

Legislative Division Update

TOPIC 1: Medicare Reimbursement for VA Medical Care

BACKGROUND: VA is prohibited from billing Medicare for third-party reimbursements for the treatment of enrolled, Medicare-eligible veterans' nonservice-connected medical conditions. The American Legion recommends Medicare reimbursements to supplement VA annual budget. **ACTION:** During congressional testimony and numerous interviews with the media, The American Legion promoted Medicare Reimbursement as a new revenue stream for VA. **POSITION:** The American Legion fully supports Medicare reimbursement for VA and will seek legislation in the 111th Congress.

TOPIC 2: Budget Reform for VA Medical Care

BACKGROUND: The American Legion, VFW, DAV, AMVETS, Blinded Veterans Association, JWV, Military Order of the Purple Heart, PVA, and VVA have joined forces in support of changing VA medical care from *discretionary* to *mandatory* annual appropriations. The goal is to help stabilize VA medical care funding by using a formula based system similar to Social Security and Medicare. The Partnership is placing emphasis on sufficiency, timeliness, and predictability of VA's annual appropriations. On February 12, companion legislation was introduced in both the House and Senate to address this issue. Entitled the "Veterans Health Care Budget Reform and Transparency Act of 2009," the bills are: **S. 423**, introduced by Senator Daniel Akaka (HI) with **45** cosponsors; and, **H.R. 1016**, introduced by Representative Bob Filner (CA) with **110** cosponsors. On Thursday, May 21, this bill was marked up by the Senate Veterans' Affairs Committee. **ACTION:** The American Legion continues to lobby lawmakers to effect budget reform for VA Medical Care. On April 2, during consideration of the FY 2010 budget resolution, **Senate Concurrent Resolution 13**, Senator James Inhofe (OK) introduced an amendment that would include VA medical care in a listing of Federal programs that receive advance appropriations. The amendment was approved by unanimous consent. The House agreed to this amendment on April 29, when the conference report to the budget resolution was approved by both congressional chambers. **POSITION:** The American Legion will continue to seek legislation for assured funding in the 111th Congress and will monitor these bills as they work through Congress.

TOPIC 3: Disabled Veterans' Tax in the 111th Congress

BACKGROUND: Following passage of this year's Defense Authorization Bill, Chapter 61 military retirees with less than 20 years of military service and military retirees rated 100 percent service-connected disabled due to Individual Unemployability can now qualify for concurrent receipt of their military retirement pay and their VA disability compensation without the dollar for dollar offset for Combat Related Special Compensation. **ACTION:** On January 8, Representative Gus Bilirakis (FL) introduced **H.R. 303**, the "Retired Pay Restoration Act." This legislation would: a) allow the receipt of both military retired pay and veterans' disability compensation with respect to any service-connected disability, b) repeal provisions phasing in the full concurrent receipt of such pay through December 31, 2013, and c) make eligible for the full concurrent receipt of both veterans' disability compensation and either military retired pay or combat-related

special pay those individuals who were retired or separated from military service due to a service-connected disability. The measure currently has **66** cosponsors. A companion measure, **H.R. 333** – the “Disabled Veterans Tax Termination Act” – was introduced by Representative Jim Marshall (GA) on the same day. This measure would: a) allow retired members of the Armed Forces who have a service-connected disability rated less than 50 percent to receive concurrent payment of both retired pay and veterans' disability compensation, b) eliminate the phase-in period for concurrent receipt, and c) extend eligibility for concurrent receipt to chapter 61 disability retirees with less than 20 years of service. This legislation currently has **79** cosponsors. Senator Reid (NV) introduced **S. 546**, a bill to amend title 10, United States Code, to permit certain retired members of the uniformed services who have a service-connected disability to receive both disability compensation from the Department of Veterans Affairs for their disability and either retired pay by reason of their years of military service or Combat-Related Special Compensation. This proposal has **34** cosponsors. The American Legion will continue to urge expanding benefits for *all* service-connected disabled military retirees in the 111th Congress. President Obama submitted to Congress his “topline” budget in which he specifically addressed the Disabled Veterans’ Tax and his intentions to allow more service-connected disabled military retirees receive more of their VA compensation and military retirement pay without offsets. **ACTION:** The American Legion is publicly thanking cosponsors. **POSITION:** The American Legion supports the full repeal of the Disabled Veterans’ Tax in the 111th Congress.

TOPIC 4: VA Budget for FY 2010

BACKGROUND: National Commander Dave Rehbein addressed a Joint Session of the Veterans’ Affairs Committees on September 11 to present the views of The American Legion regarding matters that will come before the 111th Congress. The American Legion’s legislative portfolio supports VA health care funding that is *sufficient, timely and predictable*; ending the ban on Priority 8 enrollment; a seamless transition from DOD to VA, including reserve component service members; long-term care of aging veterans; medical and prosthetics research; construction of state-of-the-art medical facilities; technology for electronic medical records; reduction of the outrageous disability compensation claims backlog; veterans’ employment rights, veterans’ hiring preference by government and government contractors, and veteran-owned and service disabled veteran-owned small businesses in government procurement programs; job training for veterans with military occupational specialty skills not readily transferable to the private sector; care for homeless veterans; and proper administration of new GI Bill benefits. President Obama sent a “topline” budget to Congress that provided some insight into the budget request he is crafting for April 2009. The “topline” figures for VA are rather promising -- \$56 billion in discretionary and \$57 billion in mandatory -- \$113 billion in FY 2010. This is a significant increase (\$4.9 billion) in VA funding. However, the budget document contained very little details and no legislative initiatives. **ACTION:** On March 10, The American Legion testified before the Senate and House Veterans Affairs Committees to give its views on the President’s budget request. **POSITION:** The American Legion funding request for this portfolio includes \$42.8 billion for medical care, including medical and prosthetic research; \$3.3 billion for major

and minor construction; \$2.7 billion for information technology and \$2.8 billion for VA general operating expenses.

TOPIC 5: Flag Amendment

BACKGROUND: The American Legion remains committed to protecting Old Glory from acts of physical desecration and overturning *Texas v. Johnson* (1989). During the Washington Conference, efforts were taken to determine the official positions of lawmakers currently listed as “unknown.” **ACTION:** On April 30, Representative Jo Ann Emerson (MO) introduced House Joint Resolution 47, a constitutional amendment to prohibit the physical desecration of Old Glory. H.J. Res. 47 currently has **23** cosponsors. On May 6, Senator David Vitter (LA) introduced Senate Joint Resolution 15, a Senate companion measure in line with The American Legion’s language. S.J. Res. 15 currently has **21** cosponsors. House and Senate offices of past supporters have been contacted urging them to sign on as cosponsors. **POSITION:** The American Legion fully supports a proposed constitutional amendment to prohibit the physical desecration of Old Glory.