrimination or denial of workers compensation—but that is exactly what the VA did in past 7422 Undersecretary determinations.

VA's current interpretation of the law also directly contradicts its own position in the VHA labor management agreement in place from 1995 to 2002 that stated: "Left within the scope of bargaining and arbitration are such matters as: procedures for analyzing data used in determining scales, alleged failure to pay in accordance with the applicable scale, rules for earning overtime and for earning and using compensatory * * *"

S. 572 provides a commonsense solution for reducing costly, demoralizing disputes between VHA managers and employees. The number of "7422" compensation cases increased significantly after the 1995 labor management agreement was nullified.

VA's wasteful and counterproductive policies on compensation bargaining are best illustrated by the case involving operating room nurses at the Asheville, North Carolina VA Medical Center. AFGE waged an unsuccessful seven year fight to secure premium pay for nurses working night and weekend shifts. The dispute arose out of a basic pay rule in place at virtually every public and private sector hospital: nurses earn a higher hourly rate when they work evenings and weekends. When the arbitrator ruled in favor of the nurses, and ordered back pay, the VA invoked the 7422 compensation exclusion to refuse to pay. The VA continued to assert the

7422 loophole to for the next six years to refuse to provide back pay, and get the case dismissed for lack of jurisdiction. The D.C. Circuit court stated that while the VA's ability to invoke Section 7422 to get a case dismissed "may be inconsiderate or even unfair," the VA's interpretation of the law was permissible as currently written.

Therefore, to ensure basic fairness and equal treatment for VA's medical professionals, and restore Congressional intent, the law must be changed. We urge the Committee to support the small fix in S. 572 to clarify the scope of the law and hold the VA accountable for its own pay rules.

Thank you.

Chairman MURRAY. Thank you very much to all of you for your testimony.

Mr. Steele, let me start with you. In supporting our Hiring Heroes Act of 2011, you stated that it is critical that we bridge the gap between military service and the civilian workforce. So I wanted to ask you today if you could share with this Committee what you think the biggest challenges are facing our young veterans when they try to get a job when they come home.

Mr. STEELE. Thank you for your question, Senator. The biggest challenge is the job market itself. We have suffered in 2007 and 2008 a massive financial crisis that has led to a large overhang. This is an overhang that will take years to work off. Therefore, acknowledgment of that fact will—and this is in deference to Senator Burr—limit what we can expect to do. There is only so much you can do. It makes it important that we acknowledge that, that we maybe target certain programs only for the time that it takes to recover instead of making open-ended programs forever. This is trying to balance both Senators' concerns.

The one other thing I would note is, in my opinion, young veterans will always appear initially to be lagging behind those of the same age who never served for several reasons. I believe that in time, though, they will hold their own in the job market, and given that time, they will prove their worth. Thank you.

Chairman MURRAY. Mr. Violante or Mr. Kelley, what are the biggest challenges facing our veterans coming home today trying to seek employment?

Mr. VIOLANTE. Well, I think one of the things that you have pointed out in your bill is the fact that the Government spends millions of dollars training these individuals, and it is difficult when they come out to get the licenses that they need to continue to practice the work they have been trained for. That is one of the biggest obstacles. If we could eliminate that, I think we would see more military flowing into civilian jobs a lot easier.

Chairman MURRAY. Mr. Kelley?

Mr. KELLEY. I think it is cultural. The military has a culture, civilian life has a culture, and they do not mesh. Military personnel, especially if they are enlisted, have probably never done a job interview. They have never had to go out and fill out a resume. They had a recruiter come find them when they were in high school and say, "Please join the military." They take a little test. Then they get to choose what job they want. They go into the military, and they get all the training that they need. When they leave, they are not prepared because of the way the military has worked. Everything has been presented to them. Now they do not understand how to work in that civilian environment. Providing them with

reculturation, having them understand the process of getting a civilian job, what is important to say, how to present yourself, how to have a quality resume that does not look like it is a military transcript, I think those are the key issues.

Chairman MURRAY. Part of that TAP requirement.

Mr. KELLEY. Yes.

Chairman MURRAY. Yes, OK. I have heard a lot from veterans about their frustration with having to wait years for the Board of Veterans Appeals to issue a decision on their appeal. On the agenda today is my legislation that seeks to reduce the delay by changing the way that new evidence is considered. For the VSOs at the table, do you agree we need to streamline and expedite the appeals process?

Mr. VIOLANTE. That is one of DAV's goals. We certainly support that. We believe that your legislation would help us do that.

Mr. STEELE. The American Legion agrees.

Mr. KELLEY. The VFW also agrees.

Chairman MURRAY. Very good. Thank you.

Mr. Cox, VA's testimony refers to a joint work group with unions and the VA. Is it your view that the work of that group, which is ongoing now, reduces the need for Senator Brown's collective bargaining bill?

Mr. COX. No, ma'am, I do not agree with that whatsoever. The work group has concluded. There were unions that came to an agreement with the VA. AFGE, which is the largest union, and VA did not come to an agreement with the final product that the Secretary offered. There was consensus in the work group from the VA officials who came to the work group, and everyone agreed. Then it went back to the Secretary, and he pared down what the work group had consensus on, and AFGE could not agree to those things.

So I believe the legislation is very important. It is nothing more than the VA gets to decide the pay, all the rules, all the regulations. If they write them, they should be willing to live by them. All AFGE is asking is for them to live by their own rules and for a way to enforce that.

Chairman MURRAY. OK. Thank you very much. I appreciate it. I do have more questions I will submit to all of you for answers in writing.

I will turn to Senator Burr for any questions he may have.

Senator BURR. Thank you, Madam Chairman.

Let me give all of you an easy one. I mentioned earlier that I am committed to providing veterans and their families with the benefits they need and they deserve, but I want to make sure we pay for those benefits and the services by looking at other programs and looking at cuts so that we can continue to provide the benefit without saddling future generations of Americans with enormous debt.

I want to ask any that would like to, to submit to me current programs that you think could be eliminated because of the lack of usefulness of them—maybe their time has run out; programs that have overlap or duplicative functions where you believe consolidation into a program would actually be cheaper but, more importantly, more effective. Any suggestions that any of the VSOs can

provide, I would be interested in and I am sure the Committee would be interested in too.

David, let me ask you, in March 1995, Dr. Kenneth Kizer, then the Under Secretary for Health at the time at VA, wrote "Vision for Change." That introduced the concept of restructuring the Veterans Health Administration into VISNs around the country. In his paper, Dr. Kizer anticipated that each VISN headquarters would range between 7 and 10 full-time employees. Have you noticed a significant growth in the number of employees in the VISN?

Mr. COX. Well, it has been 5 years since I worked for the VA. I would suspect that number is higher than 10, Senator. I am sure the VA could give you exact numbers on how many are working and employed by the VISNs now.

Senator BURR. Well, so far they have ignored the e-mail request to talk to them about the numbers, but do you have any idea what the total number of employees is at the VISN headquarters?

Mr. COX. No, sir, I do not. I know that it is significantly higher than 10. I am very certain that it is higher than 10.

Senator BURR. Does AFGE have a position on what would be a suitable amount of staff for a VISN?

Mr. COX. That is a very broad statement, Senator, to ask because part of it, the way they have consolidated services to VISNs, that as such, many things that were done in individual medical centers are now done in a collective whole for the whole VISN. So the employees and how they operate, those vary from VISN to VISN. So I do not think we have come at a number.

We would certainly be interested in the number of administrative employees that work in VISN offices and the VISN management level, but actually, you know, the worker bees that are getting all the veterans care out there in the medical centers is a whole different story.

Senator BURR. When I get those numbers and the breakdown of how much of it is administrative, I will share it with you.

Mr. COX. Thank you very much, sir. Maybe you can get them to pay us properly, too.

Senator BURR. One of the consolidations, by the way—and I do not think you will find this shocking—is that the medical facilities report to the VISNs sexual abuse claims, and it might enlighten us to some degree about the layers of bureaucracy we have now put in between the medical center and the IG.

Jerry, listen, you and I have talked many times, and for some Members they are just now hearing the story of Camp Lejeune marines and their families. You have had an opportunity to really cover the country, and I have stated in the past that I perceive that it is problematic for the Committee to have the Department of Defense, specifically TRICARE, be the provider to this population. I am not going to go back through my case. I will make it at the appropriate time. But you have been out with Marines. You have been out with their families. What do they think? Do they want to be under DOD and TRICARE, or do they want to be under the VA?

Mr. ENSMINGER. Thanks for asking me that, Senator Burr, because the general consensus is that everybody I speak to—and, you know, I would ask anybody—anybody who recommends that we be turned back over to the Department of Defense—the very people

that were responsible for poisoning us—for our health care, those who say we should trust them when today they are still denying that they did anything wrong, I have to ask them how would that work out? I mean, I am sorry. DOD still has not stepped up to the plate on this issue. They are still in denial, and they are fighting and scratching at every inch to deny and obfuscate this situation, like I said in my testimony. So why would anybody even ask us to trust the Department of Defense with our health care? And that is the way, Senator Burr, most of the victims feels.

Senator BURR. Jerry, in the last panel, somebody referred to ATSTR. Some members know that that is the agency within CDC that is charged statutorily with the investigation of the level of contamination. We had to do some rather threatening things in the last 18 months to get the Department of the Navy to actually pay for what the law required them to pay for from the standpoint of studies that ATSTR were doing.

Share with everybody what the level of cooperation is today between the Department of the Navy and the Corps with the ATSTR investigation.

Mr. ENSMINGER. Well, Senator, thank you. Like I said in my testimony: there have been many obfuscations, half-truths, and total lies distributed by the Department of the Navy and the Marine Corps relating to this issue, and one of them was a letter that they sent out to every member that was registered on their Web site. In that letter it stated that the National Research Council report had done an evaluation of exposures to certain chemicals in the water at Camp Lejeune and their expected negative health outcomes, and that one of the chemicals they said that the NRC assessed was benzene, which is a known human carcinogen. The NRC never assessed benzene. If they would have, the effects of it would have been in the top category in their report. Yet the Department of the Navy and the Marine Corps persist in saying that they did assess benzene. That misinformation was distributed to everybody that was registered on their Web site.

Senators Burr, Hagan, Senator Nelson from Florida, Congressman Brad Miller, and Congressman John Dingell all sent a letter in April to the Secretary of the Navy asking him to rectify this mischaracterization of that NRC report. Their response was the Secretary of the Navy went to the NRC and had the director of the NRC answer a letter that was written last October by the director of ATSTR. I am sorry, I mean, this is just a vicious circle.

Senator BURR. Jerry, thank you for that. The Chairman has been very kind and lenient with me on the time, and I have gone over again, but I thank the Chair.

Chairman MURRAY. Important questions. Thank you very much.

Senator Begich?

STATEMENT OF HON. MARK BEGICH,
U.S. SENATOR FROM ALASKA

Senator BEGICH. Thank you, Madam Chair.

I just want to address Mr. Steele, Mr. Kelley, and Mr. Violante. I want to talk about the Alaska Heroes Card. I want to describe it because sometimes there is—I have read your testimony in de-

tail, and your concerns are: equal treatment, fairness, and reimbursements. Let me describe Alaska for a second.

First off, I was just there on Memorial Day in Kwig, AK, which, to get to it, you have to fly from Anchorage to Bethel; then you have to fly from Bethel to Kwig in a four-seater plane, if they have one available and the weather is good. There is no road. That total trip took 2½ hours of travel time, air time.

In our State we have the premier Indian Health Services in the country. Why? To be frank with you, Indian Health Services does not run it. We run it. It is the tribal consortium. Our tribal communities in Alaska took control of the Indian Health Services because they wanted to deliver health care the right way.

So we have veterans in Kwig. In order to get to Anchorage to the VA center, it costs $2,000 in air transportation. Who pays for that? The Veterans Administration. Yet there is a clinic right across the street—or road, because there are no streets, a trail—which is run by the Indian Health Services, by our tribal consortium, providing incredible health care.

In Nome, AK, we are building a $170 million state-of-the-art Indian Health Services care facility. But, again, if a veteran is there, they will not be able to use that facility. They will have to get on a plane, because they cannot drive because there are no roads within 80 percent of our communities. There is no State like this.

As I read your testimony, I know you want to try to keep everything—there is no State like this. There is no State where you can drive to another clinic, yet there is a high-quality-run facility right there. And what we are trying to do here—if you read this, I understand your commentary and how you have written some of your testimony. The key part is roadless communities in Alaska. That is pretty narrow.

We have more and more veterans living in rural communities in this country, but I can tell you right now, in Alaska, with 77,000 veterans, the highest per capita of any State, we have a high percentage in rural Alaska. We want to provide them the best care, and we believe this piece of legislation will actually lower the cost to the VA. When an individual has to fly to Anchorage and then sometimes to Seattle—because we have no VA hospital. Let me make sure we are clear on that, too. We do not have a hospital. We have a clinic and some CBOCs. That is it. So when they have to get the service, they have got to fly, thousands and thousands of dollars, and away from their families, which, as you know, for a veteran in need of care it is critical to be closer to families, to be able to have access.

So I want to work with you folks. Your concerns are easy to be met by, I think, clarification. But I want your response to—it is hard to understand Alaska until you have been to one of these small villages and met with a veteran who told me and the Secretary of the VA, in order for him to get his care, the flight alone was $2,000. Well, that means someone down here in the Lower 48 is not going to have $2,000 worth of care because that is going for an airline ticket. It does not seem right.

So can you give me some comments? I have given you—it is a statement, but I want your comments so you understand where we are coming from. It is not Montana, it is not Utah, it is not North

Carolina, it is not Washington. It is very different. Any one of you three want to comment?

Mr. VIOLANTE. Senator, I am not an expert on VA health care. I have staff that focuses on that. But I do think your question should be directed to VA. They have the authority to provide fee-based care——

Senator BEGICH. I am going to interrupt you for a second. We did that for years. It did not work. That is the problem. And the reality is we have a fully federally funded Indian Health Services sitting right there run by a tribal consortium delivering equal or in some cases, to be very frank with you, higher quality than what can be achieved in the VA system at times in Alaska. So I understand that question, but you have opposed—or you have questions on mine, so I am asking you, how do we——

Mr. VIOLANTE. I mean, our concern is that VA has the authority. They can provide community care or contract care when necessary, and I do not understand—and maybe they have explained to you why they would want to spend $2,000 to fly a veteran somewhere when they could go to a clinic, you know, nearby. I mean, to me that does not make sense, and I would like to know VA's answer to that, because with the authority they have, they should be able to take care of those veterans. And if they are not, then maybe what should be happening is some oversight by this Committee, getting VA in here to find out why they are not doing that.

My deputy just went to our department convention in West Virginia, and a veteran came up to her and said that he has been on fee basis for years. He has a service-connected disability rated higher than 50 percent. VA told him they did not have funds to continue to do that.

Now, this is the same VA that this year said they have a $1.1 billion carryover and would like to split it up between 2012 and 2013. Things are not making sense, and our concern is VA needs to be doing what they should be doing, and I agree with Senator Burr that we need to be looking at ways for them to do it better. I just am not comfortable with your bill and what it means to other veterans also around the country who may not be in such severe situations but still in need of health care when VA has the authority to take care of most of this.

Mr. KELLEY. I believe Joe stated it very articulately. I do not believe I have a whole lot to add. It is my understanding, though, that VA and Indian Affairs is working to try to figure out a single-pay method. I would like to understand that a little bit better, where that is going, and if that would be an effective alternative to a veterans card that would allow them to use Indian Affairs.

Senator BEGICH. Madam Chair, I know we are over time, but if I can just make one quick comment. They have an MOU, and it is basically driven by our efforts here, because this kind of crystallized it. The one thing we do not want to do with veterans is have them constantly worry about how to get service. We had testimony here 3 weeks ago or 4 weeks ago with individuals talking to us about how they pass facilities to go to those fee-based places because of some arrangement they had. In Alaska, you do not get to drive by those facilities. There are no fee-based. There is no doctor, no other doctor. It is Indian Health Services, and every single vil-

lage in Alaska has a clinic. There is no place like it, which is because we have to deliver health care in a very different way. So, why they are doing the MOU is because they know something like this is necessary or at least they are aware that we have to figure this problem out because the current fee-based system does not work in Alaska because of the way the system is. It is a Federal Government facility and another Federal Government facility. It is not a private doctor sitting out there providing the service. It is a different situation. And that is why it is a draft.

I am going to work with you folks because every time I go to a veterans organization in Alaska, when I mention this—and we go do a lot of speeches as Senators and we get applause at the end. This issue, when I bring it up the way I just described to you, we get not just applause, but standing ovation because Alaskan veterans understand this is the care and how they can access it, because they have tried the other ways, which do not work.

So I just want you to have an open mind. Hopefully I have described Alaska a little. I would love to take you to Kwig and drive on that road that is really a boardwalk and fly into that airport that is a dirt road and a pad. That is what we are trying to accomplish here, so I will work with you folks. I understand your global picture, but I really think this has—for Alaska it is so critical that these veterans get the care that is, you know, sitting 50 feet away from them but they cannot touch it. I will leave it at that.

Chairman MURRAY. Thank you very much, Senator Begich.

Senator Boozman?

Senator BOOZMAN. Thank you, Madam Chair.

Very quickly, I just want to apologize for having to leave. We had a markup on a telecommunications bills with our first responders, and I just got done with that. I want to thank Senator Begich for his help with the bill that we have introduced. And we appreciate you, Madam Chair, for allowing us to bring that forward.

I also appreciate you guys as always for all that you do in pushing these things forward and your support of that bill. So, again, we appreciate you and appreciate all that you represent, and I will put my statement in the record, if it is OK with you.

Chairman MURRAY. All right.

Senator BOOZMAN. I yield back. Thank you.

Chairman MURRAY. Thank you very much.

I want to thank all of our panelists for being here today. We will have more questions that we will submit for the record, and I want all the Committee Members to know I look forward to working with you as we develop legislation based on today's hearing for our markup, which is currently scheduled to take place on Wednesday, June 29.

I want all of you to know that as Chair of this Committee I am going to continue to make sure that this Committee does all it can to ensure that our veterans receive the benefits and services they have earned through their service to this Nation.

Thank you very much, and with that, this hearing is adjourned.

[Whereupon, at 11:43 a.m., the Committee was adjourned.]

A P P E N D I X

PREPARED STATEMENT OF THE U.S. DEPARTMENT OF DEFENSE

Chairman Murray, Ranking Member Burr, and Members of this distinguished Committee thank you for extending the invitation to the Department of Defense to address pending legislation that would significantly affect our Servicemembers: S. 277, the proposed "Caring for Camp Lejeune Veterans Act of 2011;" S. 486, the proposed "Protecting Servicemembers from Mortgage Abuses Act of 2011;" S. 491, the proposed "Honor America's Guard-Reserve Retirees Act of 2011;" S. 698, the proposed bill to amend title 38, United States Code, to codify the prohibition against the reservation of gravesites at Arlington National Cemetery, and for other purposes; S. 951, the proposed "Hiring Heroes Act of 2011."

The Department has no comment on S. Con. Res. 4, the concurrent resolution expressing the sense of Congress that an appropriate site on Chaplain's Hill in Arlington National Cemetery should be provided for a memorial in memory of the Jewish chaplains who died while on active duty in the Armed Forces of the United States since this resolution recently passed the Senate and has now been referred to the House Committee on Veterans Affairs and the House Armed Services Committee.

The Department does not support S. 277 and shares some comments.

The Department supports the proposed bill S. 486 as drafted, with one caveat: the mortgage protections of section 533 should only be extended to 12 months rather than to the proposed 24 months.

The Department is working with VA to develop an Administration position on S. 491, the "Honor America's Guard-Reserve Retirees Act of 2011." S. 491 would amend title 38, United States Code, by creating a new section that would honor as Veterans certain persons who performed service in the reserve component, while providing no additional benefits.

The Department recommends modifying S. 698 according to details provided in this testimony.

The Department recommends modifying S. 951 and the Department's comments are limited to sections directly impacting the Department.

The Department defers positional comment to the Department of Labor (DOL) on S. 1104. The Department looks forward to our continued strong collaborative partnership with DoL's Veterans Employment and Training Service (VETS) and will work together for the best interest of those who have served.

The Department defers to the VA on S. 1060. DOD does not have any specific concerns.

SUMMARY OF THE DEPARTMENT'S VIEWS ON PENDING LEGISLATION

S. 277

The Department does not support S. 277. S. 277 would furnish hospital care, medical services, and nursing home care implemented and funded by VA to veterans who were stationed at Camp Lejeune "while the water was contaminated," as well as family members who accompanied them. As explained in testimony by the Department of Veterans Affairs (VA), there is insufficient medical evidence to support this approach.

In addition, the Marine Corps notes that this bill creates inequities between veterans, family members, civilian employees, and government contractors. Section 2(a) of S. 277 provides that veterans who were stationed at Camp Lejeune during the applicable period (to be determined by the VA Secretary in consultation with Agency for Toxic Substances and Disease Registry) would be eligible for hospital care, medical services, and nursing home care from the VA "for any illness, notwithstanding that there is insufficient medical evidence to conclude that such illness is attributable" to water that was contaminated by volatile organic compounds (VOCs). Sec-

tion 2(b) of S. 277 states that family members of veterans who resided at Camp Lejeune during the applicable time would be "eligible for hospital care, medical services, and nursing home care" from the VA for any condition or disability associated with exposure to contaminants in the water. The legislation makes no provision for civilian employees and government contractors.

S. 486

The Department of Defense (DOD) supports the proposed bill S. 486 as drafted, with one caveat: the mortgage protections of section 533 should only be extended to 12 months rather than to the proposed 24 months.

Although DOD hesitates to recommend against any protection extended to Servicemembers, we believe that a three-month extension more fairly balances the equities of all parties, including the lending industry, and would help ensure that no backlash against the Servicemember—perhaps in the form of decreased credit opportunities—is ever considered.

An extension to 12 months would align the foreclosure protections of section 533 with the current 12-month interest rate cap of section 527 (for pre-service mortgage obligations). This would help reduce confusion over the current, unevenly-extended protections.

S. 491

S. 491 would amend title 38, United States Code, by creating a new section that would honor as Veterans certain persons who performed service in the reserve component. With enactment of this legislation, members of the National Guard and Reserve who qualify for retirement after 20 years of service, but did not serve on a period of active duty of sufficient duration to satisfy statutory requirements for Veteran status, will be acknowledged as a Veteran for honorary purposes. The bill would not convey any additional benefits to these members not already provided in statute. The Department is coordinating with VA to develop an Administration position on this bill.

S. 698

S. 698 would amend title 38, United States Code, to codify the prohibition against the reservation of gravesites at Arlington National Cemetery. As drafted, S. 698 would prohibit more than one gravesite per eligible veteran and would also prohibit gravesite reservations prior to the time of need with an exception for written "requests" for a reserved gravesite made prior to January 1, 1962 regardless of current eligibility requirements. Current Army regulations establish a "one-gravesite-per-family" policy. This rule has been in effect since 1961. One important element of Army policy is that the Army may allow exceptions to the "one-gravesite-per-family" policy when strict adherence to the policy is not feasible. This policy is set forth at 32 CFR § 553.18(a) and Army Regulation 290–5 § 2–5(a). S. 698, as drafted, does not, but in the Department's view should, provide the Secretary of the Army with the requisite authority to make an appropriately justified exception to the "one-gravesite-per-family" policy. The Department recommends modifying S. 698 accordingly.

Similarly, the Army currently prohibits reserving gravesites prior to time of need and does not honor gravesite reservations unless (1) the reservation was made in writing before the "one-gravesite-per-family" policy was established, (2) an eligible person was interred before the one-gravesite-per-family policy was established, and (3) the person holding the reservation for the adjacent gravesite is eligible for interment at Arlington National Cemetery under current Army eligibility rules. This policy is set forth at 32 CFR § 553.18 and Army Regulation 290–5 § 2–5. This exception to the prohibition on reservations is necessary because prior to the "one-gravesite-per-family" policy, individuals were not interred at depths that would accommodate two or three subsequent burials in the same gravesite like they are today.

As drafted, proposed section 2410A(b) in S. 698 reflects the Army's current policy prohibiting reservations. Section 1(c)(2) of S. 698, however, creates an exception to the prohibition on reservations for those who have a "written request for a reserved gravesite [that] was submitted to the Secretary of the Army before January 1, 1962." This exception would alter current Army policy by allowing reservations for those with only a reservation request rather than an approved reservation before 1962. The requirement for a valid reservation, not just a request, is necessary to implement S. 698. The Department has no objection to the reporting requirement contained in section 1(d) of S. 698.

The Department's comments on S. 951 are limited to sections directly impacting the Department.

Section 2: The Department is not opposed to the provisions of section 2 that would extend Section 1631(b)(1) of the National Defense Authorization Act (NDAA) for 2008 (Public Law 110–181) through December 31, 2014. Section 1631(b)(1) allows Servicemembers, with a severe injury or illness to receive vocational, rehabilitation and employment benefits (but not compensation) from the Secretary of Veterans Affairs to facilitate their recovery and rehabilitation while still a member of the Armed Forces. Extending this benefit provides Servicemembers with disabilities assistance in identifying the training requirements and resources needed to achieve their rehabilitation and employment goals.

Section 6: The Department does not support section 6 as written. In FY 2010 there were approximately 155,000 active component retirements/separations with an 82.5 participation rate in the Department of Labor (DOL) employment workshops. Section 6 will require mandatory participation in the DOL Employment Workshop for all transitioning Servicemembers and does not allow any exceptions. As written, this section would require the following personnel to be retained on active duty until they have completed this TAP component: Unanticipated losses (i.e., administrative discharges), approximately 57,000; Demobilizing/deactivating Guard/Reserve Component Servicemembers to complete the same program as their active duty counterparts, approximately 100,000; and several thousand Individual Mobilization Augmentees (IMA).

This provision also assumes increased TAP participation will correlate with an increase in transitioning Servicemembers obtaining employment. DOL is currently revamping its 2½-day employment workshop and will have the new workshop in place in November 2011. The Department recommends an analysis of the impact of the new workshop on employment before mandating this component of TAP for all transitioning personnel.

There is also an unknown, but potentially huge resource requirement that is currently not addressed in the President's budget, which would result from extending the previously noted categories of Servicemembers on active duty in order to be in compliance with mandatory TAP requirements. This would require an in-depth cost analysis, showing the impact of extending personnel on active duty to provide TAP counseling/briefings as well as to determine the impact on existing facilities (i.e., adequate classrooms, additional counselors/coaches, administrative support staff, IT support, equipment/computers, and IT infrastructure). A mandatory TAP requirement would also be a huge increase on costs for demobilizing National Guard and Reserves, to include post-deployment follow-up for up intervention for employment assistance. Such costs would also need to be part of an in-depth cost analysis.

In lieu of mandatory employment workshop participation for all separating Servicemembers, the Department recommends considering mandatory participation for Servicemembers with 10 or fewer years of active duty service (if the goal is to impact the group with the highest unemployment rate) with an "opt out" provision for all others. The Department also recommends having TAP components provided no later than 6–9 months before discharge and allow Servicemembers access to partnership programs with private employers or methods to develop/refine job skills prior to discharge

Section 9: The Department believes that section 9 is unnecessary as it duplicates existing processes that provide the capability to crosswalk Servicemember skills to equivalent civilian occupations, and therefore opposes section 9 of S. 951.

During mandatory (required by statute) preseparation counseling, Servicemembers are informed about the Occupational Information Network. The revised DD Form 2648, Preseparation Counseling Checklist for Active Component (AC), Active Guard Reserve (AGR), and Reserve Program Administrator (RPA) Servicemembers, states, "counselors will provide information on civilian occupations corresponding to Military occupations (see Occupational Information Network (O*Net Web site) at www.online.onetcenter.org/crosswalk and related programs * * *."

The Occupational Information Network (O*NET) is under the sponsorship of the US Department of Labor/Employment and Training Administration. The O*NET program is the Nation's primary source of occupational information. Central to the project is the O*NET database, containing information on hundreds of standardized and occupation-specific descriptors. The database is continually updated by surveying a broad range of workers from each occupation. O*NET OnLine contains crosswalks between the O*NET-Standard Occupational Classification (SOC) and the Classification of Instructional Programs (CIP), Dictionary of Occupational Titles (DOT), Military Occupational Classification (MOC), Registered Apprenticeship Part-

ners Information Data System (RAPIDS), and Standard Occupational Classification (SOC).

Additionally, the Department of Labor's Employment and Training Administration has a long-standing record of assisting transitioning Servicemembers with O*NET.

Another program is the United States Military Apprenticeship Program (USMAP), a partnership between Secretary of Labor, Secretary of Navy and Secretary of Transportation. Out of 300 enlisted Military Occupational Specialties (MOS's), 257 are covered under USMAP trades/occupations employing apprenticeship. Occupations offered through USMAP cross over into several civilian industries, including servicing, manufacturing and construction, and transportation/utilities.

Section 10: The Department opposes section 10. The authority under this section is too broad in its application and scope. It would appear the language would simply allow veterans to be non-competitively appointed to the GS system within 180 days of discharge. There appears to be no provision on how we would establish qualifications. Given we have a myriad of hiring authorities for veterans, we do not see what problem this language is trying to solve. Further, it runs the risk of making it extremely difficult for someone who is not a veteran to gain entry level employment in light on this authority. We run the risk of inadvertently giving veterans preference that is far overreaching and will likely be challenged by the Merit Systems Protection Board.

Section 12: The Department is not opposed to the provisions of section 12 which would allow the Department to establish a pilot program to provide separating Servicemembers, who are on terminal leave, work experience with civilian employees and contractors of the Department of Defense to facilitate the transition of those members from service in the Armed Forces to employment in the civilian labor market. The Department realizes the value of programs that improve the employment outcomes for our transitioning servicemembers, such as those that provide exposure to the civilian work environment while working for the Department. The Department of Labor, Veterans Affairs, and Homeland Security all jointly develop and contribute to the Transition Assistance Program, and we look forward to working with them to improve transition outcomes by using new and creative ideas, such as the one provided in this section.

PREPARED STATEMENT OF MERCEDES MARQUEZ, ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

S. 411, HELPING OUR HOMELESS VETERANS ACT OF 2011

Chairman Murray, Ranking Member Burr, Distinguished Members of the Senate Committee on Veterans' Affairs, I am pleased to be able to submit this testimony on behalf of the U.S. Department of Housing and Urban Development (HUD) regarding S. 411, Helping our Homeless Veterans Act of 2011.

BACKGROUND

This bill proposes two amendments to U.S. Code Title 38: Inserting section 2045, allowing the VA to "enter into agreements with eligible entities to collaborate in the provision of case management services" as part of the HUD-VA Supportive Housing (HUD-VASH) program; and section 2046, which calls for "the distribution of rental vouchers to veterans in rural areas and underserved veterans in metropolitan areas or on Indian lands in each region of the United States."

HUD and the Administration share the goal of this legislation to better meet the needs of homeless veterans. One year ago this month, the President released Opening Doors: The Federal Strategic Plan to Prevent and End Homelessness, which calls for ending veteran homelessness by 2015, and includes strategies to help achieve the goal. HUD is working closely with the Department of Veterans Affairs to ensure our programs are coordinated to effectively and efficiently meet the needs of homeless veterans. One of the key successes, to date, is the HUD-VASH program. This program combines rental assistance provided by HUD with services and health care provided by VA. By jointly working to improve the program, the ability to more swiftly identify and house homeless veterans has been greatly enhanced.

GEOGRAPHIC DISTRIBUTION

S. 411 seeks to ensure that resources are provided to homeless veterans who reside in rural communities—some of whom may be in areas that are long distances from VA medical centers. The current allocation methodology uses relative need and

performance to distribute vouchers, and provides vouchers to many rural areas that demonstrate relative need via data provided to HUD and VA. While HUD agrees that there should be geographic diversity in the distribution of vouchers, it should be noted HUD and VA data show that the most significant need remains in urban centers. On the other hand, the Administration is committed to addressing veterans' homelessness wherever it exists, and a more efficient way to meet rural veterans' needs may be through HUD's Continuum of Care programs. As part of the Administration's funding request for the new Homeless Emergency and Rapid Transition to Housing (HEARTH) Act, HUD included in its FY 2012 budget funding to implement the Rural Housing Stability Assistance Program (RHSP). This would provide assistance in rural areas to individuals and families (including veterans) who are homeless, in imminent danger of losing housing, or in worst case housing situations. The HEARTH Act also authorizes the new Emergency Solutions Grant (ESG) program, which provides funding for homelessness prevention, shelter, and rapid re-housing services. HUD looks forward to working with the Committee and our Administration partners to determine the most effective ways of addressing homelessness among veterans in urban and rural areas.

CONTRACTING

One component of the bill that we believe could have a significant positive impact on assisting homeless veterans involves the provision of services through VA contracts with local non-profits and other agencies to provide case management and to connect to HUD housing resources. As demonstrated by the success of the HUD-VA—U.S. Interagency Council on Homelessness (USICH) Washington, DC. Pilot Initiative, contracting and collaborating with local providers can greatly enhance the provision of needed services in some communities. Through a joint effort between Washington, DC's Department of Human Services and the D.C. Housing Authority, the eligibility process was streamlined and as a result, vouchers were allocated at a substantially faster pace and clients with vouchers were quickly housed. These very positive, initial results from the first pilot suggest that this model should be looked at further in other communities that the Departments deem appropriate.

TARGETING

We have learned through our HUD-VASH efforts in recent years that a key to success in ending veteran homelessness is effective targeting. Therefore we have concerns about the potential impact of this bill on those targeting efforts. While the title of the bill indicates that the targeted population will be homeless veterans, the text of the bill in a number of cases uses the term "underserved veterans," suggesting that the program could be modified to serve more than veterans who are homeless. The current HUD-VASH assistance is designed to house the neediest veterans, many of whom are chronically homeless. We would argue in favor of keeping that targeting to this population as a priority at this time.

CASE MANAGEMENT

The bill includes a broad definition of case management services, which could complicate the efforts of HUD, the VA, and organizations that would be contracted to provide needed services to homeless veterans. For example, the bill includes activities such as rental assistance, legal assistance, and mental health or substance abuse counseling as part of case management. HUD looks forward to working with the Committee and VA to clarify the definition of case management in the legislation in order to help improve coordination and efficiency, as well as oversight.

TRIBAL LANDS

HUD recognizes the need for improved housing and services for veterans on Tribal Lands, and we are eager to explore options for helping to achieve this goal. While persons living in tribal areas are individually eligible for HUD-VASH, under current law the tribal areas themselves are not eligible for any Housing Choice Voucher (HCV) program (including HUD-VASH), or for McKinney-Vento Act/homeless programs. However, it should be noted that the Native American Housing Assistance and Self-Determination Act (NAHASDA) authorizes assistance to Indian Tribes or their Tribally Designated Housing Entities (TDHE) through the Indian Housing Block Grant (IHBG). IHBG can be used to develop rental assistance programs similar to HCV. We believe it is important to take into account these mechanisms for providing services to veterans on Tribal Lands as part of the effort to consider what changes to the existing system make sense. And, again, we look forward to discussing these matters with Members of the Committee.

CONCLUSION

The HUD-VASH model has served as a vital tool for ending veteran homelessness, and HUD is encouraged that Senator Klobuchar and the Committee continue to seek ways to improve the program. HUD looks forward to working with the Committee to further discuss how the intent of the S. 411's provisions can best be realized.

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

STATEMENT FOR THE RECORD
by
HONORABLE JOHN BERRY
DIRECTOR
U.S. OFFICE OF PERSONNEL MANAGEMENT

before the

COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE

on

"LEGISLATION PENDING BEFORE THE VETERANS' AFFAIRS COMMITTEE"

June 8, 2011

Thank you for inviting the Office of Personnel Management (OPM) to submit testimony for the record for this important hearing on legislation affecting veterans, particularly veterans' employment in the Federal Government. OPM is proud of the government-wide effort to improve opportunities for veterans' employment through the Veterans Employment Initiative (VEI) (Executive Order 13518), and OPM Director John Berry welcomes the opportunity to work with the Committee on legislation to further that goal. In accordance with the VEI, OPM has developed "The Government-wide Veterans' Recruitment and Strategic Plan for FY2010 – FY2012," which was released in January 2010. Additionally, in keeping with the requirements of the VEI, OPM has conducted extensive training government-wide of human resources managers on veterans' preferences and special authorities for hiring veterans.

As Director Berry testified at the April 13th hearing of the Senate Veterans Affairs Committee, OPM believes that we need to honor the service of the brave men and women in our armed forces by ensuring they have ample opportunities for civilian employment in the Federal Government. Our veterans are valued, experienced, and trained, with vital skills that will allow them to be an immediate asset for Federal civilian service. In rewarding our veterans' sacrifices with opportunities in the Federal Government, we are not only demonstrating appreciation for their service; we are making it possible for the Nation to continue to benefit from their talents, dedication, and training.

More than two years ago, OPM embarked on a broad initiative to reform the entire Federal hiring process. Along the way, OPM has attempted to address broad systemic problems such as

reducing long job announcements and allowing resumes and cover letters as applications. However, where appropriate, OPM has taken on targeted approaches, as with veterans' employment, to improving the recruitment and hiring of talented men and women to represent the diversity of our Nation and our workforce.

I. Special Veterans Hiring Authorities and Preferences

As discussed in the April 13th testimony, there are special veterans' hiring authorities that the Federal Government can use to recruit and employ veterans. OPM continues to encourage agencies to make full use of the various hiring authorities that can facilitate veterans' employment. For example, the Veterans Recruitment Act (VRA) authorizes non-competitive appointment for eligible veterans to positions up to the GS-11 level, or equivalent. The Veterans Employment Opportunities Act (VEOA) can be used to appoint those entitled to veterans' preference or veterans who have at least 3 years of active military service to permanent positions in the competitive civil service. Hiring of veterans under the VEOA increased from about 20,200 in 2009 to more than 20,750 in 2010. VRA appointments grew from 6,659 to nearly 7,000 during the same period, and the special hiring authority for veterans who are 30% or More Disabled accounted for more than 2,000 hires last year, compared to 1,727 in 2009. Additionally, certain veterans have a statutory right to veterans' preference, as do certain mothers and spouses of 100 percent disabled veterans, and certain widows of deceased veterans. Preference in hiring applies to permanent and temporary positions in the executive branch. Veterans' preference also applies in a reduction in force.[1]

In summary, there are numerous hiring authorities and statutory rights that facilitate veterans' employment in the Federal Government.

II. S. 951, the Hiring Heroes Act of 2011

S. 951 would create a fifth, separate hiring provision for veterans (in addition to veterans' preference). While we do not have a position on the legislation at this time, pursuant to the Committee's request, we would like to provide the Committee with an understanding of the practical implications of the legislation. The legislation would allow heads of executive agencies to "appoint a member of the uniformed services who is honorably discharged to a position in the civil service without regard to sections 5 U.S.C. §§ 3301 through 3330c during the 180-day period beginning on the date that the individual is honorably discharged, if that individual is otherwise qualified for the position."

It is important to note that S. 951 might impact preference-eligible veterans who may also be eligible under the other hiring authorities presently available to veterans. For example, a non-preference veteran selected under this authority over a disabled veteran who otherwise might be

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1 For more details on the history of veterans' preference, please visit http://www.opm.gov/staffingPortal/vghist.asp.

selected under the 30% or More Disabled Veterans authority, or who might receive his or her preference under the competitive examining process. The non-disabled veteran who is unable to secure a position through the authority created by S. 951 would still be eligible under the VRA authority.

There are a few provisions in 5 U.S.C. §§ 3301 through 3330c that would be impacted by this legislation. These provisions establish veterans' preference in hiring. Veterans' preference in its present form comes from the Veterans' Preference Act of 1944, as amended, and is codified in various provisions of title 5, United States Code. By law, veterans who are disabled or who served on active duty in the Armed Forces during certain specified time periods or in military campaigns are entitled to preference over others in hiring from competitive lists of eligibles and also in retention during reductions in force.[2] However, veterans' preference is not available to all members of the uniformed services who are honorably discharged. Under this legislation, non-preference eligible veterans would be afforded the same newly created appointment authority as preference eligible veterans.

Similarly, the distinction between the preferences for non-disabled and disabled veterans was conceived as a beneficial preference for disabled veterans. Veterans' preference in its current form acknowledges the larger obligation owed to disabled veterans. The language in the legislation that would allow for the appointment of a member of the uniformed services "without regard to sections 3301 through 3330c" would create an authority without distinction between disabled and non-disabled veterans.

5 U.S.C. § 3321 creates a probationary period which applies to all Federal employees who are appointed to positions in the competitive service. The language of this legislation would remove the probationary period for any member of the uniformed services who is appointed under the authority proposed by this legislation. Similarly, 5 U.S.C. § 3328 outlines the requirements for Selective Service registration for individuals who are seeking Federal employment. This requirement would also not apply to individuals who are appointed under the authority proposed by this legislation.

Finally, individuals who have a preference eligibility are afforded administrative redress under 5 U.S.C. §§ 3330a through 3330c. The administrative redress enables individuals with veterans' preference who allege violations of their hiring rights to file a complaint with the Secretary of Labor, to pursue judicial redress, and to seek legal remedy. Individuals appointed under the authority proposed by this legislation would not be able to avail themselves of the protections of 5 U.S.C. §§ 3330a through 3330c.

The current veterans' preference statutes reflect a policy decision to differentiate between disabled and non-disabled veterans, a distinction that is not present in this legislation.

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2 For more details on who is eligible for veterans' preference, please visit http://www.opm.gov/staffingPortal/Vetguide.asp#2When.

Statement of Honorable John Berry
Director
U.S. Office of Personnel Management

June 8, 2011

Additionally, S. 951 would create a conflict between individuals entitled to preference, and those who are not. As a result, this would create a bypass around the application of veterans' preference in both the competitive hiring process as well as for positions excepted from the competitive hiring process.

III. Conclusion

OPM and the Federal Government are building a strong program to enhance employment opportunities for veterans and we are committed to carrying out the goals of President Obama's executive order. OPM welcomes the Committee's interest and dedication to veterans' employment issues, and we look forward to continuing to work with you toward this important goal.

PREPARED STATEMENT OF PARALYZED VETERANS OF AMERICA

Chairman Murray, Ranking Member Burr, and Members of the Committee, Paralyzed Veterans of America (PVA) would like to thank you for the opportunity to present our views on the broad array of legislation impacting the Department of Veterans Affairs (VA) pending before the Committee. These important bills will go a long way toward improving the lives of veterans and their families.

S. 277, THE "CARING FOR CAMP LEJEUNE VETERANS ACT OF 2009"

While PVA believes the intent of this legislation is good, we cannot support S. 277, the "Caring for Camp Lejeune Veterans Act of 2011," as introduced. The intent of this legislation is to provide hospital care, medical services, and nursing home care to veterans and family members who were stationed at Camp Lejeune, NC, while the water was contaminated by volatile organic compounds, including known human carcinogens and probable human carcinogens, for any illness, to include a child who was in utero at the time. These servicemembers and their families have been suffering for decades and should be entitled to care and compensation.

However, the legislation places the burden for providing this care upon the Department of Veterans Affairs (VA) health care system. Caring for dependents in particular, is not the principal mission of the VA; whereas, the Department of Defense (DOD) healthcare system is specifically designed to care for servicemembers and their families. Moreover, since these families exposure is directly related to service at Camp Lejeune, we believe that the burden to take care of the servicemember's dependents falls to the DOD.

S. 396, THE "MEETING THE INPATIENT HEALTH CARE NEEDS OF FAR SOUTH TEXAS VETERANS ACT OF 2011"

Paralyzed Veterans of America supports S. 396, the "Meeting the Inpatient Health Care Needs of Far South Texas Veterans Act of 2011." This bill would ensure that the Department of Veterans Affairs (VA) has the resources and capacity to meet the health care needs of veterans living in the Far South Texas area. Specifically, this bill will require the VA medical center in Harlingen, Texas, to provide "full-service" inpatient health care for veterans in Far South Texas. This legislation improves access to VA health care for approximately 117,000 veterans.

S. 411, THE "HELPING OUR HOMELESS VETERANS ACT OF 2011"

PVA supports S. 411, the "Helping Our Homeless Veterans Act of 2011." This legislation will improve outreach to rural veterans, underserved urban veterans, and Native American Veterans, by creating partnerships to help extend essential services to homeless veterans. By strengthening the successful HUD-Veterans Affairs Supportive Housing (HUD-VASH) program this legislation will provide housing vouchers along with case management to this underserved population. The VA will provide counseling for these veterans that will also include employment training for some veterans. This employment training along with continued support from the VA will insure the participating veterans can become productive members of the community.

S. 423

This legislation would amend Title 38, United States Code, Section 5110(b) to allow for a retroactive effective date of a claim up to one year prior to the date of submittal of a fully developed claim. Current law fixes the effective date of claim at the date that the claim was submitted. PVA fully supports this legislation as proposed. We believe that this legislation could incentivize veterans and their service representatives to prepare well-developed, ready-to-rate claims prior to submittal, offering the opportunity for expedited claims processing.

S. 486, THE "PROTECTING SERVICEMEMBERS FROM MORTGAGE ABUSES ACT OF 2011"

This legislation will increase the existing protection for servicemembers that is provided by the Servicemembers Civil Relief Act (SCRA) against mortgage lenders. It extends the period of protection against mortgage sale or foreclosure from the current nine months to twenty- four months after an individual separates from the service. Some of the Nation's largest mortgage lenders have recently demonstrated unscrupulous acts of denying the established Federal Governments 6 percent interest rate cap on preexisting loans for servicemembers and illegally foreclosing on homes owned by servicemembers.

This legislation will ease concerns over financial situations at home for the men and women that serve this country. PVA supports this necessary legislation.

S. 490

Paralyzed Veterans of America fully supports S. 490, a bill to increase the maximum age for children eligible for medical care under the CHAMPVA program. S. 490 increases the child beneficiary age for CHAMPVA health care benefits from 22 to 26 years of age.

Public Law 111–148, the "Patient Protection and Affordable Care Act," extended the eligibility age for dependent children being carried on their parents' health insurance policies to 26 years old. Unfortunately, this benefit was not initially provided to TRICARE and CHAMPVA beneficiaries. The extension was subsequently provided to dependent children of military personnel (those on TRICARE) by P.L. 111–383, the "National Defense Authorization Act (NDAA) for FY 2011."

Currently, the children of 100 percent service-connected disabled veterans who are 23 years of age or older do not qualify for CHAMPVA benefits. By increasing the maximum age for CHAMPVA beneficiaries, these children will be afforded the same health care protections as other children of military personnel.

S. 491, THE "HONOR AMERICA'S GUARD-RESERVE RETIREES ACT OF 2011"

PVA supports S. 1780, the "Honor America's Guard-Reserve Retirees Act." This bill incorporates "veteran" into the Guard and Reserve community. PVA supports recognizing and honoring all servicemembers, including the National Guard and Reserve components, for their faithful and honorable service in defending the United States of America. Serving in a volunteer force should be credited to the servicemember and not discounted, through no fault of their own, because they were not activated.

S. 536

PVA supports S. 536, legislation to insure that utilization of survivors and dependents education assistance shall not be subject to the 48-month limitation on the aggregate amount of assistance under multiple veterans' educational assistance programs.

S. 572

Paralyzed Veterans of America (PVA) supports S. 572, a bill to repeal the prohibition on collective bargaining with respect to compensation of Department of Veterans Affairs (VA) employees other than rates of basic pay. Eliminating the prohibition on collective bargaining would be a positive step in addressing the recruitment and retention challenges the VA faces when hiring quality professionals, particularly in the area of health care.

S. 666, THE "VETERANS TRAUMATIC BRAIN INJURY CARE IMPROVEMENT ACT OF 2011"

Paralyzed Veterans of America supports S. 666, the "Veterans Traumatic Brain Injury Care Improvement Act of 2011." As a result of the growing use of Improvised Explosive Devices (IED), Traumatic Brain Injury (TBI) has become a signature wound of the current wars in Afghanistan and Iraq. Today, we still do not fully understand the impact or gravity of TBI. In April 2008, the RAND Corporation Center for Military Health Policy Research completed a comprehensive study titled Invisible Wounds of War: Psychological and Cognitive Injuries, Their Consequences, and Services to Assist Recovery. RAND found 57 percent of those reporting a probable TBI had not been evaluated by a physician for brain injury.

S. 666 will require the Department of Veterans Affairs (VA) to produce a report on the establishment of a VA Polytrauma Rehabilitation Center or Polytrauma Network Site in the Northern Rockies or Dakotas, thus increasing veterans' access to care and evaluation for TBI. PVA believes that this legislation will serve as a starting point for ensuring that health care and support programs are available to veterans and their families in the Northern Rockies and Dakotas to help them manage the challenges associated with a brain injury.

S. 696

Paralyzed Veterans of America supports S. 696, a bill to treat Vet Centers as Department of Veterans Affairs (VA) facilities for purposes of payments or allowances for beneficiary travel to Department facilities. During the past year, VA Vet Centers provided readjustment counseling services in more than 260 community-based cen-

ters and approximately 50 mobile centers, and veteran enrollment for such services continues to increase. Vet Centers often serve as the only outlet for veterans to receive "veteran-specific" qualified professional counselors, peer support, and confidential services that are unreportable to military line commanders or VA medical authorities. As such, the expenses associated with traveling to Vet Centers should not discourage veterans from seeking the aforementioned support and services. If enacted, S. 696 will improve the availability of readjustment counseling services for veterans seeking assistance.

S. 698

PVA does not oppose S. 698, legislation that would codify the prohibition against the reservation of gravesites prior to death at the Arlington National Cemetery. This bill would also prohibit multiple gravesites from being reserved for a servicemember or veteran who is eligible for interment.

S. 745

PVA supports S. 745, a bill to protect certain veterans who would otherwise be subject to a reduction in educational assistance benefits. This legislation will restore fairness for some veterans that are enrolled in a program of higher learning at a nonpublic institution for the period of August 1, 2011 through December 31, 2014. Recent changes in the Post-9/11 GI Bill have resulted in this particular group of veterans owing more for their tuition and fees than they originally anticipated. This legislation corrects this oversight for these enrolled veterans and allows veterans enrolled in such programs to pay the lesser of; the charges for that program, the charges payable under the VA's maximum payments table, or, the amount for the previous year including an annual percentage increase.

S. 769

PVA supports S. 769, the "Veterans Equal Treatment for Service Dogs Act of 2011." While we believe this legislation should be unnecessary based on the provisions of Section 504 of the Rehab Act, the actions of the VA clearly demonstrate the need for this legislation. If the VA is unwilling to make the regulatory change to accomplish the intent of S. 769, then we hope Congress will move quickly to enact this important legislation.

S. 780

PVA supports S. 780, legislation that would exempt reimbursements of expenses related to accident, theft, loss, or casualty loss from determinations of annual income with respect to pensions for veterans and surviving spouses and children of veterans. Our Nation's veterans should not have to claim incidental insurance compensation as income that would inadvertently reduce their pension payment. This is a common sense amendment to current law.

S. 815, "SANCTITY OF ETERNAL REST FOR VETERANS ACT OF 2011"

PVA supports S. 815, the "Sanctity of Eternal Rest for Veterans Act of 2011." This legislation would amend the Federal criminal code concerning the prohibition on disruptions of funerals of members or former members of the Armed Forces to increase the period covered under such prohibition from one to two hours before and after a military funeral. This includes within such unlawful conduct any disturbance or disruption occurring within 500 feet of the residence of a surviving member of a deceased immediate family. This legislation also provides remedies, including actual and statutory damages and makes identical changes under Federal veterans' provisions concerning the prohibition on certain demonstrations and disruptions at national cemeteries, including Arlington National Cemetery.

PVA believes all veterans' and military servicemembers' funerals should be afforded the highest honor and conducted with the dignity and respect that they deserve.

S. 873

This legislation would amend Title 38 U.S.C., to provide benefits for children with spina bifida of veterans exposed to herbicides while serving in the Armed Forces during the Vietnam era outside Vietnam. PVA supports this legislation as it would align with benefits currently provided to children with spina bifida of veterans exposed to Agent Orange during service in Vietnam.

S. 874

PVA supports S. 874, legislation that would modify the provision of compensation and pension to surviving spouses of veterans in the months of the deaths of the veterans to include prohibiting requests for return of certain checks and payments, and to improve housing loan benefits for veterans. This bill also enhances eligibility for Presidential memorial certificates of individuals who die while serving in the active military, naval, or air service while serving under honorable conditions and protects liens created by public entities in response to disaster-relief assistance on home loans.

S. 894, THE "VETERANS COST-OF-LIVING ADJUSTMENT ACT OF 2011"

PVA supports S. 894, the "Veterans' Compensation Cost-of-Living (COLA) Adjustment Act of 2011," that would increase, effective as of December 1, 2011, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation (DIC) for the survivors of certain disabled veterans. This would include increases in wartime disability compensation, additional compensation for dependents, clothing allowance, and dependency and indemnity compensation for children. PVA continues to oppose the provision of this legislation that would round down any benefit to the next lower whole dollar amount.

For the past two years, there has been no increase in compensation or DIC rates due to the Social Security index not increasing. While our economy continues to falter, veterans' personal finances have been affected by rising costs of essential necessities to live from day to day maintaining a certain standard of living.

S. 910, THE "VETERANS HEALTH EQUITY ACT OF 2011"

PVA is unable to support S. 910, the "Veterans Health Equity Act of 2011." S. 910 proposes to require that veterans have access to at least one full-service Department of Veterans Affairs (VA) medical center in each of the 48 contiguous states, or receive comparable services provided by contract in their state. Under this legislation, if a VA medical center is not a full-service facility, "does not provide hospital care, emergency medical services, and surgical care that is rated by the Secretary as having a surgical complexity level of 'standard,'" veterans may utilize contracted services from private health care providers in their state. While this legislation is an attempt to address issues involving access to health care, PVA believes that if enacted, S. 910 will lead to diminution of VA health care services, and increased health care costs in the Federal budget. This legislation would turn VA's current fee-basis policy, which allows VA to purchase care from a private provider when VA medical care is not "feasibly available to veterans," into a permanent treatment plan.

While access is indeed a critical concern for PVA, we believe VA is the best health care provider for veterans. Providing primary care and specialized health services is an integral component of VA's core mission and responsibility to veterans. Unfortunately, funding for VA health care in the past has had difficulty keeping pace with the growing demand. Even with the passage of Advance Appropriations and record budgets in recent years, funding is not guaranteed to be sustained at those levels and PVA is concerned that contracting health care services to private facilities is not an appropriate enforcement mechanism for ensuring access to care. In fact, it may actually serve as a disincentive to achieve timely access for veterans seeking care.

PVA is also concerned about the continuity of care. The VA's unique system of care is one of the Nation's only health care systems that provide developed expertise in a broad continuum of care. Currently, VHA serves more than 8 million veterans, and provides specialized health care services that include program specific centers for care in the areas of spinal cord injury/disease, blind rehabilitation, Traumatic Brain Injury, prosthetic services, mental health, and war-related polytraumatic injuries. Contracting out to private providers will leave the VA with the difficult task of ensuring that veterans seeking treatment at non-VA facilities are receiving quality health care. The quality of VA's health care and "veteran-specific" expertise cannot be adequately duplicated in the private sector.

For these reasons, PVA does not support S. 910, and strongly believes that VA remains the best option available for veterans seeking health care services.

S. 914

Paralyzed Veterans of America (PVA) supports S. 914, a bill that would authorize the waiver of the collection of copayments for telehealth and telemedicine visits of veterans. Telemedicine has proven to be a cost effective service that connects the

specialist via telecommunications to the veteran. It has been particularly useful in the rural setting. This is a new era of health care delivery and PVA believes that this bill will help VA do its part in keeping up with technological advances to provide innovative solutions to the health care needs of veterans.

S. 928

S. 928 would limit the authority of the Secretary of Veterans Affairs to use bid savings on major medical facility projects of the Department of Veterans Affairs to expand or change the scope of a major medical facility project of the Department. PVA is concerned that this bill, as proposed, would lead to conflicting priorities for construction projects, those identified by Congress and those identified by VA.

The VA manages a wide portfolio of capital assets across the Nation and prioritizes projects to be authorized for funding by Congress. This list is compiled based on VA's data-driven assessment of the current and future construction needs for the Department. Under S. 928, VA would be required to report a major medical facility project that is the source of bid savings, and provide notice, and a description of those major medical facility project(s) that will be expanded or changed in scope. PVA understands that the general intent of S. 928 is to efficiently utilize bid savings for priority construction projects that are in need of funding by ensuring that limited construction funds are only allocated for and within the scope of authorized projects. Nonetheless, we believe that the aforementioned requirements have the potential to jeopardize timely completion of construction projects and result in bid savings going to various projects that are not in the order of priority as identified by VA. These requirements are of particular concern to PVA since the proposed legislation does not outline proceedings that will take place after VA reports and proposes usage of bid savings to Congress.

To address these concerns, PVA recommends including text that would require VA to use bid savings on major medical facility projects that have been previously authorized by Congress for funding, and such funding should also be allocated based on the VA's priority list of projects. Additionally, PVA strongly encourages the author(s) of this bill to include text that requires any designated savings resulting from construction of spinal cord injury (SCI) centers to be redirected toward other SCI construction projects.

S. 935, THE "VETERANS OUTREACH ENHANCEMENT ACT OF 2011"

Witnesses testifying at recent hearings before the Senate and House Committees on Veterans' Affairs have indicated that many servicemembers returning to the civilian world often have limited, or no knowledge of the programs, benefits, and assistance available for them based on their active military service. This legislation, S. 935, the "Veterans Outreach Enhancement Act of 2011" will help communicate the information to all veterans, including veterans in rural areas. This will authorize the Secretary to develop and carry out a program of outreach which may include collaborating with state and local governments to help perform this outreach.

PVA has a concern that the VA may designate portions of this outreach responsibility to the states through each states' Local Veterans' Employment Representatives (LVER) and Disabled Veterans' Outreach Program (DVOP) specialists. Although some states may excel at helping veterans through these federally funded programs, traditionally these programs do not fulfill the responsibilities of placing veterans in employment, or informing veterans of benefits. Therefore, PVA believes allocating more funds to individual states through these programs will not increase the VA's outreach efforts. Most states have a department of veterans' affairs. Like the state employment programs, these vary widely in their responsibilities and performance. For the VA to designate and rely on these offices to fulfill the VA's outreach responsibilities would require oversight of these offices.

In some locations local nonprofit and veterans service organizations may currently be active with assisting and advising veterans. Since they would have the regular contact with local veterans, this may be another source for the VA to conduct the outreach responsibility.

S. 951, THE "HIRING HEROES ACT OF 2011"

PVA supports S. 951, the "Hiring Heroes Act of 2011." With veterans' national unemployment rate higher that civilian unemployment for all age categories and recently estimated over 27 percent among young veterans coming home from Iraq and Afghanistan, the Federal Government must assist these men and women as they try to assimilate back into the civilian world. The "Hiring Heroes Act of 2011" is a proactive effort by the various agencies, VA, DOL, and DOD, to actively assist the newly discharged servicemember to identify a career path, prepare for that career,

and assist the veteran in obtaining employment they desire. The "Hiring Heroes Act of 2011" is the first legislation of its kind to require broad job skills training for all servicemembers returning home.

Military service to the Nation could also be a program for preparing individuals for the civilian work opportunities. Today most military occupations do not offer that benefit since many are nontransferable skills. If all provisions included in "Hiring Heroes Act of 2011" are fully developed, properly executed, and available to all servicemembers, this effort instead of an additional burden for the military, will provide a strong recruitment tool for all branches of service.

S. 957, THE "VETERANS TRAUMATIC BRAIN INJURY REHABILITATIVE SERVICES' IMPROVEMENTS ACT OF 2011"

PVA fully supports S. 957, the "Veterans Traumatic Brain Injury Rehabilitative Services' Improvement Act of 2011." If enacted, S. 957 would ensure that long-term rehabilitative care becomes a primary component of health care services provided to veterans who have sustained a TBI. Specifically, this legislation would change the current definition of "rehabilitative services" to include maintaining veterans' physical and mental progress and improvement, as well as maximizing their "quality of life and independence." As previously mentioned, Traumatic Brain Injury (TBI) is one of the most common and complex injuries facing veterans returning from the current wars in Afghanistan and Iraq. This bill will address the intricacies associated with TBI and help veterans and their families sustain rehabilitative progress.

S. 1017, THE "DISABLED VETERAN CAREGIVER HOUSING ASSISTANCE ACT OF 2011"

PVA members and other veterans with service-connected disabilities that impede mobility will benefit from S. 1017, as they use this temporary grant for the purpose of modifying an existing home of a family member to meet their adaptive needs. It is not unusual for newly injured veterans who qualify for the VA Specially Adaptive Housing (SAH) grant to also require assistance with daily living activities from a family member upon discharge from the hospital. These post-hospital individuals may live with a family member temporarily while continuing their rehabilitation and adjusting to the civilian world. This bill will increase the amount of funds available through the Temporary Residence Adaptation (TRA) grant to veterans to make the necessary modifications in a temporary residence.

The Independent Budget for FY 2012 recommends an increase for the TRA grant from the current $14,000 to $28,000 and for the companion grant for other qualified veterans from $2,000 to $5,000. S. 1017 meets the *IB*'s recommendations.

This bill also qualifies veterans with severe vision impairments and, severe burns, for the TRA grant. Both conditions restrict mobility, and the last decade of military conflict has produced a large increase in veterans that suffer from these conditions.

S. 1017 will make the temporary grant a regular benefit without a cap on total grants available. The legislation also eliminates the deduction from total funds available when applying for the standard SAH grant. This legislation will increase the use of TRA grants which, as intended, will provide more accessibility for newly injured veterans.

S. 1060, "HONORING ALL VETERANS ACT OF 2011"

PVA supports S. 1060, the "Honoring All Veterans Act of 2011" that would significantly improve aid and services to veterans in the areas of employment, housing, education and health care.

The unemployment rate of veterans who served in Iraq and Afghanistan doubled from 2007 to 2010 and the Department of Labor estimates that approximately one in four veterans in their early twenties were unemployed at the beginning of the year, twice the rate of their non-veteran peers.

Title 1 of the legislation would increase the number of participants in independent living programs that allow veterans to participate in family and community life, and increase their potential to return to work. The bill also provides funding for outreach on campuses to help veterans maximize their ability to study and gain employment. It also authorizes a Department of Defense study of how best to ensure that civilian employers and educational institutions recognize veterans' military training and qualifications. The military recruits the most talented men and women in America to serve and invests heavily in their professional development. Enabling the transfer of certificates and licensed skills from the military to civilian jobs would ensure that training accrued during service is not lost. The legislation also directs the Department of Labor to assist employers hire veterans suffering from Traumatic Brain Injury (TBI) or Post Traumatic Stress Disorder (PTSD).

Title 2 would assist homeless veterans by reforming the per diem program to take account of service costs and geographic disparities. It also assists military families who are on the verge of losing their home, by permanently extending their foreclosure protection.

Title 3 of this legislation assists veterans with health care and mental health services by directing the Department of Defense (DOD) and the Department of Veterans Affairs (VA) to monitor referrals for mental health care to ensure that individuals receive care. The bill also directs the VA to ensure that all TBI and PTSD patients leave VA medical treatment with a plan for their long-term care needs that utilizes a "one-VA" approach to capture and employment and vocational services that can assist in long-term care and rehabilitation. Under this section, there is authorization for VA medical facilities to provide counseling to family members of deployed servicemembers and authorizes the VA to access state prescription monitoring programs to address substance abuse.

Title 4 of S. 1060 directs DOD and VA to establish a monitoring mechanism to identify and address challenges as they arise in all DOD and VA facilities and offices involved in the single separation physical process. This section of the bill also increases the pension for disabled veterans married to one another who require aid and attendance and reforms the Board of Veterans Appeals process to help veterans with misfiled documents.

S. 1104, TRANSITION ASSISTANCE PROGRAM (TAP)

PVA supports S. 1104, which would require regular audits of the Transition Assistance Program. The TAP program is one of the most important one-day or at some military facilities two-day, informational programs the transitioning servicemember will receive. The current TAP program presented to servicemembers has been in place for nineteen years. This year the TAP program is being completely updated and reformatted with state-of-the-art illustrations and support material for the participating servicemembers. The Department of Labor, Veterans Employment and Training Service (VETS) program will release the new TAP by November 11, 2011. As this rollout occurs, PVA believes this program should be mandatory for all services. Currently the Marine Corp is the only service that requires TAP.

PVA supports regular audits of TAP in various locations including the TAP programs provided by contracted sources outside of the United States. With the development of a new TAP program the audits required by this legislation will be essential to insuring the servicemembers are receiving the instructions they need.

S. 1123, THE "ASSISTANCE TO VETERANS AFFECTED BY NATURAL DISASTERS ACT"

PVA supports the provisions of S. 1123, the "Assistance to Veterans Affected by Natural Disasters Act." This legislation is particularly timely in light of the horrific circumstances that have befallen the many veterans and their families that reside in the Midwest, as well as the South and Southeast, that have been affected by the historic flooding and devastating storms this spring.

Section 1(a) of this legislation would Chapter 21 of Title 38, to allow the Secretary of Veterans Affairs to award an additional Specially Adapted Housing (SAH) grant to a veteran whose home was previously adapted through use of the SAH and whose adapted home that the veteran occupied was destroyed or substantially damaged in a natural or other disaster, as determined by the Secretary. The amount of the grant that could be awarded may not exceed the lesser of either the reasonable cost, as determined by the Secretary, of repairing or replacing the damaged or destroyed home in excess of the available insurance coverage on such home; or the maximum SAH grant amount the veteran would have otherwise been entitled.

This is an issue that is particularly close to PVA and its members. Our members are the highest users of this invaluable benefit. Authorizing the VA to provide a second SAH grant to veterans and their families devastated by natural disasters would be a welcome relief for these veterans struggling with their circumstances. This section closely reflects a recommendation included in *The Independent Budget* for FY 2012 which calls for the establishment of a second SAH grant to be made available for eligible veterans.

The proposed legislation also provides for a two-month extension of subsistence allowance for veterans completing vocational rehabilitation program. Specifically, when the Secretary determines that a veteran participating in VA's Vocational Rehabilitation program is displaced as the result of a natural or other disaster, two months of additional payments of subsistence allowance may be granted. Moreover, the legislation would waive the current cap on the Independent Living program so that veterans participating in the program who are adversely affected by a natural or other disaster shall not be forced out of these critical services.

PVA also fully supports the last provision of S. 1123 which would allow the Secretary of the VA to provide a second adaptive automobile grant to eligible veterans whose previously adapted automobile we significantly damaged or destroyed as a result of a natural or other disaster. Much like the SAH grant, PVA members are high end users of this particular benefit. When these severely disabled veterans are faced with overwhelming challenges as a result of catastrophic events it will provide a measure of relief for them to know that the VA will be there to support them in obtaining a new, adapted vehicle that will afford them some measure of independence once again.

S. 1124, THE "VETERANS TELEMEDICINE ACT OF 2011"

Paralyzed Veterans of America supports S. 1124, the "Veterans Telemedicine Act of 2011," which proposes to improve the utilization of teleconsultation, teleretinal imaging, telemedicine, and telehealth coordination services. This legislation will make teleconsultation available for medical facilities within the Department of Veterans Affairs that are not able to provide remote mental health and Traumatic Brain Injury (TBI) assessments. These consultations will give veterans the opportunity to utilize the VA's expertise in the area of mental health and the veteran-specific experience. Ultimately, S. 1124 will establish clinical care standards for telemedicine within VA which will increase facility utilization and enrollment of veterans.

S. 1127, THE "VETERANS RURAL HEALTH IMPROVEMENT ACT OF 2011"

Paralyzed Veterans of America supports S. 1127, the "Veterans Rural Health Improvement Act of 2011. This legislation would establish centers of excellence for rural health research, education, and clinical activities, and to recognize the rural health resource centers in the Office of Rural Health.

PVA recognizes that there is no easy solution to meeting the needs of veterans who live in rural areas. The need to determine methods to provide for these more dispersed rural veterans is a challenge. Establishing Centers of Excellence for rural health research, education and clinical activities may be a way to develop better ideas for rural veteran care and help shed light on how best to provide services in rural areas.

However, while these paths may show promise, they should still all fit within policies that promote the use of VA facilities and should not be used as a method or course to eliminate VA facilities. PVA believes that the greatest need is still for qualified health care providers to be located in rural settings. Only significant incentives and opportunities for these professionals will bring them to these often remote areas. PVA fully supports S. 1127 and believes that continued outreach is needed to improve the quality of life for rural veterans.

THE "ALASKA HERO'S CARD ACT OF 2011"

PVA is strongly opposed to this proposal. While we realize that there are significant challenges in delivering health care services to veterans in extremely remote regions of Alaska, we believe that the unintended consequences of this legislation could be very harmful to the VA health care system. This legislation would certainly be the most dangerous of slippery slopes. A program such as the one proposed by this legislation could become the template for broad based contract care. Undoubtedly, advocates for veterans in other states, as well as other Members of Congress, would argue that what is good for Alaska veterans should be good for their veterans as well. Meanwhile, the critical mass of patients that the VA is dependent on to maintain the highest quality and broadest range of health care services would erode resulting in the degradation of the overall quality of care.

Furthermore, what this legislation proposes to do is exactly what the fee basis program of the VA is intended for. In fact the regulations specifically authorize fee basis in cases of "geographic inaccessibility." It seems unnecessary to create a new program to allow for the delivery of care to veterans in remote areas when we fully believe that fee basis can and should meet their needs. We do believe that the VA's fee basis program can be improved and delivering care to rural Alaska veterans could provide the template for broader fee basis reform in the case of veterans who live in "geographically inaccessible" areas.

We note that the Office of Rural Health is conducting multiple pilot programs (funded separately by Congress) to extend access to care for veterans who live in frontier areas, including in Alaska. We urge the sponsor of this measure to work closely with that office to address the problem identified by the purposes of this bill.

THE "VETERANS PROGRAMS IMPROVEMENTS ACT OF 2011"

PVA supports the "Veterans Programs Improvement Act of 2011." This legislation addresses many existing issues that impede veterans from receiving the help from the VA that they earned.

Title I makes enhancements in current legislation that addresses the issue of homeless veterans. It allows the existing grants to be used for new construction, along with the current designation of renovating existing facilities. It specifies that the grant recipient shall be a nonprofit organization with the sole purpose of assisting homeless veterans. The legislation also allows the recipient (sponsor) to receive additional funding from public and nonprofit sources. This is beneficial for a housing development since many existing government programs for housing prohibit additional outside sources.

The legislation reauthorizes appropriations for financial assistance for supportive services for very low-income veterans' families in permanent housing at the amount of $100 million for FY 2012. This authorized funding will help provide the needed services for the 1.5 million veteran families that live at or below the Federal poverty level including the estimated 634,000 veteran families that live at, or below 50 percent of the Federal poverty level. PVA supports this effort to enhance Secretary Shinseki's goal of eradicating homelessness among America's veterans.

This concludes PVA's statement for the record. We would be happy to answer any questions for the record that the Committee may have.

PREPARED STATEMENT OF TOM TARANTINO, SENIOR LEGISLATIVE ASSOCIATE, IRAQ AND AFGHANISTAN VETERANS OF AMERICA

Madam Chairwoman, Ranking Member, and Members of the Committee, on behalf of Iraq and Afghanistan Veterans of America's two hundred thousand members and supporters, thank you for allowing me to submit testimony sharing our members' views of on these important issues.

My name is Tom Tarantino and I am the Senior Legislative Associate with IAVA. I proudly served 10 years in the Army beginning my career as an enlisted Reservist, and leaving service as an Active Duty Cavalry Officer. Throughout these ten years, my single most important duty was to take care of other soldiers. In the military they teach us to have each other's backs. And although my uniform is now a suit and tie, I am proud to work with this Congress to continue to have the backs of America's servicemembers and veterans.

IAVA would like to thank this Committee for its work on several critical issues facing new veterans this year, and would like to offer our comments on several of the bills that the Committee is currently considering.

Bill #	Title/Description	Sponsor	Position
S. 277	Caring for Camp Lejeune Veteran Act of 2011	Burr	Support
S. 411	Helping Our Homeless Veterans Act of 2011	Klobuchar	Support
S. 423	Protections for Fully Developed Claims	Burr	Support
S. 486	Protecting Servicemembers from Mortgage Abuses Act of 2011	Whitehouse	Support
S. 490	Increased Dependant Eligibility for CHAMPVA	Akaka	Support
S. 491	Honor America's Guard-Reserve Retirees act of 2011	Pryor	Support
S. 536	Enhanced Eligibility for Survivor Education Benefits	Webb	Support
S. 696	Improved Health Care Payments to Veterans	Tester	Support
S. 745	Post-9/11 GI Bill Grandfather Clause	Schumer	Support
S. 769	Total Access for Service Dogs on VA Property	Harkin	Support
S. 780	Veterans Pension Protection Act of 2011	Tester	Support
S. 815	Sanctity of Eternal Rest for Veterans Act of 2011	Snowe	Support
S. 874	Benefits and Protections for Surviving Spouses	Akaka	Support
S. 894	Veterans Cost-of-Living Adjustment Act of 2011	Murray	Support
S. 910	Veterans Health Equity Act of 2011	Shaheen	Support
S. 914	Waiver for Co-pays on Telehealth and Telemedicine	Begich	Support
S. 935	Veteran's Outreach Enhancement Act of 2011	Brown	Support
S. 951	Hiring Heroes Act of 2011	Murray	Support
S. 957	Veterans TBI Rehabilitative Services Improvement Act of 2011	Boozman	Support
S. 1017	Disabled Veteran Caregiver Housing Assistance Act of 2011	Sanders	Support
S. 1060	Honoring All Veterans Act of 2011	Blumenthal	Support
S. 1104	Veteran Transition Assistance Program Audit Act of 2011	Casey	Support
S. 1123	Assistance to Veterans Affected by Natural Disasters Act	Brown	Support

S. 277—CARING FOR CAMP LEJEUNE VETERANS ACT OF 2011

IAVA supports S. 277. This bill provides hospital care and medical treatment for all veterans, spouses or dependents that were stationed at Camp Lejeune and exposed to volatile organic compounds, and then developed related illnesses. All veterans and military families deserve safe living conditions—especially if stationed at a military installation. We believe this bill is a significant step in regaining the trust of the men and women of the USMC and USN whose family, or who they themselves, now face ravaging illnesses, and subsequent medical fees.

S. 411—HELPING OUR HOMELESS VETERANS ACT

IAVA supports S. 411, which authorizes the Secretary of Veterans Affairs to partner with state and local governments, tribal organizations, and non-profit organizations to in an effort to address the housing crisis affecting veterans. S. 411 will broaden the net of organizations that can provide case management, supported housing services, and outreach to veterans. This is particularly important in rural areas and tribal lands where the VA does not have facilities or staff in close proximity to veterans who need housing assistance. It is equally important in urban areas where veterans may already be homeless and outreach by local governments and nonprofits already in touch with those veterans may be more prompt.

S. 423—PROTECTIONS FOR FULLY DEVELOPED CLAIMS

IAVA supports S. 423, which would protect the filing date for disability claims if the veteran chooses to file a fully developed claim. IAVA applauds the VA for implementing its Fully Developed Claims program, but we are concerned that a veteran who (rather than leaving it to the VA) chooses to develop their own claim may loose out on benefits during the development process. This bill helps address this problem by allowing veterans to protect their effective date while gathering the evidence they need to develop their claim.

S. 486—PROTECTING SERVICEMEMBERS FROM MORTGAGE ABUSES ACT OF 2011

IAVA supports S. 486. Veterans have been particularly vulnerable in our current housing crisis, often because they are deployed and unable to assert their rights. Less than one month ago, a $22 million settlement was reached between 180 veterans a Bank of America subsidiary and Saxon Mortgage Services for violating the Servicemembers Civil Relief Act by foreclosing on the servicemembers' homes. IAVA believes that our servicemen and women, especially those who are deployed, need the strongest possible protection.

S. 490—INCREASED DEPENDENT ELIGIBILITY FOR CHAMPVA

IAVA supports S. 423. This bill ensures veterans can help provide for the medical needs of their loved ones by extending the eligible age of coverage for dependent children from 23 to 26 under CHAMPVA, regardless of the child's marital status. This bill brings CHAMPVA in line with recent changes to TRICARE and civilian health reform.

S. 491—HONOR AMERICA'S GUARD-RESERVE RETIREES ACT OF 2011

IAVA supports S. 491, which grants full veteran status to members of the reserve components who have 20 or more years of service and do not otherwise qualify under current laws. This legislation expands the definition of the word veteran to recognize servicemembers who served their country honorably for over two decades in the Guard and Reserve but were never called to active duty. IAVA believes when someone takes the oath to defend this country, wears the uniform and serves that oath faithfully they have earned the right to be considered a full veteran and the recognition that goes with it.

S. 536—ENHANCED ELIGIBILITY FOR SURVIVOR EDUCATION BENEFITS

IAVA supports S. 536 that would remove the 48-month limit on educational benefits for survivors. Our country owes a debt to the fallen that can never be repaid. We should provide their survivors with the best opportunity for a first class future. Enhancing educational benefits for survivors is the least we can do to appreciate the supreme sacrifices that military families have made.

S. 696—IMPROVED HEALTHCARE PAYMENTS TO VETERANS

IAVA supports S. 696. America's veterans deserve the best possible healthcare and the easiest possible access to that healthcare. We should strive to make this goal a reality and S. 696 does this by expanding the number of treatment facilities for which veterans may be qualified to receive reimbursement for treatment and travel. IAVA strongly supports any efforts to ensure benefits are fair and accessible.

S. 745—POST-9/11 G.I. BILL GRANDFATHER CLAUSE

Although improvements to the Post-9/11 G.I. Bill expanded benefits for over 400,000 veterans, it also stands to affect thousands of veterans in 7 specific states that are currently using their New G.I. Bill benefits at private schools. IAVA strongly supports the S. 745 Post-9/11 G.I. Bill "Grandfather Clause" because it would ensure that these specific beneficiaries, who enrolled in school on or before January 4, 2011, would be "grandfathered" into the original rates established for the Post-9/11 G.I. Bill. However, IAVA also believes that the deadline for inclusion should be changed from January 4, 2011 to April 1, 2011 in order to include all beneficiaries who already registered for school up to the date of enactment of this act.

S. 769—TOTAL ACCESS FOR SERVICE DOGS ON VA PROPERTY

IAVA supports S. 769, ensuring that service dogs have access to all VA treatment facilities. Service dogs are increasingly recognized as an invaluable part of treatment and rehabilitation for veterans. Service dogs are used for rehabilitation and treatment of a broad spectrum of conditions ranging from mental health to physical issues. These include Traumatic Brain Injury (TBI) and Post Traumatic Stress Disorder (PTSD). IAVA is committed to fighting to provide access to health care for all veterans and strongly endorses the passage of S. 769.

S. 780—VETERANS PENSION PROTECTION ACT OF 2011

IAVA supports S. 780 which would expand the amount of reimbursements that veterans and their dependents are forced to claim as income relating to eligibility for pension claims. The VA should not punish law-abiding veterans that have had the misfortune of suffering a severe physical trauma or emotional loss, but have had the good fortune of being financially compensated, by having their earned benefits denied.

S. 815—SANCTITY OF ETERNAL REST FOR VETERANS ACT OF 2011

IAVA strongly supports passage of S. 815. IAVA is committed to advocating for the rights of veterans and there is no more important right than to be laid to rest in peace. After making the ultimate sacrifice in defense of the rights of others, veterans and their families should be allowed the right to peacefully say goodbye.

S. 874—BENEFITS AND PROTECTIONS FOR SURVIVING SPOUSES

IAVA supports S. 874. This bill ensures that the VA does not recoup any pension or benefit checks issued in the month of the veteran's death. Additionally, this bill allows surviving spouses to be awarded any moneys from a pending claim that was submitted by the veteran before their death, but not approved until after their death. If the money was due to the veteran, IAVA believes that a surviving spouse is rightly entitled to receive it in the wake of the death of their veteran.

IAVA approves of S. 874's modification of home occupancy requirements for veterans who secure home loans through the VA. In a time where Armed Forces members have to prepare for the possibility of several and frequent deployments, it is not feasible to insist that a veteran constantly occupies a home in order to secure the low-rate loan they are entitled to. This new provision will allow occupancy requirements to be met by a veteran's spouse, dependents, or the legal guardian of the veteran's dependent child.

Last, IAVA recognizes the importance of S. 874 addressing veteran mortgage security. By "authorizing the VA to guarantee a veteran's housing loan regardless of whether such loan is subordinate to a lien created in favor of a public entity that provides assistance in response to a major disaster," legislators are ensuring that the veteran foreclosure rates do not continue to rise.

S. 894—VETERANS COST OF LIVING ADJUSTMENT ACT OF 2011

Veterans receiving benefits from the VA have not seen a Cost of Living (COLA) Increase in benefits since 2008. Each year, Congress must reauthorize these in-

creases, something it has failed to do for the last 2 years. This bill will mandate increases to Veterans Benefits that are tied to the COLA index.

S. 910—VETERANS HEALTH EQUITY ACT OF 2011

IAVA supports S. 910 ensuring that each of the 48 contiguous states has a VA facility, or, more importantly, that every eligible veteran who does not have access to a VA facility be given comparable care to that received at a VA facility. By passing the Veterans Health Equity Act of 2011, we can help veterans in rural or underserved areas get the medical care they need and deserve.

S. 914—WAIVERS OF CO-PAYS FOR TELEMEDICINE

IAVA supports this bill, which would prohibit the VA from collecting copayments for telehealth and telemedicine visits. Since it is impossible for the VA to place brick and mortar buildings near every veteran in the United States, veterans who live in rural areas should not be charged if a medical professional could not see them in person.

S. 935—VETERANS OUTREACH ENHANCEMENT ACT OF 2011

IAVA strongly supports S. 935 as it works to develop a five-year program to improve knowledge of benefits and services available to veterans and their families, especially in rural areas. Over half of all Iraq and Afghanistan veterans have not reached out tot the VA. Many veterans either do not understand or know of the benefits and services that they are entitled to. By reaching out to different Federal and state agencies, the VA can also get help developing additional programs that might ease this dissemination of information.

S. 951—HIRING HEROES ACT OF 2011

This critical legislation will combat rising unemployment among our Nation's veterans by requiring transition assistance for all servicemembers returning home, modifying Federal hiring practices to encourage the hiring of separating servicemembers, studying the gaps and overlaps between military and civilian jobs, and create new programs aimed at improving the transition from servicemember to civilian.

S. 957—VETERANS TRAUMATIC BRAIN INJURY REHABILITATIVE SERVICES IMPROVEMENT ACT OF 2011

IAVA strongly supports S. 957, creating a better and more individualized program of care for veterans with TBI. This bill seeks to change care for TBI from simple medical treatment to long-term, sustainable rehabilitative services. IAVA feels this is a tremendous step in improving help to those veterans who have suffered invisible injuries in their service to this country.

S. 1017—DISABLED VETERAN CAREGIVER HOUSING ASSISTANCE ACT OF 2011

IAVA supports S. 1017. For the thousands of veterans returning home from Iraq and Afghanistan with severe injuries, the recovery process is often long and arduous. Many of them require constant care from a family caregiver for years after they leave service. During this time, they frequently reside in a home that is not their own and not a permanent residence where they may live on their own after recovery. Adaptations, like ramps and elevators, must often be made to their permanent home and that of their caregiver while they are recovering from their injuries. By modestly increasing allowances for disabled vets living with or in housing provided by a family member, S. 1017 works to ease the burden on disabled veterans and their families.

S. 1060—HONORING ALL VETERANS ACT OF 2011

IAVA supports S. 1060. This bill recognizes and seeks to remedy problems veterans face in regards to employment, housing, and mental health to include mandating TAP, increasing SCRA protections for homeowners, improved mental health screening.

S. 1104—VETERAN TRANSITION ASSISTANCE PROGRAM AUDIT ACT OF 2011

IAVA strongly supports S. 1104 as a means of improving the effectiveness of the Transition Assistance Program (TAP). Often, an outside perspective is required when addressing flaws in current systems and processes. By requiring the Secretary of Labor to contract an independent private organization to regularly audit TAP, we

gain an unbiased opinion of the methods currently used to teach military personnel the best methods for making themselves viable in today's workforce. Recommendations for improvement can make the transition from military to civilian life smoother and faster for our veterans, and the family members who depend on them.

S. 1123—ASSISTANCE TO VETERANS AFFECTED BY NATURAL DISASTERS ACT

IAVA supports S. 1123 ensuring that disabled veterans affected by natural disasters are not excessively financially burdened. This bill allows disabled veterans to be made whole in the event of a disaster by meeting the cost of replacement not meet by private insurance and allows disabled veterans to continue to lead productive lives.

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