

ISSUE BRIEF: HEALTH CARE FUNDING REFORM

VA has a long history of significant delays in receiving the funding it needs to treat veterans at VA hospitals and clinics around the nation.

The Situation

- VA has received its annual funding for veterans' health care late 19 of the last 22 years.
- In too many cases, VA is unable to properly treat the physical and mental scars of war, in part because its budget is late and unpredictable. Such an irrational financing system causes unnecessary delays and backlogs in the system. Hiring key staff is put off, or just not done, while injuries like PTSD or TBI are too often not diagnosed or treated in a timely manner.
- A 2007 report by the VA's own Office of Inspector General concluded that 27% of the injured veterans seeking treatment at the VA had to wait more than 30 days for an appointment. These men and women had severe service-related injuries.

The Challenge

- Not knowing when or at what level of funding VA will receive from year to year – or whether Congress will approve or oppose the Administration's proposals – hinders the ability of VA officials to efficiently plan and responsibly manage their health care system.
- Since 2001, the number of VA patients has risen by two million – a 50 percent increase. And our newest generation of veterans has increasingly complex mental and physical healthcare needs that may require a lifetime of care.

The Solution

- DAV and its allies in the Partnership for Veterans Health Care Budget Reform – a coalition of nine veteran service organizations with a combined membership of 8 million veterans – helped develop and fully endorse the *Veterans Health Care Budget Reform Act*. This bill would authorize Congress to appropriate funding for veterans' health care one year in advance, and would add greater transparency to VA's internal budget process, ensuring approval of sufficient funding. The legislation has bipartisan support in Congress and is endorsed by President-elect Obama and VA Secretary-nominee Shinseki.
- Unlike the mandatory funding provided to the Medicare and Medicaid systems, advance appropriations would allow Congress to approve funding each year and retain all of its oversight authority over VA programs.
- Reintroduction and passage of the *Veterans Health Care Budget Reform Act* in the 111th Congress would address the health care funding needs of VA and the veterans they serve.