

## **2009 Independent Budget**

Robert E. Wallace, Executive Director of the Veterans of Foreign Wars, David W. Gorman, Executive Director of Disabled American Veterans, James B. King, National Executive Director of AMVETS and Homer S. Townsend, Jr., Executive Director of the Paralyzed Veterans of America state the following in their Prologue to the 2009 Independent Budget.

*As the Independent Budget was presented, American servicemen and -women continue to be placed in harm's way in Iraq, Afghanistan, and other hostile areas around the world. Since fighting began in Afghanistan in October 2001 and Iraq in March 2003, more than 3,500 service members (now over 4,000) have made the ultimate sacrifice and more than 28,000 have been wounded. These brave soldiers, sailors, airmen, and marines are only the latest in a long line of men and women who have unhesitatingly come forward in time of war to confront those who seek to unalterably change the world we know and the liberty we cherish. It is for these men and women and the millions who came before them that we set out each year to assess the health of the one federal department whose sole task it is to care for them and their families.*

*The Independent Budget is based on a systematic methodology that takes into account changes in the size and age of the veteran population, cost-of-living adjustments, federal employee staffing, wages, medical care inflation, construction needs, the aging health-care infrastructure, trends in health-care utilization, benefit needs, efficient and effective means of benefits delivery, and estimates of the number of veterans and their spouses who will be laid to rest in our nation's cemeteries.*

*The President has stated that the war on terrorism is likely to be long, with dangers from unexpected directions and enemies who are creative and flexible in planning and executing attacks on our citizens and on our friends. With this reality ever present in our minds, we must do everything we can to ensure that the Department of Veterans Affairs has all the tools it needs to meet the challenges of today and the problems of tomorrow.*

*Our sons, daughters, brothers, sisters, husbands, and wives who serve in the darkest corners of the world, keeping the forces of anarchy, hatred, and intolerance at bay, need to know that they will come home to a people who not only cherish their service, but also honor them with the best medical care to make them whole, the best vocational rehabilitation to help them overcome the employment challenges created by injury, and the best claims processing system to deliver education, compensation, and survivors' benefits in a minimum amount of time to those most harmed by their service to our nation.*

*We are proud that The Independent Budget has gained the respect that it has over its 22-year history.*

As the Independent Budget (IB) begins its 22nd year, its four participating authors, AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and the Veterans of Foreign Wars, are faced with the responsibility and challenge of predicting the Department of Veterans Affairs (VA) resource requirements for fiscal year (FY) 2009.

In addition to making financial recommendations, the IB offers program and service recommendations to assist veterans based on the real-life experiences of veterans. Today, fewer and fewer members of Congress are veterans, and the IB authors believe that their core mission, service to veterans, must be articulated clearly, accurately, and often.

Currently, VA continues to deny approximately 1.6 million veterans access to health care. However, despite this restriction, its medical care workload is increasing. Thousands more men and women who have

sacrificed themselves in the global war on terrorism are returning home. These brave men and women are relying on the VA health-care and benefits system to help them rebuild their lives and become productive members of society. During FY 2009, VA will be caring for an ever-growing number of new veterans as they transition from active duty in the U.S. military to civilian status and become veterans. According to VA, in the first six months of fiscal year 2007, it treated nearly 124,000 new veterans from Operation Enduring Freedom and Operation Iraqi Freedom. This represents a 29 percent increase over the same time period in fiscal year 2006.

Additionally, VA's general veteran population is aging and has an increasing demand for VA's acute medical and long-term-care services. The influx of new veterans entering the VA system coupled with the increasing demand for medical services by an aging veteran population makes adequate resource forecasting difficult but more important year after year.

As America's servicemen and -women continue to be placed in harm's way in the global war on terrorism, it is important that their various needs, upon returning home from the battlefield, are met as expeditiously and as effectively as possible. VA's health-care and benefits systems are critical national resources for our nation's increasing veteran population. Veterans depend on VA for health care, compensation for disability, housing, education, vocational rehabilitation, and insurance benefits they earned serving our country. As the Administration and Congress consider the financial needs of VA this fiscal year, they should pause to consider how much is at stake.

Year after year, we call on Congress to provide funding necessary to meet the health-care needs of veterans and to do so in a timely manner. Unfortunately, Congress continues to be unable to complete the VA appropriation process in time to coincide with the beginning of VA's new fiscal year. Continued Congressional delays in VA funding bolster the IB recommendation to alter the current process and make VA health care a mandatory rather than a discretionary expense. Mandatory funding would ensure that the government meets its obligation to provide quality VA health care to America's veterans in an efficient and timely manner.

With regard to veterans' benefits, the IB recognizes a vastly growing crisis that has not been properly addressed in years past. It is time to take real steps to fix the backlog in claims processing before the system collapses under its own weight. Continuing to study these problems without developing real solutions serves no other purpose than to delay the benefits that veterans have earned and deserve. Moreover, a large number of adjudication decisions are incorrect or have technical or procedural errors, further exacerbating the problem. Veterans' benefits are part of a covenant between our nation and its defenders and should never be denied, reduced, or delayed.

The Independent Budget for Fiscal Year 2009 offers comments and recommendations to improve and maintain the broad array of VA services designed to improve the lives of America's veterans. These men and women have answered the call of their country; they have taken an oath to defend and protect America; and they have served our country with honor and distinction. It is the goal of the IB to ensure that the promises of a grateful nation are upheld.

The recommendations contained in the IB for FY 2009 provide decision-makers with a rational, rigorous, and sound review of the budget required to support authorized programs for our nation's veterans. We are proud that more than 50 veterans, military, and medical service organizations have endorsed the 22nd edition of The Independent Budget.

**VA Accounts FY 2009 (Dollars in Thousands)**

	<b>FY 2008 Appropriation</b>	<b>FY 2009 Admin.</b>	<b>FY 2009 IB</b>
<b>Veterans Health Administration (VHA)</b>			
Medical Services*	29,104,220	34,075,503	34,619,998
Medical Administration*	3,517,000		3,625,762
Medical Facilities	4,100,000	4,661,000	4,576,143
<b>Subtotal Medical Care, Discretionary</b>	<b>36,721,220</b>	<b>38,736,503</b>	<b>42,821,903</b>
<i>Medical Care Collections**</i>	<i>2,414,000</i>	<i>2,467,000</i>	
<b>Total, Medical Care Budget Authority** (including Collections)</b>	<b>39,135,220</b>	<b>41,203,503</b>	<b>42,821,903</b>
Medical and Prosthetic Research	480,000	442,000	555,000
<b>Total, Veterans Health Administration</b>	<b>37,201,220</b>	<b>39,178,503</b>	<b>43,376,903</b>
<b>General Operating Expenses (GOE)</b>			
Veterans Benefits Administration	1,327,001	1,371,753	1,693,574
General Administration	277,999	328,114	292,028
<b>Total, General Operating Expenses (GOE)</b>	<b>1,605,000</b>	<b>1,699,867</b>	<b>1,699,867</b>
<b>Departmental Admin. and Misc. Programs</b>			
Information Technology	1,966,465	2,442,066	2,164,938
National Cemetery Administration	195,000	180,959	251,975
Office of Inspector General	80,500	76,500	83,158
<b>Total, Dept. Admin. and Misc. Programs</b>	<b>2,241,965</b>	<b>2,699,525</b>	<b>2,500,071</b>
Construction Programs			
Construction, Major	1,069,100	581,582	1,275,000
Construction, Minor	630,535	329,418	621,000
Grants for State Extended Care Facilities	165,000	85,000	200,000
Grants for Construction of State Veterans cemeteries	39,500	32,000	42,000
<b>Total, Construction Programs</b>	<b>1,904,135</b>	<b>1,028,000</b>	<b>2,138,000</b>
Other Discretionary	155,572	158,000	160,084
<b>Total, Discretionary Budget Authority</b>	<b>43,107,892</b>	<b>44,763,895</b>	<b>50,160,660</b>
<b>Total, Discretionary Budget Authority (including Medical Collections)</b>	<b>45,521,892</b>	<b>47,230,895</b>	<b>50,160,660</b>
<b>Cost for Category 8 Veterans Denied Enrollment</b>			<b>1,386,482</b>
<b>Total, Budget Authority</b>			<b>51,547,142</b>

\*The FY 2009 Administration Request consolidates Medical Services and Medical Administration into one account.

\*\*The Independent Budget believes Medical Care Collections should be a supplement to and not a substitute for appropriations. As such, our FY 2009 Medical Care recommendation reflects the total funding that we believe is necessary to operate the VA health care system.

To download the entire Independent Budget as a PDF document please go to <http://es3.pva.org/independentbudget/index.htm>

## **Guiding Principles of the Independent Budget**

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- Veterans must not have to wait for benefits to which they are entitled.
- Veterans must be ensured access to high-quality medical care.
- Veterans must be guaranteed timely access to the full continuum of health –care services, including long-term medical care.
- Veterans must be assured burial in state or national cemeteries in every state.
- Specialized care must remain the focus of the Department of Veterans Affairs (VA).
- VA’s mission to support the military medical system in time of war or national emergency is essential to the nation’s security.
- VA’s mission is to conduct medical and prosthetic research in areas of veterans’ special needs is critical to the integrity of the veterans’ health-care system and the advancement of American medicine.
- VA’s mission to support health professional education is vital to the health of all Americans.

## **Supporters of the 2009 Independent Budget**

**AAALAC International**  
**Administrators of Internal Medicine**  
**African American Post Traumatic Stress Disorder Association**  
**African American War Veterans, USA**  
**Air Force Women Officers Association**  
**Alliance for Academic Internal Medicine**  
**American Coalition for Filipino Veterans**  
**American Ex-Prisoners of War**  
**American Federation of Government Employees**  
**American Military Retirees Association**  
**American Military Society**  
**American Veterans Alliance, USA**  
**American Volunteer Reserve**  
**Armed Forces Top Enlisted Association**  
**Association for Service Disabled Veterans**  
**Association of American Medical Colleges**  
**Association of Professors of Medicine**  
**Association of Program Directors in Internal Medicine**  
**Association of Subspecialty Professors**

**Blinded Veterans Association**  
**Catholic War Veterans, USA, Inc.**  
**Clerkship Directors in Internal Medicine**  
**Enlisted Association of the National Guard of the United States**  
**Fleet Reserve Association**  
**Georgia Department of Veterans Services**  
**Gold Star Wives of America**  
**Iraq and Afghanistan Veterans of America**  
**Japanese American Veterans Association**  
**Jewish War Veterans of the USA**  
**Lung Cancer Alliance**  
**Military Officers Association of America**  
**Military Order of the Purple Heart of the USA, Inc.**  
**National Alliance on Mental Illness**  
**National Association of American Veterans, Inc.**  
**National Association of State Head Injury Administrators**  
**National Association of State Veterans Homes**  
**National Association of Uniformed Services**  
**National Association of Veterans' Research and Education Foundations**  
**National Coalition for Homeless Veterans**  
**National Gulf War Resource Center, Inc.**  
**National Spinal Cord Injury Association**  
**Naval Reserve Association**  
**Navy Seabee Veterans of America**  
**New Jersey Veterans Home at Paramus**  
**Non Commissioned Officers Association**  
**Society of Cuban American Veterans**  
**Society of Hispanic Veterans**  
**The Forty & Eight**  
**United Spinal Association**  
**United States Coast Guard CPOA/CGEA**  
**United States Federation of Korea Veterans Organization**  
**Veterans Affairs Physician Assistant Association**  
**Vietnam Veterans of America**  
**Washington State Office of the Governor**