

**Opening Statement**  
**Chairman Herb Kohl**  
**Senate Special Committee on Aging Hearing**  
**“Pension Poachers: Preventing Fraud and Protecting America’s Veterans”**  
**June 6, 2012**

Thank you all for being here for this hearing to examine problems associated with the VA’s pension benefit program. There’s a growing niche industry that profits by convincing veterans with substantial assets to hide these assets in trusts and annuity products in an effort to qualify for the maximum allowable pension at the Aid and Attendance level.

As we will hear today, many veterans and their families are being hurt by this practice because their assets are being tied up; they’re forced to pay exorbitant fees and penalties if they need to access their money; and because they are sometimes affecting their ability to access Medicaid benefits. This activity has also increased the backlog of pending VA pensions, slowing the application process for veterans who truly need assistance.

All of this also comes at a great cost to taxpayers, who pay to process these applications and for the needs-based pensions to individuals who are not actually in need at the time of their application.

These problems are not isolated to one state or region; they’re a growing problem all across the country. The County Veterans Service Officer Association of Wisconsin has submitted a statement for the record that provides a variety of examples in my home state.

I want to thank our Veterans Affairs Committee Chairman Patty Murray and Ranking Member Richard Burr, who is here with us today, for their leadership and for sharing the responsibility of overseeing the veterans’ pension benefit. I would also thank and recognize Senator Ron Wyden for all of his work on this issue and for providing a clear path to improvement. I know that we all support the efforts to correct the problems that we will hear about today, and I look forward to hearing from our witnesses.

Before I turn the gavel over to Senator Wyden, who will chair today’s hearing, I want to give our Ranking Member, Senator Corker, an opportunity to make an opening statement.