Statement for the Record

Of



Presented

By

Charles Byers, Chair, VVA Health Care Committee

Before The

Senate Committee on Veterans Affairs

Regarding

Honoring Our Commitment: Improving VA's Program of Comprehensive Assistance for Family Caregivers

March 23, 2022

Good afternoon, Chairman Tester, Ranking Member Moran, and members of the Senate Veterans Affairs Committee. I thank you for holding this hearing today and would like to submit our Statement for the Record on the Honoring Our Commitment: Improving VA's Program of Comprehensive Assistance for Family Caregivers.

CAREGIVERS EXPANSION – INTRODUCTION

The Program of Comprehensive Assistance for Family Caregivers (PCAFC) provides a wide range of benefits, including monthly stipends, reimbursement for travel costs, medical coverage, training, counseling, and respite-care caregivers for veterans severely injured during service to their country. Since implementation, the program has assisted thousands.

With the passage of the *VA MISSION Act* in 2018 (P.L. 115-182), many changes were made to the already established PCAFC. Vietnam Veterans of America applauded the long-overdue expansion of access to caregiver benefits, as they provided an opportunity for enhanced quality of life for Vietnam veterans and their families. However, the Veterans Health Administration has reported that most of these older, sicker veterans have been denied access to the PCAFC program because they do not meet the VHA's new eligibility requirements.

On October 1, 2020, the VA's final rule took effect, expanding PCAFC access for veterans who served prior to May 7, 1975. In addition to expanding access, the VA's final rule changed PCAFC program qualification requirements, which resulted in an inordinate number of program application rejections.

As of February 16, 2021, approximately 33,000 individuals were enrolled in the program, while roughly 80,000 were denied. Stipends paid to participants are fixed at GS-4 (\$2,200 to \$3,000 per month). Below are the budget reports from FY 2017 to FY 2021.

¹ Leo Shane III, <u>Changes to VA Caregiver Programs Being Reconsidered Amid Complaints</u>, MILITARY TIMES (Feb. 16, 2022).

| | Actual Budget (2015) | Budget Est. (2016) | Current Estimate (2016) | Advanced Appropriations (2017) | Revised Request (2017) | Advanced Appropriations (2018) | Increase / Decrease (2016- 2017) | Increase / Decrease (2017- 2018) |
|-------------------------|----------------------------|--------------------------|-------------------------------|--------------------------------------|------------------------------|--------------------------------------|---|---|
| FY 2017 ² | \$453,623 | \$555,096 | \$622,466 | \$641,509 | \$724,628 | \$839,828 | \$102,162 | \$115,200 |
| | Actual Budget (2016) | Budget Est. (2017) | Current Estimate (2017) | Advanced Appropriations (2018) | Revised Request (2018) | Advanced Appropriations (2019) | Increase / Decrease (2017- 2018) | Increase / Decrease (2018- 2019) |
| FY 2018 ³ | \$493,192 | \$724,628 | \$520,932 | \$839,828 | \$603,939 | \$675,777 | \$83,007 | \$71,838 |
| | Actual Budget (2017) | Budget Est. (2018) | Current Estimate (2018) | Advanced Appropriations (2019) | Revised Request (2019) | Advanced Appropriations (2020) | Increase / Decrease (2018- 2019) | Increase / Decrease (2019- 2020) |
| FY 2019 ⁴ | \$453,631 | \$603,939 | \$488,775 | \$675,777 | \$496,032 | \$510,592 | \$7,257 | \$14,560 |
| | Actual Budget (2018) | Budget Est. (2019) | Current Estimate (2019) | Advanced Appropriations (2020) | Revised Request (2020) | Advanced Appropriations (2021) | Increase / Decrease (2019- 2020) | Increase / Decrease (2020- 2021) |
| FY 2020 ⁵ | \$471,421 | \$496,032 | \$493,541 | \$705,219 | \$705,219 | \$1,061,867 | \$211,678 | \$356,648 |
| | Actual Budget (2019) | Budget Est. (2020) | Current Estimate (2020) | Advanced Appropriations (2021) | Revised Request (2021) | Advanced Appropriations (2022) | Increase / Decrease (2020- 2021) | Increase / Decrease (2021- 2022) |
| FY 2021 ⁶ | \$431,403 | \$716,664 | \$706,630 | \$1,191,686 | \$1,191,686 | \$1,536,289 | \$485,056 | \$344,603 |

- FY 2015 to 2016 the actual budget increased 8.72% (\$39.57 million).
- FY 2016 to 2017 the actual budget decreased 8.02% (\$39.56 million).
- FY 2017 to 2018 the actual budget increased 3.92% (\$17.79 million).
- FY 2018 to 2019 the actual budget decreased 8.49% (\$40.02 million).

² FY 2017 VA Budget Report, Vol. II - Medical Programs and Information Technology, VHA-6. (NOTE: All values in thousands.)

³ FY 2018 VA Budget Report, Vol. II - Medical Programs and Information Technology, VHA-12.

⁴ FY 2019 VA Budget Report, Vol. II - Medical Programs and Information Technology, VHA-

⁵ FY 2020 VA Budget Report, Vol. II - Medical Programs and Information Technology, VHA-11.

⁶ FY 2021 VA Budget Report, Vol. II - Medical Programs and Information Technology, VHA-7.

PCAFC BUDGET ANALYSIS

The PCAFC actual budget decreased from FY 2016 to FY 2017. This may be due to an accounting shift, i.e., over the fiscal year where the report was made, VHA may have decided to sever CHAMPVA from the Caregiver reporting, resulting in an apparent decrease in funding on the spreadsheet. The VA budget does not indicate whether CHAMPVA is excluded. However, a substantial decrease in the actual budget from Fiscal 2018 to Fiscal 2019 remains unexplained. Nonetheless, this decrease in budget does not appear related to the final rule change that was contemplated Fiscal 2020.

As stated, the Caregiver final rule took effect on the first day of Fiscal 2021. Assuming (for convenience and consistency) those stipends disbursed at an average of \$3,000 per participant per month (stipend payments are fixed to GS-4) and that the approximately current number of participants (33,000) was the same at that point in time, the value of stipends should have totaled \$1.188 billion per fiscal year. This amount of cost is consistent with the advanced appropriations granted for Fiscal 2021 (\$1.192 billion).

In Fiscal 2020 (the year that VHA issued its intent to make the formal rule change) and 2021 (when the rule change became effective), VHA increased its appropriations requests by roughly 108% and 45% respectively. Given that roughly, 84,000 applicants denied, and assuming they all would have received the same stipend amount, VHA would have needed to request an additional \$2.88 billion to accommodate them. Instead, VHA lists advanced appropriations for Fiscal 2022 of \$1.54 billion, which would only cover an additional 9.572 participants.

VHA does not appear to be substantially increasing its appropriations requests for future fiscal years. This could mean that VHA intends to use the new final rule's qualification standards to prevent new participants in the Caregiver program that future or current participants expected to receive smaller stipends, or that VHA does not believe it will be able to obtain requested appropriations due to sticker shock.

VA VSN PCAFC REJECTION RATES

The VA's rejection rate of Caregiver applicants is too high, averaging north of 70%. (See chart below.). This is a clear indication that Caregiver program admission standards are unreasonable. Inconsistency in denial rates amongst the VISNs varies significantly. This shows that there is no consistent application of the VA's current program participation standards.

However, if the VA does not know its own standard for program participation, how can veterans and their caregivers? To fix the problem, the VA must first cease and desist its Caregiver Legacy Assessments until Secretary McDonough has honored his commitment to Congress to change the regulatory requirements.

Status of Caregiver Applications for FY 21 on 01 OCT 2021⁷

| Status of Caregiver Applications for F1 21 on 01 OC1 2021 | | | | | | | | | |
|---|----------|-------------------|----------|--------|----------|--|--|--|--|
| VISN | Received | Processing | Approved | Denied | % Denied | | | | |
| 01 | 3,155 | 147 | 420 | 2,644 | 84% | | | | |
| 02 | 3,976 | 193 | 584 | 3,265 | 82% | | | | |
| 04 | 4,194 | 503 | 432 | 3,323 | 79% | | | | |
| 05 | 3,634 | 319 | 352 | 3,000 | 83% | | | | |
| 06 | 9,402 | 1,606 | 1,268 | 6,702 | 71% | | | | |
| 07 | 11,627 | 867 | 1,716 | 9,204 | 79% | | | | |
| 08 | 11,673 | 1,003 | 1,664 | 9,228 | 79% | | | | |
| 09 | 5,107 | 306 | 568 | 4,338 | 85% | | | | |
| 10 | 5,500 | 590 | 1,101 | 3,929 | 71% | | | | |
| 12 | 2,996 | 354 | 563 | 2,142 | 71% | | | | |
| 15 | 3,067 | 279 | 428 | 2,429 | 79% | | | | |
| 16 | 7,330 | 1,027 | 534 | 5,873 | 80% | | | | |
| 17 | 8,942 | 2,347 | 933 | 5,906 | 66% | | | | |
| 19 | 4,887 | 1,416 | 404 | 3,163 | 65% | | | | |
| 20 | 3,914 | 360 | 321 | 3,257 | 83% | | | | |
| 21 | 7,193 | 1,321 | 723 | 5,252 | 73% | | | | |
| 22 | 10,308 | 1,545 | 740 | 8,142 | 79% | | | | |
| 23 | 3,082 | 208 | 723 | 2,216 | 72% | | | | |
| TOTALS | 109,987 | 14,391 | 13,474 | 84,013 | 76% | | | | |

⁷ VA Prosthetics & Special Disabilities Programs Federal Advisory Meeting, Oct. 2021.

VVA has heard from frustrated members across the United States, and when we ask them to please contact their member of Congress to assist them, their response is that nobody in Congress is listening. This ring true – if Congress had been listening to veterans, it could have stopped the bleeding months ago when the VA issued its press release on September 30, 2021, where it indicated that it would be reassessing 19,500 VA PCAFC legacy participants, 6,700 of whom would be removed from the program.

If the VA fails to make adequate regulatory changes, this will result in grave financial harm for participants who are removed from the program, in addition to wasted time, money, and resources spent processing denials as the program expands to cover veterans of all eras this October.

Perhaps Congress or the VA believed the regulatory change would only affect aging veterans, which is, of course, unacceptable, but post-9/11 veterans are being denied access, as well. When a veteran turns to the VA for assistance after being denied, they are told to file an appeal. As Ron Nessler, a three-tour, severely disabled Vietnam veteran stated, "You can't file an appeal without complete paperwork." Mr. Nessler made a concerted effort to submit all his documentation and comply with the VA's requirements but was eventually denied access. His story is a common refrain amongst VVA's membership, and when VVA asked Secretary McDonough why veterans were not receiving adequate explanations for why their claims are being denied, he said he would work to change the ADL regulatory requirement imposed by the VA's new rule, but that he could not change the statutory 70% eligibility requirement.

VVA was hopeful that the VA would not repeat the mistakes it made in 2018 and 2019 with the newly revised PCAFC – mistakes foreseen by Senator Patty Murray (D-WA) – but unfortunately, reports indicate that access to the program is being denied to double- and triple-bilateral pre- and post-9/11 amputees. The only explanation given to these warriors is, "you don't qualify."

This situation is shameful and shocking. Veterans gravely injured in service to this country, who require care and treatment for the remainder of their lives, are being denied benefits they have earned. Why? Is funding the only reason for the harsh treatment of our nation's veterans?

The situation must be rectified, and swiftly, not only because of the pending program expansion in October, but because of what will happen to these veterans if Congress rests on its laurels and does nothing.

Senators Tester/Moran, our veterans need you to honor your promise of care; you must use your legislative power to halt the legacy reassessment, which was never the intent of the PCAFC program. We also challenge you with holding VA accountable for unjustly denying program access to the PCAFC applicants and to compel Secretary McDonough to make the eligibility requirement changes that he has promised veterans in the past.

We thank the Senate Veterans Affairs Committee for the opportunity to submit our statement for the record and look forward to changes that will positively affect our nation's veterans.

VIETNAM VETERANS OF AMERICA

FUNDING STATEMENT

March 23, 2022

The national organization Vietnam Veterans of America (VVA) is a non-profit veterans' membership organization registered as a 501(c)(19) with the Internal Revenue Service. VVA is also appropriately registered with the Secretary of the Senate and the Clerk of the House of Representatives in compliance with the Lobbying Disclosure Act of 1995.

VVA is not currently in receipt of any federal grant or contract, other than the routine allocation of office space and associated resources in VA Regional Offices for outreach and direct services through its Veterans Benefits Program (Service Representatives). This is also true of the previous two fiscal years.

For Further Information, Contact:

Director for Policy and Government Affairs Vietnam Veterans of America (301) 585-4000 extension 111

CHARLES G. BYERS JR

Born in Houston, Texas, Charles "Chuck" Byers, Jr., currently serves on VVA's National Veterans Benefits Committee, as Chair for VVA's Veterans Healthcare, and as Second Vice President of VVA <u>Chapter 1011</u> in East Valley, Arizona. Formerly Congressional Liaison for Military and Veterans Affairs for U.S. Congresswoman Debbie Lesko (R-AZ-8th), he is also the past State Commander of the Military Order of the Purple Heart (Arizona Department), and currently serves as their National Legislative Director. Byers has been a strong, lifelong advocate for his fellow veterans.

U.S. Army Specialist (SP5) Byers did his military service in the United States Army from 1966 to 1972. He served as a combat medic in Vietnam from July 1967 to June 1968, with the 9th Infantry division 2/60th, stationed in the Mekong Delta. Byers was wounded on June 1, 1968, when he ran into battle to tend to another wounded soldier. His actions earned him the Silver Star, the Bronze Star with Valor, and the Purple Heart for his service in Vietnam. He subsequently spent six months as a patient in Brooke Army Hospital in San Antonio, Texas. After recovering, Byers stayed in the Army and entered the Walter Reed Army Nursing program, graduating in 1970. He worked in Walter Reed Army Hospital in Washington, D.C., spending six months on the storied Presidential ward, until his discharge from the service in 1972.

Not long after leaving the Army, Byers became a lifetime member of VVA and a Charter Member of VVA Chapter 20 in Rochester, NY. He quickly began working on what would prove to be a lifelong commitment to helping veterans and their families, as he lived and raised his own family in New York and New Jersey. He served in several offices: as the past President of South Jersey Vietnam Veterans Association; as Senior Vice President for the Military Order of the Purple Heart for the State of New Jersey; as County Veterans Service Officer for New Jersey; and on the Governor's Veterans Task Force for New Jersey.

Byers moved from New Jersey to Arizona in August 2012. In addition to his on-going work with VVA, he has volunteered for the past six years as the Chief Veterans Service officer for Arizona, and he continues to do so. He has been credited with helping to build a strong Volunteer VSO Program for Arizona. In 2018, Chuck Byers was inducted into the Arizona Veterans Hall of Fame. Byers and his wife, Cheryl, have three children, five grandchildren, and two great-grandchildren.