



Federal Update for November 18 - 22, 2013



COLA 2014 Update ► Final COLA Announced

It's official. The 2014 cost-of-living adjustment (COLA) for military retired pay, SBP annuities, Social Security checks, and VA disability and survivor benefits will be 1.5%, effective December 1, 2013. It will first appear in the January checks, which will be paid on December 31. For the month, the CPI increased to 230.537. The COLA baseline for next year is 230.327. The 1.5% 2014 COLA will be the fourth-lowest COLA since the turn of the century – trailing only the zero-COLA years of 2009-10 and the 1.4% of 2002. But there are two categories of military retirees who won't receive a 1.5% COLA:

- Some Servicemembers who retired during calendar year 2013 will receive a somewhat smaller, partial COLA for this year only, because they weren't in retired status for the full year. Their partial COLAs generally reflect the amount of inflation experienced in the calendar quarters since they retired. Jan.-Mar. retirees will receive 1.5%; Apr.-Jun. retirees, 0.9%; and Jul.-Sept. retirees 0.4%. Those who retire after Oct. 1, 2013, will see no COLA this year. All members who retired during 2013 will receive full-year COLAs in future years.
- REDUX Retirees: Servicemembers who entered service on or after Aug. 1, 1986 and who elected to accept a \$30,000 career retention bonus at the 15-years-of-service point agreed to accept reduced retired pay and COLAs as a trade-off for the bonus. REDUX retirees' COLAs are depressed 1% below the normal COLA rate, so they'll see a 0.5% COLA this year.

COLA 2014 Update ► How Computed Now & Proposed

Retirees have always had to be careful about their spending because they don't receive increases to their income in the same way as working, salaried employees.

As a practical matter for federal retirees, this means no promotions, step increases or across-the-board raises. There are, however, cost of living adjustments for Social Security benefits, military retirement compensation and federal civilian retirement benefits under both the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). These COLAs are designed to maintain retirees' buying power in their golden years. The COLAs are based on the percentage increase in the average Consumer Price Index for urban wage earners and clerical workers (known as the CPI-W), as determined by the Bureau of Labor Statistics (BLS). The CPI-W group represents 32 percent of the total U.S. population and is a subset of the CPI for all urban consumers. The third quarter index (usually announced at the end of September) is compared to the third quarter index of the previous year to determine the amount of the retiree COLA.

According to BLS, prices for the goods and services used to calculate the CPI are collected in 87 urban areas throughout the country and from about 23,000 retail and service establishments. Included in the data are prices for food, energy, commodities such as new and used cars, apparel, medical care, shelter and transportation. The way the CPI is used in computing COLAs for federal benefits could be changing. Lawmakers and the Obama administration have been contemplating switching to what is known as "chained CPI." According to a 2003 Bureau of Labor Statistics report at http://www.bls.gov/cpi/super_paris.pdf, the idea behind the chained CPI, which dates back to 1961, is to reflect consumer substitution in calculating the index. That involves tracking prices among specific products within a certain type of item (such as a leather watchband versus a stainless steel one or whole wheat bread versus white bread) and across different categories of items (such as theater tickets versus video rentals or beer versus wine).

Evidence suggests that over time, the chained CPI would trend slightly lower than the standard CPI. Various groups that represent federal employees and retirees, such as the National Active and Retired Federal Employees Association, have lobbied against switching to the chained CPI. For now, the standard CPI-W is the mechanism by which federal benefit COLAs are calculated. Let's look at how this plays out.

CSRS - Under CSRS, the first COLA received in retirement is prorated based on the number of months the retiree was retired before 1 DEC. To get 1/12 of the 2014 COLA, a non-disability CSRS retiree would have to retire no later than Nov. 3, 2013. For example, if the retiree's benefit was \$5,000 per month, then the increase would be computed as $1/12 \times 1.5\% \times \$5,000$, or \$6.25 per month. If the retiree had retired on Jan. 3, 2013, he or she would be entitled to 11/12 of the COLA that is due on Dec. 1. To get the full 2014 COLA, the CSRS retirement date must be no later than Dec. 3, 2012. The full 1.5 percent COLA on a \$5,000 CSRS retirement would add \$75 per month in extra income for 2014.

FERS - Under FERS, there is no COLA until after age 62 for most retirees and a retiree must have turned 62 before 1 DEC to receive the first adjustment. For FERS annuitants who are not eligible to receive a COLA during their first year (or more) on the annuity roll, the initial COLA they receive after becoming eligible is the full COLA without proration. If a retiree is already 62 in his or her first year of retirement, then the first COLA will be prorated as described above for CSRS. There are exceptions to the delayed COLA for some groups. These retirees will receive their first COLA regardless of their age:

- Disability annuitants who are not receiving 60 percent of their average salary;
- Military reserve technicians who are medically disqualified from service;
- Employees who retired under special provisions for law enforcement officers, firefighters, or air traffic controllers; and
- Survivor annuitants who are the spouses, former spouses and eligible dependent children of deceased employees and retired employee annuitants as well as the individuals receiving insurable interest survivor annuities of deceased retired employees.

The FERS COLA is sometimes referred to as a "diet COLA," because if the full COLA increase is 3 percent or higher, FERS retirees receive 1 percent less than the full increase. So if the full increase is between 2 percent and 3 percent, FERS retirees will receive a 2 percent boost. If the increase is less than 2 percent, as it was this year, FERS retirees receive the same as CSRS retirees. With a 1.5 percent increase for 2014, a FERS basic retirement benefit of \$2,500 a month would increase by \$37.50 a month. Retirees with a CSRS component to their retirement (who

transferred to FERS) will receive the immediate full COLA on the CSRS portion and the reduced and delayed COLA on the FERS portion.

Social Security - According to the Social Security Administration, Social Security COLAs are computed using the same formula as those used for CSRS and FERS retirees (but the full, rather than the “diet” COLA). The difference is that the first COLA under Social Security is not prorated or delayed, as it is for CSRS and FERS. [Source: National Institute of Transition Planning | Tammy Flanagan | 1 Nov 2013 ++]

Vet Food Stamps ► Over 900,000 get 7% Reduction

About 900,000 veterans and 5,000 active duty troops received cuts in their food stamp benefits 31 OCT as \$5 billion was automatically trimmed from the Supplemental Nutrition Assistance Program (SNAP) program for low-income families. "The reduced benefit cut will reduce SNAP benefits, which are already modest, for all households by 7 percent on average, or about \$10 per person per month," according to an analysis by the Center for Budget and Policy Priorities. "Nationwide, in any given month, a total of 900,000 veterans nationwide lived in households that relied on SNAP to provide food for their families in 2011," according to an analysis of census data, the Center's report said. The SNAP program received a boost under the 2009 Recovery Act, or stimulus bill aimed at lifting the nation out of recession, but that temporary increase expired Thursday as Congress continues to debate a new farm bill which would separate farm subsidies from food stamp benefits. In addition to the 900,000 veterans, the cut in SNAP benefits will impact about 5,000 military families that currently receive food stamps, mostly from the junior enlisted ranks, according to the Defense Department. A Department of Agriculture report last year showed that more than 5,000 of the total of 48 million Americans receiving SNAP benefits listed their employment status as "active duty military," Pentagon officials said.

The SNAP program currently costs about \$80 billion per year and provides food aid to 14 percent of all U.S. households, or about 48 million people. Thousands of veterans from every state are affected by the food stamp cuts, ranging from the 109,500 in Florida and 105,700 in Texas in the SNAP program, to the 2,200 in North Dakota, according to the Center for Budget and Policy Priorities. Of the active duty troops, "military members who receive SNAP tend to be made up of

members in junior pay grades with larger than average household sizes," Navy Lt. Cmdr. Nate Christensen, a Defense Department spokesman, said in August in commenting on the potential for benefit cuts "Military members normally 'promote out' of the need for additional subsistence benefits, due to the corresponding raises in basic pay and other allowances as one moves to a higher pay grade," Christensen said in an e-mail statement. "It's a small population but it's a vulnerable population," Joye Raezer, executive director of the National Military Families Association, said of the active duty military families receiving food stamps. [Source: Military.com | Richard Sisk | 29 Oct 2013 ++]

DS Logon ► Now A Must For Most Retirees

The Department of Defense Self-Service Logon (DS Logon) is a relatively new, secure, self-service logon ID that allows Department of Defense (DOD) and Department of Veterans Affairs (VA) members and affiliates access to real-time, personalized information on government websites using a single username and password. When the Army closes the last retiree and family member Army Knowledge Online (AKO) accounts on Mar. 31, 2014, DS Logon will be the only method for these users to access their personal information on secure DOD and VA websites. Users must be enrolled in the Defense Enrollment Eligibility Reporting System (DEERS) to obtain a DS Logon username and password. Currently, the following groups of people can obtain a DS Logon account:

- Service members (active duty, Guard/Reservists, retirees).
- Spouses (including surviving spouses).
- Veterans.
- Eligible family members (18 and over).

There are two types of DS Logon accounts:

- A Basic Account can be obtained online without verification of your identity, but it provides only limited access to website features. Personal information in VA or DOD systems cannot be accessed. The main advantage of a basic account is that it enables you to upgrade more quickly to a premium account when you go in person to a VA Regional Office or a TRICARE Service Center.
- A Premium Account allows users to access websites that contain their personal information.

Applications currently using DS Logon include the VA's eBenefits portal; TRICARE Online portals; Beneficiary Web Enrollment; MilConnect: Transferability of Education Benefits; Health Net Federal Services; Humana Military; MyTricare.com; and TRICAREoverseas.com to name a few. DS Logon will be the primary method of authentication for all DOD and VA websites in the not-too distant future. There are several ways to obtain a DS Logon account.

- The quickest and most convenient method of obtaining a premium account is to complete the "remote proofing process" at <https://www.dmdc.osd.mil/appj/dsaccess/>. This involves using a secure ID that users may already have, such as a Social Security Number, and answering three basic, personal questions.
- Common Access Card (CAC) holders may upgrade their accounts immediately using their CAC.
- Individuals who do not have a CAC and who cannot complete the remote proofing process may request an activation code from the Defense Manpower Data Center if they have a myPay account established at DFAS.
- Users who cannot complete any of these preferred processes may obtain a DS Logon premium account by visiting a VA Regional Office or a TRICARE Service Center, locations of which can be found on the "DS Logon – My Access Center" at <https://www.dmdc.osd.mil/appj/dsaccess/>.
- Many RAPIDS offices (military ID card offices) can also provide DS Logon accounts. Check in advance to ensure they have the capability.

The pending Army Knowledge Online (AKO) transition will affect over 350,000 retirees and annuitants' myPay accounts. These Defense Finance and Accounting Service (DFAS) accounts include AKO email addresses that will not function when the Army closes the last retiree and family member AKO accounts on Mar. 31, 2014. Unless they update their myPay accounts, these retirees and annuitants will no longer receive email communications from DFAS. These communications include notices about monthly retiree account statements, annual income tax forms, and other important information. To update your email address:

- Log in to myPay at <https://mypay.dfas.mil/mypay.aspx>.

- Then click on “Email Address” and look at “personal email address.” AKO email addresses end in “@us.army.mil.”
- Change the email address if necessary, and click on “Primary.”
- Finally, click “Accept/Submit.”

If you do not have a myPay account, you can register for one at <https://mypay.dfas.mil/mypay.aspx>. If you need assistance registering or have questions, call myPay at (888) 332-7411. [Source: Mark Overberg, Deputy Chief, Army Retirement Services 30 Oct 2013 ++]

DoD/VA Collaboration Update ► Commitment to Vets Reaffirmed

The departments of Defense and Veterans Affairs reaffirmed their commitment to serve and care for the nation’s military veterans in a joint message issued by Acting Undersecretary of Defense Jessica L. Wright and Undersecretary of Veterans Affairs for Benefits Allison A. Hickey. The message reads as follows:

“To care for him who shall have borne the battle and for his widow, and his orphan” are the words President Lincoln used to affirm the obligation our government has to care for those who have worn the uniform and their families. Today, 148 years later, we continue the work that fulfills that promise. The Department of Veterans Affairs (VA) and Department of Defense (DoD) are working closer today than at any point in history to ensure Servicemembers and their families have an understanding of the care and benefits they have earned before leaving military service, connect Veterans to those benefits, and deliver those benefits on time. To accomplish this goal, the departments are providing a great deal of information through expanded briefings for every separating and retiring Servicemember that explain what VA benefits and services are available and the process for obtaining them. This is one place that offers a warm handoff to connect military personnel to the services available to them after separation. One of the resources our Servicemembers learn about through this process -- and one example of our close collaboration over the years -- is the joint VA-DoD web portal, eBenefits. eBenefits is the core tool through which VA and DoD hope to foster life-long engagement with Servicemembers, Veterans, their families, and survivors. The portal already has over 3.0 million users; a more than 900-percent

increase since June 2011, and eBenefits participation is growing by the day. In 2010, DoD began to require all new Servicemembers to enroll in eBenefits upon entry into military service, and is ensuring that Servicemembers who came on active duty before 2010 are enrolled in eBenefits at the time of their release from active duty. Through its Benefits Assistance Service office, VA conducts outreach to educate Veterans, their families and survivors about the portal as well.

This innovative new tool currently provides users with over 50 self-service options and greater access to VA benefits and health information. eBenefits users can also file disability claims online, check the status of their disability claims and appeals, review VA payment history, download military service documents, and perform numerous other VA benefit actions. Future capabilities will “push” information to Servicemembers and Veterans regarding eligibility for specific benefits. When Veterans and Servicemembers (once they become Veterans) file disability claims online using eBenefits, they can protect the date of their disability claim while gathering all records and documentation needed to support their claim.

Increased access to benefits and increased VA and DoD outreach have encouraged a record number of Veterans to file disability claims. This is good news. This administration is committed to reaching each and every Veteran and providing the benefits authorized by law. This increased outreach, in addition to decisions made to relax the evidentiary standards for post-traumatic stress disorder (PTSD) and presume service connection for a variety of medical conditions related to exposure to the herbicide Agent Orange, were the right choices for our Veterans -- but these too have led to an increased number of disability claims. The increased demand for disability benefits unfortunately means Veterans today are waiting too long for resolution of their VA claims. VA processed more than a million claims each of the past three years, but for eight of the past 10 years, incoming claims have outpaced the number of VA claims decisions. As leaders and Veterans, we recognize that this is unacceptable, and we are working across the administration to fix it. Continued collaboration between VA and DoD is a critical piece of the plan to eliminate VA’s backlog of benefits claims in 2015. Our organizations have come together in a variety of meaningful ways to support this effort, including:

- DoD has embedded a team of analysts within the Veterans Benefits Administration to assist in finding needed DoD medical evidence to complete pending claims.
- VA and DoD reached an agreement that the military services will provide certified complete service treatment records for all separating or retiring Servicemembers, to include all separating or retiring National Guard and Reserve members. This action has potential to cut as much as 60-90 days from the “awaiting evidence” portion of claims processing, and reduce the time needed to make a claim “ready for decision” from 133 days currently to 73 days for departing Servicemembers.
- DoD has accelerated the deployment of a scanning capability -- Healthcare Artifact and Image Management Solution (HAIMS) -- that will provide VA with electronic health records and other information useful for both healthcare providers and benefits claims processors.
- VA and DoD are committed to creating a seamless health record integrating VA and DoD data, while modernizing the software supporting joint clinicians in the most efficient and effective way possible. Today, DoD and VA are already exchanging a significant amount of electronic information and are taking aggressive actions in 2013 to further expand these efforts. A key priority for both Departments is to standardize electronic health record data and make it immediately available for clinicians so they have the information they need to make informed medical decisions for our patients.
- We collaborated on the Integrated Disability Evaluation System (IDES) since 2007 to ensure Servicemembers separating from the military for wounds, illness, or injuries have their own VA benefits process and do not become part of the backlog. DoD and VA have worked together to make disability evaluation seamless, simple, fast, and fair; on average, these wounded warriors receive their disability compensation within three months of leaving the military.

VA and DoD collaboration is only one example of the ways in which VA is working to eliminate the backlog in 2015. Through VA’s transformation focused on people, process, and technology initiatives and VA’s and DoD’s efforts to support Servicemembers leaving the military, accessing Veterans benefits is becoming easier. We’re serious about ensuring our Veterans understand the process and

promptly receive the benefits they've earned and deserve. We will never forget those for whom we work, and how much our warriors have given in defense of this great Nation. America's Servicemembers, Veterans, their families, and survivors deserve the very best care possible, and through our partnership, we will continue to fulfill the promise President Lincoln made 148 years ago. [Source: AFPS News Article 8 Nov 2013]

VA Data Breaches Update ► Congressional DVA Investigation Ramps Up

The congressional investigation into the Department of Veterans Affairs IT security protocols has ramped up after VA officials gave inconsistent explanations for at least nine state-sponsored data breaches since 2010 that potentially put at risk the private information of more than 20 million veterans and their families. The House Veterans Affairs Committee has directed six formal inquiries to VA's Office of Information and Technology since 23 OCT, totaling more than 100 predominantly yes-or-no questions concerning routine IT security practices and standards mandated by federal law, including the Federal Information Security Management Act (FISMA). Rep. Mike Coffman (R-Colo.), chairman of the Subcommittee on Oversight and Investigations, demanded VA responses to all six inquiries by 14 NOV. VA's recent track record for responding to congressional inquiries has been poor. According to one Capitol Hill official familiar with the investigation, VA has 111 outstanding information requests dating back to June 2012.

The latest batch stems from revelations that multiple actors have compromised VA computer networks since March 2010, with VA officials unable to determine what information was exposed because the agency failed to comply with FISMA. Some of the apparently-breached systems contained unencrypted personally identifiable information regarding veterans and their dependents. Committee Chairman Jeff Miller (R-FL) and ranking Democrat Mike Michaud of Maine called that a "disturbing revelation" in a letter to VA Secretary Eric Shinseki after a 4 JUN hearing that saw VA officials providing conflicting information about the degree and nature of the breaches. A source within VA OIT told FCW that no veteran's personally identifiable information, such as names or Social Security numbers, was exfiltrated during any intrusion attempts.

The source, who spoke on condition of anonymity, said the only compromised data appears to be "domain server information" that resulted in "somebody swiping IP [addresses] and passwords for system administrators, which resulted in immediate shutdown." "There are intrusions and there are intrusion attempts. Not all intrusion attempts result in a breach of data," the source said, attributing some of Congress' renewed investigatory vigor to a miscommunication of definitions. "This is no repeat of the 2006 incident," the source added. In that incident, someone stole a VA laptop from a VA employee's home. The theft potentially exposed personal information, cost the agency tens of millions of dollars and led to the creation of the VA's Data Breach Core Team, which investigates data breaches and determines whether the agency will offer credit monitoring services to veterans in suspected breaches. The agency offered credit monitoring to 16,000 veterans in 2012, but a breach of every veterans' personal data could cost the agency hundreds of millions of dollars in credit monitoring alone, the source said.

Congress' dogged interest has created a "stressed environment" within OIT, where only about 20 of its 8,000 employees are compiling responses to the inquiries, according to the source. Many questions posed by Congress to VA contain sub-questions or require documentation, "making it more like 500 or 600 questions." The source said the agency is tackling the easier questions first in an effort to respond by the approaching deadline. The source said the inquiries have added turmoil to a department that recently returned half its workforce from government shutdown and has a history of well-documented problems. "It's another full-time job for a lot of folks, and the anticipation in submitting these questions is that it will beget more and they'll come back until they get a 'gotcha,'" the source said. The Hill official familiar with the probe says the intention is not to burden the agency but to get answers to questions that should not be unfamiliar to any large IT organization. "These inquiries aren't meant to create extra work for VA. They are meant to make sure the agency is adhering to the laws, standards and guidelines they should already be doing," the Hill source said. VA did not respond to multiple requests for comment. [Source: Federal Computer Week | Frank Konkel | 4 Nov 2013 ++]

VA Stats Update ► One Million Milestone Reached

The Department of Veterans Affairs has likely crossed a sobering milestone with over one million veterans receiving care for wounds, injuries or illnesses related to their service. The milestone comes 12 years after the attacks of 9/11 that launched the country into wars in Iraq and Afghanistan. It also comes as advances in medicine are keeping more veterans alive and creating awareness around previously ignored symptoms such as post-traumatic stress. The million-vet figure is based on the last quarterly report on Iraq and Afghan vets published by the VA, which put the number at just over 900,000 as of DEC 2012. Coupled with data crunched by the National Organization of Veterans' Advocates claiming the numbers were rising by 10,000 a month, it is likely the VA hit the one million mark last month -- if not sooner.

VA officials did not respond by press time to Military.com's request for confirmation. Until March, when the VA released the data from the previous December, the department published the numbers in quarterly health utilization reports for Iraq and Afghan vets. To date, it has released no such information for 2013, but plans to do so. "Some VA reports on OIF/OEF veterans have been delayed while enhanced data security measures were implemented," VA spokeswoman Victoria Dillon said in an email to Military.com. "Those measures are complete, and we anticipate releasing the next OEF/OIF/OND healthcare utilization report within the next few weeks."

House Veterans Affairs Committee Chairman Rep. Jeff Miller, R-Fla., who has frequently criticized the VA for failing to provide information on a wide range of issues, said he is glad the reports will be resumed but is demanding to know more about the decision to halt them. "Although I am pleased with VA's decision to resume its reports on OEF, OIF and [Operation New Dawn] veterans, the timing of VA's announcement is quite curious," Miller said in an email to Military.com. "We have asked VA to explain exactly what security concerns led to its decision to discontinue the reports in the first place, and I am hopeful department leaders will take this opportunity to detail the precise reasons why they halted the reports." As of the end of 2012, more than 1.6 million former active-duty, Reserve and National Guard troops had become eligible for VA healthcare, of which about 900,000 had entered the system, according to the VA's March report. The majority of the 900,000, about 837,000, have been seen as outpatients by the VA, and nearly 63,000 hospitalized at least once in a VA healthcare facility, the report states. [Source: Military.com | Bryant Jordan | 6 Nov 2013 ++]

VA Malpractice Payouts ► \$845M in Last 10 Years

The U.S. Department of Veterans Affairs paid out roughly \$845 million in malpractice cases during the past 10 years — a period that has seen the agency face scrutiny for giving bonuses to medical professionals who provided or oversaw substandard care. The payouts reached a high point in 2012, a Cox Media Group nationwide investigation found, leaving government watchdogs and members of Congress wondering if the VA is learning from its mistakes. “The VA likes to say they’re accountable. I don’t believe the word even exists in the VA dictionary,” said Rep. Jeff Miller (R-FL), chairman of the House Committee on Veterans Affairs. Cox reporters analyzed federal treasury data that found taxpayers spent more than \$800 million paying 4,426 veterans and their family members who brought malpractice claims against the VA medical system since 2003. In 2012, a total of 454 financial settlements and awards added up to \$98.3 million.

“This is something that has been going on for close to a decade and yet we haven’t seen major reform happen at the Department of Veterans Affairs,” said Daniel Epstein, executive director of the Washington-based group Cause of Action. Reporters went behind the numbers to talk to families who said all that money was not worth what led to the payouts: a flag-draped casket or a brave man or woman left broken. Their stories were wrenching: a 20-year Marine Corps veteran who went in for a tooth extraction and is now paralyzed and unable to talk; the Vietnam War veteran who died from cancer after doctors failed to note evidence in multiple X-rays over three years; the Korean War veteran who went in for a routine biopsy and bled to death without being checked on for hours. VA officials point out that they manage one of the nation’s largest medical networks, and say the number of malpractice claims is relatively low. In 2012, the VA treated more than 6.3 million veterans and had only 1,544 claims filed. Dr. Anupam Jena, an assistant professor at Harvard University, noted that the VA pays out on about 25 percent of claims. Meanwhile, private sector health systems pay out for about 20 percent, according to a study he participated in of 40,000 doctors published in *The New England Journal of Medicine*.

“Are VA doctors worse than other doctors?” he said. “No.” But the 454 payments issued in 2012 are the second most in 10 years, eclipsed only by 462 payouts in

2008. “It’s very apparent because of the spike in payouts that have been happening over a number of years that they’re woefully falling behind on a curve that they never should be behind in the first place,” Miller said. While being protected from malpractice lawsuits, VA doctors, nurses and administrators routinely receive pay raises and transfers the same year they are found to have provided substandard care. A U.S. Government Accountability Office report in July found that in 2011 the VA gave performance bonuses and awards totaling \$160 million to medical providers without adequately linking that extra pay to their performance. The performance bonuses averaging \$8,049 went to 18,500 medical providers – or about 80 percent of the total of eligible providers. Performance awards averaging \$2,587 went to about 20 percent. Federal auditors looked at records from VA centers in Georgia, Maine, Texas and Washington and found several examples of providers who made mistakes still getting bonuses and hospital administrators who oversaw massive failures at their medical centers. They included:

- A radiologist who failed to read mammograms competently, but received a bonus of \$8,216.
- A surgeon who received \$11,819 after he was suspended without pay for two weeks for leaving a surgery early.
- A physician who refused to see emergency room patients in the order they were given to him, leaving some waiting more than 6 hours, but he got a \$7,500 bonus.
- A physician who practiced with an expired license for three months but received a \$7,663 bonus.
- The man who oversaw the Pittsburgh VA during a Legionnaires outbreak that led to five veterans dying and 21 becoming ill, received a \$62,895 service award shortly after the outbreak was revealed.
- An Atlanta VA Medical Center director pocketed a \$13,000 bonus in 2011 and another \$17,000 worth of salary bonuses in 2010 while an audit found management problems contributed to two veterans committing suicide.
- The director of the Dayton VA Medical Center received an \$11,874 bonus in 2010 and was transferred to a headquarters job in 2011 following revelations that a dentist there failed to change gloves and sterilize equipment between procedures for more than a decade, putting possibly thousands of veterans at risk.

Not only are these doctors and administrators not named in malpractice suits, but the money to pay malpractice claims doesn't even come out of the VA budget. It comes out of a federal treasury fund set aside to pay legal settlements against the government. "They use bonuses like handing out candy at the VA," said Rep. Miller. "You usually discipline somebody by removing them from the position that they're in, and that's not the VA's modus operandi. They move them to another hospital somewhere. "I don't know if removing the immunity is the way to go, but certainly having them feel the pain of these settlements or these awards being given out, I think is probably the only step that's going to make a difference." Unlike private sector hospitals, the VA system has a built-in process for making malpractice claims. It starts with an administrative claim that must be filed within two years of when the mistake took place. The VA has six months to offer a settlement before the claimant can take the issue to court.

Department of Veterans Affairs officials declined to be interviewed for this story. Instead the agency issued a statement that read in part: "VA takes this issue very seriously and Veterans Health Administration (VHA) personnel remain committed to maintaining a high level of quality care, transparency and accountability." Agency analyses of patient mortality and safety have found that VA medical centers outperform top health systems across the country, according to agency officials. [Source: Dayton Daily News | Josh Sweigart & Aaron Diamant | 12 Nov 1213 ++]

VA Emergency Care Update ► Loophole Impacts OEF/OIF Vets

A loophole in veterans' healthcare that is leaving some Iraq and Afghanistan veterans facing big medical bills for emergency room treatment is under study by a Senate committee and the Veterans Affairs Department. Fixing the problem has raised larger issues about the long waiting times for initial medical examinations required before a veteran is fully eligible for VA health care benefits. VA has a requirement, set in law, that prohibits reimbursement of emergency room care at non-VA facilities for anyone who has not had a medical appointment in the previous 24 months at a VA hospital or clinic. Sen. Mazie Hirono (D-HI) is the chief sponsor of a bill to change that. Her proposal would specifically allow ER reimbursement for veterans who have not had VA medical appointment in the previous 24 months because of the waiting period for new patient examinations.

Republican Sens. Jerry Moran of Kansas and Johnny Isakson of Georgia and Democrat Mark Begich of Alaska are cosponsors of her bill, S.1588.

Hirono said the current policy is well intended, but it is not fair to punish veterans for waiting times outside their control. “Just last week, I met a veteran from Waianae who had a medical emergency while waiting for months for his appointment at VA,” she said 30 OCT when her bill was discussed before the veterans’ committee. Hirono aides estimate that the bill could help 144,000 Iraq and Afghanistan veterans. “It is unacceptable for veterans to be denied emergency health care coverage because of bureaucratic red tape caused by inefficiencies in VA,” said Isakson. Earlier this year, VA told Congress that veterans wait an average of 50 days for their new patient examinations, with actual wait times varying by location. VA is well aware of the problem and has been seeking a fix, but is not quite ready to endorse Hirono’s bill, according to Robert Jesse, the VA health care official who testified at the hearing.

The Veterans of Foreign Wars, the nation’s largest organization for combat veterans, does support the bill. “The strict 24-month requirement is especially problematic for current-era veterans, many of whom have never had the opportunity to be seen at VA facilities due to long appointment wait times, despite their timely, good faith efforts to make appointments following separation,” said Raymond Kelley of the VFW’s national legislative service. “Under no circumstances should long appointment wait times prevent a veteran from seeking emergency, possible life-saving care at non-VA facilities or expose that veteran to financial hardship as a result of doing so,” Kelley said. Disabled American Veterans also supports Hirono’s effort, but has issues with some details. DAV opposes limiting the waiver to new veterans, arguing that the 24-month requirement also discriminates against otherwise healthy veterans who have not sought VA treatment because they haven’t needed it, said Adrian Atizado, DAV’s assistant national legislative director. [Source: MilitaryTimes | Rick Maze | 31 Oct 2013 ++]

VA Burial Benefit Update ► Internment of Capital Crime Felons

The Veterans Affairs Department is promising to work with Congress to create a process for removing a veteran’s remains from a national cemetery if the

deceased may have committed murder. The pending bill, S.1471, would apply to all future burials, but its genesis is the 2012 burial at Fort Custer National Cemetery in Michigan of an Army veteran who in May 2012 allegedly murdered an Indianapolis woman and shot three other people before committing suicide. Afghanistan veteran Michael L. Anderson is accused by police of a shooting spree at an Indiana apartment complex that ended with his apparent suicide. When Anderson was buried a week later at the 770-acre VA cemetery in Michigan, VA officials knew nothing about his possible involvement in the murder of Alicia Dawn Koehl and injuries to others. When Koehl's family discovered Anderson was buried with full military honors in a national veterans cemetery, they asked VA to remove the remains, but authorities said their hands were tied, according to lawmakers who have been pushing for a change in burial policy.

Current federal law prohibits burial or internment of remains for veterans found guilty of a state or federal capital crime. The law also bars burial of anyone who committed a capital crime but was not tried because they died before prosecution. They also do not have to have been charged with a crime. The law also bars interments if there is "clear and convincing evidence" provided to cemetery officials that the veteran committed a murder. Current law does not allow for removal of remains after burial, which is what happened in Anderson's case when VA officials said there was nothing they could do after the burial. The Indiana congressional delegation is trying to get the law changed, and can expect help crafting a fix from the VA. Robert Jesse, VA's deputy undersecretary for health, said Oct. 30 there are "technical" concerns with the bill being considered by the Senate Veterans' Affairs Committee, but added that VA "will be glad to work" with lawmakers. The Alicia Dawn Koehl Respect for National Cemeteries Act would require removal of Anderson's remains from the Michigan veterans' cemetery. Jesse said the procedure requires Anderson's family to be notified, and for the remains to either be given to the next-of-kin or buried at another location chosen by VA if the next-of-kin is unavailable.

For any similar situations in the future, the bill would create a process for cemetery officials to reconsider internment decisions, allowing the removal of remains and VA-provided headstones or grave markers for reburial outside of national cemeteries. Reasons would be the same as the current burial ban — for those convicted of a capital crime or, in cases where death prevented a trial, when evidence of murder is provided to cemetery officials. Families would be notified

before remains are removed and given the opportunity to appeal the decision. The policy would apply at Arlington National Cemetery and any veterans' national cemetery. The bill would leave the federal government responsible for paying to remove remains or markers and potentially for reburial at another location if a veteran's next-of-kin does not assume responsibility. Jesse said VA was working on cost estimates.

Sen. Dan Coats (R-IN), the bill's chief sponsor, urged the committee to act. "The victims and family members of this tragic shooting have suffered enough and should not have to wait another year for their request to be met," Coats said. "The families have had to go through an excruciating and unproductive process in trying to right a wrong." VA officials claim that once Anderson was buried, current law provides no authority for the cemetery to dig up remains and moving them somewhere else, Coats said. His bill and a similar bill introduced in the House by Rep. Susan Brooks, R-Ind., would provide that authority, he said. Raymond Kelley of Veterans of Foreign Wars said the circumstances of Anderson's shooting spree "made it difficult for VA" to know before burial of the murder, but he is not certain the bill would prevent it from happening again. Current burial procedures require families to provide a death certificate and evidence of military service and to answer questions about the veteran's marital status, location of the death and choice of cemetery. "Nowhere ... does the National Cemetery Administration ask a question regarding criminal activity," Kelley said, suggesting an additional question be added regarding capital crimes. [Source: ArmyTimes | Rick Maze | 1 Nov 2013 ++]

VA Advance Funding Update ► VA Opposes Remaining 14%

In one of the most baffling announcements of the year, the Department of Veterans Affairs (VA) issued a statement 31 OCT saying that it opposes expanding advance appropriations for the remaining portion of the VA's annual budget that is not funded one year in advance. This unusual position puts veterans at significant risk of harm should the government shut down again, and it reflects poorly on the VA. More than 85 percent of the VA's budget already receives advance appropriations from Congress, a policy change dating back to 2009 that Iraq and Afghanistan Veterans of America and other veteran service organizations fought for and won. As a result of that victory, the VA's health care system was

insulated from the effects of the recent government shutdown, and veterans were able to continue receiving both routine and critical medical services until politicians could get their act together.

The rest of the VA, however, did not fare so well during the shutdown. The processing of new benefits claims was halted, important help lines and centers were shuttered, and VA warned that it would not be able to make mandatory benefits payments to students, disabled veterans, and survivors if the shutdown was prolonged into November.

Fortunately for veterans and their families, the chairman and ranking member of the House Veterans Affairs Committee, Rep. Jeff Miller (R-FL) and Rep. Mike Michaud (D-ME) introduced legislation with strong bipartisan support to fund the remaining 14 percent of the VA's budget in advance. This bill, the Putting Veterans Funding First Act, would protect the entire VA, its employees, and the millions of veterans they serve from ever again becoming political pawns in Washington's budget fights. Earlier this week at a joint press conference organized by the Disabled American Veterans, the chairman of the Senate Veterans Affairs Committee, Sen. Bernie Sanders (I-Vt.), announced his support for advance appropriations for the rest of the VA's budget and his intention to mark up this bill in his committee within weeks. The House committee already marked up and reported out the same bill earlier in the year.

So how did the VA respond to the renewed attention and growing support for the effort to provide the department with a secure, advance stream of funding for its operations and for veterans' benefits payments? The VA is saying it does not want that guaranteed financial security. This is a bizarre, ill-advised position that is clearly not in the best interests of veterans. Whether the VA wants full advance appropriations or not, legislators on both sides of the aisle in both chambers of Congress, virtually all major military and veteran service organizations, and veterans themselves want the VA to be securely funded. This is one pill that the VA is just going to have to swallow. [Source: The Hill | Alexander Nicholson | 1 Nov 2013 ++]

VA and HUD Announce 24% Reduction in Veterans Homelessness Since 2010

WASHINGTON – The Department of Veterans Affairs and the Department of Housing and Urban Development today announced that a new national report shows a 24 percent reduction in homelessness among Veterans since 2010.

The report also showed an 8 percent reduction between January 2012 and January 2013. The decline keeps the Obama administration on track to meet the goal of ending Veterans' homelessness in 2015.

"We are on the right track in the fight to end homelessness among Veterans. While this trend is encouraging news, we know that there is more work to do," said Secretary of Veterans Affairs Eric K. Shinseki. "As President Obama said, we're not going to rest until every Veteran who has fought for America has a home in America. The results in the latest report are a credit to the effort given by our dedicated staff, and our federal, state, and community partners who are committed to ending Veterans' homelessness."

"We're making real and significant progress to reduce homelessness in this country and now is not the time to retreat from doing what we know works," said U.S. Housing and Urban Development Secretary Shaun Donovan. "If we're going to end homelessness as we know it, we need a continued bipartisan commitment from Congress to break the cycle trapping our most vulnerable citizens, especially our Veterans, between living in a shelter or a life on the streets. I understand these are tough budget times but these are proven strategies that are making a real difference. We simply can't balance our budget on the backs of those living on the margins."

The 2013 Point-in-Time Estimates of Homelessness, prepared by HUD, estimates there were 57,849 homeless Veterans on a single night in January in the United States, an 8 percent decline since 2012 and a 24 percent decline since 2010.

VA has made ending Veterans' homelessness by the end of 2015 a top priority, undertaking an unprecedented campaign to dramatically increase awareness of VA services for homeless Veterans and Veterans at risk of becoming homeless. While the number of homeless people in the United States dropped by 4 percent since 2012, according to the 2013 report, Veterans' homelessness has shown a more robust decline. During a period of prolonged economic recovery, the Obama Administration has been able to reduce the number of homeless Veterans

by 24 percent, breaking previous patterns of increased homelessness during difficult economies.

Earlier this year, HUD and VA also announced the award of nearly \$70 million of HUD-Veterans Affairs Supportive Housing grants to further assist in addressing the issue of Veterans' homelessness. The program combines rental assistance from HUD with case management and clinical services provided by VA. Since 2008, a total of 58,140 vouchers have been awarded and 43,371 formerly homeless Veterans are currently in homes of their own because of the joint HUD-VA program.

One of the tools VA uses in its systematic approach to prevent and end Veterans' homelessness is the Supportive Services for Veteran Families grant program. In July, VA announced the award of nearly \$300 million in grants to 319 community agencies to help approximately 120,000 homeless and at-risk Veterans and their families.

More recently, VA has announced \$8.8 million in grants for 164 projects to acquire vans for homeless providers and to rehabilitate housing, plus \$4.9 million in grants for 25 community-based projects to enhance services for Veterans.

The grants promote housing stability among homeless and at-risk Veterans and their families. The grants can have an immediate impact, helping lift Veterans out of homelessness or providing aid in emergencies that put Veterans and their families at risk of homelessness.

Statement from Secretary Shinseki on the Disabilities Treaty

WASHINGTON (Nov. 21, 2013) -- Ratification of the Disabilities Treaty is important to our Nation's 5.5 million disabled Veterans.

Ratification of the Disabilities Treaty is not about changing America. It's about helping the rest of the world raise their accessibility standards to the gold standard the United States has set through our ADA. Ratification will help

reinforce America's global leadership role and reputation, putting us in the strongest position to advance disability rights worldwide.

By joining the treaty, we will be helping the 5.5 million Veterans with disabilities and the 50 million Americans with disabilities study and work with dignity and pursue greater opportunity abroad with the same access they enjoy at home.

I served for roughly 10 years in Europe as a disabled Soldier following my tours in Vietnam. During that time, I had to learn to walk and run again. I had to convince the Army that I could continue to serve, and learn to adjust to a new reality. I recall the absence of aids for the disabled in many places where I served—ramps, lifts, automatic door openers, among other devices that are commonly available in this country.

Our disabled Veterans and service members have put their trust in our country. Now, it's time for our country to put its trust in them. It's time to ratify the Disabilities Treaty.

I urge the Senate to approve the Treaty this year.