

Introduction

With America's armed forces now withdrawn from Iraq, and as we begin to plan our withdrawal from the long conflict in Afghanistan, the numbers of new veterans and disabled veterans entering the Department of Veterans Affairs (VA) health-care and benefits systems continues to steadily increase. Tens of thousands of soldiers, sailors, airmen, marines, and coastguardsmen have experienced injury or illness associated with their service during the global war on terrorism; meanwhile, the responsibility that this country has to take care of those men and women continues to grow.

With the concerns and issues of these valiant men and women ever-present in our minds, the four co-authors of *The Independent Budget*—AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and the Veterans of Foreign Wars—offer our budget and program recommendations based upon our unique expertise and experience concerning the resources that will be necessary to meet the needs of America's veterans in fiscal year (FY) 2014 and beyond. These recommendations are designed to meet the needs of the thousands of young veterans currently serving in America's armed services who will soon have earned and require VA health care and financial benefits and to meet the needs of the millions of veterans from previous conflicts and service who currently depend on VA.

We are proud of the fact that the FY 2014 edition of *The Independent Budget* represents the 27th consecutive year that our partnership of veterans service organizations produced a comprehensive budget document that highlights the needs of elderly veterans and those of younger men and women who join their ranks each year as they return from active duty. During that time, *The Independent Budget* has expanded its scope extensively and drawing greater attention to a wider array of issues facing veterans of all eras.

The Veterans Health Administration, similar to private sector health-care providers and other federal health-care programs, including Medicare, Medicaid and TRICARE, is facing growing demand for services, as America ages, and medical treatment and administrative costs spiral upward. With the soon-coming broad implementation of comprehensive health-care reform, more veterans may turn to VA as acceptable coverage for their health-care needs. Meanwhile, the influx of new, and often severely disabled, veterans entering the VA system each month brings new demands for sophisticated medical care each year. These considerations make accurate financial and personnel resource forecasting difficult but even more important each year.

Year after year the co-authors of *The Independent Budget* conduct comparative analysis
(Continued)

of VA workload information and carefully review medical and administrative cost data that form the foundation of *The Independent Budget's* recommendations. We then call upon Congress and the Administration to provide sufficient funding to meet the health-care and benefit needs of veterans in a timely and predictable manner. This has proved to be a difficult, but welcome, challenge, particularly in light of recent economic conditions, as we seek to ensure that the needs of all veterans are properly met.

Fortunately, the enactment of advance appropriations has shielded the VA health-care system from the political wrangling and legislative deadlock that continues to impair Washington. However, the larger VA system is still negatively affected by the incomplete—and simply broken—appropriations process. VA still faces the daunting task of meeting ever-increasing health-care demand as well as demand for benefits and other services.

With regard to veteran's benefits, *The Independent Budget* co-authors believe that VA must fast-track real steps that will help ameliorate nagging claims-processing barriers. Continuing studies to find solutions must be replaced by real action plans that produce positive results. Veterans and their families deserve prompt decisions regarding the benefits that they have earned and deserve. These benefits are part of a covenant between our nation and the men and women who have defended it. Veterans have fulfilled their part of the covenant. Now VA must avoid further delay and move forward to meet its obligations in a timely manner.

The Independent Budget for Fiscal Year 2014 provides recommendations for consideration by our nation's elected leadership that are based upon rigorous and rational methodology designed to support the Congressionally authorized programs that serve our nation's veterans. We are proud that more than 50 veteran, military, medical service, and disability organizations have endorsed this document. *The Independent Budget's* primary purpose is to inform and encourage the United States Government to provide the necessary resources to care for the men and women who have answered the call of our country and taken up arms to protect and defend our way of life.

Table 1. VA Accounts FY 2014 (Dollars in Thousands)					
	FY 2013* Appropriation	FY 2014** Administration	FY 2014 Independent Budget (IB)**	FY 2015 Advance Approp.	FY 2015 /B Advance Approp.
Veterans Health Administration (VHA)					
Medical Services	41,354,000	43,557,000	47,412,078		49,823,907
Medical Support and Compliance	5,746,000	6,033,000	5,844,255		6,135,699
Medical Facilities	5,441,000	4,872,000	5,570,433		5,687,956
Subtotal Medical Care, Discretionary	52,541,000	54,462,000	58,826,766		61,647,562
Medical Care Collections	2,966,000	3,051,000			
Total, Medical Care Budget Authority (including Collections)	55,507,000	57,513,000	58,826,766		61,647,562
Medical and Prosthetic Research	582,674		611,000		
Total, Veterans Health Administration	56,089,674		59,437,766		
General Operating Expenses (GOE)					
Veterans Benefits Administration	2,164,074		2,390,400		
General Administration	416,737		430,560		
Total, General Operating Expenses (GOE)	2,580,811		2,820,960		
Departmental Admin. and Misc. Programs					
Information Technology	3,327,444		3,391,770		
National Cemetery Administration	258,284		263,057		
Office of Inspector General	113,000		115,053		
Total, Dept. Admin. and Misc. Programs	3,698,728		3,769,880		
Construction Programs					
Construction, Major	532,470		1,100,000		
Construction, Minor	607,530		1,000,000		
Grants for State Extended-Care Facilities	85,000		100,000		
Grants for State Vets Cemeteries	46,000		51,000		
Total, Construction Programs	1,271,000		2,251,000		
Other Discretionary	158,160		161,007		
Total, Discretionary Budget Authority (Including Medical Collections)	63,798,373		68,440,613		

*FY 2013 appropriations amounts for health care reflect advance appropriations that were provided in the FY 2012 Military Construction and Veterans Affairs appropriations bill.

**The FY 2014 Administration health care accounts reflect the advance appropriations recommendations included in the FY 2013 budget request released in February 2012.

