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STATEMENT OF ADRIAN ATIZADO ASSISTANT NATIONAL LEGISLATIVE DIRECTOR
of the
DISABLED AMERICAN VETERANS
before the
COMMITTEE ON VETERANS' AFFAIRS UNITED STATES SENATE JUNE 9, 2005

Mr. Chairman and Members of the Committee:

On behalf of the members of the Disabled American Veterans (DAV) and its Auxiliary, I wish to express my appreciation for this opportunity to present the views of our organization on the bills and draft bills on today's agenda. As always, we appreciate this Committee's efforts to improve benefits and services for disabled veterans. With a few exceptions, the provisions of these bills are beneficial and justified.

DRAFT LEGISLATION Veterans Health Care Act of 2005

Public Law 108-422, Section 204, only exempted veterans from extended care copayments for VA hospice care services provided in a nursing home setting. However, hospice care is provided in other settings such as hospital inpatient, and in the home. Section 2 of this legislation would prohibit the collection of copayments from veterans receiving hospice care furnished by the Department of Veterans Affairs (V A) in any setting. The DA V testified in support of the same provision in S. 2486 last year, and the DA V fully supports Section 2 in this draft bill.

Similarly, the DA V supports the provision in Section 3 that would exempt former paws from inpatient long-term care service copayments. The DA V has a resolution calling for the repeal of all copayments for veterans' medical services and prescriptions. We commend this Committee for recognizing the tremendous undue burden placed on veterans in need of end-of-life care that provides dying patients and their loved ones with comfort, compassion, and dignity.

Furthermore, veterans in no other group as a whole have borne a greater burden on behalf of our Nation and deserve more in return than our former paws. Many suffered unimaginable horrors from torture, humiliation, other physical and psychological trauma and abuse, deprivation, isolation, and malnutrition. In addition to the effects of physical and mental trauma, many suffered from diseases caused by unsanitary conditions and inadequate diets. Many, perhaps, never fully recover from a life experience that is far more traumatic than most in society ever have to endure. To the extent we can provide former paws benefits that address their special needs or afford some general recompense in proportion to their suffering and sacrifices, we should never hesitate to do so.

Section 3 has another provision that, if passed, would eliminate the required nursing bed capacity to be no less than the level during fiscal year 1998. As part of The Independent Budget (IB), the DA V strongly opposes the provision in Section 3 that would eliminate V A's requirement to maintain nursing bed capacity. This provision recognizes and strengthens the importance of the

Veterans Health Administration's (VHA's) specialized services and reflects the vulnerability of these high-cost services in an under funded system. The projected workload for V A chronic care

services will continue to rise in the future. To address this burgeoning demand VA has testified that it will increase capacity in its non-institutional long-term care program. However, the Government Accountability Office's (GAO) review of this program found high variations in the availability of six VA non-institutional long-term care programs. Until it can be verified that these non-institutional programs are increased and functioning at a level of satisfaction to veterans who would need these services, it seems an unwise decision to relieve VA from the requirement that it protect the vulnerability of its institutional long-term care capacity.

Section 4 would allow the VA to reimburse a veteran for any remaining expenses from having received emergency treatment at a private facility. The DAV has a resolution to support legislation to authorize enrolled veterans to receive emergency medical care in private medical facilities at VA's expense when VA facilities are not reasonably available. However, we object to the eligibility limitations for reimbursement of emergency services on veterans enrolled in the VA health care system. Due to the existing eligibility criteria for VA reimbursement of emergency treatment, many veterans do not seek emergency treatment in non-VA facilities. When they do, they are charged for emergency care as a result of denial of payment by VA for such care based on the existing eligibility criteria. For example, the eligibility criteria indicate veterans must not only be enrolled in the VA health-care system, but they also must have been seen by a VA health-care professional within the previous 24 months. As part of the bill, the DAV believes all enrolled veterans should be eligible for emergency medical services at any medical facility. It is outrageous to penalize a veteran for seeking emergency care when he or she is experiencing symptoms that manifest a life-threatening condition.

Section 5 of this bill would authorize care for newborn children of enrolled women veterans following delivery. Women Veteran Coordinators have complained that it is very difficult to secure a contract for care for a woman veteran for the delivery of a baby without securing a contract for initial post-delivery newborn care. Private hospitals are reluctant to accept a sole contract for care for the mother and risk financial responsibility for the care of the newborn infant following delivery. The promise of comprehensive health care services includes prenatal care and delivery. Health care professionals consider the initial newborn care immediately following delivery as part and parcel of the delivery itself this legislation would authorize VA to pay for the initial care of the newborn infant for 14 days after the date of birth or until the mother is discharged from the hospital, whichever is the shorter period. DAV has no resolution from our membership on this issue; however, its purpose is beneficial. We have no objection to the Committee's favorable consideration of this section of the measure.

Because of an apparent correlation between veterans' service in Vietnam and spina bifida and other birth defects in the children of veterans, Congress authorized special programs including medical treatment to these children. Section 6 of this bill addresses the disparity between billed charges for medical services rendered and payments received by non-VA health care providers for treating children of Vietnam veterans who are suffering from the effects of exposure to Agent Orange. While protecting the veteran and family against the difference between the amount billed and the amount paid by VA, this provision would allow non-VA health care providers to seek third party payments to compensate for the difference. Having no mandate from our membership on this issue, we do not have a position on this section.

Section 7 would authorize increased appropriations for homeless providers' grants to \$130 million beginning in fiscal year 2006. DA V Resolution No. 047 calls for adequate funding and permanency for all veterans' employment and training programs, including homeless programs. We thank the Committee for recognizing the value and importance of this program, which serves a vulnerable portion of the veteran population; however, we note that any improvements and expansions gained would be lost in the following years due to rising costs such as inflation and the annual increase of reimbursement rates.

Section 8 would allow V A to employ marriage and family therapists and require V A to submit a report to both the House and Senate Veterans' Affairs Committees. The report would include the actual and projected workloads for providing marriage and family counseling related to posttraumatic stress disorder (PTSD) treatment, an assessment of the effectiveness of this treatment, and any recommendations for improvement. DA V has no position on these provisions since our membership has not provided us with a mandate on this issue.

Section 9 of this bill would authorize Senior Executive Service compensation to VA's Nursing Service Director. The DA V supports this provision of the bill in keeping with DA V Resolution No. 199, which seeks the enactment of legislation providing for competitive salary and pay levels for V A physicians, pharmacists, dentists, and nurses.

Section 10 would eliminate the prohibition to utilize funds appropriated for veterans medical care towards any cost comparison study between V A services and similar commercial services. The DA V does not have a resolution on this issue; however, due to the perennially inadequate level of medical care funding, we are concerned this provision would have a deleterious affect on V A's ability to deliver needed medical care to sick and disabled veterans in a timely manner.

V A supplies one-third of all care provided for this nation's chronically mentally ill and have developed broad-reaching programs to meet the psycho-social needs of homeless veterans. Without these specialized services many veterans who are homeless or suffer severe mental illness or substance use problems would return to the street, end up in jail, or rely on more expensive and less comprehensive state-sponsored programs. The private sector is ill-equipped to provide these kinds of specialized services VA patients frequently need. Section 11 of this bill would expand VA's mental health services. To increase the number of PTSD Clinical Teams (PCTs), Mental Health Intensive Case Management teams (MBICMs), substance abuse treatment, improve mental health education and training programs for providers, increase access to V A's mental health services through tele-health initiatives, and increase the availability of mental health services in Community-Based Outpatient Clinics (CBOCs), \$95 million would be authorized. With the authorization of additional funds for these programs, the DA V supports these provisions that would enhance V A's ability to provide mental health services.

On May 19, 2005, a hearing was conducted by the House Veterans' Affairs Committee on seamless transition. GAO provided testimony, which indicates the Department of Defense (DoD) and V A have been working on a data sharing agreement for over 2 years, but have not reached an agreement. GAO cited differences between the two agencies in their interpretation of the Health Insurance Portability and Accountability Act of 1996 (HIP AA) and the HIP AA privacy rule, which governs the sharing of individually identifiable health data. Section 12 seeks to

address this impasse by allowing both agencies to exchange protected health information despite any other provision of law. This would enable V A to locate, identify, and follow up with servicemembers who are injured while on active duty and may be eligible for VA benefits and services.

VA has indicated, of the nearly 86,000 veterans from Operation Enduring Freedom (OEF) and Iraqi Freedom (OIF) that have sought medical care from V A, over half are from the National Guard and Reserve. Moreover, over 9,000 veterans from Operation Enduring Freedom and Iraqi Freedom suffer from PTSD, and over 2,000 have sought care in Vet Centers. Outreach to National Guard and Reserves is now considered a form of psychosocial intervention and provides direct access to Vet Centers by providing information to individuals about the availability of specialized services they may require and may be entitled. Section 13 would expand VA's outreach to the National Guard and Reserve component of the military by increasing the number of employees in the Readjustment Counseling Service's Global War on Terrorism Outreach Program, requiring that information on V A benefits and services be made available to returning Guardsmen, and an appropriate needs assessment be conducted on all V A benefits and services. In addition, this section would allow for collaboration between V A and appropriate state National Guard officials to facilitate this outreach program. Section 14 would require V A to submit a plan to both the House and Senate Veterans' Affairs Committees to increase the number of Vet Centers capable of providing tele-mental health for fiscal years 2005 through 2007. According to V A, the Veterans Readjustment Counseling Service maintains 206 Vet Centers, of which there are currently 20 Vet Centers across 14 Veterans Integrated Service Networks (VISNs) that have linkages to provide tele-mental health services. The DA V does not have a resolution on these issues; however, the purpose of this provision appears beneficial and we look forward to favorable consideration by this Committee.

Section 15 would require the Secretary of Veterans Affairs to submit a report to both the House and Senate Veterans' Affairs Committees with data regarding the source of V A's mental health data, such as the locations of facilities maintaining such data. Additionally, the report is to include an assessment of the information and recommendations for improving data collection, use, and repository locations. The DA V does not have a resolution on this issue; however, the provisions appear beneficial.

8.481

This bill would extend the eligibility period for veterans who served in combat during or after the Persian Gulf War, from two years following discharge or release from active military service to five years, to receive VA medical care. The DA V has no resolution pertaining to the bill. However, because it would benefit recently discharged veterans and their family members, the DA V has no objection to its favorable consideration.

8.614

In addition to allowing Medicare-eligible veterans to elect to receive from VA outpatient prescription medication prescribed by a physician, the Veterans Prescription Drugs Assistance Act,

would direct V A to collect copayments and/or an enrollment fee to furnish prescription medications for veterans in receipt of compensation and increased pension. Furthermore, the bill would require VA to inform each veteran considering an election to receive VA medication under these provisions of the terms of the election.

As this Committee may be aware, veterans service organizations acquiesced to the use of copayments which were only imposed upon veterans under urgent circumstances and as a temporary necessity to contribute to reduction of the federal budget deficit. Accordingly, the Omnibus Budget Reconciliation Act of 1990 established VA's authority to charge copayments to veterans for prescription medication and medical services with a sunset date of September 30, 1991. However, since 1997, Congress and the Administration have used the amount estimated that VA might collect from veterans to offset appropriations for V A. Most recently, on September 20, 2003, Public Law 108-7 eliminated the sunset provision making copayments permanent without debate through hearings and other authorizing Committee processes.

DA V Resolution No. 175 calls for the repeal of all copayments for veterans' medical services and prescriptions. Accordingly, we oppose the copayment provisions of this bill, which would require a veteran to pay an annual enrollment fee and the full cost of prescription medication VA would otherwise pay. Such provisions move V A farther down the road of shifting the costs of care onto the backs of sick and disabled veterans. Moreover, this provision is fundamentally contrary to the spirit and principles underlying the provision of benefits to veterans by a grateful nation. We believe that providing our nation's veterans with high quality health care is a continuing cost of national defense and should be our first priority, without cost to veterans.

S.716

The Vet Center Enhancement Act of 2005 requires that VA employ, in career conditional status, up to an additional 50 veterans of Operations Enduring Freedom or Iraqi Freedom to provide outreach to veterans on the availability of readjustment counseling and related mental health services at Vet Centers. The bill also eliminates any limitation on duration of employment of veterans for the aforementioned program. Moreover, VA's authority to provide bereavement counseling at Vet Centers would be revised to include parents of military servicemembers who die while serving on active military duty. For fiscal year 2006, \$180 million would be authorized to be appropriated for the Readjustment Counseling Service Program. The DA V has no official mandate from our membership on this measure. However, its purpose is beneficial, and we do not object to its favorable consideration.

Draft Bill to be entitled, the "Shelterin2 All Veterans Everywhere Act" or the "SAVE Reauthorization Act of 2005"

This bill would improve or reauthorize the following programs servicing the needs of homeless veterans:

Homeless Providers Grant and Per Diem Program: The Homeless Providers Grant and Per Diem (GPD) Program provides competitive grants to community-based, faith-based, and public organizations to offer transitional housing or service centers for homeless veterans. This provision would reauthorize the GPD program through FY 2011 at \$200 million annually. GPD

is set to expire September 30, 2006. The current annual authorization level for the program is \$99 million.

Homeless Veterans' Reintegration Program: The Homeless Veterans' Reintegration Program (HVRP) is an employment services program established to help homeless veterans reintegrate into the labor force and attain financial independence. HVRP assists homeless veterans via grants to state and local Workforce Investment Boards, commercial agencies, and non-profit organizations, including faith-based and community-based organizations. Qualified agencies directly assist homeless veterans with job placement, training, counseling, and resume preparation. This provision would reauthorize the HVRP through FY 2011 at \$50 million annually.

VA Outreach Services: The V A would be required to provide information concerning homelessness, including risk factors, awareness, and contact information for preventative assistance, to members of the Armed Forces separating from active duty.

Grant Program for Homeless Veterans with Special Needs: The grant program authorizes VA to make grants to assistance providers to assist homeless veterans with special needs, including women (with and without children), frail elderly, terminally ill, or chronically mentally ill. The special needs program has enabled V A and GPD providers to devote attention to underserved subpopulation within the homeless veteran population. It is currently authorized through FY 2005 at \$5 million annually. This bill would continue the program at current levels through 2011.

Dental Care: This provision would expand eligibility for dental care by eliminating the criteria that veterans must be receiving treatment in an approved homeless program for a period of 60 consecutive days prior to becoming eligible for dental treatment.

Authorization of appropriations for the Homeless Veterans Service Provider Technical Assistance Program: This program authorizes V A to make competitive grants to qualified organizations that provide technical assistance to nonprofit groups that provide assistance to homeless veterans. It is necessary because community-based and faith-based organizations serving homeless veterans lack the technical expertise to acquire grants via the complex set of funding and service delivery streams associated with housing and supportive services. This bill would reauthorize the program through 2011 at \$1 million annually.

Annual Report: This provision would require V A to report on homeless veteran coordination efforts with other federal departments and agencies, including the Department of Defense, Department of Health and Human Services, Department of Housing and Urban Development, Department of Justice, Department of Labor, Interagency Council on Homelessness, and the Social Security Administration.

Advisory Committee: This provision would add the Executive Director of the Interagency Council on Homelessness (ICH) to the Advisory Committee on Homeless Veterans.

Study on Military Sexual Trauma and Homelessness: This provision would authorize a study on the relationship between military sexual trauma and homelessness. The VA Secretary's Advisory Committee on Women Veterans recommended in 2004 that a study be conducted on the possible

correlation between military sexual trauma and homelessness among veterans and effective service models for assembling various treatment modalities and environments.

The DAV supports this draft legislation and encourages the Committee to consider it favorably. The DAV is very supportive of HVRP and other homeless veterans' initiatives. It is an unfortunate and sad fact that many veterans, for various reasons, have been unable to make their way in the society they swore to defend. Such veterans exist without decent shelter, adequate nutrition, or medical care. Services provided by homeless veterans can mean the difference between a veteran living on the streets or living in transitional housing until they are capable of providing for themselves. As a member of the National Coalition for Homeless Veterans (NCHV), the DAV supports the testimony and recommendations submitted by the Coalition, which include all of the provisions of this bill.

In addition to legislative advocacy on behalf of homeless veterans, it is important to note that the DAV takes an active role in seeking to prevent and end homelessness among our nation's veterans. The DAV Homeless Veterans Initiative, which is supported by our Charitable Service Trust and Colorado Trust, promotes the development of supportive housing and services to help homeless veterans become productive, self-sufficient members of society. Since 1989, DAV allocations for homeless projects have exceeded \$2 million.

Draft Bill to be entitled the Blinded Veterans Continuum of Care Act of 2005

According to VA, of the 160,000 veterans eligible for Blind Rehabilitation Services, over 38,000 are currently enrolled to receive services. The impact of blindness is individualized and includes both the older veteran whose vision gradually worsens due to macular degeneration or diabetes and the serviceperson who is rendered totally blind by traumatic injury. Each of these veterans requires individualized, specialized care and treatment suited to the cause of blindness, physical and medical condition, age, ability to cope with frustrating situations, learning ability, and the overall needs and lifestyle of the veteran. The Blinded Veterans Continuum of Care Act of 2005 would require VA to establish Blind Rehabilitation Outpatient Specialists (BROS) at designated VA medical facilities with Visual Impairment Service Teams (VIST) or with more than 150 enrolled veterans who are legally blind.

The IB places special emphasis on VA's specialized programs such as the Blind Rehabilitation Service (BRS), which is known worldwide for its excellence in delivering comprehensive blind rehabilitation to our nation's blinded and severely visually impaired veterans. Favorable consideration of this bill by this Committee would preserve VA's mission and role as a provider of blind rehabilitation services, as well as benefit the approximately 120 servicemembers from Operations Enduring Freedom and Iraqi Freedom who suffer from visual impairments.

Draft Bill to require VA to publish a long-term care strategic plan

The proposed legislation would require VA to publish a long-term care strategic plan to address the significant need of sick and disabled veterans for chronic care in both institutional and non-institutional settings. According to VA, the veteran population is projected to decline to 20 million by 2010, but over the same time period those age 75 and older will increase from 4.5 to 4.7 million and those 85 and older will nearly triple from 510,000 to over 1.3 million. Older

veterans, particularly those over 85, are especially likely to have multiple, complex chronic diseases requiring comprehensive health care including long-term care services. Of equal importance is the fact that current V A patients are not only older in comparison to the general population, but they are much more likely to be disabled and unable to work, generally have lower incomes, and lack health insurance.

With a constrained budget, an increasing and aging veteran population, and the high cost of providing inpatient long-term care, V A is struggling with the issue of long-term care. An attempt was made to address long-term care through the Capital Asset Realignment for Enhanced Services (CARES) initiative. GAO's May 2003 report, "VA LONG-TERM CARE: Service Gaps and Facility Restrictions Limit Veterans' Access to Non-Institutional Care" (GAO-03-487), confirmed veterans' access to non-institutional long-term care services is limited and highly variable across the nation.

Extensive gaps in service exist due in part to restrictions based on veterans' levels of service-connected disability that are inconsistent with existing eligibility standards. GAO cites VA headquarters as the source of such disparity as a result of not providing clear and adequate guidance on making non-institutional long-term care services available. Furthermore, VA headquarters has failed to emphasize non-institutional long-term care as a priority, and has failed to develop a performance measure to ensure the provision of these services consistently across VA facilities.

The DA V has a resolution calling for legislation to establish a comprehensive program of extended care service for veterans in need of such care for a service-connected disability. However, as part of the IB, the DAV is opposed to the provision in the bill, which requires the strategic plan to include specific plans to utilize Medicare, Medicaid, and private insurance companies to expand care. Under tight budget constraints, this provision would allow a shift in VA's responsibility to veterans and reduce its internal capacity to care for America's aging veterans. Care for aging veterans should not be shifted to private providers because it is more convenient or more cost-effective to do so. VA nursing home care is an integral part of V A's health care benefit package and is an entitlement to certain eligible veterans, and these individuals should not be forced to accept other forms of nursing home care because V A has reduced its capacity.

Draft Bill to establish a grant program to provide transportation to medical care for rural veterans

VA currently operates 100 outpatient clinics in 27 states that are located in areas considered as rural or highly rural. Veterans residing in such areas experience difficulty in accessing adequate health care in a timely manner, which in turn reduces the continuity and quality of care provided to existing enrollees in the V A health care system. Because so many sick and disabled veterans lack transportation to and from V A medical facilities for needed treatment, the DA V operates a nationwide Transportation Network. This program continues to show tremendous growth as an indispensable resource for veterans. Across the nation, DA V Hospital Service Coordinators operate 183 active programs. They have recruited 9,657 volunteer drivers who logged 26,429,512 miles last year, taking over 725,084 veterans to and from VA medical facilities. Since 1987, our volunteer drivers have driven 8,958,755 veterans more than 338 million miles to and from their VA medical appointments.

This proposed legislation would establish a grant program administered by VA to provide innovative transportation options to veterans in remote rural areas. DAV's mission of service reflected in the commitment of men and women in our Transportation Network to assist veterans who have no other means of getting to their VA medical appointment, coupled with a mandate from our membership calling for timely access to quality health care and medical services; we support this bill and urge favorable consideration by the Committee.

Due to the timeliness in receiving the remaining three draft bills scheduled for today's agenda, the DAV is unable to provide position on these measures at this time. However, we request the opportunity to submit our written testimony for the record at a later time.

On behalf of the DAV, I want to thank the Committee for its consideration of these important legislative matters and for the opportunity to present our views. We sincerely appreciate your continuing support of veterans.