

**STATEMENT OF
CARL BLAKE, ASSOCIATE LEGISLATIVE DIRECTOR
PARALYZED VETERANS OF AMERICA
BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
CONCERNING
H.R. 4939, THE "VETERANS MEDICARE
PAYMENT ACT OF 2002"**

JULY 16, 2002

Chairman Smith, Ranking Democratic Member Evans, members of the Committee, PVA would like to thank you for the opportunity to testify today on H.R. 4939, the "Veterans Medicare Payment Act of 2002." PVA appreciates the efforts of the Committee to explore and develop methods to achieve the necessary funding levels for the Department of Veterans Affairs (VA) medical system to provide health care to our Nation's veterans.

An issue of the gravest concern to PVA is to ensure the adequate funding of the VA health care system. VA health care is a proper federal obligation, an obligation undertaken in recognition of the service and sacrifice of veterans. PVA is a co-author, along with AMVETS, the Disabled American Veterans, and the Veterans of Foreign Wars of *The Independent Budget*, currently in its 16th year. For fiscal year (FY) 2003, *The Independent Budget* has recommended a health care appropriation increase of \$3.1 billion. We were therefore quite disappointed that the Administration only requested a \$1.4 billion increase. We were heartened by the actions of this Committee and the leadership of Chairman Smith and Ranking Member Evans in forwarding to the Budget Committee recommendations that accurately addressed the fiscal crisis currently faced by the VA. We note that the House of Representatives, in passing its FY 2003 budget resolution assumed an appropriated increase of \$2.6 billion, an action mirrored by the Senate Budget Committee. Although this recommended increase is \$500 million below the amount put forward by *The Independent Budget*, we believe that this represents a solid step in the right direction.

PVA has been in the forefront of efforts to explore alternative funding streams, outside of appropriated dollars, in order to enhance VA health care. Unfortunately we have seen, in the case of the Medical Care Cost Fund (MCCF), that these alternative dollars are used in lieu of appropriated dollars. Our support of these efforts has always been tempered by the basic idea that these funds should be used as a supplement to, and not as a substitute for, appropriated dollars. We have looked askance at efforts to shift the burden of this federal government obligation onto the shoulders of others. We have found that too often

inflated MCCF estimates are used to rationalize not providing the VA with the funding needed to care for sick and disabled veterans. This is one reason why *The Independent Budget* does not use VA collection estimates in making its recommendation for health care funding for a given fiscal year. These estimates tend to be grossly overstated and inaccurate. Moreover, VA has historically been unable to meet its collection goals.

In the past we have supported, in a limited manner, exploring Medicare subvention. Our support of this has been predicated on the establishment of a pilot program in order to test its feasibility, along with ensuring that this pilot only include Category 7 veterans, as well as making available a fee-for-service option. We have always expressed concern that these measures, brought up in previous Congresses, not subsidize services or care for service-connected veterans. The cost of care for service-connected conditions is a federal obligation not to be underwritten by third parties or federal or private insurers. We understand that H.R. 4939 is a different approach to addressing the overlap of VA health care and the Medicare program, but our concerns still remain. We believe that this Committee must be fully cognizant of any adverse precedents and policy repercussions that might occur if this measure moves forward.

PVA feels that we need to vigorously investigate as many avenues as possible to achieve full health care funding for our veterans. We applaud this Committee in introducing H.R. 4939. This may indeed be one effective method of achieving the end result of full funding. But we must reiterate that the VA must not be forced to rely on subsidies from veterans or their insurers to cover the costs of caring for veterans.

PVA is committed to the continuing existence of a viable, efficient, and independent VA health care system that protects the specialized services such as care for veterans with spinal cord dysfunction that lie at the heart of the VA's mission. We must ensure, as we consider H.R. 4939 and other such measures, that this vision is not compromised.

Information Required by Rule XI 2(g)(4) of the House of Representatives

Pursuant to Rule XI 2(g)(4) of the House of Representatives, the following information is provided regarding federal grants and contracts.

Fiscal Year 2002

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation—
National Veterans Legal Services Program—\$179,000 (estimated).

Fiscal Year 2001

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation—
National Veterans Legal Services Program—\$242,000.

Fiscal Year 2000

General Services Administration—Preparation and presentation of seminars regarding
implementation of the Americans With Disabilities Act, 42 U.S.C. §12101, and
requirements of the Uniform Federal Accessibility Standards—\$30,000.

Federal Aviation Administration—Accessibility consultation--\$12,500.

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation—
National Veterans Legal Services Program—\$200,000.

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Carl Blake is an Associate Legislative Director with the Paralyzed Veterans of America (PVA) at the PVA's National Office in Washington, D.C. He represents PVA to federal agencies including the Department of Defense, Department of Labor, Small Business Administration, and the Office of Personnel Management. In addition, he represents PVA on issues such as homeless veterans, disabled veterans' employment, and Gulf War Illness as well as coordinates issues with other Veterans Service Organizations.

He currently serves on the Subcommittee on Disabled Veterans (SODV), part of the Office of Disability Employment Policy (ODEP) and is a member of the Task Force for Veterans Entrepreneurship.

Carl is a native of Woodford, Virginia. He attended the United States Military Academy at West Point, New York. He received a Bachelor of Science Degree from the Military Academy in May 1998. He received the National Organization of the Ladies Auxiliary to the Veterans of Foreign Wars of the United States Award for Excellence in Environmental Engineering Science.

Upon graduation from the Military Academy, he was commissioned as a Second Lieutenant in the United States Army. He was assigned to the 1st Brigade of the 82nd Airborne Division at Fort Bragg, North Carolina. Carl was retired from the military in October 2000 due to a service-connected disability.

Carl is a member of the Virginia-Mid-Atlantic chapter of the Paralyzed Veterans of America.

Carl and his wife Venus live in Fredericksburg, Virginia.