

STATEMENT OF
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VETERANS OF FOREIGN WARS OF THE UNITED STATES
BEFORE THE
UNITED STATES SENATE
COMMITTEE ON VETERANS' AFFAIRS
WITH RESPECT TO

“Putting Veterans First: Is the Current VA Disability System Keeping Its Promise?”

Washington, D.C.

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Chairman Moran, Ranking Member Blumenthal, members of the committee, on behalf of the men and women of the Veterans of Foreign Wars of the United States (VFW) and its Auxiliary, I would like to thank you for the opportunity to present our views on this important topic.

False and Misleading Claims Made by *The Washington Post*

When a young American raises their right hand, swears an oath, and signs DD Form 4—the enlistment contract—they agree to surrender their personal freedoms, obey all lawful orders, risk life and limb, and if ordered, march into combat. In return, that contract entitles them to pay, health care, and benefits earned through service and sacrifice. That is not charity. That is a contract. And every man and woman who wore the uniform has already honored their end of it. The nation must honor that contract.

Yet lately, we have witnessed an appalling resurgence of old, poisonous rhetoric. Recently, *The Washington Post* has smeared America’s veterans as freeloaders, insinuating that their hard-earned benefits are too generous and are part of a system plagued by fraud. They talk about the cost of veterans’ health care as if it were some line item to be trimmed, rather than the moral obligation of a nation that has been at war for a quarter of a century. These attacks are beneath the dignity of the country our veterans defended.

We have seen this playbook before. In 1933, the National Economy League and the Economy Act gutted veterans’ benefits, leaving many homeless and hopeless, and some dead by their own hand. In 1956, the so-called Bradley Commission tried to do it again, suggesting benefits be stripped from the “less disabled” and questioning the validity of conditions related to toxic exposure. Now, in 2025, we are watching the same poisonous ideas reemerge in slicker packaging. These bad ideas failed then and they should be put to rest yet again. Let’s deal with the facts.

Fraud exists in every system that handles money—Medicare, Social Security, and yes, the Department of Veterans Affairs (VA). But it is rare, investigated, and prosecuted. It is not the identity of America's veterans. Those who claim that disability benefits are riddled with "fake" conditions like tinnitus, post-traumatic stress disorder, or chronic pain, are either ignorant or deliberately cruel. These are the signature wounds of modern warfare. Invisible does not mean imaginary.

And if someone thinks the passage of the historic PACT Act "lowered standards," I invite them to stand in the burn pits of Iraq or Afghanistan and breathe what our troops breathed. Congress did not lower the bar, it finally leveled the field.

We should also address the myth that working veterans should not receive compensation. VA disability is not welfare. It compensates for loss of earning capacity, for the daily toll of living with injuries and illness that never go away. A paycheck does not erase a traumatic brain injury. A job does not make a missing leg grow back.

What truly drives bad behavior is not veterans, it's bad policy. When you design a system that forces veterans to reach 50 percent disability just to collect both retirement and disability pay, or 100 percent just to afford health care for their families, do not be shocked when veterans seek those higher thresholds. Fix the system, and you fix the incentives. If you want to crack down on exploitation, start with the real predators—the claim sharks who charge illegal fees, falsify paperwork, and profit from veterans' confusion and pain.

And let's ask a harder question: Why now? Why are veterans being identified as the problem, while billionaires dodge taxes and corporations thrive on defense contracts? Maybe it is because it is easier to scapegoat those who cannot fight back politically, the same way it was in 1933.

The all-volunteer force is the backbone of our national defense. For 25 years, it has borne the burden of continuous war and global deployments. Those volunteers kept their promise. They served with honor. Now the country must keep its word.

The VFW calls on Congress, the Administration, and every American citizen to Honor the Contract. Do not balance the budget on the backs of veterans. Do not rewrite history to make our heroes into freeloaders. And do not forget that the benefits our veterans receive today built the American middle class after World War II. They made this country stronger.

The Truth About VA Claims and Accredited VSOs

The Washington Post claimed that Veterans Service Organizations (VSOs) encourage veterans to file as many claims as possible to exploit the system. VSOs have been labeled as the "disability industrial complex." These suppositions are insultingly false. For VSOs, the reality is that providing the human service of accredited VA claims assistance is a large financial liability, costing the VFW tens of millions of dollars across our enterprise every year. We take on this duty to ensure that new generations do not suffer the way previous generations did.

When we train our representatives, they are instructed to work with the veteran to file a claim for any condition that the veteran believes is related to or caused by service. When our accredited representatives meet with veterans, we discuss the regulations and always file an ethical claim. We never exaggerate or embellish a claim in any manner. In fact, we have even invited the VA Office of the General Counsel (OGC) to audit our training program to show our practices. If we were not confident that we are in full compliance with OGC requirements, why would we call attention to ourselves? That was more than four years ago. We are still waiting. Yet, the venerable *The Washington Post* chose instead to associate us with the bad actors who continue to take advantage of veterans, family members and their survivors. Sadly, the Post failed to mention that our organization has been the leading voice in the veteran community against fraud for years.

As an accredited organization authorized to prepare, present, and prosecute claims before VA, VFW accredited representatives are subject to the rules and regulations set forth by the Department of Veterans Affairs under 38 CFR Part 14. These regulations are very clear about conforming to ethical standards, which among other things states that “*all individuals providing representation are required to be truthful in their dealings with claimants and VA*” (38 CFR 14.632 (2)). This citation invalidates the point made by *The Washington Post* that VSOs encourage claimants to seek benefits to which they may not be entitled or otherwise misrepresent what the claimant is seeking. We are duty bound to tell the veteran the truth, not what they want to hear. To portray accredited representatives in the same light as unaccredited individuals, who in fact do take advantage of the system, is insulting to the thousands who have dedicated their life’s work to assisting the most vulnerable in achieving the benefits that are provided by law.

The PACT Act was by and large the most significant veteran legislation passed since the Agent Orange Act. It righted the wrong and corrected the unjust perception that many of the illnesses or diseases suffered by those who had been deployed were imagined and not real. For the thousands who were told that their breathing issues and rare cancers were unrelated to their service, it was recognition not just of those types of maladies but of all the downstream effects as well. Rhinitis, sinusitis, irritable bowel syndrome, and other life-changing injuries were proven to be side effects of breathing bad air and particulates from the toxins created by burn pits. Since then, we know it was not burn pits alone that have been causing illnesses. There are many other sources of exposure such as chemical, airborne, and radiation to name a few. The law requires continued medical research and reporting because we now know that it takes months, even years for injuries to manifest. Veterans did not ask what was being burned, to which chemicals they were exposed, or how it would impact their lives after service. They did their jobs, upheld their oaths, and executed the mission. Sadly, it took the government far too long to do its job. For many veterans, relief and treatment came too late. Although it is easy for some to dismiss their suffering as too costly to the taxpayer, this is the cost of sending our young men and women to war.

Many of our colleagues would gladly trade places with those of us who can walk a flight of stairs without running out of breath. Some have not had a full night's sleep for decades because their bodies reflexively interrupt them, so they do not suffocate to death or die of cardiac arrest. Others would certainly give up the cocktail of medications they may have to take for the rest of their lives just to return their body systems to as normal as possible, not to mention the physical

or psychological side effects. I am sure that almost all would trade the potential weight gain, body aches, headaches or other side effects for normalcy.

Most veterans led full and active lifestyles during service, even after, until they began to experience medical issues that impact their lives. For some, they can no longer manage the activities of daily living. Others cannot function in what society would consider normal. They cannot be around people in social settings, they cannot leave their homes due to their fragile state, they cannot hold a job. Are we suggesting these issues are contrived just to bilk the government out of more money? That would be an awful way to live for a few dollars more. It is even worse to suggest that the government that sent them to multiple deployments should not help provide for their basic needs or provide post-deployment health care for their service-connected injuries or provide financial support when it was the government that sent them off in the first place. The duty to make them whole is written in statute and continues to be the obligation of the United States.

The legally authorized benefits that veterans have earned and deserve must never be politicized. The payments they receive offset lost wages due to their service-connected disabilities. To deny these in any form is shameful, especially when proposed by the 99 percent who have never worn the uniform of our great nation. Many espouse to be advocates for veterans. Often they shroud themselves in a cloak of nobility and purpose portraying themselves as champions for those who have given all. They take to the airwaves, social media, town hall meetings and election speeches decrying the lack of effort in stemming the tide of suicide. They point out with great vigor the lack of basic mental health care and wraparound services for those who have served their nation and are struggling to readjust. However, when the lights are off, the microphones are put away, and the crowds disperse, they are among the first to say the system is ripe with fraud. How hypocritical and disingenuous.

For the last several years, the Veterans Benefits Administration (VBA) has been processing more claims than ever. New legislation that provides enhanced benefits is one reason; strong marketing campaigns and promoting VA provided health care and benefits is another. Almost every month VA is touting another “record” in completing claims for benefits. Millions have been processed over the last few years. *The Washington Post* suggests that many claims are fraudulent. Yet the VA Office of Inspector General (OIG) has prosecuted very few persons because most claimants are not fraudsters. They are not seeking to steal unearned benefits. Like with every system (Social Security, Medicare, and others included), there are those who seek to enrich themselves and defraud the system. These are few compared to hundreds of thousands of claims that are not fraudulent. Most seek only that which was promised. To continue to press the tired, old narrative that veterans are hustlers has been disproven time and again. It is hard to think that those who have lost a limb or an eye in service did so just to defraud the government. What we find interesting is that there has been fraud and theft committed by employees of VA itself who are people in a position of public trust very much like accredited representatives. These occurrences have barely garnered attention. Several employees in a VA Regional Office were found to have been stealing identities and selling information on the black market. Others were recently found to have been processing fraudulent claims for VA benefits, then collecting large sums of money once the claims were approved. These instances made headlines for a brief moment then disappeared from front pages and newsfeeds. *The Washington Post* would have

been better served by looking more closely into the theft of taxpayer funds by those entrusted to guard it, rather than malign the honorable service of thousands of veterans, family members, and survivors just trying to make it to the next paycheck.

Disabilities Benefits Questionnaires

We consistently hear from our network of more than 2,300 accredited representatives that the Disability Benefits Questionnaire (DBQ) system needs an upgrade. Many VA medical providers refuse to provide medical opinions or complete DBQ's that are needed as part of a veteran's claim for benefits, often stating that they are prohibited or that it is a conflict of interest. When this issue has been raised with VA, it is met with little reaction. Several times the response has been that VA physicians do complete DBQs, but the reality is that most do not. We have consistently been told that the issue will be reviewed, but there has been no resolution to the problem. Often, veterans are told by their ever-changing roster of VA physicians that the provider is not fully familiar with the patient's history and will refuse, or they suggest that the veteran use their private provider. We have been told many times that private providers most often do not understand the request or do not understand how to complete the form. This leads many veterans to become discouraged and choose not to file a claim, or worse, visit a Claim Shark for a potentially fraudulent medical opinion. The medical opinions provided by these private companies are often exaggerated and sometimes even outright fabrications. However, when submitted to VA, it must still be considered as valid medical evidence as it is written by a licensed medical provider unless the provider is known to VA as providing fraudulent medical evidence. This leads to inaccurate ratings, most times without the veteran even being aware of the wrongdoing but then subject to prosecution should the claim be deemed to be fraudulent. A potential way to combat this would be to require VA medical providers to complete a DBQ when requested by a veteran and update all DBQ forms to include a medical opinion section, rather than having the medical opinion on a separate form. This would allow qualified and ethical VA medical professionals to provide accurate medical opinions, leading to more accurate and legal decisions. This solution would also reduce the number of Compensation and Pension (C&P) examinations needed and speed up the claims process, as more claims could be rated based on the evidence of record rather than scheduling an examination. We also welcome additional oversight of this program, and ask that the VFW continue to be involved in any program updates.

The VFW has consistently reported issues with DBQs in congressional testimony:

July 13, 2017, HVAC, "Examining VA's Processing of Gulf War Illness Claims",
November 15, 2018, HVAC DAMA, "Exploring VA's Oversight of Contract Disability Examinations",

March 2021, HVAC DAMA, "VA Compensation and Pension Exams During the COVID-19 Pandemic: A Path Forward",

July 12, 2023, HVAC, "Modernizing VA Disability Benefits Questionnaires (DBQs) and Electronic Transmission Systems",

September 18, 2024 , HVAC DAMA, "Examining VA's Challenges with Ensuring Quality Contracted Disability Compensation Examinations",

January 23, 2025, HVAC, "Correcting VA's Violations of Veterans' Due Process and Fiduciary Protections".

Combatting Unaccredited "Claim Sharks"

The VFW has called on Congress to address the fraudulent behaviors of predatory, unaccredited claims consultants, or Claim Sharks, since early 2022. In fact, we have mentioned this problem in testimony before the House and Senate Committees on Veterans' Affairs FIFTEEN TIMES. We warned that inaction would allow these companies to grow and take millions of dollars of the federal benefits that should have been fully directed to the disabled veterans who earned them. We also warned both publicly and in conversations with Committee members and staff that the failure to address these predatory practices would threaten the viability of the non-adversarial benefits administration process. It is again insulting and shameful that the VFW's years of warnings went unheeded, only now to see that some are trying to include non-profit service providers like the VFW as if we are part of the problem. The VFW brought these issues to the Veterans Affairs' committees in testimony for the following hearings:

February 8, 2022, HVAC DAMA, "Honoring Our Promise: Reviewing the Effectiveness of Services for Dependents and Survivors",

March 2, 2022, Joint SVAC/HVAC, "Congressional Statement of VFW National Commander Matthew "Fritz" Mihelcic",

April 27, 2022, HVAC DAMA, "At What Cost? - Ensuring Quality Representation in the Veteran Benefit Claims Process",

November 16, 2022, SVAC, "The Department of Veterans Affairs Implementation of the SFC Heath Robinson Honoring our PACT Act",

December 7, 2022, "Fulfilling our Pact: Ensuring Effective Implementation of Toxic Exposure Legislation",

March 8, 2023, Joint SVAC/HVAC, "Congressional Statement of VFW National Commander Timothy M. Borland",

March 29, 2023, HVAC DAMA, "Pending Legislation",

April 26, 2023, SVAC, "Pending Legislation",

May 16, 2023, HVAC DAMA, "Reviewing VA's Implementation of the PACT Act",

October 18, 2023, SVAC, "Military to Civilian Transition: Ensuring Success After Service",

March 6, 2024, Joint SVAC/HVAC, "Congressional Statement of VFW National Commander Duane Sarmiento",

March 4, 2025, "Joint SVAC/HVAC Congressional Statement of VFW National Commander Alfred J. "Al" Lipphardt",

March 5, 2025, SVAC, "Pending Legislation",

March 11, 2025, SVAC, "Pending Legislation",

March 26, 2025, HVAC DAMA, "Pending Legislation".

The VFW continues to lead efforts to combat Claim Sharks who charge illegal or predatory fees to assist veterans with disability claims. There should be strict VA and congressional oversight into the fraud that these bad actors commit and accountability for promising veterans easy access to 100 percent disability benefits. The VFW urges Congress to reinstate criminal penalties for unaccredited representatives who charge unauthorized fees. Additionally, the VFW urges VA to create a reporting system to the VA OIG so veterans can easily identify and report fraudulent actors, and to continue to provide public warnings about violators. The VFW insists that any changes to VA accreditation that would allow charging fees for initial claims follow the currently established structure that applies to appeals, based solely on retroactive benefits. No veteran should ever go into debt to access their earned benefits.

In the next sections of my testimony, I will address additional aspects of the VA claims and appeals process that need improvement to better serve veterans. I urge this committee to support legislation that streamlines claims processing, updates the DBQ process, and strengthens accountability measures within VA. We have repeatedly brought these issues to the attention of VA and Congress, and we stand ready to work together to make them happen.

Transparency and Communication

The VFW notes that veterans often find VA communications confusing, filled with legal and medical jargon that makes it difficult to understand claim statuses or appeal outcomes. This lack of clarity undermines trust and delays veterans' ability to respond effectively to VA correspondence. To address these problems, the VFW supports legislative reforms such as H.R.1741, *Veteran Appeals Transparency Act of 2025*; H.R. 1286, *Simplifying Forms for Veterans Claims Act*; and H.R.1039, *Clear Communication for Veterans Claims Act*. These measures would simplify VA forms, make decision letters more readable, and provide veterans with regular, understandable updates about their place in the appeals docket. The VFW also

urges VA to collaborate with Veterans Service Organizations and federally funded research centers to test and refine communications so that they are clear, concise, and veteran-focused.

Digital Systems and Automation Problems

While VA has expanded its use of digital systems to streamline claims and appeals, the VFW remains concerned that technical delays and automation errors continue to harm veterans. VA-accredited service officers have reported that claims submissions sit idling in VA's digital mail portal for 40–60 days, resulting in missed deadlines and even wrongful dismissals. The VFW recommends that VA invest in modern, reliable technology infrastructure and implement robust oversight mechanisms to identify and correct processing delays early. We also urge VA to create clear accountability and reporting structures for digital system performance and to ensure that automation complements, not replaces, human review where accuracy is critical. We believe that better designed digital systems will reduce delays, prevent data loss, and protect veterans from avoidable denials.

Appeals Modernization and Persistent Delays

The VFW continues to support the intent and framework of Public Law 115-55, the *Appeals Modernization Act* (AMA) that simplified and accelerated the VA appeals process. We remain concerned that the system continues to fall short of its promise. Despite progress since the Legacy system, the Board of Veterans' Appeals (BVA) continues to face excess workloads, inefficient case management, and poor coordination with VBA and accredited representatives. The VFW reports that VA's electronic management tool, CASEFLOW, remains unreliable, often failing to update case statuses accurately or provide full transparency to advocates. To resolve these issues, the VFW recommends that VA overhaul or replace CASEFLOW with a modernized, user-friendly system that provides real-time access and status tracking for veterans and representatives. This system should work in conjunction with the available record in the Veterans Benefits Management System instead of a separate standalone platform. BVA needs to streamline internal communication, dedicate resources to clearing AMA backlogs, and ensure all appeals are processed efficiently and fairly without sacrificing accuracy.

Remands and Quality of Decisions

When BVA identifies deficiencies or gaps in the evidence presented during the appeals process, or in providing the appellant due process, it has the authority to remand the case back to VBA for further action or development. This step is intended to reflect VA's commitment to ensuring a fair and comprehensive review of veterans' claims. The VFW has often found that despite the intention of this step in the process, if the record was fully associated with all the evidence or a complete and thorough review had been completed prior to a decision being rendered, a remand can be duplicative or completely unnecessary.

The VFW has consistently been concerned with the high rate of remands at BVA, particularly under the Legacy system where about 40 percent of appeals were remanded, often multiple times. We view this as evidence of incomplete case reviews and poor decision quality. Many remands could be avoided if claims were fully developed or reviewed before adjudication. To

address this, the VFW calls for improved training and oversight of both Veterans Law Judges (VLJs) and staff attorneys to ensure thorough record reviews before issuing decisions. We suggest enhancing collaboration between BVA, VBA, and accredited representatives so that veterans receive clear guidance on the evidence needed to prevail on appeal. We also encourage VA to analyze remand data to identify recurring errors and implement targeted training programs to reduce unnecessary rework and delays.

Staffing and Retention Challenges

The VFW identifies high staff turnover, especially among attorneys and hearing coordinators, as a key factor in the delays and inconsistencies within the appeals process. Frequent personnel changes disrupt communication and force veterans and their advocates to repeatedly rebuild working relationships. To strengthen continuity and expertise, the VFW recommends increasing pay flexibility for BVA attorneys, supporting legislation such as H.R.2303, *Board of Veterans' Appeals Attorney Retention and Backlog Reduction Act*, to raise the pay ceiling for experienced attorneys to GS-15. We also urge VA to fill open senior management positions promptly, maintain a stable leadership structure, and invest in long-term workforce development to reduce burnout and turnover that contribute to backlogs.

Training and Quality Assurance

The VFW emphasizes that inadequate training across the VA system, especially among claims processors, raters, and VLJs, continues to cause errors, delays, and remands. The VFW urges VA to adopt a continuous, data-driven training model that uses insights from BVA remands and United States Court of Appeals for Veterans Claims reversals to pinpoint systemic weaknesses. The VFW also recommends periodic quality audits of BVA and VBA decision making to ensure consistent application of law and proper evidence evaluation. To improve accuracy and fairness, the VFW calls for enhanced communication between judges and their legal staff, as well as expanded collaboration with VSOs to refine training standards and ensure veterans' representatives are kept informed of procedural changes. The VFW believes strengthening quality assurance programs will reduce remands, shorten appeals timelines, and restore confidence in VA decision making.

Impact of the Government Shutdown

The current government shutdown has severely impacted the VFW's ability to provide critical in-person benefits assistance. Since the first of October, our representatives that are housed in VA facilities or contracted federal buildings are unable to access their offices. This forced them to find alternate work locations, with many working from home or other locations to continue to provide services. While not optimal, we have become experts at this task due to having to change our posture during the COVID-19 pandemic. Though we can perform most tasks remotely, receiving and processing mail is not one of them. For nearly three weeks, our representatives could not receive the mail addressed to our offices, potentially leaving thousands of veterans without timely support. These disruptions not only create uncertainty but also compound the challenges veterans face in accessing benefits and health care should a critical date be missed.

Although we have now been allowed a very short window to collect any correspondence, VSOs must not linger within the space. This is certain to cause completely avoidable delays in claims processing and greatly increases the risk of a claim being unnecessarily denied. This potentially leaves the veteran with no alternative but to file an appeal to ensure the correct benefit is received. The VFW has advocated for the Secretary to use his authority to extend filing dates covering the shutdown period to ensure that benefits claims are at the very least accurate, but to no avail. This is not the first time we have been faced with the challenge of a government shutdown. There is nothing new or surprising about it. VA must establish better contingencies, like mail collection and processing, and potential access hours for accredited representatives to continue to assist claimants, and clearly communicate prior to these events exactly what will be open or closed.

Chairman Moran and Ranking Member Blumenthal, this concludes my statement. Again, thank you for the opportunity to offer our comments on these issues.