

**STATEMENT OF  
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OF THE  
DISABLED AMERICAN VETERANS  
BEFORE THE  
COMMITTEES ON VETERANS' AFFAIRS  
U.S. SENATE/U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, D.C.  
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MESSRS. CHAIRMEN AND MEMBERS OF THE VETERANS' AFFAIRS COMMITTEES:

As National Commander of the more than one million members of the Disabled American Veterans (DAV) and its Auxiliary, it is an honor and a privilege to appear before this joint meeting of the United States Senate and House of Representatives Veterans' Affairs Committees to discuss the legislative agenda and foremost concerns of our nation's service-connected disabled veterans, their families and survivors.

Messrs. Chairmen, as we begin 2002, America's young men and women are again committed to war—a War on Terror. These brave men and women have the overwhelming support of all Americans as they put their lives on the line both here and abroad to protect our freedoms. Our government must not forget them when they return to civilian life. All that can be done must be done to allow them to rapidly transition to civilian life, especially those disabled as a result of their military service.

The tragic events of September 11, 2001, have had profound and long-term consequences on America. How we Americans conduct our business and go about our daily lives have been forever altered. I am proud to say, however, that the services provided by DAV to veterans and their families have not changed.

As it has done for the past 82 years, DAV was there to give a hand to those veterans and their families who were adversely affected on that catastrophic day in New York City and Washington, D.C. Further in my statement, I will elaborate on the assistance DAV provided to these families. At that time, it will become obvious that I am extremely proud of the DAV and our Auxiliary for the services we continue to provide to our country and our fellow veterans and their families. In large part, the success of our mission is due to the dedication and hard work of our members and professionally trained staff.

Before I discuss the critical issues facing disabled veterans, let me convey the thanks and the sincere appreciation of the DAV for the support your committees have continually given us. Last year, the members of these committees worked hard to pass legislation that was particularly important to veterans, and we are especially grateful for your efforts. We are encouraged by the dedication and deep sense of purpose that was evident in your actions.

Legislation enacted into law during the first session to provide new or enhanced benefits and services to disabled veterans and their families addressed many DAV legislative goals. These measures included:

- a 2.6% cost-of-living allowance
- new and expanded programs to assist homeless veterans break the cycle of homelessness
- replacement of the 30-year presumptive period for respiratory cancers associated with Agent Orange exposure with an open-ended period
- repeal of the estate limitation for mentally incompetent veterans
- expanded eligibility for presumptive service connection for Persian Gulf War veterans and extension of the presumptive period until September 30, 2011
- increase in the grant for specially adapted housing
- increase in the Automobile and Adaptive Equipment Grant
- increase in burial and funeral expense benefits
- an appropriate government marker for privately marked gravesites
- increase in the Home Loan Guaranty Program
- expansion of the Service Dog Program for severely disabled veterans
- requirements for the Department of Veterans Affairs (VA) to maintain specialized medical programs for sick and disabled veterans
- new incentive and recruitment programs to attract and retain nurses to provide medical care to sick and disabled veterans
- expansion of the CHAMPVA program for certain surviving spouses.

These new or enhanced benefits and services will improve the lives of disabled veterans and their families. Again, we are very grateful for your hard work to introduce and pass this beneficial legislation.

Unfortunately, disabled military retirees were again denied the enactment of meaningful legislation to remove the prohibition against the concurrent receipt of VA disability compensation and military longevity retired pay. This injustice has continued notwithstanding the fact that more than three quarters of the members of Congress have cosponsored legislation to eliminate this travesty of justice, and both Congress and the Administration have placed high importance on stimulating our economy. What better approach to stimulate the American economy than to pay earned longevity retirement benefits to those men and women who have protected our cherished freedoms and our way of life during a career in America's Armed Forces.

DAV will continue to fight for the removal of the prohibition on concurrent receipt of VA disability compensation and military longevity retired pay. We greatly appreciate the efforts to keep this issue before the Administration and Congress by Representative Michael Bilirakis.

It is also regrettable that Congress failed to provide a sufficient health care budget to meet the medical requirements of our sick and disabled veterans. It is frustrating to observe that the amount appropriated for VA health care in fiscal year (FY) 2002 was not only less than your committees recommended, but also less than recommended in the Congressional Budget

Resolution. VA health care spending for FY 2002 was \$1.5 billion less than recommended by the *Independent Budget*. In fact, the funding level approved for VA health care will not even fund the mandated wage increase for VA's employees.

A January 7, 2002 *New York Times* article titled, "Propelled by Drug and Hospital Costs, Health Spending Surged in 2000," noted national health care spending shot up 6.9 percent in 2000, as reported by the Department of Health and Human Services (HHS). HHS also indicated that health costs and spending are likely to climb faster, even in a weak economy. Yet VA health care funding for FY 2002 was only increased by slightly more than five percent.

This year, the Administration's budget calls for a \$1.3 billion net increase in VA health care. But what President Bush calls "an historic increase" is no such thing when you consider that his budget request attempts to shift more of the cost of care onto veterans.

Without adequate resources, the VA cannot meet the increasing demands for medical care.

Congress and the Administration have an obligation to provide adequate appropriations to meet those needs. The VA must not be forced to rely on subsidies from patients or their health insurance to cover the cost of caring for veterans. The VA's medical care budget must be based on the principle that third-party collections are not a substitute for appropriations.

It is difficult to believe that health care for veterans, especially veterans with combat or service-connected disabilities, is not an entitlement. Veterans' health care is discretionary, and the level of VA health care funding is judged in light of pork barrel politics or other priorities. While billions of dollars are earmarked for special legislative favors each year, service-connected disabled veterans suffer the consequences of an inadequate health care budget. Why should sick and disabled veterans have to fight year after year for timely access to health care they have earned and rightfully deserve as a result of their military service to this nation? It is disingenuous for our government to promise health care to veterans and then make it unattainable because of inadequate funding.

Hospital administrators throughout the country are now struggling to meet veterans' increased health care needs with fewer dollars. Within weeks of passage of the FY 2002 appropriations, VISN directors were ordered to develop a plan to cut two percent from their budgets. We are receiving reports from the field that, because of the budget shortfalls, many hospital directors will likely have to cut back on full-time employees, which will result in increased waiting times for primary and specialty services. Many facilities are considering consolidation of services within their VISN, which would require veterans to drive longer distances to get the care they need.

Proposed cutbacks threaten to reduce the number of joint replacement procedures in an attempt to save dollars. We have also received accounts of 100 percent service-connected veterans on waiting lists for some health care and other specialty services they need today. Everything we are hearing leads us to believe rationed VA health care is a trend nationwide and not just a few isolated incidents. The Administration and Congress cannot continue to ignore the

negative repercussions of the inadequate veterans' health care budget they have approved. Rationed health care is no way to honor America's obligation to the defenders of her freedom.

Disabled veterans must wait too long now for vital health care services. It is absolutely imperative that VA be provided an adequate health care budget to enable it to reverse this negative trend. We have recommended in the *Independent Budget* a "current service" budget of \$24.5 billion for VA medical care in fiscal year 2003. This amount will allow the government to honor our nation's obligation to those who served our country, especially those disabled in military service.

However, if the Administration and Congress truly want to honor veterans with appropriate benefits and services for their dedicated service to this nation, we suggest making VA health care benefits an entitlement, like TRICARE for Life. Enactment of TRICARE for life provides an entitled benefit military longevity retirees richly deserve. The men and women injured during combat and in military service to this nation, who will bear the burdens of those disabilities for a lifetime, deserve no less than those who made the military a career. Further, Congress and the Administration have recognized the special circumstances and the need for health care services of other veterans and have placed them in Priority Groups 4, 5, and 6.

DAV strongly urges these committees to make health care benefits for veterans in Priority Groups 1 through 6 an entitlement, and not part of discretionary funding, subject to parochial politics common in the annual appropriations process.

As we move ahead to ensure the future of VA and its indispensable programs and services, the members of DAV and their families look forward to working with the members of these committees to reaffirm our nation's commitment to veterans. DAV and Auxiliary members will do their part to get our message out; however, as the principle advocates within Congress for our nation's veteran population, we call upon you to provide the critical leadership necessary to make sure that America honors its moral obligation to the men and women who served in our Armed Forces and fought to preserve the freedoms enjoyed by the citizens of our nation and countless others throughout the world. It is our genuine hope that you will educate and remind your colleagues of the service performed and sacrifices made by veterans when it is time to decide whether to honor America's obligation to veterans and their families or to let parochial concerns control.

The members of these committees must continue to send a strong message by your own actions. It is extremely important that you set the example. You must make sure that you have taken care of veterans. Veterans must become a national priority for those who set our government's agenda. Remember that veterans ask far less from our government than what they have given to our nation. Educate your colleagues on the higher merits of veterans' programs. Jointly, we can change the government mindset and make veterans a national priority. However, time is of the essence.

Not long ago, war was dramatically brought to the shores of America. On September 11, 2001, everyone in America was a victim of terrorism. We witnessed events that had never before been seen or even imagined. We observed the horror of airliners crashing into buildings

in New York City and Washington, D.C. and an open field in Pennsylvania. We watched as two of the world's tallest buildings crashed to the ground. We witnessed the horrors of terrorism reach an unprecedented scale.

At the same time, we witnessed the courage, strength, and determination of our country. Airline passengers fought to the death with hijackers. Men and women willingly gave their lives to rescue others. Who will ever forget the determination and self-sacrifice of the police officers, firefighters, and rescue workers who climbed floor after floor of the World Trade Center to rescue the victims, only to become victims themselves when the buildings collapsed.

We witnessed unprecedented horror, but we also observed unprecedented heroism. In the days following the attack on our nation, our sorrow and grief turned to anger and resolve. America will not be deterred in seeking justice against those who precipitated these attacks. We are all victims and we all seek justice.

Sadly, seeking that justice will have its costs. The finest and best young people of our nation's armed services are being called upon again to sacrifice themselves for freedom and justice for all. They have left behind loved ones and a safe and comfortable environment in order to carry out their mission.

War, all war, has casualties. Thus, this war is no different. Some young men and women have died, and the sad reality is that more will perish. Their hopes and aspirations will die with them, their potential will be lost, and their families will grieve. But their memories will remain in the hearts of all of us.

The highest price we pay as a nation for freedom is the loss and disability war brings to those who are asked to fight it. Men and women will be maimed and crippled. They will be blinded. They will suffer mental disabilities from seeing unimaginable horrors. It is our duty as Americans to care for them. It is the duty of the DAV to ensure that the gratitude and promise of our nation are not forgotten.

Today, there are 2.3 million veterans who have been disabled in service to our nation. They ask very little, and the American public deeply appreciates their sacrifices.

Look at what the American public did for the victims of September 11. Americans gave more than one billion dollars to charities for those victims. And, at the request of President Bush, American children gave more than a million dollars to help Afghan children. Additionally, as part of the government's \$15 billion bailout of the airline industry, a Victim Compensation Fund was established to compensate victims for the loss of a loved one. Because a victim's lost earnings are considered along with several other factors, some families could receive settlements in the millions of dollars. It is estimated, however, that the average payout will be \$1.6 million, once life insurance awards and pensions are deducted. Compare this to the maximum of \$250,000 received by a family member of a servicemember who is killed in action defending our freedoms and a great disparity becomes very apparent.

Furthermore, imagine how the American public would respond if they realized VA is ill-prepared to care for our nation's heroes, both young and old, due to the inadequate funding provided by our government. Or that the surviving spouse and children of a deceased servicemember must struggle not only with their grief, but also to meet financial burdens. Paradoxically, the public widely believes that veterans and their families are being generously provided for. As a result, our government continues to under fund veterans' health care programs.

Therefore, it remains incumbent on the DAV to be prepared to help the disabled veteran, the families of veterans who will lose their lives or become profoundly disabled, and to help the children whose mothers and fathers will not return or will return, but different than they were before the military action which followed the tragic events of September 11.

As I mentioned earlier, your support of our mission—building better lives for America's disabled veterans and their families—is of the utmost importance. We must help our nation give those disabled veterans the tools they need to restore their lives, because we can morally do no less. They will be our heroes. They will suffer the wounds of war. And they all should be loved and cared for because of the prices they have paid for our individual freedoms.

We are asking a great sacrifice of these young men and women, and of their families. We must be there when they turn to us for our help. Our nation's gratitude must not be limited to caring for their wounds but to fully restoring their lives. The price of war will be our finest and best young Americans. Let us return the best to them when they will need us the most.

Let us not forget that caring for those disabled in service to our country and our way of life is a continuation of the costs of war. Far too often, our government forgets this very important fact.

No one would cut off or reduce funding to pay for needed munitions or equipment for our men and women while they are engaged in war, protecting our cherished freedoms. There is no doubt that such action would result in severe, adverse consequences to our troops. Yet, veterans' benefits and health care delivery programs are continually under funded. The result, sick and disabled veterans are denied the timely, quality benefits and services they have earned. We cannot continue to ask men and women to fight our wars and then fail to provide them the means to restore their lives when they return.

When the guns fall silent and the terrorists are neutralized, will we forget about the brave men and women who, at great sacrifice to themselves, brought us peace? I can guarantee that the DAV will not forget their sacrifice. We will be there for them in their time of need, as we have been for other generations of veterans since 1920.

But what of our government's responsibility to them?

Unfortunately, the harsh reality is that this nation's public policy towards veterans continues to be little more than broken promises and false expectations. Much more must be done for our nation's sick and disabled veterans. Our government must make an investment in

VA programs to ensure that our nation's service-connected disabled veterans and their families receive, in a timely manner, the benefits and services promised them.

In our nation of vast riches and resources, it is a sad commentary that their needs have gone unheeded for far too long. It is the dedication and devotion of America's veterans.

These brave men and women—represented by the men and women who sit before you today—have served our country and protected our freedoms with honor and pride while in uniform. The white crosses and forgotten monuments that mark battlefields both far and near are symbolic of their sacrifices. Many who served and sacrificed still bear the scars of those battles in defense of our liberty. Our nation owes them so very much.

In that regard, Messrs. Chairmen, I am proud to report that America's disabled veterans will soon have a long-overdue memorial honoring their service and sacrifice in our nation's capital, about two blocks west of the Capitol, and across from the U.S. Botanic Garden. The National Capital Planning Commission gave final approval to the site late last year.

And, when built, this shrine will provide a reminder of war's human costs and will serve as a lasting tribute to the men and women whose sacrifices have guaranteed our rights as a free and democratic society.

The past sacrifices made by the men and women seated before you today and others like them represent only a small portion of their commitment to our great nation and their fellow veterans.

Many of these men and women continue to serve by unselfishly volunteering their valuable time to assist America's sick and disabled veterans in VA facilities around the nation. Between October 1, 2000, and September 30, 2001, these men and women of the DAV and the DAV Auxiliary provided more than 2.5 million hours of critical service to veterans, saving taxpayers almost \$39 million in employee costs.

Our dedicated and resourceful volunteers are out there all across the nation lending care and support to sick and disabled veterans and their families. There are more than 10,000 DAV and Auxiliary volunteers today. Sadly, that number is growing smaller as our volunteers age.

At the DAV National Convention last July, I announced an exciting new effort to recruit new volunteers for the DAV Voluntary Services Program. The reason is we need to begin rebuilding our corps of volunteers with younger people to take the place of our aging volunteers. We are doing that with two programs, the National Commander's Volunteer Recruitment Initiative and the National Commander's Youth Volunteer Scholarship (NCYVS).

My goal is to increase the DAV's corps of volunteers by 10 percent above the current level, or 820 new DAV volunteers. At the same time, I have asked the DAV Auxiliary to increase its volunteer force by 10 percent as well. Together we hope to build a corps of more than 11,000 volunteers.

On January 15, 2002, joined by Secretary of Veterans Affairs Anthony J. Principi, we started with a kickoff ceremony at the VA medical center in San Diego, California. Beginning this month, DAV departments and chapters launched their own vigorous efforts to recruit new volunteers on the local level in support of this initiative.

I hope to boost our DAV Voluntary Services Program by 1,000 people. We would increase our total volunteer contributions by 235,000 hours. An easy goal, but critical for those who need our help.

Additionally, to encourage our young people to get involved in volunteer work to assist sick and disabled veterans in local communities, we created the NCYVS program to honor outstanding young volunteers who are active participants in the VA Voluntary Service program. The annual scholarships are awarded to deserving young men and women who have generously donated their time and compassion to sick and disabled veterans in their communities. A generous donation from Ford Motor Company last year allowed us to expand the number of scholarships we award. The DAV is deeply appreciative of Ford Motor Company for helping us recognize the thousands of hours these outstanding students have donated to care for and comfort disabled veterans.

Through this program, DAV is able to offer 12 valuable scholarships to worthy recipients. The first place award includes a \$15,000 scholarship and an expense paid trip to DAV's National Convention with the winner's parent(s)/guardian(s) to accept the award. The second place scholarship is \$10,000. There are two \$7,500 scholarships for third place and eight \$5,000 scholarships for fourth place recipients.

In addition to our volunteers, the DAV also employs 190 Hospital Service Coordinators at VA facilities around the country to assist our nation's sick and disabled veterans and their families. The DAV transportation program provides essential transportation to and from VA health care facilities to those veterans who could not otherwise access needed medical care. As of September 30, 2001, DAV volunteer drivers transported more than a half million veterans almost 27 million miles to and from VA medical appointments during a 12-month period. From its inception in 1987, the DAV's National Transportation Network logged in more than 250 million miles and transported 6.5 million veterans to VA health care facilities. Since our transportation program began in 1987, DAV has donated 1,108 vans to VA medical facilities at a cost of more than \$22 million. This June, DAV will donate an additional 86 vans at a cost of \$2 million.

Additionally, in what can only be described as a true partnership between the DAV and the corporate world for the benefit of our nation's sick and disabled veterans, the Ford Motor Company has donated the use of 67 vans to VA medical centers since 1996 for the transportation of sick and disabled veterans. In addition, Ford Motor Company has also donated 12 vans for use in the DAV Homeless Veterans Initiative.

Messrs. Chairmen, we are extremely proud of the volunteer services we provide to our nation to assist it in fulfilling its mission to sick and disabled veterans.

Since its inception in 1920, the DAV has been dedicated to one, single purpose: building better lives for our nation's disabled veterans and their families. During the past 81 years, the DAV has never wavered in its commitment to serve our nation's service-connected disabled veterans, their dependents and survivors.

In fulfilling our mandate of service to America's service-connected disabled veterans and their families, the DAV employs a corps of 246 National Service Officers (NSOs), located throughout the country. Between July 1, 2000 and June 30, 2001, these men and women, all wartime service-connected disabled veterans, represented almost a quarter of a million veterans and their families in their claims for VA benefits, obtaining for them more than \$1.8 billion in new and retroactive benefits.

In our continuing quest to ensure that future generations of America's service-connected disabled veterans and their families receive professional representation in filing claims for benefits and services from the federal government, the DAV continues to hire and professionally train recently discharged men and women to provide this vital service.

In striving to even more effectively meet veterans' needs and ensure they receive the benefits our grateful nation has authorized for them, DAV opened two new National Service Offices in Orlando and West Palm Beach, Florida, and we inaugurated two new programs in 2001 to enhance and expand benefits counseling and claims representation services to veterans. The first of the two programs involves outreach to members of the Armed Forces at the location and time of their separation from active service. The second involves services to veterans in the communities where they live.

For benefits counseling and assistance in filing initial claims, the DAV has hired and specially trained 24 Transition Service Officers (TSOs) who provide these services at military separation centers, under the direct supervision of DAV National Service Officers. This initiative corresponds to goals in the strategic plans of both VA and the DAV. By accepting and deciding compensation claims at separation centers where the service medical records and examination facilities are readily available, VA's strategic plan envisions better, more prompt service to veterans in a way that is also more efficient and effective for VA. This enhancement in assistance to those seeking veterans' benefits will contribute to the DAV's strategic goal of maintaining its preeminent position as a provider of professional service to veterans.

Since March 2001, DAV TSOs have conducted 744 briefing presentations for 29,232 transitioning servicemembers. During that same time frame, our TSOs conducted 14,689 personal interviews and filed more than 14,000 claims for benefits.

The DAV's new Mobile Service Office (MSO) program is part of the same goal. By taking its service offices on the road to rural America and assisting veterans where they live, the DAV will increase accessibility to the benefits our nation provides for veterans. The DAV has initially put 12 of these specially equipped MSOs on tour to make stops in communities across the breadth of the country. Between March and July 2001, our MSOs have traveled more than 200,000 miles while visiting 667 cities and towns. We have interviewed 18,593 veterans and other potential claimants. We accepted new powers of attorney to represent 7,027 claimants, and

we completed 16,732 applications for benefits. This program promises to be very successful. Next month, our MSOs will be back on the road assisting veterans and their families. In June of 2001, the DAV Department of Florida purchased an MSO for its service program.

Following the attack on our nation on September 11, the DAV dispatched one of our MSOs to the World Trade Center disaster site to distribute nearly 5,000 comfort kits, 1,000 flag pins, and other patriotic items to firefighters, police, and emergency rescue workers. Another DAV MSO rolled into Washington D.C. to provide all assistance possible to the victims of the Pentagon attack. During a three-day period, our NSOs distributed 300 flag pins, and other patriotic items to the family members of victims, active duty servicemembers, and other agency volunteers.

In addition, the DAV assists veterans and their families through disaster relief grants and a variety of other ways. In New York City, our National Service Officers, unable to return to their office immediately following the attack on our nation, began volunteering their time at Giants Stadium, the Javits Center, and the ruins of the World Trade Center. On September 21, 2001, the DAV established an office at the Family Relief Center on Pier 94 with a host of other agencies. From this location, and with the assistance of the FBI, New York Fire and Police Departments, and the companies located in the World Trade Center, we identified veterans and their families who were victims of the attack to provide whatever assistance possible. The DAV has issued 250 disaster relief grants and provided claims assistance to veterans and their families who fell prey to the cowardly attacks on the World Trade Center.

Through the efforts of several individuals, we set up at the Pentagon Family Assistance Center at the Sheraton Crystal City in Arlington, Virginia. The DAV issued 100 disaster relief grants to veterans and their families. Additionally, our NSOs made personal visits to those veterans who remained hospitalized from injuries sustained during the Pentagon attack, assisted them with their claims, and presented them with disaster relief grants and patriotic items. The DAV continues to be actively involved in meeting the needs of veterans and their families devastated by the heinous terrorist attacks.

Our disaster relief efforts in New York and Washington allowed those veterans or their families affected by the attacks to receive their \$1,000.00 disaster relief grants immediately, without having to wait or hassle with red tape restrictions. I am proud to state that our efforts had an immediate, positive impact on the lives of those effected and were greatly appreciated. In fact, the Secretary of the Navy and the Chief of Naval Operations recently acknowledged our efforts at the Pentagon with a plaque and letter expressing their gratitude.

Another issue that has received our support and assistance is that of homeless veterans. DAV's Homeless Veterans Initiative, established to help homeless veterans break the cycle of poverty and isolation, and move from the streets to self-sufficiency, has helped us focus attention on the needs of homeless veterans. Many of our departments and chapters are actively involved in homeless veterans programs in their communities. Since 1989, homeless veterans program and projects have benefited from the \$1.2 million in grants that have been provided through the DAV Charitable Service Trust. The homeless veterans legislation passed last session is greatly

appreciated and will do much to combat the serious problem of homelessness among the veteran population.

The above-mentioned items represent but a few of the many services and programs DAV offers to veterans and their families. We are extremely proud of all that we do to help build better lives for disabled veterans, their dependents and survivors.

As you can see, Messrs. Chairmen, the DAV devotes its resources to the most needed and meaningful services for our nation's disabled veterans. These services aid veterans directly and support and augment VA programs. Of course, we are only able to accomplish these benevolent tasks because of strong support from a generous American public and selfless dedication of our members, who often volunteer despite their advanced age and their own painful and debilitating disabilities. Many of our supporters and volunteers are from what Tom Brokaw has described as "America's Greatest Generation," but the rest exhibit those same admirable, steadfast qualities of character and devotion to the welfare of others. They all deserve our respect and gratitude.

Yes, our commitment to America's service-connected disabled veterans and their families is unwavering.

Naturally, our ability to work for the betterment of disabled veterans and serve them on such a large scale gives us a deep sense of pride and accomplishment, but let us not forget that benefits and services for veterans remain primarily the responsibility of our government. The citizens and government of a country that sends its sons and daughters to defend its homeland and fight its wars have a strong moral obligation to repay them for bearing this heavy burden. Our indebtedness to veterans is more important than any other part of our national debt because, without their sacrifices and bravery, we would not exist as a nation. Therefore, just as it is imperative that a nation maintain a strong national defense, a nation must ensure that veterans' programs, like national defense, are and remain a top priority.

While we can never fully repay those who have stood in the nation's defense, a grateful nation has established a system to provide benefits and health care services to veterans as a measure of restitution for their personal sacrifices and as a way for all citizens to share the costs of war and national defense.

Unfortunately, disabled veterans continue to pay more than their fair share of that burden. And the system designed to provide them with the benefits and health care services earned in service to our country needs fixing.

Today, we are at a crossroads in veterans' affairs. Delivery of health care is undergoing a radical transformation. Modernizing and reforming the delivery of veterans' health care in ways that best serve them is made all the more difficult because of their advanced age and, due to their disabilities, they are in poorer health than the civilian population.

Yet their access to needed health care is severely hampered by new mandates coupled with an insufficient budget. This will undoubtedly result in further rationed health care and longer delays. VISN directors will have no choice but to close beds, consolidate services, and

reduce the number of full-time employees. This pressure on the system will especially hurt sick and service-connected disabled veterans and affect their access to timely health care.

Furthermore, without the proper resources, VA cannot effectively fulfill its “fourth mission,” to function as a backup to the Department of Defense during a time of conflict and to the Federal Emergency Management Agency during a national emergency. It makes good fiscal sense to keep this system functioning well, especially now while our nation is at war.

Also of critical concern to the DAV is the delivery of claims benefits, which has received attention at all levels of government. Despite its efforts, the VA has been unable to overcome its quality and thus its timeliness problems. In addition to strong leadership and accountability in the Veterans Benefits Administration (VBA) and the Compensation and Pension Service, the VA must have highly skilled personnel to make up for the unwarranted past reductions in claims adjudicators, to meet increased workload demands, to provide essential training, to ensure quality, and to achieve and maintain satisfactory timeliness in claims processing.

The VBA continues to struggle with its serious and long-standing problems in processing benefit claims. Secretary of Veterans Affairs Principi has pledged to make fixing this problem one of his highest priorities and foremost goals. His determination and good intentions alone are not enough, however. He needs the full support of Congress.

One root cause of the current situation is federal budgets over several successive years that failed to provide adequate resources. As a consequence, the VA was forced to reduce staffing levels in the face of increasing workloads and demands on the system. The ensuing emphasis on production resulted in even poorer quality than already existed. These pervasive quality problems required work to be redone, which put added strain on an already overburdened system.

Large claims backlogs and protracted claims processing times pressure VA into focusing on production quantity at the expense of quality. This has created a vicious cycle. The push for faster decisions to reduce the backlog becomes self-defeating because so much of the work must be redone to correct errors and the backlogs and waiting times become even worse. To break free of this vicious cycle, VA must focus first on the root causes of its claims backlog. VA must have well-trained employees who are capable of properly applying the law in veterans' claims. VA must change its culture so that lawful, accurate claims decisions are the first goal. VA must have quality control reviews of each employee's work product, and VA must have the will and the processes in place to make adjudicators and management truly accountable for accurate claims decisions. Only then can VA begin to effectively and efficiently reduce its large inventory of pending claims and the long delays veterans experience in obtaining disability benefits.

To address the root causes in this manner, VA must have strong, decisive management that is determined to tackle the difficult problems first. Sufficient resources are key to this effort. In the short term, VA still needs to increase its staffing for its claims processing system. VA must have substantial numbers of staff to train new employees, retrain existing employees, and

conduct regular quality reviews of individual adjudicators, without neglecting or reducing work on pending claims.

With the primary focus on overcoming the root causes, VA can also begin to implement the changes recommended in the October 2001 report of the VA Claims Processing Task Force. The changes will add to the efficiency of the system and aid in making it function better once VA begins to attain some stability in the claims processing environment. It is important not to be misled by arguments that VA suddenly has the ability to overcome its longstanding problems by simple process changes alone, that additional resources are unnecessary. Those are merely convenient arguments for an inadequate budget, seized upon opportunistically because increased VA staffing in recent years has not remedied the problems. Increase staffing alone has not resolved VA's systemic deficiencies because VA has not firmly resolved to correct the root causes. Sufficient resources and serious reforms are both necessary.

Assistance from these two Veterans' Affairs Committees is essential. You can work to ensure VA has the resources it needs to meet this enormous challenge, and you can intensify your oversight role to ensure VA management stays on course in implementing real and meaningful reforms.

Finally, major policy positions of the DAV in the framework of our national legislative program are derived from resolutions adopted by the delegates to our annual National Conventions. Since our first National Convention in 1921, the DAV's annual legislative program has served to guide our advocacy for disabled veterans in accordance with the will of our members. Our 2002 mandates cover a broad spectrum of VA programs and services and have been made available to your committees and to individual members of your staffs. Promoting meaningful, reasonable, and responsible public policy for veterans has always been at the heart of who we are and what we do. Our will and commitment come from the grass roots, nurtured in the fertile ground of veterans' sacrifices and strengthened by the vitality of our membership.

With the realization that we shall have the opportunity to more fully address those resolutions during hearings before your committees and personally with your staffs, I shall only briefly comment upon a few of them in my testimony.

What we communicate to you here today echoes the hopes and desires, and in some areas, the despair, of disabled veterans, who appeal to the conscience of the nation to do what is right and just. We call on the members of these committees to:

- Support legislation to remove the prohibition against concurrent receipt of military longevity retirement pay and VA disability compensation.
- Support an expansion of POW presumptions.
- Support a change in the payment of certain accrued benefits upon death of a beneficiary. If a beneficiary is entitled to a retroactive award of benefits but dies before disbursement can be made, only benefits for the last two years of the retroactive entitlement period can be paid to survivors. The surviving spouse or children, who suffered economic deprivation for an extended period because of an erroneous VA decision, would be barred

from receipt of a substantial portion of the benefits the veteran would have received if he or she had lived longer. The Government's errors and delays should not serve as the means to reduce its obligation to sick and disabled veterans, who may die before VA can correctly dispose of their claims.

- Support legislation to allow all veterans to recover amounts withheld as tax on disability severance pay. Currently, a three-year statute of limitations bars many veterans from recovering the non-taxable money withheld by the Internal Revenue Service.
- Support legislation to repeal the prohibition against service connection for smoking-related illnesses.
- Support additional increases in grants for automobiles or other conveyances available to certain disabled veterans and provide for automatic annual adjustments based on the increase in the cost of living. When this program was originally created in 1946, the law set the allowance at an amount sufficient to pay the full cost of a lower-priced new automobile. With subsequent cost-of-living increases, Congress sought to provide 85 percent of the average cost of a new automobile, and later 80 percent. Because of a lack of regular adjustments to keep pace with increased costs, the value of the automobile allowance has substantially eroded through the years. Currently, the \$9,000 automobile allowance represents only about a third of the average cost of automobiles in the year 2002.
- Restore protections against unwarranted awards of veterans' benefits to third parties in divorce actions by prohibiting courts from directly ordering payments of such benefits to third parties, other than dependent children.
- Ensure that timely quality health care services are provided to wartime service-connected disabled veterans.
- Support legislation to provide service-connected veterans priority within the VA health care system.
- Support the repeal of co-payments for medical care and prescriptions provided by the VA.
- Support equal medical services and benefits for women veterans.
- Oppose requiring retired military servicemembers to choose between VA or DoD health care services.
- Extend eligibility for Veterans' Mortgage Life Insurance to service-connected veterans rated permanently and totally disabled.
- Provide an additional increase in the specially adapted housing grant and automatic annual adjustments based on increases in the cost of living.
- Increase the face value of Service Disabled Veterans' Insurance.
- Provide educational benefits for dependents of service-connected veterans rated 80 percent or more disabled.
- Extend commissary and exchange privileges to service-connected disabled veterans.
- Extend space-available air travel aboard military aircraft to 100 percent service-connected disabled veterans.
- Support the fullest possible accounting of our POW/MIAs from all wars.

As you can see, our work for veterans continues to involve many issues and many challenges. As I observed earlier, we are at a crossroads in veterans' affairs. There is no reason

why what is in front of us cannot be much better than what is behind us. Our nation's history of meeting our obligations to veterans has fallen short not only of its highest ideals but also of its capabilities. We simply have not always kept veterans at the top of the list of national priorities. Our government can no longer excuse its failure to provide veterans the benefits and services they rightfully deserve by saying it cannot afford to fully honor its promises. We have the means to meet those obligations. Now our nation must demonstrate it has the will to do so.

Though we can be proud that we have accomplished much for veterans in the past, much remains to be done. In the work we do, we have no room for complacency. When it comes to justice for disabled veterans, we cannot be timid in our advocacy. These committees and the DAV, working together with mutual cooperation, must battle for what is best for veterans. Veterans have every right to expect their government to do justice toward them. We call upon you, the members of these committees, to educate and appeal to your colleagues about the priorities of veterans' needs.

I hope that I have demonstrated that America's veterans, rather than being satisfied to rest on their laurels, continue to stand ready to actively and unselfishly be involved in their communities and across the nation to assist our government in meeting the needs of service-connected disabled veterans, their dependents and survivors.

In considering the message I have brought you today on behalf of disabled veterans and in your work on veterans' issues in the future, I ask that you, as I do, remain mindful that the freedoms and prosperity enjoyed by the citizens of our nation has been paid for with the lives and health of many brave Americans. The only thing they ask in return for their sacrifices and their service is for this great nation to honor its sacred contract with America's veterans. We must, therefore, honor and care for those who distinguished themselves in defense of freedom—whatever the cost. They deserve nothing less.

Messrs. Chairmen, this completes my testimony. I hope that the committees recognize that my testimony comes from one who not only cares for the well-being of his fellow veterans and our nation, but also one who deeply appreciates the men and women who volunteer their time to care for our nation's veterans and their families.

Thank you for all that your committees have done and for all that you will do for veterans in the future. Thank you also for allowing me the opportunity to appear before you on behalf of the Disabled American Veterans to share our proud record of service to our great nation, to discuss our concerns about the state of the VA's benefits and health care delivery systems, and to outline our agenda for this session of Congress.

May God bless those men and women who have been placed in harm's way in our War on Terror and their families. And, may God bless America.