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Washington Update

Action Needed! Contact your Senators and urge them to support the <u>Elizabeth Dole Veterans Programs</u> Improvement Act of 2023. Check out the PVAction Force page to view other alerts and a list of key legislation.

IB TESTIFIES ON VA'S BUDGET PROPOSAL

On May 17, the Independent Budget (IB) veterans service organizations—DAV, PVA, and VFW participated in a Senate Veterans' Affairs Committee (SVAC) hearing on VA's proposed budget request for fiscal years (FY) 2024 and 2025 advance appropriations. VA Secretary Denis McDonough testified about how any budget cuts would harm the Department's ability to care for the nation's veterans. During his Q&A session, he noted that the Veterans Benefits Administration set a new record in the last fiscal year, completing more than 1.7 million disability compensation and pension claims. In that same period, the Veterans Health Administration provided more than 115 million appointments for veterans across the country. He also underscored that reducing funding for VA would directly result in fewer outpatient appointments for veterans and fewer claims processers.

Testifying on the second panel, the IB's witnesses, including National Legislative Director Morgan Brown explained how their recommendation of nearly \$140 billion for medical care spending in FY 2024 and \$157 billion of advance appropriations for FY 2025 represented the level of funding necessary for VA to fully and timely deliver all authorized programs, services, and benefits to America's veterans. They also noted areas where the Administration's budget proposal missed the mark, like VA's Medical and Prosthetic

Research program which generates discoveries that significantly contribute to improving the health of veterans and all Americans. The Administration requested \$938 million in FY 2024 for Medical and Prosthetic Research compared to the IB's recommendation of \$980 million. During the IB's Q&A session, Mr. Brown had the opportunity to explain why Congress must pass the Elizabeth Dole legislation, which would greatly expand VA's home and community-based services. He noted that the number of veterans needing long-term care is expected to significantly increase over the next decade, and it is extremely important that VA implement policies now to help veterans age safely at home and remain active participants in their communities.

CONGRESS APPROVES VA COLA BILL

On May 22, Congress passed S. 777, the Veterans' Compensation Cost-of-Living Adjustment (COLA) Act of 2023, which requires VA to increase rates for disability compensation, additional compensation for dependents, the clothing allowance for certain disabled veterans, and dependency and indemnity compensation (DIC) for surviving spouses and children. It directs VA to increase payment amounts for these benefits by the same percentage as the cost-of-living increase in benefits for Social Security recipients, which will be effective on December 1, 2023. The annual Social Security COLA is dictated by the Consumer Price Index (CPI), which

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measures the rate of inflation in the U.S. The figure used to determine next year's COLA is expected to be announced in mid-to-late October. Soon, S. 777 will be heading to the President's desk for signature.

HVAC HOLDS OVERSIGHT HEARINGS

The House Veterans' Affairs Committee (HVAC) has been busy in recent weeks holding hearings on various oversight topics.

The Economic Opportunity (EO) Subcommittee held an oversight hearing on May 17 on the Transition Assistance Program (TAP). The Subcommittee members questioned representatives for the VA, the Department of Defense (DOD), and the Department of Labor, the three federal departments that TAP falls under.

Many Subcommittee members called out DOD for not holding leadership accountable when an eligible servicemember is barred from participating in TAP a year out. The hearing also highlighted that due to the complexities with the program and the jurisdiction concerns between the departments, a "one size fits all" program is missing the mark. Subcommittee members discussed the need to identify a single agency to oversee the delivery of TAP to help execute the program and improve oversight efforts.

On May 16, the Disability Assistance and Memorial Affairs (DAMA) Subcommittee held an oversight hearing focused on the implementation of the PACT Act, which provided improved access to benefits and care for veterans exposed to toxins in service. The Subcommittee questioned key VA leaders such as the recently confirmed Under Secretary for Benefits Joshua Jacobs. Many questions were focused on training for raters and other benefits staff that have seen an influx of claims due to the passage of the law.

VA highlighted that in fiscal year 2022, the Department set a record for claims production, completing 1.7 million claims, which is a 12 percent increase from the previous year. This year, VA has completed 14 percent more claims than at the same time last year. On April 14, VA completed their one-millionth compensation and pension exam. Three days later, they completed more

than 9,000 claims in a single day, a Department record.

Then, on May 23, HVAC held a full Committee oversight hearing on the COVID supplemental funding and whether the funds provided to VA improved veterans' care. This was a spirited hearing with several Committee members demanding greater financial accountability from VA. A recently released GAO report drew attention to the nearly 30-year-old financial management system used by the Department and made recommendations for VA to make a serious investment in updating the IT platforms to improve accounting capabilities and accuracy.

Some Committee members argued that remaining COVID supplemental funds, that have yet to be spent, should be returned to the government. While other members defended the remaining funding, noting that although the emergency declaration has ended, COVID is still something the VA needs to contend with.

JOINT HVAC HEARING ON VA RECRUITMENT AND RETENTION

On May 17, the subcommittees on Health and Oversight and Investigation held a joint oversight hearing on recruitment and retention within the Veteran Health Administration (VHA). The subcommittees questioned whether the Department's bureaucracy is hindering VA from securing a quality workforce.

One of the key takeaways from the hearing was that Congress and the VA are frustrated with outdated and burdensome processes for hiring new staff within VHA. The current hiring process includes 83 steps, sometimes taking more than six months to complete. Because of the excessive timeline for hiring, many potential candidates opt for a job outside of VA where it takes less time, and they are likely to earn more competitive pay. Several subcommittee members and witnesses also stressed that throughout the medical field, nurses are experiencing record numbers of violent encounters with patients.

VA highlighted that this year VHA is poised to hire 52,000 external hires, making it one of the most successful hiring years in VA history. That said, Congress





pushed VA to be more proactive with their recruiting strategies and more strategic with their marketing budgets for recruitment.

The hearing ended with the members stressing that VA needs to overhaul the HR process for hiring VHA staff; review the Department's hiring, outreach and marketing strategies; and use every tool available to improve hiring and retention incentives, particularly for rural areas.

HISA BILL REINTRODUCED

Recently, Rep. Don Bacon (R-NE) and Rep. Chris Pappas (D-NH) reintroduced the <u>Autonomy for Disabled</u>

<u>Veterans Act, H.R. 2818</u>. This legislation would increase the amount of funding available to disabled veterans for housing modifications through VA's Home

Improvements and Structural Alterations (HISA) grant program. Currently, a lifetime HISA benefit is worth up to \$6,800 for veterans who need a housing modification due to a service-connected condition. Veterans who rate 50 percent service-connected may receive the same amount even if a modification is needed due to a non-service-connected disability. Veterans who are not service-connected but are enrolled in the VA health care system can receive up to \$2,000.

HISA rates have not changed since Congress last adjusted them in 2010. Meanwhile, the cost of home modifications and labor has risen nearly 50 percent during the same timeframe. H.R. 2818 seeks to raise rates to \$10,000 for veterans with a service-connected disability and \$5,000 for those with disabilities that are not service connected. It also ties those rates to a Consumer Price Index, allowing for annual increases to help the benefit keep pace with inflation and increased home modification costs.

SOCIAL SECURITY 2100 ACT ANNOUNCED

Rep. John Larson (D-CT) held a press conference on May 23 to reveal the parameters of the Social Security 2100 Act which he will reintroduce as soon as the Social Security actuaries cost estimate is finalized. He was joined by House Ways and Means Committee Ranking Member Richard Neal (D-MA), Democratic Leader Hakim Jeffries (D-NY), and other members who have pledged to

support the legislation. Among those other members was Rep. Marcy Kaptur (D-OH) who was a newly elected House member in 1983 when Congress last acted to shore up the Social Security system's solvency.

Speakers stressed the urgent need to address the shortfall in the Social Security trust funds - which will be depleted in 2034 – and expressed concerns over the impact that failure to raise the debt ceiling could have on beneficiaries. The version of the 2100 Act that Rep. Larson plans to offer will be essentially the same as that which was before the previous Congress. That measure contained improvements in Social Security's minimum benefit, use of a cost-of-living index more suited to the expenses of older Americans and people with disabilities, a reduction in taxes on benefits for 23 million Americans, and repeal of the Windfall Elimination Provision/Government Pension Offset that adversely affects a number of retirees in state and local government. The bill will also contain a new mechanism to strengthen the trust funds by imposing an additional net investment income tax on those earning more than \$400,000 a year. A fact sheet on the Social Security 2100 Act can be found here.

ACTION ON HOUSE MILCON/VA BILL STARTS AND STOPS

The House Military Construction-VA Appropriations Subcommittee recently approved its version of the Military Construction and Veterans Affairs (MILCON/VA) funding bill for fiscal year 2024. The bill seeks more than \$152 billion for VA's discretionary programs, including \$138.6 billion for VA health care. The draft bill provides roughly \$14.7 billion less than the Administration's request for the Toxic Exposures Fund but appears to have restored much of that funding elsewhere in the proposal. It also falls short of what the Independent Budget was seeking for Medical and Prosthetic Research, VA Construction, and the Board of Veterans' Appeals. In late May, consideration of the bill by the full House Appropriations Committee was paused due to the debt ceiling negotiations. The deal subsequently reached by House Majority Leader Kevin McCarthy (R-CA) and President Biden would ensure that VA's budget is not harmed by funding reductions. Assuming that bill passes, the House Appropriations Committee will need to again take up the MILCON/VA bill for further action.



NEWS OF NOTE

One-Year Anniversary of the MAMMO Act

June 7 will mark the one-year anniversary for the passage of the Making Advances in Mammography and Medical Options Act (MAMMO) Act, which PVA championed in the last session of Congress. The MAMMO Act expanded access to high-quality breast cancer screenings and treatments for veterans. MAMMO also increased partnerships through the National Cancer Institute for access to clinical trials.

VA has made several advances in implementing MAMMO:

- Launched the first of five sites at the Clarksburg VA Medical Center in May 2023 as part of a three-year pilot program for patients to have their screening mammogram at their local VA clinic and interpreted by a breast radiologist at another location.
- Reached the final stages of upgrading all mammography technology to state-of-the-art, three-dimensional digital breast imaging.
- Developed a data dashboard to monitor breast cancer screening rates of veterans with paralysis, spinal cord injury, and major limb loss.

VA providers and mammography programs manage screening programs and provide care coordination to assist patients in navigating the health care system and offer a variety of breast cancer resources and information.

House Committee Recognizes Veteran-Owned Small Businesses

On May 24, the House Committee on Small Business held a full committee hearing titled: "Saluting Service: Supporting Veteran-Owned Small Businesses."

The Committee focused on available resources and support for veteran entrepreneurs. Themes from the participants were burdensome application processes with the Small Business Administration, limited available information, and lack of available capital.

DOL Announces Theme for National Disability Employment Awareness Month

The U.S. Department of Labor's (DOL) Office of Disability Employment Policy (ODEP) will mark National Disability Employment Awareness Month (NDEAM) and honor the 50th anniversary of the passage of the Rehabilitation Act of 1973 with its theme, "Advancing Access and Equity." Each October, NDEAM highlights the contributions of America's workers with disabilities and the value of disability inclusive policies and practices that benefit employees and employers alike. To celebrate the 1973 passage of the Rehabilitation Act, ODEP will use "Advancing Access and Equity: Then, Now and Next" to highlight the importance of this law in prohibiting discrimination based on disability in employment by federal agencies, federal contractors, and recipients of federal funds. The Rehabilitation Act served as the model for the more comprehensive Americans with Disabilities Act. More information about NDEAM is available here.

HEARINGS & SURVEYS

Upcoming Veterans' Committee Activities

Please visit the <u>House</u> and <u>Senate</u> Veterans' Affairs Committee webpages for information on upcoming hearings and markups.

NPRC Survey on Caregiving

The National Paralysis Resource Center (NPRC) is conducting a confidential survey about the role of caregivers. Caregivers play a critical role in the lives of thousands of people with paralysis, helping with essential daily activities that foster health and independence. The feedback from participants will help strengthen current caregiving resources and create new initiatives.

Please <u>click here</u> to begin the survey.



