

Richard Schneider EXECUTIVE OFFICER for Governmental Affairs, Non Commissioned Officers Association

STATEMENT

OF

Richard Schneider EXECUTIVE OFFICER for Governmental Affairs

BEFORE THE

SENATE COMMITTEE ON VETERANS AFFAIRS

UNITED STATES SENATE

ON THE

NON COMMISSIONED OFFICERS ASSOCIATION

VETERAN LEGISLATIVE AGENDA FOR 2006

March 9th, 2006

NON COMMISSIONED OFFICERS ASSOCIATION  
OF THE UNITED STATES OF AMERICA

NCOA LEGISLATIVE AGENDA FOR 2006

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Chairman Craig, Ranking Minority Member Akaka and members of the Senate Committee on Veterans Affairs, the Non Commissioned Officers Association of the USA (NCOA) is very appreciative for the opportunity to formally present its 2006 Legislative Agenda to the Senate Committee on Veterans Affairs. The fact that the leadership of this Committee determined on short notice to provide this hearing opportunity when the concept of an historical Joint Hearing was abandoned is in the judgment of NCOA indicative of your support of America's veterans, their families and survivors.

I am Gene Overstreet, 12th Sergeant Major of the United States Marine Corps (Retired), President and Chief Executive Officer of the Non Commissioned Officers Association. I am joined today by CMSgt Richard C. Schneider, USAF (Retired), NCOA Executive Director of Government Affairs; and MSG Matthew H. Dailey, USA (Retired), Military Affairs Associate of the Association's National Capital Office.

Introduction:

NCOA is privileged to represent active duty enlisted service members of all military services, the United States Coast Guard, associated Guard and Reserve Forces as well as veterans of all components. We are in 2006 ever cognizant and vigilant of the sacrifices associated with duty in the Uniformed Services of the United States of America during the Global War on Terrorism.

NCOA representation of enlisted members from all services and components makes it unique and enables it to provide a full and comprehensive perspective on active duty, veteran and survivor issues for the Administration and this Congress.

The Association provides for these members and their families through every stage of their military career from enlistment to eventual separation, retirement and on to their final military honors rendered on behalf of a grateful Nation. The Association defines well its membership service as 'cradle, or enlistment, to grave' and then continues to provide services to the veterans surviving family members.

NCOA is guided in its legislative role by resolutions adopted annually by its worldwide membership. We take those resolutions very seriously recognizing vital responsibilities to be in the forefront of issues impacting the large numbers of active duty, Guard and Reserve members currently in harm's way deployed around the world in America's War against Terrorism. In military parlance, this noncommissioned officer leadership team is standing on point here on Capitol Hill to articulate entitlement issues, protecting benefits as necessary, extending value to those benefits that have failed to keep pace in a 21st Century America, and lastly, to achieve new

entitlements to meet the needs of today's warriors and their family members. The promises of a grateful Nation must be honored and held sacred by its institutions for those who risk their very lives fulfilling their commitment to America.

The words of the Oath of Military Enlistment are simple but provide the very essence of service for every military man and woman by their ultimate declaration. These twelve words are the same for all who answer the Clarion Call to Duty:

'to support and defend the Constitution of the United States of America.'

Please note that in the Enlistment oath there is no qualifying comment or words such as funds and resources permitting. There is the belief by those who serve that they will have the finest war fighting equipment, support services, health care, and all necessary institutional support while on active duty to include active and veteran health care support and should they fall in the line of duty the institutional support of a grateful Nation for their survivors. Granted, the War on Terrorism is somewhat different than a conventional war, but the words finest war fighting equipment has certainly been questioned and challenged not only by deployed personnel but by this Congress on the issues of personnel body armor and adequately armored vehicles.

We are also pleased for the spaciousness of this meeting assembly that allows you to look into the faces of active duty members and veterans who served in every national conflict and attend this hearing to support their organization's comments on veteran needs presented in their Legislative recommendations. There is no doubt that in this room there are those who could speak of their own personal experiences and question the adequacy and timeliness of benefit claim processing, challenge whether or not the discretionary VA health budget is adequate based on their access to needed specialized health care services or just plain primary care clinic appointments. I am humbled at the opportunity to raise my voice on their behalf and like you, I am so very proud of each man and woman who has worn a service uniform of this great Nation.

Military members deployed or stationed around the world today leave on the home front their spouses and family members. These marvelous military families live with not only the heartbreak and frustration of separation but the reality that separation may be compounded by sacrifices of overbearing personal consequence. Daily the news media brings in real time the sights, sounds and horrors being experienced by military members to the living rooms of their spouses and children. Soldiers are vividly seen weeping over a dead or wounded comrade and are joined countless thousands of miles away by the emotion and tears of family and friends who share the wounding or loss of an American Patriot.

The Association makes note that Non Commissioned Officers Association is a member of The Military Coalition, a forum of nationally prominent uniformed services and veterans' organizations that shares collective views on veteran and active duty issues. The Association is also a veteran organizational supporter of the 2007 Independent Budget.

VA Fiscal Appropriations

The past twelve fiscal years of funding for the programs of the Department of Veterans Affairs have been characterized by five (5) years where fiscal growth was nearly steady state yielding an increase of less than 3 percent. Following those early years were by six years including the past fiscal year of notable budget growth which while significant paled in comparison to the events of a nearly completed decade in which the number of veteran users and medical cost increases outpaced budget gains.

#### FY 2006 Appropriation

NCOA recognizes that the availability of an adequate annual appropriated budget for the Department of Veterans Affairs directly impacts VA programs and the legislative priorities approved by Congress. It was evident to veteran service organizations that the Department's current FY 2006 Budget would be inadequate without additional appropriations.

Today, GAO-06-359R issued on February 1, 2006, Subject: Limited Support for VA's Efficiency Savings has brought into serious question budget assumptions used by the VA in formulating its Appropriated Budget for the past three fiscal years. It appears from this report that the documented creative accounting of 'Management Efficiencies' totaling billions of dollars used to offset and directly lower the VA budget requirement in support of veteran health care in the current operating year was flawed. Those same management efficiencies contributed to the development of the VA FY07 Proposed Budget.

#### FY 2007 Appropriation

NCOA supports Mandatory Funding for Veteran Health Care. All veterans that Congress approved as eligible and VA approved for health care enrollment should be included in the Mandatory Appropriated Budget Process.

The FY 2007 Budget is signaled as representing the largest proposed increase in health care appropriation, an increase over FY2006 of \$3.5 Billion. NCOA reserves comment in lieu of the high probability that VA health care may have been inappropriately limited by cost efficiencies that masked actual fiscal requirements for health care approved for the past year (re: GAO 06-359R).

The Proposed 2007 Budget Request again advances increased proposed pharmacy co-pays and enrollment fees.

#### ? NCOA Opposes Increased Co-Pays and Enrollment Fees:

We take exception to those who would comment on how well off financially MOST veterans and military retirees are that they could well afford the modest increases proposed. We also note that many military retirees take reduced Survivor Benefit Program (SBP) premium based benefits or fail to enroll in the program for any survivor benefits because their retired pay is at that level that their personal fiscal reality dictates that every retirement penny is needed just to live. That decision to delay the security of their surviving families has many of them still at risk today.

? Proposed increase in the existing pharmacy veteran co-payments of \$8.00 to \$15.00 per month.

NCOA recognizes that many aging veterans on fixed incomes could easily end up with a pharmacy co-payment costing an additional \$100.00 or more per month. An increase of just \$20.00 per month could dramatically negatively impact senior veterans.

? And again a proposed enrollment or user fee of \$250.00 for higher income Priority Groups 7 and 8.

This Association will continue as in the past to articulate that no 'user taxes' in the form of any enrollment fee be required of any veteran.

The authority for Veterans Health Care provided to returning veterans from the war on terrorism for two years after their return. One use of VHA health services for any reason makes them eligible for continued enrollment for VA Health Care. NCOA supports that concept. At the same time, NCOA recognizes that veterans from earlier conflicts (WWII, Korea, Vietnam) or periods of service prior to the War on Terrorism cannot easily be enrolled and based on circumstance may never be enrolled unless VA succeeds in its enrollment fee plan or a Medicare + Choice Program for eligible veterans..

? VA Medicare Subvention - A significant number of veterans are eligible for Medicare Health Benefits based on credits earned during their years of employment. These veterans by law cannot receive Medicare reimbursed health care services for non-service connected care from the Veterans Health Administration.

o In 2002, VA proposed a VA Medicare + Choice Plan for Medicare ?eligible Priority Group 8 Veterans.

o NCOA suggests that this Committee request that the Secretaries of VA and Health and Human Services resurrect the promised envisioned VA Medicare + Choice Plan for eligible Priority Group 7 and 8 veterans.

Recommendations:

? That VA Appropriated Budget requires mandatory, vice discretionary, funding for veterans health care programs.

? That VHA work to secure and implement VA + Choice Medicare health services for Priority 7 and 8 veterans for non-service connected VA health care.

? That VA implements its long-standing initiative to become a TRICARE provider eligible for reimbursement for services provided.

? Seamless Transition Vital

- o One stop DoD/VA separation physical examination
- o VA Benefits determination before discharge

- o Detailing of military occupational exposures
- o Consistent and equitable medical and physical evaluation boards
- o Implement the Electronic Medical Record for military personnel for use by DoD and VA throughout and following the member's military service.
- o ACCESS to VA health care and benefits

#### The Transformation of VHA Remains Incomplete:

NCOA has long maintained before this Committee that the transformation of VHA remains incomplete as long as Mental Health is not fully integrated into its total health delivery system. The projected \$3.2 Billion in the FY2007 VA Budget for Mental health Services will significantly contribute to the NCOA envisioned health care transformation within VHA.

NCOA strongly believes the future of VA Health Care demands the dynamic expansion of Mental Health Programs into all primary medical care clinics. Recent studies reveal mental health intervention starting in the health care clinic can significantly reduce costs associated with both medical intervention and use of prescription medications. The completed Transformation will ultimately contribute to the direct productivity and cost effectiveness of VA. This is the potential margin in which the future VA can significantly capitalize on its existing fiscal resources while reducing health care costs.

The Association applauded the VA Mental Health Strategic Plan designed to improve mental health services in CBOCs and rebuild substance abuse programs with \$100 Million authorized in FY2005 and all Networks to receive Enhancement Funds in FY2006. Mental Health professionals are transitioning into the CBOCs to provide an integrated VA clinic concept, substance abuse (drug and alcohol) programs, homeless veterans, rehabilitation programs, and geriatric programs. These programs will be effective if the mental health resource is a full time practitioner in the CBOC and not used as a part time resource to provide service at other locations, including other CBOCs, Homeless Grant and per Diem Locations, and fill other VA service requirements.

#### ? Recommendations:

? Continue the resource commitment to fund and extend the strategic mental health plan by the integration of mental health professionals throughout VHA.

? Backfill vacancies created by the movement of mental health resources to CBOCs.

#### Homeless Veteran Programs

##### ? Homeless Grant and Per Diem Programs

The VA Homeless Grant and Per Diem Program have effectively established community based programs to furnish outreach, supportive services, and transitional housing to homeless veterans. The program provided 2,180 operational community beds in FY 2000 and through incremental

increases a total of 7,820 beds in FY 2005. NCOA recognizes the effectiveness of these 400 community based programs approved and funded by VA.

VA has been effective in managing the growth of the HOMELESS Grant and Per Diem program to ensure necessary support services are available. It is time for the controlled growth to be expanded to provide for these veterans. It is readily apparent that the Homeless Veteran population now estimated in excess of 180,000 requires a ramp-up in provider networks and support functions.

#### ? Priority for Homeless Veteran Providers in CARES/BRAC Decisions

The need for Community Based Provider Support for Homeless Veterans is apparent across the Nation as is the number of federal locations with surplus property that could be effectively used by communities to develop Homeless Grant and Per Diem facilities. Every effort should be made to give Community Homeless Veteran Programs priority in the reuse designation of surplus community property. Likewise, these special homeless veteran service programs should be given special fiscal consideration in reduced lease contracts.

#### ? Dental Care for Homeless Veterans

Dental Care was authorized IAW 38 U.S.C. 2062 for certain homeless veterans in approved VA programs. At issue are homeless veterans resident at approved community locations across the Nation. Authority for dental care lacks necessary funding to make the program a solid reality.

#### Recommendations:

? VA increase the annual number of homeless beds available through the Community Grant and Per Diem Program over the next five years to the existing authorization of \$200 Million.

? That CARES and BRAC decisions on excess Federal property give exclusive priority to Community Homeless Veteran Providers and that lease contracts be significantly below enhanced rates established for the location.

? That Home Dental Care programs be funded in the Appropriated Budget cycle.

#### Veterans Benefits Administration

##### ? Veteran Claim Processing

NCOA recognizes that current budget programs and number of full time employees processing claims within the Veterans Benefits Administration is inadequate to the task at hand. The Global War on Terrorism and commitment of military forces is substantially contributing to an increased workload in new claims. Concurrently, an aging veteran population seeks reevaluation of



deteriorating service connected medical conditions and related secondary health issues that further contribute to the claim process workload.

While significant initiatives have been developed to implement improved information technology systems they have neither expedited the management of the claim process, increased productivity through technology, nor reduced errors through intelligent systems, or provided needed time for the quality training of service representatives. A recent sampling of responses to inquiries at VA Regional Offices resulted in inappropriate responses to benefit eligibility questions which could deter a veteran from pursuing a claim.

NCOA recommends immediate funding be provided to hire, train and keep in place sufficient claim representatives to process the growing number of claims both backlogged and those just arriving in the system.

Recommendations:

Accelerate recruitment and training to replace a growing retirement eligible workforce.

Develop self-service computerized access to benefit and entitlement processes via email where centralized work centers could process the inquiries, respond to questions, or secure information for continuation of the claim process.

NCOA strongly believes that time needs to be made available for both quality training and supervisor review for quality control.

VBA should determine the feasibility to have selected retired VBA employees return to the workforce for a contract period during which time new employees could be effectively trained and integrated into claim production centers.

#### ? Retention of DIC Benefits after Remarriage

The 108th Congress authorized Dependency and Indemnity Compensation (DIC) widows who remarry after age 57 to retain their DIC benefits. This was a major change in policy, which previously did not permit reinstatement of any DIC benefit if the DIC widow remarried. It also established an arbitrary age of 57 where other similar Federal programs allow remarriage at age 55. NCOA urges the Committees to change reinstatement of this benefit for a widow(er) who remarries at age 55.

Recommendation: That Congress provide authority to permit a DIC widow(er) to remarry after the age of 55 (vice 57) and retain DIC status and benefits.

#### ? Concurrent Receipt of DIC and SBP

It is time to end the fiscal offset of VA Survivor DIC from the DoD Survivor Benefit program. NCOA believes that DIC and SBP entitlements are separate and distinct programs. SBP represents an election by the service member with concurrence by the member's spouse at time

of retirement for which a monthly premium is paid to provide a spousal annuity. The DIC benefit is authorized based on the veteran's death from a service-connected disability. Clearly, these two programs SBP administered by the Department of Defense and DIC administered by the Department of Veterans Affairs are separate and distinct entitlements and each should be available without offset. The current offset is widely regarded as a 'widow's tax' reducing the military member's elected SBP entitlement. NCOA urges the Committee to allow concurrent receipt of these distinctly different entitlements.

Recommendation: That DIC and SBP entitlements are provided the surviving spouse without offset.

### ? Revise DIC Payment Policy

DIC benefits are paid monthly for the preceding month. If the DIC recipient dies at any time in the preceding month, that month's DIC payment is recouped by the Department of Veterans Affairs. Example: VA recoups the entire payment made for the month in which the recipient died regardless of when the recipient died (the 1st day, 15 day or last day of the month). VA, if notified of the death promptly, will make a reverse electronic debit from the account of the electronic deposit. This action has many times resulted in financial hardship caused by former recipient's family members using all resources available to make funeral and estate arrangements without awareness of the debit that occurred. Similarly, written checks received and deposited to the deceased member's account will inevitably result in an overpayment collection notice. Most DIC recipients and their family members have spent a life-time augmenting VA health care and the physical day-to-day life style needs of their disabled veteran. Creating a negative financial impact on the children and/or estate of a widow(er) of a former disabled veteran is in NCOA judgment patently wrong.

Recommendation: Allow the family (estate) of a widow(er) to retain the entire month's DIC payment in which the recipient's death occurred.

### Educational Benefits

#### ? Open Enrollment for VEAP-era Non Participants

A significant number of servicemembers who entered the military during the Veterans Educational Assistance Program (VEAP) era initially declined VEAP enrollment and remain on active duty and have no post-service educational assistance. The Defense Manpower Data Center reports that as of September 2004 that are 61,980 active duty service members in the force who declined VEAP upon entering military service. They have not been given the same opportunity to enroll in the Montgomery GI Bill (MGIB) as other VEAP-era entrants who actually enrolled in VEAP.

The Association recognizes that there have been two opportunities for VEAP enrollees to convert to the MGIB; however, there has never been an opportunity for those who did not enroll in

VEAP to do so. The first VEAP conversion program was offered only to those enrolled in VEAP with active accounts of at least \$1.00. This conversion was conducted from October 1996 through October 1997 and yielded approximately 30,000 enrollees. A second VEAP conversion was authorized for those enrolled in VEAP with zero-balance accounts from October 2000 to November 2001. 2,698 (2%) of the 108,792 eligible actually enrolled in the MGIB. With such historically modest conversion numbers, it is highly unlikely that an open-enrollment opportunity for this group of career servicemembers would require more than a modest projected increase in the MGIB fund. With the nation at war, these future veterans should be given the same opportunity to enroll (or decline) the MGIB as all other servicemembers.

Recommendation: That a one-time MGIB open-enrollment opportunity be authorized for all service members to include VEAP-era non-participants.

#### ? Removal of MGIB Delimiting Date

Many active duty members separate or retire from the military and because of financial circumstances and need for employment to support their families never use their Montgomery GI Bill entitlement. Their education entitlement expires 10 years following separation from the military. Members contribute \$1,200 to be eligible for the MGIB. Many of these veterans are only able to pursue educational programs or special classes later in life when their own children are grown and independent of parental financial support.

Recommendations:

That all military retirees have utilization of their MGIB entitlement to a delimiting date equal to 10 years after separation from service, or if higher, the number of years served in the military.

That veterans have access to the unused portion of their \$1,200.00 enrollment fee after the authorized delimiting period to pursue educational endeavors.

#### ? Integrate MGIB Authority for Active, Guard, and Reserve

NCOA strongly recommends that the Montgomery GI Bill be consolidated into a single Law to provide those educational benefits deemed appropriate for members of the Active, Guard, and Reserve personnel. Having all educational entitlements in such a format would cause review of entitlements, expanded benefits, benchmark benefits to cost of education, parity between components, and reviews to be done concurrently vice separate actions over an extended period of time.

Recommendation:

Consolidate all MGIB Programs within one Law.

CONCLUSION

The Non Commissioned Officers Association has appreciated this opportunity to provide this Committee with the Association's 2006 Veteran Legislative Goals and comment on the VA FY2007 Budget Request.

Your work is in fact the driving force to improving the lives of the men and women who serve or have served their country in the armed services. Your efforts signal that those who answer the call to protect all American citizens by serving in the armed services is appreciated and valued. Our nation must reward freedom's protectors with significant, substantive benefits. Your Committee in our judgment wears the mantle that fulfills the promises of Lincoln and a grateful Nation to 'care for those who have borne the battle?'

Chairman Craig, Ranking Minority Leader Akaka, and Members of the Senate Veterans Committee, the Non Commissioned Officers Association requests that you maintain a comprehensive vision for veterans that by necessity extend to programs that do not fall under your committee's jurisdiction but clearly impacts veterans and their survivors. As advocates for veterans' issues, NCOA asks that you take an aggressive leadership role on such issues as:

? Concurrent Disabled Retired Pay

Authorize concurrent receipt of all military retired pay and VA disability compensation without offset.

Authorize concurrent receipt for those veterans retired because of physical disabilities prior to the completion of 20 years of military service and those offered early retirement at 15 years of service as a force reduction program.

? Combat Related Special Compensation

Include Individual Unemployability in rating decisions for CRSC.

? S. 852 - Fairness in Asbestos Injury Resolution Act

As citizens and colleagues urge support of legislation in the Senate (establishment of the Asbestos Trust Fund) to provide immediate settlement for countless Americans including significant numbers of military and DoD personnel exposed to asbestos and whose lives today or in the future are terminal from medical conditions such as mesothelioma, pneumoconiosis, pulmonary fibrosis, lung disease, bronchogenic carcinoma, malignant mesothelioma. Naval personnel historically have been associated with asbestos exposure resulting from use in the construction of naval vessels for fire protection but in recent years the Nation's military have been exposed to asbestos not only on ships, but buildings including the Pentagon and barracks in Iraq.

? Codifying Burial Rules for Arlington National Cemetery

NCOA strongly believes that the existing rules for internment at Arlington National Cemetery should be changed to allow burial of retirement eligible reservists, without regard to an age limitation, reservists on active or inactive duty for training, and their eligible dependents family members should all be entitled to burial at ANC. It is reprehensible to bar any reservist the right to be buried based on an arbitrary age requirement or deny when the death results during an authorized active or inactive training period. Members of the Reserve Components need to be fully recognized as a vital element of the Armed Forces and their training periods prepares them for war and other hostilities where they are placed in harm's way. Recommend the following provisions be so codified:

? The burial entitlement of a retirement eligible member of a Reserve Component who at the time of death was under 60 years of age and who, but for age would have been eligible at the time of death for retired pay under 1223 of Title 10 may be buried at ANC on the same basis as the remains of members of the Armed Forces entitled to retired pay under that chapter. The remains of the dependents of a member whose remains are eligible for burial at ANC on the same basis as dependents of members of the Armed Forces entitled to retired pay under such chapter 1223.

? The remains of member of a Reserve component or National Guard of the Armed Forces who dies in the line of duty while on active duty for training or inactive duty training my be buried at ANC on the same basis as the remains of a member of the Armed Forces who dies while on active duty. Provide for the remains of the dependents of a member on the same basis as dependents of members of active duty.

? 100 Percent Disabled Veteran Space Available Travel

Seek and support legislation that will establish a Space Available (Space A) category for 100 percent service connected disabled veterans on military aircraft or government transportation afforded military retirees

Thank you for the opportunity to present the Association's legislative initiatives on behalf of the membership of the Non Commissioned Officers Association of the United States of America.

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#### DISCLOSURE OF FEDERAL GRANTS AND CONTRACTS

The Non Commissioned Officers Association of the USA (NCOA) does not currently receive, nor has the Association ever received, any federal money for grants or contracts. All of the Association's activities and services are accomplished completely free of any federal funding.