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of

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before the

**Committee on Veterans' Affairs
U.S. House of Representatives**

on

**The President's Task Force to Improve Health Care
Delivery for our Nation's Veterans**



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A M V E T S

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Mr. Chairman, Ranking Member Evans, and Members of the Committee:

On behalf of W.G. "Bill" Kilgore and the nationwide membership of AMVETS, it is an honor to appear before you and the distinguished members of the Committee on Veterans' Affairs to discuss the report of the President's Task Force to Improve Health Care Delivery for our Nation's Veterans.

Mr. Chairman, AMVETS has been a leader since 1944 in helping to preserve the freedoms secured by America's Armed Forces. Today, our organization, composed of a large number of Vietnam veterans, continues its proud tradition, providing, not only support for veterans and the active military in procuring their earned entitlements, but also an array of community services that enhance the quality of life for this nation's citizens.

AMVETS deeply appreciates the President's decision to establish this task force to improve healthcare delivery to veterans and active duty military. If for no other reason, the President's directive has brought into focus the fact of an enormous, continuing gap between resources and capacity of the system to deliver timely, quality care to our nation's veterans.

As directed under Executive Order 13214, the task force was created to recommend specific reforms to better coordinate the activities, benefits and services for VA and DoD. Though the observations in this report are nothing new to members of this committee, nor to ourselves, the recommendations heighten the possibility of improved opportunities for resource sharing, more coordinated information technology, and perhaps advances in a seamless transition of medical records from military service to veterans status.

In review of the report and its 23 numbered recommendations, AMVETS finds the task force recommendations fine as far as they go, but frankly they do not go

far enough. In specific, the report offers a strong funding recommendation for enrolled veterans in Priority Groups 1 through 7. However it declined to establish a specific recommendation on healthcare access for between 1.8 and 2 million so-called high-income veterans with nonservice-connected disabilities who fall into a Priority 8 category.

According to the study, veterans in this category “do not know from year to year whether they will have access to VA care” and that “this uncertainty should be resolved.” Rather than a specific recommendation, the task force kicks-the-can without laying out a plan of action to correct what it terms an “unacceptable” situation.

While the task force call for full funding of the seven groups is certainly commendable, AMVETS is extremely disappointed that a majority of the panel members would present a document that excludes a broad category of veterans from access to health care.

In looking at Title 38, United States Code, the definition of the word veteran is “a person who served in the active military, naval or air service and who was discharged or released therefrom under conditions other than dishonorable.” Moreover Chapter 17 clearly indicates that all veterans are eligible for VA health care, including Priority 1 through 8.

Under the directive given the task force, namely to improve healthcare delivery for our nation’s veterans, failure to address this glaring omission is a disservice to the brave men and women who served honorably in the military uniform and who are currently eligible for care under the Reform Act of 1996 which opened access to VA care to all veterans.

Mr. Chairman, there’s not one member of AMVETS who would refuse to give up their position in VA’s waiting line to allow a service connected veteran medical

services for a service-connected condition. In fact, many of our members, service connected and nonservice connected, are grateful for the task force highlighting the obvious finding that there exists a “mismatch between demand for access and available funding.” This is something AMVETS and many others interested in quality health care for veterans have testified to for many years.

Yes, there is a mismatch in demand for services and resources necessary to provide health care. Over the years, vital VA healthcare programs keyed to assisting veterans have, in the main, seen chronic under funding. These trends deeply trouble AMVETS because we believe, like you, that a sacred commitment to those—current, past and present—who wear this nation’s military uniform falls short of the honor our forebears intended.

Indeed, we do not believe these circumstances represent what you and your full committee have collectively fought for on behalf of veterans. AMVETS truly appreciates the support you have provided in your attempt to fund the Department of Veterans Affairs at the necessary levels to allow it to deliver the world-class services of which it is capable.

The VA healthcare system is a unique and irreplaceable national investment, critical to the nation and its veterans. Access to high quality health care remains essential to veterans. In fact, many veterans consider health care to be one of the most important benefits they receive.

In reviewing task force documents AMVETS would like to point out an observation made by panel member and former VA Administrator Harry Walters during task force debate when he commented about the task force and its members misdirected concerns with the economics of health care rather than with delivery of health care to veterans. He told about the then recent repatriation of PFC Jessica Lynch saying, “Broken legs and all, she’s home, and

she will be a Category 3 veteran...she will have access to the VA medical care system.”

However, “The 100 or so brave people that rescued her and dug up the six bodies of her comrades with their own bare hands will also come home, and a good deal of those veterans will be Category 8 veterans, some of whom may not have insurance when they return and may elect not to have insurance because it’s too costly for them, and they have families, and the VA will not be there for them – will not be there for them.”

Again, AMVETS supports a policy aimed to ensure that severely disabled veterans receive prompt care. With nearly 165,000 veterans waiting for an appointment, granting priority in scheduling healthcare appointments for severely disabled veterans is the right thing to do. But we are deeply troubled by the task force failure to make a specific recommendation on veterans already eligible for care.

In reading task force transcripts, it seemed that some members of the panel wanted to disregard the enactment of the Veterans’ Health Care Eligibility Reform Act of 1996 (Public Law 104-262). They spoke of “traditional” and “historical” users of VA. Then aimed to blame a category of eligible, legitimate users of VA saying, “But what has happened has been the worst of all worlds: the traditional users are getting the short end of the stick.”

The task force highlighted the Reform Act of 1996 as a major contributing factor to the current “mismatch between demand and resource.” But they failed to recognize the reality of the statute, which provides all enrolled veterans access to the same level of health care. Instead of looking to improve healthcare delivery for the nation’s veterans, they looked with green-eye shades to change eligibility for enrollment. And they carried that failure over to their final report. (page 70)

One of the results of this failure is found perhaps in the task force determination that, despite unceasing under funding of VA medical care, the administration's current budget recommendation magically closes the gap for next fiscal year. AMVETS knows this panel does not agree with that assessment, and we appreciate your support for full funding in the recently approved budget resolution.

Today, as we discuss the task force report, the condition of the VA healthcare system remains troubled. We fully agree that demand for care is exceeding resources. We fully agree that management efficiencies will not bring the two in line. Unlike the task force, however, the members of AMVETS see inadequate funding as the reason for the erosion of timely care, not Priority 8 veterans.

Each year, the accumulated shortfall is built into the budget process. In past years, VA has responded by delaying equipment replacement, postponing maintenance, cutting information resources and other related activities. More recently, VA has been forced to ration veterans care – first by delaying elective procedures and medical appointments and, more recently, by barring access to the system.

AMVETS among others suggest that a partial solution, beyond adequate appropriations, would be to allow VA to accept Medicare payments for those veterans who are eligible and who wish to be treated in VA facilities. Since a large majority of those seeking treatment for nonservice-connected disabilities are Medicare eligible and VA can provide those services at less cost than private sector providers, allowing veterans to use their Medicare eligibility within the VA system is a good idea.

Another suggestion, supported by AMVETS, is to provide mandatory funding. This funding approach would give some certainty to healthcare services. VA

facilities would not have to deal with discretionary funding, which has proven inconsistent.

In the last Congress, legislation to make funding for VA health care mandatory attracted substantial enthusiasm among members of Congress with 129 cosponsors, despite introduction of the bill at the end of the year.

The members of AMVETS believe mandatory funding of VA health care would provide a comprehensive solution to the current funding problem. Once healthcare funding matches the actual average cost of care for the veterans enrolled in the system, with annual indexing for inflation, the VA can fulfill its mission.

Mr. Chairman, as the war on terrorism continues, we are reminded daily of the sacrifice and invaluable service given by those who wear the military uniform. For the benefit of our soldiers, sailors, airmen and marines – past, present and future – AMVETS stands ready to work with you to express our gratitude and our obligation to them as a nation.

AMVETS believes that adequate funding is essential to VA's ability to deliver quality health care to the men and women who have sacrificed and served in the military. We call on the administration and Congress to provide the resources needed to care for America's veterans.

This concludes my testimony. Again, thank you for the opportunity to appear before you today and thank you for your support of veterans. We believe the price is not too great for the value received.