

RECORD VERSION

STATEMENT BY

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BEFORE THE

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ON DEATH GRATUITY AND SURVIVOR BENEFITS

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Chairman Warner, Senator Levin and distinguished members of the Senate Armed Services Committee. I would like to express our appreciation at the opportunity to appear before you to discuss Soldier death gratuity and survivor benefits. I thank the members of the committee for their continued outstanding support to the men and women in uniform, who make up our great Army. Your concern, resolute action, and deep commitment to America's sons and daughters are widely recognized throughout the ranks of our Service.

Today, our over 1 million strong all-volunteer Army is supporting the National Security Strategy with 650,000 Soldiers from all components on active duty. Over 300,000 of those Soldiers are mobilized or deployed in 120 countries worldwide with many engaged in direct combat as we fight the War on Terror. Increased injury and death of Soldiers is an unfortunate consequence of this war.

Advanced technology and training has enabled us to improve both the protective equipment we provide to Soldiers and the medical care available when the Soldier is wounded. Body armor protecting the Soldier's torso is helping prevent many deaths. In previous conflicts, Soldiers who would have died from massive injury to their torso are now surviving, although many have severe wounds to their arms and legs. The current expertise of our combat medics supported by resuscitative surgical care available in forward surgical teams and combat support hospitals enable Soldiers to survive these wounds. Unfortunately, many of these wounds have resulted in amputations.

Some of these Soldiers, when they desire, are able to remain on active duty and continue to once again contribute through their outstanding service. Sergeant First Class Luis Rodriguez, while serving in the 101st Airborne Division as a medical platoon sergeant in Iraq, lost most of his right leg. Today, he is making a difference by instructing combat life saving at Fort Campbell, Kentucky. Captain David Rozelle, from the 3rd Armored Cavalry Regiment, after losing the lower part of his right leg, has completed the Army 10-Miler and the New York City Marathon, and is back in command of his second troop that is going into combat with this next rotation. But not all Soldiers are as fortunate as these two men, and the Army is determined to provide our disabled Soldiers and families

the care, support and assistance they so rightly deserve for their selfless service and sacrifice to our nation.

Walter Reed Army Medical Center established the Army Amputee Care Program in 2001 to apply revolutionary advances in medical care and technology to the military's amputee care protocols. Through the innovative spirit of Army healthcare providers and through generous support of Congress we have established a state-of-the art Amputee Care Center at Walter Reed that has served as the central site for military amputee care for operations Enduring Freedom and Iraqi Freedom. Two weeks ago, The Army Surgeon General expanded the Amputee Care Program by opening a second Amputee Care Center at Brooke Army Medical Center at Fort Sam Houston, Texas. This second site will help the Army better manage military amputees by allowing Soldiers from the western half of the United States to receive treatment and rehabilitation in closer proximity to their homes.

On April 30, 2004, the Department of the Army introduced a Disabled Soldier Support System (DS3) Initiative that provides its severely disabled Soldiers and their families with a system of advocacy and follow-up with personal support to assist them as they confront the stress of their wounds and think through the difficult decision of continuing to pursue a military career or transitioning from military service to the civilian community. Working closely with the Joint Support Operations Center, DS3 incorporates and integrates several existing programs to provide holistic support services for our severely disabled Soldiers and their families throughout their phased progression from initial casualty notification to their return to home station and final career disposition. The system facilitates communication and coordination between severely disabled Soldiers and their families and the pertinent local, Federal and national agencies and organizations, such as the Department of Veterans Affairs and the many commendable Veterans Service Organizations. In addition, DS3 will utilize a system to track and monitor severely disabled Soldiers for a period of up to five years beyond their medical retirement in order to provide appropriate assistance through an array of existing service providers.

Regrettably, despite our great lifesaving systems and best efforts, the Army has Soldiers who die for reasons ranging from enemy fire to natural causes and we must address this reality in periods of peace and war.

Regardless of the cause of death, when one of our Soldiers dies it is a tragic loss for the Soldier's survivors. Having addressed the difficult issue of compensating survivors throughout the Army's history, we know very well that no benefit can replace a human life. Although there is no substitute for a fallen Soldier's survivors, we are committed to doing all we can to assist them during their period of loss and beyond. Caring for survivors is a manifestation of our ethos to never leave a fallen comrade, and one way the Army lives up to this commitment is through our Casualty Assistance Program.

When a Soldier dies, a Casualty Assistance Officer stays with the family following notification of their loss. Families have access to their Casualty Assistance officer during the days, weeks, months, and, sometimes, even years after their servicemember's death. These officers provide valuable counsel and support to the families, offering the family important advice, running interference when problems arise, arranging for the military funeral, and ensuring that the families receive all services and compensation due them. The services and compensation due to survivors include:

Death Gratuity: A \$12,420 non-taxable death gratuity is intended to provide immediate cash to meet the needs of survivors. In general, the death gratuity is payable immediately upon the death of a Soldier.

Servicemembers' Group Life Insurance (SGLI): Soldiers may elect insurance coverage in multiples of \$10,000 up to a maximum coverage of \$250,000 under the Servicemembers' Group Life Insurance Program (SGLI). SGLI is a Government group life insurance program providing coverage to Soldiers at rates often lower than those available, given the added risk in insuring members of the armed forces, under normal commercial insurance policies.

Unpaid Pay and Allowances: Unpaid pay and allowances are payable to designated beneficiary to include accrued leave.

Dependency and Indemnity Compensation (DIC): The Department of Veterans Affairs pays this tax-free monthly benefit to an unremarried surviving spouse of a Soldier who dies from a service-connected disability and to the Soldier's dependent children and parents. The basic spousal DIC is currently \$993 per month. An additional \$247 per month is payable to the spouse for each dependent child of the deceased Soldier under the age of 18. Additional amounts are authorized for specific purposes. Spouse eligibility for DIC ends upon remarriage before age 58. DIC can be restored if the remarriage ends in death or divorce.

Surviving spouses and unmarried children of deceased veterans with wartime service who do not qualify for DIC may be eligible for death pension benefits. Eligibility is based on financial need and is not payable to those with estates large enough to provide maintenance. The veteran must have been discharged under conditions other than dishonorable and must have had 90 days or more of active military service, at least one day of which was during a period of war, or have been discharged for a service-connected disability and had active military service during a period of war. If the veteran died in service but not in the line of duty, pension may be payable if the veteran had completed at least two years of honorable service.

Survivor Benefit Plan (SBP): Surviving spouses of Soldiers who die on active duty are entitled to monthly annuity payments under the Survivor Benefit Plan. If there is no surviving spouse, dependent children are eligible. Also eligible is a former spouse of a Soldier who has been ordered by a state court to enroll the former spouse in SBP at retirement. The amount of the annuity for a surviving spouse under age 62 is 55 percent of the retired pay the Soldier would have been entitled to receive if the Soldier had applied for retirement on the date of death. The amount of the annuity for a surviving spouse age 62 or older is currently 35 percent (DIC offset) until October 2005 when it becomes 40 percent and is gradually tiered to 55 percent by April 2008. There is no DIC/SBP offset applicable to children. A surviving spouse who remarries before reaching age 55

loses entitlement to SBP, although SBP is reinstated if the remarriage ends in death or divorce.

Social Security: Social Security death benefits are payable on behalf of a "currently insured" deceased Soldier to a surviving spouse caring for the deceased Soldier's dependent children under age 16 and to eligible minor children of the deceased Soldier. Social Security old-age survivor benefits are payable on behalf of a "fully insured" deceased Soldier to a surviving spouse at least 60 years old. The amount of an old age survivor benefit is a percentage of a deceased Soldier's Primary Insurance Amount, and depends on the age of the survivor at the time of applying for a Social Security old age survivor benefit.

VA Dependents' Education Assistance: Dependents' Education Assistance (DEA) benefits are available to spouses who have not remarried and children of: (1) individuals who died on active duty or are permanently and totally disabled as the result of a disability arising from active military service; (2) veterans who died from any cause while rated permanently and totally disabled from service-connected disability; (3) service members listed for more than 90 days as currently missing in action or captured in line of duty by a hostile force; (4) service members listed for more than 90 days as currently detained or interned by a foreign government or power. This benefit is available for 45 months of full time training, and payments to a spouse end ten years from the date the individual is found eligible or from the date of the death of the veteran. Children have until their 26th birthday to use their education benefits.

Service Academy Preference: Children of Soldiers who die on active duty (are missing in action or who die as a result of a disability rated 100 percent) receive Academy preference for appointment in order of merit by competitive examination.

Montgomery GI Bill (Title 30): VA will pay a special Montgomery GI Bill death benefit to a designated survivor in the event of a service-connected death of a Soldier while on active duty or within one year after discharge or release. The Soldier's survivor must apply through the Department of Veterans Affairs.

Health Care: A surviving spouse less than 65 years old and the minor dependents of a deceased Soldier are eligible for space-available medical care at military medical treatment facilities or are otherwise covered by TRICARE. A surviving spouse 65 years old or older is eligible for space-available medical care at military medical treatment facilities or is otherwise covered by Medicare and TRICARE-for-Life. In certain very uncommon situations when survivors of those who die in service are not eligible for military medical benefits, VA's CHAMPVA Program will provide them with medical benefits.

Family Member Dental Plan: A surviving spouse of a Soldier and dependents are eligible to enroll in a Family Member Dental Plan for a period of one year when the Soldier dies on Active Duty and the dependents were enrolled prior to the death of the Soldier.

Commissary and Exchange Privileges: The unmarried surviving spouse and qualified dependents of a deceased Soldier are eligible to shop at military commissaries and exchanges.

Theater and Recreation Facilities: The unmarried surviving spouse and qualified dependents of a deceased Soldier are eligible to utilize theater and recreation facilities.

Tax Benefits: The next-of-kin of a deceased Soldier whose death occurs overseas in a terrorist or military action is exempt from paying Federal income tax on income received by the decedent during the year of the decedent's death.

Continued Government Housing or an Allowance in Lieu Thereof: Survivors are provided rent-free Government housing for 180 days after the death of a Soldier or a tax-free housing allowance for that portion of the 180 day period not in Government housing, with the amount of the allowance based on the Soldier's grade at the time of death.

Guaranteed Housing Loans – Surviving spouses of servicemembers who died on active duty from a service-connected disability or of veterans who died from a service-connected disability are granted VA housing loan benefits. This allows surviving spouses to obtain home loans on favorable terms without the need to make a down payment.

Burial Cost and Care of Remains of Soldier: The Department of Defense reimburses expenses for the Soldier's burial, depending on the type of arrangements, and provides travel for next-of-kin under invitational travel orders in an amount not larger than normally incurred by the Secretary in furnishing the supply or service concerned. To the extent that the Department of Defense benefits would not cover the full amount of funeral expenses, VA is authorized to pay up to \$2,000 to cover burial and funeral expenses in cases of service-connected deaths. In addition, VA provides burial in national cemeteries and also provides burial flags and markers for the graves of deceased servicemembers.

Burial Allowance Payable by Social Security: Limited to those who have surviving dependents, it pays \$255 in one lump sum to the spouse. If no surviving spouse, it is paid to children who are eligible to draw Social Security benefits.

Grave and Memorial Markers: Headstones and markers are provided by VA for the graves of those interred in private, local, state veterans, or national Cemeteries without charge and shipped at Government expense to the consignee designated. The cost of placing a marker in a state, local, or private cemetery must be born by the applicant.

Burial in National Cemetery: Soldiers who die while in active military, naval, or air service are eligible for burial in a National cemetery. Space may also be reserved for a spouse. Minor/handicapped children of such Soldiers may also be buried in National/Post cemetery.

Military Funeral: Soldiers who die while on Active Duty are eligible for a Military funeral. The casualty assistance officer coordinates the funeral with the Army Installation responsible for the geographic area where the interment is to take place.

Shipment of Personal Effects: When a Soldier dies on Active Duty, his or her personal effects are shipped to the place of residence of the authorized recipient, if the recipient did not reside with the deceased soldier.

Travel of Dependents and Shipment of Household Goods and Personal Effects at Government Expense: The Spouse and dependent children of a Soldier that dies may move one time at Government expense. Household goods will not be moved a greater distance than the personal travel. One motor vehicle can be shipped at Government expense.

Other VA Benefits

VA also offers a range of additional benefits to survivors, including home loan guaranties, the Restored Entitlement Program, and educational or vocational counseling services.

While there are many forms of compensation, there are still more that we can do. Clearly there are voids in the system and we are grateful for the numerous organizations that step-up to fill the gaps in support of Soldiers' Survivors. Countless charitable organizations are providing an invaluable link between the American people and surviving families to channel support. Through large organizations such as with the Intrepid Foundation's Fallen Heroes Fund and numerous less well-known organizations and individuals, the American people are making a difference. Whether in the form of financial support, counseling, or other services, these organizations and their supporters untiringly communicate the American people's support for their fallen. As our all-volunteer force continues to stand strong in its most challenging hour, the contributions of these charitable organizations are absolutely invaluable to the well being of our force. We cannot thank them enough.

The Army is always willing to address ways to better support our family members, especially after the loss of a Soldier who was actively serving our Nation. We are very encouraged by recent interest in raising the death gratuity and other survivor benefits for our Soldiers and will support any efforts to improve compensation to the families of our fallen.

Everything we do to support survivors would not be possible without this committee's steadfast dedication to your military and to America's sons and daughters, who are serving selflessly throughout the world to make America safe and free. Thank you and your committee for your continued support of our

Soldiers and their families and for your leadership in providing better survivor benefits. Thank you again for this opportunity to discuss issues surrounding support to our severely wounded Soldiers as well as the death gratuity and survivor benefits. I look forward to the opportunity to participate in this session and answering any questions you may have.