



# Federal Health Matters

## Study Finds 1.8 Million Uninsured Veterans

Based on an analysis of data from the Current Population Survey (conducted by the U.S. Census Bureau) and the National Health Interview Survey (administered by the HHS), 1.8 million, or 12.7%, of veterans were uninsured in 2004—an increase of 290,000 since 2000. These veterans are under the age of 65 and either lack health insurance—including VA health care—or lack access to VA health care facilities due to geographic distance. Additional findings show that, due to cost issues, 26.5% of uninsured veterans failed to obtain and 31% delayed necessary health care.

Stephanie J. Woolhandler, MD, MPH, an associate professor of medicine at Harvard Medical School (Boston, MA), presented these study findings at a House VA Committee hearing held on June 20. Committee Chair Bob Filner (D-CA) led the hearing to discuss the possibility of extending VA health benefits to veterans in priority group 8—since approximately half of the 1.8 million uninsured are in this group.

Veterans are classified into priority group 8 if they earn 80% above the median income where they live and have been determined to have no service-related disabilities. In January 2003, the VA instituted a ban on new enrollment of priority group 8 veterans into the health care system—a measure Filner said was intended to be temporary.

John Rowan, national president of the Vietnam Veterans of America, testified that exposure to trauma during combat can create long-term health problems that may not be diagnosed

immediately. He mentioned Agent Orange exposure and traumatic brain injury as examples of conditions in which symptoms may be delayed.

Thus, some priority group 8 veterans with these types of problems might end up qualifying for service-related care and rise up in priority level if they were given access to VA health care, according to Rowan. Filner said he plans to introduce legislation that would restore priority group 8 veterans' access to VA health benefits. He contends that there are sufficient resources available to give these veterans such access.

VA Under Secretary for Health Michael Kussman, MD, however, said that the ban should remain in place in order to “maintain the timeliness and quality of health care” provided to currently enrolled veterans. The *Washington Post* reported that opening enrollment to priority group 8 veterans could cost the VA anywhere from \$366 million to \$3.3 billion annually and would add significantly to its caseload. House VA Committee Ranking Member Rep. Steve Buyer (R-IN) urged lawmakers to study carefully the potential effects of removing the ban and contended that the VA should continue to focus on its “core constituency” of veterans who have service-related health issues or severe disabilities or are in the lowest income brackets.

The Senate VA Committee also addressed the growing numbers of uninsured priority group 8 veterans. On June 27, Committee Chair Daniel K. Akaka (D-HI) announced the committee's passage of a key provision of the Veterans Traumatic Brain Injury Rehabilitation Act of 2007 (S. 1233) that would allow priority group 8 veterans to receive VA health care benefits. In Hawaii, Akaka says, it is especially unjust that an annual

income of \$36,400 places veterans in priority group 8, thereby cutting them out of the VA health care system. The provision would not alter the Veterans Health Care Eligibility Reform Act of 1996 (which established the priority categories) but would allow priority group 8 veterans to enroll for VA benefits during fiscal year 2008. This bill will now move to the Senate for consideration.

## Senate Committee Approves 2008 VA Budget

June 14 saw the approval of the Fiscal Year (FY) 2008 Military Construction and VA Appropriations Bill (S.1645) by the Senate Appropriations Committee. The legislation provides a total of \$64.7 billion in discretionary funding—\$4 billion above President Bush's budget request. It aims to concentrate a great deal of resources in the following areas: treating traumatic brain injury and posttraumatic stress disorder in Operation Iraqi Freedom and Operation Enduring Freedom veterans, hiring new claims processors to address the VA's claims backlog, and repairing and maintaining facilities in order to prevent problems similar to those uncovered at Walter Reed Army Medical Center (Washington, DC) in February of this year.

Under the bill, the VHA would receive \$37.2 billion (\$2.6 billion more than the President's request). Of this total, medical services would receive \$29 billion, with a Senate-directed prioritization placed on polytrauma care and mental health services. Another \$3.6 billion would be allocated for medical administration, and the remaining \$4.1 billion would go toward medical facilities in general.

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The Veterans Benefits Administration would receive a total of \$1.3 billion (\$131 million more than the President's request, with the extra funds allocated for the hire of at least 500 additional VA claims processors). The bill also designates \$1 billion for minor construction and nonrecurring maintenance of VA hospitals and clinics.

Additionally, the legislation would provide \$21.56 billion for military construction, nearly \$400 million above the President's request. The President's "Grow the Force" Initiative, which seeks to increase the size of the military in the next five years, would be sup-

ported by \$2.74 billion in funding. The bill also requires that the Government Accountability Office study the Bush administration's plans for constructing housing and operational facilities needed for the initiative. The Base Realignment and Closure (BRAC) and re-stationing costs would be funded with \$8.17 billion, the full amount requested by the President. The National Guard and Reserves would receive \$929.8 million for the maintenance and building of infrastructure—an amount that increases the President's request by \$234.7 million. Lastly, the American Battle Monuments

Commission, the U.S. Court of Appeals for Veterans Claims, Arlington National Cemetery, and the Armed Forces Retirement Home would receive \$174 million to maintain facilities and improve services.

Committee Chair Robert C. Byrd (D-WV) stated that one of the main aims of the bill is to prevent budget shortages, which were a problem for the VA in FYs 2005 and 2006. "This funding bill provides the resources needed to improve and strengthen health care for our brave veterans, and wisely directs key investments to areas in the greatest need," said Byrd. ●