

ABSTRACT

Veteran's Administration: Can it provide what we need it to provide? by O. Shawn Cupp, Ph.D., (LTC, retired, US Army) and Don A. Myer, (LTC, retired, US Army)

This paper explores most recent scandals involving the Veteran's Administration and the implied, legal, moral, and ethical foundations for the extension and validations of benefits to military veterans of the United States. Benefits are afforded both military retirees and veterans. Both of these recipients are authorized a medical component and for the purposes of this manuscript only the benefits to military veterans (predominately the Veterans Administration) will be fully analyzed. Medical benefits and disability payments are just two of the major opportunities that veterans now have through the Veterans Administration. From 2004 to 2009 just the VA budget medical care system and associated research program budget grew at a rate exceeding 9 percent annually. The Veterans Administration estimates that it will provide health care for little or no charge to more than 6.5 million veterans as of 1 October 2013. In fact, the VA runs the largest connected medical health care system in the U.S. This system requires vast resources including fiscal budgets that increased considerable over the past seventy years. In FY1940, the budget authority for veterans' benefits and services was \$561.1 million, and in FY2012 the budget authority was \$125.3 billion, or more than 200 times the FY1940 budget authority. In constant 2011 dollars (i.e., inflation-adjusted), the FY2012 budget authority is 14 times the FY1940 budget authority. Many health care beneficiaries state that they were promised "free health care for life." The Veterans Administration not only provides health care but other benefits including compensation and pension, guaranteed home loans, vocational and rehabilitation education programs, and loans to modify housing to be disable accessible. Over time, many of the increases in the Federal budget for veteran's benefits reflect the impact of increases in the number of veterans as the result of conflicts, the again veteran population, and the systematic changes to benefits and services provided veterans. The paper will present based on the current literature, investigations that continue, and whether or not there are unique obligations incurred to veterans by the people and government they serve are being serviced by this unique organization. Outcomes from this analysis include a better understanding of the relationship between military service and citizenship especially during this extended time of an all-volunteer military force.

Key Words: Veteran benefits, Veterans Administration, veteran medical benefits

Veteran's Administration: Can it provide what the nation needs it to provide?

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Veteran's Administration: Can it provide what the nation needs it to provide? by O. Shawn Cupp, Ph.D., (LTC, retired, US Army) and Don A. Myer, (LTC, retired, US Army)

In light of the most recent scandals involving the Veteran's Administration this paper will explore the implied, legal, moral, and ethical foundations of benefits to military veterans of the United States. Benefits are afforded both military retirees and veterans. Both of these groups are authorized extensive medical and economic benefits. For the purposes of this paper, only the medical benefits and current difficulties associated with administering those services (by the Veterans Administration) will be analyzed. From 2004 to 2009, the VA medical care system and associated research program budget grew at a rate exceeding 9 percent annually. The Veterans Administration estimates that it will provide health care for little or no charge to more than 6.5 million veterans as of 1 October 2013. Despite this level of funding, recent events raise the question: Can the VA continue to run the largest connected medical health care system in the U.S.? This system requires vast resources including fiscal budgets that have increased significantly over the past seventy years. In FY1940, the budget authority for veterans' benefits and services was \$561.1 million, by FY2012 the budget authority was \$125.3 billion, or more than 200 times that of FY1940. In constant 2011 dollars, the FY2012 budget authority is 14 times the FY1940 level. Over the past 13 years, millions of veterans added to the medical benefit rolls of World War II, Korea, Vietnam, and Desert Storm era veterans. The paper will present, based on the current literature, investigations that continue, and whether or not there are exclusive obligations incurred veterans by the people and government they serve are being serviced by this unique organization. Outcomes from this analysis include a better understanding of the relationship between military service and citizenship especially during this extended time of an all-volunteer military force.

Key Words: Veteran benefits, Veterans Administration, veteran medical benefits

Introduction

Everyone has the right to seek or obtain health care. “War creates a small class of conspicuous and horribly suffering individuals but one which is by no means unique.”¹ This class is no different than those injured in accidents but they happened in the defense of their nation. However, Henry Dunant, founder of the Red Cross stated in 1862 that there is a “special obligation” for a soldier who receives a bullet in defense of his country.² Since the nineteenth century the state provided veterans benefits including medical care based upon their service.³ The United States is unique in a number of ways in caring for veterans. The United States developed and sustains a “comprehensive health care system for a very small segment of its population.”⁴ This military health care in the United States is sole industrialized nation to implement this type of system for veterans.

The precursors to the benefits currently provided to veterans in the United States were in place before there was a United States. The answer to what they would be, who would receive them, and how their provision would be governed evolved along with the nation. Many of the challenges concerning the effectiveness and efficiency of the Veterans Administration (VA) in provide these benefits, especially medical benefits, can be traced to the social models under which assistance is provided. After this examination of social models we will describe what model is being used in the United States and whether or not it will satisfy the current and future requirements for medical benefits provided by VA to veterans into the 21st Century.

¹ Michael L. Gross, Why Treat the Wounded? Warrior Care, Military Salvage, and National Health, *The American Journal of Bioethics*, 8(2), 11, 2008.

² Ibid, 6.

³ David A. Gerber, Disabled Veterans, The State, and the Experience of Disability in Western Societies, 1914-1950, *Journal of Social History*, Summer 2003, 36, 4, 899.

⁴ Ibid, Gross, 9.

The current program of benefits available to our veterans evolved from differing models of government provided benefits. It served as a foundational model for the development of other government benefit programs, such as Social Security and Medicare. The philosophy guiding the provision of these programs has also developed as the nation has grown, gradually changing from a paternalistic, ad hoc provision of gratuities to one with more formal, legalistic foundations. The result is a program that in many ways is the most generous in the world, yet is still a source of controversy.

Veterans Benefits Models

Providing for veterans is a national benefit that varies from nation state to nation state. During President Lincoln's Second Inaugural Address he stated "To care for him who shall have borne the battle, and for his widow, and his orphan" – by serving and honoring the men and women who are America's Veterans.⁵ There are approximately 23 million American military veterans.⁶ The Department of Veterans Affairs administers a host of benefits to veterans including education, disability, and medical. The VA sustains the largest health care system in the United States. A total of 6.4 million unique patients and \$55.5 billion was spent on medical benefits in FY 2013.⁷ This is not a small enterprise and it is one that deserves study and analysis in regards to why so much time, money, and effort is expended on such a small percentage of our population.

⁵ President Abraham Lincoln, *Second Inaugural Address* in Abraham Lincoln: Selected Speeches and Writing 449 (Vintage Books/ The Library of American ed. 1992).

⁶ Michael Allen, *Due Process and the American Veteran: What the Constitution can tell us about the Veterans' Benefits System*, University of Cincinnati Law Review, 80, 2 2012, 501.

⁷ *Department of Veterans Affairs*, Volume II, Medical Programs and Information Technology Programs, Congressional Submission, FY 2015 Funding and FY 2016 Advance Appropriations, VHA-31, 32.

Over our nations' history, benefits for veterans were "tied to the existence of governments for large societies. At their core such benefits are utilitarian."⁸ In classic utilitarianism one may join the military and serve because society's needs are greater than your own.⁹ This model bases the fact that individuals have helped the nation and providing benefits for those who helped in the security and existence of the state is just, right, and correct. The veterans' benefits are hard to place within a total utilitarian context since many of the promises made early in our nation's existence were not kept. The United States did develop as a nation a "new relationship between citizens and government, but that did not immediately translate into a new theory of veterans' benefits."¹⁰ The Table 1.1 displays the moral and theoretical construct of the utilitarian model as compared to the obligation, programs, decision, benefits, and procedures for veterans' benefits.

Within the confines of examining veterans' benefits as a social contract, one must understand the fundamental framework. The social construct model states that some sort of agreement exists between the state and the society. The Hobbes' theory is that "relations of contract, which obtain in and constitute the state of society."¹¹ Every man is supposed to contract with his fellow man to establish a sovereign state. They also contract with the government. In this manner the people obey the government but the government protects the rights of the people. This is a two-way contract and both sides have obligations to the other. Rousseau stated "all the obligations which a citizen owes to the State he must fulfill as soon as

⁸ James D. Ridgeway, *The Splendid Isolation Revisited: Lessons from the History of Veterans' Benefits Before Judicial Review*, *Veterans Law Review*, 3, 2011, 137.

⁹ Louis P. Pojman and James Rieser, *Ethics: Discovering Right and Wrong*, Seventh Edition, Boston, Wadsworth Cengage Learning, 2012, 102.

¹⁰ Ridgeway, *Ibid*, 143.

¹¹ David Gauthier, *The Social Contract as Ideology*, *Philosophy & Public Affairs*, 6, 2, Winter 1977, 134.

the sovereign asks for them, but the sovereign in turn cannot impose any obligation on subjects which is not of use to the community.”¹² Therefore if the veteran is called upon through a draft or volunteers for military service, the veterans’ benefits afforded to them could be viewed as a social contract for services rendered.

Finally, in his article “Of Two Minds: Charitable and Social Insurance Models in the Veterans’ Benefits System”, Richard E. Levy describes the two models under which government provides benefits in general, and Veterans benefits specifically have historically been provided. He describes them as the charity model and the social insurance model.

The charity model was the method used to determine and grant veterans benefits from their inception in the young colonies. This held true as they experienced their first expansion in the 19th century. Under this model, benefits were viewed as “gratuities”, or voluntary assistance extended to the veteran by the government as a moral rather than a legal obligation. As such, no legal entitlement was extended to the veteran; the scope and circumstances were determined by the government. There were no adversarial procedures available if the veteran disagreed with the governments’ assessment of the benefit to be extended or his qualification to receive it. In fact, such procedures were seen as undesirable, since it was assumed the government had the veterans’ best interests at heart. Historically, this is the model which has prevailed when extending benefits to veterans.

This relationship of the veteran and the benefits offered by the US Government was summarized by the Supreme Court in *Lynch vs. United States* in 1934. Judge Brandeis wrote “[p]ensions, compensation allowances and privileges are gratuities...[that] create[] no vested

¹² Jean Jacques Rousseau, *Contrat social ou Principes du droit politique*, Paris Ganier Frers 1800, 240332, translated by Henry A. Myers.

rights [and] , and may be redistributed or withdrawn at any time in the discretion of Congress”¹³

The Charity model views all benefits as gratuities, and makes several assumptions. Adversarial procedures are not necessary since the government is assumed to be acting in the best interests of the veteran. Indeed, they are counter-productive to the veterans’ best interests. As benefits are discretionary, and voluntarily provided, the veteran has no rights to be protected, and therefore no legal or independent adjudication is needed. They can be withdrawn or denied at the discretion of the government or agency overseeing them.

The social insurance model by contrast is a much younger construct. Its’ impetus was the Great Depression. The economic and social disruption occurring then drove a new attitude toward government provision of economic support. The government was now seen as having a role to assist the old, infirm, unemployed, and families with children. The Social Security Act of 1933 established the first major federal benefit program since veterans’ programs were founded.

All of these theoretical models provide a basis for determining and understanding the reasons for the unique medical benefits provided to United States veterans. It also gives a framework to understand the current immense amount of resources devoted to the small percentage of our population. The current VA benefits system is a hybrid of these models.

¹³ Richard E. Levy, Of Two Minds: Charitable and Social Insurance Models in the Veterans’ Benefits System, , *Kan JL of Pub Poly*, 13, 2003, 305.

Moral and theoretical construct

Based upon the earlier historical accounts, society provides for veterans and their dependents. This is based upon a number of ethical and moral imperatives. In the table below

	Moral			
	Theoretical			
Model	<i>Utilitarianism</i> ¹⁴	<i>Social Contract</i> ¹⁵	<i>Social Insurance</i> ¹⁶	<i>Charity</i> ¹⁷
Obligation	Good only if no other use found	Moral	Quasi-contractual	Moral
Programs	Those deemed beneficial	What is necessary	Comprehensive	Ad Hoc
Decisions	Guided by rules of thumb	Contractual	Legal standards	Adversarial vs. charity
Benefits	Provided	For greater good	Entitlements	Mere Gratuities
Procedures	Either or	Processes established	Due process	Non-adversarial

Table 1.1 Moral and theoretical construct of veterans and society

The axiology or goodness of models is aligned with recognized moral and theoretical constructs of veterans and how society takes care of them. Historical instances are provided for context and four different theoretical paradigms are provided for determining the values given to each of these models. Each society provides differently for their veterans. However, most societies understand the benefits of freedom and nation state survival that veterans provide their citizens. Based upon that understanding, veterans are provided a number of benefits including medical services. Those can be categorized into various, well documented theoretical models. In Table

¹⁴ Rory E. Riley, The Importance of Preserving the Pro-Claimant Policy Underlying the Veterans' Benefits Scheme: A Comparative Analysis of the Administrative Structure of the Department of Veterans Affairs Disability Benefits System, *Veterans Law Review*, 2, 2010.

¹⁵ Gauthier, *Ibid*, 133.

¹⁶ Richard E. Levy, Of Two Minds: Charitable and Social Insurance Models in the Veterans' Benefits System, *Kan JL of Pub Poly*, 13, 2003, p. 307.

¹⁷ *Ibid*.

1.1 the construct of benefits afforded veterans based upon moral and theoretical underpinnings if provided. Notations of each of these are provided to enhance and demonstrate the context of this relationship between society and veterans.

Major differences were evident in the social insurance model. Most importantly, legal standards for eligibility were now delineated, and benefits took on the attributes and protections of property. Acceptance of these benefits under the social insurance model as property rather than gratuities was established in 1970 by the Supreme Court in *Goldberg vs Kelley*. It determined that welfare benefits could only be denied or withdrawn after due process, which would include adversarial procedures and independent adjudication. While this did not require that an actual trial be held, it was a much more formal process based on legal procedures, rather than the responsible agency exercising discretionary judgment.¹⁸

Evolution of Veterans Benefits

To understand the context of the four identified ethical models, the historical context of veterans' benefits must be recognized. As with any US government program, the legal foundation of veterans' programs is based on the US Constitution. Article 1, Section 8, clause 14 of the Constitution grants Congress the power "To make Rules for the Government and Regulation of the land and naval Forces". From that seemingly straight-forward assertion, the United States has developed today's program of veterans' benefits. This program is one of the most extensive offered by any nation. That has not kept it from being a subject of intense scrutiny and debate, as the legal, moral, and ethical foundations of what a nation owes to its' veterans has been explored for over 200 years by its' citizens, government, and veterans alike.

¹⁸ Ibid, 306.

Our obligation to veterans has been recognized since before the American Revolution. From the beginning, this has been expressed as an obligation to provide a pension to veterans wounded in service. This historical context is important when describing and determining how veterans' benefits came into existence.¹⁹ There was a also recognition that either medical or what is today called "assisted living" care should be extended to those who serve honorably and were rendered unable to provide for themselves after returning to the civilian world. The extension of benefits was also made to dependents of veterans from the beginning of our nation.

Pensions were the first benefit extended to those who provided military service. The first provision of a pension of any type was that extended in 1636 by the Plymouth Colony to those colonists wounded in the defense of their fellows against Indian tribes.²⁰ Congress authorized pensions during the revolution. The motive was to increase recruitment and retention. States were expected to make actual payment of the pensions granted.

During and after the Revolutionary War three principal types of pensions were provided by the U. S. Government for servicemen and their dependents: "Disability" or "invalid pensions" were awarded to servicemen for physical disabilities incurred in the line of duty; "service pensions," to veterans who served for specified periods of time; and "widows' pensions," to women whose husbands had been killed in the war or were veterans who had served for specified periods of time.²¹ In 1776, the Continental Congress passed a pension law which promised half pay for those veterans who suffered the loss of a limb or other serious injury. It was intended

¹⁹ Ridgeway, *Ibid*, 145.

²⁰ Aon Hewitt, "Microhistory of Employee Benefits and Compensation," p.2, July 2013
http://www.aon.com/attachments/human-captial-consulting/LR-F-July-13_Microhistory_of_Employee_Benefits_and_Compensation.pdf.

²¹ *Ibid*.

that the pension would be for the duration of the disability.²² In 1789, Congress took responsibility for pensions previously paid by the states (1 Stat. 95). Recognition of federal responsibility for those who served with state forces, either as militia or State troops, was made when such veterans were declared eligible for federal pensions in 1806 (2 Stat 376). On September 29, 1789 (1 Stat. 95), the First Congress of the United States passed an act which provided that invalid pensions previously paid by the States, pursuant to resolutions of the Continental Congress, should be continued and paid for 1 year by the newly established Federal Government. Subsequent legislation often extended the time limit. An act of Congress approved March 23, 1792 (1 Stat. 243), permitted veterans not already receiving invalid pensions under resolutions of the Continental Congress to apply for them directly to the Federal Government. On April 10, 1806 (2 Stat. 376), the scope of earlier invalid-pension laws pertaining to Revolutionary War servicemen was extended to make veterans of State troops and militia service eligible for Federal pensions. The act superseded all previous Revolutionary War invalid-pension legislation.

Before 1818 national pension laws concerning veterans of the Revolution (with the exception of the Continental Congress resolution of May 15, 1778, granting half pay to officers for service alone) specified disability or death of a serviceman as the basis for a pension award. Not until March 18, 1818 (3 Stat. 410), did the U. S. Congress grant pensions to Revolutionary War veterans for service from which no disabilities resulted. Officers and enlisted men in need of assistance were eligible under the terms of the 1818 act if they had served in a Continental

²² Pensions Enacted by Congress for American Revolutionary War Veterans, <http://vagensearch.com/AmericanRevolution/Pensions.html>

military organization or in the U. S. naval service (including the Marines) for 9 months or until the end of the war. Pensions granted under this act were to continue for life.²³

The service-pension act of 1818 resulted in a great number of applications, many of which were approved. Congress had to appropriate greater sums than ever before for Revolutionary War pension payments. Financial difficulties and charges that applicants were feigning poverty to obtain benefits under the terms of the act caused Congress to enact remedial legislation on May 1, 1820 (3 Stat. 569). The new law required every pensioner receiving payments under the 1818 act, and every would-be pensioner, to submit a certified schedule of his estate and Income to the Secretary of War. The Secretary was authorized to remove from the pension list the names of those persons who, in his opinion, were not in need of assistance. Within a few years the total of Revolutionary War service pensioners was reduced by several thousand. An act of Congress approved March 1, 1823 (3 Stat. 782), resulted in the restoration of pensions to many whose names had been removed under the terms of the 1820 legislation, but who subsequently proved their need for aid.²⁴

Congress passed another service-pension act on May 15, 1823 (4 Stat. 269), which granted full pay for life to surviving officers and enlisted men of the Revolutionary War who were eligible for benefits under the terms of the Continental Congress resolution of May 15, 1778, as amended. The last and most liberal of the service-pension acts benefiting Revolutionary War veterans was passed on June 7, 1832 (4 Stat. 529), and extended to more persons the provisions of the law of May 15, 1828. The act provided that every officer or enlisted man who had served at least 2 years in the Continental Line or State troops, volunteers or militia, was eligible for a pension of full pay for life. Naval and marine officers and enlisted men were also

²³ Pensions Enacted by Congress for American Revolutionary War Veterans, <http://vagensearch.com/AmericanRevolution/Pensions.html>

²⁴ Ibid.

included. Veterans who had served less than 2 years, but not less than 6 months, were eligible for pensions of less than full pay. Neither the act of 1832 nor the one of 1828 required applicants to demonstrate need. Under the act of 1832 money due from the last payment until the date of death of a pensioner could be collected by his widow or by his children.²⁵

As the veteran population has grown, the scope of veterans' benefits has grown in scope as well as volume, expanding beyond pensions into health, education, and vocational training. From over 200,000 veterans created during the Revolution, the veteran population increased to approximately 2,000,000 after the Civil War. During this period, the bulk of veterans benefits consisted of pensions, and the charity model was followed in their provision and administration.

After World War I the United States had a population of about 100 million and 4.7 million veterans.²⁶ Along with this fact was that the Civil War veteran's benefits created a massive burden on the nation's fiscal system. During the late nineteenth century this burden amounted to thirty to forty percent of the federal budget.²⁷

The War Risk Insurance Act of 1917 authorized courses for rehabilitation and vocational training, as well as the establishment of the Federal Board for Vocational Training. In 1921 Congress consolidated six major veterans' program management offices down to three, the new Veterans Bureau, the Bureau of Pensions of the Interior and the National Home for Disabled Volunteer Soldiers. It wasn't until 1930 that a single agency, the Veterans Administration was established to oversee all veterans programs. The first detailed standards and administrative review processes came in 1933 along with the establishment of the Board of Veterans Appeals. However, Congress exempted BVA decisions from judicial review, retaining characteristics of

²⁵ Ibid.

²⁶ Ridgeway, 168.

²⁷ Ibid.

the charity model.²⁸

Since World War II, over 30 million veterans have served the US, with almost 17 million war veterans still living.²⁹ Including periods of war and peace, there are over 23 million currently living veterans. With this growth in veteran population, there has been an increase in the scope of veterans' benefits, and a trend toward the social insurance model in providing them. Even as the size of the Veterans Administration bureaucracy itself grew, the charity model of internal, non-adversarial review of decisions remained dominant. Some elements of the social insurance model were included in the Veterans Judicial Review Act of 1988, which allowed some judicial review.³⁰ However, primary responsibility for review resides in the Court of Appeals for Veterans Claims, an Article I court with much less judicial independence and more agency control than other federal courts.

Veterans Administration Today

The medical benefits afforded U.S. veterans are some of the most comprehensive in the world. In fact there is “no French, British, German, Canadian, or Dutch equivalent to the VA hospital system.”³¹ No other member of the United States was afforded the medical benefits that veterans were provided prior to the Great Society of the 1960's through Medicare and Medicaid.

Previously this paper described the theoretical models that provided these benefits to our veterans. Recently administration of the medical benefits have come into question.

President Barack Obama proposed a \$153 billion Veterans Affairs Department budget for FY 2014. This is a 10.2 percent over 2013 funding. The medical care budget request is for

²⁸ Levy, 314.

²⁹ VA Fact Sheet, America's Wars, Nov 2014, US Department of Veterans Affairs, 7.

³⁰ Levy, 315.

³¹ Alec Campbell, The Invisible Welfare State: Establishing the Phenomenon of Twentieth Century Veteran's Benefits, *Journal of Political and Military Sociology*, 32, 2, 2004, 250.

\$54.6 billion.³² Based upon reflection of the ethical theoretical models described earlier and historical events detailed, what is the United States construct for current medical benefits? Also, can this construct continue to service the needs of veterans into the 21st century?

Before answering these questions the current health care offerings to United States veterans must be reviewed. They are less than acceptable in a number of areas. Policy changes can take place but a cultural transformations may be necessary to adequately accommodate current and future medical benefits for veterans. The rapidly expanding budget supporting VA medical benefits does not seem to be conducive to meeting the demands of this unique population. Based on recent news reports and Inspector General Inspections of VA medical facilities care through the VA suffered in a number of less than suitable ratings and excessive wait times for veterans to be seen for medical appointments. Problems and issues have fomented for the past at least two decades. The one highlight is that the American public is cognizant of the challenges veterans face and have supported and even demanded changes to improve VA healthcare.

For one to be considered a veteran you must have served in the military force. For one to be cared for by the VA for medical purposes initially one had to have a service-connected injury. Over the history of the United States, veterans were provided medical services after their service. That medical care originally began as service for medical conditions caused or service-connected to military service. Later that definition was expanded in the 1970's to include low-income veterans' health benefits who had no service-connected conditions.³³ These mandates where changed some twenty years later.

³² Department of Veterans Affairs News Release, \$153 Billion VA Budget Request Seeks to Boost Care, Benefits, April 10, 2013.

³³ Congress of the United States Congressional Budget Office report, Potential Costs of Veterans' Health Care, October 2010, 10.

Priority	Category
P1	Veterans with service-connected disabilities (SCDs) of 50 percent or more or veterans deemed to be unemployable based upon SCDs.
P2	Veterans with SCDs rated 30 percent or 40 percent.
P3	Veterans who are former prisoners of war; were awarded the Purple Heart; were discharged because of SCDs, have SCDs rated 10 or 20 percent; or were disabled as a result of treatment or vocational rehabilitation.
P4	Veterans receiving aid or are housebound and veterans whom VA determined to be catastrophically disable as a result of a non-service-connected illness or injury.
P5	Veterans who do not have SCDs or who have noncompensable SCDs rated zero percent and annual income and net worth below national means-test thresholds, veterans who are receiving VA pension benefits and veterans who are eligible for Medicaid benefits.
P6	Veterans seeking care solely for exposure to chemical, nuclear, or biological agents in the line of duty, veterans who have compensable SCDs rated zero percent and recently discharged combat veterans who are within a five-year period of enhanced eligibility and benefits.
P7	Veterans who have no SCDs, whose annual income or net worth is above the VA means-test thresholds and below the VA national geographic income thresholds and agree to make copayments.
P8	Veterans who have no SCDs, whose annual income or net worth is above the VA means-test thresholds and the VA national geographic income thresholds and agree to make copayments.

Table 1.2 Eligibility and Priority Groups for Veterans' Health Benefits³⁴

In 1996 Public Law 104-262 mandated that VA deliver medical services to service-connected veterans, those unable to pay for necessary medical care and provide medical services to specified groups of veterans like World War I and prisoner of war veterans. Also with this law Congress required the VA to develop and implement an enrollment system based upon priorities of these groups.³⁵ A system of eight different priority groups was implemented to service veterans' medical requirements. Table 1.2 shows and describes the eligibility and priority

³⁴ Ibid, 10-11.

³⁵ Ibid.

groups associated with current veterans' health benefits through the Veterans Health Administration (VHA). They also provide ambulatory visits, inpatient service, and prescription medications at no charge to many veterans including those who are rated above 50 percent with SCDs.³⁶ These priority groups are not the end of new VHA initiatives.

The scandals of 2014 included VA employees misrepresenting their facilities performance to gain bonuses. Administrators in more than 26 VA facilities were found to be manipulating wait lists as to represent that veterans were receiving treatment in a timely manner.³⁷ These included hospitals in Phoenix, Austin, San Antonio, Durham, St. Louis, and Chicago. Specifically, the United States Government Accountability Office found trends of 30 - 40 percent of specialty appointment consults at various VA medical centers went from 33 to 210 days elapsed between consult request until patient received care.³⁸ Stories of negligence, wait time manipulation, and accusations that veterans died waiting for treatment caused the resignation on May 30, 2014 of General Eric Shinseki, who had served since 2009, as the Secretary of Veteran's Affairs. He was replaced by Secretary Robert McDonald. Secretary McDonald is a former Captain in the United States Army and previously served as the CEO of Proctor and Gamble. During August of 2014, the Congress passed the Veterans Access, Choice, and Accountability Act of 2014 (VACAA). This legislation attempted to fix some of the problems of wait time, geographic eligibility, access to non-VA facilities, assisted in making it easier to fire poor performing senior VA managers, and included money to build new VA facilities and hire more VA doctors.³⁹ The \$16.3 billion initiative was a good start in helping fix problems but did not address the future demographics of veterans. The program became

³⁶ Ibid.

³⁷ Fixing Veterans Health Care, A Bipartisan Policy Taskforce, Concerned Veterans for America, 2015, 34.

³⁸ United States Government Accountability Office, VA Health Care: Ongoing and Past Work Identified Access Problems that may delay Needed Medical Care for Veterans, 2014, GAO-14-509T, 8.

³⁹ Veterans Choice Program, Initial Report, Compiled by the Veterans of Foreign Wars of the United States, 2015, 2.

operational and almost immediately there were significant issues raised. A VFW report determined through a comprehensive survey (2,511 responses) that veterans were referred to contractors but their records were not always available at the time of the veterans' appointment. More than 90 percent of veterans eligible for the Veterans Choice Program were not given the choice to participate.⁴⁰ After this program became effective the 40 mile factor was recognized as a point of contention. The 40 miles was measured in geodesic dimensions (as the crow flies) versus on the ground distance. Again, this measure was criticized and is still being addressed to allow veterans a ground distance of 40 miles to measure eligibility of medical treatment.

Theoretical Models and Future VA Medical Benefits

Based upon current public perception of veterans, misrepresentation of VA medical facilities care, and attempts to fix those problems we can view the theoretical models discussed previously (See Table 1.1). With regards to obligation, it seems that based upon historical events, legislation, and current environment that there is a moral obligation to continue VA medical benefits for veterans just as found under the social contract and charity models. This obligation is support by the historical evidence, even today's support of veterans by the general public would suggest that the moral obligation to care for veterans is intact.

With respect to programs the charity ad hoc factor still it seems is the rule rather than the exception. The new VACAA enacted in 2014 to fix many of the noted deficiencies discovered at VA facilities seems to be ad hoc at best. The problem with 40 mile geodesic versus ground measurement for eligibility of medical benefits is still another issue based upon seemingly ad hoc legislation that does not consider veterans own driving considerations. The public scrutiny that veterans enjoy fuels the continuous status of ad hoc in terms of programs with the VA. A

⁴⁰ Ibid, 5.

comprehensive review and implementation that could be found in the social insurance model or what is necessary by the social contract model is likely not possible.

In 2009 there were 24 million veterans and the VA expects that number to shrink to 16 million by 2029.⁴¹ The constant expansion and expected contraction seems to also feed this ad hoc nature of program implementation. With regards to benefits they are bound in either the utilitarianism or social contract since society still sees veterans as persons who deserve medical benefits of some sort. The question may become are all veterans allowed access to free or almost free health care as defined by the current eight priority typology enforced by the VA. Finally under current procedures, the non-adversarial factor within the charity model seems to be in conflict with the due process under social insurance. Currently, with the VA scandals of 2014, many promises to speed up disability claims, which are contingent upon health care benefits, continue to be delayed. The backlog goal that VA administrators promised to fully eliminate still seems out of reach. The first-time VA benefits claims unresolved for more than four months is around 245,000 cases. This is reduced down from 160,000 cases in 2014 and more than 250,000 cases since the start of 2013.⁴² The VA completed more than 1.3 million claims in fiscal 2014 which is a new record. However the workload does not seem to have a near-term drop in numbers. The second part of the benefits procedures is the appeals process with the Board of Veterans Appeals. That backlog is rising steadily with more than 245,000 cases in March 2013 to 287,000 in December 2014.⁴³

More overall claims are processed despite the delays. From 1960 to 2000 8.8 percent of veterans were seeking VA care. During the last 14 years that percentage has reached 19 percent or more than doubled. Not only have the claims increased but the number of medical issues

⁴¹ Fixing Veterans Health Care, *Ibid*, 34.

⁴² Leo Shane III, 2015 Goal for VA claims Backlog Appears out of Reach, *Military Times*, December 31, 2014.

⁴³ *Ibid*.

associated with each claim has increased.⁴⁴ In 2009 the VA processed 989,000 claims with 2.7 million medical issues. Secretary McDonald has stated that in 2017 the VA is projected to process 1.4 million claims with nearly 6 million medical problems.⁴⁵ Thus, younger veterans will have more medical issues that will be treated for even longer periods of time in the future.

The willingness of the public and government to extend medical benefits to veterans has been established throughout the history of the United States. The models chosen to determine those benefits, as well as the organizational efforts to administer them do not always meet the moral and ethical expectations of the people or veterans. Despite this fact, VA is continuing to struggle to provide the medical benefits that the nation “needs” it to provide.

⁴⁴ Bryant Jordan, VA Chief Warns of Rising Cost of Caring for Younger Veterans, Military Times, March 4, 2015.

⁴⁵ Ibid.

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