

Funding for Veterans up 27%, But Democrats Call It A Cut

Money for Veterans goes up faster under Bush than under Clinton, yet Kerry accuses Bush of an unpatriotic breach of faith.

February 18, 2004

Modified: February 18, 2004

Summary

In the Feb. 15 Democratic debate, Kerry suggested that Bush was being unpatriotic: ~~He~~ cut the VA (Veterans Administration) budget and not kept faith with veterans across this country. And one of the first definitions of patriotism is keeping faith with those who wore the uniform of our country.+

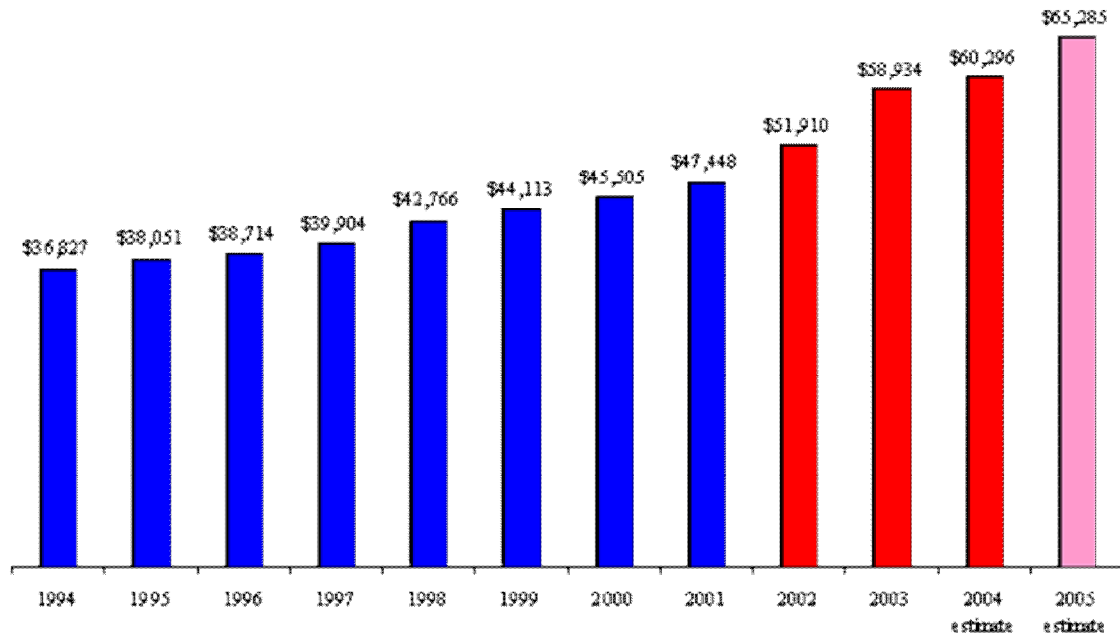
It is true that Bush is not seeking as big an increase for next year as the Secretary of Veterans Affairs wanted. It is also true that the administration has tried to slow the growth of spending for veterans by not giving new benefits to some middle-income vets.

Yet even so, funding for veterans is going up twice as fast under Bush as it did under Clinton. And the number of veterans getting health benefits is going up 25% under Bush's budgets. That's hardly a cut.

Analysis

Funding for veterans benefits has accelerated in the Bush administration, as seen in the following table.

Net Funding for Veterans Administration
Clinton v Bush
 (in millions)



Fiscal years ending Sept. 30

Source: US Budget: Table 5.2 - [Budget Authority by Agency](#)

In Bush's first three years funding for the Veterans Administration increased 27%. And if Bush's 2005 budget is approved, funding for his full four-year term will amount to an increase of 37.6%.

In the eight years of the Clinton administration the increase was 31.7%

Those figures include mandatory spending for such things as payments to veterans for service-connected disabilities, over which Congress and presidents have little control. But Bush has increased the discretionary portion of veterans funding even more than the mandatory portion has increased. Discretionary funding under Bush is up 30.2%.

By any measure, veterans funding is going up faster under Bush than under Clinton.

One reason: the number of veterans getting benefits is increasing rapidly as middle-income veterans turn for health care to the expanding network of VA clinics and its generous prescription drug benefit.

According to the VA, the number of veterans signed up to get health benefits increased by 1.1 million, or 18%, during the first two fiscal years for which Bush signed the VA appropriations bills. And the numbers continue to grow. By the end of the current fiscal year on Sept. 30, the VA estimates that the total increase under Bush's budgets will reach nearly 1.6 million veterans, an increase of 25.6 percent.

And according to the VA, the number of community health clinics has increased 40% during Bush's three years, with accompanying increases in the numbers of outpatient visits (to 51 million last year) and prescriptions filled (to 108 million).

But They Keep Repeating: "It's a Cut"

That's just the opposite of the impression one might get from listening to Democratic presidential candidates debate each other over the past several months. One thing they seem to agree on is the false idea that Bush is cutting funding for veterans.

Examples:

Oct 9, 2003:

Sharpton: As this president waved the flag, he cut the budget for veterans, which dishonored people that had given their lives to this country, while he sent people like you to war.

October 27:

Dean: I've made it very clear that we need to support our troops . . . unlike President Bush who tried to cut -- who successfully cut 164,000 veterans off their health-care benefits.

Jan 4, 2004:

Kucinich: Look what's happened with this budget the administration has just submitted. They're cutting funds for job programs, for veterans . . .

Jan 22, 2004 :

Kerry: And while we're at it, this president is breaking faith with veterans all across the country. They've cut the VA budget by \$1.8 billion.

Feb 15, 2004 :

Kerry: And most importantly, I think he's cut the VA budget and not kept faith with veterans across this country. And one of the first definitions of patriotism is keeping faith with those who wore the uniform of our country.

And even the Democratic National Committee website proclaims, "[Bush Cuts Funds](#) for Veterans' Health Care," despite what the numbers show.

Veterans Groups Want More

While it's false to say the veterans budget has been cut, and false to say that any veteran getting benefits has been cut off, it is true that funding is not growing as rapidly as demand for benefits, or as rapidly as veterans groups would like.

Veterans groups are unanimous in calling for more money than the administration or Congress have provided. Four groups -- AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and Veterans of Foreign Wars of the United States -- have joined to ask for \$3.7 billion more than the administration is requesting for next year.

Even Bush's own Secretary of Veterans Affairs Anthony Principi -- in a rare break with administration protocol -- told a House committee Feb. 4 that had asked for more money than Bush was willing to seek from Congress. "I asked OMB for \$1.2 billion more than I received," he said, referring to the White House Office of Management and Budget.

Some Denied Benefits; A Cut Proposed

In January, 2003 the Veterans Administration [announced](#) that -- because the increase in funds couldn't meet the rising demand -- it would start turning away many middle-income applicants applying for new medical benefits.

That led to accusations that Bush was denying benefits to veterans. " We have 400,000 veterans in this country who have been denied access in a whole category to the VA," Kerry declared during a debate Oct. 9, 2003. The VA's estimates of the number who might be denied benefits is much lower, and in fact nobody can say with certainty how many middle-income veterans might have signed up for medical benefits if they had been allowed.

Meanwhile the VA continues to add hundreds of thousands of disabled and lower-income veterans to those already receiving benefits, and has kept paying benefits to all veterans who were already receiving them.

The middle-income veterans who currently aren't being allowed to sign up are those generally with incomes above 80% of the mid-point for their locality. The [means test](#) cut-off for benefits ranges up to \$40,000 a year in many cities. And any veteran with income less than [\\$25,162](#) still qualifies no matter where they live. Those figures are for single veterans. The income cut-off is higher for those with a spouse or children.

Veterans groups have called for "mandatory funding" of medical benefits, which would automatically appropriate whatever funds are required to meet demand. Kerry has endorsed mandatory funding, which would allow middle-income veterans with no service-connected disability to resume signing up.

The administration also has proposed to make the VA's prescription drug benefit less generous. Currently many veterans pay \$7 for each one-month supply of medication. The administration proposes to increase that to \$15, and require a \$250 annual fee as well. Congress rejected a similar proposal last year. The proposal wouldn't affect those -- such as veterans with a disability rated at 50% or more -- who currently aren't required to make any co-payments.

And it should be noted that the administration is proposing to increase some benefits, including ending pharmacy co-payments for some very low-income veterans, and paying for emergency-room care for veterans in non-VA hospitals.

All this means Bush can fairly be accused of trying to hold down the rapid growth in spending for veterans benefits -- particularly those sought by middle-income vets with no service-connected disability. But saying he cut the budget is contrary to fact.

(Note: FactCheck.org twice contacted the Kerry campaign asking how he justified his claim that the VA budget is being cut, but we've received no response.)

Sources

Budget of the United States Government, Fiscal Year 2005 ["Table 5.2 -- Budget Authority by Agency"](#) (Washington, Government Printing Office) 3 Feb 2004.

US House of Representatives, Committee on Veterans Affairs, ["Statement of Anthony J. Principi, Secretary Of Veterans Affairs"](#) 4 Feb 2004.

US House of Representatives, Committee on Veterans Affairs, "[Statement of Peter S. Gaytan](#), Principal Deputy Director, Veterans Affairs And Rehabilitation Division, The American Legion" 4 Feb 2004.

US House of Representatives, Committee on Veterans Affairs "[Statement Of Joseph A. Violante](#), National Legislative Director, The Disabled American Veterans" 4 Feb. 2004.

US House of Representatives, Committee on Veterans Affairs "[Statement of Vietnam Veterans of America](#), Presented by Richard F. Weidman, Director, Government Relations" 4 Feb 2004.

[Press Release](#), Rep. Lane Evans (D IL) "Bush administration '05 VA budget reflects misplaced priorities, places greater burden on some veterans" 2 Feb. 2004.

Suzanne Bamboa, "Principi Wanted \$1.2B More for VA Budget," [Associated Press](#) 4 Feb. 2004.

http://www.factcheck.org/funding_for_veterans_up_27_but_democrats.html

President Bush Honors Our Veterans

"Our veterans have borne the costs of America's wars and have stood watch over America's peace. And, today, every veteran can be certain: The nation you served and the people you defended are grateful." President Bush, November 11, 2003

Keeping His Word

President Bush has fulfilled, and in many cases surpassed, commitments to veterans on four key issues:

Allowing Veteran Medicare Recipients to Continue Receiving TRICARE Benefits - The President signed the FY 2001 Defense Authorization Bill which allows veterans to continue to receive their TriCare health benefits even when they become Medicare eligible.

Timely Access to Quality Healthcare - The average time that a veteran has to wait to see a primary care physician has dropped 90% since 2001. The waiting list was 300,000 in 2001 and is now below 30,000. With the funding in the FY 2005 request, the VA will meet its goal scheduling non-urgent primary care for 93% of veterans within 30 days and 99% within 90 days.

Reduce the Backlog of Disability Claims - When President Bush took office, the number of claims waiting to be processed had soared to over 600,000 and as a result, many veterans were waiting an average of over 230 days for a claim to be processed. The VA has slashed its inventory of pending disability claims by 58% to 253,000 and reduced the average length of time it takes to process a

claim by 30% to about 160 days. In 2005, 2.7 million veterans will receive \$24.9 billion of these tax-free benefits from the VA.

Classify Diabetes as a Disability - The President proudly signed the Veterans Education and Benefits Expansion Act of 2001, which allowed diabetes to be considered a service-connected disability for veterans.

Supporting Concurrent Receipts

Concurrent Receipt - On November 24, 2003, President Bush signed legislation providing concurrent receipt of both military retired pay and VA disability compensation for those military retirees most deserving, the combat-disabled, reversing a century of law preventing concurrent receipt.

A Significant Increase in Resources

Making up for the 1990s - President Bush has provided more new funding for veterans in four years than President Clinton did in eight years. President Clinton averaged a 3 percent increase per year in the VA budget while President Bush has averaged an 8 percent increase per year. Since President Bush came into office in 2001 the VA budget has increased from \$48 billion to \$65 billion.

A Dramatic Increase in Funding - The President is proposing to increase funding for the VA by \$5 billion next year - from \$60.3 billion last year to \$65.3 billion for the next fiscal year. This represents an 8% percent jump and more than 38% increase since 2001.

40% More for Medical Care - The President's \$30 billion request for medical care in his FY 2005 budget represents more than a 40% increase from when he took office. As a result, 1.4 million more veterans will receive care in 2004 than in 2000 and 194 new community-based clinics will open to be more responsive to veterans' needs.

Improving Access to Health Care

Creating a Modern, Efficient, World-Class Health Care System - Through the Capital Asset Realignment for Enhanced Services (CARES), President Bush is working to restructure VA hospitals around the country to provide veterans with efficient access to quality health care. The FY 2005 budget more than doubles the amount previously request for construction of new and improved facilities. The President has proposed a 20% increase in outpatient health care services, create 48 new outpatient clinics, and construct two new VA hospitals.

Emergency Care - The President's budget allows the VA to pay for emergency room care for veterans in non-VA hospitals. Veterans with life-threatening illnesses should seek and receive care at the closest possible facility.

Prescription Drugs - The President took the unprecedented step of allowing veterans with a prescription from their private physician to have those prescriptions filled by the VA - saving veterans hundreds of dollars in prescription drug costs. This will benefit approximately 200,000 veterans.

Eliminating Copayments - The President has eliminated copays for veterans receiving hospice care. In addition, the Budget will eliminate all forms of copays for prisoners of war who have provided unique service to our Nation.

Caring for Families

Veterans Benefits Act of 2003. On December 16th, 2003, President Bush signed a bill authorizing \$1 billion over the next ten years for new and expanded benefits for disabled veterans, surviving spouses, and children.

Restores Spousal Benefits. The spouses and children of veterans who are killed in action, or die of service related causes will receive Dependents Indemnity Compensation which allows the surviving spouse or dependent children to receive the full amount of accrued benefits if the veteran dies while their claim is still pending. Home loan guarantees are available to surviving spouses.

Education & Health Benefits for Children. Pensions are available to surviving spouses and unmarried children of deceased veterans with wartime experience. Dependents education assistance is available to spouses who have not remarried and the children of veterans who are killed in action, or die of service related disabilities.

Support Today for Tomorrow's Veterans

Better Pay and Housing - President Bush has increased basic salary and payments for food and housing almost 29 percent since taking office. President Bush has provided historic increases in military compensation. Under former President Clinton, military pay decreased an average of almost 2% per year relative to consumer price index. Since President Bush took office, military pay increased an average of 5.2% per year relative to consumer price index. The average compensation is now more than \$40,000 for enlisted members and more than \$79,000 for officers.

Better Benefits - Service members also receive retirement benefits and health care for themselves and their families at little or no charge.

Tax Relief - On December 16, 2003, the President signed the Military Family Tax Relief Act of 2003 to provide tax relief and other benefits to members of the armed services and their families.

Prevents Double Taxation. This law prevents states from using the income earned by a service member in determining the spouse's tax rate when the spouse works and taxed in a state other than the state in which they maintain their permanent legal residence. Protection from Eviction. Service members and their families are protected from eviction from housing while on active duty due to nonpayment of rents and housing leases up to \$2,400 per month - up from \$1,200 per month.

Life Insurance. Updates life insurance protections provided to activated Guard and reserve members by increasing from \$10,000 to \$250,000 the maximum policy coverage that the federal government will protect from default for nonpayment while on active duty.

<http://vets4bush.com/BushToVets.shtml>

Veterans Support President Bush

"Bush-Cheney '04 is building the largest grassroots veterans organization that any campaign has ever created. The Bush campaign's focus on peer-to-peer contact among veterans supporting the President is truly unprecedented and reflects the strong ties between America's veterans and President Bush's principled leadership and commitment to our military."

-Steve Schmidt, Bush-Cheney '04 Spokesman

Bush-Cheney '04 Has Unprecedented Veterans Support

More Than 40 Medal Of Honor Recipients Have Endorsed President Bush.

Rolling Thunder, A Veterans Organization With 70 chapters And More Than 7,000 Members, Has Endorsed President Bush.

Bush-Cheney '04 Has Assembled A National Veterans Steering Committee Of 60 Former Officers And Enlisted Personnel.

In Addition To The National Veterans Coalition Rollout In Florida On May 11, Veterans Coalition Rollout Events Have Occurred In Arkansas, Missouri and New Hampshire.

America's Heroic Veterans Endorse President Bush

Medal Of Honor Recipient Gen. Pat Brady Says Veterans Stand By President Bush. Brady: "I will tell you -- as will every Medal of Honor recipient -- that we wear this Medal for our fellow veterans those we served and to whom we owe everything, including our lives. By wearing this Medal today, I am keeping faith with those who wore the uniform with me. We stand by President George W. Bush - he has proven an ally of veterans everywhere, and today we stand united in re-electing him. ... America's veterans and 49 Medal of Honor recipients know that President George W. Bush is the man to lead us in the fight against terrorism, a man who will keep faith with those serving and those who have served." ("General Pat Brady Announces 'Medal of Honor Recipients for Bush-Cheney '04,'" 5/11/04)

Easy Company Commander Maj. Dick Winters Says "President Bush Has Been A Great Friend To The Greatest Generation." Winters: "The President's actions on behalf of our servicemen and women show his deep respect for all who wear the uniforms of our armed forces. President Bush has overseen a 21 percent increase in military pay since taking office and has ensured that our troops in the field have what they need to win the War on Terror. The President's steady leadership in these changing times and commitment to bringing the fight to the terrorists is keeping America safe. Funding for VA medical care has increased by over 40 percent during the President's term, facilitating the treatment of one million additional veterans. President Bush has been a great friend to the greatest generation." (Statement by Maj. Dick Winters Former Commander of Easy Company, 2nd Battalion, 506th

Rolling Thunder President Artie Muller Endorses President Bush. Muller: "We are grateful for the President's leadership in honoring our nation's commitment to veterans. We appreciate his leadership in the War on Terror and in protecting our homeland against those who threaten our freedoms and way of life. We will put our manpower and resources to work to ensure four more years of our President Bush's leadership. ... This is our way of thanking this President for his commitment to increasing access to housing and health care services for all veterans, reducing the disability claims backlog and overseeing the largest expansion of our national cemetery system since the Civil War. ("Rolling Thunder Endorses President George W. Bush," 5/27/04)

President Bush Is Delivering For Veterans

Annenberg Public Policy Center: Kerry's Claims About Veterans Health Cuts Are Not True. The University of Pennsylvania's Annenberg Center stated in a FactCheck, "[F]unding for veterans is going up twice as fast under Bush as it did under Clinton. And the number of veterans getting health benefits is going up 25% under Bush's budgets. That's hardly a cut. ... FactCheck.org twice contacted the Kerry campaign asking how he justified his claim that the VA budget is being cut, but we've received no response." (FactCheck.org Website, www.factcheck.org/article.aspx?docid=144 , Accessed 2/18/04)

Increased VA Funding. The President's FY 2005 budget proposes to increase funding for the Department of Veterans Affairs to \$68 billion from the 2001 level of \$48 billion. The President's budget requests \$29.5 billion for VA's medical care for next year, more than 40 percent above the 2001 level. The past four straight VA budget increases have provided more than a 40 percent increase in VA health care alone since 2001-- enabling a million more patients to receive treatment.

Increased Health Care Service to Veterans. In the past four years, President Bush's budgets have allowed the VA to enroll 2.5 million more veterans for health care services, increase outpatient visits from 44 million to 54 million, increase the number of prescriptions filled from 86 million to 108 million and open 194 new community-based clinics available for veterans. The number of veterans registered for health benefits increased 18 percent under President Bush and will increase by almost 26 percent by October 2004. ("Funding For Veterans Up 27%, But Democrats Call It A Cut," FactCheck.org Website, www.factcheck.org, Accessed 2/18/04)

Concurrent Receipt of Benefits. President Bush has twice signed legislation effectively providing "concurrent receipt" of both military retired pay and VA disability compensation for combat-injured and highly-disabled veterans, reversing a century old law preventing concurrent receipt.

Cutting the Disability Claims Backlog. President Bush promised to reduce the disability claims backlog, and at his request, Congress has provided VA with the resources it needs to reduce claims. Claims backlogs have dropped from a high of 432,000 and are approaching the goal of 250,000 while the volume of claims decisions per month has increased from 40,000 to 68,000. The average length of time to process a veteran's compensation claim has dropped from approximately 230 days to 160 days and the VA expects to meet its goal of 100 days this year.

Help for Homeless Veterans. As a result of the President's 2003 budget,

community grants were expanded to all 50 States and Washington, D.C. for the first time in history, ensuring that homeless veterans have access to housing, health care and shelter.

Additional Prescription Drug Coverage. Last year, President Bush took the unprecedented step of allowing veterans waiting for a medical appointment who already have a prescription from their private physician, to have those prescriptions filled by the VA. This is saving veterans hundreds of dollars in drug costs.

VA Expansion. The President is seeking to improve outpatient veteran's health care services through the CARES improvements, which will result in the construction of two new medical centers in Orlando, Florida and Las Vegas, Nevada; over 100 major construction projects to revitalize and modernize VA medical centers in 37 states; creation of 156 new community-based outpatient clinics; potential creation of four new - and expansion of five existing - spinal cord injury centers; and opening up two new blind rehabilitation centers.

<http://www.factcheck.org/article144.html>

http://www.factcheck.org/funding_for_veterans_up_27_but_democrats.html

Historical Budget

<http://www.fas.org/sgp/crs/misc/RS22897.pdf>