

STATEMENT OF  
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BEFORE THE  
COMMITTEE ON VETERANS' AFFAIRS  
UNITED STATES HOUSE OF REPRESENTATIVES

WITH RESPECT TO

PRESIDENT'S TASK FORCE TO IMPROVE HEALTH CARE DELIVERY FOR OUR  
NATION'S VETERANS

WASHINGTON, D.C.

JUNE 17, 2003

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

On behalf of the 2.6 million men and women of the Veterans of Foreign Wars of the United States and our Ladies Auxiliary, I wish to thank you for including us in today's most important hearing. Under discussion today is the recently released report of the *President's Task Force to Improve Health Care Delivery for our Nation's Veterans* (PTF).

The VFW views this report as being a major milestone with respect to devising the means to improve access, enhance services and generally enhance the quality and timeliness of the health care provided by the Departments of Defense and Veterans Affairs to their respective beneficiaries.

The PTF has devoted more than two years of research, study, and analysis in producing what we view to be an authoritative guide toward addressing the manifest challenges inherent in fully meeting this nation's obligation to her defenders and her veterans with respect to medical

care and benefits. The Task Force places special emphasis on the need for senior and sustained leadership on the parts of DOD and VA with respect to enhanced collaboration as well as the general provision of health care. In keeping with PTF findings, it is the VFW's position that a veritable sea change is in order with respect to establishing and institutionalizing *ongoing* goals and accountability by the Departments.

As noted in the PTF report, economic, budgetary, and structural changes and exigencies over the past ten years have greatly increased the demands placed on the VA and DOD health care. At the same time funding, particularly with respect to VA, has declined dramatically. Per-patient expenditures for VA have declined from almost \$10,000 to slightly more than \$4,000 since 1992.

The VFW places special emphasis on the PTF finding that even if VA were operating at "maximum efficiency," it would be unable to properly meet its obligations to enrolled veterans at the current funding level. This situation is intolerable and is only certain to worsen absent strong and effective action in addressing the very real mismatch between funding and demand. It is also shown that even with ideal collaboration between DOD and VA, while decidedly enhancing services and providing resource efficiencies, this would not in itself make up for inadequate health care dollars. The only true answer is the full, consistent, and predictable funding of veterans' medical care.

For the sake of timeliness, the VFW will not now provide its views on all of the PTF's findings and recommendations. We will, however, focus on several of the key points—the first among equals, as it were—to better play a role in this process.

To begin, the growing mismatch between funding and demand must be addressed. The VFW has historically and continues to support providing all veterans seeking such timely access to VA health care. We do, however, acknowledge and applaud the PTF recommendation that the

Federal Government provides full funding to ensure that enrolled veterans in Priority Groups 1 through 7 are provided the current comprehensive benefit in accordance with VA's established access standards. We concur that *full* funding should occur through modifications to the current budget and appropriations process, by using a mandatory funding mechanism, or by some other changes in the process that achieve the desired goal.

It is an outrage that there are veterans who must wait six months or longer for a primary care or specialized care appointment. The VFW has long insisted that VA facilities be held accountable in meeting the Department's own access standards for enrolled veterans. In this, we support the PTF recommendation that this standard apply for Priority Groups 1 through 7. In instances where an appointment cannot be offered within the access standard, VA should be required to arrange for care with a non-VA provider, unless the veteran elects to wait for an available appointment within VA.

The VFW also strongly agrees that the present uncertain access status and funding of Priority Group 8 veterans is unacceptable. Individual veterans have not known from year to year if they will be granted access to VA care. This situation is grossly unfair, amounting to the outright denial of care to countless veterans in need, and we insist that it be rectified.

There are two approaches of merit cited by the PTF: First, form an impartial board of experts, actuaries, and others from outside VA to identify the funding required for veterans' health care that must be included in the discretionary budget request. This part of the budget submission would be *protected* from the customary budget guidance provided by the Office of Management and Budget.

Secondly, require mandatory funding for VA health care. This approach would require that VA be funded in a given year based on a capitated formula established in authorizing language. Funds would continue to be allocated as part of the Department's annual funding

process; however, the funding requirement would not be subject to the agency budget development process.

The VFW is also very encouraged by the recommendation of the Task Force to continue discussions to clarify Medicare reimbursement for eligible veterans. It makes no sense that a veteran who has paid into Medicare cannot use his or her Medicare benefit in a VA Medical Center for their non-service connected health care. It is the VFW's contention that the veteran, VA and the Medicare Trust Fund, due to lower VA medical costs, would all benefit under such an arrangement.

While the precise funding methodology remains to be devised and implemented, there may be no doubt that a budgetary solution must be quickly forthcoming or countless deserving veterans in need will suffer as a consequence. We as a nation must not allow this to happen.

Another area addressed by the PTF that the VFW views as being of critical importance is providing for a “ ‘seamless transition’ from military service to veteran status.” The VFW strongly supports the Task Force's assertion that an institutional environment should be created in which information flows easily across all components of care, across geographic sites, and across discrete patient-care incidents while protecting privacy and confidentiality: “the lines limiting organizational jurisdiction and authority should be invisible to the service member or veteran crossing them.”

One key element in this regard is the PTF recommendation that VA and DOD should develop and deploy by fiscal year 2005 Electronic Medical Records (EMRs) that are interoperable, bi-directional, and standards-based. While VA and DOD's respective accomplishment in the area of Electronic Medical Record keeping have been acknowledged by the PTF and others, the fact that they cannot “communicate” system to system presents, in our

view, an absolute barrier to seamless transitioning that must be remedied. The establishment and utilization of fully compatible EMRs is critical in this regard.

Another problem facing our men and women in uniform at this time is that there is no clear or consistent record of their health status as they leave military life. The VFW, therefore, supports the PTF recommendation that the Departments should implement by fiscal year 2005 a mandatory single separation physical as a prerequisite of promptly completing the military separation process. Upon separation, DOD should transmit an electronic DD214 to VA.

Further, we agree that VA and DOD should expand their collaboration in order to identify, collect, and maintain the specific data needed by both Departments to recognize, treat, and prevent illness and injury resulting from occupational exposures and hazards experienced while serving in the Armed Forces; and to conduct epidemiological studies to understand the consequences of such events.

Along with particular occupational exposures, as this nation turns to fight the global terrorist threat, there will be an increasing number of small, discrete military actions, each with their own attendant illnesses and disabilities. Maintaining accurate and inclusive medical data on these actions is absolutely essential toward maintaining the health and well-being of those who serve this nation in uniform.

The final area undertaken in the PTF report that the VFW will address today is the critical need to remove all barriers to collaboration between VA and DOD. As vital as this action is, with respect to properly providing for the health care needs of our active duty military and veterans, past results have been spotty at best.

As stated by the PTF: "Prior Secretaries of Veterans Affairs and Defense have not been successful in establishing and institutionalizing common purposes and goals, creating measurements with common indices to monitor progress, demanding accountability, and

promoting effective collaboration through incentives and other mechanisms.” The VFW places special emphasis here on the necessity of bringing about a “culture” change within the Departments to assure positive processes and outcomes.

Again, the PTF clearly illustrates that a primary reason for [the past] lack of follow-through is the absence of a defined, consistent leadership structure at the national, regional, and local levels of either VA or DOD with clearly defined roles and responsibilities for implementing and institutionalizing recommended actions. Simply said, past leadership failed to bring about the requisite change in “institutional culture” to even give enhanced collaboration a fighting chance.

Toward this end the VFW strongly supports the PTF recommendation that the Secretaries of Veterans Affairs and Defense revise their health care organizational structures in order to provide more effective and coordinated management of their individual health care systems, enhance overall health care outcomes, and improve the structural congruence between the two Departments.

Mr. Chairman and members of this Committee, I again thank you for including the Veterans of Foreign Wars in today’s most important forum. I can assure you that we are committed to working together with you toward realizing implementation of the Task Force’s recommendations. I will be happy to respond to any questions you may have.