ADMINISTRATIVE LAW: AN OVERVIEW OF THE UNITED STATES DEPARTMENT OF VETERAN AFFAIRS

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Introduction

Administrative law is a body of law which governs the activities of administrative agencies of government, including rulemaking, adjudication, or the enforcement of a specific regulatory agenda.¹ Administrative law deals with the decision-making of administrative units of government (for example, tribunals, boards or commissions) that are part of a national regulatory scheme in such areas as police law, international trade, manufacturing, the environment, taxation, broadcasting, immigration and transport.² Civil law countries often have specialized, administrative courts, which are tasked with reviewing these decisions.³ This paper will discuss the complexities of the adjudication process of a veteran of the United States Armed Services' appeal of a decision on the veteran's claim -- based on some perceived wrong to the veteran while in service to the United States Military -- to the United States Department of Veteran Affairs, as well as the Department of Veteran Affairs' role in the administrative law process.

Origins of United States Administrative Law and how it works

Administrative Law deals with the legal principles common to all administrative agencies, including the procedures that agencies use to carry out their functions and the rules relating to judicial review of agency actions. ⁴ Administrative law also defines the role of the courts, the legislature, and the chief executive, vis-à-vis agencies. ⁵ It does not deal with the substantive law enforced by agencies. ⁶ Agencies typically have legal power to affect the rights or duties of individuals and entities outside the government. ⁷ Agencies administer or execute law under powers delegated to them by statutes. ⁸ Agencies

¹State and Federal Administrative Law, 2nd Ed., Michael Asimow, Arthur Earl Bonfield, Ronald M. Levin, 1998.

² Id.

³ See State and Federal Administrative Law. While it is true that the plurality of decisions contested in administrative courts are related to taxation, there is a significant number of appeals made to other agencies responsible for such decisions; namely, the Department of Veteran Affairs.

⁴ State and Federal Administrative Law, 2nd Ed., Michael Asimow, Arthur Earl Bonfield, Ronald M. Levin, 1998.

⁵ Id. at 16

⁶ Id.

⁷ Id.

⁸ Id.

may be headed by a single official or by several officials. Agencies also go by many different names; they may be called a department, commission, board, or other name. Most agency heads are appointed by the chief executive, but in some states, agency heads are elected. Agencies vary in size, as well as the number of determinations each agency makes each year There are two types of agencies: **Regulatory Agencies** enforce a mandatory scheme of prohibition or obligations (such as environmental protection). Benefactory **Agencies** disburse benefits, such as Social Security.

Most agencies are part of the executive branch, but others are independent of the executive. To this point, many administrative law scholars have argued that there is no distinct answer – it is impossible to see an agency as a part of Congress, but it is definitely connected to it.¹⁴

The origin of administrative law in the United States is complex to trace. According to Supreme Court Justice Stephen Breyer, the history of administrative law can be divided into six distinct periods:

1) English Antecedents and the American experience to 1875; 2) 1875 – 1930: the rise of regulation & the traditional model of administrative law; 3) the New Deal era; 4) 1945 – 1965: the Administrative Procedure Act & the maturation of the traditional model of administrative law; 5) 1965 – 1985: critique and transformation of the administrative process; and 6) 1985 – Present: retreat or consolidation. To the purposes of this paper, the more important eras of this timeline are eras 3-5.

During the *New Deal* era, administrative law was used as a way to combat the depression which was in existence because of the government's failure to regulate Wall Street and self-interest. The New Deal, proposed and enacted by the Roosevelt Administration, was the government's way to reignite the economy through regulatory programs and price control. This is exactly what happened: slowly but surely, the economy began to recover from the stock market crash of 1930, new businesses opened, citizens began finding employment and stability, housing was easier to acquire, and consumers began to trust the economy again. However, the government took steps to ensure that self-interest would never be

¹⁰ Id.

⁹ Id.

¹¹ Id. at 30

¹² Id.

¹³ Id.

¹⁴ Id.

¹⁵ Administrative Law & Regulatory Policy (3d Ed., 1992): Stephen Breyer

placed over public interest again. Hence, the Administrative Procedure Act was born.

Starting at §551 of Title V of the United States Code, the Administrative Procedure Act defines the basic terms of administrative law (rule, law, license, etc.). ¹⁶ Section 553 of Administrative Procedures Act sets out in simple terms rulemaking, i.e., the process whereby agencies make rules. ¹⁷ Section 554 of APA is the basic statute for the process of Adjudication: rulemaking and resolution of disputes via adjudication. ¹⁸ It further states that all independent judgments by agencies are adjudicatory judgment (i.e., parking ticket), but formal adjudication can take place by trial by hearing. ¹⁹

Section 556 governs the rules for formal hearings.²⁰ It states that most rulemaking is informal meaning rules are made in a "notice-andcomment" rulemaking style.²¹ However, it states that the formal rule must come from a trial-like process, for example, labor, employment, discrimination fields.²² Furthermore, the burden of proof is substantial evidence (higher than preponderance) - closer to clear and convincing evidence. ²³ Finally, §701-706 of Administrative Procedures Act set out basic ideas for judicial review. 24 The two exceptions to judicial review are if Congress decides a ruling by a particular agency is non-reviewable, or if the issue is committed solely to the discretion of the agency (meaning the agency is the last resort for relief), then no judicial review. ²⁵ The Administrative Procedures Act was enacted in 1946, and was effective and unquestioned until 1965, at which point many critics began to question the purpose of the Administrative Procedures Act, arguing that it impeded the growth of the nation's economy by regulating the different industries too closely.²⁶

As a result of this shift in ideology, in 1973, President Carter deregulated almost all industries, to loosen the government's grip on the growth of America's economy. President Reagan expanded this

¹⁶ See 5 U.S.C. 551.

¹⁷ See 5 U.S.C. 553.

¹⁸ See 5 U.S.C. 554.

¹⁹ Id.

²⁰ See 5 U.S.C. 556

²¹ Id.

²² Id.

²³ Id.

²⁴ See 5 U.S.C. 701-06.

²⁵ Id.

²⁶ State and Federal Administrative Law, 2nd Ed., Michael Asimow, Arthur Earl Bonfield, Ronald M. Levin, 1998.

deregulation period in 1973, when the term "Reaganomics" was coined as a result of the Reagan administration's approach to the scope of the APA and its ramifications on American business.

History of the United States Department of Veteran Affairs

The United States Department of Veterans Affairs is a government-run military veteran benefit system with Cabinet-level status. 27 It is the United States government's second largest department, after the United States Department of Defense. 28 The Department of Veteran Affairs is administered by the United States Secretary of Veterans Affairs.

The Continental Congress of 1776 encouraged enlistments during the American Revolutionary War by providing benefits for soldiers who were disabled.²⁹ Direct medical and hospital care given to veterans in the early days of the republic of the United States was provided by the individual states and communities. ³⁰ In 1811, the first domiciliary and medical facility for veterans was authorized by the federal government. In the nineteenth century, the nation's veterans assistance program was expanded to include benefits and pensions for veterans and their widows and dependents.³¹

After the Civil War, many state veterans homes were established. ³² Domiciliary care was available at all state veterans homes, and incidental medical and hospital treatment was provided for all injuries and diseases, whether or not of service origin.³³ Indigent and disabled veterans of the Civil War, Indian Wars, Spanish-American War, as well as discharged regular members of the Armed Forces were cared for at these homes.³⁴

In 1917, Congress established a new system of veterans benefits to mark the United States entrance into World War I.³⁵ Included were programs for disability compensation, insurance for servicepersons and veterans, and vocational rehabilitation for the disabled. By the 1920s, the various benefits were administered by three different federal agencies: the Veterans Bureau, the Bureau of Pensions of the

²⁷ See http://www.usa.gov.

²⁸ Id.

²⁹ Id.

³⁰ Id.

³¹ Id.

³² Id. ³³ Id.

³⁴ Id.

³⁵ Id.

Interior Department, and the National Home for Disabled Volunteer Soldiers.³⁶

The establishment of the Veterans Administration came in 1930 when Congress authorized the president to "consolidate and coordinate Government activities affecting war veterans." The three component agencies became bureaus within the Veterans Administration. Brigadier General Frank T. Hines served as the first Administrator of Veterans Affairs, a job he held until 1945.

The close of World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by Congress for veterans of the war. In addition, during the late 1940s the Veterans Affairs had to contend with aging World War I veterans. During that time, "the clientele of the Veterans Affairs increased almost fivefold with an addition of nearly 15,000,000 World War II veterans and approximately 4,000,000 World War I veterans." Prior to World War II, in response to scandals at the Veterans Bureau, programs that cared for veterans were centralized in Washington DC. This centralization caused delays and bottlenecks as the agency tried to serve the World War II veterans. As a result, the Veterans Affairs went through a decentralization process, giving more authority to the field offices.³⁹

Department of Veterans Affairs: Current Day Operations

The Veterans Affairs health care system has grown from 54 hospitals in 1930 to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. 40 Veterans Affairs health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care. The responsibilities and benefits programs of the Veterans Administration grew enormously during the following six decades. 41

Further educational assistance acts were passed for the benefit of veterans of the Korean War, the Vietnam Era, the introduction of an "all-volunteer force" in the 1970s (following the end of conscription in the United States in 1973), the Persian Gulf War, and those who served following the attacks of September 11, 2001.

³⁶ Id.

³⁷ Id.

³⁸ Kammerer, Gladys 1948. "The Veterans Administration in Transition." Public Administration Review Vol. 8, No. 2, pp 104.

³⁹ Kammerer, Gladys 1948. "The Veterans Administration in Transition." <u>Public Administration Review</u> Vol. 8, No. 2, pp 103- 109.

⁴⁰ VA.gov

⁴¹ Id.

The Department of Veterans Affairs Act of 1988 (Pub.L. 100-527) changed the former Veterans Administration, an independent government agency established in 1930, primarily to see to the needs of World War I veterans, into a Cabinet-level Department of Veterans Affairs. It was signed into law by President Ronald Reagan on October 25, 1988, but actually came into effect under the term of his successor, George H. W. Bush, on March 15, 1989.⁴²

As noted by Krammerer in *The Veterans Administration in Transition*, "The Department of Veterans Affairs was created in direct response to the Supreme Court of the United States case of Rose v. Rose. The failure to perform apportionments by the previous Veterans Administration was identified under Title 38 of the United States Code. The Supreme Court ruled the existing language of 38 USC §211 did not provide sole authority, did not include state courts and only included eligibility questions. As a huge point the Court said the language didn't even obligate the Veterans Affairs to do its job."

He continues, "From the disgrace and failures of the Veterans Administration for not performing apportionments, Congress responded with extreme magnitude in comparison to previous cases. After Hisquierdo v. Hisquierdo for railroad retirement and McCarty v. McCarty, for military retirement, only a brief addition of family law to the USC was needed. For veterans and their families, Congress responded with the Department of Veterans Affairs Act of 1988 and a complete rewrite of Title 38. Congress addressed the issue of exclusive and sole authority over payments. The language of the new §511 applies to all courts, not just federal. It precludes the States from making any decisions which affect these benefits, not just the eligibility process. It obligates the United States Department of Veterans Affairs to assert this authority and perform their duties." 44

In their major reform period of 1995–2000, the Veterans Health Administration implemented universal primary care, closed 55% of their acute care hospital beds, increased patients treated by 24%, had a 48% increase in ambulatory care visits and decreased staffing by 12%. By 2000, the Veterans Health Administration had 10,000 fewer employees than in 1995 and a 104% increase in patients treated since 1995 and had managed to maintain the same cost per patient-day, while all other facilities' costs had risen over 30% to 40% during the same time frame. 45

⁴² Id

⁴³ Kammerer, Gladys 1948. "The Veterans Administration in Transition." Public Administration Review Vol. 8, No. 2, pp 103- 109.

⁴⁴ Id.

⁴⁵ Id.

The Veterans Affairs Adjudicative Process: How to File a Claim

In order to file a claim for relief ⁴⁶ to the Department of Veteran Affairs, the claimant must be a veteran of the United States Military, or a spouse, dependent, parent, or executor of the veteran's estate. To file the claim, the claimant can go to a Veteran Affairs office, in which case a Veteran Benefits Claim specialist takes the claim and refers the case to the proper office of jurisdiction. The claimant may also call the Veteran Affairs office, in which case the specialist refers the case to the correct office of jurisdiction. The claimant can write Veteran Affairs, write to his congressional representative, or visit a Veteran Affairs hospital facility. In all three cases, the claim will be referred to the correct office.

After the claimant makes first contact, the Veteran Affairs office performs an administrative function by referring the claim to the proper office of jurisdiction, requesting claim folders from other offices, sending the claim to the right division, establishing a timeliness control, and, if necessary, responding to the claimant with a formal application.

After the administrative function is performed, the claim is referred to an **adjudicator**, who will develop, deny, grant, explain, create overpayment, pay retroactive reward, suspend payment, refer to other agencies, or any combination of the above. The claim may also be referred to a **ratings specialist**, who performs the same function in some jurisdictions, then sends the case to the adjudicator.

After the Claim is Filed

The Veteran Affairs Regional office will mail a notice of its decision, which is either a **grant** or **denial** of benefits. At this point, the claimant MUST file a notice of disagreement with the Veteran Affairs Regional office's decision. The claimant must file within one year of the regional office's mailing of Notice of its decision, or the claim is barred by the Statute of Limitations. The claimant, after filing his notice, also has the option to request that a Decision Review Officer review the Regional Office decision. The Veteran Affairs Regional Office will mail the Decision Review Officer's decision to the claimant.

⁴⁶ This claim for relief is also known as a claim for "connection of service. The terms are used interchangeably throughout Court of Appeals for Veteran Claims documents.

If the claimant does not request a Decision Review Officer, after he files his notice of Disagreement, Veterans Affairs will mail the claimant the Statement of the Case. The Claimant is then required to file a Substantive Appeal, known as Veterans Affairs Form 9. The claimant must file this form within sixty days of receipt of the Statement of the Case or the remainder of the one-year statute of limitations from his receipt of the Notice of Decision, whichever is later. When this is filed, the Board of Veterans Appeals will decide the case.

After the Claim is Denied

If the Board of Veterans Appeals denies the claims, the claimant has many options. He can file a notice of appeal with the Court of Appeals for Veterans Claims of the Board of Veterans Affairs' initial decision on the claim. He can file a claim for revision of the previous final decision based upon clear and unmistakable error, in which case, the Veterans Affairs reevaluates the claim and mails a decision on the motion. A claimant can then appeal to the Court of Appeals for Veterans Claims. The claimant can also file a motion for reconsideration of the Board of Veterans Affairs decision. If the Board of Veterans Affairs denies him again, claimant can file a notice of appeal with the Court of Appeals for Veterans Claims, ONLY if motion for reconsideration was filed within 120 days of the Board of Veterans Affairs decision.

As a last resort before the court of Veteran appeals, the claimant may file a motion to revise the Board of Veterans Affairs' decision based on clear and unmistakable error. There is no time limit on this motion. The Board of Veterans Affairs will receive the motion and make a decision. If claimant still disagrees with the Board of Veterans Affairs' decision on the motion, Plaintiff can then file a notice of appeal based on clear and unmistakable error to the Court of Appeals for Veteran Claims.

Standards Duties and Burdens of Claimant and Veteran Affairs

When the claimant submits a claim for "connection of service"⁴⁷ the claimant has the duty to insure that his application is "substantially complete" in order for his claim to be processed.⁴⁸ If the claimant submits an incomplete application, "[u]nder [the] notice statute and implementing regulation which require the Secretary of Veterans Affairs to notify a claimant of what information is necessary to complete an application, the Secretary [of Veteran Affairs] has a

⁴⁷ See fn. 46.

⁴⁸ Davis v. Shinseki, 22 Vet. App. 352 (Vet.App.2009).

limited duty to notify a claimant of what information is necessary to complete an application when the claimant submits an incomplete application; the Secretary's duty to provide general notification of information and evidence necessary to substantiate the claim does not arise until the application is substantially complete." If the claimant still does not submit a complete application after notification from the Veterans Affairs, his claim will be denied. If the claimant does, however, comply with the necessary requirements, the duty switches to Veterans Affairs.

The Veterans Affairs has the duty to consider ALL legal theories upon which the claim for relief could be granted. The Veterans Affairs has the duty to give notice to the claimant and his representative of the information or evidence needed to substantiate the claim, what information or evidence of that needed to substantiate the claim the Veterans Affairs will itself attempt to obtain (usually public information or information that is in possession of the military that the veteran cannot himself get), and what information or evidence needed to substantiate the claim (statements from the veteran, statements from private doctors), the claimant is to obtain and provide to the Veterans Affairs.

Under 38 U.S.C. § 7104(a), the Veterans Affairs has the obligation to base its decision on the *entire* record in the proceeding and upon consideration of all evidence and material of record and applicable provisions of law and regulation.⁵⁰ The Standard of proof used to decide a claim is *de novo*, meaning it is usually a mixed question of law and fact before the Court of Appeals for Veterans Claims.⁵¹ As the court in *Shinseki* held, "when all the evidence and material of record is considered, the preponderance of the evidence must be against the claim for benefits to be denied."⁵² In other words, a veteran need only demonstrate that there is an approximate balance of positive and negative evidence in order to prevail.⁵³ If there is enough evidence to suggest that there is no connection to the veteran's injury, then his claim will fail. Otherwise, if the evidence is balanced or in his favor, he will prevail.

⁴⁹ Id.

⁵⁰ See 38 U.S.C. § 7104(a).

⁵¹ Shinseki, 22 Vet. App. 352 (Vet.App.2009).

⁵² Id.

⁵³ Id.

Claimant's Timing and Evidence Restrictions

In this section, I will briefly characterize the pros and cons of the claimant's options for relief. In total, the claimant only has four options. 1) Appeal to the Court of Appeals for Veterans Claims; 2) File a motion for Board of Veterans Affairs reconsideration; 3) File a motion for revision of final Board of Veterans Affairs decision based on clear and unmistakable error; and 4) file a reopened claim with the Veteran Affairs Regional Office. Each cause of action has pros and cons.

For an appeal to the Court of Appeals for Veterans Claims, the appeal must be filed within 120 days of the Board of Veterans Affairs decision. New evidence cannot be added. The effective date for reconnection of service benefits if the claimant prevails is the date the Board of Veterans Affairs received the claim that led to the Board of Veterans Affairs decision under appeal.

Option two, filing a motion for Board of Veterans Affairs reconsideration, has no time limit for filing. New evidence can be added, but only the veteran's service records. The effective date is the date Veterans Affairs received the claim that led to the Board of Veterans Affairs' decision subject to the motion for reconsideration.

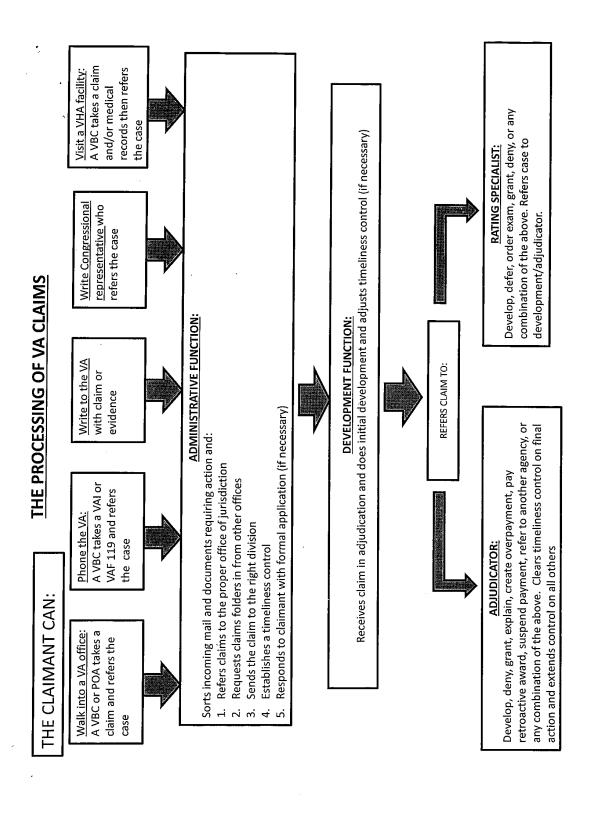
Option three, filing a motion for revision of final Board of Veterans Affairs' decision based on clear and unmistakable error, has no time limit. New evidence cannot be added under any circumstance. The effective date is the date Veterans Affairs received the claim that led to the Board of Veterans Affairs decision that allegedly contains the basis for the clear and unmistakable error.

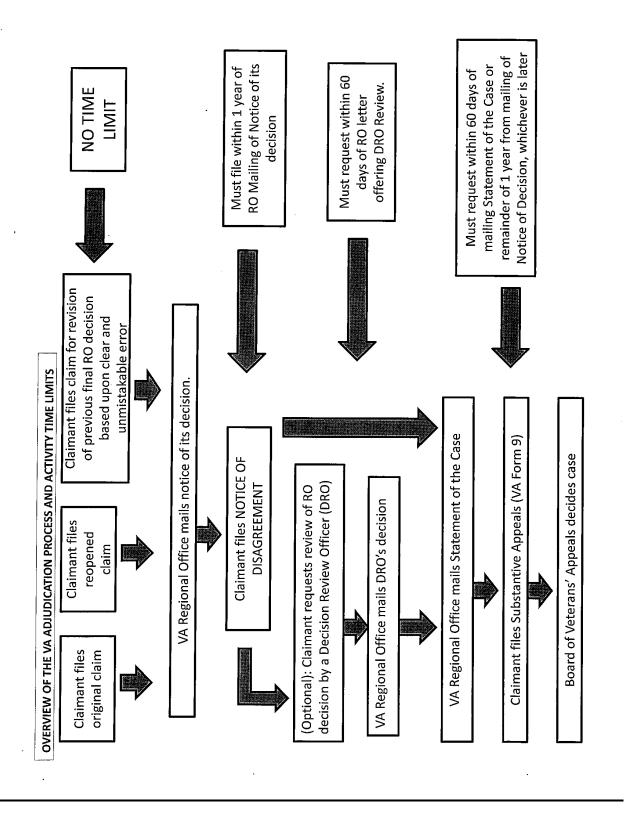
Option four, filing a reopened claim with the Veteran Affairs Regional Office, has no time limit. New evidence can be added, however, the caveat is that if the claimant prevails, the effective date is the date the Veterans Affairs reopened the claim, meaning that if the claim was closed ten years ago and the claimant reopens the claim today, and is successful, he would only receive claims from today's date, effectively foregoing ten years of owed benefits.

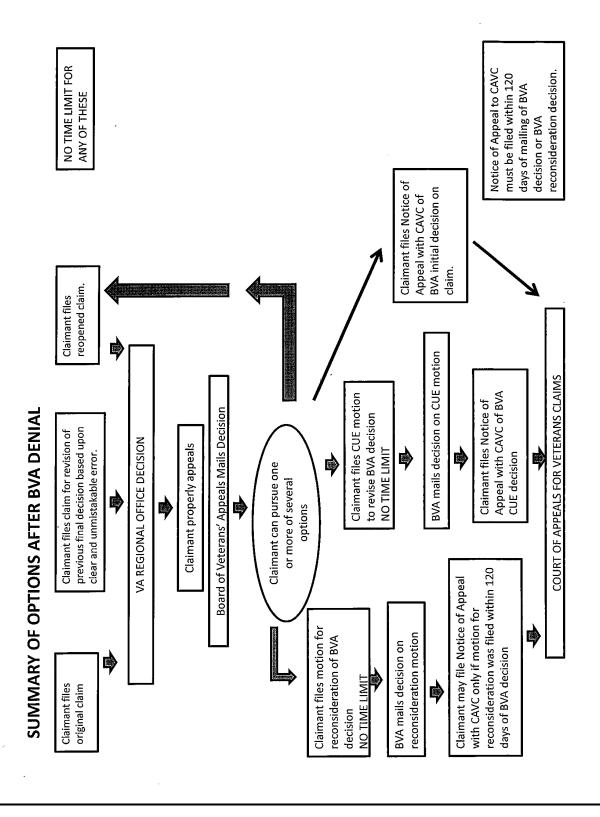
For a visual representation of the above-explained adjudicative process, please see the attached charts.⁵⁴

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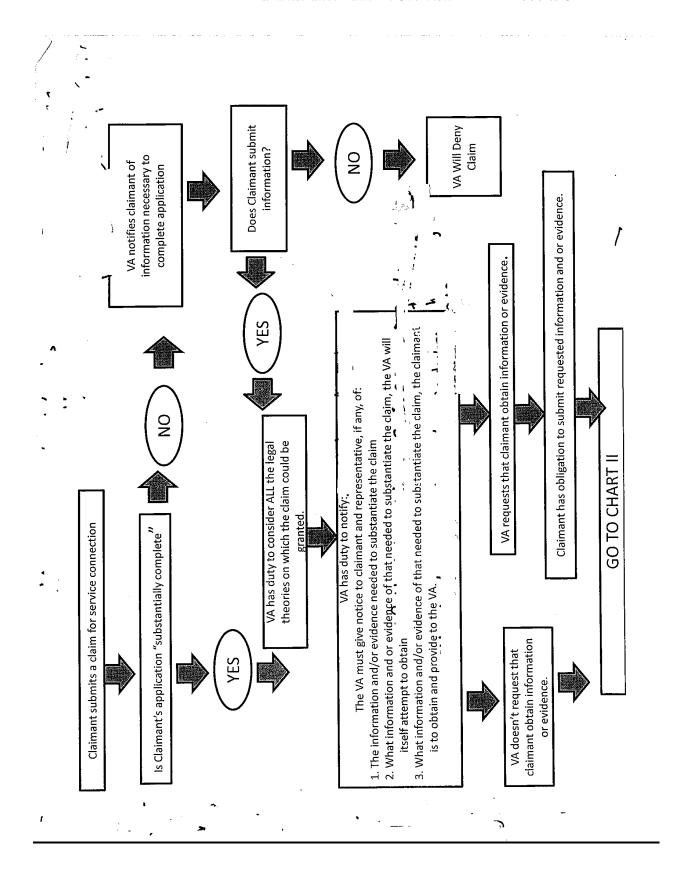
⁵⁴ Charts are constructed from cases and notes from Veteran's Law Clinic I. No claims of copyright or ownership are made.







EFFECTIVE DATE GENERALLY ASSIGNED IF CLAIMANT PREVAILS	Date VA received claim that led to the BVA decision under appeal	Date VA received claim that led to the BVA decision subject to the motion for reconsideration	Date WA received claim that led to the BVA decision that allegedly contains CUE	Date VA receives reopened claim
CAN NEW EVIDENCE BE ADDED?		No, except for service records		KES TO THE TOTAL
DEADLINE FOR EXCERCISING OPTION	Appeal must be filed within 120 days of BVA decision	NOTIMELIMIT		NO TIME LIMIT
OPTION	Appeal to CAVC	Motion for BWA reconsideration	Filing motion for revision of final BVA decision based upon CUE	Filing a reopened claim with the VARO



Claimant's Burdens and VA's Duties in Claims Adjudication Process (CHART 3)

record in the proceeding and upon consideration of all evidence and material VA is obligated under 38 USCS § 7104 (a) to base its decision on the entire Duty to Consider Entire Record, All evidence, Applicable Law & Regulation of record and applicable provisions of law and regulation.



preponderance of the evidence must be against the claim for benefits to be When all the evidence and material of record is considered, the Standard of Proof Used to Decide the Claim: denied.

approximate balance of positive and negative evidence in order to prevail. In other words, a veteran need only demonstrate that there is an



No- Claim is Denied

Yes- Claim is Granted

EFFECTIVE DATE GENERALLY ASSIGNED IF CLAIMANT PREVAILS	Date VA received claim that led to the BVA decision under appeal	claim that led to the BVA decision subject to the motion for reconsideration	Date VA received claim that led to the BVA decision that allegedly contains CUE	Date VA receives reopened claim
CAN NEW EVIDENCE BE ADDED?	02	No, except for service records		VES
DEADLINE FOR EXCERCISING OPTION	Appeal must be filed within 120 days of BVA decision	NO TIME LIMIT	NOTIME	NO TIME LIMIT
NOILLAGO	Appeal to CAWC	Motion for BVA reconsideration	Filing motion for revision of final BVA decision based upon CUE	Filing a reopened claim with the VARO

Cracks and Issues within the Veteran Affairs Adjudication Process

There are issues within the veteran affairs adjudication process, chiefly, the human element. The attorneys who represent the Department of Veteran Affairs during the adjudication process are of one mindset – get the case dismissed regardless of the veracity or validity of the Veteran's claim. While it is legal for the Attorney to try to get the Veteran's claim dismissed, the stance taken by the office is evidence of a bigger issue in the legal profession, particularly the criminal justice system – a surprising lack of social responsibility. The Office of Veteran's Affairs mirrors Attorney General, State's Attorney, and District Attorney Offices in the United States Criminal Justice System, in that all are results oriented, rather than focusing on their respective oaths to pursue and attain justice for all involved.

While the Department of Veterans affairs is looking to get the veteran's claim dismissed regardless of the validity of the claim, the respective offices listed above as proponents of the Criminal Justice System seek to prosecute individuals, sometimes with very little to no evidence of wrongdoing, and seek to convict pursuing the strictest possible penalty, regardless of the individual's potential innocence. This obvious goal of the Department of Veterans Affairs creates a distrust among Veterans of the United States Armed Forces just as the goal of punishment regardless of innocence in the Criminal Justice system creates distrust and lack of cooperation between the public and the various Criminal Justice agencies tasked with upholding justice for all. Until there is a systemic shift in approach for these agencies, there will continue to be a rift between the agencies and the respective communities they serve.

Conclusion

In conclusion, the Department of Veterans Affairs serves all veterans of the United States Armed Forces. As this paper has noted, in order to further the initial objectives of the Department, a number of changes, specifically to the Department's approach to how it resolves veterans' claims, must be modified. These modifications, if made, will strengthen the American Public's trust in the Department, and as a byproduct, in the military, by having the security of knowing that if they are injured protecting the liberties of this great country, their claims will not fall through the cracks of a system designed to ignore a high volume of claims brought to the Department.