

Little Hoover Commission Testimony for 23 April 2013

California Department of Veterans Affairs has a vision that one day the men and women who have served in our U.S. Military, along with their families, who live in the Golden State will achieve the highest quality of life and become the leaders of the future. While the quality of one's life in many ways is incumbent upon the individual, the state has a vitally important role in that process – that is to ensure the veterans of California have the resources, information, services and benefits that they need and have earned.

Much like the generations of veterans before them that built this state through the booming years of post-World War II and Korea and the aerospace industry of the '60s and that generation of veterans from Vietnam that led us through the birth of the high-tech economy that drove further growth in the golden state, today's veterans have the capacity to continue leading this state forward. CalVet's role is providing support, advocacy, and leadership to all those state and federal agencies and community-based organizations that help our veterans succeed.

When viewed through the prism of the state's overall general fund budget, the investment made in CalVet yields more than \$11 billion in spending, benefits, salaries and expenditures from the U.S. Government. With \$300 million budgeted to serve 1.9 million veterans, the state invests less than \$160 per veteran and yet it receives millions in return to our state's economy for that small outlay.

The Department of Defense, US Department of Veterans Affairs and CalVet are faced with significant challenges identifying all veterans within our state but, continue to work collaboratively to develop solutions for our veterans. The lack of vital data on veterans when they exit the military, leaves all stakeholders with the daunting challenge of locating, assessing needs, and connecting these men and women with the services and benefits which they have earned.

While we have some additional data collection tools (such as the reintegration forms, the Driver's License information, and a new mobile application) they are inadequate when it comes to data collection and sharing. The lack collaborative data sharing processes in government increases the challenges that all stakeholders have with efforts to deliver better services and address concerns of today's veterans.

We could do so much more if we could find those veterans in our state that utilize state social services, or attend colleges and universities, buy a home or a car, or need long term care. However, we are hampered by lack of data in our efforts to reach all the veterans in California.

We have a mission in this state to advocate for California Veterans and their families by using innovation and collaboration with our partner agencies and departments and by providing those men and women with a guide to the continuum of services and benefits that will allow them to achieve the pinnacle of their hopes and dreams. In the midst of an economic recovery, CalVet has made a commitment to finding efficiencies in the delivery of long term care, funding of home loans, and advocacy across the continuum of veteran services.

It is the standardization of the way the CalVet does business and the innovation of new processes that is creating the efficiencies needed to continue our ability to deliver high quality care and veteran services. CalVet is working to correct the misperceptions which has unfairly distorted the department's mission and priorities. We welcome the Little Hoover Commission's interest in CalVet and willingness to help us address the needs of California's veterans.

Response to the Little Hoover Commission's Questions

1. How does the department view its roles in the overall delivery of services to veterans?

CalVet serves as the leading advocate for veterans and their families by connecting them to federal and state services and benefits they have earned through their military service. This is achieved through outreach, education, data collection, collaboration with key partners and direct services such as long-term care and funding the housing needs for the state's veterans.

The department's role in the delivery of services to veterans is that of the advocate and representative for the veteran. As the leading advocate for Veterans, CalVet is the primary resource when looking for information and data on veterans living in the state and for services available to those veterans and their families.

California not only has the responsibility and authority to be the advocate for veterans and their families but also has a responsibility to utilize its position as the largest state in the union with the largest veteran population to press the Congress and the USDVA to provide the maximum level of services and benefits to our veterans. CalVet is taking its role as the leader in the area of veteran rights and is speaking out for those rights and pressing for greater services.

2. What is the department's response to the public's perception that the eight veterans' homes comprise a disproportionate portion of the department's budget, staffing and mission?

The Veterans homes are the result of California's commitment to care for the aged disabled and homeless veterans who served in the United State Military by providing high quality long-term care. CalVet has accepted this responsibility from the legislature and demonstrated its ability to care for its veterans with dignity and respect.

The mission for the homes has not changed from the time Yountville was founded in 1884. The thing that has changed is the number of homes which has increased to meet the rising demand and the expectation of the veterans and the leadership of this state. Additionally, the USDVA has increased its support for long-term care, which it has done in every other state. As a result the proportion of the department's budget dedicated to the homes has increased, as has the federal support for those homes. CalVet's core mission continues to be advocacy and service for veterans and their families.

CalVet would like to correct the misperception about the department's budget. Part of the cost of the homes is offset by the federal per diem and other revenue, which is not displayed in the proposed budget. While these revenues don't cover all the costs of caring for our aged and disabled veterans, they do significantly reduce the dependence on the state's general fund. This past year alone the department recouped nearly \$74 million through increased collection and greater participation in the Federal VA per diem system.

Additionally, there is a misperception that resources can be redirected from the homes to support other parts of the CalVet mission. The resources can't be redirected without breaking federal contracts and reducing the quality of care and the scope of services to the neediest veterans living in our long-term care facilities. The misperception continues to foster the false expectation that

adequate funding has already been allotted to serving veterans in this state through CalVet's other programs and divisions.

3. What has the department done to play a role in connecting veterans with federal programs and compensation?

The California Department of Veterans Affairs (CALVET) has deployed several strategies directed at connecting California's veterans with the services and benefits they have earned through their service and sacrifice to our country. The primary divisions within CalVet responsible for implementing these efforts throughout the state are Veteran Services, Women Veterans, and Minority Veterans. Their mission comprises a comprehensive outreach strategy which includes contact, connection, and continued communication with California's veterans in an attempt to ensure them and their families experience a successful and productive transition back home.

Contact

The first barrier to providing any type of information, service or benefit to a veteran is that initial contact. To date, the Department of Defense (DoD) and the U.S. Department of Veterans Affairs (USDVA) continue to lack the ability to provide CALVET with accurate and timely contact information for both veterans who separate from military out of state and return to California, and those who separate in state and remain in California.

In an effort to locate veterans throughout the state and provide information, services, and benefits directly to them, CALVET established the CalVet Corps Systems (CVCS) Database. The CVCS is populated with veteran contact information through an expanding variety of entry points, but primarily through the CALVET Re-Integration Form.

During 2012, the number of California veterans registered with CALVET via the reintegration form rose from 75,000 to nearly 109,000, a 45% increase over the previous year. CALVET has several programmatic strategies in place that focus on distribution and information gathering via the reintegration form.



STATE OF CALIFORNIA

WWW.CALVET.CA.GOV/VETSERVICES

VETERANS REINTEGRATION FORM

The California Action Plan for Reintegration (CAPR), sponsored by the California Department of Veterans Affairs (CalVet), goal is to help returning service members and families.

CAPR was developed as a plan of action for CalVet to link service members returning home and entering back into civilian life with service providers and resources. CAPR is an opportunity to inform Veterans and their dependents about Veteran Benefits and how to obtain these benefits through the process of application and representation of claims.

STATE OF CALIFORNIA VETERANS REINTEGRATION FORM

WWW.CALVET.CA.GOV/VETSERVICES

First Name _____ MI _____ Last Name _____

Mailing Address after Separation _____ City _____

State _____ Zip Code _____ Email _____

SSN (Last 4) _____ Telephone _____ Branch of Service _____ Date of Discharge (MM/DD/YYYY) _____

() - / /

I would like benefit information about:

<input type="checkbox"/> State Benefits	<input type="checkbox"/> Agent Orange	<input type="checkbox"/> CalVet Home Loans	<input type="checkbox"/> Veterans Homes	<input type="checkbox"/> Veterans Service Organizations
<input type="checkbox"/> College Free Waiver for Dependents	<input type="checkbox"/> Employment	<input type="checkbox"/> Homeless Resources	<input type="checkbox"/> Transportation	<input type="checkbox"/> DD214 / Military Records
<input type="checkbox"/> Compensation & Pension Benefits	<input type="checkbox"/> Veteran's Business Ownership / DVBE	<input type="checkbox"/> Minority Veterans	<input type="checkbox"/> Financial Assistance	<input type="checkbox"/> Cemeteries and Burials
<input type="checkbox"/> Healthcare	<input type="checkbox"/> Education / Training	<input type="checkbox"/> Women Veterans	<input type="checkbox"/> Legal Assistance	<input type="checkbox"/> Veterans' License Plate Program
<input type="checkbox"/> PTSD / TBI	<input type="checkbox"/> Enroll in College	<input type="checkbox"/> OEF / OIF Veterans	<input type="checkbox"/> Volunteering	

I request and authorize release of the above information to the California Department of Veterans Affairs and the Employment Development Department. I certify that this request has been made freely, voluntarily, and without coercion and that the information given above is accurate and complete to the best of my knowledge. I understand this information shall be used solely for outreach and to assist me to receive my veteran benefits and shall not be subject to public disclosure. NOTE: Out of state veterans information will be forwarded to their State's Department of Veteran's Affairs.

Signature: _____ Date: _____ / /

DNS 01 - REVISED 12/22/11

DD-214 - The DoD does provide CALVET a hard-copy of the service-member's DD-214 after they exit the service. When CALVET receives the DD-214, the veteran's contact information is added to our database and they are mailed a "Thank you for your service" letter from both Governor Brown, and Secretary Gravett. The veteran also receives a packet detailing the benefits they may have available through CALVET. The "Thank you for your service" packet also contains a re-integration form that gathers additional contact information from the veteran and allows them to note targeted information they would like to receive regarding the federal/state services and benefits available.

CalVet received 24,550 DD-214s in 2011 and 30,880 in 2012 from the DoD. However efforts to connect with these recently separated veterans are hampered by the delay in receiving these forms and the accuracy of the information they contain. CalVet receives the DD-214 on average 3 months after separation and the veterans Home of Record (HOR) noted on the DD-214 is often no longer accurate due to the transitional nature of a veteran during this period. A veteran's HOR is usually the address of a parent, grandparent, or other family member. During the 90 days prior to CALVET receiving the DD-214 a veteran often moves to a new address. In some cases, the veteran neglects to update their HOR prior to separation so the information on their DD-214 represents their contact information at the beginning of their enlistment, thereby increasing the risk of a missed contact. CALVET efforts would be enhanced tremendously if they were able to receive a digital version of service-members DD-214 in a timely manner.

Department of Motor Vehicles (DMV) – CalVet entered into an MOU with the California Department of Motor Vehicles which was eventually executed in June 2012. The MOU is a

collaboration which enables the DMV to capture contact information from veterans who chose to self-identify as a veteran when applying for a California state driver's license, California state identification card, car registration, or renewal. The program captures not only recently returning veterans but those who may have separated years prior and have never registered with the USDVA or other state/federal entities. The form is completed at the DMV and then forwarded to CALVET. To date, CALVET has connected over 35,000 veterans of all eras through this effort.

Veterans Resource Book - From February 13, 2012 through December 31, 2012 Veterans Services delivered 221,172 Veteran Resource Books to Veteran Service Organizations, County Veteran Service Offices, Employment Development Department, Non Profits, the California Legislature and veterans and their families. From January 3, 2011, through December 29, 2011, we distributed 148,848 books. Outreach through distribution of resource books has increased by nearly 50% over the previous year.

Connection

Local Interagency Network Coordinators (LINC)-CalVet deploys eight(8) LINC's throughout the state of California. They are divided into regions and are responsible for connecting veterans, community based service providers, and city/county agencies in an effort to provide a continuum of care to the veterans of those communities. The LINC's attend Yellow Ribbon Events, Veteran Resource Fairs, Stand Downs, Hiring Events, and any other veteran related collaboratives. The LINC Network is the primary force in driving veteran benefits information requests and coordinating referrals to service. In 2012, the LINC's provided nearly 900,000 pieces of benefits information to veterans throughout the state.

CalVet Mobile App – The CalVet Mobile App was deployed on November 11, 2011 and has been well received since implementation. The App allows veterans access to service providers in their area offering assistance with issues pertaining to health, education, employment, and housing in their area 24 hours a day. The App encompasses over 1800 service providers in the state and has been downloaded by more than 7,000 users.

Homeless "Stand Down" Grants – "Stand Downs" are events that are usually held over a 2-3 day period during which local/state/federal veteran service providers come together in one place to target services for homeless veterans or those in danger of being homeless. These events provide an excellent opportunity to identify veterans who are not connected to many of the more traditional entry points; such as VA Hospitals/Clinics and County Veteran Service Offices. Twenty total grants were awarded throughout the state to assist in conducting "Stand Down" events in 2012. That is a 20% increase in grants and a 38% increase in events over 2011. Grant funding for 2012 was \$48,000. CalVet sent out a Notice of Funding Available (NOFA) for the FY13/14 "Stand-Down" events in March 2013.

California Veterans Legal Task Force – CalVet in partnership with the California Veterans Legal Task Force has initiated a targeted campaign to stand-up Veteran Treatment Courts throughout the state. Similar to past eras, veterans returning home from Operation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF) combat environments are showing increased interaction with law enforcement. Much of this is due to the effects of Post-Traumatic Stress, and Traumatic Brain Injury. The Veteran Treatment Courts (VTC) provide a judge the opportunity to evaluate the veteran's offense while taking into consideration their past experiences while serving our country to establish a possible link between the two. Often times, the VTC results in a veteran receiving treatment for their conditions

opposed to serving time for their actions. Through our collaboration, CalVet and the California Veteran Legal Task Force have help foster the formation of 15 Veteran Treatment Courts throughout the state.

Continued Communication

CalVet Connect – With the institution of CalVet Connect CALVET will have established a single point of entry for veterans throughout the state to learn about their benefits, how to apply, and receive ongoing personalized information based on their user profile. The system will integrate CalVet’s social media and CalVet Mobile App to optimize and expand its outreach efforts.

Most importantly, CalVet Connect will provide a portal for CALVET to receive electronic information from other federal/state agencies enabling effective data capture and sharing across agencies. The project went out for bid on March 1st, 2013, and is expected to be on-line early 2014.

4. What are your plans for the department’s role in this in the future?

See responses outlined in question 3 above.

5. Please describe the challenges currently posed by the backlog of claims in federal offices in California.

While the U.S. Department of Veterans Affairs (USDVA) completed a record-breaking one million claims per year in fiscal years 2010, 2011, and 2012, the number of claims received continues to exceed the number processed. Currently, 822,250 claims are being processed for entitlement alone at the 56 VA Regional Offices while 588,959, approximately 71.6%,¹ of them have been pending for over 125 days and considered “backlogged.” Although the USDVA’s goal is to eliminate the backlog of compensation claims pending by the end of 2015, many veterans are suffering and dying before receiving a decision on a filed claim either due to age, complications with their disabilities, or suicide.

As noted, 822,250 claims are being processed for entitlement alone at the 56 VA Regional Offices with 588,959 of them pending a decision for over 125 days. California represents 10.16% of the total Compensation Inventory and 11.02% of the total backlog. The following table depicts the current stats of all three VA Regional Offices in the state:

<i>California Compensation Inventory</i> ²		Los Angeles	Oakland	San Diego
Entitlement	Claims Pending	24,045	30,579	28,945
	Pending Over 125 Days	19,089	25,589	20,255
	Percent Over 125 Days	79.4%	83.7%	70.0%
Award Adjustment	Claims Pending	7,501	11,147	7,764
	Pending Over 125 Days	5,865	9,639	4,915
	Percent Over 125 Days	78.2%	86.5%	63.3%
Program Review	Claims Pending	1,890	1,305	2,124
	Pending Over 125 Days	1,634	977	1,523
	Percent Over 125 Days	86.5%	74.9%	71.7%
Other	Claims Pending	1,319	5,424	2,908
	Pending Over 125 Days	961	4,255	2,254
	Percent Over 125 Days	72.9%	78.4%	77.5%
Burial	Claims Pending	4	6	-
Accrued	Claims Pending	4	2	3
Appeals	Pending	5,641	7,346	3,966

Several factors have led to the backlog of disability claims:

- **Veterans are filing for benefits at a historical high** - Advances in body armor, communications, and medical triage have reduced the mortality rate on the battlefield. This results in approximately 45% of veterans returning home, who otherwise would have succumbed to their wounds. The killed to wounded ratio of OEF/OIF is 1:16, whereas during the Vietnam War it was 1:6.
- **Re-adjudication of previously filed claims** - The recognition of additional diseases related to Agent Orange exposure such as ischemic heart disease, Parkinson's disease, and chronic B-cell leukemias in 2010 required the VA to re-adjudicate over 240,000 cases. Additionally, the presumptive service-connected disabilities for veterans of the Gulf War continue to increase as well, requiring the VA to review all past claims for Gulf War Illness related conditions.
- **Increased outreach** - Both the VA and the California Department of Veterans Affairs (CalVet) have conducted extensive outreach campaigns to inform and connect veterans to their available benefits.
- **Poorly developed claims** – The experience and expertise of Veteran Service Representatives continues to be tested as claims become increasingly more complex. Current era veterans are averaging 8-10 medical conditions per claim which is more than double that of previous eras. Co-occurring disorders such as Post-Traumatic Stress and Traumatic Brain Injury further complicate the filing and adjudication process.
- **Veteran claims self-service** - Technological advancements on the VA's website with the Veterans On-Line Application (VONAPP) has allowed veterans who possess no understanding of how the claims process works nor knowledge of how to construct a claim the ability to directly file for their benefits. A significant majority of claims which are self-filed are denied and according to a 2005 VA Inspector General Report, compensation for a veteran represented by an

agent, lawyer, or veterans service officer received 144% greater compensation than a veteran who represented themselves.

- **Paperless system** – The VA is burdened by outdated claims filing system that desperately needs an overhaul. A paperless system will increase rating accuracy and reduce the number of claim folders, medical reports and other documents lost during the adjudication process.

Additional data from the VA identifies claims that make up the pending Compensation Inventory by a veteran’s era of service. As of December 31, 2012, claims from veterans of the following eras make up the VA’s inventory (total number of claims) and backlog (claims pending for more than 125 days):

Conflict	Percent of Total Inventory	Percent of Backlog
Post-9/11 (Iraq and Afghanistan Conflicts)	21%	22%
Gulf War	23%	21%
Peacetime	11%	11%
Vietnam	37%	38%
Korean War	4%	4%
World War II	3%	3%
Other Eras	1%	1%

6. What recommendations to the Governor and Legislature could the Little Hoover Commission make that would help the department in the operation of its homes, in its participation in helping veterans obtain federal benefits, or in ensuring efficiency and effectiveness in its own operations?

The Little Hoover Commission could recommend that the Legislature and the Governor invest in the CVSO system and in the department of Veterans Affairs Veteran Services outreach efforts.

Sharing of data is a critical area where the LHC could help. Currently, privacy laws limit the ability of our partner agencies such as the Employment Development Department and the Department of Mental Health to share information about their clients that are veterans with our department. As a result of this short coming, the state has no true case management system for helping veterans that tap into state social services and benefits.