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UNITED STATES SENATE COMMITTEE

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ON VETERANS' AFFAIRS

8

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Before:

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United States Senator Mark Begich

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February 16, 2010

13

10:30 a.m.

14

Taken at:

15

Anchorage Assembly Chambers

16

Anchorage, Alaska

17

18

Witness list:

19

Tim Carroll, CMSgt, USAF (Ret)

Ric Davidge, MPA

Gabriel Fierros, OIF Veteran

20 Rich Owens
The Honorable Raymond Jefferson
21 Brigadier General Tom Katkus
Mark M. Bilosz
22 Belinda J. Finn
Jan Myers

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PROCEEDINGS

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SENATOR BEGICH: This meeting,

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the Field Hearing on Services for Veterans'

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Affairs in Alaska is called to order. I first

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want to thank all the people that are here. I

6

appreciate the opportunity to have this field

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hearing. We are having multiple opportunities

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for veterans. One will be this meeting here,

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which is the field hearing which is a chance

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for us to walk through with different

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presenters some of their issues and concerns as

12 well as folks from the VA to tell us some of
13 the concern -- or talk about some of the
14 concerns we have. Along with that, we will be
15 in Wasilla this afternoon for a roundtable,
16 which is more of a kind of free discussion with
17 folks. And then we will be in Fairbanks, as
18 well as in Kotzebue.

19 So, those that are wondering how
20 these work, again, field hearings that are
21 designed like this are an opportunity for a
22 Congressional record to be created based on
23 information that will be presented by, for
24 example, our first panel and our second panel.
25 It is not a normal process that you've probably

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1 used. There is no testifying and so forth.
2 There are panels in the field hearings. The
3 roundtables that we have are more of an open

4 discussion. Again, those are in Wasilla,
5 Kotzebue, and I don't know if we're doing one
6 in Fairbanks. Yeah, in Fairbanks. But, again,
7 we appreciate all the folks that are here.
8 This is an opportunity for us to hear and to
9 ask some questions.

10 Along with that, for folks that
11 are in the audience, I think this is out front.
12 This is an opportunity, again, for questions
13 and comments, during the meeting, after the
14 meeting or even before. If you have some
15 issues that you want to make sure are raised,
16 please put those down on this document, and
17 staff will be, I think probably in the back to
18 collect those and available for you to respond.

19 I have a statement that I'll read
20 into the record here, and then we'll open with
21 our first panel of individuals. Again, thank
22 you for all being here. For the folks from
23 Washington, D.C., I thank you for arriving to a
24 warmer climate and less snow than you have. We
25 can also show you how to move snow. It's a

1 skill here.

2 This hearing will focus on the
3 state of services for veterans in Alaska,
4 including support for returning veterans, job
5 opportunities for veterans, benefits for
6 veterans, and a December audit by the VA
7 office -- of the Inspector General on the VA
8 Regional Office in Anchorage. The committee
9 has held multiple hearings on VA benefits,
10 health care, and services. However, this is
11 the first time we are specifically focusing on
12 the unique challenges confronting returning
13 Alaska veterans of Operations Iraqi and
14 Enduring Freedom.

15 I'm pleased that the Committee is
16 joined today by Assistant Secretary of Labor,
17 Ray Jefferson, who will speak to some of the
18 services that the Department of Labor offers to

19 veterans, and in particular, those
20 transitioning from military to civilian life.
21 In addition, I hope to hear more about some of
22 the Department of Labor's core functions;
23 conducting employment and training programs;
24 enforcing relevant federal laws and
25 regulations; and providing transition services.

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1 Alaska is one of the few states
2 with a growing veteran population. 70,000
3 within our state. Alaska has the highest per
4 capita of veteran population in the nation.
5 The Anchorage RO has the highest proportion of
6 compensation claims in the total workload of
7 any Regional Office. Compensation workload
8 grew by 82 percent in the last five years.
9 According to a 2009 VA State Summary Report of
10 Alaska, in 2008 nearly 1500 veterans from the

11 conflicts in Iraq and Afghanistan sought
12 treatment in our VA facilities.

13 I applaud the efforts of VA
14 employees of Alaska. These men and women work
15 hard to help veterans who seek their
16 assistance. There are many things the VA does
17 well in Alaska. However, there is always room
18 for improvement, as evidenced by the recent VA
19 IG report dated December 7, 2009, that showed
20 that the Anchorage VA Regional Office failed to
21 meet requirements in 13 of 14 areas covered
22 during the inspection. This concerns me deeply
23 because providing accurate, timely, and
24 comprehensive services to our veterans is one
25 of my top priorities in the U.S. Senate.

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1 More work needs to be done. I
2 hope that both of our panels will shed some

3 light on the issues such as why we continue to
4 hear from veterans; veterans are not aware of
5 their eligibility for VA benefits and services;
6 why some veterans are not receiving appropriate
7 VA services, and why veterans have such a long
8 time finding employment. I hope to discuss
9 these and other important issues with our
10 panels today.

11 Indeed, our unique geography,
12 diversity and way of life require that the VA
13 develop a unique strategy to care for our
14 veterans, especially those who reside in rural
15 areas. Back in Washington, we have worked hard
16 to ensure that VA has the resources to provide
17 the best care possible. Congress has provided
18 record-breaking funding increases for the VA.
19 Last year I supported the Veteran Health Care
20 Budget Reform and Transparency Act to secure
21 funding for veterans' health care one year in
22 advance of the regular appropriations process.
23 This bill was signed into law in October, 2009.
24 We have followed up with success, with passage
25 of our caregivers' bill, which would help

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1 wounded warriors and the families who care for
2 them. This bill, which also improves care for
3 women veterans who reside in rural areas and
4 those who are homeless has been sent to the
5 House of Representatives. We expect to
6 finalize this bill in the coming months.

7 Finally, I note that there are
8 many veterans here today who would like to
9 testify. While we cannot accommodate every-
10 one's request to speak, we do want to hear your
11 views. The committee is accepting, as I said,
12 written testimony on this paper or other
13 documents you may want to present to the
14 Committee.

15 In addition the committee staff
16 is joined by the VA staff who can respond to
17 the questions, concerns and comments that you

18 raise. Once again, thank you for all being
19 here. What I would like to do is introduce the
20 first panel who is here now. We have four
21 individuals here. First, I'll just read their
22 names in Alaska. I'll call on each one
23 separately to give their testimony. We'd like
24 to keep the testimony as close to five minutes;
25 we're not like the Assembly that has a clock

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1 that ticks away. I will tell you when you're
2 close. Please bear with us.

3 Tim Carroll, who is a retired
4 United States Air Force commander chief.

5 Ric Davidge, MPA, Alaska State
6 Council; President, Veterans of America; Board
7 member, Alaska Disabled Veterans Business
8 Alliance.

9 Gabriel Fierros -- did I do that

10 right?

11 MR. FIERROS: Yes, sir.

12 SENATOR BEGICH: We did a little
13 practice for that. I thank you for that.

14 -- who is an OIF veteran.

15 Rich Owens, Alaska State
16 Chairman, National Committee for Employer
17 Support of the Guard and Reserve.

18 Thank you all for being here.
19 What I would like to do is just as I read the
20 names, that will be the order that I would like
21 you to testify. If I can have retired
22 Commander Chief Tim Carroll. Thank you very
23 much for being here. There's a button, just
24 push it down, it should activate it. As long
25 as you've got a green light, you're good.

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1 CHIEF CARROLL: First off,

2 Senator Begich, thank you for taking the time
3 to come out to --

4 SENATOR BEGICH: You have to
5 move -- move that mic a little closer.

6 CHIEF CARROLL: Can you hear now?
7 Better?

8 SENATOR BEGICH: Move that mic a
9 little, pretend you're like Mick Jagger.

10 CHIEF CARROLL: Put it all the
11 way in my throat here.

12 SENATOR BEGICH: We'll ask the
13 Tech, Mike, to adjust the mic.

14 CHIEF CARROLL: Senator Begich, I
15 want to thank you for taking the time to listen
16 to our veterans and for committing yourself to
17 helping those who dedicated their service to
18 this country.

19 A SPEAKER: We still can't hear
20 you.

21 CHIEF CARROLL: You, too, are
22 servants of this great nation and I for one --

23 SENATOR BEGICH: I apologize. I
24 don't know if we can adjust that volume a

25 little bit more. I'm looking for the tech

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1 person. You have to hug it like this
2 (indicating).

3 CHIEF CARROLL: Who is that?

4 A SPEAKER: Still can't hear back
5 here.

6 SENATOR BEGICH: We have to go
7 with what we have while the tech guys work on
8 the volume. Go ahead.

9 CHIEF CARROLL: I won't do the
10 can-you-hear-me-now thing. I'll try to speak
11 up a little bit.

12 First off, Senator Begich and
13 members of the traveling team with you, thank
14 you for taking the time to listen to our
15 veterans and for committing yourself to helping
16 us who dedicated our service to this country.

17 You too are servants of this great nation and I
18 for one thank you for your tireless efforts on
19 our behalf. I am retired Chief Master Sergeant
20 Tim Carroll, a 28-year veteran of the United
21 States Air Force; the son of an Air Force
22 veteran; and now the father of an active-duty
23 Air Force airman. I am honored to be given
24 this opportunity to provide testimony on my
25 experiences with the transition from active

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1 duty to veterans status of the United States
2 Air Force. I retired from active duty in
3 October, 2008. While on active duty, I was the
4 command chief master sergeant for the third
5 wing at Elmendorf Air Force Base. In this role
6 I had lots of opportunity to hear and to
7 experience those who were transitioning out of
8 the Air Force, but had little opportunity to

9 hear of their transition once they hit the VA
10 system.

11 On a scale of 1 to 10, with 10
12 being perfectly satisfied, my personal
13 transition would rate at a 9.0. This is due in
14 part largely to the professionals at the
15 Elmendorf Air Force Base, third mission support
16 squadron, the third medical group, and the
17 staff of the Anchorage Veterans Administration,
18 who were attentive to my needs and very much
19 helped me and my family as we managed our
20 expectations for retirement.

21 I believe those who transitioned
22 alongside me found the same experience. I do
23 know that there are a large number of veterans
24 that had different experiences, and I was able
25 to help some of those people with what we could

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1 help on the active-duty side. Again, I did not
2 see once folks went into the Veterans
3 Administration, therefore when I made the
4 transition myself, it was a first-time
5 experience that I relied on a lot of people to
6 help with. The staff at the Anchorage Veterans
7 Administration helped in every way that they
8 could, but we did deal, of course, with the
9 Salt Lake City Regional Office on issues that
10 were related to the medical transition. My
11 number 1 issue as I retired was finding
12 adequate employment, and as you very well know,
13 the timing when transitioning between careers
14 whether military or otherwise, is very crucial
15 to maintaining a quality of life and a standard
16 of living for our families. With two teenage
17 daughters under my roof, retirement is a
18 relative term and it was absolutely essential
19 that I secured employment. The timing that it
20 took to get the DD 214 to marry that up to the
21 compensation disability rating to be able to
22 marry that up did cause a gap in my ability to
23 seek a government job. I find myself now in

24 the private sector and it's working very well.

25 Again, I would rank my personal

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1 experience a 9 on a scale of 1 to 10.

2 I look for your questions,
3 Senator Begich, and in closing, again, want to
4 thank you for the efforts that you are putting
5 forth to take care of our veterans.

6 SENATOR BEGICH: Thank you very
7 much. Let me move down and I'll have questions
8 for each one of you afterwards.

9 MR. DAVIDGE: Senator, first
10 thing I'd like to point out, the Alaskan
11 Congressional Delegation including former
12 Senator Ted Stevens is the only state
13 congressional delegation that unanimously
14 supported advanced funding. Thank you. Most
15 Alaskans don't know that. We are the only

16 state delegation that unanimously supported
17 advanced funding. The highest legislative
18 priority funding for all nine national weapons
19 service organizations over five years and we
20 finally got it passed.

21 One of the things that surprises
22 me, and I shouldn't be surprised at my age, but
23 having worked for Senator Stevens, having
24 worked for President Reagan, having worked in
25 Washington, D.C. off and on for many, many

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1 years and now as an advocate for veterans in
2 the State of Alaska, I'm constantly amazed at
3 how federal agencies disregard acts of
4 Congress.

5 As you know in my written
6 testimony, I give you some evidence of that,
7 particularly with respect to service-disabled-

8 veteran-owned business and veteran-owned
9 businesses. A law was passed in 1999,
10 executive orders have been signed, directives
11 have been issued, strategic plans are in place.
12 It is not discretionary under existing
13 strategic plans, executive orders, and
14 hopefully the change in law that's being put
15 forward by the House Veterans Affairs Committee
16 and we look forward to the Senate doing the
17 same thing. It will no longer be discretionary
18 to provide a 3 percent set-aside for service-
19 disabled veterans for all business and all
20 federal services. As you know we have a
21 resolution in the State Legislature of Alaska
22 calling for congressional oversight hearings in
23 Alaska dealing with the refusal or inability of
24 federal agencies to meet that 3 percent
25 set-aside goal. It's currently in House Rules.

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1 It should be on the House floor this week for
2 passage, and we don't expect any negative
3 votes. The bottom line is, Senator, the law is
4 the law is the law is the law. And why federal
5 agencies seem to feel, quote, you know I just
6 don't have time for this; it's just too much
7 work; you know what I'd have to do to find
8 service-disabled veterans who own businesses
9 and qualify them to get them a procurement
10 opportunity. I just don't have the time. Or
11 I've been directed not to comply. The only
12 federal agency in Alaska in our opinion and I'm
13 speaking on behalf of the Veterans Business
14 Alliance and I have testimony from the
15 president that I've provided to you, Senator,
16 is the Corps of Engineers. The Corps of
17 Engineers does a lot of work in Alaska, thank
18 God for their efforts. The Air Force, no. The
19 Army, no. The VA is making an effort
20 nationally. They've met their requirement, not
21 in the state. The Forest Service, the National
22 Parks Service, all other federal agencies in

23 Alaska that were involved actively in doing
24 things and spending money up here and issuing
25 contracts, except for the Corps of Engineers

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1 have effectively said that it's just not
2 something that's important to us.

3 Again, Congress passed a law, the
4 President of the United States signed an
5 executive order. There are strategic plans in
6 place of every federal agency. The only way,
7 Senator, that you could ensure as a former
8 federal manager that these people will do what
9 they're supposed to do under law is to put it
10 in their evaluation criteria. If you have a
11 senior federal official that has procurement
12 under their responsibility, and they are
13 specifically evaluated based on their
14 compliance on the 3 percent set-aside, guess

15 what, it will get done. Thank you.

16 SENATOR BEGICH: Thank you very
17 much. Gabriel Fierros. Thank you very much.
18 Thank you for your service, too. I know you're
19 young veterans, I appreciate you being here
20 today.

21 MR. FIERROS: Thank you very much
22 for inviting me to speak today. I'm just going
23 to get right down to it. I joined the Army
24 right after high school. I served ten years
25 and nine months. During that time, I've had

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1 four deployments. My first deployment was six
2 months to Kosovo in March of 2001; my second
3 deployment was in support of OIF for 12 months
4 starting in February of 2003. I was injured
5 for approximately six weeks due to a grenade
6 blast but remained in-country. My third

7 deployment was in support of OIF for four
8 months starting December, 2004. My last
9 deployment was also in support of OIF and was
10 planned for 12 months starting October, 2006.
11 I was injured in April, 2007, in a helicopter
12 crash outside of Baghdad.

13 And eventually I was transferred
14 to Walter Reed for approximately six months for
15 injuries to my left eye and treatment for a
16 TBI. Then I was transferred to the Warrior
17 Transition Brigade until my temporary medical
18 retirement in May of 2009. Since the accident,
19 in April of 2007, some of the continuous
20 medical treatments I have received both at
21 Walter Reed and Fort Richardson are speech
22 therapy, occupational therapy, mental health,
23 neurology, physical therapy, and ophthalmology.
24 I started my medical proceedings in December of
25 2008. If I had a choice, I probably would have

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1 stayed in for a full 20 years. But I was told
2 by medical personnel that they would be
3 initiating my med board because my medical
4 condition was not improving. I received my
5 disability rating from the Army of 70 percent,
6 and was unsure of whether or not I wanted to
7 get out. So I applied for continuation on
8 active duty. The application was lengthy, and
9 it was taking way too long for the process, so
10 in the long run I withdrew my application,
11 decided to accept my medical board findings and
12 retired temporarily. I filed for my VA
13 compensation claim in May of 2009 for 13
14 different service-connected health problems.
15 As of today I've been notified twice that my
16 claim has been delayed for vague reasons. I
17 have been told because I am under the old
18 system, my claim will take longer to process.
19 There are way too many delays and just as I
20 think I've fulfilled my obligation, I am told
21 that I have one more appointment, one more

22 appointment, and one more appointment.

23 In fact, soldiers that have
24 retired after me on the new pilot program have
25 already received both their VA and their Army

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1 delays at the same time. Also very difficult
2 to obtain accurate information about the VA
3 claim process. When I started, I was not told
4 of the long delays and tedious process. I feel
5 that the best source of information regarding
6 my claim process was older veterans. I found
7 many veterans were very eager to give advice,
8 recalled their experiences, and recommended
9 people that could help out. And that's the end
10 of my testimony.

11 SENATOR BEGICH: Thank you very
12 much.

13 MR. FIERROS: You're welcome.

14 SENATOR BEGICH: Rich Owens.

15 MR. OWENS: Thank you, Senator
16 Begich, for this opportunity to address the
17 field committee hearing. As a state chairman,
18 I'm very proud to represent the 40-plus
19 volunteers spread across Alaska which compose
20 the Alaska state ESGR committee. Since ESGR
21 interfaces with and has responsibility for both
22 military air members as well as our employers,
23 I'd like to address three points today. First,
24 the length and frequency of deployments have
25 caused more stress by employers especially the

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1 small business owners which are the bulk of the
2 employers of our soldiers. Many of these
3 business owners who hired our reserve members
4 are few and far between. Times have changed
5 and the frequency and length of deployments may

6 start to have a negative effect on hirability
7 of reserve component members. The unstable job
8 market is in difficult economic times and does
9 not really have an answer. If the business
10 goes under or is forced to downsize in order to
11 survive, they legitimately may not have the
12 ability to put reserve members returning from
13 deployments back to work. This is not a
14 reflection on the quality of our soldiers, but
15 rather the grim reality that no one can say
16 when we'll have enough growth in our economy to
17 get all of our reserves back to work. The
18 funding issues for our Alaska ESGR committee
19 are not unique. I'm sure that other states are
20 filling the pinch as well. Where we are
21 unique, however, is our geographic separation.
22 Each of our four ESGR regional committees cover
23 areas larger than most states. Only the
24 Anchorage region can travel to most of its
25 service area by road. The southwest region

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1 must travel by plane, boat, or snow machine.
2 Southeast region by boat or plane and the
3 northern region by plane or car. It is
4 difficult to train five major job positions
5 within each committee when we only have funding
6 to bring one or occasionally two volunteers to
7 our steering committee meetings or state
8 meetings.

9 Not only does this make it
10 difficult for them to perform their duties, but
11 it also creates additional turnover when they
12 get frustrated. What we do as volunteers is
13 not hard once you have the training.
14 Volunteers need to be confident in their
15 position whether they're working with soldiers
16 or the employers. This confidence comes with
17 training. The national ESGR office has been
18 helpful in trying to accommodate our special
19 needs. But with the tight budget we are now
20 operating under, do more with less will be the

21 order of the day. Thank you.

22 SENATOR BEGICH: Thank you very
23 much. Thanks to all the panel for the diverse
24 views on some of the work of the VA. Let me --
25 I'm going to ask a few questions. First,

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1 Gabriel, if I can ask you a couple of
2 questions, I think your thoughts were very
3 interesting of the time table it took you to
4 kind of go through the process and trying to be
5 back in the military, but that did not work out
6 well because of the time line. Can you
7 describe that a little bit more to me? What
8 happened at that --

9 MR. FIERROS: At the initial time
10 of my application for the coed, I had filled
11 out the application, sent it in through my
12 Pueblo, it got down there pretty quick, but

13 just seemed to stall once it got to the coed
14 side in the Army. And it stalled and stalled
15 and it was getting closer to my retirement
16 date, so, I kind of panicked and withdrew my
17 application. So, it was just a tedious process
18 and just waiting and waiting and there wasn't
19 really any answers as to why it was taking so
20 long either. So --

21 SENATOR BEGICH: Did you have
22 communication with them -- I mean, would you be
23 calling them? Or how did you --

24 MR. FIERROS: All my information
25 came from the Pueblo there on Fort Richardson,

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1 and he did a fine job of getting the
2 information for me. It just seemed like he
3 wasn't getting the information either.

4 SENATOR BEGICH: He wasn't going

5 to?

6 MR. FIERROS: Yeah. Something
7 was going on there, but I'm not sure what.

8 SENATOR BEGICH: In that process,
9 is there a time table of response that they
10 have to have it by, or do they have to respond
11 to you by so many days?

12 MR. FIERROS: I'm not too sure
13 about that. I couldn't tell you.

14 SENATOR BEGICH: Tell me, if you
15 can, just on the claim process. I note that
16 you had several related disabilities and you
17 were going through the process. When they took
18 action, were there some of those disabilities
19 that they clearly had no question of and some
20 they did or how did that work?

21 MR. FIERROS: All of them
22 shouldn't really be questioned. They're all
23 documented through the military. They're in my
24 medical records so I didn't see the reason why.
25 I was going to -- you know, sleep studies that

1 I had already done before, you know, or
2 neurology appointments that I go to every three
3 months anyways, so -- and there's a lot of
4 repeats and a lot of stuff that -- you know, I
5 just recently got out, so I don't understand
6 why there was such a need to send me back all
7 through that. I understand they need their own
8 information, but there is just -- it's tedious
9 on my part. I'm trying to -- you know, support
10 my family and I have to take off work to go,
11 you know, to appointments all day long. I
12 spend pretty much the three days that I have
13 off, because I work a four/ten shift going to
14 appointments for the VA, for the Army, and it's
15 hard on family life.

16 SENATOR BEGICH: When you said
17 there are repetitives. Some of the work that
18 was already done already was happening or you
19 already had certain tests; you already had

20 certain medical documentation within your file;
21 but you were applying for disability. There
22 were requirements of additional, which were
23 basic duplicates?

24 MR. FIERROS: Yes.

25 SENATOR BEGICH: Is that how you

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1 sought -- they were duplicates.

2 MR. FIERROS: Yeah, they were
3 duplicating. Actually, recently they signed me
4 up for another sleep study and I told them, no,
5 because I just actually had a checkup at the
6 sleep study clinic, same thing they wanted but
7 for some reason they were saying that it
8 wouldn't work in the VA system.

9 SENATOR BEGICH: Same study you
10 already did?

11 MR. FIERROS: Yeah, and it was

12 done, you know, for the Army, not for the VA,
13 and I thought they were about sharing
14 information, but I guess not.

15 SENATOR BEGICH: I have a feeling
16 the next panel will have -- hopefully, will
17 have a question or two from what you've just
18 laid out to see how that works. Thank you,
19 Gabriel, that was very good.

20 MR. FIERROS: Okay.

21 SENATOR BEGICH: Ric, your
22 testimony is a good -- all around good detail
23 in some of the issues around the 3 percent
24 set-aside. I mean, you're right about the
25 Corps. I've seen some of their documentation.

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1 They do a pretty good job. We've talked
2 multiple times on it. But what I'm reading in
3 your testimony and your verbal testimony here

4 is that many of the departments are not
5 fulfilling the 3 percent set-aside for disabled
6 veterans in any form, or are they attempting
7 through some process; they're really not doing
8 it; they're just kind of putting the paper out
9 there; and how do you -- I guess I'm asking
10 you: How do you see it from your perspective?
11 Are they trying to process, nothing really
12 comes back, because of the way the process is
13 set up, or they're not even trying that?

14 MR. DAVIDGE: Let's take for
15 example, the statement: How do I find these
16 guys? Well, there's a list that's available on
17 the Internet of over 300 service-disabled-
18 veteran-owned businesses in Alaska. But the
19 procurement officer was unaware of that. We
20 have legislation in Juneau now that deals with
21 veterans preferences for veteran-owned
22 businesses in Alaska, a 7 percent preference on
23 state procurements. Our effort there is also
24 to get a state registry, so that any state
25 veteran-owned business that would want to apply

1 for state procurement, which would include
2 other additional points for Purple Heart
3 disability, et cetera, et cetera, would be
4 available on the Internet. The day-to-day life
5 of a procurement officer is an interesting
6 experience. The bottom line is, in my opinion,
7 and I think this is a shared opinion of the
8 board of directors of the Veterans Business
9 Alliance in Alaska is that they have a
10 relationship with certain contractors. They
11 like that relationship. It's an easy
12 relationship, and for them to find new
13 contractors or subcontractors or partners,
14 et cetera, is just a lot of work. The bottom
15 line is they're not held to any accountability
16 for not just effort, but for success. Now, we
17 have a number of service-disabled-veteran-owned
18 businesses who have begun to have success, but

19 it's in response to being rather nasty and
20 getting in the face of certain managers to say:
21 You just let out this contract; you let it out
22 for the same guy. This is not a
23 service-disabled veteran. They won't even sub
24 with me. This is exactly what I do. I've been
25 doing it for five years successfully up here.

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1 Why can't I get consideration? My point is:
2 If you don't put it in the performance
3 evaluation; if you don't put it there, you have
4 no hammer. Again, the House Veterans Affairs
5 Committee has two bills that will now, in the
6 VA, hopefully, another Bill is being put
7 together, we'll do it nationally. The set-
8 aside is not discretionary, and is mandatory,
9 and even in those bills at your meetings with
10 the committee staff, they're looking at

11 specific language requiring performance
12 requirements for supervisors and procurement
13 officers.

14 SENATOR BEGICH: Should it -- if
15 I can add a comment -- should it be not only
16 the supervisor, but the division or the
17 department as a unit?

18 MR. DAVIDGE: Yes, any
19 supervisor, any individual all the way up to a
20 director of an agency that has procurement
21 requirements under them should have this
22 evaluation in their performance evaluation
23 criteria. It should be written into their
24 personnel contract.

25 SENATOR BEGICH: Does the

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1 association feel that it's readily available
2 for you -- I know the Corps did a pretty good

3 job on presentation to me on what they've done,
4 I've not necessarily seen that from our
5 agencies. Do you think -- is there a need --
6 this may be a pretty leading question: Is
7 there a need for uniformity in how they report
8 this? Doesn't seem like I see it, maybe you
9 see it. Maybe I'm missing that.

10 MR. DAVIDGE: Well, yes and no.
11 When you look at procurements they're all
12 different --

13 SENATOR BEGICH: Sure.

14 MR. DAVIDGE: -- in many ways,
15 particularly in Alaska.

16 SENATOR BEGICH: I guess their
17 percentage, in other words, if they're actually
18 reaching their target.

19 MR. DAVIDGE: Some of them are
20 exceeding their targets; the Corps of Engineers
21 is a great example.

22 SENATOR BEGICH: Is a great
23 example.

24 MR. DAVIDGE: As we like to say
25 in management, certain organizations take on

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1 the corporate culture, unless that culture is
2 shifted. People are beginning to see how
3 difficult that is. One of the problems we
4 faced when I worked for the Reagan
5 Administration is taking management directives
6 from members of the Cabinet down to the ground
7 and actually getting those guys on the ground
8 to actually do something. The only way to do
9 that is to put it in their performance
10 evaluation.

11 Let me offer a comment with
12 respect to our new veteran here. One of the
13 problems we've seen and you have testimony from
14 our national accredited VSO. The VA both in
15 benefits and services -- let me say the VA
16 clinic here is one of the best in the
17 country -- is not in the habit of notifying the

18 veteran's service officer who has filed a claim
19 for that veteran. I have a son who is here in
20 the audience today, four years in Iraq, IEDs,
21 et cetera, et cetera, et cetera, has brain
22 problems. Getting him to make an appointment
23 is a difficult problem. Not notifying the VSO
24 when the VSO specifically requested to be
25 notified so they can ensure that this veteran

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1 comes and meets those meetings would be a very
2 good thing to do, and there is no reason given
3 the agreement between the veteran and VSO with
4 the power of attorney that the VA cannot notify
5 that VSO to help this veteran get to this
6 meeting. It is not just veterans with mental
7 problems or brain damage problems, it's
8 veterans that are going through the transition
9 of being a warrior to being a civilian.

10 SENATOR BEGICH: Is there -- if I
11 can just stay on this with you, Ric. Is there
12 one single thing to help fix this, that you
13 believe could fix that problem, that
14 connection?

15 MR. DAVIDGE: I think that's a
16 very solid, easy way to get the VSO to help the
17 new veteran get to their appointments, get
18 their claims processed, et cetera. If you've
19 got a veteran who has got traumatic brain
20 injury who is not making a mental health
21 appointment, there may be a reason other than
22 the simple fact that they're not remembering it
23 or forgetting about it. But that should go for
24 all veterans, when the veteran is notified of
25 the appointment, the VSO should be notified of

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1 it. And if my VSO doesn't take care of that

2 veteran, he's not going to be my VSO very long.

3 SENATOR BEGICH: Okay. Very
4 good. Tim, I want to ask you, because you
5 rated your experience pretty high in your
6 relationship with at least transitioning.
7 Could you -- you know, that's why we wanted
8 this panel, so you could get a sense, a diverse
9 viewpoint. Could you tell me what's the one
10 thing that you thought maybe now that you've
11 gone through it, what made it easier for you?
12 You rated it pretty high. You almost had a 10.
13 It's pretty good. You know, and I'm trying to
14 take from your perspective and Gabriel's over
15 here, what did it, do you think, for you to
16 move through that system in an easier fashion
17 or faster fashion?

18 CHIEF CARROLL: I -- it's hard to
19 put a finger on exactly what would have made a
20 difference. I was pretty aggressive in trying
21 to understand the system myself.

22 SENATOR BEGICH: Can I interrupt?
23 When you say "aggressive," tell me what you
24 mean by that. I know when I'm aggressive what

25 it means, but everyone has a different

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1 perspective, please.

2 CHIEF CARROLL: I stayed on the
3 phone; I stayed on the Internet; I was asking
4 the questions of: What do I need to do to meet
5 the timing? What are the things that I need to
6 provide? What can I do? What -- in any way,
7 in printed, be it printed, be it online, be it
8 via the phone. I was a squeaky wheel trying to
9 make sure that I was armed with the right
10 information for what my responsibilities were.
11 Even that still, the reason it's not a 10,
12 there are a couple of things that I didn't
13 know. You know, I'll tell you the VA, the
14 Transitional Assistance Program, the TAP,
15 that's run through the military family
16 readiness centers, is absolutely -- absolutely

17 essential, I believe, to transiting -- or
18 transitioning. The VA representative who
19 presented that briefing did a fantastic job of
20 running down the litany of benefits of making
21 sure that we were armed with what it was that
22 we had available. Even still, there were
23 things that I didn't get from there, and things
24 that -- I'll point to one specifically. The VA
25 funding fee on home loans --

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1 SENATOR BEGICH: VA funding fees
2 on home loans?

3 CHIEF CARROLL: On a home loan,
4 correct, using the VA mortgage guaranty
5 program. With a compensable disability, the VA
6 funding fee, the upfront cash fee is waived. I
7 think you know each time you use a VA loan the
8 percentage goes up, up, up. With a compensable

9 disability, that fee is waived. Nobody told me
10 that. The only way I found it was I was doing
11 some on-line search for home loans and USAA, a
12 great organization out there, takes good care
13 of us, they have an on-line calculator. And
14 one of the questions on their on-line
15 calculator was compensable disability and I
16 clicked, no, because I didn't know yet, and I
17 got the bottom line what the mortgage was going
18 to be. Just for the grins of it, I went back
19 up and clicked "yes" just to see what that
20 would do. And it made a \$12,000 difference in
21 my mortgage. What is that all about? Now I
22 went asking the questions. And what that lent
23 itself to was no one had told me that. I
24 couldn't find anywhere that told me that. And
25 I was looking pretty hard for things. I know

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24 organizations who were very helpful. I used
25 the American Legion, all of the service

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1 organizations were more than accommodating for
2 outreach to try to help us. The VA was very
3 good about making sure we knew what the
4 resources were available to us to help do it.
5 I guess -- and I'll throw it in here now. The
6 downside, the unintended consequence, is when
7 the VA is telling us to go to the service
8 organizations to file our claim, when the VA
9 tells us in virtually every written document
10 that I've gotten that you can get a legal
11 representative to represent you, it
12 automatically creates an air of adversarial
13 relationship. And, you know, you can bring a
14 gun to the fight if you want tells me, well,
15 what kind of fight is it that I need to bring a

16 gun? What kind of fight is it that I need to
17 have the service organization representing me?
18 What kind of fight is it that I need to have a
19 lawyer represent me? If the system is
20 cumbersome, which it is, that I need to have
21 that kind of help, then there's something wrong
22 with the system.

23 And Gabriel is a perfect example,
24 the repeated proof and the repeated evidence
25 that you have to provide over and over and over

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1 again for something that's painfully obvious,
2 come on, can't we skinny that down just a shade
3 and make it not so burdensome that we have to
4 have legal representation to get the rights and
5 the benefits that we deserve?

6 SENATOR BEGICH: Thank you very
7 much. Let me end -- before we bring on the

8 next panel, I want to ask Rich: You have
9 always been involved in the business community,
10 and the thing that triggered me when you were
11 talking about the redeployments and now the gap
12 that occurs and the well time table, and that
13 when businesses originally made the deployments
14 were not as frequent or the time wasn't as
15 short. As time progresses, information we're
16 getting, roll time is getting increased which
17 is a good thing. Not sure about deployments
18 but well time. And the question I have is: Is
19 there something singularly, you mentioned three
20 things, but are those there of that business
21 community -- that we can do through our jobs
22 efforts, we're focused on some job agenda this
23 year that we can help to make a difference in
24 regards to making sure that those employers who
25 are really doing, pulling the weight here,

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1 making sure they rehire when they come back and
2 do all that, is there something we can do
3 within our jobs agenda that can help? It's a
4 pretty broad question, but is there something
5 that you sense of it that this would make a
6 difference? One target?

7 MR. OWENS: I think that, you
8 know, the way they started to schedule the
9 deployments, so you know further out, that
10 definitely helps the employers to plan or to
11 know in advance when their employees will be
12 gone. But I think that for the small employer,
13 by the time someone goes out for their second
14 or third deployment, if you've only got three
15 plumbers in your company and you pull one of
16 them out, then by the third time you pull that
17 one person out, it became, you know -- they do
18 it, and I think that the fact that within
19 Alaska, if you look at the cases that we have
20 and the situations that come up, 95 percent of
21 the questions that also we get are resolved
22 with phone calls. They very seldom actually

23 have to go to the Department of Labor or
24 beyond. So the level of support is still
25 there, but I think what my fear is is that as

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1 business stretches out longer and longer,
2 subconsciously some of these employers, all
3 things being equal, when someone comes in, they
4 don't have to tell them that they're in the
5 Guard or Reserve in advance, but I think it's a
6 small town and you know when someone is in the
7 Guard or Reserve. Subconsciously they may have
8 a bias against the soldiers, and it's not very
9 apparent right now, but, I mean every now and
10 then -- more often now than when I started with
11 ESGR, I hear a comment out there that's -- the
12 predictability of deployments, you know, when
13 it's going to happen, how long it's going to
14 be. I don't want that to enter into, you know,

15 the employability of the soldiers.

16 SENATOR BEGICH: Right.

17 MR. OWENS: And I think that, you
18 know, we realize that our budget has been --
19 for ESGR our budget has been trimmed down
20 considerably from when I started as well. So
21 on one hand we've got a -- a smaller budget,
22 but the demand for ESGR services is tenfold.

23 SENATOR BEGICH: Probably one of
24 the peak times now?

25 MR. OWENS: That's kind of one of

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1 the things we're struggling with. When we
2 pulled all of the soldiers out of western
3 Alaska, we deployed a crew out there, he's got
4 an Army out in western Alaska that he couldn't
5 fly to, or float to or snow machine to, but the
6 people in his area, we can only bring one

7 person in to train them for either ombudsman
8 services or employer outreach, military
9 outreach.

10 SENATOR BEGICH: Very good.

11 Thank you, Rich.

12 MR. DAVIDGE: Senator, I have one
13 quick thing I'd like to add.

14 SENATOR BEGICH: Very quick.

15 MR. DAVIDGE: I think it's time
16 to look at how we use our National Guard and
17 Reserves. We work with Guard and Reserve
18 people that are coming back. This is not what
19 they signed up for. That does not mean they
20 shouldn't serve. I'm simply saying, when you
21 sign up to be in the National Guard, you want
22 to serve in your State or at least in your
23 region, and the whole motivation of joining the
24 Guard and being involved in that kind of thing
25 is different than joining the active service.

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1 Our reliance on the Guard and Service Reserve
2 in my personal opinion and as a contact medic
3 in Vietnam is beyond the concept of how it was
4 originally set up. Nationally we need to look
5 at expanding active duty as opposed to relying
6 on Guard and Reserve because we're destroying
7 families; we're destroying economies; we're
8 destroying businesses as an unintentional
9 consequence to the way in which we're deploying
10 those men and women.

11 SENATOR BEGICH: Thank you very
12 much, Ric. Thank you all very much for your
13 testimony. Again, for the audience, if you're
14 not familiar with field hearings, all of this
15 enters into the Congressional Record. It helps
16 us determine efforts that we should make for
17 the veterans when we go back to Washington.
18 So, again, to all four of you, thank you very
19 much for your testimony and your participation
20 today.

21 Let's bring the next panel up.

22 Again, thank you. The next panel as they get
23 up here, we're reminding folks that if you have
24 additional questions or comments please utilize
25 the document that we have available in the back

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1 at the table. Please feel free to fill out the
2 comments. Again, we will have a roundtable in
3 Wasilla. We will have a roundtable in
4 Fairbanks, and then we're going out to Kotzebue
5 to hear from rural Alaskans about the delivery
6 of jobs and health care. Please have a seat as
7 we're sitting here. I'm just biding time,
8 that's what I'm doing as you get situated.

9 Thank you very much. We're going
10 to do a quick test on the mics. Let's try your
11 table over here. Just talk into the mic to see
12 how we're doing.

13 We have five panelists in this

14 next panel. What we'll try to do -- I know
15 people in the audience, as you hear the
16 testimony from this next panel, you may have
17 questions or individual comments that you want
18 to get to them or information. What we'll try
19 to do is allow a little flexibility as we
20 finish this hearing. There will be a couple of
21 us that have to do some other issues, but we
22 will ask that if you have questions, feel free
23 on the way out here that people can have
24 conversation, but limited, because today is a
25 field hearing. But, again, gives opportunity.

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1 Let me introduce the five panelists then we'll
2 go right through the list. As I read these,
3 it's not necessarily how you'll be called in
4 order. I want to forewarn you there.

5 The Honorable Ray Jefferson,

6 Assistant Secretary of Labor for Veterans'
7 Employment and Training.

8 Brigadier General Tom Katkus,
9 adjutant general, Alaska National Guard.

10 Mark Bilosz, director, Anchorage
11 Regional Office, Veterans Benefits
12 Administration, Department of Veterans Affairs.
13 I know you have a couple of folks accompanying
14 you.

15 Belinda Finn, Assistant Inspector
16 General for Audits and Evaluations, Office of
17 Inspector General, Department of Veterans
18 Affairs.

19 Jan Myers, Director, Family
20 Programs, Alaska Department of Military and
21 Veterans' Affairs. The order will be, just so
22 people will know and prepare mentally, the
23 Honorable Ray Jefferson, then it will be
24 Belinda Finn, Mark Bilosz, Brigadier General
25 Katkus, and then Jan Myers. Let's start with

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1 Ray Jefferson. Again, thank you very much for
2 attending and taking my offer up so fast. I
3 know we -- a month and a half ago, and I ended
4 by asking you to come to Alaska. I'm not sure
5 what you expected. I think you picked the
6 right week to be here as I said.

7 SECRETARY JEFFERSON: Aloha,
8 Senator. Senator Begich, veterans, citizens of
9 Alaska, members of the Anchorage community, I'm
10 thrilled and honored to be here today. I call
11 Hawaii home. This is my first time in Alaska.
12 I'm really excited for being here this week and
13 learning as much as I can. Let me talk about
14 three things: Who we are, what we do, and how
15 we're serving the veteran community in Alaska.
16 Who we are? Myself a veteran served with the
17 rangers and special forces, lost my hand to a
18 grenade in the line of duty, went through the
19 VA program and now I have the privilege of
20 serving as your assistant secretary for

21 veterans and employment.

22 As an agency we have 240 people
23 around America. Our mission essentially is
24 that we proudly serve these men and women
25 behind me today, these veterans and

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1 transitioning services members in America. We
2 prepare them in their quest for meaningful
3 careers, maximize their employment
4 opportunities, and we protect their employment
5 rights. We have five primary aspirations.

6 The first is serving as a
7 national focal point for veterans' employment.
8 That involves ensuring we serve all communities
9 with unique needs. Homeless veterans, women
10 veterans, veterans in rural areas, veterans who
11 have been wounded, ill, or injured, and
12 veterans who are members of the National Guard

13 and Reserve. We also want to increase
14 awareness of access to and participation in our
15 programs, and to do what we're doing today,
16 which is convening, collaborating, and
17 communicating with all of our stakeholders. We
18 work in partnership with Congress, sir, as you
19 know, and also Department of Defense, Veterans
20 Affairs, private sector, nonprofits, the VSOs,
21 ESGR, who is here today, as well, and other
22 government agencies. So, what are some of the
23 things that we're doing?

24 In addition to serving as a
25 national focal point, we also want to increase

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1 our second aspiration: Engagement with
2 employers, particularly the private sector. We
3 want to provide meaningful employment with
4 particular emphasis on green jobs and find

5 seamless transition for our transition services
6 members.

7 A fourth major aspiration is
8 boosting the impact of USERRA, by increasing
9 awareness of it and commitment to it.

10 And the fifth is providing
11 excellent service to our veterans and
12 transitioning service members. So how will
13 these five aspirations translate to what's
14 happening on the ground here in Alaska? Let me
15 start with one of our programs, jobs for
16 veterans State grants. We have 2000 employment
17 representatives around America. 13 of those
18 are here in Alaska. Eight are accessible
19 through the Anchorage and Fairbanks
20 communities. Some of these employment
21 representatives we call local veteran
22 employment representatives and they connect
23 veterans with employment opportunities. We
24 also have disabled veteran outreach program
25 specialists who provide intensive services to

1 disabled veterans. With our homeless veteran
2 integration program we have one standdown that
3 we handle every year in Anchorage. We also
4 want to do a much better job of serving our
5 Native American veterans. Thus far we've met
6 and convened a gathering of tribal leaders.
7 We're launching and completing a study to
8 identify best practices to serve Native
9 American veterans and we're also going to major
10 convening events of Native American tribal
11 leaders and tribal veterans this year. What we
12 want to learn from the Native American veterans
13 is what they need and how we can do a better
14 job serving them.

15 USERRA, employment rights.
16 Alaska has five to six complaints a year.
17 There's tremendous support for the veteran
18 community here. We want to make sure the
19 process of submitting these complaints is more

20 efficient and more effective, we're moving to
21 an electronic case management system and we're
22 implementing quality and process control
23 measures there.

24 Finally, the Transitional
25 Assistance Program. In Alaska, we have about

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1 60 employment workshops a year, and we have
2 roughly 1500 service members who transition out
3 of the military in Alaska each year as well.
4 We have a two-and-a-half-day employment
5 workshop and for the first time in 17 years
6 we're going through a complete transformation.
7 We want to make it more economically relevant,
8 immediately useful and engaging for
9 participants. We're going to shift it from the
10 current 268 slide show PowerPoint presentation
11 to something which is much more dynamic and

12 high energy with higher quality facilitation,
13 prepared template so veterans don't need to
14 restart their cover letter and resume every
15 time they prepare one, life and career
16 planning, resiliency training, stress reduction
17 techniques and also new best practice
18 assessments. So let me conclude, sir --

19 SENATOR BEGICH: You're sending
20 that to Congress?

21 SECRETARY JEFFERSON: Maybe we
22 can do a demonstration project.

23 (Chuckles.)

24 SECRETARY JEFFERSON: In
25 conclusion, sir, I'd like to say this: We met

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1 last time on November 18th. You invited me out
2 to Alaska and I called your office the very
3 next day. I don't want to assume that we're

4 doing the right things in Washington. We're
5 grateful and honored to be here with you this
6 week to learn from you, to learn from the men
7 and women seated behind me and also on this
8 panel to make sure that we're asking the right
9 questions, we're developing the best programs,
10 and what we're doing is valuable and will
11 provide veterans and transitioning service
12 members with the excellent service that they've
13 earned and that they deserve. Thank you, sir.

14 SENATOR BEGICH: Thank you very
15 much. Again, I'll do the same routine. I'll
16 ask each person who testified and then I'll
17 come back with a list of questions. The next
18 person on the panel is Belinda Finn. Let's
19 move that mic. Thank you very much.

20 MS. FINN: Thank you. Can you
21 hear me?

22 SENATOR BEGICH: Yes.

23 MS. FINN: Okay. Senator Begich,
24 thank you for the opportunity to be here today
25 to testify about our inspection of the VA

1 Regional Office in Anchorage, Alaska. With me
2 today is Mr. Brent Arronte, who is the director
3 of our Benefits Inspection Division. The
4 Benefits Inspection Program is an initiative to
5 ensure our nation's veterans receive timely and
6 accurate benefits and services. The OIG was
7 scheduled to review all 57 Regional Offices on
8 a five-year cycle. But we've recently began a
9 hiring initiative that will allow us to review
10 all of the offices in three years. During our
11 inspections, we've reviewed functional areas
12 and operational activities using five protocols
13 that cover claims processing, data integrity,
14 management control, information security, and
15 public contact. We report on our results as a
16 snapshot in time for each era. In the summer
17 of 2009 we conducted an inspection of the
18 Anchorage office focusing on 14 operational

19 activities and found that the office had issues
20 in meeting standards for 13 of those areas. We
21 concluded that the management team has
22 challenges in the oversight of operational
23 activities, improving insufficient network
24 capacity to support business processes,
25 providing training to staff, and managing an

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1 internal claims brokering process. We believe
2 that two issues contributed to the challenges
3 in management oversight at the office: First,
4 the VARO did not have a veterans service center
5 manager for approximately eight months during
6 fiscal year 2009, that position had been filled
7 shortly before our visit. Additionally, the
8 director of the office is actually located in
9 Salt Lake City and manages from afar. Both of
10 these positions are key in managing effective

11 operations in the office. Also, as you report,
12 as a result of the capacity issues, the
13 employees had difficulty in consistently
14 accessing the computer applications they needed
15 to perform their jobs. And the employees told
16 us this problem had been occurring for over a
17 year. We also noted that the director was
18 moving claims from Anchorage to offices in Fort
19 Harrison, Montana and Salt Lake City, Utah.
20 This movement of claims made it difficult for
21 the staff to manage the workload and associate
22 mail with the corresponding claim folder.
23 Because of this movement of work, we compared
24 the staffing levels in Anchorage to the Boise
25 VARO, and we found that the Boise office had 22

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1 additional full-time employees for a
2 comparable -- excuse me, inventory of rating

3 and nonrating claims. We recommended that the
4 director improve oversight of the quality
5 assurance process, develop a mail routing guide
6 to ensure proper mail processing, research the
7 causes and solutions to improve network
8 capacity issues and provide additional training
9 to staff. The director concurred with all of
10 our recommendations, and provided responsive
11 comments and action plans. Thank you, again,
12 Senator, for the opportunity to be here today.
13 Mr. Arronte and I would be pleased to answer
14 any questions.

15 SENATOR BEGICH: Thank you very
16 much. Let me ask Mark Bilosz, Anchorage
17 Regional Office, VA Benefits Administration,
18 Department of Veterans' Affairs next to
19 testify.

20 MR. BILOSZ: Thank you, Senator.
21 Senator Begich, it is my pleasure to be here
22 today to discuss our efforts in meeting the
23 needs of veterans residing in Alaska. I will
24 discuss important benefits and services
25 provided to veterans living in Alaska as well

1 as discuss concerns about the Anchorage
2 Regional Office, addressed in the recent VA
3 Office of Inspector General report. The
4 Anchorage Regional Office administers the
5 following benefits and services: Disability
6 compensation, pension benefits, vocational
7 rehabilitation and employment assistance, and
8 outreach for all veterans and survivor
9 benefits. Our goal is to deliver these
10 benefits and services in a timely, accurate,
11 and compassionate manner. This is accomplished
12 through the administration of a comprehensive
13 and diverse benefits program.

14 Currently a total of 34 employees
15 work in the Veterans Services Center and seven
16 employees work in the vocational rehabilitation
17 and employment division within the Regional

18 Office. Employees at the Anchorage Regional
19 Office are very motivated and provide an
20 excellent service to Alaska veterans.
21 Performance indicators revealed that the
22 Anchorage Regional Office is performing much
23 better than it has in the past, completing a
24 greater number of claims each month while
25 improving its accuracy. As the out-based

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1 director of the Anchorage Regional Office, I
2 visit the Anchorage office at least quarterly
3 and often more than that. I have also daily
4 discussions with division management to
5 maintain an open line of communication and
6 provide direction and oversight. A new VHA
7 clinic is scheduled to open in May, 2010 and
8 VBA has secured space at the new site.
9 Anchorage Regional Office is looking forward to

10 moving into this new space as it will provide
11 us with improved working space. In June, 2009
12 a new Veterans Service Center Manager reported
13 to duty at Anchorage. The Veterans Service
14 Center Manager position was vacant for
15 approximately 8 months. This position was
16 vacant due to a difficult task in recruiting an
17 experienced individual to the Anchorage area.

18 Additionally, the Anchorage
19 Regional Office has recruited and hired two new
20 supervisors. The appointment of the new
21 supervisors has had a positive impact on the
22 overall management and performance of the
23 office this fiscal year.

24 For example, rating inventory has
25 trended in a positive direction every month

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1 this year. Compared to December of last year,

2 the Anchorage RO completed 226 more claims this
3 year, showing an increase of about 16 percent.
4 In addition, rating and authorization quality
5 have both shown improvement.

6 In fact, due to the focus on
7 internal training within our office, rating
8 quality at the Anchorage RO exceeds the
9 national average. The Anchorage vocational
10 rehabilitation and employment division is one
11 of the top performing divisions in the nation.
12 It was identified as a top performer in fiscal
13 year 2009 with a VA Level II Performance Award.

14 In addition to providing
15 improvements in quality, the management team
16 has successfully implemented several policies
17 pertaining to the workload that I would like to
18 highlight, a policy for the timely corrective
19 action of errors identified by the VBA,
20 national quality review program was
21 implemented. A policy outlining control and
22 tracking of claims folder was implemented.
23 This policy provides for better control of the
24 location of the claims folders. The management

25 team implemented a consistent local quality

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1 review process to complete timely quality
2 assurance reviews that ensure veterans' service
3 representatives are establishing direct data
4 claims. A most recent review completed in
5 January showed only a 1 percent error rate. As
6 VBA has an ethical and legal responsibility to
7 maintain adequate controls over all date stamps
8 throughout our facilities, two new electronic
9 date stamps with locking devices are now in
10 place and both stamps remain in secure
11 locations. The Veterans Service Center also
12 has taken action to more efficiently safeguard
13 veterans' personal identifiable information.
14 All employees will receive training on the
15 proper safeguard and destruction of materials,
16 desk inspections of work stations and common

17 areas are performed regularly.

18 In September, 2009 a new work
19 flow plan was implemented to ensure Veterans
20 Service Center staff would properly control and
21 process all mail. To ensure Congressional
22 inquiries are processed in a timely and
23 accurate manner, a new policy for handling
24 Congressional correspondence was implemented in
25 November of '09. Our goal is to complete

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1 Congressional inquiries within five days. So
2 far this fiscal year we're under that at 4.3
3 days. The VA Office of Inspector General
4 conducted an inspection of the Anchorage
5 Regional Office during the summer of 2009. The
6 OIG report recommended 12 areas of improvement.
7 Action has been taken to correct the
8 deficiencies as identified by the OIG. Those

9 items have been addressed in my oral and
10 written testimony that you've received today.
11 With the help of OIG report findings, specific
12 shortfalls of the Anchorage Regional Office
13 have been identified and action plans are in
14 place. The VA senior leadership is committed
15 to providing the necessary resources, funding
16 and employees and facilities to the Anchorage
17 Regional Office which were the best possible
18 services provided to the Alaskan veterans and
19 their families. I'm fully committed to
20 continue to improve claims processing in
21 Alaska, Mr. Chairman. This concludes my
22 testimony. I greatly appreciate being here
23 today and I look forward to answering any of
24 your questions.

25 SENATOR BEGICH: Thank you very

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1 much. I know you have two individuals with you
2 also. We'd like to introduce them. Willie
3 Clark, who is the Western Area Director. And
4 Patrick Kelley, Veterans Service Manager for
5 the Anchorage Regional Office. Thank you for
6 being here. I will have some questions as you
7 can guess. I'd like to now introduce,
8 Brigadier General Tom Katkus.

9 GENERAL KATKUS: Good morning,
10 Senator.

11 SENATOR BEGICH: If I can say one
12 comment for all Alaskans. You should be very
13 proud of the Brigadier General. He was there
14 in Washington, D.C. last week with the snow as
15 deep as can be, but he kept his appointments
16 with his team. I thank you for that.

17 GENERAL KATKUS: Senator, I have
18 more snow in my front yard at home.

19 Senator, I'm a member of an
20 organization, a very proud privileged position
21 that takes a holistic view of its membership.
22 We have programs in place to look and mentor
23 and develop young children and young adults

24 into the military. We take care of our
25 military members through paid compensation

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1 training, and then we take care of those
2 veterans that leave the organization through
3 retirements, national cemeteries, et cetera.
4 What I'd like to report on is one particular
5 portion that was very small but has been a very
6 intricate part of Alaska, and that's the Alaska
7 Territorial Guard. They didn't fit too many
8 molds that were out there and through a great
9 deal of effort I'd like to report a very
10 positive aspect. As of February 1st the
11 federal government reinstated all of the ATG
12 members' retirement benefits. There was a lot
13 of bureaucratic process to get this
14 accomplished. There's been a great deal of
15 confusion about how the ATG veterans were

16 credited with this act of service that they
17 performed between 1942 and 1947. Each member
18 that received his discharge was credited with
19 five years again of active federal service.
20 And these five years have a monetary impact on
21 veterans only if they served in the National
22 Guard or active duty for 15 or more years and
23 this five years of Alaska Territorial Guard
24 time made them eligible for a federal
25 retirement. The State of Alaska does not

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1 consider the five years of active federal
2 service toward the Alaska National Guard state
3 annuity unless this provides the veteran enough
4 credit for the National Guard retirement. Of
5 roughly 6,500 members of Alaska Territorial
6 Guard between 1942 and 1947, we have received
7 1,592 discharge applications from veterans or

8 family members. Of that number, 1,057 ATG
9 discharges have been received from the U.S.
10 Army. We have over 72 charges that are pending
11 certification by the Army Personnel Center. We
12 had 149 discharges of the 163 living Alaska
13 Territorial members that we've identified. Of
14 those, six applications are pending
15 certification in St. Louis and eight have not
16 applied as of this time. Our plan is to
17 continue presenting these discharges at
18 ceremonies in each member's community. In
19 2009, we had posted over 20 such ceremonies in
20 villages throughout Alaska. There are
21 currently 22 ATG members eligible for military
22 retirement. They each spent 20-plus years of
23 active military service with additional ATG
24 time that we've managed to credit. That now is
25 calculated into their retirement check and

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1 adjusted accordingly by the defense accounting
2 system. We're continuing to research to find
3 other members who now qualify for retirement as
4 a result of this act of federal service. We
5 have found four new ATG members eligible.
6 Three will be receiving or have received their
7 check on the 1st of February and the fourth
8 will be receiving his check March 1st. Another
9 benefit of this investigation into the ATG:
10 Along with retirements from service, survivors'
11 benefits are awarded the widows of those
12 members. We've worked hard to dig through the
13 military personnel records and found that there
14 were 15 -- find all the ATG members that had 15
15 years of National Guard service. As a result
16 of this search, we've identified 32 spouses
17 that might receive survivor benefit payments
18 now. As of the 27th of January, all 32
19 packages have been sent to the auditors at
20 St. Louis. They'll go through to make sure
21 that all time is calculated properly, and those
22 spouses who are eligible will start receiving

23 the monthly survivor benefits. That's
24 approximately 55 percent of the base pay of
25 their spouse. This also includes health care.

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1 With those numbers from the ATG service, the
2 list goes on. We found that six members of the
3 ATG who were eligible for the National Guard
4 are now eligible for State retirement with the
5 National Guard. So these retirement documents
6 were sent to the Division of Retirement for the
7 State, they'll review them and now that they
8 are officially retired from the National Guard,
9 they are eligible for the State annuity. So
10 it's not five years of active federal service,
11 but rather 15 years of State annuity as they
12 were members and in employment of the State
13 after 1969. The VA offers a grave marker free
14 of charge for each veteran. We initially had

15 problems last summer when the VA would not send
16 markers to the Post Office boxes. After
17 discussing this issue with the director of
18 mortuary services, this was corrected and our
19 ATG veterans now receive this honorable
20 benefit. I would be remiss if I did not
21 mention the Alaska National Guard military
22 funeral honorary team, which is supported by
23 National Guard Bureau. The team has a motto of
24 honoring those who serve. And this is
25 reflected by the willingness to serve any place

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1 any time. Last year the funeral honors team
2 provided 158 services to service members
3 throughout Alaska.

4 Additionally, as it applies to
5 ATG veterans, if they did not receive an honor
6 ceremony in the past, the team will go out and

7 do the service and present the flag to the
8 family. Senator thank you for your time today,
9 and thank you, personally for the efforts that
10 have been made by the Congressional delegation
11 over the past years to make sure that this very
12 small, but very important piece of Alaska's
13 history and our veterans was -- was reflected
14 positively and service to them could be
15 completed.

16 SENATOR BEGICH: Thank you very
17 much, General. Let me ask the last presenter,
18 Jan Myers, director family programs, Alaska
19 Department of Military Veterans Affairs. We
20 want to see how that mic works. We may do a
21 little swap. We'll see how that works.

22 MS. MYERS: Good morning, sir.
23 My name is Jan Myers, and I would like to thank
24 you for the opportunity to speak to you today.
25 I serve as the Alaska National Guard state

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1 family program director and as such have
2 oversight of programs designed to assist and
3 care for our military veterans and their
4 families. We are available 24 hours, 7 days a
5 week and 365 days a year with high quality
6 troop and family support to meet the needs of
7 our service members, veterans, and their
8 families. I will briefly describe some of
9 those programs pertinent to today's discussion.

10 The Alaska National Guard family
11 assistance centers offer information and
12 referral services to troops and families from
13 all military branches, whether active, guard
14 reserve, retired or not. Professional
15 consideration and confidentiality are
16 fundamental elements found at each family
17 assistance center. With topics running the
18 gamut from personnel issues requiring advice to
19 difficult challenges resulting in referrals to
20 outside researches. We have nine family
21 assistance centers throughout Alaska that are

22 ready to serve assisting military members,
23 veterans, and their families in building strong
24 resilient communities. Our sexual assault
25 prevention and response program's mission is to

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1 end sexual violence and ensure high-quality
2 comprehensive and preventative measures,
3 encouraging competent service members and
4 families. We also promote change that fosters
5 a military environment that is responsive to
6 victims and survivors of sexual assault. The
7 suicide prevention program recognizes the
8 seriousness of suicidal behaviors and potential
9 within the military. The mission is to
10 implement appropriate control measures that
11 address and minimize the risk factors of
12 suicide while strengthening the factors that
13 mitigate those risks. We aid and equip

14 commanders and leaders with skills and
15 resources necessary to combat suicide by
16 providing quality interactive training on
17 prevention, intervention and postvention. We
18 work to ensure early identification and
19 treatment of emerging deployment-related health
20 concerns for our troops and veterans. Through
21 our military life consultants we provide
22 short-term nonmedical solution-focused
23 counseling services to individuals, couples,
24 and families. We advocate psychological
25 fitness for our members and their families

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1 through the office of our psychological health
2 director. We also provide training on topics
3 related to military life and everyday issues.
4 The child and youth program helps our youth
5 understand why family members serve in the

6 military and introduce coping skills to deal
7 with the stresses of deployment. Employer
8 support of Guard and Reserve seeks to promote a
9 culture by which all American employers support
10 and value the military service of their
11 employees. The Alaska committee conducts
12 employer and military outreach and an ombudsman
13 program to recognize outstanding support,
14 increase awareness of the law, and resolve
15 conflicts through mediation. We are evolving
16 now to assist troops with finding jobs. The
17 transition assistant adviser is the statewide
18 point of contact to assist members in assessing
19 veterans' affairs, benefits and health care
20 services. They provide assistance in obtaining
21 entitlements through the TRICARE military
22 health system and -- and access to community
23 resources whether our troops are going from
24 civilian life to active duty or retiring. We
25 are there to help them through the process.

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1 We also provide assistance with
2 education benefits to ensure all members have
3 an opportunity to attain their educational
4 goals. Our honor guard, as the General
5 mentioned, performs funeral honors in
6 accordance with service tradition to all
7 eligible veterans when requested by an
8 authorized family member. Our yellow ribbon
9 program provides information and referral for
10 service members, families and employers
11 throughout the deployment cycle. The yellow
12 ribbon reconnecting veterans program is a
13 partnership constituted between Alaska National
14 Guard, Alaska Veterans Affairs, and Veterans
15 Service officers from the State and was funded
16 through a federal appropriation. This program
17 has been operating since January, 2009 and the
18 goal is to visit every village in our great
19 state while assessing our veterans' needs. To
20 date nearly 125 villages have been connected

21 and 1,021 veterans or family members have been
22 personally briefed, questions answered, and a
23 survey filled out. We also provide VA
24 applications for our veterans. The outreach
25 team has found older veterans, including the

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1 Alaska Territorial Guard or their family
2 members to be our biggest audience. They
3 appreciate our effort and applaud the
4 follow-up.

5 All 42 of our folks are available
6 to travel where the need is and we service all
7 branches no matter what status. I appreciate,
8 again, your time for me to be here.

9 SENATOR BEGICH: Thank you very
10 much. Let me -- we're going to be tight on
11 time. I'm going to walk through a few things
12 here. I don't want to go too far past noon, I

13 know that Anchorage assembly and the mayor
14 would not want me to sit in the seat too long.

15 (Chuckles.)

16 SENATOR BEGICH: They have so
17 much business to take care of tonight. I'll
18 leave it at that. Let me first ask a couple --
19 first, thank you, Ray, for coming here this
20 long distance and being part of Alaska that we
21 think are out here. One thing you mentioned
22 for me, I wanted to follow up. It wasn't here
23 that you talked about, it was outside the
24 building, we were talking about the tour of the
25 VA building. You talked about new job

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1 opportunities in regard to technology and the
2 Internet. Can you just, for the record, put on
3 the record what you envision there?

4 SECRETARY JEFFERSON: Yes.

5 SENATOR BEGICH: I thought that
6 was interesting, especially for us here in
7 Alaska, a new avenue.

8 SECRETARY JEFFERSON: Sir, one of
9 the things I've been looking at is: How do you
10 provide value and help veterans in rural
11 America? Communities where you don't have
12 Fortune 1000 companies, have smaller
13 enterprises, and where people are
14 geographically dispersed. It's hard to move
15 around. We're going to be in Kotzebue on
16 Wednesday, Thursday. How do we -- what could
17 be the innovative solution, one of the things
18 that I want to explore is the value of e-
19 commerce, Internet-based home businesses, where
20 an individual using the Internet can create a
21 whole business around us. There's actually an
22 interesting book out which has been a "New York
23 Times" best seller maybe a year now called the
24 four-hour workweek that lays out the whole
25 model. I think you want to spend more than

1 four hours a week on it.

2 SENATOR BEGICH: We're looking
3 for that job.

4 SECRETARY JEFFERSON: This
5 individual has done quite well for himself, for
6 no other reason than for the book. On a
7 serious note what we want to look at, is this a
8 model that can be used for veterans in rural
9 America. One of the things I mentioned as I'm
10 working out in Washington, is to bring all the
11 government agencies that touch most of the
12 business development together so we can work as
13 a synergistic team. The Department of
14 Commerce, Small Business Administration, the
15 Minority Business and Development Agency, for
16 all of us to come together and say: How can we
17 better serve veterans in America? What do we
18 currently have? Let's make sure that all
19 veterans are aware of everything that's out

20 there. What are some of the new opportunities
21 such as this e-based commerce again in a home-
22 based business?

23 SENATOR BEGICH: All of those
24 agencies have aspects that they're working with
25 in some form or another.

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1 SECRETARY JEFFERSON: Yes, we are
2 not communicating with one another. We need to
3 break that stovepipe down and I'm working on
4 that now.

5 SENATOR BEGICH: Are you going to
6 be in essence, I don't want to put words in --
7 I'd like you to be, all powers that be, are you
8 going to try to be the lead convenor of that --

9 SECRETARY JEFFERSON: Yes.

10 SENATOR BEGICH: I know one
11 thing, local bureaucracy, federal is even a

12 much different ball game, who takes the lead
13 and puts effort into. Is that what you're
14 thinking that you should be able to do? Or are
15 you looking for a partner to do that?

16 SECRETARY JEFFERSON: In the
17 short time I've served in this position, we do
18 like to be action oriented. My understanding
19 is all heads are stepping up to bring the
20 meeting together. We're working to make it
21 happen, before the holidays, a little
22 challenging with people's travel schedules.
23 We're working right now. My goal is to get the
24 agency heads together, get commitment to the
25 senior level, and cascade that down to all the

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1 states.

2 SENATOR BEGICH: You will start
3 with the convening of that?

4 SECRETARY JEFFERSON: Yes.

5 SENATOR BEGICH: Can you keep us
6 informed, at least myself and the committee?

7 SECRETARY JEFFERSON: Yes, sir.

8 SENATOR BEGICH: The other
9 comment is that I appreciate your review of
10 your 268-page PowerPoint.

11 SECRETARY JEFFERSON: Page by
12 page.

13 SENATOR BEGICH: I don't know if
14 I've ever seen or done a 268-page PowerPoint.
15 I can only imagine the effectiveness of that.
16 So I only -- I say that because it sounds like
17 you understand that just doesn't work.

18 SECRETARY JEFFERSON: It doesn't
19 work, sir. And this was a well-intentioned
20 program. One of the things that we talk about
21 as an agency is, one, transformation; and two,
22 incorporating best practices. So what are the
23 adult learning principles? We know it's having
24 people do things. We want to have them doing
25 and practicing their skills doing employment

1 workshops and then bringing in the best
2 practices which I previously mentioned so
3 there's new content. They enjoy it; they can
4 use it immediately, and it has long-lasting
5 benefit to the service member.

6 SENATOR BEGICH: Very good.
7 Thank you. Belinda, I have a couple -- first,
8 I appreciate the report that was done. I
9 think, you know, for your capacity, to now do
10 reviews not every five years but now every
11 three years is probably a huge benefit for the
12 Regional Offices, because I think there's
13 always room for improvement no matter what
14 you're doing. And your office went through a
15 lot of issues, and I want to follow up and make
16 sure I understood what you had said, and that
17 is the areas of concern, the Regional Office
18 has accepted those as areas of concern and are

19 taking action to do something. Is that -- did
20 I hear you say that right? That there was no
21 disagreement, necessarily, but they recognized
22 them. They acknowledged them. Am I saying
23 that correctly?

24 MS. FINN: Yes, sir, they
25 accepted all of the recommendations. While the

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1 team was on staff, there was discussion back
2 and forth on the various issues that we found.
3 But the office did concur with all of our
4 recommendations and proposed appropriate
5 actions.

6 SENATOR BEGICH: And what will be
7 your follow-up from your agency and your staff?
8 How are you making sure that what they have
9 committed to is fulfilled and there's actually
10 results? In other words, the plan may be a

11 good paper plan, but what happens to make sure
12 that you can come back and say this is exactly
13 what we hoped for and, jeez, there some --
14 what's your mechanism to do that?

15 MS. FINN: In this case, our
16 mechanism generally will be our second visit to
17 each Regional Office that hopefully will take
18 place somewhere between three to five years,
19 depending on how soon we hire everybody and how
20 the schedule works out.

21 SENATOR BEGICH: Is there
22 anything we can do, especially -- I'm one of
23 these, we do -- when I was mayor we did audits
24 all the time; we always had a team that would
25 follow up on a regular basis. If you wait too

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1 long, the systems don't get corrected as
2 quickly as you like. They may get corrected,

3 but they're not really producing results. Is
4 there a mechanism to speed that up at all, or
5 is it just really a staffing issue that you
6 have to make sure that you have a lion's staff
7 to follow up?

8 MS. FINN: The Senate and the
9 House Veterans Affairs committee have been very
10 supportive of our inspection program and
11 provided more resources so that we could
12 increase our cycle. I think the other action
13 is to continue to keep the focus on our
14 findings through hearings such as this.

15 SENATOR BEGICH: Excellent. And
16 do you think the types of recommendations that
17 you've made are assuming from your perspective
18 they're reasonable, but do you think it's what
19 is going on in the Anchorage region, how do we
20 compare, I guess, to other regions as you're
21 reviewing? Are we -- I'm not sure what the
22 right phrase is. Are we in the middle, in the
23 bottom, on the top? How do we fit in the
24 bigger picture of Regional Offices when it
25 comes to the VA and its administration?

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1 MS. FINN: We did cover that in
2 our written testimony that will be part of the
3 record, and Anchorage is somewhere in the
4 middle. I will say that our inspection -- our
5 protocols and our team, they are pretty tough,
6 because all of our inspectors are folks who
7 used to work at VBA and so they know the
8 process.

9 SENATOR BEGICH: They know it
10 all.

11 MS. FINN: They know where the
12 errors occur. Brent, our director, here spent
13 eight years with VBA before coming to the IG.
14 So none of the offices that we have inspected
15 so far have gotten a clean bill of health.
16 Everybody -- every office has had some type of
17 issue.

18 As far as the percentage of
19 errors, Anchorage is in the middle. Baltimore
20 was the highest office with issues, and
21 Anchorage followed them. However, I will say
22 that when we looked at particular claim folders
23 and looked at the errors on those, we had
24 only -- of the errors we found, a number of
25 those are procedural, and Anchorage had three

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1 errors that actually affected veterans'
2 benefits, and I think, Brent will correct me if
3 I'm wrong, that in several other offices, that
4 rate has been much higher with where the errors
5 affected benefits a lot more.

6 SENATOR BEGICH: So, a lot of
7 what was occurring here was process and as you
8 shook it down, all the way down to the levels
9 of the benefits they received there was minimal

10 or there was still benefit impact, but not like
11 some others.

12 MR. ARRONTE: Yes, normally,
13 that's correct. There was a higher rate of
14 procedural problems, like Belinda said, there
15 were three, the disability claims that actually
16 affected the veteran's monthly benefit. And I
17 believe that's probably one of the lowest rates
18 of the seven or eight offices that we had
19 visited.

20 SENATOR BEGICH: I want to thank
21 you. I'm going to zip over, take a few minutes
22 and go until about ten after. Mark, if I can
23 ask you a few questions. Thank you for the
24 tour of the office today. I do have to say the
25 office is small and cramped and I know you're

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1 looking forward to better space to actually be

2 able to better process the claims and it's in a
3 better environment. I can tell you I can only
4 imagine what that's like when the load gets
5 heavy. But let me ask: When you were going
6 through your list, maybe you were just going
7 through it, I know in your testimony you had
8 some notations on it. I want to say verbally
9 for the record: What efforts are you doing
10 with regard to the training? I thought you
11 pointed out in the report, training was one of
12 the issues for employees. I mentioned a little
13 bit to me. What are you doing to train up your
14 employees to be better qualified to handle
15 these or better prepared, I guess would be a
16 better phrase.

17 MR. BILOSZ: We're making an
18 investment. We are taking the time to have
19 weekly training sessions with our employees.
20 We're reviewing the errors that are being found
21 on national quality reviews and also the errors
22 that are being found on our local quality
23 reviews and incorporating those as part of our
24 training program. This has helped us to really

25 improve our training. We, again, appreciated

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1 the Office of Inspector General's report where
2 we took all of the areas that they found in
3 there that we needed to improve on and
4 incorporated that as part of our review period.
5 We've used that.

6 SENATOR BEGICH: As you've
7 reviewed, I know they're in your testimony.
8 Are those measurements that your employees know
9 that that's what you're measuring to? These
10 are some of the measurement metrics you're
11 going to use in the long term, or is it more of
12 a management knowledge? Do the employees
13 understand how they're being measured?

14 MR. BILOSZ: Yeah. We share
15 that. That's part of their training to
16 understand what we're doing, how what we do

17 affects our services to veterans. You may not
18 have noticed as you zipped right into the
19 office. There was a big white board when we
20 walked in and it had a lot of the data on it.
21 The employees see it when they come in. They
22 know how what they do affects the claims
23 process and how what they do affects the
24 quality of the claims process, too.

25 SENATOR BEGICH: During the tour,

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1 I forget which one mentioned to us, but the
2 staffing levels that you now have, how many of
3 those folks are new to the process in the last
4 year or -- I forget. Some discussions
5 occurred, I don't remember --

6 MR. BILOSZ: We have six rating
7 specialists that actually do the -- do the
8 rating decision for veterans. And three of

9 those have less than six months of experience.
10 We feel that six is adequate to get the job
11 done, but they have to be fully trained, so we
12 are ramping up the training with those folks so
13 that they're able to process claims as quickly
14 as they can.

15 SENATOR BEGICH: Do you have a
16 high turnover rate that is caused by some
17 factor that's explained? -- or just the stress
18 level, I'm sure. I went through one office of
19 the VA. What is it like there?

20 MR. BILOSZ: It hasn't been a
21 high turnover rate. I think that -- I think
22 that we've had a few people leave over the past
23 year and we've also replaced them, obviously.
24 We've also increased our staffing level from
25 about 28 or 29 to 34, so we've had new people

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1 come on board. We've also promoted some folks.
2 As I said we have two new supervisors that came
3 up through the ranks and, again, that's left a
4 little bit of a void there in the short term.

5 SENATOR BEGICH: Do you have a
6 question, comment, Patrick?

7 MR. KELLEY: I do not feel -- we
8 do not have a high turnover rate, but we have
9 people that will transfer down to the Lower 48
10 and get out of the VA down there and that's
11 generally when their spouse transfers through
12 the military or such as that. But we haven't
13 had anyone just quit with the exception of one
14 employee, just quit.

15 SENATOR BEGICH: Very good. One
16 of the comments was the review from Salt Lake
17 City and kind of how that connection is.
18 Comment on that?

19 MR. BILOSZ: Pat is the Veterans
20 Service Center Manager. He's responsible for
21 the day-to-day operations of the office. Me
22 being the director there, I have oversight over
23 Pat to ensure that he's -- he and the service

24 center are performing the way they should be,
25 making sure that when we have a process in

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1 place that it's being accomplished. So, again,
2 Pat and I talk daily. We have more formal
3 meetings a couple times a week. So, we're all
4 on the same page as to what is occurring in the
5 office.

6 SENATOR BEGICH: Is it
7 possible -- and going to move to two last
8 questions for a couple of folks remaining
9 here -- but I want to first thank you folks for
10 testifying on the record. Can you prepare --
11 you'll be -- by June you'll be at least six
12 months, you know, you'll be longer, you'll have
13 a lot of time under your belt. You had some
14 interesting statistics that you had mentioned
15 this year already. Can you by June be able to

16 prepare a data point report that you could
17 present at least to me and the committee to
18 give us an understanding of kind of where
19 you're at compared to a year ago? And how that
20 also addresses some of the concerns that the IG
21 has brought up. Is that -- is that something
22 you can do?

23 MR. BILOSZ: Absolutely.

24 SENATOR BEGICH: I'd be very
25 interested in that. Your metrics you used to

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1 measure were impressive the last nine weeks of
2 this year. I want to compare a longer period
3 of time and compare a flow. And if you
4 wouldn't mind presenting it, that would be
5 fantastic.

6 MR. BILOSZ: Absolutely.

7 SENATOR BEGICH: Two quick

8 things, then we're going to close off. But
9 first, General Katkus, I want to say thank you
10 all for the effort with the ATG. I'm impressed
11 that you are finding more and -- being able to
12 find folks who are eligible for benefits, so I
13 want to thank you for that.

14 Is there anything more we can do
15 in the system to help from the federal end with
16 regards to this, or what we've done in the
17 change of law to kind to give you the tools you
18 need?

19 GENERAL KATKUS: Sir, there was
20 one last area of concern. That was the federal
21 association to use National Guard resources to
22 help on this. Your letter to General Carpenter
23 resulted in my being notified on the way over
24 here that he has funded a federal position to
25 assist on that. I think that was the last

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1 hurdle we had.

2 SENATOR BEGICH: Did he know you
3 were coming to this hearing?

4 GENERAL KATKUS: I think it was
5 just timing, sir.

6 SENATOR BEGICH: The position
7 will be funded by them?

8 GENERAL KATKUS: Yes, sir.

9 SENATOR BEGICH: Excellent. That
10 will assist you in your efforts. Fantastic.
11 That's great news. Thank you for you and your
12 team and all the folks.

13 The other thing I wanted to ask
14 is what Rich Owens brought up, and that is
15 maybe a dual question to you and Jan. You
16 heard the concern that the well times, the
17 deployment times are having more of an effect
18 especially on the small businesses, not
19 necessarily the large businesses, but the
20 smaller operations. It's starting to see some
21 impact. Are you preparing or are you looking
22 at that issue in a -- kind of a vetted measure,

23 rather than waiting for it to grow into a
24 bigger problem? Is that something that is a
25 concern to you? I heard from Rich. It makes

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1 me nervous, a little bit, to be frank.

2 GENERAL KATKUS: I'll start off
3 before Jan. I'm sure she's got some answers on
4 that, also. As commander of the National
5 Guard, we're going to affect soldiers and
6 airmen in their career paths, because they're
7 going to be away from the job. Those
8 businesses have to be engaged. We have to
9 engage them in a positive way. We try to do
10 that in recognition programs. We try to keep
11 them informed. We try to keep them involved
12 and stress the importance, how each drill
13 during the preparation time that the soldier
14 airmen go to, how important that is to keep

15 their boots on the ground to eliminate one-year
16 deployment so that that has predictability
17 also. I think that the nation as a whole, all
18 is in concert that we are at war and they're
19 making sacrifices. But those small businesses
20 continue to make sacrifice after sacrifice.
21 Now after eight years, it is a concern, and
22 we'll do our level best to continue to engage
23 those. But if anyone has ideas on how to
24 better compensate the businesses or make up for
25 that loss of an employee, we'd be certainly

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1 open to support that and try to engage on those
2 areas.

3 SENATOR BEGICH: Jan, do you have
4 anything to add to that?

5 MS. MYERS: Just that they are
6 moving toward finding jobs and different jobs

7 that possibly they can do with the rotation
8 that we have coming up. More to come.

9 SENATOR BEGICH: Maybe that's --
10 Ray, you gave some good commentary on kind of
11 bridging this larger group of agencies and
12 maybe part of that could be -- I'm assuming
13 you're thinking this. If not, I don't want to
14 assume the obvious, the Guard and how they
15 participate in that small business community.
16 Maybe there's an opportunity to figure out the
17 work you're doing and getting this connection
18 together. It does make me nervous. My wife
19 runs four small businesses. I was a small
20 businessperson for many, many years. The
21 plumber example you gave, I actually had that
22 situation with my plumber. He has three, and
23 one has gone off and on when that happens the
24 workload shifts, and you end up at the bottom
25 of the list, literally.

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1 SECRETARY JEFFERSON: We actually
2 met with the national director of ESGR right
3 before the storm a week and a half ago, and
4 we're going to talk about looking at some
5 things, because it's a challenge. With 90
6 percent -- use Hawaii as an example, because
7 Hawaii and Alaska have a lot of similarities.
8 90 percent of the companies are small
9 businesses -- 90 percent of those have less
10 than 10 employees. What do you do when one or
11 two of those are deployed? I think what
12 General Katkus was talking about is exactly the
13 way to look at this: Are there some ways we
14 can provide a temporary fill or a temporary
15 solution? So we want to talk to ESGR about
16 that and see what options we can come up with.

17 SENATOR BEGICH: Could you keep
18 us informed on that?

19 SECRETARY JEFFERSON: Yes, sir.

20 SENATOR BEGICH: Very good.

21 Jan, I'd be very interested in

22 the information on the work you're doing with
23 regard to suicide prevention. It's a growing
24 concern from my other role as a member of the
25 Armed Services Committee. We have had this on

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1 our agenda a couple of times, and it's a
2 growing concern of how we handle it, especially
3 the numbers have not decreased; they're
4 increasing. What do we do to do as much
5 preventative work? I know from the Department
6 of Defense they're having mental health workers
7 now in the field, which is a huge plus. They
8 have a lot to hire. They're going to the field
9 rather than waiting for the back end. I'd be
10 very interested, if you wouldn't mind, to maybe
11 share with our staff at some point some of the
12 ideas that you're working on, some of the work
13 you're doing specifically, and things that you

14 think we could be doing in this area to have a
15 positive effect. Not only on veterans, but,
16 obviously, our active military and what we can
17 do and be doing more as preventative work. If
18 you're willing to do that -- I was very
19 intrigued by some of your conversation on that.

20 MS. MYERS: Sure. Love to, sir.

21 SENATOR BEGICH: Thank you very
22 much.

23 Let me end there. Thank you.

24 We've run over a little bit.

25 SECRETARY JEFFERSON: Sir, if I

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1 could make one comment. We have our state
2 director for veterans employment and training
3 here, if I can just briefly introduce him. For
4 any veterans who are unemployed or who know
5 someone who is unemployed, or just seeking a

6 job change, this is our state director for
7 veterans employment and training. Please
8 contact him. He will get you access to the
9 employment representatives for Alaska. This is
10 a portal, and we are ready and eager to help
11 those veterans in Alaska find meaningful
12 employment in their careers.

13 SENATOR BEGICH: Thank you very
14 much. Thank you to all those that traveled a
15 great distance to be here. Thank you for being
16 at the hearing today. I appreciate all the
17 commentary. Again, all your statements,
18 written and verbal, will be in the record to be
19 shared with the Committee. Thank you very
20 much.

21 At this time the meeting is
22 adjourned.

23 (Field hearing adjourned at 12:15
24 p.m.)

25

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1 CERTIFICATE

2

3 I, SANDRA M. MIEROP, Notary Public

4 for the State of Alaska, and Certified
Shorthand

5 Reporter, do hereby certify that the foregoing

6 proceedings were taken before me at the time
and

7 place herein set forth; that the proceedings
were

8 reported stenographically by me and later

9 transcribed by computer transcription; that the

10 foregoing is a true record of the proceedings

11 taken at that time; and that I am not a party
to,

12 nor do I have any interest in, the outcome of
the

13 action herein contained.

14 IN WITNESS WHEREOF, I have hereunto set

15 my hand and affixed my seal this 3rd day of
March,

16 2010.

17

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19

SANDRA M. MIEROP
Notary Public, State of Alaska
My commission expires: 9/11/12

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