
501(C)(3) Veterans Non-Profit

STATEMENT OF
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BEFORE THE
SENATE COMMITTEE ON VETERANS' AFFAIRS
ON
"PUTTING VETERANS FIRST: IS THE CURRENT VA DISABILITY SYSTEM KEEPING ITS PROMISE?"
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Chairman Moran, Ranking Member Blumenthal, and members of the committee, I appreciate the opportunity to speak with you today on behalf of Paralyzed Veterans of America (PVA) about the Department of Veterans Affairs' (VA) disability benefits system. For nearly 80 years, PVA has been the leading voice on issues that affect catastrophically disabled veterans. Veterans with spinal cord injuries and disorders (SCI/D) depend heavily on the care and benefits available through the VA for their long-term health and independence.

Paralyzed veterans generally require a range of services and benefits, including health care, specially adapted housing, adaptive equipment for their vehicles, insurance, and compensation that are tailored to their needs. Those with service-related medical conditions are entitled to compensation benefits under the law. The Veterans Benefits Administration (VBA) administers these tax-free compensation benefits through their Compensation Service, which determines the appropriate percentage rating, whether the veteran is entitled to dependency pay, and the date the veteran was entitled to start receiving this compensation. The percentage assigned to a veteran is designed to offset a veteran's loss of earning capacity that is caused or exacerbated by these conditions. Many veterans, especially those with catastrophic disabilities, like SCI/D, rely on these payments for a substantial portion of their income.

In extreme cases, where the profoundness of the condition goes beyond just earning potential, the VA uses Special Monthly Compensation (SMC) to cover costs that arise from the impacts on the veteran's quality of life. SMC is arguably the most important ancillary benefit for veterans with severe, service-connected disabilities. The benefit is unique in that it is dependent on noneconomic factors such as the profoundness of the disability, personal inconvenience, and social inadaptability. For example, a veteran who lost the use of their lower extremities in service to their country is compensated not just for the loss in their future earning potential, but also all future hardships and costs associated with having a disability. It is also unique in the fact that VA will consider entitlement to SMC based on the medical evidence while adjudicating a claim for service-connection or an increase in an evaluation. VA considers it an "inferred issue." To be clear, given the extreme nature of the disabilities incurred by most veterans in receipt of SMC, we do not believe that the impact on quality of life can be totally compensated for; however, SMC does at least offset some of their loss.

Some of the most seriously disabled veterans who, by reason of their disability, can no longer take care of themselves without aid, may be eligible for aid and attendance (A&A). There are three rates for A&A within SMC. There are specified rates in subsections R1 and R2. If the veteran has a single 100-percent schedular-evaluated disability and requires the aid of another person to perform the personal functions required in everyday living, the veteran would be considered for A&A under 38 U.S.C. § 1114 (r). If the veteran is entitled to the maximum rate under either 38 U.S.C. § 1114 (o) or (p) and needed regular A&A, the veteran would be considered for A&A under 38 U.S.C. § 1114 (r)(1) or SMC R1. If the veteran meets the requirements for R1 and then clearly establishes the need for supervised daily skilled health care on a continuing basis, the veteran would be considered for a higher A&A benefit under 38 U.S.C. § 1114 (r)(2) or SMC R2.¹ These veterans suffer from the most severely disabling conditions and might be bedridden due to a severe spinal cord injury or amyotrophic lateral sclerosis (ALS), for example. Currently, the SMC rates of R1 and R2 are \$9,559.22 and \$10,964.66, respectively. Meanwhile, SMC T is provided to veterans suffering from severe medical residuals related to service-connected traumatic brain injury (TBI). These veterans often need additional care, and SMC T is provided at the SMC R2 rate for additional financial support.

Even with additional financial support, many of our most severely disabled veterans are struggling. They often spend more on daily home-based care and other disability-related expenses than they receive in SMC benefits, which creates a tremendous financial strain on them. Eventually, some are forced to opt for care in an institutional setting, which is even more costly to the taxpayer. This problem is due in part to SMC's baseline rates, which haven't been adjusted in decades, so they are inadequate to offset the burden placed on veterans by their disabilities. While money alone is a poor substitute for the consequences of the injuries and disabilities incurred due to military service, these payments are essential to ease the types of burdens veterans often experience.

¹ [Honoring the Call to Duty: Veterans' Disability Benefits in the 21st Century \(2007\), Veterans' Disability Benefits Commission.](#)

It's disgraceful when veterans with service-connected disabilities are portrayed as fraudsters and cheats simply for accessing earned benefits. Recent Washington Post articles have put veterans in the crosshairs while blaming Congress and the VA for making it easier for veterans to "cheat and take advantage of the system."² To be fair, PVA readily acknowledges that there are some veterans who attempt to defraud the VA, however, these instances are few and far between. It is our understanding that of the over 6.5 million recipients of compensation,³ the VA's Office of the Inspector General (OIG) has pursued less than one percent for fraud. And to their credit, as individuals have been reported to the Inspector General, they, along with the Department of Justice, have fully investigated and pursued appropriate legal action. It is a disservice to the sacrifices of the many men and women who have served this nation to suggest that large sums of money are being wasted simply because veterans receive earned benefits for service-connected conditions.

In truth, many veterans find it difficult to file even a basic claim for disability, because the VA Application for Disability Compensation and Related Compensation Benefits (21-526EZ) is 16 pages long—8 of which are instructions—which makes the process confusing. This is why PVA has service officers staged throughout the country at VA's Regional Offices and the department's 25 SCI/D centers to help veterans, their families, and even VA employees navigate the department's complex disability process. Our service officers are trained, professional staff who are subject to internal accountability processes. PVA has a long history of filing fully developed claims, and the nature of our members' complex conditions requires them to work longer to do that. If a client asked us to file a fraudulent claim, we let them know PVA does not do that and inform them that filing fraudulent claims is a violation of 38 CFR § 14.633 (c)(4). Any such requests from a client would be recorded in our claims management system and we would stop representing them.

PVA believes that two basic benchmarks must be established when assessing the disability claims system. First and foremost, no current benefit or service for today's veterans should be diminished, including the reduction of resources for those benefits or services, in the interest of change. Second, and no less important, there should be no distinction made between combat and non-combat related disabilities or where the disabling event occurred. PVA views all veterans in the same light, and we believe that the current system reflects appropriate priorities. When considering the subject of fraud, waste, and abuse, the far greater concern is how much is lost through inefficient processes and procedures. We have gone on record numerous times to discuss ways to make the disability compensation system less vulnerable to fraud and waste, while ensuring that veterans are fairly compensated for their conditions.

² [How Some Veterans Exploit \\$193 Billion VA Program, Due to Lax Controls, The Washington Post.](#)

³ [Veterans Benefits Administration, Annual Benefits Report, Fiscal Year 2024.](#)

Contract Claims Examiners

When a veteran files a claim for disability compensation, a medical examination is the keystone in the adjudication process. A good, thorough examination is crucial to an accurate outcome; however, a poor examination could lead to years of additional action, adding to the appeals backlog, and could end up being extremely costly to the VA in terms of funding and veterans' diminished trust in the system. PVA strongly believes medical examinations for complex, service-related conditions such as SCI/D and TBI, as well as those related to military sexual trauma (MST), should be conducted by a medical practitioner working directly for the Veterans Health Administration; however, contract exams may be appropriate for other types of claims. Regardless, the VA must ensure that any contracted compensation and pension (C&P) examiners are qualified to conduct necessary exams and any legislative proposals supporting contract exams should include such provisions.

VA's M21-1 Adjudication Procedures Manual states that there are only four types of examinations that are *routinely* performed by specialists (hearing, vision, dental, and psychiatric). It further states that a specialist examination *may be* requested only if there are conflicting opinions or diagnoses, in compliance with a Board of Veteran's Appeals remand, or the issue is deemed "unusually complex."⁴ Immediately, this raises concerns. PVA represents veterans who have an array of disabilities that present themselves through a kaleidoscope of varying symptoms, indicators, and mobility ranges. Many of these conditions are not routinely associated with a neurological disorder, so without specialized diagnostic experience, they could be missed, complicating or even extending the veteran's claims process.

These conditions should be flagged as "unusually complex." However, we have heard from our service officers that they routinely see a lack of expertise in specific medical specialties, which delays the adjudication of veterans' claims. For instance, one office reported that there were multiple concerns with a C&P examiner who was conducting peripheral neuropathy examinations for veterans whose claims involved multiple sclerosis (MS). These errors would likely not have been committed had a specialist conducted the exams. If a situation like this involved a veteran suffering from ALS, this oversight would be especially egregious, as the life expectancy of those with ALS is so limited that any delay in processing their claim deprives them of critical resources during the little time they have left.

Equally important to the qualifications of the provider is an accessible, barrier-free facility to conduct exams. In May of 2024, the VA OIG found accessibility barriers at more than half of the 135 contractor facilities they visited.⁵ PVA members have experienced similar barriers when accessing C&P exams, as well as community care appointments. Our members have seen exam rooms that are physically inaccessible and/or lack overhead patient ceiling lifts. Restrooms often have accessibility barriers, causing members to pause and wonder why the VA is sending them to facilities that are ill equipped to accommodate them.

⁴ [M21-1 IV.i.2.A.6, Failure to Report and Rescheduling Examinations.](#)

⁵ [VA OIG, Better Oversight Needed of Accessibility, Safety, and Cleanliness at Contract Facilities Offering VA Disability Exams, May 8, 2024.](#)

We also receive reports of inaccessible medical diagnostic equipment, such as medical examination tables, weight scales, dental chairs, x-ray machines, mammography, and other imaging equipment. An inability to access any one of these critical diagnostic devices diminishes providers' ability to accurately evaluate service-related medical conditions. These are just some of the examples that illustrate the significant number of barriers our members generally face when trying to obtain adequate medical exams.

Another barrier encountered by SCI/D veterans is getting to the contract facility. Several of our members have been expected to travel more than 100 miles to reach the contracted facility, and occasionally, even while the veteran is critically ill. Some of our veterans' injuries are so severe they may be unable to physically appear for an exam; so, our service officers request on VA Form 21-4138 (Statement in Support of Claim) a telehealth or in-person visit from a C&P examiner. Many times, these requests are not seen or are simply ignored. Some service officers write the request on the VA Form 21-526 (Application for Disability Compensation and Related Compensation Benefits) but the contractor insists the veteran must attend in person or they will claim the veteran was a "no-show," causing unnecessary delays to benefits and services the veteran may be eligible for, which forces service officers to file supplemental claims, further adding to the claims backlog. VA and third-party vendors' policies regarding these situations need to be examined, and greater use of telehealth exams and traveling examiners should be made.

DBQ Quality Assurance

PVA strongly believes that the VA could improve the quality control review of an incoming disability benefits questionnaire (DBQ) before it is input into a veteran's file, and further, can ensure that fraud can be investigated and prosecuted. Currently, VA claims processors have the authority "to evaluate and weigh all evidence of record, including privately completed DBQs. If it is determined that a privately completed DBQ contains indicator(s) of inauthenticity that are substantive enough to deem it potentially inauthentic or fraudulent, claims processors have the authority to assign low or no probative value to the privately completed DBQ."⁶ But if a DBQ is completed by a contracted examiner, the claims processors "are *not* expected to routinely scrutinize or question the credentials of clinical personnel to determine the acceptability of their reports, unless there is contradictory evidence of record." However, according to the VA's Clinician's Guide, it informs contract providers, "It is important to remember that VBA Raters are not clinicians and therefore may not understand concepts that are considered basic or assumed by those educated in the field of medicine."⁷ This leads to obvious questions of whether the claims processors are actually picking up on the adequacy of DBQs and the possibility of fraudulent/inconsistent findings being recorded by either outside providers or contracted examiners.

⁶ [M21-1, Part IV, Subpart i, 3.A.1.g, General Criteria for Sufficiency of Examination Reports.](#)

⁷ Veterans Health Administration (VHA) Office of Disability and Medical Assessment (DMA) Compensation and Pension (C&P) Disability Examinations Clinician's Guide.

VA's Medical Disability Examiners Office (MDEO) presently employs approximately 20 quality analysts whose job it is to review DBQs that are received from contractors and determine whether or not they are "contractually compliant" by ensuring that the reports include all requested issues, reviewing for discrepancies, and whether or not the report described the condition(s) that have impacted the veteran's ability to work, among other requirements. However, these analysts only have access to the DBQs after they have been uploaded to the Veterans Benefits Management System (VBMS), which is the same time claims processors receive them. Often, this is too late as the processors are waiting to finalize a claim and only need the DBQ to finish the rating process. According to a Government Accountability Office (GAO) report from August 2025, "MDEO officials say many claims continue through processing and are decided before the office completes its checklist review. After MDEO identifies errors, claims processors determine if the errors affected their decisions on the claims."⁸ In order to effectively do their jobs and to provide real oversight to the claims process, PVA believes that MDEO should provide two changes to the claims process. First, prior to them being downloaded to VBMS, *all* DBQs, regardless of whether they are provided by the veteran or a contractor, should go into a drop box that is only accessible by the quality analysts. Second, the quality analysts should be trained and required to review the forms for contractual compliance *and* for potential fraud/inconsistent findings. Only after this review has been done should the forms be uploaded to VBMS and the claims process be allowed to continue.

Incorrect Effective Dates

Once veterans are service-connected, issues such as overpayments continue to create waste and inefficiency in the benefits system and place further burdens on veterans and their families. For example, VBA too often has difficulty assigning correct effective dates for claims, both rating and non-rating.⁹ An improper effective date could result in lost compensation or, more detrimentally, create a debt that the veteran must repay. For many veterans, losing a portion of their benefits toward repayment of a debt can lead them to dire financial straits. PVA believes that the most common causes for incorrect effective dates and unnecessary overpayments are easily remedied.

According to PVA's service officers, removal of dependents from a veteran's claim triggers the most problems with effective dates and improper payments. When veterans experience qualifying life events like divorce, marriage of a child, or death of a dependent, and seek to halt payments for that dependent, they must fill out VA Form 21-686c, a rather lengthy and complicated form, and submit it and the needed documentation to the VA. Even when veterans submit their request in a timely manner, many wait several months or even longer to have VA remove the additional monetary amount for their dependent from the veteran's monthly compensation.

⁸ [VA Disability Benefits: Additional Oversight and Information Could Improve Quality of Contracted Exams for Veterans.](#)

⁹ VA OIG reports: Accuracy of Claims Involving Service-Connected Amyotrophic Lateral Sclerosis, Accuracy of Effective Dates for Reduced Evaluations Needs Improvement, Processing Inaccuracies Involving Veterans' Intent to File Submissions for Benefits.

Because of VA's inaction, the veteran accrues a debt totaling hundreds and sometimes thousands of dollars that the department will eventually be forced to try and recoup. The veteran has the option of asking for the debt to be waived, which is a process that PVA's service officers assist with regularly. To seek a waiver, a different form must be completed and taxpayer dollars spent for VA employees to consider the veteran's request.

When a veteran returns to active duty, either due to being recalled as a reservist or a voluntary reenlistment, their benefits are generally not affected. However, "[p]ension, compensation, or retirement pay on account of any person's own service shall not be paid to such person for any period for which such person receives active service pay."¹⁰ The veteran is obligated to inform the VA either via phone or by filing a VA Form 21-4138 (Statement In Support of Claim) to inform the department of the veteran's intention to enter active duty and the need to pause any benefit payments. The issue then becomes how quickly the VA acts on the request. As with the removal of dependents off a veteran's award, it often takes the VA months to stop a veteran's compensation payment creating a debt totaling thousands of dollars that the veteran must repay. This debt can create a crippling financial situation for the veteran, especially if it occurs while the service member is deployed and there is little or no help on how to fight the decision. Any veteran who has chosen to return to duty to serve our country deserves better.

In conclusion, PVA strongly believes that addressing areas where VA can be more efficient would benefit both veterans and taxpayers. As we have discussed, by not taking simple measures to ensure that examinations are done by specialists for complex medical issues, or by not ensuring that every DBQ is scrutinized for quality assurance before a claim is allowed to move forward, the VA is allowing subpar medical findings to impact a veteran's claim for benefits. This, in turn, leads to bad rating decisions which inevitably leads to an appeal. Appeals delay the veteran's claim process sometimes for years and cost this nation untold amounts of taxpayer dollars. The need to waive unnecessary overpayments also leads to waste simply because the benefits process is inefficient.

Additionally, veterans who are seen in a clean and accessible facility, by a qualified and competent doctor, who provides an adequate examination with reasonable findings, usually are fairly happy with the decisions that are rendered. However, when a veteran is not able to access a facility and/or is seen by a medical provider who is not qualified to be giving the needed examination or provides the wrong examination, a veteran has every reason to no longer trust the system and can easily be tempted to seek less ethical routes to obtaining medical evidence or advice on how to get their earned benefits. Veterans should not be so disenchanted with the process that they fall prey to unethical actors just to receive earned benefits.

¹⁰ [38 USC 5304, Prohibition against duplication of benefits.](#)

Chairman Moran, Ranking Member Blumenthal, and members of the committee, I would like to thank you once again for the opportunity to present our views on VA's disability claims process. We look forward to continuing our work with you to ensure that veterans get timely access to high quality healthcare and all the benefits that they have earned and deserve. I would be happy to answer any questions.