VA backs off budget proposal to cut benefits for disabled, unemployable vets

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Secretary of Veterans Affairs Dr. David Shulkin, center, testifies at a House Committee on Veterans' Affairs hearing on Capitol Hill, March 7, 2017. Others testifying included Dr. Baligh Yehia, left, the Veterans Health Administration's deputy under secretary for health for community care, and VA Inspector General Michael J. Missal, right.

JOE GROMELSKI/STARS AND STRIPES

By NIKKI WENTLING | STARS AND STRIPES Published: June 14, 2017 WASHINGTON – The Department of Veterans Affairs is backing off a proposal in President Donald Trump's 2018 budget to cut billions of dollars from a program that provides compensation to the country's most disabled veterans.

VA Secretary David Shulkin told the Senate Veterans' Affairs Committee on Wednesday that he was willing to work with lawmakers to find an alternative to the proposed \$3.2 billion cut to the VA Individual Unemployability benefit. The announcement came after the country's six largest veterans service organizations condemned the proposal.

"As I began to listen to veterans and their concerns, and [veterans service organizations] in particular, it became clear that this would be hurting some veterans and a takeaway from veterans who can't afford to have those benefits taken away," Shulkin said. "I'm really concerned about that. This is part of a process. We have to be looking at ways to do things better, but I am not going to support policies that hurt veterans."

Letter signed by 57 congressmen to Sec. David Shulkin Letter from Congress to Secretary David Shulkin Document

Congress of the United States Washington, DC 20515

June 12, 2017

The Honorable David J. Shulkin, M.D. Secretary
U.S. Department of Veterans Affairs
810 Vermont Ave, NW
Washington, DC 20420

Dear Secretary Shulkin:

As Members of Congress who share your commitment to our nation's veterans, we write to express our extreme concern with your proposal to cut critical unemployment benefits for disabled veterans as part of your Fiscal Year 2018 Budget Submission.

Your budget request proposes to eliminate Individual Unemployability (IU) benefits to retirement-aged veterans. As you know, nearly 225,000 senior veterans across the country who depend on the IU program as an economic lifeline would be impacted by these short-sighted cuts.

Assuming these veterans can compensate for the loss of income from IU with other retirement sources is simply incorrect. As noted by AMVETS, "these veterans have largely been disabled, out of the work force and not paying into Social Security for many years before reaching 65. Many have been severely disabled as a result of their military service and unable to work since the day of their discharge." With little to no access to resources like 401(k)'s, IU payments provide needed support for these veterans and their families.

Gutting critical benefits for our veterans who have been unable to find work as a result of their servicerelated disabilities breaks our fundamental promise to the brave men and women who served our country in uniform. Our district offices, in addition to local VSO's, report receiving calls from worried veterans who would be devastated by these proposed cuts.

Ending the IU program for our neediest veterans would mark a stark departure from long-standing bipartisan commitments to end veteran homelessness and poverty, and would leave thousands struggling to make ends meet. More than ever, we must continue to build on progress in our states to permanently end veteran homelessness, not undermine these critical efforts. To that end, we strongly oppose the proposed changes to IU and will work to ensure that these dangerous cuts are not implemented.

Sincerely,

Tom O'Halleran

Member of Congress

Ruben Gallego

Member of Congress

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Dina Titus
Member of Congress

Eleanor Holmes Norton Member of Congress

Thomas R. Suozzi Member of Congress

Frank Pallone, Jr. Member of Congress

Sean Patrick Maloney Member of Congress

Mark Takano Member of Congress

Peter A. DeFazio Member of Congress Nyela M. Velázquez Member of Congress

Jacky Rosen . Member of Congress

John Lewis Member of Congress

Beto O'Roveke.

Beto O'Rourke Member of Congress

Donald M. Payne, Jr. Member of Congress

Henry C. "Hank" Johnson, Jr.

Member of Congress

Salud O. Carbajal Member of Congress Jim Costa Member of Congress

Carl Sharboar

Carol Shea-Porter Member of Congress

Walter B. Jones Member of Congress

Josh Gottheimer Member of Congress

David Scott Member of Congress

Raúl M. Grijalva Member of Congress

David N. Cicilline Member of Congress Amford D. Bishop, Jr.
Member of Congress

Moultte Play Barragan
Nanette Diaz Barragan
Member of Congress

Ruben Kihuen Member of Congress

Joyce Beauty Number of Congress

Anthony G. Brown Member of Congress

Dwight Evans Member of Congress

Michelle Lujan Grisham Member of Congress

Letter from Congress to Secretary David Shulkin Contents

Contributed by: Mike Darnell, Stars and Stripes

The American Legion and other groups have said they've received thousands of calls from veterans frustrated with the proposal since the president's budget was released in May.

"We have been inundated with calls by veterans and family members who expressed alarm over the proposed cuts to their benefits and livelihoods," American Legion National Commander Charles Schmidt said in a statement. "We commend this administration for coming to their senses and committing to protect the Individual Unemployability program that provides for our most vulnerable veterans and their families."

The money cut from the benefit would've gone to an updated version of the VA Choice program that Shulkin intends to have passed through Congress by the end of fiscal year 2017 on Sept. 30. The program allows veterans to seek health care outside the department.

The VA is seeking \$2.9 billion in new funds for the program. But the agency is uncertain where to get the money, if not from the Individual Unemployability benefit.

Following the hearing, Shulkin told Stars and Stripes that he and lawmakers would be holding private conversations to consider other ways to fund an improved Choice program.

"The president, as you know, is concerned about the government being too large, so our responsibility is to make sure the programs we have are working well," Shulkin said. "But the president and I both do not want to be taking away from veterans. So we are going to go back and make sure we can hit the targets but look at alternative ways of doing it."

Trump's budget also proposes to reapply a practice at the VA to round down veterans' cost-of-living adjustments, which would save approximately \$20 million in 2018. That savings would also be used for the new Choice program.

Shulkin told reporters the round-down proposal would still be considered.

Volunteers with the veterans service organization AMVETS met with senators Tuesday and Wednesday before the hearing to let lawmakers know they oppose the Individual Unemployability cuts. AMVETS National Director Joe Chenelly said the group had received 4,000 calls in the past few weeks from concerned veterans.

Under the president's proposal, some veterans would've been booted out of the VA's Individual Unemployability benefit. Veterans eligible now for the program have a 60 to 100 percent disability rating through the VA and are unable to secure a job because of their disability. It allows them to receive the highest compensation rate.

The budget proposed to remove veterans from the program who are eligible for Social Security payments and reached the minimum age to receive Social Security. Approximately 225,000 veterans aged 60 or older could've been affected by the proposal. Of those veterans, 7,000 are 80 years old or older.

Going into the hearing, Chenelly said he wanted veterans to receive assurance from Shulkin that the proposal would not move forward.

"These veterans are scared. Some of them are talking in suicidal ways, and we're referring them to the Veterans Crisis Line," Chenelly said Monday. "All of them are talking about hopelessness if IU is taken from them. We cannot let them sit around all summer waiting to see if this will happen."

Also on Monday, 57 congressmen signed a letter to Shulkin stating their opposition to the proposal. They called it a "gutting" of critical benefits.

"Ending the IU program for our neediest veterans would mark a stark departure from long-standing, bipartisan commitments to end veteran homelessness and poverty, and would leave thousands struggling to make ends meet," the letter reads.

The VA budget proposal for 2018 is \$186.5 billion, a 6 percent increase from 2017. The agency was one of the few federal departments to receive an increase under Trump's budget. wentling.nikki@stripes.com

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