

Concurrent Receipt

The VFW's Concerns:

Military retirees with 20 or more years of service qualify for retirement pay based on their dedicated service to our nation. These same veterans may also qualify for disability compensation for any injuries that were caused or aggravated by their military service. Prior to 2004, military retirees could not receive retirement pay and disability compensation because it was erroneously perceived as a duplication of benefits. In 2004, the VFW pushed Congress to implement a phase-in of full concurrent receipt for retirees who are rated 50 percent disabled or greater.

The VFW has long argued that retired pay and VA service-connected disability compensation are fundamentally different benefits, granted for different reasons. Military retired pay is earned by 20 or more years of service in the United States Armed Forces, allowing retirees to maintain their standard of living while attempting to enter the civilian job market for the first time in the middle of their prime working years. Service-connected disability compensation is a benefit meant to supplement a veteran's lost earning potential as a result of the disabilities he or she incurred while in service.

The VFW acknowledges that eliminating full concurrent receipt would cost \$30 billion over ten years. However, Congress should chip away at the unjust offset by first eliminating the offset for medical disability retirement. Service members found to be unfit for continued service due to physical disability may be retired if the condition is permanent and stable, and the disability is rated by the Department of Defense (DOD) as 30 percent or greater. These veterans are referred to as Chapter 61 retirees. As a result, some disability retirees are separated before becoming eligible for longevity retirement, while others have completed 20 or more years of service. As of fiscal year 2018, there are approximately 210,000 Chapter 61 retirees — more than 42,000 of whom have been medically discharged due to combat-related injuries, and unjustly denied the benefits they deserve.

The VFW's Solution:

- Congress must pass H.R. 5995/S. 3393, the *Major Richard Star Act*, which would enable Chapter 61 veterans who have been discharged due to combat-related injuries to be entitled to DOD longevity payment and VA disability compensation without offset.