

CHIEF OF STAFF ARMY RETIREE COUNCIL ISSUE

MACOM: USAREUR

INSTALLATION: USAREUR

SUBJECT: VA Health Care Funding

DISCUSSION: As an earned national benefit, veterans' medical care funding should be based on health care needs rather than arbitrary budgetary limitations. Taking care of America's veterans, especially those with service-connected disabilities, is a national mandate and must be a top priority of the Federal government. It is disingenuous for the government to promise health care to veterans and then make it unattainable because of inadequate funding.

Under the current discretionary funding method for veterans' health care, the needs of our nation's sick and disabled veterans are not being adequately met. Continued funding shortfalls, combined with rising costs for care and increased demand for medical services, have resulted in unprecedented waiting times nationwide for routine and specialized medical services. Accordingly,

- VA health care funding has failed to keep pace with medical inflation and the changing needs of the veteran population;
- VA has been forced to ration care by denying services to eligible veterans and curtailing needed medical treatment;
- VA has had to forgo the modernization of many of its facilities and the purchase of necessary state-of-the-art medical equipment;
- VA's ability to plan strategically for long-term efficiencies has been severely compromised; and
- Veterans are unfairly subjected to the annual funding competition for limited **discretionary** resources.

Guaranteed funding would eliminate the year-to-year uncertainty about funding levels that have prevented VA from adequately planning for and meeting the growing needs of veterans seeking care.

In May 2001, President Bush signed Executive Order 13214 creating the President's Task Force to Improve Health Care Delivery for our Nation's Veterans (PTF), which agreed on the need for funding reform. In its May 2003 report, the PTF identified a significant mismatch between demand for VA services and available funds which, if left unresolved: Would delay veterans' access to care; and Threaten the quality of care provided.

Under Recommendation 5.1, the PTF stated: "The Federal Government should provide full funding to ensure that enrolled veterans in Priority Groups 1 through 7 (new) are provided the current comprehensive benefit in accordance with VA's established access standards. Full funding should occur through modifications to the current budget and appropriations, by using a mandatory funding mechanism, or by some other changes in the process that achieve the desired goal."

In January 2003, the Secretary of VA suspended new enrollments of Priority Group 8 veterans based on an insufficient budget. The PTF stated: "Individually [these] veterans do not know from year to year whether they will have access to VA care, and as an organization, VA cannot effectively plan or budget, given the uncertainty." The PTF declared that the current situation with regard to Priority Group 8 is unacceptable, and recommended that the President and Congress work together to resolve the status of this group of veterans.

The VA health care system warrants a predictable funding stream to care for those who have borne the battle. Guaranteed funding will provide a reasonable, comprehensive, long-term solution for the VA's health care funding crisis.

APPROVED BY INSTALLATION RETIREE COUNCIL CHAIR: COL Robert A. Mertell, United States Army, Retired.