**Statement of**

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**Before The**

**United States Senate**
**Committee on Veterans' Affairs**
**Committee on Armed Services**

**With Respect To**

**Disability Compensation Reform**

Ladies and Gentlemen:

Thank you for the opportunity to testify on the VA disability compensation system. My testimony will differ from most you've heard. I am a member of no veterans service organization and have no motive other than to help restore the lives and dignity of millions of veterans.

For too long, you've been told that the best way to care for veterans is to shovel billions of taxpayer dollars into their pockets[1]; this approach has resulted in a veteran class that is sicker[2], more marginally employed, and more suicidal[3] than ever. By paying veterans to be sick, we create more sick veterans[4], separated from meaningful lives of purpose—and we deepen our suicide crisis.

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[1] https://www.independentbudget.org/wp-content/uploads/2024/02/Independent-Budget-2024_FINAL-DIGITAL.pdf

[2] http://armedforcesjournal.com/medicine-and-the-gwot/#:~:text=GWOT%20returnees%20are%20using%20veterans,attempt%20and/or%20substance%20abuse.

[3] https://www.mentalhealth.va.gov/docs/data-sheets/2024/2024-Annual-Report-Part-2-of-2_508.pdf

[4] The proportion of "disabled veterans" has grown from about 1:10 in 2000 to 1:3 now, despite better care and community support.

I developed this perspective through hard experience and long study. I was wounded in combat twice, losing my right leg and spending a year at Walter Reed. After recovery, I earned a master's degree and joined the White House Domestic Policy Council, where my previously acquired "user level" experience was bolstered by my work alongside both the Dole Shalala Commission[5] and the Scott Commission[6].

I later completed a PhD in public policy, focused on the VA claims process, and while teaching at West Point co-led the *Independence Project*, a randomized control trial demonstrating the powerful link between employment and health. In 2021, I published *Wounding Warriors: How Bad Policy Is Making Veterans Sicker and Poorer*[7] and recently served two years as Virginia's Commissioner of Veterans Services.

Exec summary:

The surge in disability claims is not due to combat injuries but to a culture that rewards illness. Last year alone, over 450,000 new compensation recipients entered the system—while total combat-wounded from the Global War on Terror number around 50,000. Last year, more than 270,000 veterans began receiving compensation for tinnitus, which is 100 times the number of GWOT amputees over a 20 year period. Blessedly high survival rates from combat wounds are not the cause of the growth: this lie allows advocates to tuck every veteran disability claim under the cloak of combat wounds.

Instead, the avalanche of claims is driven by non-profits and pay-to-play claims companies[8] that encourage veterans to selectively exaggerate or falsify symptoms to "grab all they can". Aging, genetic, and lifestyle conditions are increasingly labeled "service connected[9]", resulting in tens or hundreds of thousands of veterans rated as "100% disabled" who have no true incapacity[10], or whose incapacity would have eventuated regardless of service status. I propose two principles of reform.

Principle #1: Meaningful employment is powerful medicine

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[5] https://www.govinfo.gov/content/pkg/CHRG-110hhrg39452/html/CHRG-110hhrg39452.htm
[6] https://www.veterans.senate.gov/services/files/8A93EC51-9569-41FB-A7E6-4E9EBF359EFA
[7] Www.woundingwarriors.com
[8] Some of these companies have physicians on staff who will provide pre-formatted DBQs without ever examining the veteran. These falsified reports are then submitted to the VA, causing millions in unjustified disability payments.
[9] The PACT Act was shockingly complicit in this regard. For example, veteran hypertension rates are exactly the same as their age and sex adjusted peers, but the PACT Act makes hypertension presumptive for Vietnam veterans. This burdens the taxpayer and diverts VA resources from true service caused disabilities.
[10] https://www.census.gov/content/dam/Census/library/working-papers/2016/demo/Holder-2016-01.pdf

A 2020 paper called employment a "Critical mental health intervention"[11]. Unfortunately, veteran participation in the labor market, especially among men in prime working years, is markedly lower than their civilian counterparts[12], and has been steadily declining over the past 20 years[13].

Disability compensation discourages work by rewarding inactivity; some programs create a direct barrier to work[14]. Any separation from the labor force causes isolation, malaise[15], and reduced income coupled with a demand for ever-higher "disability" payments.

We should shift dollars from paying veterans to be sick toward meaningful incentives for gaining and maintaining productive employment. Early positive incentives can have a long-lasting positive effect, as demonstrated by the Independence Project.

Principle #2: Disability compensation is a destructive goal

"Disability" is a negative word. In Latin, "dis" means "not", "opposite of" or "apart". The disability compensation system pulls veterans into a destructive identity as "disabled veteran" rather than helping create a positive, forward-looking life and career. This system is anti-thriving, anti-productivity, and ultimately anti-veteran. Further, it discourages future generations serving by painting veterans as a troubled, problem class.

The compensation system traps veterans in a disability identity[16], teaching them to chase a 100% rating as proof of honor or source of validation. 9 of the top 10 conditions for newly rated veterans are easily exaggerated or totally unverifiable[17]. We need a system that affirms veterans' capacity to thrive, not their presumed fragility.

Here are several steps that would protect the integrity of the system:

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[11] Drake RE, Wallach MA. Employment is a critical mental health intervention. Epidemiol Psychiatr Sci. 2020 Nov 5;29:e178. doi: 10.1017/S2045796020000906. PMID: 33148366; PMCID: PMC7681163.

[12] https://www.bls.gov/web/empsit/cpseea40.htm

[13] https://fred.stlouisfed.org/series/LNU01349526

[14] The Individual Unemployability program is particularly destructive in this regard- by paying veterans only if they do not achieve meaningful employment, IU blocks veterans from the beneficial effects of the labor market.

[15] Milner A, Page A, LaMontagne AD. Cause and effect in studies on unemployment, mental health and suicide: a meta-analytic and conceptual review. *Psychological Medicine*. 2014;44(5):909-917. doi:10.1017/S0033291713001621

[16] https://psycnet.apa.org/manuscript/2022-94770-001.pdf

[17] The top ten conditions for new recipients in 2024 were tinnitus, limited knee flexion, back strain, limited motion of the arm, hearing loss, scars or burns, sciatica, limited ankle motion, migraine, and PTSD. Of those only scars or burns are readily identifiable and not subject to feigning or exaggeration.

1) Treat but do not compensate for non-disabling conditions[18,19] and eliminate conditions caused by genetics, aging, or lifestyle from the compensation rolls. Sleep apnea is one obvious example; there are hundreds of others[20].
2) Require active treatment for compensated mental health conditions. If compensation is warranted, so is care.
3) Extend VA medical eligibility for all service-related conditions without tying it to disability ratings, removing incentives for false claims.

Conclusion:

The current disability system robs veterans of purpose and dignity, trapping them in idleness and despair. Further, the isolation brought on by separation from the labor market can and does send many veterans into a morass of tragic consequences.

Reform will be difficult—entrenched interests protect the status quo—but it is essential. A close look at past changes shows that what survives the legislative and rule-making process are usually additions to existing programs or the creation of new programs; the VA budget grows inexorably despite the system causing immense ongoing harm. Deep structural reform will save lives and restore what veterans truly need: meaning, work, and hope.

[18] Examples of VA-rated "disabilities" that result in no functional incapacity are legion:
[19] https://www.census.gov/content/dam/Census/library/working-papers/2016/demo/Holder-2016-01.pdf
[20] For example, vitiligo, sinusitis, unspecified knee pain, erectile dysfunction, female arousal disorder, and many more conditions, including eczema, hay fever, acne, and tinnitus (as reported by *The Washington Post*) are good targets for treatment or therapy or treatment, not compensation.