

Prologue

As the United States reflects on the fateful date—September 11, 2001—that obligated millions of service members to be deployed into combat theaters, the Department of Veterans Affairs (VA) continues to face rising pressure to meet the needs of these veterans and of veterans before them. While the future of United States military deployments remains uncertain, the lasting impact of the physical and psychological traumas that some service members experienced during that time may require a lifetime of care. The sacrifices these brave soldiers, sailors, airmen, coastguardsmen, and marines have made will leave them dealing with a lifetime of physical and psychological wounds. It is for these men and women and the millions who came before them that *The Independent Budget* veterans service organizations (IBVSOs)—AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and the Veterans of Foreign Wars—set out each year to assess the status of the one federal department whose sole task it is to care for them and their families.

VA and the veterans it serves now face a new dynamic in which pressures resulting from the federal debt and deficit may dictate the level of services the agency can provide, whether arbitrary or not. In fact, these pressures may force VA to provide health-care services and benefits with fewer resources than might actually be necessary to meet full demand. This is a sobering proposition.

The Independent Budget is designed to alert the Administration, Members of Congress, VA, and the public to those issues concerning VA health care, benefits, and benefits delivery that we believe deserve special scrutiny and attention. This document provides a detailed funding analysis and recommendations to assist policy makers in assembling an adequate budget for FY 2013, and developing the advance appropriation for the medical care accounts for fiscal year 2014. Through these efforts, if Congress responds appropriately, the IBVSOs believe VA will be positioned to successfully meet the challenges of the future. We also hope that this report will provide direction and guidance to the Administration and Members of Congress to steer both policy and budget to the benefit of veterans served by VA.

The U.S. government confronts a number of challenges to our fiscal future. Rapid growth in federal spending, coupled with an economic recession that has had an impact on federal revenues, has set the nation on a course that appears unsustainable. Yet continued investment in VA's infrastructure and critical programs is imperative. The ongoing cost of maintaining VA's infrastructure and caring for veterans who honorably served this nation does not decline simply because financial times become challenging. With this new reality ever-present in our minds, we must take necessary steps to ensure that VA receives the

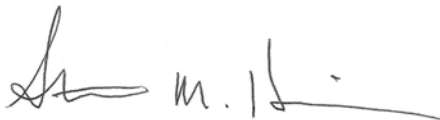
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resources it needs to meet the challenges of today and the problems of tomorrow. In order to ensure that VA obtains these resources, *The Independent Budget* veterans service organizations offer a detailed analysis of the full funding needs of VA. *The Independent Budget* is based on a systematic methodology that takes into account changes in the size and age of the veterans population, the cost of living, federal employee staffing, wages, medical care inflation, construction needs, the aging health-care capital infrastructure, trends in health-care utilization, benefits needs, efficient and effective means of benefits delivery, and estimates of the number of veterans and their dependents who will be laid to rest in our nation's cemeteries.

Our sons, daughters, brothers, sisters, husbands, wives, and grandchildren who serve on the frontier of freedom need to know that they will come home to a nation that respects and honors them for their service, provides the best medical care to restore them, orchestrates the best vocational rehabilitation to help them overcome employment barriers created by injury, and furnishes a supportive claims-processing system that delivers education, compensation, and survivors' benefits with efficiency to those who sustained harm in their service to our nation.

We are proud that this year represents the 26th edition of *The Independent Budget*. We are proud of the respect and influence that *The Independent Budget* has attained during that quarter century. We endeavor each year to ensure that *The Independent Budget* is the voice of responsible advocacy and that our recommendations are based on facts, rigorous analysis, and sound reasoning.

We ask readers to approach this report with an open mind. War veterans should not be treated as war's refuse, but rather as proud warriors who served. Benefits and services for them are not gratuitous—they were earned, and payment is due in full.



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Independent Budget Authors

The four coauthoring organizations have worked in collaboration for 25 years on *The Independent Budget* to honor veterans and their service to our country. Throughout the year, each organization works independently to identify and address legislative and policy issues that affect the organizations' memberships and the broader veterans community.

AMVETS

Since 1944, AMVETS has been preserving the freedoms secured by America's armed forces, and providing support for veterans and the active military in procuring their earned entitlements, as well as community service and legislative reform that enhances the quality of life for this nation's citizens and veterans alike. AMVETS is one of the largest Congressionally chartered veterans service organizations in the United States, and includes members from each branch of the military, including the National Guard and Reserves.

DISABLED AMERICAN VETERANS

The Disabled American Veterans (DAV), founded in 1920 and chartered by Congress in 1932, is dedicated to a single purpose—building better lives for our nation's service-disabled veterans and their families and survivors. This mission is carried forward by providing outreach and free, professional assistance to veterans and their dependents and survivors in obtaining benefits and services earned through military service. DAV members also provide voluntary services in communities across the country and grassroots advocacy from educating lawmakers and the public about important issues to supporting services and legislation to help disabled veterans and their families.

PARALYZED VETERANS OF AMERICA

Paralyzed Veterans of America (Paralyzed Veterans), founded in 1946, is the only Congressionally chartered veterans service organization dedicated solely to serving the needs of veterans with spinal cord injury or dysfunction (SCI/D). Paralyzed Veterans' mission is to maximize the quality of life for its members and all people with disabilities. Paralyzed Veterans is a leading advocate for health care, SCI/D research and education, veterans' benefits, sports and recreational rehabilitation opportunities, accessibility and the removal of architectural barriers, and disability rights. Paralyzed Veterans is composed of 34 chapters that work to create an America where all veterans and people with

disabilities, and their families, can achieve their independence and thrive. Paralyzed Veterans represents more than 19,000 veterans in all 50 states, the District of Columbia, and Puerto Rico.

VETERANS OF FOREIGN WARS OF THE U.S.

The Veterans of Foreign Wars of the U.S. (VFW), founded in 1899 and chartered by Congress in 1936, is the nation's largest organization of combat veterans and its oldest major veterans service organization. Its 1.5 million members include veterans of past wars and conflicts, as well as those who currently serve in the active, Guard, and Reserve forces. Located in 7,900 VFW Posts worldwide, the VFW and the 600,000 members of its Auxiliaries are dedicated to "honoring the dead by helping the living." They accomplish this mission by advocating for veterans, service members, and their families on Capitol Hill as well as state governments; through local community and national military service programs; and by operating a nationwide network of service officers who help veterans recoup more than \$1 billion annually in earned compensation and pension.

Individually, each of the coauthoring organizations serves the veterans community in a distinct way. However, the four organizations work in partnership to present this annual budget request to Congress with policy recommendations regarding veterans' benefits and health care, as well as funding forecasts for the Department of Veterans Affairs.

Supporters

African American Post Traumatic Stress Disorder Association
Air Force Association
Air Force Sergeants Association
American Coalition for Filipino Veterans
American Ex-Prisoners of War
American Federation of Government Employees
American Federation of State, County and Municipal Employees
American Foundation for the Blind
American Military Retirees Association
American Military Society
American Psychological Association
American Thoracic Society
American Veteran Alliance
American Veterans for Equal Rights
Armed Forces Top Enlisted Association
Association for Service Disabled Veterans
Association of American Medical Colleges
Association of the United States Navy
Blinded Veterans Association
Catholic War Veterans, USA, Inc.
Combined KORUS Veterans
Easter Seals
Fleet Reserve Association
Gold Star Wives of America, Inc.
Governor of Washington
Iraq and Afghanistan Veterans of America
Jewish War Veterans of the USA
Korea Veterans of America, Inc.
Louisiana Veterans Coalition
Lung Cancer Alliance

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Mental Health America
Military Officers Association of America
Military Order of the Purple Heart
Minnesota Department of Veterans Affairs
National Alliance on Mental Illness
National Association for Uniformed Services
National Association of American Veterans, Inc.
National Association of Disability Representatives
National Association of State Head Injury Administrators
National Association of State Veterans Homes
National Association of Veterans' Research and Education Foundations
National Coalition for Homeless Veterans
National Disability Rights Network
National Society of Cuban American Veterans
Navy Seabee Veterans of America, Inc.
Non Commissioned Officers Association of the USA
North Dakota Department of Veterans Affairs
Nurses Organization of Veterans Affairs
Society of Hispanic Veterans
Society of Military Spouses
Tennessee Department of Veterans Affairs
United Spinal Association
United States Coast Guard Chief Petty Officers Association
US Federation of Korea Veterans Organizations
US—Korea Allies Council
VetsFirst, A program of United Spinal Association
Veterans Affairs Physician Assistant Association, Inc.
Vietnam Veterans of America
Wyoming Veterans Commission

Guiding Principles

- ❖ 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 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 to conduct medical and prosthetic research in areas of veterans' special needs is critical to the integrity of the veterans' health-care system and to the advancement of American medicine.
- ❖ VA's mission to support health professional education is vital to the health of all Americans.

Acknowledgments

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