

***In the News...*** From: Nathan D. Johnson – County Veterans Service Officer

## **State losing \$400M in veterans benefits**

By Michael Gardnernoan – *San Diego Times*

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**SACRAMENTO** — California veterans may be losing out on \$400 million in federal benefits annually and among the options some are looking at to capture that money is to use potential savings by cutting costs at veterans homes.

The emerging debate centers on whether the state spends too much on its homes for veterans who are older, ill or disabled and instead should focus more resources to help younger returning veterans with their claims for federal benefits to prevent rejections and even more delays.

The untapped amount of federal dollars alarms advocates for veterans, who are urging Gov. Jerry Brown to spend what they view as a modest amount to hire more people who could drastically increase the benefits for veterans.

The veteran groups are lobbying for \$11 million in spending that was authorized by previous legislation but never materialized because of nagging state deficits. Brown has offered \$2.6 million in his proposed 2013-14 spending plan — an amount unchanged since 2006-07. The California Department of Veterans Affairs overall budget is \$328.6 million.

Spending \$11 million for more for benefits assistance would bring in \$400 million in additional federal benefits, said Pete Conaty, a lobbyist who represents the County Veteran Services Officers who help file the bulk of federal claims. His estimate is based on the projected number of additional claims that could be filed, speedier returns and obtaining the maximum benefits available. The state does not dispute the figure.

Veterans advocates' first choice is for Brown is to simply allocate the money.

Another possibility, according to a local lawmaker and others, would be to shift money from the state's system of six veterans homes, which includes one in Chula Vista.

Assemblyman Rocky Chavez, R-Oceanside, was acting secretary of the state Department of Veterans Affairs under former Gov. Arnold Schwarzenegger. He called the veterans homes "the Cadillac of programs paid by California taxpayers."

He said the \$100,000 or so the state now spends on average for each resident of veterans homes could be trimmed back through privatizing of pharmacies, food service, gardening and other tasks.

Others have suggested increasing fees and tightening the mostly unlimited access to health care for residents.

The state could also look into ways to keep veterans in their own homes longer, said the recently elected Chavez, a retired Marine Corps colonel and vice chair of the Assembly Veterans Affairs Committee.

Those savings could help bolster claim-filing efforts, Chavez said.

"You could bring in more revenues for their quality of life, for the community, the economy," he said.

Peter Gravett, the current secretary of veterans affairs and a retired Army major general, said his agency is doing its best to expedite claims given funding levels and competing priorities.

"If the governor gives us additional money, we'll take a look and see where the best place is to place those funds," he said in an interview. "Obviously helping veterans and assisting veterans in filing claims is one of our priorities."

But he said cuts at homes would be tantamount to the state turning its back on promises to care for those who served their country.

"Most veterans understand that when a veteran becomes older, that they have a place to go in California. We take care of our veterans," said Gravett, whose father and eight brothers also served.

Veterans do pay part of their way, but how much depends on the type of care and their income, Gravett said. "There is no free lunch," he said.

The state spends about \$188 million on general operations on its six homes — more than half the veterans department budget — that house 1,694 residents. The one in Chula Vista houses 305 residents, costs the state \$29 million annually and brings in \$3.88 million in resident fees.

One argument in play is the vacancy rate. Critics point to the low numbers of filled beds and say perhaps as much as half are not being used.

The department contends the vacancy rate is inflated because the home in Los Angeles is just ramping up and new homes in Redding and Fresno will not admit residents until later this year. Also, not every bed is filled on purpose to make sure patients can be moved in case they become infectious with an illness.

That doesn't satisfy some critics. Veteran homes "remain an inefficient delivery model raft with bureaucratic bloat," argues Ted Puntillo, director of veteran services in Solano County.

The Little Hoover Commission, a nonpartisan state advisory panel, has already held one broad review of issues related to veteran care and claims and plans more. A much-anticipated investigation of veterans homes by the independent state auditor is expected later this spring. And the Assembly veterans committee opens the first of a number of oversight hearings on Tuesday.

"It's safe to say the status quo is not acceptable," said Assemblyman Al Muratsuchi, a Torrance Democrat and committee chairman. California is home to nearly 2 million veterans, including about 228,500 in San Diego County. Statewide, veterans in 2010-11 reaped about \$4.5 billion in federal pensions and disability pay. In San Diego that figure was \$779 million.

For Juan Chavez, a retired Navy captain from Poway, dealing with the federal Veterans Administration has been a frustrating experience filled with time-consuming delays given the backlog of applications.

He has some benefits after 38 years of service, including time in Vietnam and Iraq. But his injuries have become more acute over time, especially the chronic degeneration of his joints and lung damage from asbestos. So, he filed supplemental claims — the most recent in October 2011.

"I haven't had a decision yet," Chavez said. "It's been nothing but a horrendous battle with them. It's depressing and stressful..."

"They are swamped. That's what they tell me. How patient do they want a veteran to be? Two, three, four, five years?" Chavez continued. "A lot of veterans are surviving on just their retirement and benefits. If you're not getting that, your quality of life isn't what it should be after years of defending your country."

Federal delays in processing claims by the U.S. Department of Veterans Affairs are compounding problems in getting the money into their pockets and into the local economies, say state advocates for veterans.

Federal data indicate the wait for benefits can be as much as 18 months. In San Diego County, three out of every four claims have not been resolved after 125 days.

In an email, federal officials say the department is working to speed up processing. The backlog, they said, can be traced to the growing number of veterans who served in Iraq and Afghanistan, who routinely file multiple claims for an assortment of injuries. Also, in the last two years the department processed 150,000 claims associated with Vietnam-era Agent Orange exposure, federal officials say. Typically, veterans rely on the chain of 56 County Veterans Service Offices to help process claims for benefits, such as service-connected disability checks and pensions.

These offices generally receive about 85 percent of their funding from counties and 15 percent from the state. The state's share is based on the amount of applications that get turned in and another check comes after the claim is approved.

Tom Splitgerber, the San Diego County County Veterans Service Officer, said his five-member team of accredited representatives files about 400 claims a year. His office could almost double the number of claims with three to five more workers, he said.

Sen. Marty Block, D-San Diego, is a member of the Senate veterans committee and said he is sympathetic to doing more given the previous lean budget years.

"Counterproductively, we've been cutting programs that have brought money to us. We had no choice," he said.

That may change given the more flush budget thanks to voter-approved tax increases and an improved economy.

"A word of caution," Block said. "This is one of many deserving programs that need to be restored now that we have a little bit of discretionary revenue."

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