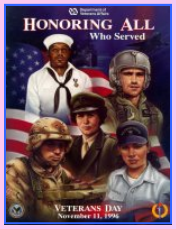
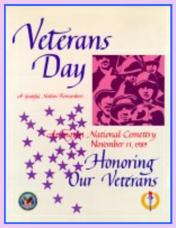
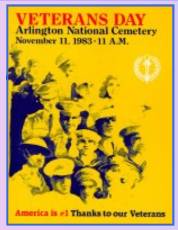
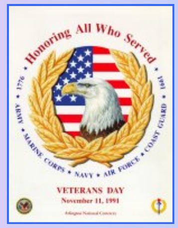
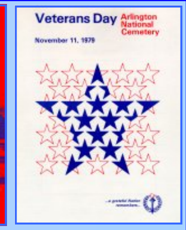
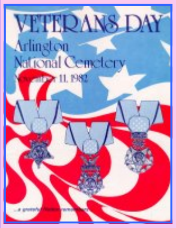


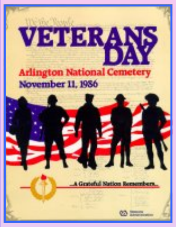


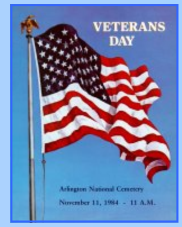


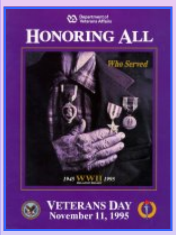




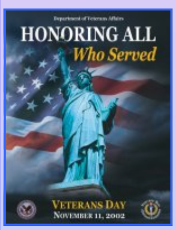


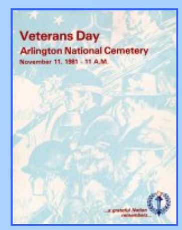


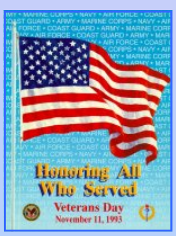


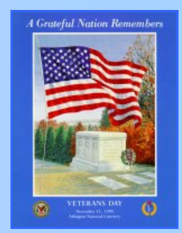


VETERANS BENEFITS ADMINISTRATION

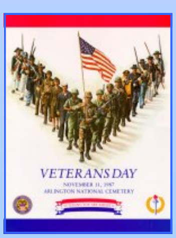


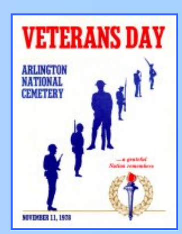






ANNUAL BENEFITS REPORT
FISCAL YEAR 2005





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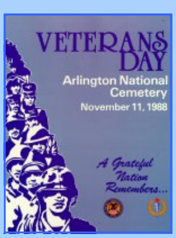

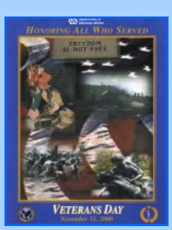

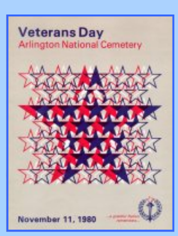

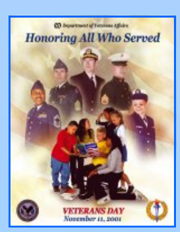

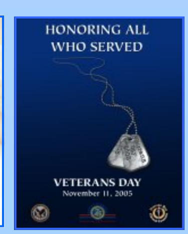

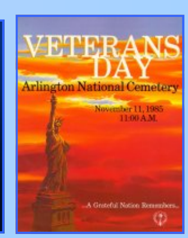

THE UNDER SECRETARY OF VETERANS AFFAIRS FOR BENEFITS

WASHINGTON, D.C. 20420

Dear Reader,

We are pleased to present the *Veterans Benefits Administration Annual Benefits Report for Fiscal Year 2005*. This is the eighth edition of the *Annual Benefits Report*. Its publication reinforces the Veterans Benefits Administration's commitment to our stakeholders and business partners to provide comprehensive information concerning the activities of our five benefit programs. This report contains key data pertaining to the utilization of our benefit programs over the past five years. We hope it is a useful tool for the reader to understand our mission and our success.

On the cover and throughout this year's report are pictures commemorating the 75th Anniversary of the Department of Veterans' Affairs on July 21, 2005. The year-long observance of our Diamond Jubilee is a reflection of the VA's history in administering to the needs of those who have served our Nation. They have fought for freedom around the world and provided stability and assistance during times of natural disasters and other crises on the home front. Over these past 75 years, the programs of VA have evolved; so too have our ongoing efforts to care for these heroes and improve the delivery of services to them.

On the following pages, we present a summary of the benefits used by our Nation's veterans and their dependents in 2005. I thank the employees of the Veterans Benefits Administration for making a difference in the lives of our veterans and their families.

Daniel L. Cooper

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VETERANS BENEFITS ADMINISTRATION
ANNUAL BENEFITS REPORT

INTRODUCTION

We are the Veterans Benefits Administration (VBA), one of the three Administrations forming the U.S. Department of Veterans Affairs (VA.) We offer a wide range of benefits to our Nation's veterans, service members, and their families.

MISSION STATEMENT

The mission of the Veterans Benefits Administration (VBA), in partnership with the Veterans Health Administration and the National Cemetery Administration, is to provide benefits and services to veterans and their families in a responsive, timely and compassionate manner in recognition of their service to the Nation.

VISION STATEMENT

Our vision is that the veterans whom we serve will feel that our Nation has kept its commitment to them; employees will feel that they are both recognized for their contribution and are part of something larger than themselves; and taxpayers will feel that we've met the responsibilities they've entrusted to us. Courage, honesty, trust, respect, open communication, and accountability will be reflected in our day-to-day behavior.

CORE VALUES

- Veterans have earned our respect and are our reason for being, our common purpose. All our efforts are directed toward meeting their needs.
- We are committed to communicating to our veterans and employees in a timely, thorough, accurate, understandable, and respectful manner.
- We listen to the concerns and views of veterans and our employees to bring about improvement in benefits and services and the climate in which they are provided.
- We value understandable business processes that consistently produce positive results.
- We foster an environment that promotes personal and corporate initiative, risk-taking, and teamwork.
- We are open to change and flexible in our attitudes.
- Respect, integrity, trust, and fairness are hallmarks of all our interactions.
- We value a culture where everyone is involved, accountable, respected, and appreciated.
- We will perform at the highest level of competence, always, and take pride in accomplishment. We are a “can do” organization.

VETERANS BENEFITS OVERVIEW

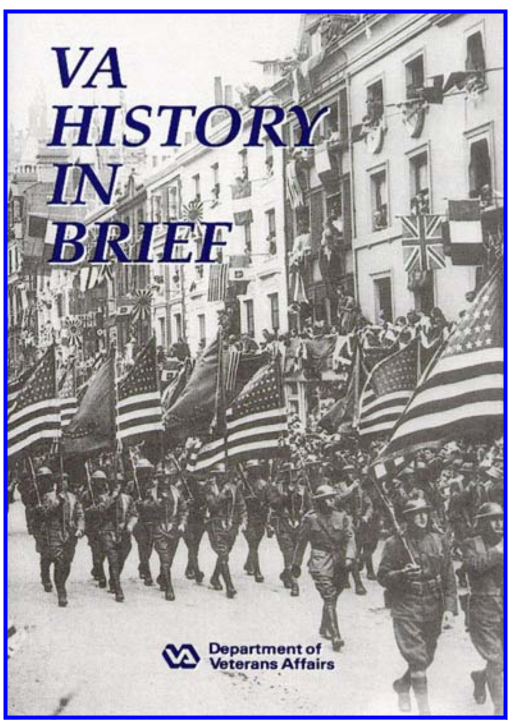
The Veterans Benefits Administration (VBA) is one of three administrations comprising the Department of Veterans Affairs. VBA is responsible for administering and delivering an array of Federally authorized benefits and services to eligible veterans and their dependents and survivors.

With annual expenditures over $40 billion and long-term obligations exceeding one trillion dollars, VBA programs have a sweeping impact not only on the veteran community but also on the whole of American society. These are programs that touch millions of lives in fundamental ways. Benefits and services administered by VBA fall under five business lines:

- COMPENSATION AND PENSION
- EDUCATION
- LIFE INSURANCE
- LOAN GUARANTY
- VOCATIONAL REHABILITATION AND EMPLOYMENT

Veterans' benefits represent an integral part of American history. Knowledge of benefits' history is important for all those who are interested in a comprehensive understanding of what VBA does and why. The timeline shown on the following pages represents the major milestones in VBA since the formal establishment of the VA in 1930.

A more general discussion of the VA and veterans' benefits from a historical perspective can be found in VA Pamphlet 80-97-2, *VA History in Brief*, September 1997. This pamphlet is on the VA Home Page: http://www1.va.gov/opa/feature/history/index.asp. For the latest copy of the pamphlet, *Benefits for Veterans and Dependents,* go to http://www1.va.gov/opa/vadocs/current_benefits.asp.



75th Anniversary Timeline

1930

President Herbert Hoover signs Executive Order 5398 "Consolidation and Coordination of Governmental Activities Affecting Veterans" consolidating the U.S. Veterans' Bureau, the National Homes for Disabled Soldiers and the Bureau of Pensions into the Veterans Administration.

1933

Board of Veterans Appeals established.

1935

VA implements new Spanish American War pension program.

1936

Congress passes "Soldier's Bonus" legislation making adjusted service certificates available to more than 3.5 million veterans.

1940

Congress passes National Service Life Insurance Act creating a federal insurance program for members of the armed forces.

1941

The December 7th Japanese attack on Pearl Harbor brings America into World War II. Germany declares war on America on December 11.

1943

As a result of the largest mobilization in American history, U.S. Armed Forces have expanded from 334,000 in 1939 to over 9,000,000 men and women.

Congress grants World War II veterans hospital, domiciliary and burial benefits on a par with those of World War I veterans.

1944

The GI Bill of Rights is enacted providing government-subsidized training and education, home loan guaranties and the "52-20 club" – 52 weeks of unemployment benefits at $20 per week.

1945

General Omar Bradley named VA Administrator to oversee veterans' transition into civilian life during demobilization.

VA processes more than 83,000 applications for educational benefits during the first year of the GI Bill.
VA moves many regional benefits offices to downtown urban areas and establishes numerous contact offices to handle the increase in benefit applications.

1946

VA workload unprecedented as demobilization of the 15 million World War II GI's begins. Veterans' population swells to 17 million.

1947

Congress sets eligibility for benefits for World War II veterans serving between December 7, 1941 to July 25, 1947.

1952

Veterans' Readjustment Act of 1952 provides GI Bill benefits package to Korean War veterans.

The Defense Housing Act of 1951 authorizes the VA to make direct loans to veterans for housing.

1954

Number of Korean War veterans increases by 934,000.

1959

"To care for him who shall have borne the battle and for his widow, and his orphan…" chosen by VA Administrator Sumner Whittier as VA motto to be inscribed on plaque and installed on the front of the Central Office building.

1960

The Hines, Ill., VA Data Processing Center is activated.

1961

The new GI housing bill extended the rights of WW II and Korean veterans to obtain guaranteed loans.

1963

The VA Department of Data Management is established February 1. VA has 14 computers in operation varying in size from large to and small.

1965

Uniformed Services Group Life Insurance Act creates the Servicemen's Group Life Insurance program administered by private insurance company under VA contract.

1966

GI Bill passes for Vietnam-era veterans.

1967

VA sends contact representatives to South Vietnam to counsel homeward-bound military personnel.

1968

President Johnson calls on Congress to pass a comprehensive package of benefits and programs for Vietnam-era veterans.

Veterans Assistance Centers are opened in 10 cities.

Spouses of veterans are authorized to receive VA educational assistance.

1972

VA benefits outreach program contacts 1.75 million service members in Southeast Asia in the years between 1957 and 1972. Outreach is extended to Germany, Japan and Korea.

1973

After five years of service and the participation of 99 counselors, the VA ends benefits counseling program in Vietnam.

The National Cemetery System is transferred by Congress from the Army to VA.

1974

VA sends 1,300 representatives to college campuses to speed processing of educational benefits.

1979

VA establishes Vietnam Veteran Outreach Centers (Vet Centers) to provide readjustment counseling to Vietnam Era veterans.

1982

VA Agent Orange Office formed to help resolve questions about Agent Orange.

VA seeks out former POWs to inform them about benefits in compliance with the Former Prisoner of War Benefits Act of 1981.

1983

VA adopts system-wide automated data processing for medical centers – the Decentralized Hospital Computer Program.

1984

Congress passes the Montgomery GI Bill, helping veterans return to school to further their education.

1987

VA marks its 12 millionth home loan guaranty.

1988

Ceremony recognizes 20 millionth GI Bill participant.

President Reagan signs legislation creating the Department of Veterans Affairs.

1989

White House ceremonies mark beginning of the Department of Veterans Affairs, a new cabinet department.

1990

VA facilities mobilize to support casualties of Persian Gulf War and assist these newest combat veterans with benefits claims.

VBA works with Department of Defense and Department of Labor to begin the Transition Assistance Program in seven states to provide military personnel employment, training, and benefits information before discharge.

1991

Congress passes the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act, which declares the conflict a war for determining eligibility for veterans' benefits.

1992

VA Readjustment Counseling Program begins sexual assault counseling.

New nationwide toll-free phone number connects callers to nearest VA regional office.

1993

VA establishes Persian Gulf Health Registry to provide information and health examinations to Gulf War veterans.

A new division in the National Center for PTSD devoted to studying the impact of military trauma on women veterans is established.

1994

VA leads celebration of the 50th anniversary of the signing of the GI Bill.

VA establishes the Center for Women Veterans to improve services to women veterans.

1995

VA provides disability payments for Gulf War veterans who have certain chronic disabilities resulting from undiagnosed illness that might result from Gulf War service.

1996

Veterans Health Care Eligibility Reform Act changes VHA from a hospital system to a health care system.

VA announces additional illnesses are presumed to result from exposure to Agent Orange in Vietnam.

1997

VA begins establishing community-based outpatient clinics throughout the country to improve access to care.

1998

Legislation increases VA authority to treat Gulf War veterans.

1999

VA conducts first treatment trials for Gulf War Veterans' illnesses.

VA launches "One VA" program to provide seamless, customer-driven service to veterans.

2000

The Veterans Claims Assistance Act of 2000 is passed.

2001

Researchers supported by VA and DoD find preliminary evidence that veterans who served in the Gulf War are nearly twice as likely as their non-deployed counterparts to develop Lou Gehrig's Disease.

Type 2 diabetes mellitus is recognized as a presumptive condition for Vietnam veterans

VA joins the rest of the federal government in responding to September 11 terrorist attacks.

2004

Servicemembers Group Life Insurance increases from $250,000 to $400,000

2005

Traumatic Servicemembers Group Life Insurance (TSGLI) and Reserve Educational Assistance Program (REAP) are enacted.

Loan Guaranty benefits are indexed to Fannie Mae.

VA responds to Hurricane Katrina devastation of New Orleans and the Gulf Coast.

HISTORY OF THE VA SEAL

OFFICIAL SEAL OF THE FORMER VETERANS ADMINISTRATION

This seal was used by the Veterans Administration from its founding on July 21, 1930, when President Herbert Hoover signed Executive Order 5398, the Consolidation and Coordination of Governmental Activities Affecting Veterans Act.

The seal remained in use until March 15, 1989, when the Department of Veterans Affairs Act of 1988 (signed by President Ronald Reagan on October 25, 1988) converted the former government agency into the Cabinet-level Department of Veterans Affairs.

OFFICIAL SEAL OF THE DEPARTMENT OF VETERANS AFFAIRS

The Department of Veterans Affairs Act of 1988 brought many changes to VA, including a new seal.

The reproduction and use of the VA seal are specified by regulation (38 CFR 1.9). It is reserved for limited use as the symbol of governmental authority invested by the Department of Veterans Affairs. The seal is used to identify official documents, certifications, awards, publications, regulations and reports. Variation and modifications of the seal are prohibited. It is VA's legally sanctioned official signature.

VA turned to its employees in its search for a new seal representing the newest Cabinet member. A contest was held among more than 225,000 VA employees to design the new seal.

A design submitted by David Gregory, a medical media production specialist working at the Indianapolis VA Medical Center, won. He focused on traditional American symbols and his own innovative symbolism to visually convey VA's special mission.

The VA seal features five key elements. The primary element is the bald eagle, the official symbol of the United States since 1789. The mature eagle is a powerful representation of the United States symbolizing both the American people and the free-doms they enjoy. The circle of five stars above the eagle represent the five branches of the U.S. military; Army, Navy, Air Force, Marine Corps, Coast Guard, which produce the veterans VA serves.

The two flags in the eagle's talons symbolize America 's history from the thirteen colonies to the present fifty states. A golden cord symbolic of those Americans who have fallen in service to their country binds the flags. The cord is also held by the eagle to perpetuate the memory of those veterans who have sacrificed for the nation. The seal's colors are derived from the American flag and the natural colors of the earth, representing the Nation's commitment to its veterans.

EXECUTIVE ORDER 5398

CONSOLIDATION AND COORDINATION OF GOVERNMENTAL ACTIVITIES AFFECTING VETERANS

WHEREAS section 1 of the act of Congress entitled "An Act to authorize the President to consolidate and coordinate governmental activities affecting war veterans," approved July 3, 1930, provides:

"(a) That the President is authorized, by Executive order, to consolidate and coordinate any hospitals and executive and administrative bureaus, agencies, or offices, especially created for or concerned in the administration of the laws relating to the relief and other benefits provided by law for former members of the Military and Naval Establishments of the United States, including the Bureau of Pensions, the National Home for Disabled Volunteer Soldiers, and the United States Veterans' Bureau, into an establishment to be known as the Veterans' Administration, and to transfer the duties, powers, and the functions now vested by law in the hospitals, bureaus, agencies, or offices so consolidated and coordinated including the personnel thereof, and the whole or any part of the records and public property belonging thereto to the Veterans Administration.

"(b) Under the direction of the President the Administrator of Veterans' Affairs shall have the power, by order or regulation, to consolidate, eliminate, or redistribute the functions of the bureaus, agencies, offices, or activities in the Veterans' Administration and to create new ones therein, and, by rules and regulations not inconsistent with law, shall fix the functions thereof and the duties and powers of their respective executive heads."

NOW, THEREFORE, by virtue of the authority vested in me by said law, the United States Veterans' Bureau, the Bureau of Pensions, and the National Home for Disabled Volunteer Soldiers are hereby consolidated and coordinated into an establishment to be known as the Veterans' Administration, and duties, powers, and functions vested by law in the United States Veterans' Bureau, the National Home for Disabled Volunteer Soldiers, and in the Bureau of Pensions, and the personnel of the United States Veterans' Bureau, the Bureau of Pensions, and the National Home for Disabled Volunteer Soldiers, and the records and papers pertaining to the work thereof, and the public property belonging thereto, are hereby transferred to the Veterans' Administration.

THE WHITE HOUSE
HERBERT HOOVER
JULY 21, 1930

75TH ANNIVERSARY OF VA - THEN AND NOW

	THEN (1930)	NOW (2005)
AMERICA'S POPULATION OF LIVING VETERANS	4.6 million	24.3 million
VA BUDGET	$786 million	$71.2 billion
VA PERSONNEL	31,500	235,978
NUMBER OF VA HOSPITALS	54	154
VA MEDICAL BUDGET	$30 million	$31.5 billion
VETERANS HOSPITALIZED AT VA FACILITIES	54,000	587,000
VISITS BY VETERANS FOR OUTPATIENT CLINIC CARE	800,000	57.5 million
NUMBER OF VA REGIONAL OFFICES	54	57
NUMBER OF VETERANS AND DEPENDENTS RECEIVING VA COMPENSATION OR PENSION BENEFITS	900,000	3.5 million
AMOUNT OF COMPENSATION AND PENSION BENEFITS PAID	$418 million	$31.0 billion
NUMBER OF VA LIFE INSURANCE POLICIES	646,000	7.6 million
FACE VALUE OF LIFE INSURANCE POLICIES	$3.3 billion	$1.1 trillion

PURPOSE OF VBA'S ANNUAL BENEFITS REPORT

The intent of this *Annual Benefits Report* (ABR) is to clearly delineate the particulars of the benefit programs delivered by VBA. The report identifies the current level of program participation by eligible persons and profiles the veteran/ beneficiary.

The purpose is not to offer subjective analyses of the work processes associated with the day-to-day administration of the programs or to report on their performance.

The report is meant to accomplish the following:

- Present a clear, complete, data-driven picture of the extent to which veterans and their dependents use these benefits;
- Provide insights into the nature of the benefits' programs;
- Portray the economic impact of VBA programs on veterans, their families, the Federal government, and the nation.

A complete discussion on VBA's performance in administering these programs is contained in the Department's *FY 2005 Performance and Accountability Report*, dated November 2005. The document can be accessed through this electronic link: http://www.va.gov/budget/report/. Program goals and objectives are detailed in VA's annual performance plans. The FY 2003-FY 2008 Strategic Plans can be found on the Department's website: http://www1.va.gov/op3/docs/VA_Strategic_Plan_FY_2003_2008.pdf.


Nicholson


Gober


Brown


Walters


Cleland


Johnson


Gleason


Higley


Bradley

SECRETARIES OF VETERANS AFFAIRS

R. James Nicholson	Feb 1, 2005 -- present
Anthony J. Principi	Jan 23, 2002 – Feb 1, 2005
Hershel Gober (acting)	July 25, 2000 – Jan 2002
Togo D. West, Jr.	1998 – 2000
Hershel Gober (acting)	1997-98
Jesse Brown	1993-97
Anthony J. Principi (acting)	1992-93
Edward J. Derwinski	1989-92

ADMINISTRATORS OF VETERANS AFFAIRS

Thomas K. Turnage	1986-89
Harry N. Walters	1982-86
Robert P. Nimmo	1981-82
Max Cleland	1977-81
Richard L. Roudebush	1974-77
Donald E. Johnson	1969-74
William J. Driver	1965-69
John S. Gleason	1961-64
Sumner G. Whittier	1957-61
Harvey V. Higley	1953-57
Maj. Gen. Carl R. Gray	1948-53
General Omar N. Bradley	1945-47
Brig. Gen. Frank T. Hines	1930-45


Principi


West


Derwinski


Turnage


Nimmo


Roudebush


Driver


Whittier


Gray


Hines

COMPENSATION AND PENSION

CURRENT BENEFITS

COMPENSATION BASED UPON SERVICE CONNECTED DISABILITY OR DEATH

Disability compensation is a monetary benefit paid to veterans with service-connected disabilities. "Service-connected" means the disability was a result of disease or injury incurred or aggravated during active military service. To be eligible for disability compensation, the veteran's discharge must be under conditions other than dishonorable and the disability must not be the result of willful misconduct by the veteran.

Disability compensation is graduated according to the degree of the veteran's disability on a scale from 0 percent disabling to 100 percent disabling, in increments of 10 percent. Additional benefits are payable to veterans with severe disabilities such as anatomical loss or loss of use of a hand or foot, blindness, or deafness. The most seriously disabled veterans receive the highest benefit amounts, and less severely disabled veterans receive lower benefits.

Dependency and Indemnity Compensation (DIC) is payable to the survivors of service members who died while on active duty or veterans who died from their service-connected disabilities. VA may also pay DIC benefits to survivors of continuously rated totally disabled due to service-connected disabilities for ten or more years immediately preceding the veteran's death or five years from the date of the veteran's discharge.

DIC benefits may also be paid to the survivors of former prisoners of war who died after September 30, 1999, and who were continuously rated totally disabled veterans due to a service-connected disability for a period of not less than one year immediately preceding death.

Surviving spouses and dependent children are potentially eligible for DIC benefits. An additional amount is payable if the veteran was rated totally disabled for a period of at least eight years prior to death. For deaths prior to January 1, 1993, benefit rates are based on the veteran's military pay grade or the current monthly rate established by law, whichever is the greater benefit.

Parents of veterans or service members who die as the result of a service-connected disease or injury are also potentially eligible for DIC benefits. Parents' DIC is a needs-based program for financially dependent parents.

PENSION BASED UPON NON SERVICE-CONNECTED DISABILITY OR DEATH

VA pension programs are designed to provide income support to wartime veterans and their families who are experiencing financial hardship. The program is means tested. The total family income from sources other than VA determines the amount of the benefit. Laws establish income limits and regulate the rates of payments.

Wartime veterans who are age 65 and older or are determined permanently and totally disabled as the result of a non-service-connected disability may be eligible for a disability pension. Entitlement to this disability pension is subject to income limitations. Additional amounts may be paid to a veteran who has dependents or who is so disabled as to require the aid and attendance of another person, or is housebound. Benefits are also paid under two protected or "grandfathered" prior pension programs. These rates and limits are fixed at the amounts in effect when the programs were replaced.

Surviving spouses and dependent children of wartime veterans are potentially eligible for death pension benefits, subject to income limitations. As with disability pension, death pension is paid under the current pension program as well as under the two "grandfathered" prior programs.

The new agency was responsible for medical services for war veterans; disability compensation and allowances for World War I veterans; life insurance; bonus certificates; retirement payments for emergency officers; Army and Navy pensions; and retirement payments for civilian employees.

DATA

The table below summarizes information about the beneficiaries who began receiving compensation and pension benefits during FY 2005 and the monetary value of these benefits.

SUMMARY OF BENEFICIARIES WHO BEGAN RECEIVING COMPENSATION AND PENSION BENEFITS IN FISCAL YEAR 2005

BENEFIT PROGRAM	NUMBER OF PEOPLE	ESTIMATED TOTAL ANNUAL AMOUNTS PAID	ESTIMATED AVERAGE ANNUAL AMOUNTS PAID
COMPENSATION–DISABILITY	160,352	$1,140,000,336	$7,109
COMPENSATION–DEATH[1]	19,162	$233,551,743	$12,188
PENSION–DISABILITY	48,662	$417,298,558	$8,575
PENSION–DEATH[2]	23,919	$116,661,799	$4,877
TOTAL	**252,095**	**$1,907,512,435**	**$7,567**

[1] Dependency and Indemnity Compensation; includes surviving spouses, children (not dependents on surviving spouse awards),
[2] Includes surviving spouses and children (not dependents on surviving spouse awards)
Source: Benefits Delivery Network – COIN CP-103 and CP-127

The following table provides the number of active beneficiaries in the compensation and pension benefit programs at the end of FY 2005 and the monetary value of these benefits. *Note this information includes the beneficiaries from the table above plus beneficiaries already on the rolls (active accounts).*

SUMMARY OF ACTIVE COMPENSATION AND PENSION BENEFIT ACCOUNTS AT THE END OF FISCAL YEAR 2005

BENEFIT PROGRAM	NUMBER OF PEOPLE	ESTIMATED TOTAL ANNUAL AMOUNTS PAID	ESTIMATED AVERAGE ANNUAL AMOUNTS PAID
COMPENSATION–DISABILITY	2,636,979	$23,443,450,188	$8,890
COMPENSATION–DEATH[1]	328,809	$4,098,111,813	$12,464
PENSION–DISABILITY	335,787	$2,579,596,356	$7,682
PENSION–DEATH	206,594	$692,384,760	$3,351
TOTAL	**3,508,169**	**$30,813,543,117**	**$8,783**

[1] Dependency and Indemnity Compensation and Death Compensation
Source: Benefits Delivery Network – RCS 20-0221

COMPENSATION – DISABILITY

Disability compensation is payment for disabilities incurred during or aggravated by the veteran's military service (except when the disability resulted from willful misconduct of the veteran). Only veterans (not dependents, survivors, or others) are eligible to receive VA disability compensation.

Disabilities are evaluated according to the VA Schedule for Rating Disabilities in Title 38, U.S. Code of Federal Regulations, Part 4. The Rating Schedule is based on a "whole person" concept. This means that each disability is evaluated for its disabling effect on the whole person.

The range of disabling effects on a person from a specific disability rarely includes every 10 percent increment from zero percent to 100 percent. For example, the Rating Schedule provides four possible evaluations for the disabling effect of a disfiguring scar of the head, face, or neck: 0, 10, 30, or 50 percent, according to the extent of the disfigurement. Active pulmonary tuberculosis, on the other hand, is always rated 100 percent disabling. Multiple disabilities will result in a *combined degree of disability* for purposes of compensation payment.

Combined degree of disability is expressed as a percentage and represents the overall disabling effect on a veteran of all his or her service-connected disabilities. The combined percent is not calculated by summing all the individual degrees of disability. Instead, a rating formula is applied to calculate the overall disabling effect of the veterans' service-connected disabilities. Under certain circumstances, multiple zero percent disabilities can have a combined percentage of 10 percent (38 CFR 3.324). These are called "compensable zeros" and are shown in the 0% row in the tables that follow. Disability compensation monetary amounts are set by Congress and correspond to the combined degree of disability.

The table to the right provides the number of veterans by combined degree of disability who began receiving compensation during FY 2005. A similar table showing the total number of veterans by combined degree of disability receiving compensation at the end of FY 2005 is found on page 23.

VETERANS WHO BEGAN RECEIVING SERVICE-CONNECTED DISABILITY COMPENSATION BY COMBINED DEGREE DURING FISCAL YEAR 2005

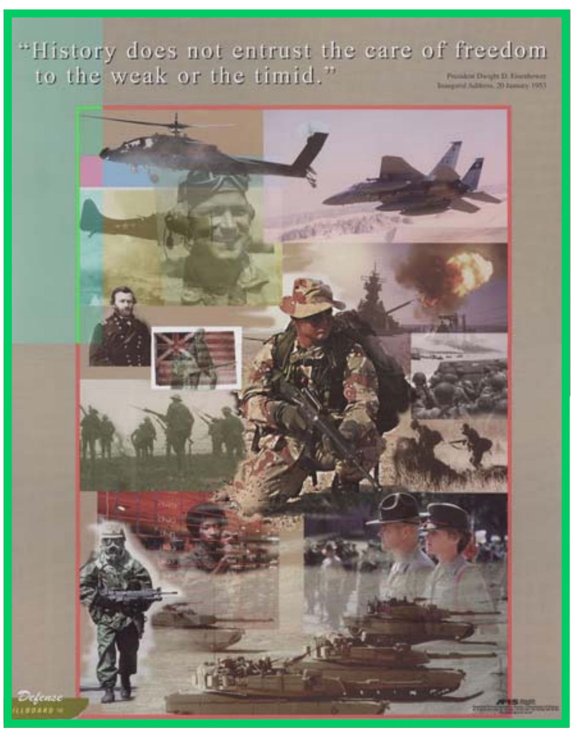
COMBINED DEGREE	NUMBER OF VETERANS	ESTIMATED TOTAL ANNUAL AMOUNTS PAID	ESTIMATED AVERAGE ANNUAL AMOUNTS PAID
0%	504	$441,504	$876
10%	46,264	$60,330,107	$1,304
20%	31,347	$79,671,535	$2,542
30%	22,898	$99,279,317	$4,336
40%	17,311	$108,463,109	$6,266
50%	11,880	$104,623,358	$8,807
60%	9,736	$145,407,939	$14,935
70%	6,863	$149,878,037	$21,839
80%	3,733	$90,421,174	$24,222
90%	1,671	$44,009,729	$26,337
100%	8,145	$257,474,527	$31,611
TOTAL	**160,352**	**$1,140,000,336**	**$7,109**

Source: CP-127

MOST FREQUENT SERVICE-CONNECTED DISABILITIES FOR VETERANS WHO BEGAN RECEIVING COMPENSATION DURING FISCAL YEAR 2005

DISABILITY	NUMBER	PERCENT OF TOTAL
Tinnitus	46,739	9.1%
Defective Hearing	38,657	7.5%
Diabetes Mellitus	24,615	4.8%
Post-Traumatic Stress Disorder	21,428	4.2%
Lumbosacral or Cervical Strain	20,241	3.9%
Generalized, Musculoskeletal Conditions	15,876	3.1%
Arthritis, due to Trauma	15,524	3.0%
Hypertensive Vascular Disease	12,248	2.4%
Degenerative Arthritis of the Spine	12,031	2.3%
Scars, Other	11,605	2.2%
TOTAL - MOST FREQUENT DISABILITIES	**218,964**	**42.4%**
TOTAL - ALL DISABILITIES	**516,059**	**100%**

Source: Benefits Delivery Network - COIN CP-145



FIVE YEAR COMPARISON OF COMBINED DEGREE SERVICE-CONNECTED DISABILITIES FOR VETERANS WHO BEGAN RECEIVING COMPENSATION — BY FISCAL YEAR

COMBINED DEGREE	2001	2002	2003	2004	2005
0%	327	529	635	434	504
10%	25,161	39,336	44,304	42,555	46,264
20%	15,972	37,822	36,035	29,765	31,347
30%	12,785	20,454	22,039	20,031	22,898
40%	8,294	15,476	16,377	14,934	17,311
50%	5,976	9,863	10,869	10,230	11,880
60%	4,159	7,726	8,573	7,961	9,736
70%	3,230	5,582	6,459	6,087	6,863
80%	1,303	2,688	3,184	2,949	3,733
90%	529	1,199	1,456	1,322	1,671
100%	3,690	7,011	8,004	7,913	8,145
TOTAL	**81,426**	**147,686**	**157,935**	**144,181**	**160,352**

FIVE-YEAR COMPARISON OF SERVICE-CONNECTED DISABILITIES BY BODY SYSTEM OF VETERANS WHO BEGAN RECEIVING COMPENSATION — BY FISCAL YEAR

BODY SYSTEM	2001	2002	2003	2004	2005
Musculoskeletal System	110,520	156,339	164,970	164,297	194,331
Impairment of Auditory Acuity	31,995	59,241	75,316	76,836	88,366
Skin	28,047	41,453	42,766	36,955	41,161
Neurological Conditions	12,927	28,794	33,575	28,922	33,602
Cardiovascular System	14,253	26,643	28,069	28,315	26,577
Endocrine System	5,918	39,852	36,897	26,206	26,274
Mental Disorders	16,065	25,402	31,022	23,564	33,308
Respiratory System	14,190	19,304	20,678	19,239	21,903
Digestive System	15,109	21,501	22,017	19,078	21,281
Genitourinary System	6,270	13,392	14,993	12,884	14,670
Eye	2,998	5,320	5,708	4,774	5,529
Infectious Diseases, Immune Disorders, and Nutritional Deficiencies	2,081	3,300	3,233	2,702	2,705
Gynecological Conditions	2,285	2,795	2,780	2,487	2,670
Hemic and Lymphatic Systems	923	1262	1,484	1,822	1,814
Dental and Oral Conditions	1,310	2,087	1,915	1,616	1,868
TOTAL	**264,891**	**446,685**	**485,423**	**449,697**	**516,059**

PERCENT CHANGE FROM FY 2001 — FY 2005

BODY SYSTEM	CHANGE
Musculoskeletal System	75.8%
Impairment of Auditory Acuity	176.2%
Skin	46.8%
Neurological Conditions	159.9%
Cardiovascular System	86.5%
Endocrine System	344.0%
Mental Disorders	107.3%
Respiratory System	54.4%
Digestive System	40.8%
Genitourinary System	134.0%
Eye	84.4%
Infectious Diseases, Immune Disorders, and Nutritional Deficiencies	30.0%
Gynecological Conditions	16.8%
Hemic and Lymphatic Systems	96.5%
Dental and Oral Conditions	42.6%

The table below presents the total number of veterans and estimated amounts paid by combined degree of disability end of FY 2005.

TOTAL NUMBER OF VETEANS RECEIVING SERVICE-CONNECTED DISABILITY BENEFITS BY COMBINED PERCENT OF DISABILITY END OF FISCAL YEAR 2005

COMBINED DEGREE	NUMBER OF VETERANS	ESTIMATED TOTAL ANNUAL AMOUNTS PAID	ESTIMATED AVERAGE ANNUAL AMOUNTS PAID
0%	14,750	$12,921,834	$876
10%	775,854	$1,011,837,165	$1,304
20%	408,667	$1,038,713,180	$2,542
30%	327,007	$1,417,818,180	$4,336
40%	246,987	$1,547,523,119	$6,266
50%	151,943	$1,338,115,117	$8,807
60%	172,694	$2,579,201,375	$14,935
70%	153,190	$3,345,458,414	$21,839
80%	102,979	$2,494,379,640	$24,222
90%	54,161	$1,426,458,008	$26,337
100%	228,747	$7,231,024,156	$31,611
TOTAL	**2,636,979**	**$23,443,450,188**	**$8,890**

Source: Benefits Delivery Network – RCS 20-0223

For comparison, the following table provides combined percent information for veterans receiving compensation at the end of fiscal years 2001 through 2005.

TOTAL VETERANS WITH SERVICE-CONNECTED DISABILITIES BY COMBINED PERCENT - FIVE FISCAL YEARS

COMBINED	2001	2002	2003	2004	2005
0%	16,906	16,364	15,925	15,313	14,750
10%	822,788	805,229	791,473	782,910	775,854
20%	372,113	387,681	396,640	402,492	408,667
30%	308,156	313,207	318,239	321,521	327,007
40%	200,954	214,613	227,918	236,785	246,987
50%	121,316	128,508	136,535	143,291	151,943
60%	126,788	138,378	151,443	161,050	172,694
70%	93,913	107,097	123,951	138,548	153,190
80%	56,945	67,583	80,545	91,526	102,979
90%	26,908	32,897	40,339	46,818	54,161
100%	174,316	186,730	202,221	215,442	228,747
TOTAL	**2,321,103**	**2,398,287**	**2,485,229**	**2,555,696**	**2,636,979**

Source: Benefits Delivery Network – RCS 20-0223

VETERANS RECEIVING SERVICE-CONNECTED DISABILITY COMPENSATION FROM FY 2001 TO 2005 AS A PERCENT OF CHANGE BY COMBINED DEGREE OF DISABILITY

COMBINED DEGREE	PERCENT CHANGE FY 2001 TO 2005
0%	-12.8%
10%	-5.7%
20%	9.8%
30%	6.1%
40%	22.9%
50%	25.2%
60%	36.2%
70%	63.1%
80%	80.8%
90%	101.3%
100%	31.2%

Source: RCS 20-0223

The following tables present information about the age of veterans who began receiving disability compensation benefits during FY 2005 as well as for all veterans receiving disability compensation benefits, with an estimate of the annual payments.

SERVICE-CONNECTED DISABILITY COMPENSATION FOR VETERANS WHO BEGAN RECEIVING COMPENSATION DURING FY 2005 BY AGE

AGE	NUMBER OF VETERANS	ESTIMATE ANNUAL PAYMENTS	PERCENT OF TOTAL
35 and under	37,109	$203,966,316	17.9%
36-55	55,048	$389,088,907	34.1%
56-75	54,840	$430,217,621	37.7%
Over 75	13,355	$116,727,492	10.2%
TOTAL	**160,352**	**$1,140,000,336**	**100.0%**

Source: Benefits Delivery Network - COIN CP-127

SERVICE-CONNECTED DISABILITY COMPENSATION FOR VETERANS RECEIVING COMPENSATION END OF FISCAL YEAR 2005 BY AGE

Age Band	Number of Veterans	Estimated Annual Payments	Percent of Total
35 and under	201,533	$1,045,564,260	4.5%
36-55	816,157	$6,249,379,368	26.7%
56-75	1,101,450	$11,643,387,024	49.7%
75 and Over	517,839	$4,505,119,536	19.2%
TOTAL	**2,636,979**	**$23,443,450,188**	**100%**

Source: RCS 20-0236

As previously noted, many veterans have more than one disability. Each disability is evaluated according to its disabling effect, without regard to other disabling conditions present. A rating formula is applied to assess the overall disabling effect (combined degree) of all the veteran's service-connected conditions.

In contrast to the previous tables, which organized information according to the number of individual veterans and their combined evaluations, the table below organizes information according to the number of service-connected disabilities and their separate evaluations. A "zero percent" service-connected disability rating means a disability exists and is related to the veteran's service but is not so disabling that it entitles the veteran to compensation payments.

Data for the table below and on the following pages are taken from compensation payment records. Consequently, the disabilities of service-connected veterans who do not receive compensation because their combined disability ratings are zero percent are not represented in the table.

The zero percent disabilities shown in these tables are for those veterans who receive compensation (either as a result of having combined multiple zero percent disability evaluations or a zero percent disability and one or more disability rating evaluations above zero percent, i.e., 10 percent or greater).

This table portrays the disabilities of 2,636,979 veterans. The average number of disabilities per veteran is 2.91. Approximately 89% of these disabilities are evaluated in the 0 through 30 percentage rating category.

TOTAL INDIVIDUAL SERVICE-CONNECTED DISABILITIES BY PERCENT FOR VETERANS RECEIVING COMPENSATION END OF FISCAL YEAR 2005

EVALUATION	NUMBER OF DISABILITIES
0%	2,363,021
10%	3,052,872
20%	813,832
30%	593,025
40%	212,238
50%	166,344
60%	142,177
70%	97,526
80%	10,331
90%	3,202
100%	221,219
TOTAL	7,675,787

Source: Benefits Delivery Network – RCS 20-0227

RANKING OF INDIVIDUAL SERVICE-CONNECTED DISABILITIES BY BODY SYSTEM FOR VETERANS RECEIVING COMPENSATION END OF FISCAL YEAR 2005

Body System	Total Number of Disabilities
Musculoskeletal System	3,002,239
Impairment of Auditory Acuity	822,413
Skin	799,131
Neurological Conditions	521,970
Mental Disorders	520,497
Cardiovascular System	471,455
Digestive System	457,934
Respiratory System	347,190
Endocrine System	247,324
Genitourinary System	214,036
Eye	121,443
Gynecological System	46,880
Infectious Diseases, Immune Disorders, Nutritional Deficiencies	45,076
Dental and Oral Conditions	32,211
Hemic and Lymphatic System	25,988
TOTAL	7,675,787

PERCENT OF INDIVIDUAL SERVICE-CONNECTED DISABILITIES BY BODY SYSTEM FOR VETERANS RECEIVING COMPENSATION END OF FISCAL YEAR 2005

Musculoskeletal System	39.1%	Endocrine System	3.2%
Impairment of Auditory Acuity	10.7%	Genitourinary System	2.8%
Skin	10.4%	Eye	1.6%
Neurological Conditions	6.8%	Gynecological System	0.6%
Mental Disorders	6.8%	Infectious Diseases, Immune Disorders, Nutritional Deficiencies	0.6%
Cardiovascular System	6.1%	Dental and Oral Conditions	0.4%
Digestive System	6.0%	Hemic and Lymphatic System	0.3%
Respiratory System	4.5%		

Source: Benefits Delivery Network–RCS 20-0227
Note: Does not include 24 in "Other" category

FIVE-YEAR COMPARISON OF INDIVIDUAL SERVICE-CONNECTED DISABILITIES BY BODY SYSTEM FOR VETERANS RECEIVING COMPENSATION END OF FISCAL YEAR

Body System	2001	2002	2003	2004	2005
Musculoskeletal System	2,412,412	2,524,243	2,652,380	2,786,986	3,002,239
Impairment of Auditory Acuity	530,931	587,524	665,419	742,211	822,413
Skin	731,378	750,407	770,083	778,521	799,131
Neurological Conditions	331,653	369,377	422,448	581,442	521,970
Mental Disorders	414,679	433,618	463,223	488,333	520,497
Cardiovascular System	357,259	385,924	419,039	442,640	471,455
Digestive System	434,606	440,931	448,128	452,307	457,934
Respiratory System	303,890	314,021	325,106	334,866	347,190
Endocrine System	68,040	134,905	185,908	217,126	247,324
Genitourinary System	145,938	161,387	180,785	196,268	214,036
Eye	104,472	108,407	113,553	117,256	121,443
Gynecological Conditions	36,667	39,325	41,905	44,156	46,880
Infectious Diseases, Immune Disorders, and Nutritional Deficiencies	46,714	46,586	46,576	46,045	45,076
Dental and Oral Conditions	27,572	28,924	30,171	31,114	32,211
Hemic and Lymphatic Systems	21,471	22,216	23,122	24,996	25,988
TOTAL	**5,967,682**	**6,347,795**	**6,787,857**	**7,284,267**	**7,675,787**

Source: Benefits Delivery Network–RCS 20-0227
Note: Does not include 24 in "Other" category for FY 2005

CHANGES IN SERVICE-CONNECTED DISABILITIES BY BODY SYSTEM FOR VETERANS RECEIVING COMPENSATION FY 2001-FY 2005

EVALUATION	PERCENT CHANGE	EVALUATION	PERCENT CHANGE
Musculoskeletal System	24.4%	Endocrine System	263.5%
Impairment of Auditory Acuity	54.9%	Genitourinary System	46.7%
Skin	9.3%	Eye	16.2%
Neurological Conditions	57.4%	Gynecological Conditions	27.9%
Mental Disorders	25.5%	Infectious Diseases, Immune Disorders, Nutritional Deficiencies	-3.5%
Cardiovascular System	32.0%	Dental and Oral Conditions	16.8%
Digestive Systems	5.4%	Hemic and Lymphatic System	21.0%
Respiratory System	14.2%	Source: Benefits Delivery Network–RCS 20-0227 **Note: Does not include 24 in "Other" category**	

The following table identifies the total number of individual service-connected disabilities grouped by body systems. The percentages reflect the proportional amount that each rating represents for that body system. Total conditions similarly reflect the proportional amount for each rating group of all body systems, e.g. 39.8% of the total service-connected disabilities are rated at 10%.

TOTAL INDIVIDUAL SERVICE-CONNECTED DISABILITIES FOR VETERANS RECEIVING COMPENSATION END OF FISCAL YEAR 2005 BY PERCENT AND BODY SYSTEM

RATING	MUSCULOSKELTAL SYSTEM		AUDITORY		SKIN		NEUROLOGICAL CONDITIONS		MENTAL DISORDERS		CARDIOVASCULAR SYSTEM		DIGESTIVE SYSTEM		RESPIRATORY SYSTEM	
0%	727,801	24.2%	337,006	41.0%	514,948	64.4%	62,983	12.1%	15,838	3.0%	67,423	14.3%	255,212	55.7%	155,389	44.8%
10%	1,469,77	49.0%	404,826	49.2%	243,153	30.4%	253,633	48.6%	91,107	17.5%	219,665	46.6%	128,543	28.1%	101,951	29.4%
20%	435,193	14.5%	24,888	3.0%	5,307	0.7%	75,809	14.5%	358	0.1%	45,169	9.6%	27,665	6.0%	6,972	2.0%
30%	156,091	5.2%	17,673	2.1%	27,116	3.4%	57,171	11.0%	118,535	22.8%	75,348	16.0%	23,608	5.2%	44,710	12.9%
40%	114,722	3.8%	13,455	1.6%	2,063	0.3%	28,030	5.4%	210	0.0%	11,595	2.5%	7,827	1.7%	1,617	0.5%
50%	20,317	0.7%	7,399	0.9%	3,763	0.5%	14,381	2.8%	92,221	17.7%	1,662	0.4%	946	0.2%	12,694	3.7%
60%	52,179	1.7%	4,703	0.6%	2,107	0.3%	10,159	1.9%	175	0.0%	32,407	6.9%	6,000	1.3%	12,270	3.5%
70%	4,410	0.1%	2,609	0.3%	40	0.0%	3,326	0.6%	84,872	16.3%	237	0.1%	158	0.0%	168	0.0%
80%	1,729	0.1%	2,695	0.3%	376	0.0%	3,361	0.6%	46	0.0%	152	0.0%	123	0.0%	268	0.1%
90%	1,066	0.0%	964	0.1%	5	0.0%	529	0.1%	3	0.0%	10	0.0%	0	0.0%	2	0.0%
100%	18,956	0.6%	6,195	0.8%	253	0.0%	12,588	2.4%	117,132	22.5%	17,787	3.8%	7,852	1.7%	11,149	3.2%
TOTAL	3,002,239	39.1%	822,413	10.7%	799,131	10.4%	521,970	6.8%	520,497	6.8%	471,455	6.1%	457,934	6.0%	347,190	4.5%

Rating	ENDOCRINE SYSTEM		GENITOURINARY SYSTEM		EYE		GYNECOLOGICAL CONDITIONS		INFECTIOUS DISEASES, IMMUNE DISORDERS, NUTRITIONAL DEFICIENCIES		DENTAL AND ORAL CONDITIONS		HEMIC AND LYMPHATIC SYSTEMS		TOTAL ALL CONDITIONS	
0%	7,639	3.1%	104,091	48.6%	39,226	32.3%	16,064	34.3%	35,193	78.1%	16,970	52.7%	7,238	27.9%	2,363,021	30.8%
10%	50,065	20.2%	33,514	15.7%	33,771	27.8%	7,153	15.3%	3,568	7.9%	10,001	31.0%	2,147	8.3%	3,052,872	39.8%
20%	162,472	65.7%	17,528	8.2%	6,898	5.7%	168	0.4%	822	1.8%	2,940	9.1%	1,643	6.3%	813,832	10.6%
30%	3,732	1.5%	18,657	8.7%	26,004	21.4%	11,919	25.4%	1,771	3.9%	1,571	4.9%	9,119	35.1%	593,025	7.7%
40%	15,097	6.1%	9,194	4.3%	6,772	5.6%	470	1.0%	433	1.0%	463	1.4%	290	1.1%	212,238	2.8%
50%	143	0.1%	39	0.0%	1,762	1.5%	10,725	22.9%	68	0.2%	194	0.6%	30	0.1%	166,344	2.2%
60%	4,841	2.0%	13,693	6.4%	1,213	1.0%	119	0.3%	1,796	4.0%	14	0.0%	501	1.9%	142,177	1.9%
70%	61	0.0%	8	0.0%	1,421	1.2%	5	0.0%	21	0.0%	5	0.0%	185	0.7%	97,526	1.3%
80%	96	0.0%	1,221	0.6%	157	0.1%	24	0.1%	73	0.2%	3	0.0%	7	0.0%	10,331	0.1%
90%	23	0.0%	0	0.0%	598	0.5%	0	0.0%	1	0.0%	1	0.0%	0	0.0%	3,202	0.0%
100%	3,155	1.3%	16,091	7.5%	3,621	3.0%	233	0.5%	1,330	3.0%	49	0.2%	4,828	18.6%	221,219	2.9%
TOTAL	247,324	3.2%	214,036	2.8%	121,443	1.6%	46,880	0.6%	45,076	0.6%	32,211	0.4%	25,988	0.3%	7,675,787	100.0%

Source: Benefits Delivery Network – RCS 20-0227

MOST PREVALENT SERVICE-CONNECTED DISABILITIES

Body System and Disability	Total Number	Body System (%)	Body System and Disability	Total Number	Body System (%)
Musculoskeletal System			**Endocrine System**		
Generalized musculoskeletal conditions	300,098	10.0%	Diabetes mellitus	220,532	89.2%
Arthritis, due to trauma	272,047	9.1%	Hypothyroidism	13,464	5.4%
Other impairment of knee	235,158	7.8%	Hyperthyroidism	5,069	2.0%
Impairment of Auditory Acuity			**Genitourinary System**		
Defective hearing (includes former codes for hearing loss)	413,989	50.3%	Generalized genitourinary system	38,400	17.9%
Tinnitus	339,573	41.3%	Malignant neoplasms genitourinary system	33,529	15.7%
Otitis media, suppurative, chronic	21,062	2.6%	Prostate gland injuries, infections, hypertrophy, post-operative residuals	28,210	13.2%
Skin			**Eye**		
Scars, other	283,337	35.5%	Defective visual acuity	30,855	25.4%
Scars, superficial, tender and painful	101,032	12.6%	Generalized eye conditions	14,032	11.6%
Scars, disfiguring, head, face or neck	98,323	12.3%	Conjunctivitis, other, chronic	8,763	7.2%
Neurological Conditions			**Gynecological System**		
Migraine	68,443	13.1%	Uterus and ovaries, removal of, complete	9,570	20.4%
Paralysis of sciatic nerve	66,775	12.8%	Uterus, removal of, including corpus	9,565	20.4%
Paralysis of the median nerve	50,007	9.6%	Generalized, gynecological conditions and disorders of the breast	6,363	13.6%
Mental Disorders			**Infectious Diseases, Immune Disorders, and Nutritional Deficiencies**		
Post-traumatic stress disorder	244,876	47.0%	Malaria (inactive)	31,044	68.9%
Generalized anxiety disorder	63,167	12.1%	Generalized, infectious diseases, immune disorder and nutritional deficiencies	2,930	6.5%
Major depressive disorder	37,825	7.3%	HIV-related illness	2,877	6.4%
Cardiovascular System			**Dental and Oral Conditions**		
Hypertensive vascular disease (essential arterial hypertension)	193,055	40.9%	Temporomandibular articulation, limited motion	12,598	39.1%
Frozen feet, residuals of (immersion foot)	71,294	15.1%	Generalized, dental and oral conditions	7,973	24.8%
Arteriosclerotic heart disease	57,370	12.2%	Mandible, malunion of	6,518	20.2%
Digestive System			**Hemic and Lymphatic Systems**		
Hemorrhoids, external or internal	124,859	27.3%	Splenectomy	6,935	26.7%
Hernia, hiatal	54,105	11.8%	Non-Hodgkin's lymphoma	4,249	16.3%
Duodenal ulcer	52,725	11.5%	Generalized, hemic and lymphatic systems	4,137	15.9%
Respiratory System					
Asthma, bronchial	55,473	16.0%			
Sinusitis, maxillary, chronic	37,108	10.7%			
Septum, nasal, deflection of	27,248	7.8%	**Source: Coin CP-145**		

MOST FREQUENT SERVICE-CONNECTED DISABILITIES FOR VETERANS RECEIVING COMPENSATION END OF FISCAL YEAR 2005

BODY SYSTEM	DISABILITY	NUMBER OF VETERANS	ALL CONDITIONS FY 2005 (PERCENT OF TOTAL)
Impairment of Auditory Acuity	Defective hearing	413,989	5.4%
Impairment of Auditory Acuity	Tinnitus	339,573	4.4%
Musculoskeletal System	Generalized Musculoskeletal Systems	300,098	3.9%
Skin	Scars, other	283,337	3.7%
Musculoskeletal System	Arthritis, Due to Trauma, substantiated by x-ray findings	272,047	3.5%
Mental Disorders	Post-Traumatic Stress Disorder	244,876	3.2%
Musculoskeletal System	Other impairment of knee	235,158	3.1%
Endocrine System	Diabetes Mellitus	220,532	2.9%
Cardiovascular System	Hypertensive vascular disease (essential arterial hypertension)	193,055	2.5%
Musculoskeletal System	Arthritis, Degenerative, Hypertrophic or Osteoarthritis	162,004	2.1%

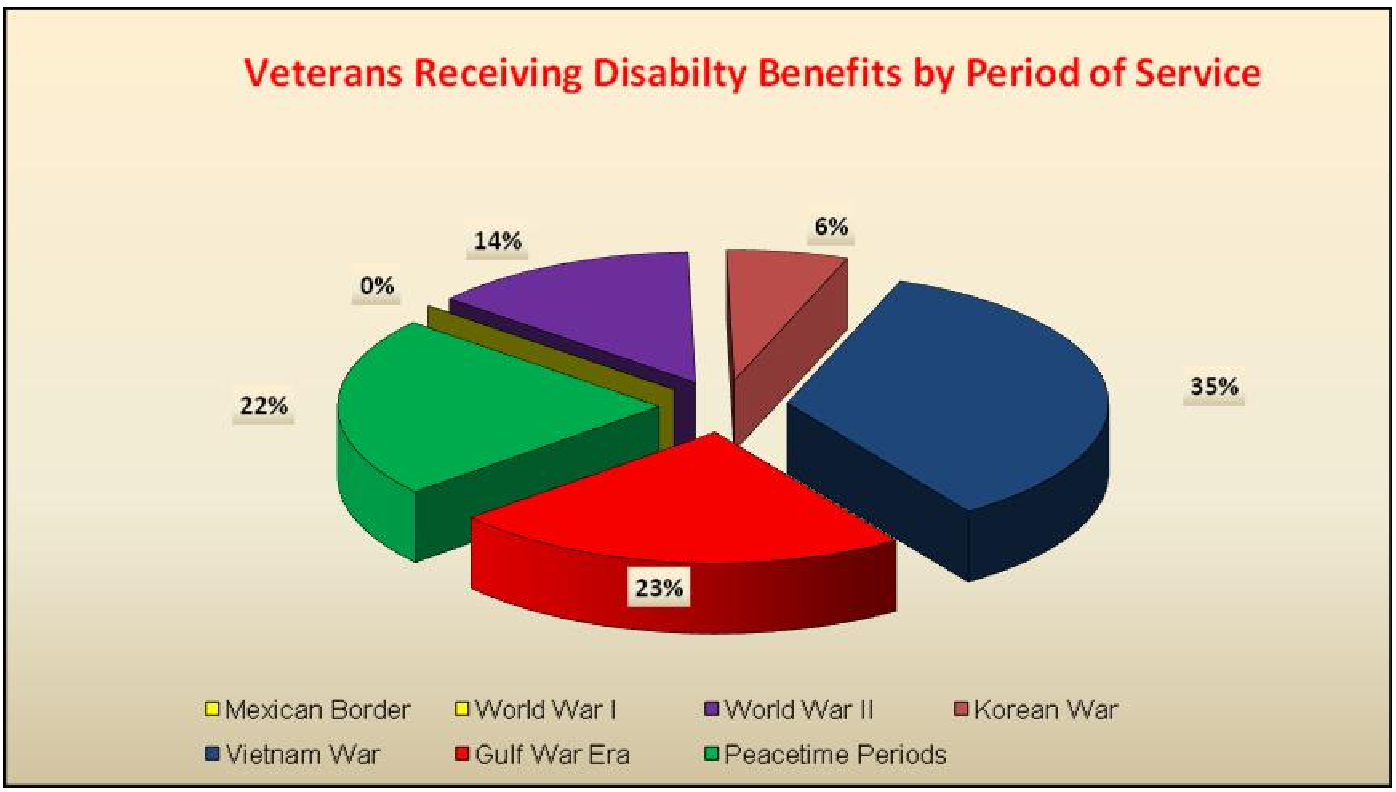
Source: RCS 20-0227

This table shows the total number of veterans receiving disability compensation at the end of FY 2005 by period of service. Also provided are the estimated annual and average annual payments made during the fiscal year. The chart depicts the percentages of totals for each group. (Note: The graph combines the Mexican Border and World War 1 data.)

TOTAL VETERANS RECEIVING SERVICE-CONNECTED DISABILITY BENEFITS END OF FISCAL YEAR 2005

PERIOD OF SERVICE	NUMBER OF VETERANS	ESTIMATED TOTAL ANNUAL AMOUNTS PAID	ESTIMATED AVERAGE ANNUAL AMOUNTS PAID
MEXICAN BORDER	1	$10,068	$10,068
WORLD WAR I	3	$39,960	$13,320
WORLD WAR II	356,190	$2,968,796,760	$8,335
KOREAN WAR	161,512	$1,465,431,180	$9,073
VIETNAM ERA	916,220	$10,692,618,372	$11,670
GULF WAR ERA	611,729	$3,979,984,500	$6,506
PEACETIME PERIODS	591,324	$4,336,569,348	$7,334
TOTAL	**2,636,979**	**$23,443,450,188**	**$8,890**

Source: Benefits Delivery Network – RCS 20-0221



This table shows the ten most prevalent service-connected disabilities for veterans from World War II, Korea, Vietnam, the Gulf War Era, and the various Peacetime periods.

MOST PREVALENT DISABILITIES AT THE END OF FISCAL YEAR 2005 BY PERIOD OF SERVICE

PERIOD OF SERVICE	DISABILITY	NUMBER OF DISABILITIES	PERCENT OF BODY SYSTEM TOTAL
WWII	DEFECTIVE HEARING	42,464	5.8%
	FROZEN FEET, RESIDUALS OF (IMMERSION FOOT)	39,169	5.4%
	TINNITUS	32,491	4.5%
	GENERALIZED ANXIETY DISORDER	31,367	4.3%
	SCARS, OTHER	30,571	4.2%
	POST-TRAUMATIC STRESS DISORDER	25,281	3.5%
	ARTHRITIS, DUE TO TRAUMA, SUBSTANTIATED BY X-RAYS	24,420	3.3%
	SCARS, SUPERFICIAL, TENDER AND PAINFUL	15,584	2.1%
	FLATFOOT, ACQUIRED	15,359	2.1%
	SCARS, DISFIGURING, HEAD, FACE OR NECK	11,718	1.6%
KOREA	DEFECTIVE HEARING	25,529	7.2%
	TINNITUS	22,100	6.2%
	FROZEN FEET, RESIDUALS OF (IMMERSION FOOT)	19,808	5.6%
	SCARS, OTHER	15,476	4.4%
	POST-TRAUMATIC STRESS DISORDER	10,994	3.1%
	ARTHRITIS, DUE TO TRAUMA, SUBSTANTIATED BY X-RAY	10,030	2.8%
	SCARS, SUPERFICIAL, TENDER AND PAINFUL	7,147	2.0%
	DUODENAL ULCER	6,825	1.9%
	SCARS, DISFIGURING, HEAD, FACE OR NECK	5,758	1.6%
	GENERALIZED MUSCULOSKELETAL CONDITIONS	5,552	1.6%
VIETNAM	DIABETES MELLITUS	190,199	6.9%
	POST-TRAUMATIC STRESS DISORDER	179,737	6.5%
	DEFECTIVE HEARING	129,323	4.7%
	SCARS, OTHER	121,850	4.4%
	TINNITUS	120,625	4.4%

Most Prevalent Disabilities at the End of Fiscal Year 2005 by Period of Service			
Period of Service	Disability	Number of Disabilities	Percent of Total
Vietnam	Generalized Musculoskeletal Conditions	78,270	2.9%
	Hypertensive vascular disease (essential arterial hypertension)	72,169	2.6%
	Arthritis, Due to Trauma, substantiated by X-ray findings	69,034	2.5%
	Other impairment of knee	62,713	2.3%
	Arthritis, Degenerative, Hypertrophic, or Osteoarthritis	52,920	1.9%
Gulf War	Generalized Musculoskeletal Conditions	131,092	5.9%
	Tinnitus	104,039	4.7%
	Arthritis, Due to Trauma, substantiated by X-ray findings	100,374	4.5%
	Other impairment of knee	81,677	3.7%
	Hypertensive vascular disease (essential arterial hypertension)	64,558	2.9%
	Lumbo-sacral strain	61,658	2.8%
	Scars, other	60,350	2.7%
	Defective hearing	60,023	2.7%
	Arthritis, Degenerative, Hypertrophic or Osteoarthritis	54,042	2.4%
	Limited motion of ankle	53,002	2.4%
Peacetime	Generalized Musculoskeletal Conditions	78,233	4.9%
	Other impairment of knee	77,768	4.9%
	Arthritis, Due to Trauma, substantiated by X-ray findings	68,068	4.2%
	Defective hearing	64,013	4.0%
	Tinnitus	60,278	3.8%
	Scars, other	54,823	3.4%
	Hypertensive vascular disease (essential arterial hypertension)	50,247	3.1%
	Lumbo-sacral strain	44,736	2.8%
	Arthritis, Degenerative, Hypertrophic or Osteoarthritis	39,646	2.5%
	Intervertebral disc syndrome	37,103	2.3%

The table below shows the total number of disabilities, average number of disabilities per veteran, number of veterans with compensation, and total veteran population at the end of FY 2005 by period of service.

SERVICE-CONNECTED DISABILITIES AT THE END OF FISCAL YEAR 2005 BY PERIOD OF SERVICE

PERIOD OF SERVICE	WORLD WAR II	KOREA	VIETNAM	GULF WAR ERA	PEACETIME PERIODS
TOTAL NUMBER OF DISABILITIES	728,911	355,344	2,745,555	2,233,479	1,602,697
AVERAGE NUMBER OF DISABILITIES PER VETERAN	2.0	2.2	3.0	3.7	2.7
VETERANS BY PERIOD OF SERVICE WITH COMPENSATION	356,190	161,512	916,220	611,729	591,324
TOTAL VETERAN POPULATION BY PERIOD OF SERVICE *	3,525,769	3,256,925	8,054,993	4,377,845	6,231,463

*This sum includes veterans whose service is across multiple periods of service; VA Office of Policy & Planning for Veteran Population as of September 30, 2005.

Source: RCS 20-0221 and RCS 20-0227

COMPENSATION – DEATH

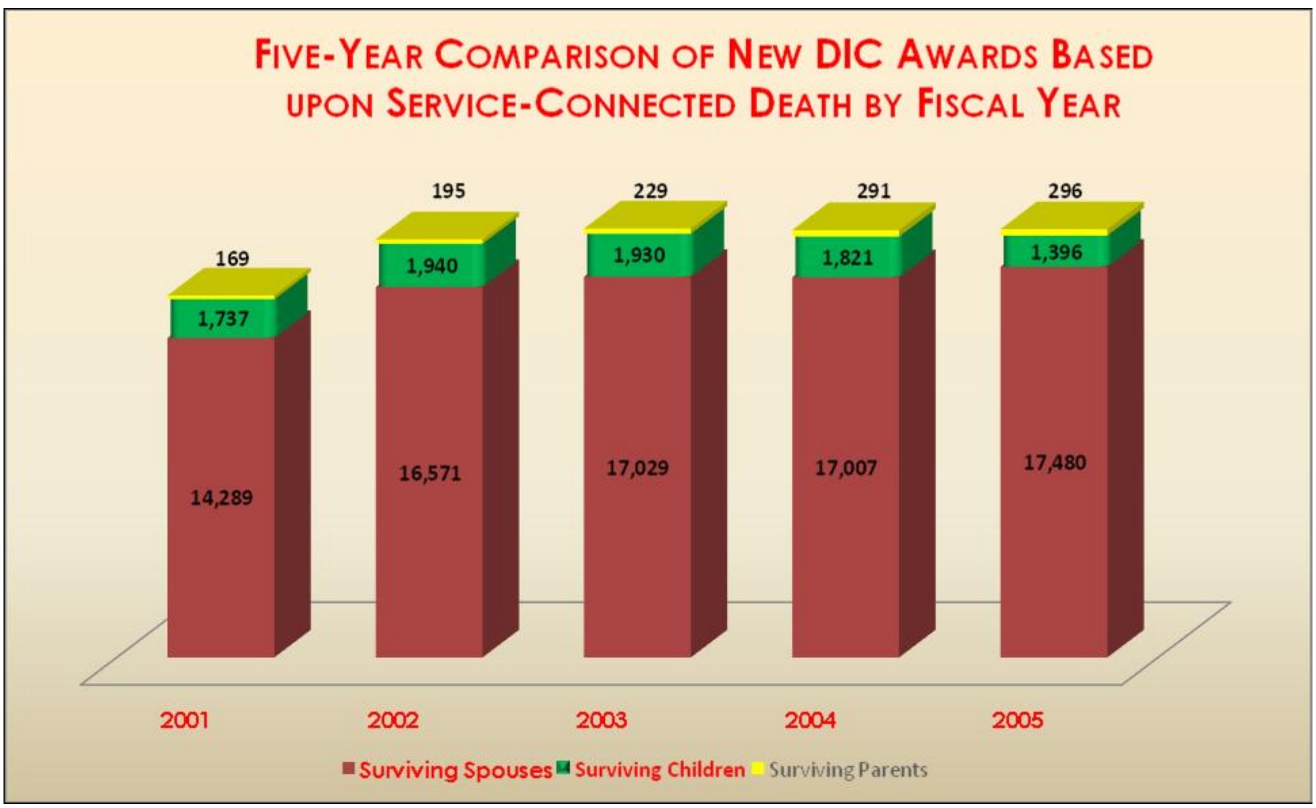
Dependency and Indemnity Compensation (DIC) is payable to survivors of veterans who die of service-related causes. This section provides information about surviving spouses, children, and parents who received DIC during FY 2005.

The next table shows the number of surviving spouses, children (those not included as dependents on a surviving spouse's award), and dependent parents initially awarded DIC benefits during FY 2005. The table also identifies the total annual and average annual amounts of DIC benefits paid to these survivors. The five-year comparison of these data is presented in graphic form.

TOTAL BENEFICIARIES WHO BEGAN RECEIVING DIC IN FISCAL YEAR 2005

TYPE OF BENEFIT	NUMBER OF BENEFICIARIES	ESTIMATED TOTAL ANNUAL AMOUNTS PAID	ESTIMATED AVERAGE ANNUAL AMOUNTS PAID
SURVIVING SPOUSES	17,480	$224,481,354	$12,842
SURVIVING CHILDREN	1,396	$8,352,380	$5,983
SURVIVING PARENTS	286	$718,009	$2,511
TOTAL	**19,162**	**$233,551,743**	**$12,188**

Source: Benefits Delivery Network – COIN CP-127



The following table presents information about the age of surviving spouses who began receiving DIC benefits during FY 2005.

BENEFICIARIES WHO BEGAN RECEIVING DIC YEAR 2005			
AGE	NUMBER	ESTIMATED ANNUAL PAYMENTS	PERCENT OF TOTAL
Under 35	658	$8,155,966	3.8%
36-55	3,003	$38,120,485	17.2%
56-75	8,106	$104,060,617	46.4%
Over 75	5,713	$74,144,287	32.7%
TOTAL	**17,480**	**$224,481,354**	**100%**

The table below shows the DIC children not in the custody of a surviving spouse in two age categories: those under age 18 and those over age 18. Children over age 18 are shown according to their beneficiary status: those eligible to receive DIC because of school attendance and those eligible because they are helpless.

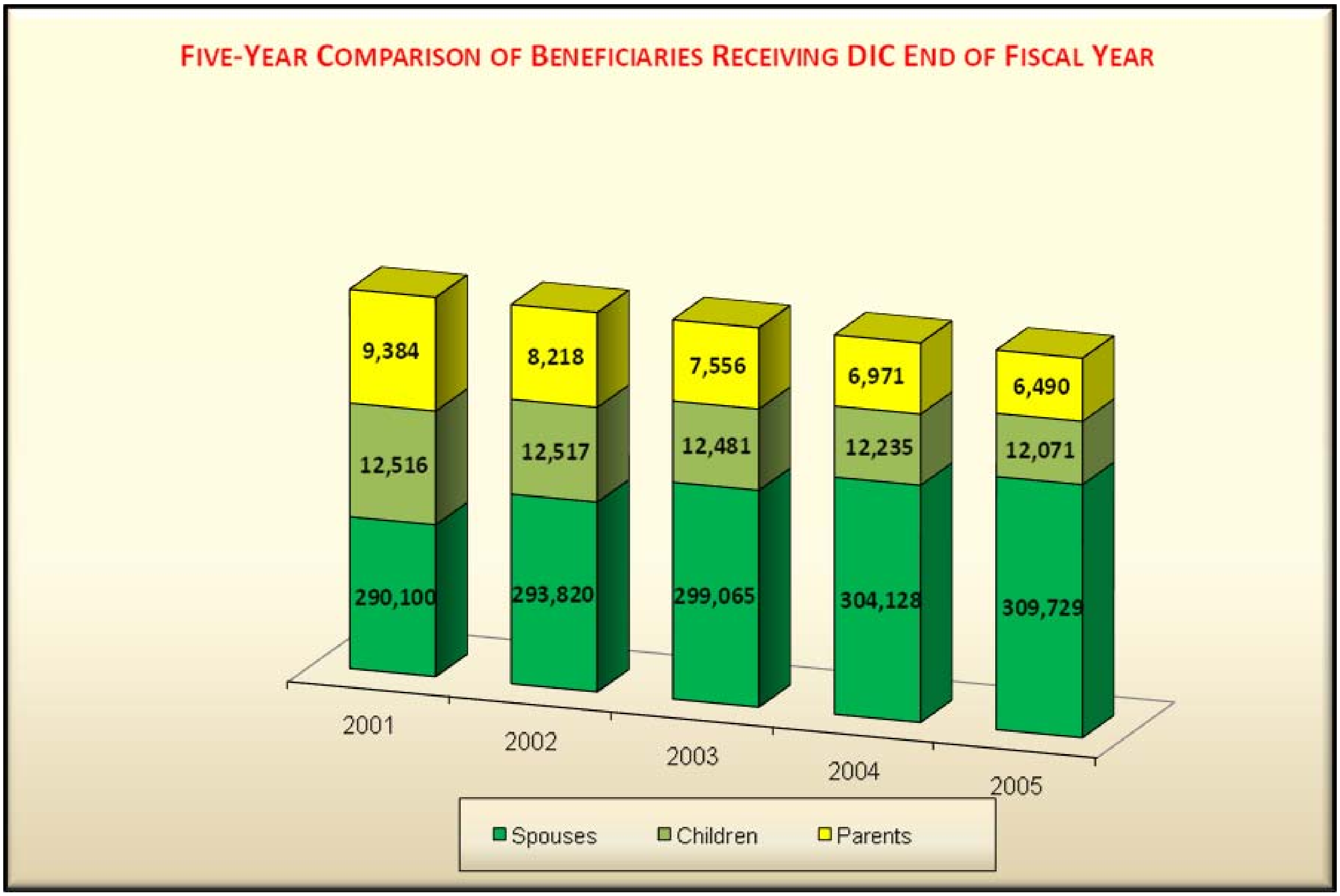
CHILDREN'S AGE	NUMBER	ESTIMATED ANNUAL PAYMENT
Under Age 18[1]	606	$3,220,770
Age 18 and Over in School	598	$1,821,986
Age 18 and Over and Helpless	192	$1,248,077
TOTAL	1,396	$ 6,292,834

The following table identifies the total number of beneficiaries on the rolls receiving service-connected death benefits at the end of FY 2005 as well as the estimated total and average annual amounts paid.

BENEFICIARIES RECEIVING SERVICE-CONNECTED DEATH BENEFITS END OF FISCAL YEAR 2005

RELATIONSHIP	NUMBER	PERCENT OF TOTAL BENEFICIARIES	ESTIMATED TOTAL ANNUAL AMOUNTS	ESTIMATED AVERAGE ANNUAL AMOUNTS
SURVIVING SPOUSES	309,729	94.2%	$4,009,103,807	$12,944
SURVIVING CHILDREN	12,071	3.7%	$72,221,759	$5,983
SURVIVING PARENTS	6,490	2.0%	$16,293,275	$2,511
DEATH COMPENSATION	519	0.2%	$492,972	$950
TOTAL	**328,809**	100%	**$4,098,111,813**	**$12,464**

Source: CP-127 and RCS 20-0221



The tables below show the number and percentages of beneficiaries receiving DIC and Death Compensation (pre-DIC program) by the veterans' period of service. Also shown are the estimated total annual payments by period of service.

TOTAL BENEFICIARIES RECEIVING SERVICE-CONNECTED DEATH BENEFITS BY PERIOD OF SERVICE END OF FISCAL YEAR 2005

PERIOD OF SERVICE	NUMBER OF BENEFICIARIES	PERCENT OF TOTAL BENEFICIARIES	ESTIMATED TOTAL ANNUAL AMOUNTS PAID
SPANISH AMERICAN WAR	10	0.0%	$129,503
MEXICAN BORDER	2	0.0%	$26,806
WORLD WAR I	1,134	0.3%	$13,320,794
WORLD WAR II	107,706	32.8%	$1,344,955,351
KOREAN	37,276	11.3%	$478,337,564
VIETNAM	132,562	40.3%	$1,634,722,308
GULF WAR ERA	13,667	4.2%	$176,910,510
PEACETIME	36,453	11.1%	$449,708,938
TOTAL	328,809	100%	$4,098,111,813

Source: Benefits Delivery Network – RCS 20-0221

Surviving Spouses Receiving DIC End of Fiscal Year 2005 by Age

Age	Number	Annual Payment
Age 35 and Under	2,886	$35,685,588
36-55	33,236	$416,434,206
56-75	124,309	$1,604,596,057
Over 75	149,298	$1,952,387,957
TOTAL	309,729	$4,009,103,807

Sources: RCS 20-0221 and CP 127

Children Receiving DIC End of Fiscal Year 2005 by Age

Age	Number	Annual Payment
Under Age 18	4,183	$23,067,127
Age 18 and Over in School	615	$1,873,414
Age 18 and Over and Helpless	7,273	$47,280,917
TOTAL	12,071	$72,221,459

Source: CP-127

PENSION – DISABILITY

Disability pension is payable to wartime veterans who are age 65 and older or are determined permanently and totally disabled as the result of a non-service-connected disability. Disabilities for pension claims are evaluated in the same manner as disabilities for compensation claims (using the VA Schedule for Rating Disabilities in Title 38, U.S. Code of Federal Regulations,
Part 4.)

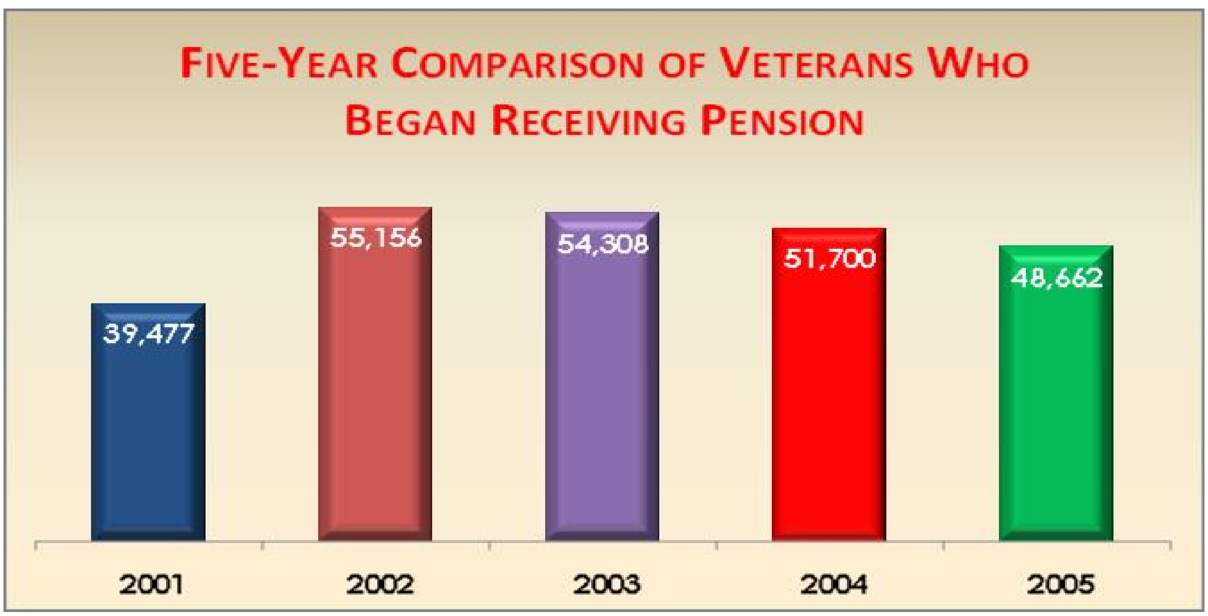
The number of veterans added to the disability pension rolls during FY 2005 is shown in the next table. The table also shows the total annual amount and the average annual amount of disability pension payments.

The category called "Other Pension Programs" groups the two older pension programs – Protected Pension (or Old Law Pension) and Section 306 Pension - into one. No original claims can be granted under these two protected, or "grandfathered", pension programs. There are instances, however, when former beneficiaries under these programs can have their benefits restored if they meet the necessary income and eligibility criteria.

VETERANS WHO BEGAN RECEIVING DISABILITY PENSION FISCAL YEAR 2005 BY PROGRAM

TYPE OF PENSION	NUMBER OF VETERANS	ESTIMATED TOTAL ANNUAL AMOUNTS PAID	ESTIMATED AVERAGE ANNUAL AMOUNTS PAID
PL 95-588– NEW LAW PENSION	48,650	$417,280,954	$8,577
OTHER PENSION PROGRAMS	12	$7,604	$1,467
TOTAL	**48,662**	**$417,298,558**	**$8,575**

SOURCE: BENEFITS DELIVERY NETWORK – COIN CP-103

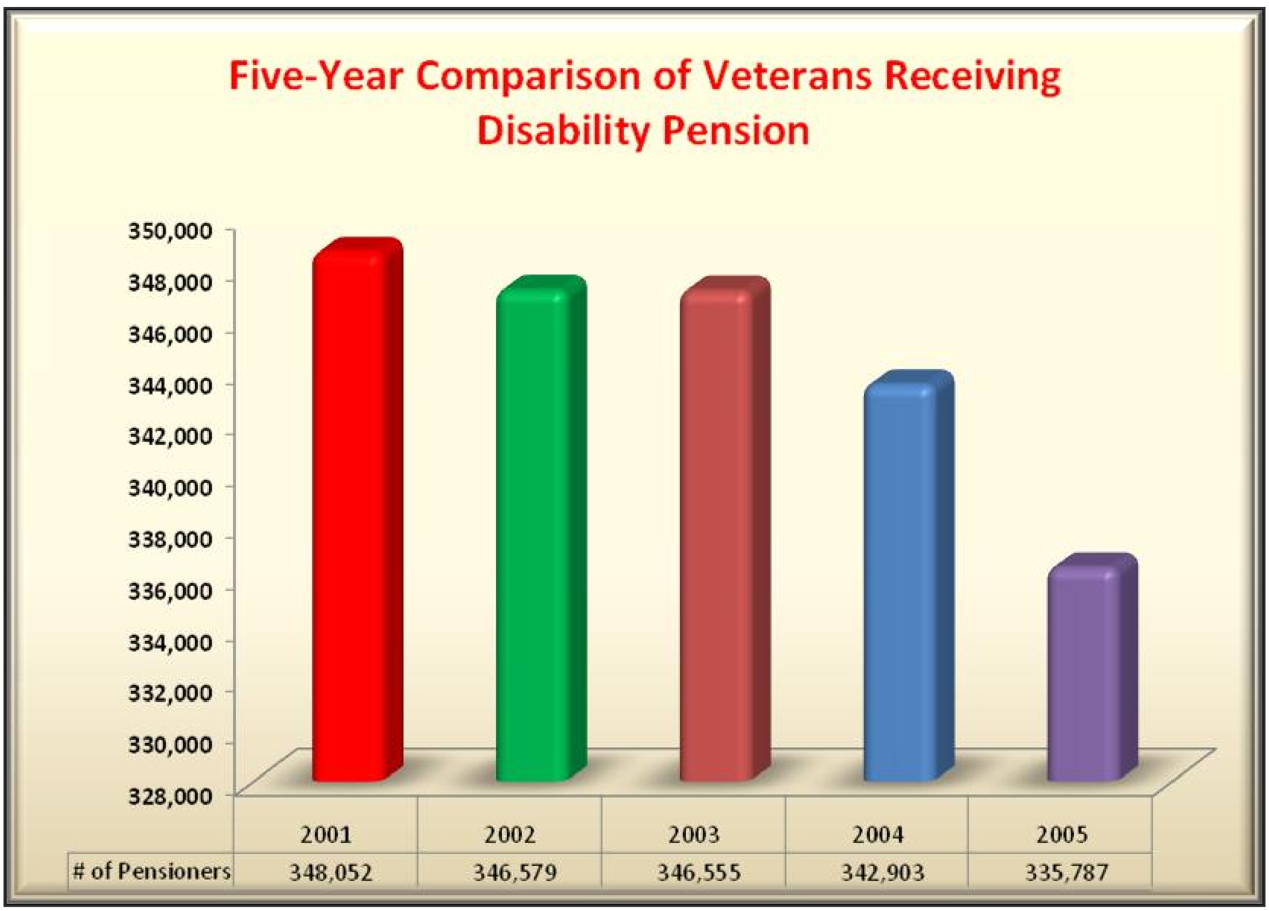


The table below identifies the total number of beneficiaries on the rolls receiving disability pension benefits at the end of FY 2005 as well as the estimated total and average annual amounts paid. The chart presents five years of these total numbers of veterans receiving pension.

TOTAL VETERANS RECEIVING DISABILITY PENSION
END OF FISCAL YEAR 2005 BY PROGRAM

TYPE OF PENSION	NUMBER OF VETERANS	ESTIMATED ANNUAL AMOUNTS PAID
PROTECTED (OLD LAW) PENSION	136	$145,872
SECTION 306 PENSION	10,100	$16,579,236
PL 95-588 NEW LAW PENSION	325,551	2,562,871,248
TOTAL	**335,787**	**$2,579,596,356**

Source: Benefits Delivery Network – RCS 20-0221



The distribution of veterans by period of service is presented below.

DISABILITY PENSION END OF FISCAL YEAR 2005 BY PERIOD OF SERVICE

PERIOD OF SERVICE	OTHER PENSION NUMBER OF VETERANS	NEW LAW PENSION NUMBER OF VETERANS	TOTAL PERIOD OF SERVICE	ESTIMATED ANNUAL AMOUNTS PAID
WORLD WAR I		5	5	$34,956
WORLD WAR II	6,685	103,243	109,928	$731,007,528
KOREAN WAR	2,767	66,699	69,466	$399,789,840
VIETNAM WAR	784	150,670	151,454	$1,400,557,464
GULF WAR ERA	0	4,934	4,934	$48,206,568
TOTAL	**10,236**	**325,551**	**335,787**	**$2,579,596,356**

Source: Benefits Delivery Network – RCS 20-0221 Note: The "Other Pension" category groups the two older pension programs (Protected Pension or Old Law and Section 306 Pension) into one category.

The number and annual amount of disability pension payments for each age group are shown in the table below. The "Other Pension" category groups the two older pension program, Protected Pension (or Old Law) and Section 306 Pension, into one. Additionally, this category references entitlement restored. The average age of a veteran in these programs is 68.4 years.

NUMBER OF VETERANS WHO BEGAN RECEIVING DISABILITY PENSION BENEFITS DURING FY 2005 BY AGE

AGE	OTHER PENSION*	NEW LAW PENSION	COMBINED PROGRAMS	ESTIMATED ANNUAL AMPOUNT PAID	PERCENT OF TOTAL
35 and Under	0	557	557	$4,776,526	1.1%
36-55	1	12,459	12,460	$106,850,110	25.6%
56-75	5	18,124	18,129	$155,464,337	37.3%
Over 75	7	17,509	17,516	$150,207,586	36.0%
TOTAL	**13**	**48,649**	**48,662**	**$417,298,558**	**100.0%**

Source: CP-103; *The "Other Pension" category groups the two older pension program, Protected Pension (or Old Law) and Section 306 Pension, into one. Additionally, this category references entitlement restored.

The following tables present information about the age of veterans who received pension benefits during FY 2005 and are followed by a chart presenting the percentages by period of service.

VETERANS RECEIVING DISABILITY PENSION
END OF FISCAL YEAR 2005 BY AGE

Age	Number of Veterans	Estimated Annual Payments
Under 45	4,081	$41,491,820
45-54	51,663	$489,078,612
55-69	105,467	$945,680,568
70-84	137,958	$833,755,008
85 and Over	36,618	$269,590,349
TOTAL	**335,787**	**$2,579,596,356**

Source: RCS-20-0236 Table 2 and RCS-20-0238 Table 8

PENSION – DEATH

The death pension program provides income support to surviving spouses and dependent children of wartime veterans who are experiencing financial hardship. Laws establish income limits and regulate the rates of payments. Death pension is paid under the current pension program as well as under the two "grandfathered" prior programs.

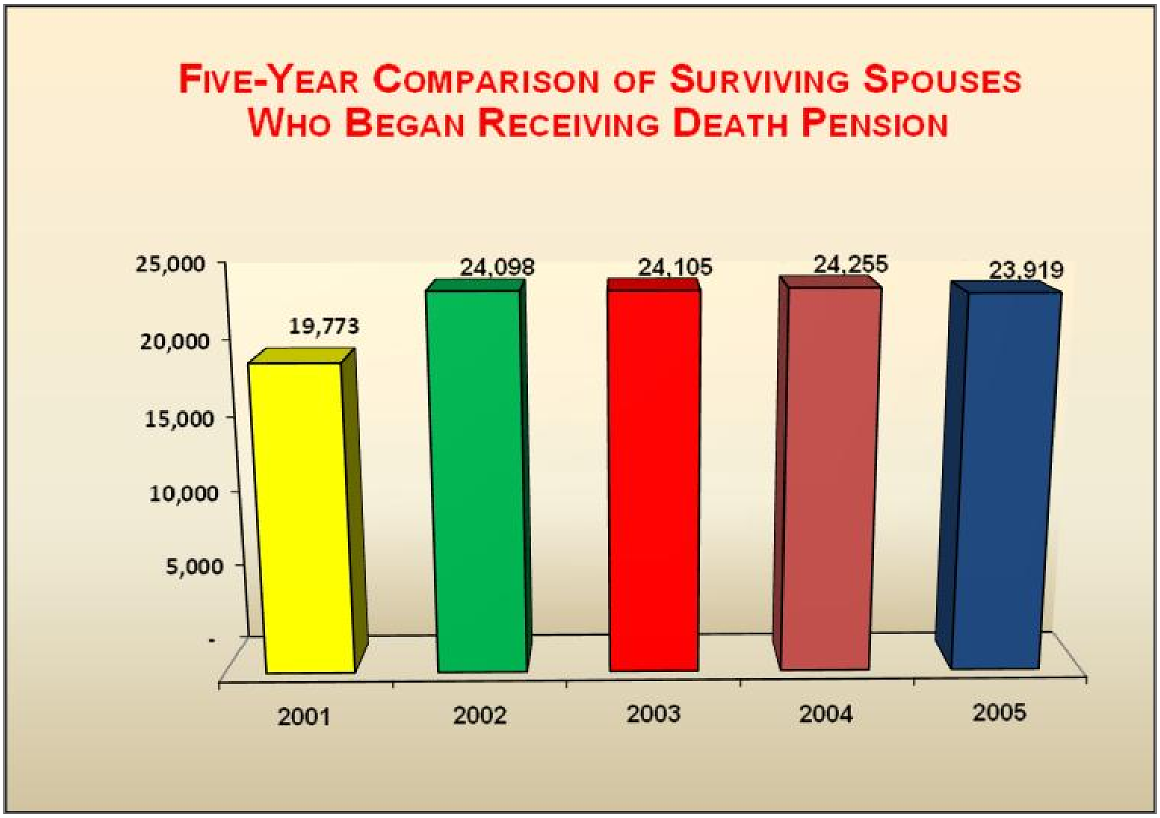
The number of beneficiaries added to the death pension rolls during FY 2005 is shown in the next table. The table also shows the total annual amount and the average annual amount of death pension payments. The table groups the two older pension programs into one category called "Other Pensions." Original claims can no longer be granted under the two older pension programs. However, survivors whose awards were previously stopped can be reinstated if they meet certain income and entitlement criteria.

BENEFICIARIES WHO BEGAN RECEIVING DEATH PENSION DURING FISCAL YEAR 2005 BY PROGRAM

TYPE OF PENSION	NUMBER OF BENEFICIARIES	ESTIMATED TOTAL ANNUAL AMOUNTS	ESTIMATED AVERAGE ANNUAL AMOUNTS
PL 95-588– NEW LAW PENSION	23,869	$116,630,320	$4,886
OTHER PENSION	50	$31,479	$630
TOTAL	**23,919**	**$116,661,799**	**$4,877**

Source: Benefits Delivery Network – COIN CP-103

A five-year fiscal year comparison is graphically depicted below. The table below presents information about the age of surviving spouses who began receiving death pension benefits during FY 2005.



BENEFICIARIES WHO BEGAN RECEIVING DIEATH PENSION DURING FISCAL YEAR 2005 BY AGE

AGE	OTHER PENSION*	NEW LAW PENSION	COMBINED PROGRAMS	ESTIMATED ANNUAL AMOUNT PAID	PERCENT OF TOTAL
35 and Under	0	80	**80**	$394,461	0.3%
36-55	1	2,417	**2,418**	$11,922,584	10.3%
56-75		6,180	**6,180**	$30,472,113	26.2%
Over 75	6	14,863	**14,869**	$73,315,510	63.1%
TOTAL	**7**	**23,540**	**23,547**	**$116,104,668**	**100.0%**

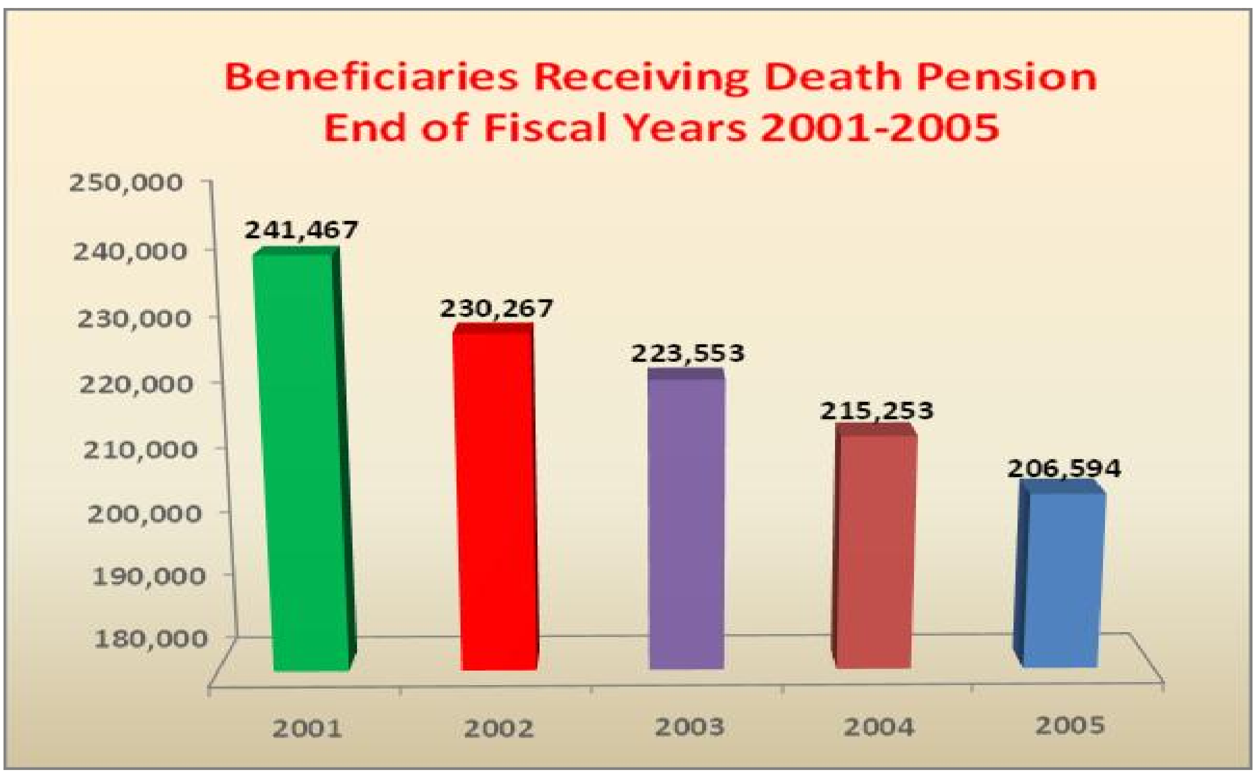
Source: CP-103; *The "Other Pension" category groups the two older pension program, Protected Pension (or Old Law) and Section 306 Pension, into one. Additionally, this category references entitlement restored.

The table below identifies the total number of beneficiaries on the rolls receiving death pension benefits at the end of FY 2005 as well as the estimated total and average annual amounts paid.

TOTAL BENEFICIARIES RECEIVING DEATH PENSION BY PROGRAM END OF FISCAL YEAR 2005

TYPE OF PENSION	NUMBER OF BENEFICIARIES	ESTIMATED TOTAL ANNUAL AMOUNTS PAID
PROTECTED (OLD LAW) PENSION	423	$304,116
SECTION 306 PENSION	43,548	$46,581,540
PL 95-588 NEW LAW PENSION	162,623	$645,499,104
TOTAL	**206,594**	**$692,384,760**

Source: Benefits Delivery Network – RCS 20-0221



SURVIVNG SPOUSES RECEIVING DEATH PENSION END OF FISCAL YEAR 2005 BY AGE

Age	Other Pension*	New Law Pension	All Pension Programs	Estimated Annual Payment
Age 35 and Under	4	273	277	$1,114,583
36-55	190	15,405	15,595	$62,906,683
56-75	3,904	54,266	58,170	$225,383,151
Over 75	29,685	87,814	117,499	$391,950,273
TOTAL	**33,783**	**157,758**	**191,541**	**$681,354,689**

Source: CP-103
* The "Other Pension" category groups the two older pension programs Protected Pension or Old Law and Section 306 Pension into one category.

NON SERVICE-CONNECTED DEATH PENSION BY PERIOD OF SERVICE

Period of Service	Total	Percent of Total
Wars of 1800s	**369**	0.2%
World War I	**12,077**	5.8%
World War II	**145,969**	70.7%
Korean	**27,691**	13.4%
Vietnam	**20,214**	9.8%
Gulf War Era	**274**	0.1%
TOTAL	**206,594**	**100.0%**

Source: Benefits Delivery Network–RCS 20-0221
"Wars of the 1800s" include the Civil War, Mexican Border Era, and Spanish-American War.

This same information is displayed by the veterans' period of service.

DEATH PENSION BY PERIOD OF SERVICE END OF FISCAL YEAR 2005				
PERIOD OF SERVICE	OTHER PENSION NUMBER OF BENEFICIARIES	NEW LAW PENSION NUMBER OF BENEFICIARIES	TOTAL PERIOD OF SERVICE	TOTAL PAYMENTS
WARS OF 1800S	203	166	**369**	**$1,124,208**
WORLD WAR I	5,864	6,213	**12,077**	**$29,758,440**
WORLD WAR II	34,143	111,826	**145,969**	**$441,605,976**
KOREAN	3,197	24,494	**27,691**	**$99,621,324**
VIETNAM	564	19,650	20,214	**$118,629,048**
GULF WAR ERA	0	274	274	**$1,645,764**
TOTAL	**43,971**	**162,623**	**206,594**	**$692,384,760**

Source: Benefits Delivery Network–RCS 20-0221
The "Other Pension" category groups the two older pension programs Protected Pension or Old Law and Section 306 Pension into one category. "Wars of the 1800s" include the Civil War, Mexican Border Era, and Spanish-American War.

FIDUCIARY PROGRAM

VA's Fiduciary Program is responsible for protecting the benefit entitlement of incompetent VA beneficiaries and ensuring that benefits are used for their welfare and needs. Program responsibilities include selecting and monitoring a qualified fiduciary that meets the needs and situation of the beneficiary. This section provides information concerning fiduciaries who have been appointed to receive payments for VA beneficiaries.

The table below provides the number of beneficiaries with a fiduciary by payee type.

NUMBER OF BENEFICIARIES BY PAYEE TYPE	
TYPE OF PAYEE	NUMBER OF BENEFICIARIES
VETERAN	65,328
SURVIVING SPOUSE	13,661
ADULT DISABLED CHILD	18,597
MINOR CHILD	2,908
DEPENDENT PARENT	167
TOTAL	**100,661**

BENEFITS PAID BY PAYEE CATEGORY AND BENEFIT PROGRAM		
BENEFIT PROGRAM/ PAYEE CATEGORY	**ESTIMATED TOTAL ANNUAL AMOUNTS PAID**	**ESTIMATED AVERAGE ANNUAL AMOUNTS PAID**
COMPENSATION–DISABILITY	**$964,948,296**	$28,355
COMPENSATION–DEATH	**$92,315,976**	$8,536
PENSION–DISABILITY	**$253,155,444**	$9,892
PENSION - DEATH	**$62,796,588**	$2,783
TOTAL	**$1,373,216,304**	$14,765

Source: CP 129- December 2005

The next table shows the relationship of the appointed fiduciaries to the beneficiaries.

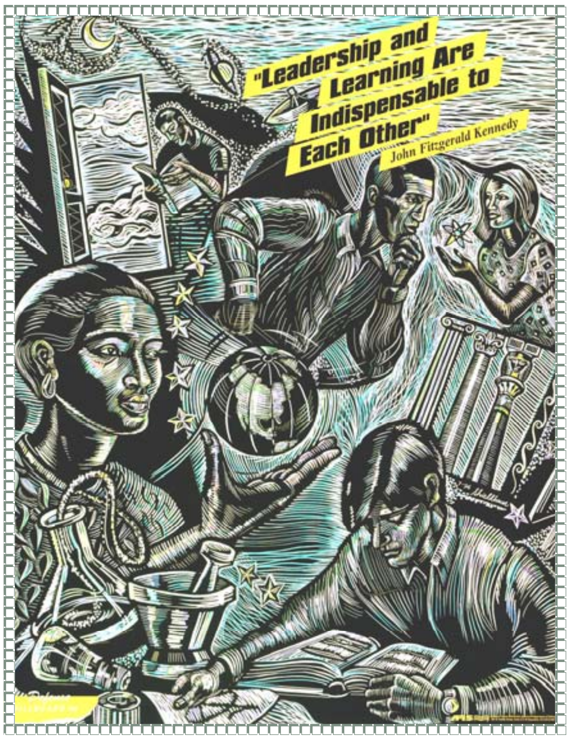
RELATIONSHIP OF FIDUCIARY	
RELATIONSHIP	**NUMBER**
LEGAL CUSTODIAN	67,420
SPOUSE	13,909
COURT-APPOINTED FIDUCIARY	11,854
INSTITUTIONAL	3,875
CUSTODIAN-IN-FACT	354
SUPERVISED DIRECT PAYMENT	3,246
SUPERINTENDENT OF INDIAN RESERVATION	3
TOTAL	**100,661**

SUMMARY

Compensation and pension claims have risen in number and complexity over the past five years. The number of claims received increased by 17 percent from 674,219 in 2001 to 788,298 in 2005. Furthermore, the average number of disabilities per compensation recipient increased from 2.57 to 2.91 during this same time period.

VBA strives to serve claimants in an accurate, timely, and compassionate manner. VBA provided benefits to 3,502,544 veterans and dependents and added more than 250,000 new beneficiaries to the compensation and pension rolls in FY 2005. The number of veterans receiving disability compensation has increased to just over 2.6 million.

EDUCATION



VA education programs provide veterans, service members, reservists, and certain family members of veterans with educational resources to supplement opportunities missed because of military service. These programs are also meant to help the armed forces both recruit and retain members. For members of the armed forces, VA educational benefits assist in the readjustment to civilian life. On a broader scale, educational benefits are meant to enhance the Nation's competitiveness through the development of a more highly educated and more productive workforce.

CURRENT BENEFITS

There are four active education programs: All-Volunteer Force Educational Assistance Program *(Montgomery GI Bill – Active Duty)*, Educational Assistance for Members of the Selected Reserve *(Montgomery GI Bill – Selected Reserve)*, Survivors' and Dependents' Educational Assistance *(Dependents Educational Assistance - DEA)*, and Post-Vietnam Era Veterans' Educational Assistance Program *(VEAP).*

ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE PROGRAM (MONTGOMERY GI BILL - ACTIVE DUTY)

Montgomery GI Bill – Active Duty (MGIB-AD) is a contributory program. The service member's pay is automatically reduced by $100 per month for the first 12 months of active duty unless the service member declines to participate at the time of enlistment.

Requirements and features of MGIB-AD are as follows:

- First entered active duty after June 30, 1985;
- Must fulfill one's basic service obligation;
- Must have completed the requirements of a secondary school diploma, or its equivalent, before applying for benefits;
- Must receive an honorable discharge;
- Maximum entitlement is 36 months;

- The Department of Defense (DoD) may increase an individual's monthly benefit by up to $950 based upon the military skill or specialty of that individual;
- Amount of basic benefit may be increased by up to $150 each month by making an additional contribution up to $600; and
- Generally, must use benefits within 10 years following discharge.

EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE SELECTED RESERVE (MONTGOMERY GI BILL – SELECTED RESERVE)

Montgomery GI Bill – Selected Reserve (MGIB-SR) is the first GI Bill to provide educational assistance to members of the Selected Reserve (including National Guard members). DoD funds this program and is responsible for determining eligibility to this program. VBA administers the program.

Requirements and features of MGIB-SR include:

- Must agree to a six-year Selected Reserve obligation after June 30, 1985;
- Must have completed the requirements of a secondary school diploma, or its equivalent, before applying for benefits;
- Must remain a member in good standing in the Selected Reserve;
- Maximum entitlement is 36 months; and
- Generally, must use benefits within 14 years of date eligibility began.

SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE (DEPENDENTS EDUCATIONAL ASSISTANCE - DEA)

DEA is the only VA educational assistance program designed for students who have never served in the Armed Forces. Requirements of DEA are as follows:

- Eligibility is based on the veteran's service-connected death, total service-connected disability, or MIA/POW/hostage status;
- Maximum entitlement is 45 months;
- With some exceptions, children generally use benefits between ages 18 and 26;
- Spouses have 10 years in which to use benefits; and,
- A spouse's remarriage bars further benefits, [1] while a child's marriage does not.

[1] Public Law 106-117, signed on November 30, 1999, restores entitlement if a surviving spouse's remarriage has been terminated by death or divorce. Public Law 108-183 lifts the bar to receipt of benefits if the surviving spouse is 57 years old or older on the date of the remarriage.

POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE PROGRAM (VEAP)

VEAP was the first GI Bill program that required a contribution by the service member. Requirements and features of VEAP are as follows:

- First entered active duty after December 31, 1976, and before July 1, 1985;
- Contributed to VEAP while on active duty and before April 1, 1987;
- Maximum contribution of $2,700 by the service member;
- Government matches contribution $2 for $1;
- Maximum entitlement is 36 months;
- Benefit must be used within 10 years of the last discharge from the service;
- Unused contributions may be refunded;
- Additional "kickers" or contributions from the Department of Defense (DoD) under certain circumstances; and
- Current full-time VEAP rate is based on the monthly contributions up to a maximum of $300 per month plus any DoD "kicker" adjustment.

Education: Class room at Howard University (Washington, DC)

TRAINING AVAILABLE
UNDER THE FOUR BENEFIT PROGRAMS

	MGIB-AD	MGIB-SR	DEA	VEAP
COLLEGE OR UNIVERSITY DEGREE	X	X	X	X
BUSINESS, TECHNICAL OR VOCATIONAL	X	X	X	X
INDEPENDENT STUDY OR DISTANCE LEARNING	X	X	X	X
CORRESPONDENCE COURSES	X	X	X *	X
FLIGHT TRAINING	X	X	X**	X
REIMBURSEMENT OF LICENSING & CERTIFICATION EXAMS	X		X	X
ACCELERATED PAYMENTS FOR HIGH TECH CLASSES	X			
REIMBURSEMENT FOR NATIONAL ADMISSIONS & CREDIT EXAMS	X		X	X
ON THE JOB TRAINING & APPRENTICESHIP PROGRAMS	X	X	X	X
TUITION ASSISTANCE TOP UP PROGRAM	X			
ENTREPRENEURSHIP COURSES	X	X		X
REMEDIAL, DEFICIENCY, & REFRESHER TRAINING **	X	X	X	X
H.S. DIPLOMA OR GED			X	X

* SPOUSES ONLY
** ONLY AT INSTITUTIONS OF HIGHER LEARNING FOR CREDIT TOWARDS A COLLEGE DEGREE

DATA

The first table below shows the number of beneficiaries (veterans, service members, reservists, and dependents) who began receiving their education benefits for the first time as well as the total number of beneficiaries and payments made during fiscal year 2005. The second table shows the data for those beneficiaries who began to receive education benefits as well as the total number for the five year period between FY 2001 through FY 2005.

The VEAP program continues to maintain a steady decrease in both the new and total number of students; this trend is expected to continue as the program sunsets.

BENEFICIARIES RECEIVING EDUCATION BENEFITS DURING FISCAL YEAR 2005

PROGRAM	NUMBER OF NEW	PERCENT OF	TOTAL	TOTAL PAYMENTS
MGIB-AD[1]	68,414	69.0%	336,347	$1,950,274,079
MGIB-SR[2]	19,589	19.7%	87,161	$194,982,734
DEA	11,047	11.1%	74,267	$486,477,126
VEAP	155	0.2%	723	$1,155,860
TOTAL	99,205	100%	498,498	$2,632,889,799

[1] MGIB AD Includes Peacetime Veterans and Servicemembers.
[2] Based on service in the Selected Reserve.

Source: Education Service SAS Reports, Benefits Delivery System Reports, and HINES Finance Center Reports

BENEFICIARIES RECEIVING EDUCATION BENEFITS DURING EACH FISCAL YEAR BY PROGRAM

NEW BENEFICIARIES	2001	2002	2003	2004	2005
MGIB-AD	67,621	72,566	73,270	76,496	68,414
MGIB-SR	22,469	29,802	21,055	20,193	19,589
DEA	6,328	14,964	16,728	11,624	11,047
VEAP	261	174	222	175	155
TOTAL BENEFICIARIES					
MGIB-AD	289,771	323,165	321,837	332,031	336,347
MGIB-SR	82,283	85,766	88,342	88,650	87,161
DEA	46,917	53,888	61,874	68,920	74,267
VEAP	1,680	1,340	917	796	723

The following tables show the distribution by program, types of training, and training time for those beneficiaries who began using their education benefit for the first time during FY 2005.

New Beneficiaries Receiving Education Benefits During Fiscal Year 2005 By Type of Training and Program

Education Program	College Non-Degree	Graduate	Under-graduate	Vocational/ Technical	Program Total	Percent of All Prgrams
MGIB-AD	2,419	2,924	57,969	5,102	68,414	69.0%
MGIB-SR	447	646	17,822	674	19,589	19.7%
DEA	518	302	9,359	756	11,047	11.1%
VEAP	7	23	115	10	155	0.2%
Type Training	3,391	3,895	85,265	6,542	99,205	100%
Percent of Program Total	3.4%	3.9%	85.9%	6.6%		

Source: Education Service SAS reports
MGIB-AD includes peacetime veterans and servicemembers
DEA total also includes 112 students in miscellaneous programs. This datum is not distributed among the training programs but is added to the 11,047

Education Program	Less Than One-Half Time	One-Half Time	Three-Quarter Time	Full-Time	Program Total	Percent of All Programs
MGIB-AD	3,089	8,713	7,324	49,288	68,414	69.0%
MGIB-SR	687	2,005	2,133	14,764	19,589	19.7%
DEA	460	1,059	1,236	8,292	11,047	11.1%
VEAP	28	44	14	69	155	0.2%
Training Time Total	4,264	11,821	10,707	72,413	99,205	100%
Percent of Program Total	4.3%	11.9%	10.8%	73.0%		

Source: Education Service SAS reports
MGIB AD includes peacetime veterans and servicemembers

BENEFICIARIES TERMINATING EDUCATION PROGRAMS

The next tables present FY 2005 data regarding terminations as well as five-year statistics by program on these terminations. Educational assistance terminates when a veteran exhausts entitlement or reaches the deadline for using the benefit (delimiting date).

The number of beneficiaries using all of their educational entitlement or reaching their delimiting date has grown steadily over the last four years. More MGIB-AD beneficiaries have left the program due to entitlement exhaustion than those who have passed their delimiting date. Due to a change extending the delimiting date for MGIB-SR from 10 to 14 years, there has been a decrease in the number of beneficiaries passing their delimiting date. VEAP has continued to have fewer total beneficiaries leaving the program as the program sunsets.

BENEFICIARIES BENEFITS TERMINATED IN FISCAL YEAR 2005

PROGRAM	ENTITLEMENT EXHAUSTED	DELIMITING DATE	TOTAL TERMINATIONS	PERCENT OF TOTAL TERMINATIONS
MGIB-AD	18,791	6,378	**25,169**	86.4%
MGIB-SR	2,966	107	**3,073**	10.5%
DEA	547	264	**811**	2.5%
VEAP	62	32	**94**	.3%
TOTAL	22,366	6,781	**29,147**	100%
PERCENT OF TOTAL TERMINATIONS	**76.7%**	**23.3%**	**100%**	

Source: Education Service SAS reports

PROGRAM	2001	2002	2003	2004	2005
MGIB-AD	16,946	19,248	20,094	23,406	25,169
MGIB-SR	3,440	1,792	3,029	3,046	3,073
DEA	425	248	270	681	811
VEAP	335	254	134	90	94
TOTAL	**21,146**	**21,542**	**23,527**	**27,223**	**29,147**

Source: Education Service SAS reports

NEW EDUCATION OPPORTUNITIES

Congress enacted four new ways for beneficiaries to use their benefits over the past few years. These include Tuition Assistance Top-Up (TATU), Repayment for Licensure and Certification Tests, Accelerated Payments, and Transferability of MGIB Benefits.

Public Law 106-398 (amended by Public Law 107-14) established the TATU program and permits VA to issue a payment to an individual for all or any portion of the difference between the military service's tuition assistance amount and the total cost of tuition and related expenses, up to an individual's normal monthly benefit. An individual must receive military tuition assistance for the course to be eligible for TATU payments. There was a significant decrease in the number of unique trainees in FY 2003 compared to FY 2002. This is attributed to a FY 2003 change in Department of Defense policy that increased the level of tuition assistance paid from 75% to 100% up to $250 per semester hour.

Public Law 106-419 allows beneficiaries to receive reimbursement for approved licensure and certification tests (up to $2,000 per test) taken on or after March 1, 2001. VA can only pay for the cost of the tests and not other fees connected with obtaining a license or certification. The number of unique individuals receiving reimbursement for licensure and certification tests decreased by almost 24% in FY 2005 compared to FY 2004.

Public Law 107-103 allows an accelerated payment for certain high cost, high tech programs for enrollment on or after October 1, 2002. To qualify, the beneficiary must be enrolled in a high tech program and must certify that he/she intends to seek employment in a high tech industry as defined by VA. The beneficiary receives a lump sum payment up to 60% of tuition and fees if the monthly amount exceeds an amount equal to 200 percent of the monthly rate otherwise payable. The total dollars decreased 14 percent in FY 2005 compared to FY 2004.

The U.S. Air Force conducted an education opportunity pilot test allowing qualifying Chapter 30 MGIB eligible members

UNIQUE TRAINEES AND PAYMENT ($000)

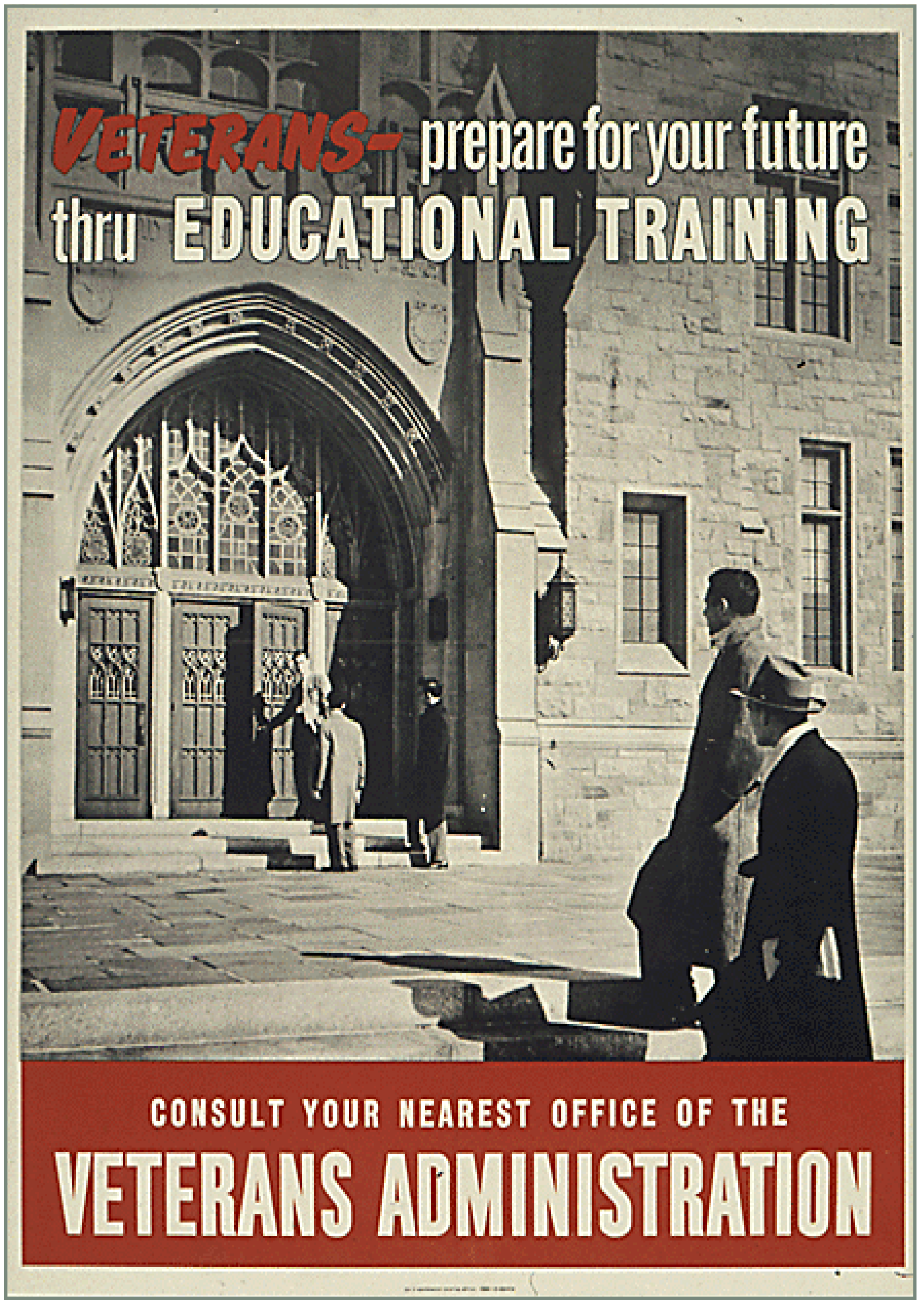
	FY2002		FY2003		FY2004		FY2005	
Tuition Assistance Top-Up	30,427	$25,095	12,520	$12,592	11,786	$14,974	12,905	$17,868
License and Certification Tests	3,217	$1,490	3,382	$1,743	4,387	$1,819	3,334	$1,479
Accelerated Payment	0	0	0	$2,818	0	$6,621	0	$5,722
Total	**33,644**	**$26,585**	**15,902**	**$17,153**	**16,173**	**$23,414**	**16,239**	**$25,069**

Source: Education Service SAS reports

to transfer up to 18 months of entitlement to their spouses and/or children. During FY 2005, six dependents received a total of $24,611 in benefits.

SUMMARY

Overall, the number of beneficiaries in the four programs increased slightly in FY 2005 compared to FY 2004. The Dependents Educational Assistance program saw the largest increase of 8% in FY 2005. Although the number of new beneficiaries decreased slightly, it appears that the large majority of all beneficiaries are using the benefit longer and exhausting their entitlement. By far, most beneficiaries in the four programs are using their benefits on a full-time basis for training that leads to an undergraduate degree. Vocational and/or technical training is the next most favored type of training among education beneficiaries.



The overall usage for MGIB-AD, the largest program, grew from 57.9% in FY 2001 to 65.5% in FY 2005. The MGIB-AD usage rate is derived by dividing the number of veterans who have received MGIB-AD benefits by the number of all veterans who participated in MGIB-AD and separated from active military service. The usage rate includes those veterans who are still within their 10-year eligibility period but have not yet applied for education benefits. It is expected this upward trend will continue in FY 2006 and FY 2007.

LIFE INSURANCE

Government life insurance programs were created to provide life insurance at a standard premium rate to members of the armed forces who are exposed to extra hazards, including deadly hazards of war, as a result of military service.

Traditionally, few commercial life insurance companies offered life insurance that included coverage against death while in the armed forces. Those that did charged a high premium rate because of the additional risk. In general, a new life insurance program was created for each wartime period starting with World War I. Service members leaving the armed forces are eligible to maintain their VA life insurance following discharge.

The purpose of the life insurance program is to provide universally available life insurance benefits to veterans and service members that may not be available to them from the commercial insurance industry due to the hazards of war, lost or impaired insurability resulting from military service, and to provide these benefits at competitive premium rates.

CURRENT BENEFITS

The various life insurance benefits can be grouped into the following three categories: Matured Life Insurance Programs, Disabled Veterans Life Insurance Programs, and Uniformed Services and Post-Vietnam Life Insurance Programs.

MATURED LIFE INSURANCE PROGRAMS

These programs were established to provide the same or better life insurance benefits than were available to private citizens at the time they were established. These programs are closed to the issuance of new coverage but continue to have active policies. The matured life insurance programs are National Service Life Insurance (NSLI), United States Government Life Insurance (USGLI), Veterans' Special Life Insurance (VSLI) and Veterans' Reopened Insurance (VRI.) The maximum amount of basic coverage available under any of these programs is $10,000. Any excess revenues resulting from favorable experience for NSLI, VRI, and VSLI programs are returned to policyholders in the form of dividends. Policyholders have several dividend payment options from which to choose. Additionally they may choose to use their dividends to buy paid-up additional insurance. Policyholders may also request to take a loan on their policy or cash surrender their policy for its cash value. The loan interest rate for adjustable rate loans is currently 5%.

DISABLED VETERANS INSURANCE PROGRAMS

The Service-Disabled Veterans Insurance (S-DVI) and the Veterans' Mortgage Life Insurance (VMLI) programs were established to provide insurance coverage and services to veterans who have lost their ability to purchase commercial insurance at standard (healthy) rates because of their service-connected disabilities. These life insurance programs continue to issue coverage. The S-DVI program provides for a maximum of $10,000 of life insurance coverage. Premiums can be waived for veterans who are totally disabled. Supplemental S-DVI is offered to veterans who have been approved for waiver of premiums on their S-DVI policy. Supplemental S-DVI provides a maximum of $20,000 of additional coverage, although premiums cannot be waived for this additional coverage. The VMLI program provides up to $90,000 of mortgage protection life insurance to severely disabled veterans who have received a grant for specially-adapted housing. Policies are issued at standard premium rates to individuals who are considered health risks.

UNIFORMED SERVICES AND POST-VIETNAM VETERANS

The Servicemembers' Group Life Insurance (SGLI), Family Servicemembers' Group Life Insurance (FSGLI), and the Veterans' Group Life Insurance (VGLI) programs were established to provide insurance coverage and services to active duty and reserve members of the uniformed services that are commonly provided by large scale civilian employers. The SGLI program provides up to $400,000 of group life insurance coverage for service members and reservists. The FSGLI program provides up to $100,000 of group life insurance coverage for spouses of SGLI policyholders and $10,000 of free coverage for each dependent child. The VGLI program allows service members to convert up to the maximum amount of SGLI coverage they had at discharge to a renewable term life insurance policy.

PROGRAM ENHANCEMENTS

Public Law 109-80 increased the maximum amount of SGLI coverage from $250,000 to $400,000 for all service members effective September 1, 2005. Any service member eligible for SGLI coverage on September 1, 2005, was covered for $400,000 under SGLI, even if he/she previously declined or elected lesser coverage. This resulted in an increase of $399 billion in SGLI life insurance coverage. Service members, however, have the option to decline or reduce their coverage after September 1, 2005, in multiples of $50,000.

DATA

The table below shows the maximum coverage available by insurance program. The "Years" column indicates the policy issuance time frames for each program.

PROGRAM	YEARS	MAXIMUM COVERAGE
United States Government Life Insurance (USGLI)	1919-1940	$10,000
National Service Life Insurance (NSLI)[1]	1940-1951	$10,000
Veterans' Special Life Insurance (VSLI)[1]	1951-1956	$10,000
Veterans' Reopened Insurance (VRI)[1]	1965-1966	$10,000
Service-Disabled Veterans Insurance (SDVI)[2]	1951-present	$10,000
Veterans' Mortgage Life Insurance (VMLI)	1971-present	$90,000
Servicemembers' Group Life Insurance (SGLI)[3]	1965-present	$400,000
Servicemembers' Group Life Insurance (SGLI) - Child Coverage	2001-present	$10,000
Servicemembers' Group Life Insurance (FSGLI) - Spouse Coverage	2001-present	$100,000

1 Since 1972, dividends can be used to increase coverage by purchasing paid-up additional life insurance to the basic life insurance.

2 An additional $20,000 of supplemental coverage is available to totally disabled veterans

3 The maximum coverage for SGLI increased to $400,000 effective September 1, 2005.

Insurance programs **highlighted** above reflect Matured Insurance Programs.

Insurance programs **highlighted** above reflect Disabled Veterans' Life Insurance Programs.

Insurance programs **highlighted** above reflect Uniformed Services and Post-Vietnam Veterans Life Insurance Programs.

The next table compares VA life insurance programs with commercial life insurance companies. The comparison is based on the total face value of active life insurance in effect. Rankings for 2005 are shown below.

2005 RANKINGS BY TOTAL LIFE INSURANCE IN-FORCE RANK	INSURANCE COMPANY	TOTAL LIFE INSURANCE
1	Metropolitan Life & Affiliated	$3,863,036,000,000
2	Prudential of America Group	$1,812,419,000,000
3	Swiss Reinsurance Group	$1,556,829,000,000
4	ING Group	$1,387,751,000,000
5	Aegon USA Inc	$1,154,750,000,000
6	VA Life Insurance Programs	$1,150,325,000,000
7	American International Group	$1,083,806,000,000
8	Hartford Life Inc	$901,332,000,000
9	Northwestern Mutual Group	$870,379,000,000
10	Lincoln National Corp	$849,236,000,000
11	Genworth Financial Group	$804,517,000,000
12	New York Life Group	$794,185,000,000
13	UnumProvident Corp	$698,143,000,000
14	Citigroup	$646,597,000,000
15	Munich America Reassurance Co	$619,112,000,000

Source: This information is based on year end 2004 data in the September 2005 Best's Review. 2005 information will not be available until September 2006.

The table that follows identifies the number of new policies issued during FY 2005, the total face value of the policies, and the average face value of the policies. In the case of SGLI and FSGLI, which is group insurance, the military services maintain the records on each insured service member. The actual number of service members who enrolled in SGLI in FY 2005 is not known. The information shown in this table is estimated based upon current enrollment rates and the number of people who entered active military service during FY 2005. The exact number of children covered by FSGLI is also an estimate.

NEW LIFE INSURANCE COVERAGE ISSUED DURING FISCAL YEAR 2005

Life Insurance	Number of People Insured	Total Coverage Amount	Average Face Value	Maximum Face Value
VMLI [1]	277	$21,477,700	$77,537	$90,000
SDVI [2, 3]	17,755	$195,928,250	$11,035	$10,000
VGLI [4]	30,063	$5,672,165,000	$188,676	$400,000
SGLI [5]	268,994	$105,438,923,150	$391,975	$400,000
SGLI [6] - Child	168,062	$1,680,620,000	$10,000	$10,000
FSGLI [6] - Spouse	163,569	$16,051,698,126	$98,134	$100,000
TOTAL	648,720	$129,060,812,226	$198,947	

[1] Source: VMLI Database – VMLI Quarterly Report

[2] Source: SDVI-FY 2005 Policy Exhibit

[3] Source:Additional Coverage, up to $20,000, is available for totally disabled policyholders. New supplemental S-DVI policies (3,789) were issued

[4] Source: Veterans and Reservists Group Insurance System – OSGLI Monthly Report. VGLI data is for the policy year ending June 30, 2005

[5] Estimates based upon accessions to Active Duty and Reserve forces in FY05. Data on accessions from Defense Manpower Data Center. Effective September 1, 2005, the maximum coverage for VGLI and SGLI increased to $400,000.

[6] Source: DEERS and Military Pay Records

The table below displays information about new life insurance coverage for the prior four years for purposes of comparison. The significant increase in FY 2002 is due to the beginning of the FSGLI program. In that year, 3.1 million individuals entered the FSGLI program.

NEW LIFE INSURANCE COVERAGE ISSUED COMPARATIVE INFORMATION FOR FIVE FISCAL YEARS

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Number of People Insured	394,572	3,484,460	621,225	667,674	648,720
Total Coverage Amounts	$91,604,081,998	$206,252,183,507	$103,129,307,866	$92,231,113,570	$129,060,812,226
Average Face Values	$232,161	$59,192	$166,010	$138,138	$198,947

Policies lapse primarily because the policyholder did not pay the premiums. The following table provides data about policies that lapsed during FY 2005.

POLICY LAPSES DURING FISCAL YEAR 2005

Policy Lapses	Number[1]	Lapse Rate	Face Value[1]	Average Face Value
NSLI	6,554	0.5%	$40,192,928	$6,133
VSLI	462	0.2%	$3,499,000	$7,574
VRI	232	0.4%	$1,198,750	$5,167
SDVI	1,470	0.9%	$15,339,000	$10,435
TOTAL	**8,718**	**0.5%**	**$60,229,678**	**$6,909**

[1] Sources: Insurance Fiscal Year 2005 Policy Exhibit

The tables below provide data on the insurance payments for FY 2005. Definitions for the following insurance terms are found in the glossary: Matured Endowments (p. 106); Cash Surrenders (p. 103); Dividends (p. 104); and Loans (p. 106.)

LIFE INSURANCE PAYMENTS MADE DURING FISCAL YEAR 2005

MATURED ENDOWMENT	NUMBER[1]	AMOUNT[2]	AVERAGE PAYMENT
USGLI	46	$230,942	$5,020
NSLI	957	$10,214,301	$10,673
VSLI	69	$900,915	$13,057
VRI	1	$13,015	$13,051
SDVI	209	$1,788,850	$8,599
TOTAL	**1,282**	**$13,148,023**	**$10,248**
CASH SURRENDER	**NUMBER[1]**	**AMOUNT[2]**	**AVERAGE PAYMENT**
USGLI	85	$231,280	$2,721
NSLI	6,712	$41,608,138	$6,199
VSLI	794	$3,962,452	$4,990
VRI	390	$2,027,432	$5,199
SDVI	728	$5,111,968	$7,022
TOTAL	**8,709**	**$52,941,270**	**$6,079**
DIVIDENDS	**NUMBER[3]**	**AMOUNT[4]**	**AVERAGE PAYMENT**
USGLI	9,034	$1,540,730	$171
NSLI	1,202,065	$365,926,605	$304
VSLI	206,501	$81,301,810	$394
VRI	52,881	$13,159,306	$249
TOTAL	**1,470,481**	**$461,928,451**	**$314**
LOANS	**NUMBER[5,6]**	**AMOUNT[7]**	**AVERAGE PAYMENT**
USGLI	51	$60,000	$1,176
NSLI	11,913	$36,149,000	$3,034
VSLI	3,262	$8,356,000	$2,562
VRI	910	$2,000,000	$2,198
SDVI	8,309	$9,042,000	$1,088
TOTAL	**24,445**	**$55,607,000**	**$2,275**

[1] Source: FY-2005 Policy Exhibit
[2] Source: FY-2005 Statement of Operations and Changes in Net Position
[3] Source: FY-2005 Policy Exhibit-Cover Sheet
[4] Source: FY-2005 Statement of Cash Flows
[5] Source: Program numbers from an estimate based on SQC in FY-2005 and Percent of Total
[6] Source: Chief, Planning, Oversight & Actuarial Support Staff
[7] Source: Insurance General Ledger Accounting System – Statement of Financial Condition Report.

The table below displays information about dividend payments for FY 2005 and provides the data for the prior four years for purposes of comparison.

LIFE INSURANCE DIVIDENDS PAYMENTS COMPARATIVE INFORMATION FOR FIVE FISCAL YEARS	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Number	2,052,062	1,927,189	1,810,557	1,696,542	1,470,481
Total Amounts	$667,957,535	$624,446,188	$576,620,666	$525,494,110	$461,928,451
Average Payment	$326	$324	$318	$310	$314

The table below provides a distribution of the lump sum death claim payments by life insurance program.

LIFE INSURANCE PAYMENTS DURING FISCAL YEAR 2005

DEATH CLAIMS	NUMBER[1]	AMOUNT[2]	AVERAGE PAYMENT
USGLI	1,225	$4,203,438	$3,431
NSLI	85,894	$895,827,219	$10,429
VSLI	5,831	$67,200,870	$11,525
VRI	4,422	$38,507,491	$8,708
SDVI	5,571	$56,095,789	$10,069
VMLI	140	$10,033,966	$71,671
SGLI[3]	2,507	$601,075,954	$239,759
SGLI[3] - Child	1,054	$10,530,000	$9,991
FSGLI[3] - Spouse	838	$80,348,776	$95,882
VGLI[3]	1,762	$164,971,576	$93,627
TOTAL	109,244	$1,928,795,079	$17,656

1 Source: FY-2005 Policy Exhibit. VMLI Database – VMLI Quarterly Report Veterans and Reservist Group Insurance System – Prudential Monthly Report

2 Source: FY 2005 Statement of Financing and Changes in Net Position – Prudential Monthly Report of VMLI Database – VMLI Quarterly Report. Veterans and Reservist Group Insurance System – OSGLI Monthly Report

3 SGLI, FSGLI, and VGLI data are for the policy year ending June 30, 2005; includes Regular, Accelerated & Conversion Pool

The table below displays information about death claims paid for FY 2005 and the prior four years for purposes of comparison.

NUMBER OF DEATH CLAIMS PAID
COMPARATIVE INFORMATION FOR FIVE FISCAL YEARS

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Number of Claims Paid	109,867	110,319	109,880	111,824	109,244
Total Amounts Paid	$1,463,188,372	$1,614,713,636	$1,723,625,327	$1,867,222,516	$1,928,795,079
Average Amounts Paid	$13,318	$14,637	$15,686	$16,698	$17,656

Although most veterans choose to receive payments in a single lump sum, a monthly payment option is available for Cash Surrenders and Matured Endowments. In the two disability benefit provisions of policies – Total and Permanent Disability Provision and Total Disability Income Provision – no lump sum option exists; payments are made monthly.

Similarly, most beneficiaries also receive payment in a single "lump sum;" a monthly payment option is available in some programs for death claim payments.

Definitions for the above insurance terms are found in the glossary: Matured Endowments (p. 105); Cash Surrenders (p. 102); Dividends (p. 103); Total and Permanent Disability Provision and Total Disability Income Provision (p. 107.)

The table on the next page provides data on monthly payments to veterans and to beneficiaries.

LIFE INSURANCE MONTHLY AWARD PAYMENTS END OF FISCAL YEAR 2005

PAYMENT TYPE	NUMBER OF AWARDS	MONTHLY PAYMENTS	AVERAGE PAYMENT
TOTAL DISABILITY INCOME PROVISION [1]			
USGLI	37	$24,876	$672
NSLI	11,450	$13,447,944	$1,174
VSLI	2,587	$3,478,590	$1,345
VRI	615	$467,484	$760
TOTAL	**14,689**	**$17,418,894**	**$1,186**
MATURED ENDOWMENTS [1]			
USGLI	-	-	-
NSLI	767	$784,926	$1,023
VSLI	593	$846,438	$1,427
VRI	38	$31,296	$824
SDVI	8	$3,408	$426
TOTAL	**1,406**	**$1,666,068**	**$1,185**
CASH SURRENDERS [1]			
USGLI	-	-	-
NSLI	57	$60,030	$1,053
VSLI	0	$0	$0
VRI	2	$528	$264
SDVI	-	-	-
TOTAL	**59**	**$60,558**	**$1,026**
TOTAL AND PERMANENT DISABILITY [1]			
USGLI	**53**	**$14,088**	**$266**
DEATH AWARDS [2]			
USGLI	2,143	$591,516	$276
NSLI	36,333	$22,463,334	$618
VSLI	672	$491,154	$731
VRI	229	$125,184	$547
SDVI	239	$92,508	$387
TOTAL	**39,616**	**$23,763,696**	**$600**

[1] Source: Insurance Master Record Database– AVS 2012

[2] Source: Insurance TBC VAL-C (Settlement Option Benefits) Life Income-for NSLI, VSLI are 150% of the Lifetime Guaranteed Amount and the Guaranteed Certain Only amount

The first table below shows the total number of veterans, service members and service members' spouses and children insured under each program, the total face value of their policies, and the average face value of a policy in each program. The second table displays information about policies in force and provides the data for the prior four years for purposes of comparison. Policies in force increased in 2002 due to the start of the FSGLI program.

TOTAL LIFE INSURANCE POLICIES IN-FORCE END OF FISCAL YEAR 2005

INSURANCE	NUMBER OF POLICIES	TOTAL FACE VALUE	AVERAGE FACE VALUE	MAXIMUM FACE VALUE
USGLI[1]	9,034	$27,990,656	$3,098	$10,000
NSLI[1]	1,202,065	$13,198,172,231	$10,980	$10,000
VSLI[1]	206,501	$2,490,299,424	$12,060	$10,000
VRI[1]	52,881	$487,502,081	$9,219	$10,000
SDVI[2]	175,200	$1,728,371,802	$9,865	$100,002
VMLI[3]	2,514	$166,433,220	$66,203	$90,000
SGLI[4]	2,482,500	$973,077,700,000	$391,975	$400,000
SGLI[4]-Child	2,076,000	$20,760,000,000	$10,000	$10,000
FSGLI[4]-Spouse	988,000	$96,956,500,000	$98,134	$100,000
VGLI[4]	417,500	$46,599,780,000	$111,616	$400,000
TOTAL	7,612,195	$1,155,492,749,414	$151,795	

1 Source: Insurance FY 2005 Policy Exhibit Cover Sheet
2 Additional $20,000 available for totally disabled policyholders
3 Source: VMLI Database - VMLI Quarterly Report
4 Source: Veterans And Reservists Group Insurance System - OSGLI Monthly Report

LIFE INSURANCE POLICIES IN FORCE COMPARATIVE INFORMATION FOR FIVE FISCAL YEARS

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
NUMBER OF POLICIES	4,867,612	7,872,906	7,755,217	7,696,603	7,612,195
TOTAL FACE VALUE	$641,068,691,952	$748,650,733,268	$745,453,203,387	$756,822,320,973	$1,155,492,749,414
AVERAGE FACE VALUE	$131,701	$95,092	$96,123	$98,332	$151,795

The table below shows the total age distribution of persons insured in the VA Life Insurance programs and the percent of total each age group represents for that life insurance plan. Note to *Age Distribution for Life Insurance Programs by Policy Type* table: Because certain programs were active only during past wartime periods, their age distributions parallel the aging of all other veterans of those periods. The programs in which policies can still be obtained (SDVI, VMLI, SGLI, VGLI) have policyholders across a wide distribution of ages. This table includes only spouses in the FSGLI data.

Age Distribution for Life Insurance Programs by Type and Percentage of Policy

Policy Age	< 20	20-29	30-39	40-49	50-59	60-69	70-79	80-89	89 >	Total	Average Age
USGL[1]	-	-	-	-	-	-	-	7,617	1,417	**9,034**	87.6
	-	-	-	-	-	-	-	84%	16%	**100%**	
NSLI[1]	-	-	-	-	-	7	508,730	645,178	48,151	**1,202,066**	80.3
	-	-	-	-	-	-	42%	54%	4%	**100%**	
VSLI[1]	-	-	-	-	-	5,672	196,789	3,884	156	**206,501**	73.5
	-	-	-	-	-	3%	95%	2%	-	**100%**	
VRI[1]	-	-	-	-	-	146	14,630	36,476	1,629	**52,881**	81.2
	-	-	-	-	-	-	28%	69%	3%	**100%**	
SDVI[1]	2	1,100	5,157	17,855	78,217	42,826	26,681	3,250	112	**175,200**	58.4
	-	1%	3%	10%	45%	24%	15%	2%	-	**100%**	
VMLI[2]	-	15	176	518	1,095	617	93	-	-	**2,514**	53.5
	-	1%	7%	21%	44%	25%	4%	-	-	**100%**	
SGLI[4]	143,912	1,091,44	623,286	324,708	74,301	1,330	21	-	-	**2,259,000**	30.3
	6%	48%	28%	14%	3%	-	-	-	-	**100%**	
FSGLI	19,451	354,020	369,202	193,285	47,385	3,657	-	-	-	**987,000**	33.4
	2%	36%	37%	20%	5%	-	-	-	-	**100%**	
VGLI[3]	210	44,290	114,254	111,056	104,206	40,474	3,175	70	1	**417,736**	44.4
	-	11%	27%	27%	25%	10%	1%	-	-	**100%**	
TOTAL	**163,575**	**1,490,86**	**1,112,07**	**647,422**	**305,204**	**94,729**	**750,119**	**696,475**	**51,466**	**5,311,931**	-
	3%	**28%**	**21%**	**12%**	**6%**	**2%**	**14%**	**13%**	**1%**	**100%**	-

[1] Source: Insurance TBC VAL-C FY 2005 Attained Age Report
[2] Source: VMLI Reserve Valuation Data
[3] Source: VGLI Insurance System
[4] DMDC Data-Attained Age for Active and Reserves combined All data as of September 30, 2005, with the exception of SGLI and VGLI which are as of June 30, 2005.

Note to *SGLI and FSGLI Coverage By Branch of Service* tables: The second half of table shows the reserve components for the branches. For the branches that have a National Guard, the Guard members are included in the reserve component numbers.

SGLI Coverage By Branch of Service

Branch	Total Number Eligible for SGLI	Number with SGLI	Percent with SGLI	Percent of SGLI by Branch
Army Active	526,243	522,747	99.3%	23.1%
Navy Active	395,018	386,515	97.8%	17.1%
Air Force Active	373,931	364,679	97.5%	16.1%
Marine Corps Active	196,421	194,908	99.2%	8.6%
Coast Guard Active	39,203	37,241	95.0%	1.6%
NOAA	284	223	78.5%	0.0%
Public Health Service	5,987	5,687	95.0%	0.3%
TOTAL—Active	**1,537,087**	**1,512,000**	**98.4%**	**66.9%**
Army Reserve and Guard	521,613	488,106	93.6%	21.6%
Navy Reserve	80,838	70,669	87.4%	3.1%
Air Force Reserve and Guard	177,544	157,529	88.7%	7.0%
Marine Corps Reserve	21,742	21,692	99.8%	1.0%
Coast Guard Reserve	10,010	9,004	89.9%	0.4%
TOTAL—Reserve	**811,747**	**747,000**	**92.0%**	**33.1%**
TOTAL	**2,348,834**	**2,259,000**	**96.2%**	**100%**

All data are as of September 30, 2005, with the exception of SGLI and FSGLI which are as of June 30, 2005.

The FSGLI data reflect spousal coverage only.

FSGLI Coverage By Branch of Service				
Branch	**Total Number Eligible for FSGLI**	**Number with FSGLI**	**Percent with FSGLI with**	**Percent of FSGLI by Branch**
Army Active	271,017	241,700	89.2%	24.5%
Navy Active	193,866	175,293	90.4%	17.8%
Air Force Active	194,525	181,276	93.2%	18.4%
Marine Corps Active	86,052	80,540	93.6%	8.2%
Coast Guard Active	19,713	15,683	79.6%	1.6%
NOAA	140	100	71.4%	0.0%
Public Health Service	4,248	3,663	86.2%	0.4%
TOTAL—Active	**769,561**	**698,255**	**90.7%**	**70.7%**
Army Reserve and Guard	270,317	170,451	63.1%	17.3%
Navy Reserve	48,831	24,350	49.9%	2.5%
Air Force Reserve and Guard	116,847	85,085	72.8%	8.6%
Marine Corps Reserve	6,171	5,827	94.4%	0.6%
Coast Guard Reserve	4,252	3,032	71.3%	0.3%
TOTAL—Reserve	**446,418**	**288,745**	**64.7%**	**29.3%**
TOTAL	**1,215,979**	**987,000**	**81.2%**	**100%**

SUMMARY

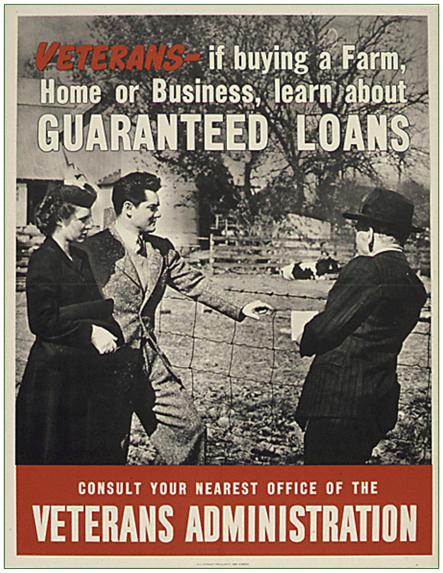
VA Life Insurance provides over $1.1 trillion in insurance coverage to 7.4 million veterans, service members and their families. In 2005, $2.6 billion was paid to veterans, survivors and their families in the form of dividends, policy loans, cash surrenders, matured endowments and death benefits.

Effective September 1, 2005, insurance coverage for service members increased by $399 billion when VA implemented an increase in SGLI maximum coverage from $250,000 to $400,000. Ninety-eight percent of all active duty service members and ninety-two percent of reservists are insured under SGLI.

Photo courtesy of Arms and Armour Press, At War in Korea

Like many government programs, the insurance program was established to meet a need that the private sector could not or, in our case would not provide. The origins of today's insurance programs date back to 1914.

LOAN GUARANTY



Since World War II, the VA loan guaranty program has assisted veterans by guaranteeing nearly 18 million home loans totaling over $883 billion. Most were made without a downpayment. These loans are made on favorable terms; they can be for up to 30 years, can be pre-paid without penalty, and can be assumed by a creditworthy purchaser of the home. The primary advantage of the VA loan is that the veteran does not have to make a downpayment. Additionally, VA assists veteran borrowers who are experiencing difficulties making their mortgage payments through personal, supplemental loan servicing. VA often intercedes with the lender to arrange forbearance, i.e., to give the veteran more time to catch up on past due amounts before deciding whether to foreclose on the property. VA will also refund loans in appropriate cases, or suggest available alternatives to foreclosure such as deeds in lieu of foreclosure or compromise sales. These alternatives are beneficial to the veteran and the Government. The VA home loan program has been and remains a major benefit to veterans in acquiring their own homes.

The objective of the VA home loan guaranty program is to enable veterans to enter the home-buying market. The "no-downpayment" feature is intended to help veterans afford the purchase of suitable homes. VA does not require a downpayment if the purchase price or cost is not more than the reasonable value of the property as determined by VA, but the lender may require one. If the purchase price or cost is more than the reasonable value, the difference must be paid in cash from the veteran's own resources.

CURRENT BENEFITS

VA home loans may be used to:

- Purchase a home;
- Purchase a residential unit in certain condominium projects;
- Build a home;
- Refinance an existing home loan;
- Improve a home by installing solar heating or other energy conservation measures.

There are three types of loans guaranteed as defined by the purpose of the loan. A "Purchase Loan" is one used to purchase a home. The other two types of loans are "refinancing" loans: interest rate reduction and other refinancing (e.g., cash-out). Interest rate reduction is the most common reason for refinancing a loan.

There is no maximum loan amount for a VA loan. Lenders generally set a maximum based on rules of the secondary mortgage market. The maximum VA guaranty is 25% of the conforming loan limit as reported by Freddie Mac, and lenders are usually willing to loan up to the conforming loan limit without a downpayment (Note: guaranty on cash-out refinances is limited to $36,000).

Veterans pay a funding fee ranging from 1.25 percent to 3.3 percent of the loan amount (0.5 percent for interest rate reduction loans). The funding fee can be included in the loan. Veterans receiving VA compensation are exempt from paying the fee.

Severely disabled veterans, mostly those who are wheelchair bound, may be entitled to obtain grants under the Specially Adapted Housing Program. Additionally, Special Housing Adaptation (SHA) grants are available for disabled veterans who have blindness in both eyes, or have anatomical loss or loss of use of both hands. These distinctive programs help eligible veterans through grants to buy, build or modify homes specifically adapted for their use. There is no time limitation or deadline for applying for either grant benefit. These benefits can be used for, but are not limited to:

- Wider doorways and hallways to accommodate wheelchairs;
- Ramps instead of steps; and
- Wheelchair accessible bathrooms.

Loan Guaranty also administers the Native American Veterans Direct Loan Program. This program helps Native American veterans finance the purchase of homes on Federal trust territory. Loan Guaranty provides program information and materials to all interested parties and to VA personnel. VA has entered into memoranda of understanding (MOUs) with 70 participating Native American tribes. During FY 2005, VA closed 38 loans under this program. Since its inception, VA has made more than 500 loans to Native American veterans under this program.

The table below summarizes eligibility criteria for the Loan Guaranty program.

All veterans must have been discharged or released from active duty under other than dishonorable conditions. If the veteran served less than the minimum required time period, he or she could be eligible if a discharged because of a service-connected disability.

SUMMARY OF HOME LOAN GUARANTY ENTITLEMENTS AND OTHER ELIGIBILITY CRITERIA

PERIOD OF SERVICE OR ENTITLEMENT	SERVICE DATES	LENGTH OF SERVICE OR OTHER CRITERIA
World War II	9/16/40 - 7/25/47	90 days
Post-World War II	7/26/47 - 6/26/50	181 continuous days
Korean War	6/27/50 - 1/31/55	90 days
Post-Korean War	2/1/55 - 8/4/64	181 continuous days
Vietnam Era	8/5/64 - 5/7/75	90 days*
Post-Vietnam Era	5/8/75 - 9/7/80	181 continuous days
Enlisted	9/8/80 - 8/1/90	2 years
Officers	10/17/81 - 8/1/90	2 years
Gulf War Era	8/2/90 - present	2 years or period called to active duty (not less than 90 days)
Active Duty Personnel		On active duty, after having served continuously for at least 181 days (90 days for Gulf War Era duty) unless discharged or separated from a previous qualifying period of active duty service.
Reservists		6 years
Unmarried Surviving Spouse		Married to an eligible veteran who died as a result of service or service-connected conditions
Spouse of POW/MIA		Active duty member who is missing in action (MIA) or who is a prisoner of war (POW)
Restored Entitlement		Possible under certain situations

*For veterans who served within Vietnam, the beginning date is 2/28/1961.

The following table shows the distribution of loans guaranteed in FY 2005, sorted by whether or not the borrower made a downpayment as well as by buyer status. Similar data are presented on a five-year basis on the subsequent tables.

TYPES AND CHARACTERISTICS OF LOANS GUARANTEED IN FY 2005

STATUS	FIRST TIME HOME BUYER	PREVIOUS HOME BUYER	NO DOWN PAYMENT	DOWN PAYMENT	PURCHASE LOANS	INTEREST RATE REDUCTION	OTHER REFINANCING
NUMBER OF LOANS	60,735	58,395	108,385	10,745	119,130	40,995	5,729
TOTAL LOAN AMOUNT (IN DOLLARS)	**8,949,606,795**	**9,860,902,479**	**16,864,250,552**	**1,946,258,722**	**18,810,509,274**	**5,238,761,148**	**852,010,501**
AVERAGE LOAN AMOUNT (IN DOLLARS)	147,355	168,866	155,596	181,132	157,899	127,790	148,719
TOTAL GUARANTY AMOUNT (IN DOLLARS)	**2,481,339,395**	**2,604,544,052**	**4,581,360,881**	**504,522,566**	**5,085,883,447**	**1,526,655,097**	**195,913,466**
AVERAGE GUARANTY AMOUNT (IN DOLLARS)	40,855	44,602	42,269	46,954	42,692	37,240	34,197

SELECT FIVE-YEAR TREND OF LOANS GUARANTEED BY STATUS

STATUS	2001	2002	2003	2004	2005
FIRST TIME HOME BUYER	96,266	89,575	69,154	73,891	60,735
PREVIOUS HOME BUYER	80,895	87,323	79,656	78,504	58,395
NO DOWNPAYMENT	160,002	106,541	135,160	137,773	108,385
DOWNPAYMENT	17,156	16,357	13,650	14,622	10,745
PURCHASE LOANS	177,158	176,899	148,810	152,395	119,130
INTEREST RATE REDUCTION	67,696	131,889	330,426	175,147	40,995
OTHER REFINANCING	5,155	8,464	10,182	8,246	5,729

VA HOME LOANS GUARANTEED OVER THE PAST FIVE YEARS					
FISCAL YEAR	2001	2002	2003	2004	2005
NUMBER OF LOANS	250,009	317,251	489,418	335,788	165,854
TOTAL LOAN AMOUNT (IN DOLLARS)	**31,254,954,728**	**40,129,134,594**	**63,254,794,007**	**44,130,601,603**	**24,901,280,923**
AVERAGE LOAN AMOUNT (IN DOLLARS)	125,015	126,490	129,245	131,424	150,140
TOTAL GUARANTY AMOUNT (IN DOLLARS)	**9,153,835,594**	**11,667,454,970**	**18,245,097,305**	**12,643,384,380**	**6,808,452,010**
AVERAGE GUARANTY AMOUNT (IN DOLLARS)	36,614	36,777	37,279	37,653	41,051

The following table shows activity of programs designed to provide housing assistance grants to seriously disabled veterans as well as direct loans to Native American veterans on trust lands during FY 2005.

SPECIALLY ADAPTED HOUSING GRANTS AND DIRECT LOANS DURING FISCAL YEAR 2005				
PROGRAM	SPECIALLY ADAPTED HOUSING GRANTS	SPECIAL HOUSING ADAPTATION GRANTS	DIRECT LOANS TO NATIVE AMERICANS	TOTAL
NUMBER OF GRANTS/LOANS	526	61	38	**625**
AMOUNT OF GRANTS/LOANS(IN DOLLARS)	25,742,162	580,041	3,266,200	**29,588,403**
AVERAGE AMOUNT OF GRANTS/LOANS (IN DOLLARS)	48,939	9,509	85,953	**47,341**

... The goal of the Specially Adapted Housing (SAH) Program is to provide a barrier-free, wheelchair accessible living environment which affords the veteran a level of independent living he or she may not normally enjoy.

Data regarding loans guaranteed during FY 2005 by veterans' period of service and by other entitlement criteria are presented below. The table on the next page presents the data on a five-year basis.

LOANS GUARANTEED DURING FISCAL YEAR 2005 BY PERIOD OF SERVICE / ENTITLEMENT

PERIOD OF SERVICE/ ENTITLEMENT	NUMBER	TOTAL LOAN AMOUNT (IN DOLLARS)	AVERAGE LOAN AMOUNT (IN DOLLARS)	TOTAL GUARANTY AMOUNT (IN DOLLARS)	AVERAGE GUARANTY AMOUNT (IN DOLLARS)
WORLD WAR II	547	60,840,875	111,226	18,733,637	34,248
POST-WORLD WAR II	62	7,320,941	118,080	2,186,682	35,269
KOREAN WAR	496	53,212,890	107,284	16,587,352	33,442
POST-KOREAN WAR	1,435	159,284,066	110,999	48,785,165	33,997
VIETNAM ERA	9,712	1,182,666,298	121,774	348,612,183	35,895
POST-VIETNAM ERA	14,719	1,980,233,212	134,536	563,955,597	38,315
GULF WAR ERA	42,373	6,222,864,776	146,859	1,719,054,948	40,570
RESTORED ENTITLEMENT	44,995	7,259,257,729	161,335	1,922,964,482	42,737
SERVICE PERSONNEL	47,343	7,384,419,170	155,977	2,002,030,613	42,288
RESERVISTS	3,708	535,095,772	144,308	148,879,457	40,151
UN-REMARRIED SURVIVORS	459	55,594,245	121,120	16,506,831	35,963
SPOUSES OF POWS	5	490,949	98,190	155,063	31,013

FIVE YEAR TREND OF LOANS GUARANTEED BY ENTITLEMENT					
ENTITLEMENT	2001	2002	2003	2004	2005
WORLD WAR II	923	1,136	1,646	1,269	**547**
POST-WORLD WAR II	107	166	335	194	**62**
KOREAN WAR	1,222	1,406	2,025	1,589	**496**
POST-KOREAN WAR	2,732	3,618	5,339	3,778	**1,435**
VIETNAM ERA	20,553	24,850	34,911	25,428	**9,712**
POST-VIETNAM ERA	34,293	39,185	55,308	37,769	**14,719**
GULF WAR ERA	66,478	72,077	98,423	75,383	**42,373**
RESTORED ENTITLEMENT	74,998	115,636	221,730	123,724	**44,995**
SERVICE PERSONNEL	40,069	49,228	57,129	57,524	**47,343**
RESERVISTS	8,051	9,179	11,385	8,178	**3,708**
UN-REMARRIED SURVIVORS	578	760	1,161	931	**459**
SPOUSES OF POWS	5	10	26	21	**5**
TOTAL LOANS	**250,009**	**317,251**	**489,418**	**335,788**	**165,854**

Headquarters, Veterans Administration
circa 1932

The distribution of loans guaranteed during FY 2005 by gender and age as well as income level of the eligible borrower is shown below.

HOME LOANS GUARANTEED DURING FISCAL YEAR 2005 BASED ON GENDER AND AGE					
GENDER	NUMBER	TOTAL LOAN AMOUNT (IN DOLLARS)	AVERAGE LOAN AMOUNT (IN DOLLARS)	TOTAL GUARANTY AMOUNT (IN DOLLARS)	AVERAGE GUARANTY AMOUNT (IN DOLLARS)
MALE	147,018	22,069,982,482	150,118	6,032,124,483	41,030
FEMALE	18,836	2,831,298,441	150,313	776,327,527	41,215
AGE					
18 - 25	13,248	1,674,838,502	126,422	497,168,631	37,528
26 - 35	55,110	8,445,497,191	153,248	2,294,507,136	41,635
36 -45	48,985	7,963,832,498	162,577	2,119,195,255	43,262
46 - 55	26,018	3,854,780,451	148,158	1,053,798,408	40,503
56 - 65	16,346	2,230,942,363	136,482	626,584,189	38,333
66 - 75	4,575	555,124,784	121,339	163,392,488	35,714
76 - 80	941	107,103,518	113,819	32,443,107	34,477
OVER 80	631	69,161,616	109,606	21,362,796	33,855
AGE TOTAL	165,854	24,901,280,923	150,140	6,808,452,010	41,051

PURCHASE LOANS GUARANTEED DURING FISCAL YEAR 2005 BASED ON ANNUAL INCOME					
INCOME	NUMBER	TOTAL LOAN AMOUNT (IN DOLLARS)	AVERAGE LOAN (IN DOLLARS)	TOTAL GUARANTY AMOUNT	AVERAGE GUARANTY (IN DOLLARS)
Less than $25,000	2,623	226,121,575	86,207	80,605,995	30,730
$25,000 to $34,999	12,343	1,297,301,050	105,104	423,687,525	34,326
$35,000 to $44,999	22,934	2,917,811,018	127,226	851,921,773	37,147
$45,000 to $54,999	23,679	3,512,222,998	148,326	955,198,186	40,339
$55,000 to $64,999	18,582	3,084,084,046	165,972	808,705,661	43,521
$65,000 to $74,999	13,776	2,489,872,471	180,740	639,076,370	46,391
$75,000 and over	25,193	5,283,096,116	209,705	1,326,687,937	52,661
TOTAL	165,854	24,901,280,923	150,140	6,808,452,010	41,051
Average Income (In Dollars)	58,590	Median Income (In Dollars)	54,120	Median Loan (In Dollars)	150,093

NUMBER OF LOANS GUARANTEED FIVE FISCAL YEARS BY AGE

	2001	2002	2003	2004	2005
18-25	10,511	10,968	12,361	14,123	13,248
26-35	93,771	101,921	131,320	92,612	55,110
36-45	77,386	100,724	158,892	104,653	48,985
46-55	44,683	63,701	106,893	67,776	26,018
56-65	16,098	27,555	55,759	39,920	16,346
66-75	7,560	12,382	18,416	12,476	4,575
76-80*			3,818	2,608	941
Over 80*			1,959	1,620	631
TOTAL	**250,009**	**317,251**	**489,418**	**335,788**	**165,854**

* DATA COLLECTION FOR THESE AGE GROUPS BEGAN FY 2003.

PERCENT OF AGE REPRESENTATION OF LOANS GUARANTEED FIVE FISCAL YEARS

	2001	2002	2003	2004	2005
18-25	4.2%	3.5%	2.5%	4.2%	8.0%
26-35	37.5%	32.1%	26.8%	27.6%	33.2%
36-45	31.0%	31.7%	32.5%	31.2%	29.5%
46-55	17.9%	20.1%	21.8%	20.2%	15.7%
56-65	6.4%	8.7%	11.4%	11.9%	9.9%
66-75	3.0%	3.9%	3.8%	3.7%	2.8%
76-80	0.0%	0.0%	0.8%	0.8%	0.6%
OVER 80	0.0%	0.0%	0.4%	0.5%	0.4%

Providing race information on the application for a VA guaranteed loan is voluntary. The race demographics and distribution of new loan guaranties presented below show the distribution among the 95 percent who provided race information for FY 2005. For the previous four fiscal years, the percentages are: 2004, 89 percent; 2003, 87 percent; 2002, 83 percent; and 2001, 80 percent.

LOANS GUARANTEED DURING FISCAL YEAR 2005 BY RACE

RACE	NUMBER	TOTAL LOAN AMOUNT (IN DOLLARS)	AVERAGE LOAN (IN DOLLARS)	TOTAL GUARANTY AMOUNT	AVERAGE GUARANTY (IN DOLLARS)
WHITE	117,515	**$17,569,134,540**	$149,505	**$4,811,337,517**	$40,942
BLACK/AFRICAN AMERICAN	25,900	**$3,877,255,193**	$149,701	**$1,057,232,134**	$40,820
HISPANIC	11,308	**$1,647,357,468**	$145,681	**$425,618,731**	$37,639
ASIAN/ PACIFIC ISLANDER/ NATIVE HAWAIIAN	2,713	**$458,792,149**	$169,109	**$110,304,512**	$40,658
AMERICAN INDIAN/ ALASKAN NATIVE	1,218	**$180,566,045**	$148,248	**$38,901,294**	$31,939

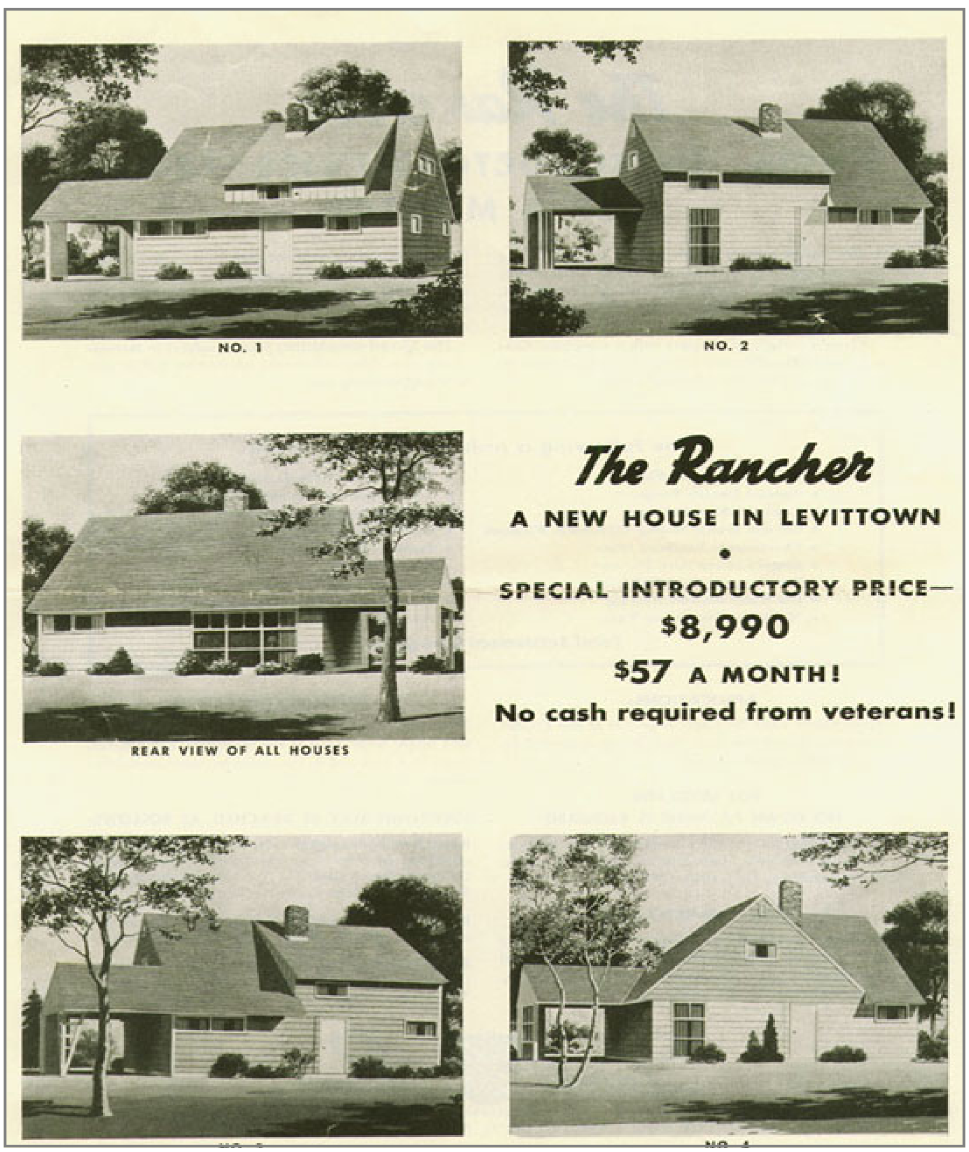
SELECT FIVE YEAR TREND OF LOANS GUARANTEED BY RACE

RACE	2001	2002	2003	2004	2005
WHITE	156,241	204,316	330,408	221,931	117,515
BLACK/AFRICAN AMERICAN	28,462	37,378	61,357	49,530	25,900
HISPANIC	12,526	16,569	26,036	20,708	11,308
ASIAN/ PACIFIC ISLANDER/ NATIVE HAWIIAN	2,714	3,660	5,740	4,541	2,713
AMERICAN INDIAN/ ALASKAN NATIVE	1,266	1,626	2,428	2,168	1,218

SUMMARY

VBA recently guaranteed its 18 millionth home loan since the inception of the Loan Guaranty program. The flexibility of the program ensures its accessibility to the vast majority of the qualifying veteran homebuyer population. The number of Specially Adapted Housing and Special Home Adaptation Grants to assist seriously disabled veterans achieve maximum independence in their own homes continues to increase each year.

The VA Home Loan Program for eligible veterans and active duty personnel assists them with purchasing and retaining a home.



VOCATIONAL REHABILITATION AND EMPLOYMENT

The mission of the Vocational Rehabilitation and Employment (VR&E) Program is to enable veterans with service-connected disabilities and employment handicaps obtain and maintain stable and suitable employment. When the severity of disability prohibits suitable employment, VR&E assists those veterans achieve maximum independence in daily living.

CURRENT BENEFITS

VR&E provides a wide range of vocational and educational counseling services to service members on active duty, as well as veterans and dependents who are eligible for one of VA's educational benefit programs. These services are designed to help individuals choose a vocational direction and determine the course needed to achieve the chosen goal. Assistance may include interest and aptitude testing, occupational exploration, setting occupational goals, locating the right type of training program, and exploring educational or training facilities which might be utilized to achieve an occupational goal.

Veterans may progress through a series of steps. VR&E provides each veteran with a case manager. The case manager follows the veteran's progress through the program and ensures delivery of prescribed services. The steps are described below:

STEP 1. Application for the benefit
STEP 2. Evaluation to assess needs, determine services to which a veteran may be entitled, and conduct rehabilitation planning
STEP 3. Rehabilitation services for employment (services and assistance that lead to veteran becoming job- ready or able to live more independently in the community)
STEP 4. Services in "job-ready" status assist the veteran in obtaining and maintaining suitable employment
STEP 5. Rehabilitation - includes veterans who obtain and maintain suitable employment or achieve maximum independence in daily living

PROGRAM ENHANCEMENTS

VR&E has several new and creative methods to assist veterans in returning to work and maintaining suitable employment. Two new outreach methods piloted in FY 2005 include the Five-Track Employment Model and the "Coming Home to Work" initiative.

VR&E established Job Resource Labs in four pilot stations. These labs aid VR&E staff and veterans in conducting comprehensive analyses of local and national job outlooks, developing job-search plans, preparing for interviews, developing resumes, and conducting thorough job searches. VR&E is now rolling out the program nationwide. The Job Resources Lab is an integral part of the Five-Track Employment Model.

The Coming Home to Work initiative is an early outreach effort that provides civilian work experience in a government facility and other Vocational Rehabilitation services to VR&E eligible service members pending medical separation from the military. VR&E staff is currently working with federal, state, and local government facilities to coordinate future work experience opportunities. These facilities currently include Department of Defense's prosthetics centers, community services and information technology offices; VA Medical Centers and Regional Offices; the Colorado Department of Wildlife; and JR ROTC at public high schools.

DATA

In FY 2005, 61,116 veterans applied for Vocational Rehabilitation and Employment services. Of those who applied:

- 65.1% were found to be entitled;
- 4.8% did not have a qualifying service-connected disability rating and were determined not eligible; and
- 12.1% were determined not entitled (no qualifying employment handicap or serious employment handicap).

VOCATIONAL REHABILITATION AND EMPLOYMENT ACTIVITIES FY 2005

	MALE	FEMALE	TOTAL
APPLICANTS	50,899	10,217	**61,116**
DENIED ELIGIBILITY	2,393	569	**2,962**
DENIED ENTITLEMENT	6,138	1,238	**7,376**
ENTITLED TO SERVICES	32,548	7,216	**39,764**
PARTICIPANTS	42,391	12,837	**55,228**
REHABILITATED	9,833	2,131	**11,964**

SOURCE: VR&E PROGRAM MANAGEMENT REPORTS

Definitions for the following VR&E terms are found in the glossary: Applicants (p. 102); Denied Eligibility and Denied Entitlement (p. 104); Entitled to Services (p. 105); Participants (p. 106); and Rehabilitated (p. 107).

The tables that follow on the next page display the demographics of veterans in each of the categories as outlined in the above table. These data are provided for both the female and male veteran populations.

VOCATIONAL REHABILITATION AND EMPLOYMENT ACTIVITIES BY AGE FY 2005

	BELOW 17 OR UNKNOWN	17 THROUGH 21	22 THROUGH 29	30 THROUGH 39	40 THROUGH 44	45 THROUGH 49	50 THROUGH 54	55 THROUGH 59	60 AND ABOVE	TOTAL
MALE										
APPLICANTS	1	713	8,215	10,464	8,388	6,862	5,274	7,098	3,884	**50,899**
DENIED ELIGIBILITY	-	144	697	492	385	271	204	123	77	**2,393**
DENIED ENTITLEMENT	-	26	455	1,093	1,184	1,039	835	960	546	**6,138**
ENTITLED TO SERVICES	2	223	4,456	7,291	5,316	4,865	3,490	4,619	2,286	**32,548**
PARTICIPANTS	1	92	5,724	12,105	7,957	7,851	4,235	3,309	1,117	**42,391**
REHABILITATED	1	-	641	2,272	1,403	1,619	1,173	1,632	1,092	**9,833**
FEMALE										
APPLICANTS	-	294	3,108	2,926	1,705	1,248	641	226	69	**10,217**
DENIED ELIGIBILITY	-	58	247	128	57	46	28	5	-	**569**
DENIED ENTITLEMENT	-	16	221	379	266	206	109	29	12	**1,238**
ENTITLED TO SERVICES	-	79	1,816	2,266	1,292	998	545	176	44	**7,216**
PARTICIPANTS	-	45	2,853	4,666	2,212	1,874	868	277	42	**12,837**
REHABILITATED	1	-	297	778	376	373	224	58	24	**2,131**

SOURCE: VR&E PROGRAM MANAGEMENT REPORTS

VOCATIONAL REHABILITATION AND EMPLOYMENT ACTIVITIES BY PRIOR EDUCATION LEVEL FY 2005

	BELOW HIGH SCHOOL	HIGH SCHOOL	POST HIGH SCHOOL	FOUR YEAR DEGREE	GRADUATE DEGREE	TOTAL
MALE						
APPLICANTS	1,309	25,721	16,910	4,775	2,184	**50,899**
DENIED ELIGIBILITY	59	1,260	678	259	137	**2,393**
DENIED ENTITLEMENT	116	2,744	2,065	865	348	**6,138**
ENTITLED TO SERVICES	740	16,975	11,097	2,512	1,224	**32,548**
PARTICIPANTS	536	22,416	15,649	2,277	1,513	**42,391**
REHABILITATED	211	4,881	3,410	839	492	**9,833**
FEMALE						
APPLICANTS	59	4,052	4,263	1,293	550	**10,217**
DENIED ELIGIBILITY	3	260	188	70	48	**569**
DENIED ENTITLEMENT	6	419	494	224	95	**1,238**
ENTITLED TO SERVICES	53	3,123	3,024	658	358	**7,216**
PARTICIPANTS	77	6,021	5,308	826	605	**12,837**
REHABILITATED	14	868	881	237	131	**2,131**

SOURCE: VR&E PROGRAM MANAGEMENT REPORTS

Vocational Rehabilitation and Employment Activities by Branch of Service FY 2005

	Air Force	Army	Coast Guard	Marine Corps	Navy	Other	Unknown	Total
Male								
Applicants	6,509	24,320	486	6,520	8,956	24	4,084	**50,899**
Denied Eligibility	128	266	8	104	178	1	1,708	**2,393**
Denied Entitlement	921	2,994	53	720	1,319	7	124	**6,138**
Entitled to Services	4,486	16,391	359	4,428	6,261	11	612	**32,548**
Participants	6,637	20,647	516	5,621	8,602	7	361	**42,391**
Rehabilitated	1,604	4,762	113	1,268	1,971	4	111	**9,833**
Female								
Applicants	1,841	4,842	69	454	2,029	5	977	**10,217**
Denied Eligibility	44	52	1	2	47	-	423	**569**
Denied Entitlement	241	575	11	49	329	1	32	**1,238**
Entitled to Services	1,416	3,687	63	379	1,531	3	137	**7,216**
Participants	2,682	6,503	110	683	2,761	5	93	**12,837**
Rehabilitated	487	1,032	28	100	463	-	21	**2,131**

Source: VR&E Program Management Reports

Vocational Rehabilitation and Employment Activities by Period of Service FY 2005

	World War II	Post World War II Era	Korean Conflict	Post-Korean Conflict	Vietnam Era	Post - Vietnam Era	Gulf War	Total
Male								
Applicants	372	38	268	537	8,313	9,914	31,457	**50,899**
Denied Eligibility	3	3	1	18	212	616	1,540	**2,393**
Denied Entitlement	34	4	40	76	1,109	1,320	3,555	**6,138**
Entitled to Services	165	16	158	282	5,201	6,070	20,656	**32,548**
Participants	14	1	29	92	3,004	6,342	32,909	**42,391**
Rehabilitated	116	12	85	115	1,804	1,492	6,209	**9,833**
Female								
Applicants	2	-	2	6	106	1,345	8,756	**10,217**
Denied Eligibility	-	-	-	-	6	94	469	**569**
Denied Entitlement	-	-	-	1	9	200	1,028	**1,238**
Entitled to Services	-	-	2	4	81	924	6,205	**7,216**
Participants	-	-	-	6	55	1,254	11,522	**12,837**
Rehabilitated	-	-	1	2	23	257	1,848	**2,131**

Source: VR&E Program Management Reports

VOCATIONAL REHABILITATION AND EMPLOYMENT ACTIVITIES BY LENGTH OF SERVICE FY 2005

	3 Months or Less	3 to 6 Months	6 Months to 2 Years	2 to 4 Years	4 to 10 Years	10 to 15 Years	15 to 20 Years	20 to 30 Years	More than 30 Years	In Service	Total
MALE											
Applicants	242	534	7,322	13,853	11,695	3,063	2,238	8,392	170	3,390	**50,899**
Denied Eligibility	25	38	282	494	374	81	43	163	6	887	**2,393**
Denied Entitlement	15	74	853	1,500	1,340	394	330	1,427	24	181	**6,138**
Entitled to Services	165	386	4,543	9,157	8,095	2,314	1,743	5,427	95	623	**32,548**
Participants	206	520	4,542	10,512	11,418	3,626	2,634	8,811	122	0	**42,391**
Rehabilitated	33	79	1,195	2,589	2,338	888	621	2,022	41	27	**9,833**
FEMALE											
Applicants	91	221	1,381	2,517	2,876	668	378	1,250	12	823	**10,217**
Denied Eligibility	8	14	56	93	106	14	3	28	-	247	**569**
Denied Entitlement	7	17	121	265	353	117	59	222	2	75	**1,238**
Entitled to Services	81	169	1,008	1,869	2,140	556	323	928	7	135	**7,216**
Participants	161	317	1,699	3,234	3,961	1,005	631	1,822	7	-	**12,837**
Rehabilitated	20	46	217	500	646	224	126	338	2	12	**2,131**

Source: VR&E Program Management Reports
In Service: The VR&E program provides service to active military personnel such as those in medical hold or those in the pre-discharge phase.

VOCATIONAL REHABILITATION AND EMPLOYMENT ACTIVITIES BY COMBINED SERVICE CONNECTED DISABILITY RATING FY 2005														
	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%	MEMO RATING	CASES NOT RATED	TOTAL
MALE														
APPLICANTS	35	5,817	8,004	8,314	6,769	4,442	3,879	2,964	1,643	660	2,965	3,304	2,103	**50,899**
DENIED ELIGIBILITY	26	118	98	100	84	36	45	17	17	6	17	45	1,784	**2,393**
DENIED ENTITLEMENT	1	1,016	857	987	790	522	577	482	303	128	402	73	-	**6,138**
ENTITLED TO SERVICES	3	1,335	4,649	5,179	5,184	3,474	3,483	3,057	1,994	929	2,932	329	-	**32,548**
PARTICIPANTS	5	1,672	7,149	8,183	7,826	4,945	4,887	3,069	1,950	850	1,730	125	-	**42,391**
FEMALE														
APPLICANTS	10	1,074	1,518	1,710	1,385	880	884	539	389	139	336	834	519	**10,217**
DENIED ELIGIBILITY	9	40	27	24	17	8	10	6	4	3	1	14	406	**569**
DENIED ENTITLEMENT	1	212	163	195	189	105	108	79	65	35	59	27	-	**1,238**
ENTITLED TO SERVICES	-	246	1,011	1,213	1,149	837	877	661	496	221	410	95	-	**7,216**
PARTICIPANTS	5	415	1,932	2,317	2,284	1,644	1,671	1,071	737	295	429	37	-	**12,837**

Source: VR&E Program Management Reports

Of those veterans participating in a plan of services, most follow the employment track and may receive services that include employment planning, training or education, medical or dental care, and other supportive services.

Veterans whose disability prevents employment strive to achieve maximum independence in daily living.

Some of the veterans participating in VR&E services have a serious employment handicap, which means there is significant impairment of the veteran's ability to prepare for, obtain, or retain employment consistent with his/her abilities, aptitudes, and interests.

VETERANS WITH SERIOUS EMPLOYMENT HANDICAPS FY 2005				
CASE STATUS	TOTAL VETERANS	MALES WITH SERIOUS EMPLOYMENT HANDICAPS	FEMALES WITH SERIOUS EMPLOYMENT HANDICAPS	TOTAL VETERANS WITH SERIOUS EMPLOYMENT HANDICAPS
ENTITLED TO SERVICES	**39,764**	18,455	3,627	**22,082**
PARTICIPANTS	**55,228**	5,688	3,827	**9,515**
REHABILITATED	**11,964**	5,300	899	**6,199**

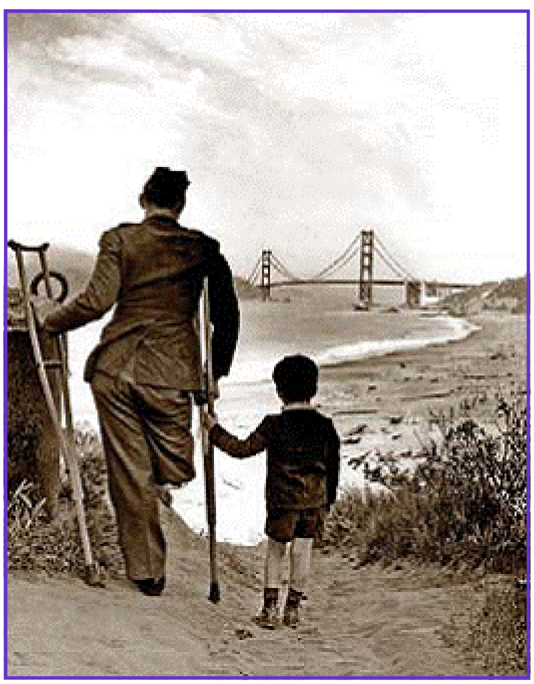
Source: VR&E Program Management Reports

The employment assistance needs of each veteran are assessed and a plan of services developed that will lead into suitable employment. Services may include: job market exploration, job-seeking skills, resume preparation, interview skills, and other assistance. The table below reflects veterans participating in Vocational Rehabilitation and Employment training program during FY 2005.

VETERANS PARTICIPATING IN A VOCATIONAL TRAINING PROGRAM DURING FY 2005

	MALE	FEMALE	TOTAL
UNDERGRADUATE SCHOOL	35,560	11,323	**46,883**
VOCATIONAL/TECHNICAL	2,836	477	**3,313**
GRADUATE SCHOOL	1,505	673	**2,178**
COLLEGE, NONDEGREE	966	170	**1,136**
EXTENDED EVALUATION/INDEPENDENT LIVING	991	117	**1,108**
PAID ON-JOB TRAINING	165	14	**179**
NON-PAY WORK EXPERIENCE IN GOVERNMENT	147	41	**188**
NON-PAY ON-JOB TRAINING	109	17	**126**
APPRENTICESHIP	53	2	**55**
IMPROVEMENT OF REHAB POTENTIAL	39	3	**42**
HIGH SCHOOL	12	0	**12**
FARM CO-OP	8	0	**8**
TOTAL	**42,391**	**12,837**	**55,228**

SOURCE: VR&E PROGRAM MANAGEMENT REPORTS



Courtesy of FDR Library

Upon completion of the individualized evaluation process, the veteran enters a rehabilitation program to become job-ready in the selected vocational choice or to achieve the maximum ability to live independently in the community. The length of time that a veteran remains in a rehabilitation program varies according to the veteran's individual circumstances; the average time spent in the program is approximately two and one-half years.

The next table shows annual earnings pre- and post-VR&E program participation for those veterans who were successfully rehabilitated.

VETERANS SUCCESSFULLY REHABILITATED PRE AND POST ANNUAL EARNINGS BY OCCUPATIONAL CATEGORY FY 2005					
	MALE			FEMALE	
AVERAGE AGE	47			40	
	TOTAL	AVERAGE ANNUAL WAGES PRIOR TO VR&E PROGRAM ENTRANCE	AVERAGE ANNUAL WAGES AT REHABILITATION	AVERAGE ANNUAL WAGES PRIOR TO VR&E PROGRAM ENTRANCE	AVERAGE ANNUAL WAGES AT REHABILITATION
PROFESSIONAL, TECHNICAL, AND MANAGERIAL	**6,656**	$6,817	$34,109	$4,710	$30,535
CLERICAL	**656**	$5,313	$27,370	$4,489	$24,545
SERVICE	**502**	$5,800	$25,623	$3,732	$23,490
MISCELLANEOUS	**371**	$4,642	$27,000	$0	$18,152
MACHINE TRADES	**318**	$5,796	$29,220	$0	$20,580
STRUCTURAL (BUILDING TRADES)	**245**	$6,421	$32,320	$1,285	$20,278
SALES	**248**	$5,151	$28,158	$2,936	$26,319
BENCHWORK	**87**	$5,275	$25,947	$4,308	$19,493
PROCESSING (BUTCHER, MEAT PROCESSOR, ETC.)	**16**	$4,192	$36,599	$0	$28,908
AGRICULTURAL, FISHERY AND FORESTRY	**41**	$4,189	$23,551	$0	$13,056
TOTAL	**9,140**	**$5,011**	**$29,591**	**$4,178**	**$27,576**

*Excludes Independent Living Veterans (2.824)
Source: VR&E Program Management Reports

This table displays both participants and rehabilitated veterans by their occupational categories during FY 2005.

VETERANS SUCCESSFULLY REHABILITATED PRE AND POST ANNUAL EARNINGS BY OCCUPATIONAL CATEGORY FY 2005

	MALE		FEMALE	
AVERAGE AGE	**41**	**47**	**37**	**40**
	PARTICIPANTS	**REHABILITATED**	**PARTICIPANTS**	**REHABILITATED**
AGRICULTURAL, FISHERY AND FORESTRY	92	36	18	5
BENCHWORK	232	80	19	7
CLERICAL	1,511	455	708	201
INDEPENDENT LIVING	1,163	2,578	192	246
MACHINE TRADES	1,060	314	22	4
MISCELLANEOUS	967	358	119	13
PROCESSING (BUTCHER, MEAT PROCESSOR, ETC.)	44	15	6	1
PROFESSIONAL, TECHNICAL, AND MANAGERIAL	35,290	5,120	11,408	1,536
SALES	361	208	61	40
SERVICE	988	431	272	71
STRUCTURAL (BUILDING TRADES)	683	238	12	7
TOTALS	**42,391**	**9,833**	**12,837**	**2,131**

Source: VR&E Program Management Reports

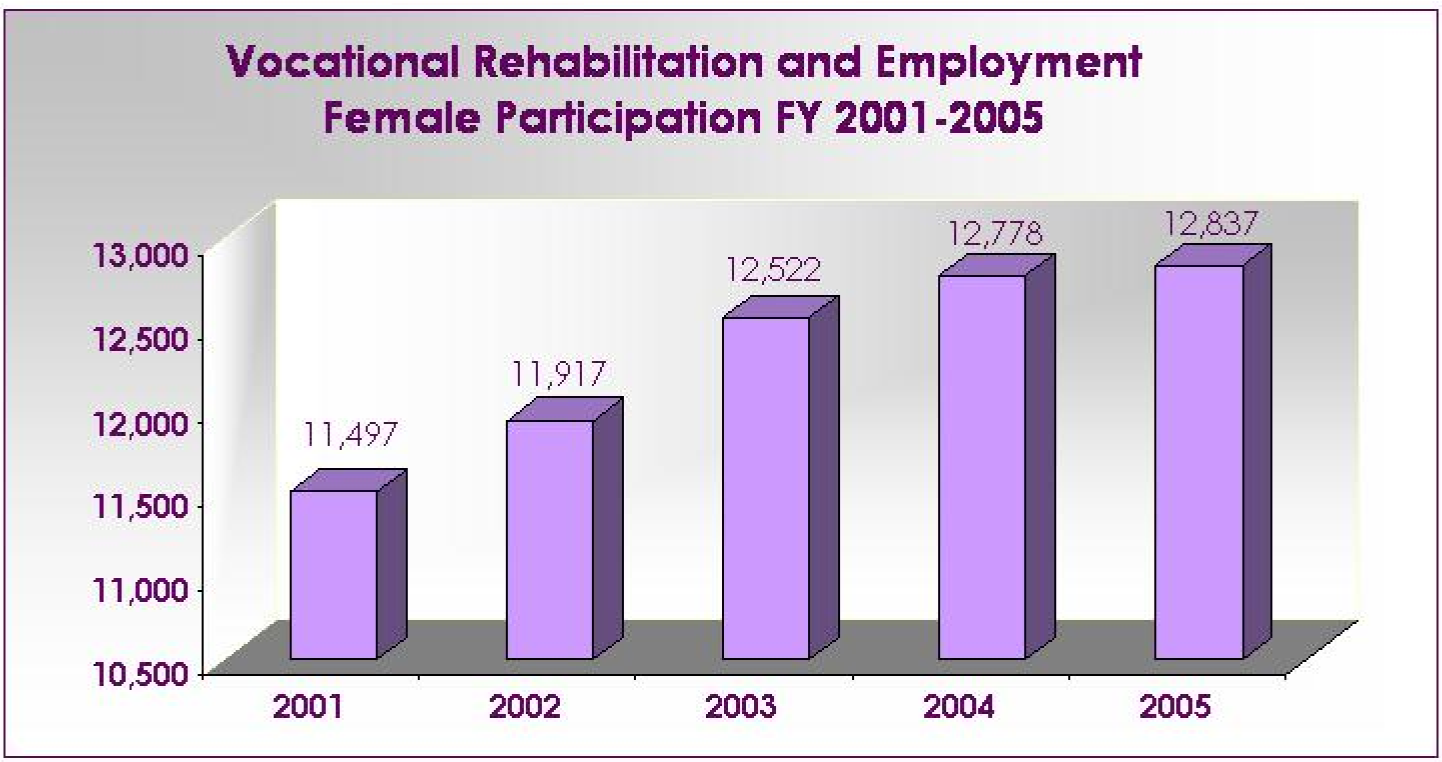
The two charts on the following pages present data of the number of applicants and female participants over five fiscal years.

SUMMARY

In 2005, the VR&E program successfully rehabilitated 879 more veterans than in FY 2004. Improvements are continuing to be made to enhance the services provided to program participants.

A pilot study of the Five-Track Employment Model was demonstrated to be successful and will be deployed nationally during 2006. Utilizing the new Five-Track Employment Model, more relationships with employers will be established which positively affects the number of job placements for VR&E participants.


Vocational Rehabilitation and Employment
Applicants FY 2001-2005
70,000
60,000
50,000
40,000
30,000
20,000
10,000
0
52,204
61,250
64,522
61,332
61,116
2001
2002
2003
2004
2005


Vocational Rehabilitation and Employment
Female Participation FY 2001-2005
13,000
12,500
12,000
11,500
11,000
10,500
11,497
11,917
12,522
12,778
12,837
2001
2002
2003
2004
2005

APPENDICES

Veterans Benefits Administration Regional Offices Mailing Addresses

ALABAMA

VA Regional Office
345 Perry Hill Road
Montgomery, AL 36109-3798

ALASKA

VA Regional Office
2925 DeBarr Road
Anchorage, AK 99508-2989

ARIZONA

VA Regional Office
3333 North Central Avenue
Phoenix, AZ 85012-2458

ARKANSAS

VA Regional Office
2200 Fort Roots Drive
North Little Rock, AR 72114-1756

CALIFORNIA

VA Regional Office - Federal Building
11000 Wilshire Blvd.
Los Angeles, CA 90024-3602

VA Regional Office - Federal Building
1301 Clay Street - Suite 1300N
Oakland, CA 94612-5209

VA Regional Office
8810 Rio San Diego Drive
San Diego, CA 92108-1508

COLORADO

VA Regional Office
Box 25126
Denver, CO 80225-0126

CONNECTICUT

VA Regional Office
555 Willard Avenue, Bldg. 2E Room 5137
Newington, CT 06103-0909

DELAWARE

VA Regional Office
1601 Kirkwood Highway
Wilmington, DE 19805-4988

DISTRICT OF COLUMBIA

VA Regional Office
1722 Eye Street, NW
Washington, DC 20421-1111

FLORIDA

VA Regional Office
P.O. 1437
St. Petersburg, FL 33731-1437

GEORGIA

VA Regional Office
1700 Clairmont Rd.
Decatur, GA 30333-4032

HAWAII

VA Regional Office
PO Box 29020
459 Patterson Road, E Wing.
Honolulu, HI 96820-1420

IDAHO

VA Regional Office
805 W. Franklin Street
Boise, ID 83702-5560

ILLINOIS

VA REGIONAL OFFICE
2122 W. TAYLOR STREET
CHICAGO, IL 60612-4281

INDIANA

VA REGIONAL OFFICE
575 NORTH PENNSYLVANIA STREET
INDIANAPOLIS, IN 46204-1526

IOWA

VA REGIONAL OFFICE
210 WALNUT STREET - ROOM 1063
DES MOINES, IA 50309-9825

KANSAS

VA REGIONAL OFFICE
5500 E. KELLOGG
WICHITA, KS 67218-1698

KENTUCKY

VA REGIONAL OFFICE
321 W. MAIN ST., SUITE 390
LOUISVILLE, KY 40202-6200

LOUISIANA*

VA REGIONAL OFFICE
671A WHITNEY AVE
GRETNA, LA 70054

** This is a temporary mailing address due to the effects of Hurricane Katrina.*

MAINE

VA REGIONAL OFFICE
1 VA CENTER - BLDG. 248, ROOM 205
TOGUS, ME 04330-6795

MARYLAND

VA REGIONAL OFFICE - FEDERAL BUILDING
31 HOPKINS PLAZA - ROOM 233
BALTIMORE, MD 21201-0001

MASSACHUSETTS

VA REGIONAL OFFICE
JOHN F. KENNEDY BUILDING
GOVERNMENT CENTER - ROOM 1265
BOSTON, MA 02203-0393

MICHIGAN

VA REGIONAL OFFICE
PATRICK V. MCNAMARA FEDERAL BLDG.
477 MICHIGAN AVENUE - ROOM 1400
DETROIT, MI 48226-2591

MINNESOTA

VA REGIONAL OFFICE
ONE FEDERAL DRIVE, FORT SNELLING
ST. PAUL, MN 55111-4050

MISSISSIPPI

VA REGIONAL OFFICE
1600 EAST WOODROW WILSON AVENUE
JACKSON, MS 39216-5102

MISSOURI

VA REGIONAL OFFICE
400 SOUTH 18TH STREET
ST. LOUIS, MO 63103-2676

MONTANA

VA REGIONAL OFFICE
WILLIAMS STREET, HIGHWAY 12 WEST
FORT HARRISON, MT 59636-9999

NEBRASKA

VA REGIONAL OFFICE
5631 S. 48TH STREET
LINCOLN, NE 68516-4198

NEVADA

VA REGIONAL OFFICE
1201 TERMINAL WAY
RENO, NV 89520-0118

NEW HAMPSHIRE

VA REGIONAL OFFICE
NORRIS COTTON FEDERAL BLDG.
275 CHESTNUT STREET
MANCHESTER, NH 03101-2489

NEW JERSEY

VA REGIONAL OFFICE
20 WASHINGTON PLACE
NEWARK, NJ 07102-3174

NEW MEXICO

VA REGIONAL OFFICE
DENNIS CHAVEZ FEDERAL BLDG.
500 GOLD AVENUE, SW
ALBUQUERQUE, NM 87102-3118

NEW YORK

VA REGIONAL OFFICE
130 S. ELMWOOD AVENUE
BUFFALO, NY 14202-2478

VA REGIONAL OFFICE
245 W. HOUSTON STREET
NEW YORK, NY 10014-4805

NORTH CAROLINA

VA REGIONAL OFFICE - FEDERAL BUILDING
251 NORTH MAIN STREET
WINSTON-SALEM, NC 27155-1000

NORTH DAKOTA

VA REGIONAL OFFICE
2101 ELM STREET
FARGO, ND 58102-2417

OHIO

VA REGIONAL OFFICE
A. J. CELEBREEZE FEDERAL BUILDING
1240 EAST NINTH STREET
CLEVELAND, OH 44199-2002

OKALHOMA

VA REGIONAL OFFICE
FEDERAL BUILDING
125 SOUTH MAIN STREET
MUSKOGEE, OK 74401-7025

OREGON

VA REGIONAL OFFICE
EDITH GREEN/WENDELL WYATT FEDERAL BUILDING
1220 SOUTHWEST 3RD AVENUE ROOM 1217
PORTLAND, OR 97204-2825

PENNSYLVANIA

VA REGIONAL OFFICE AND INSURANCE CENTER
PO BOX 8079
5000 WISSAHICKON AVENUE
PHILADELPHIA, PA 19101-8079

VA REGIONAL OFFICE
1000 LIBERTY AVENUE
PITTSBURGH, PA 15222-4004

PHILIPPINES

U.S. DEPARTMENT OF VETERANS AFFAIRS
FPO AP 96515-1110
MANILA, PI 1000

PUERTO RICO

VA Regional Office
150 Avenida. Carlos Chardon
Suite 232
San Juan, PR 00918-1703

RHODE ISLAND

VA Regional Office
380 Westminster Street
Providence, RI 02903-3246

SOUTH CAROLINA

VA Regional Office
1801 Assembly Street
Columbia, SC 29201-2495

SOUTH DAKOTA

VA Regional Office
2501 W. 22nd Street
Sioux Falls, SD 57105-1305

TENNESSEE

VA Regional Office
110 Ninth Avenue, South
Nashville, TN 37203-3817

TEXAS

VA Regional Office
6900 Almeda Road
Houston, TX 77030-4200

VA Regional Office
One Veterans Plaza
701 Clay Avenue
Waco, TX 76799-0001

UTAH

VA Regional Office
550 Foothill Drive
Salt Lake City, UT 84113-1106

VERMONT

VA Regional Office
215 N. Main Street
White River Junction, VT 05009-0001

VIRGINIA

VA Regional Office
210 Franklin Road, SW
Roanoke, VA 24011-2204

WASHINGTON

VA Regional Office
Federal Building
915 Second Avenue
Seattle, WA 98174-1060

WEST VIRGINIA

VA Regional Office
640 4th Avenue
Huntington, WV 25701-1340

WISCONSIN

VA Regional Office
5400 W. National Avenue
Milwaukee, WI 53214-3416

WYOMING

2360 E. Pershing Blvd.
Cheyenne, WY 82001

The Denver Regional Office serves the state of Wyoming. The local address provided is for the Benefits Office.

CONTACTING VA BY TELEPHONE	
COMPENSATION AND PENSION, LOAN GUARANTY, VOCATIONAL REHABILITATION AND EMPLOYMENT, AND GENERAL BENEFITS INFORMATION	1-800-827-1000 *
EDUCATION	1-888-GI BILL 1 *
	(1-888-442-4551)*
LIFE INSURANCE	1-800-669-8477 *
BURIAL HEADSTONES AND MARKERS	1-800-697-6947 *
HEALTH CARE	1-877-222-8387 *
CHAMPVA	1-800-733-8387 *
TELECOMMUNICATION DEVICE FOR THE DEAF (TDD)	1-800-829-4833 *
ANNUAL BENEFITS REPORT (OFFICE OF PERFORMANCE ANALYSIS AND INTEGRITY)	1-202-273-6811

Indicates toll-free numbers

**A MORE EXTENSIVE LISTING OF PHONE NUMBERS, TO INCLUDE SPECIAL HELP LINES, MAY BE FOUND IN THE 2005 EDITION OF THE HANDBOOK FEDERAL BENEFITS FOR VETERANS AND DEPENDENTS. THIS MAY BE ACCESSED ONLINE AT http://www1.va.gov/opa/vadocs/fedben.pdf.

INTERNET REFERENCES	
VA WEBSITES	
DEPARTMENT OF VETERANS AFFAIRS HOME PAGE	http://www.va.gov
HEALTH CARE	http://www.va.gov/vbs/health/index.htm
NATIONAL CEMETERY ADMINISTRATION	http://www.cem.va.gov
OFFICE OF CONGRESSIONAL AFFAIRS	http://www.va.gov/oca/index.htm
PUBLIC AFFAIRS & SPECIAL EVENTS	http://www.va.gov/opa/index.htm
ABOUT VA	http://www.va.gov/about_va/
LINKS TO VA ORGANIZATIONS	http://www.va.gov/
ONLINE APPLICATIONS	http://www.va.gov/onlineapps.htm
ONLINE FORMS	http://www.va.gov/vaforms/
FACILITY LOCATOR	http://www1.va.gov/directory/guide/home.asp?isFlash=1
CONTACT INFORMATION	https://iris.va.gov/
VETERAN DATA AND INFORMATION	http://www.va.gov/vetdata/
VBA WEBSITES	
VETERANS BENEFITS ADMINISTRATION HOME PAGE	http://www.vba.va.gov
COMPENSATION AND PENSION	http://www.vba.va.gov/bln/21/index.htm
EDUCATION	http://www.gibill.va.gov/
LIFE INSURANCE	http://www.insurance.va.gov/
LOAN GUARANTY	http://www.homeloans.va.gov
VOCATIONAL REHABILITATION AND EMPLOYMENT	http://www.vba.va.gov/bln/vre/index.htm

**A more extensive listing of websites regarding veterans benefits may be found in the 2005 edition of the handbook Federal Benefits for Veterans and Dependents. This may be accessed online at http://www1.va.gov/opa/vadocs/fedben.pdf.*

GLOSSARY

AID AND ATTENDANCE – An additional monetary allowance payable to individuals who are :
In a nursing home or
In need of daily care to help with feeding, dressing, or keeping clean.

APPLICANTS (VR&E) – Veterans who have applied for Vocational Rehabilitation and Employment services.

BENEFITS DELIVERY AT DISCHARGE (BDD) – Program to assist active duty personnel in filing for VA benefits prior to their separation or retirement from active duty. VBA provides information about VA benefits and assistance in filing benefit claims.

BODY SYSTEMS – Title 38, Code of Federal Regulations, Part 4, classifies the various areas of the body into fifteen (15) different systems as follows:
Musculoskeletal System
Skin
Auditory
Mental Disorders
Digestive System
Neurological Conditions and Convulsive Disorders
Cardiovascular System
Respiratory System
Endocrine System
Genitourinary System
Eye
Infectious Diseases, Immune Disorders, Nutritional Deficiencies
Gynecological Conditions
Dental and Oral Conditions
Hemic and Lymphatic Systems

BUYER STATUS – A first-time homeowner or previous homeowner.

CASH SURRENDER – A policyholder, upon request, receives the cash value that accrued in his/her life insurance policy, and in return surrenders all rights, title, and interest to his/her basic and/or paid-up additional insurance coverage amounts.

CHAPTER 31 BENEFITS – Vocational Rehabilitation and Employment (VR&E) program provides benefits and services to veterans whose service-connected disabilities prohibit them from obtaining and/or maintaining employment.

CODE OF FEDERAL REGULATIONS (CFR) – VA rules and regulations are contained in Title 38 Code of Federal Regulations (38 CFR). The Secretary of Veterans Affairs is empowered to prescribe all rules and regulations, consistent with existing law, necessary or appropriate to carry out the laws administered by the Department (Section 501, Title 38 USC).

COMBINED DEGREE – The combined degree of disability is expressed as a percentage (from zero to 100 in increments of 10) and represents the overall disabling effect of a veteran's service-connected disabilities.

COMPENSABLE ZEROS – Disabilities that are independently evaluated at zero percent disabling but produce an employment handicap to warrant a 10 percent combined disability evaluation. This evaluation entitles the veteran to receive disability compensation payments.

COMPUTER SYSTEMS – VBA derives statistical data about veterans from multiple sources and from various computer systems: e.g. VBA Data Warehouse, VBA'S Benefits Delivery Network (BDN), the Beneficiary Identification and Records Locator System (BIRLS); and the Board of Veterans' Appeals Control and Locator System (VACOLS).

DENIED ELIGIBILITY (VR&E) – Veterans who have been determined ineligible for VR&E benefits for reasons such as a lack of a qualifying service connected disability rating.

DENIED ENTITLEMENT (VR&E) – Veterans who have been determined not entitled to VR&E services due to a lack of an employment handicap or a serious employment handicap.

DEPENDENTS' EDUCATIONAL ASSISTANCE (DEA) – Refers to Dependents' Educational Assistance Program (Chapter 35 of the Title 38, U.S. Code). See Survivors' and Dependents' Educational Assistance.

DEPENDENCY AND INDEMNITY COMPENSATION (DIC) – A monetary death benefit payable to eligible surviving spouses, children, and/or dependent parents.

DEPENDENTS – Qualifying dependents for VA benefit purposes are a veteran's spouse and child (natural child, adopted child, or stepchild). A veteran's mother or father may also be considered a dependent generally if there is financial need.

DIAGNOSTIC CODES – VBA uses codes of four digit numeric characters to signify specific medical conditions. These numeric codes are in 38 CFR, Part 4.

DIRECT LOAN - A home loan made by the Department of Veterans Affairs directly to veterans. This is distinct from guaranteed loans, which are made by private lenders and guaranteed by VA.

DISABILITY COMPENSATION – A monetary benefit paid to veterans for service-connected disability.

DISABILITY PENSION – A monetary benefit paid to wartime veterans who are age 65 or older, or permanently and totally disabled as the result of a nonservice-connected disability. In either case, the veteran's annual income must not exceed the limit set by statute in order to qualify for this benefit.

DIVIDEND - A payment to policyholders in participating life insurance programs. It is an allocation of program surplus funds representing the return of premiums not needed to pay claims and expenses, and a distribution of earnings from investment. Dividends are issued annually on the policy anniversary date.

DMDC – The Defense Manpower Data Center maintains the largest archive of personnel, manpower, training and financial data in the Department of Defense (DoD).

NO DOWNPAYMENT OPTION – The VA home loan guaranty program allows the veteran to enter the home buying market with the option of providing no downpayment. This option is intended to help the veteran afford the purchase of a suitable home.

EDUCATIONAL ASSISTANCE - A monetary benefit to eligible veterans, dependents, reservists, and service members while they are in an approved training program.

ELIGIBILITY - VA benefits require that the veteran be discharged from active military service under “other than dishonorable” conditions. In addition to this general requirement, there are specific statutory and regulatory requirements for each of the five benefit programs; some of these requirements are described in the sections of this report dealing with the respective benefit programs.

ENTITLED TO SERVICES (VR&E) – Veterans determined to have a disability that presents an employment or serious employment handicap, and for whom it has been determined that vocational rehabilitation should be successful.

ENTITLEMENT (EDU) – The number of months the student is eligible for VA education benefits. This number is usually expressed in months and days the student will be eligible for full-time benefits. Entitlement may vary depending on the education program the individual qualifies under. In no event will entitlement exceed 48 months under any combination of education programs.

ENTITLEMENT (C&P) - Once basic eligibility requirements have been met, decisions on entitlement for C&P benefits are based on statutory and regulatory requirements and the evidence of record that documents these requirements have been met.

EVALUATION FOR ENTITLEMENT TO A PROGRAM OF REHABILITATION SERVICES – The process used to determine whether the veteran’s disabilities cause an employment handicap.

FACE VALUE - That dollar amount of life insurance money that would be paid upon the death of the veteran. For some policies, the face value can exceed the basic amount of the policy because of the option of using dividends to purchase "paid-up additions" to the policy.

FIRST-TIME HOMEOWNER – A veteran using his home loan entitlement to purchase a home for the first time.

FISCAL YEAR – Any yearly accounting or budgetary period without regard to its relationship to the calendar year.

FISCAL YEAR 2005 – Began October 1, 2004, and ended September 30, 2005. The Department of Veterans Affairs operates under this schedule for accounting and budgetary purposes.

FORECAST OF PROGRAM LIABILITIES – Future liabilities represent payments that the government is obligated to deliver in future years. This is much like the obligation of a life insurance company to pay the face amount of a standard policy to beneficiaries at the time of the insured person’s death.

FUNDING FEE – A fee, required by law, charged to veterans who obtain a VA guaranteed home loan.

FSGLI – Family Servicemembers' Group Life Insurance was established in 2001 to provide service members, who have Servicemembers' Group Life Insurance (SGLI) coverage, the opportunity to have life insurance coverage on their spouses and dependent children.

GUARANTEED LOAN – A loan that is federally backed by the VA home loan provision.

HOUSEBOUND – An additional monetary allowance payable to those individuals who are confined to their home as a result of a permanent disability.

INDIVIDUAL UNEMPLOYABILITY – Veterans unable to secure and follow a substantially gainful occupation by reason of service - connected disability will be rated totally disabled, provided that the veteran has a single disability rated 60 percent or more or a combined evaluation of at least 70 percent, with one disability ratable at 40 percent or higher.

KICKERS (EDU) – Amounts contributed by DoD to an education fund on behalf of participants to encourage enlistment or retention in the Armed Forces. (The military services may use different terms such as "Army College Fund" or "Navy College Fund", etc.) These amounts are added to any other education benefits to which the person may be entitled. Kickers are applicable only to MGIB-AD, MGIB-SR, and VEAP.

LOAN (INS)- An amount borrowed against the cash value of a permanent plan life insurance policy.

LOAN DEFAULTED-GUARANTY CLAIM PAID – Loan Guaranty term used when the borrower defaults on the loan and VA pays the loan guaranty claim.

LOAN GUARANTY PROGRAM – The benefit program whereby VA guarantees a portion of a loan to lenders to facilitate veterans obtaining a home.

MATURED ENDOWMENT – The face amount of life insurance less any indebtedness that is paid to the insured based on the plan of life insurance. The proceeds may be paid as a lump sum or the insured may request installment payments.

MGIB-AD – The Montgomery GI Bill-Active Duty Educational Assistance Program (Chapter 30 of Title 38, U.S. Code) which provides educational assistance to persons who served on active duty in the Armed Forces.

MGIB-SR – The Montgomery GI Bill-Selected Reserve Educational Assistance Program (Chapter 1606 of Title 10, U.S. Code) which provides educational assistance to members of the Selected Reserve or the Ready Reserve of any of the reserve components of the Armed Forces.

NSLI - National Service Life Insurance was established in 1940 to meet the insurance needs of World War II veterans. The program closed in 1951.

ORIGINAL DISABILITY CLAIM – A veteran's first claim for disability benefits, either compensation or pension or both. Any subsequent claim is categorized as a reopened or supplemental claim.

PAID-UP ADDITIONS – Policyholders with participating policies can use their annual dividends to purchase additional life insurance. Established in 1972, this is the only way most policyholders may increase their life insurance coverage amount.

PARTICIPANTS (VR&E) – Veterans who are currently receiving subsistence allowance in one of the following VR&E case statuses: extended evaluation, independent living, job ready or rehabilitation to employment.

PEACETIME VETERANS – Veterans who served during a period of time not statutorily defined as a period of war.

PRISONERS OF WAR (POWs) – Veterans who were forcibly detained (confined) by an enemy, foreign government, or hostile force while serving in the active military, naval or air service.

PREVIOUS HOMEOWNER – A person who has had a previous ownership interest in a home.

PROTECTED PENSION – The pension program, both disability and death, replaced by Section 306 Pension, which in turn was replaced by the current pension program under the provisions of PL 95-588. Veterans and survivors receiving either Protected Pension or Section 306 Pension may continue to receive the benefits as long as they continue to meet the basic entitlement requirements of the respective programs.

PURCHASE LOAN – A loan made solely for the purpose for purchasing a home.

RANGE OF DISABILITIES – A disability is evaluated according to the VA Schedule for Rating Disabilities in Title 38, CFR, Part 4. Extent of disability is expressed as a percentage from zero percent (for conditions that exist but are not disabling to a compensable degree) to 100 percent, in increments of 10 percent. Most disabilities, however, do not have every 10 percent increment from zero to 100.

RATING SCHEDULE – 38 CFR, Part 4.

REGIONAL OFFICE (RO) – A VA field office composed of divisions which carry out the functions of VBA. Fifty-seven such offices exist throughout the United States, the District of Columbia, Puerto Rico, and the Philippines.

REHABILITATED (VR&E) – Veterans who have successfully found and maintained suitable employment or have successfully completed the independent living program.

RESERVIST – A member of a reserve component of one of the armed forces who has potential entitlement to certain VA benefits by reason of his or her reserve status, including educational assistance under Title 10 of the United States Code, Chapter 1606.

RESTORED ENTITLEMENT (LGY) – Previously used entitlement may be restored when a property secured by a VA loan is sold and the loan is paid in full or when an eligible veteran transferee agrees to assume the outstanding balance on a VA loan and substitute his/her entitlement for the same amount originally used on the loan.

SDVI – Service-Disabled Veterans Insurance was established in 1951 to meet the insurance needs of veterans with service-connected disabilities. SDVI is open to veterans separated from the service on or after April 25, 1951, who receive a service-connected disability rating of 0 percent or greater.

SECONDARY MARKET – The financial market where mortgages are bought and sold.

SERVICE-CONNECTED – A disease or injury determined to have occurred in or aggravated by military service.

SERIOUS EMPLOYMENT HANDICAP – A significant impairment, caused in part by a service-connected disability, in the veteran's ability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interests.

SERVICE MEMBER – An individual who is currently serving on active duty. This individual is also referred to as "service person".

SGLI – Servicemembers Group Life Insurance was established in 1965 to meet the insurance needs of service members.

SPECIALLY ADAPTED HOUSING GRANTS – A one-time grant to a seriously disabled veteran to assist in adapting his or her home to accommodate limitations caused by the disability.

SUBSISTENCE ALLOWANCE (VR&E) – A monthly living allowance paid to a qualified veteran in a program of vocational rehabilitation. The allowance is generally paid to those veterans who are enrolled in education or training programs. The amount is based on training time and number of dependents.

SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE (DEA) – Under Chapter 35 of Title 38, U.S. Code, a monetary educational benefit payable to eligible dependents and survivors of veterans.

TITLE 38 CODE OF FEDERAL REGULATIONS – Regulations that pertain to veterans benefits.

TOTAL DISABILITY INCOME (INS) - An option available with some insurance policies that provides for monthly payments to policyholders who, prior to their 65th birthday, have incurred a mental or physical disability which prevents them from performing substantially gainful employment.

TOTAL AND PERMANENT DISABILITY (INS) – Total ratings are authorized for any disability or combination of disabilities for which the Schedule of Rating Disabilities prescribes a 100 percent evaluation or, where less than 100 percent, the requirements for Individual Unemployability are met. Permanence of total disability is considered to exist when the impairment is reasonably certain to continue throughout the life of the disabled veteran and generally requires no future medical exams.

TSGLI – The Traumatic Injury Protection Program provides automatic traumatic injury coverage to all service members covered under the Servicemembers' Group Life Insurance (SGLI) program. Every member who has SGLI also has TSGLI effective December 1, 2005. This coverage applies to active duty members, reservists, funeral honors duty and one-day muster duty. This benefit is also provided retroactively for members who incur certain severe losses as a result of a traumatic injury between October 7, 2001, and December 1, 2005, if the loss was the direct result of injuries incurred in Operations Enduring Freedom or Iraqi Freedom.

USGLI – United States Government Life Insurance was established in 1919 to meet the insurance needs of World War I veterans. This program closed in 1940.

VEAP – The Veterans Educational Assistance Program (Chapter 32 of Title 38, U.S. Code) is a contributory educational assistance program for Post-Vietnam Era veterans.

VETERAN - A person who served in the active military, naval, or air service, and who was discharged or released under conditions other than dishonorable.

VGLI – Veterans Group Life Insurance was established in 1974 to meet the insurance needs of veterans after separation from service.

VMLI – Veterans Mortgage Life Insurance was established in 1971 to provide mortgage protection life insurance to severely disabled veterans who have received grants for the purchase of specially adapted housing.

VR&E – The Vocational Rehabilitation and Employment (VR&E) Program is available to help service-disabled veterans become employable and live independently.

VRI – Veterans' Reopened Insurance was established in 1965 to provide insurance protection for certain classes of disabled veterans from World War II and the Korean Conflict. The program closed in 1966.

VSLI – Veterans Special Life Insurance was established in 1951 to meet the insurance needs of veterans who served during the Korean Conflict and post-Korean era. The program closed in 1956.

ZERO (0) PERCENT DISABILITY – A zero percent disability rating means that a disability exists and is related to the veteran's service but is not so disabling that it entitles the veteran to compensation payments. Also called a non-compensable disability.

Summary of FY 2005 Benefits

Compensation and Pension

Estimated Veteran Population	24,387,035
Disability Compensation Recipients	2,640,414
Estimated Monthly Disability Compensation Costs	$1,961,873,931
Estimated Annual Disability Compensation Costs	$23,542,487,166
Disability Compensation by Age under 35	201,533
Disability Compensation by Age 35-54	816,157
Disability Compensation by Age 55-74	1,101,450
Disability Compensation by Age 75-84	389,778
Disability Compensation by Age 85 and over	128,061
Disability Pension Recipients	335,787
Estimated Monthly Disability Pension Costs	$214,966,363
Estimated Annual Disability Pension Costs	$2,579,596,356
Disability Pension by Age under 45	4,081
Disability Pension by Age 45-54	51,663
Disability Pension by Age 55-69	105,467
Disability Pension by Age 70-84	137,958
Disability Pension by Age 85 and over	36,180

Education

MGIB-AD Trainees	336,347
MGIB-SR Trainees	87,161
DEA Trainees	74,267
VEAP Trainees	611

Insurance

Life Insurance Payments	$1,813,087,135
Total Face Value of Insurance	$18,098,769,415
Total Number of Policies	1,648,195

Loan Guaranty

Number of Loans	165,854
Total Loan Amount	$24,901,280,923

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	9,279

Alabama

Compensation and Pension

Estimated Veteran Population	421,992
Disability Compensation Recipients	57,908
Estimated Monthly Disability Compensation Costs	42,211,687
Estimated Annual Disability Compensation Costs	506,540,246
Disability Compensation by Age under 35	3,669
Disability Compensation by Age 35-54	19,389
Disability Compensation by Age 55-74	26,093
Disability Compensation by Age 75-84	6,876
Disability Compensation by Age 85 and over	1,850
Disability Pension Recipients	10,127
Estimated Monthly Disability Pension Costs	$7,649,183
Estimated Annual Disability Pension Costs	$91,790,196
Disability Pension by Age under 45	89
Disability Pension by Age 45-54	1,079
Disability Pension by Age 55-69	2,111
Disability Pension by Age 70-84	5,221
Disability Pension by Age 85 and over	1,627

Education

MGIB-AD Trainees	4,758
MGIB-SR Trainees	2,020
DEA Trainees	2,192
VEAP Trainees	10

Insurance

Life Insurance Payments	$27,054,561
Total Face Value of Insurance	$270,066,591
Total Number of Policies	22,225

Loan Guaranty

Number of Loans	3,764
Total Loan Amount	$519,082,810

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	435

Alaska

Compensation and Pension

Estimated Veteran Population	66,537
Disability Compensation Recipients	11,723
Estimated Monthly Disability Compensation Costs	8,105,340
Estimated Annual Disability Compensation Costs	97,264,078
Disability Compensation by Age under 35	974
Disability Compensation by Age 35-54	5,752
Disability Compensation by Age 55-74	4,334
Disability Compensation by Age 75-84	546
Disability Compensation by Age 85 and over	112
Disability Pension Recipients	316
Estimated Monthly Disability Pension Costs	$219,613
Estimated Annual Disability Pension Costs	$2,635,356
Disability Pension by Age under 45	2
Disability Pension by Age 45-54	86
Disability Pension by Age 55-69	171
Disability Pension by Age 70-84	45
Disability Pension by Age 85 and over	12

Education

MGIB-AD Trainees	922
MGIB-SR Trainees	181
DEA Trainees	154
VEAP Trainees	2

Insurance

Life Insurance Payments	$2,435,730
Total Face Value of Insurance	$24,314,174
Total Number of Policies	1,995

Loan Guaranty

Number of Loans	1,986
Total Loan Amount	$414,823,223

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	125

Arizona

Compensation and Pension

Estimated Veteran Population	552,963
Disability Compensation Recipients	60,656
Estimated Monthly Disability Compensation Costs	48,014,873
Estimated Annual Disability Compensation Costs	576,178,470
Disability Compensation by Age under 35	4,994
Disability Compensation by Age 35-54	18,229
Disability Compensation by Age 55-74	25,744
Disability Compensation by Age 75-84	9,004
Disability Compensation by Age 85 and over	2,664
Disability Pension Recipients	5,311
Estimated Monthly Disability Pension Costs	$3,078,733
Estimated Annual Disability Pension Costs	$36,944,796
Disability Pension by Age under 45	76
Disability Pension by Age 45-54	906
Disability Pension by Age 55-69	1,833
Disability Pension by Age 70-84	2,066
Disability Pension by Age 85 and over	430

Education

MGIB-AD Trainees	19,862
MGIB-SR Trainees	1,698
DEA Trainees	2,283
VEAP Trainees	13

Insurance

Life Insurance Payments	$42,001,672
Total Face Value of Insurance	$419,273,050
Total Number of Policies	37,499

Loan Guaranty

Number of Loans	5,804
Total Loan Amount	$965,213,895

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	254

Arkansas

Compensation and Pension

Estimated Veteran Population	265,532
Disability Compensation Recipients	32,953
Estimated Monthly Disability Compensation Costs	31,326,586
Estimated Annual Disability Compensation Costs	375,919,032
Disability Compensation by Age under 35	2,295
Disability Compensation by Age 35-54	10,117
Disability Compensation by Age 55-74	14,617
Disability Compensation by Age 75-84	4,439
Disability Compensation by Age 85 and over	1,471
Disability Pension Recipients	6,067
Estimated Monthly Disability Pension Costs	$3,545,650
Estimated Annual Disability Pension Costs	$42,547,800
Disability Pension by Age under 45	98
Disability Pension by Age 45-54	869
Disability Pension by Age 55-69	1,742
Disability Pension by Age 70-84	2,543
Disability Pension by Age 85 and over	815

Education

MGIB-AD Trainees	2,159
MGIB-SR Trainees	1,664
DEA Trainees	1,455
VEAP Trainees	4

Insurance

Life Insurance Payments	$16,935,625
Total Face Value of Insurance	$169,056,389
Total Number of Policies	14,487

Loan Guaranty

Number of Loans	2,396
Total Loan Amount	$289,014,187

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	181

California

Compensation and Pension

Estimated Veteran Population	2,257,130
Disability Compensation Recipients	224,314
Estimated Monthly Disability Compensation Costs	163,585,833
Estimated Annual Disability Compensation Costs	1,963,029,995
Disability Compensation by Age under 35	20,457
Disability Compensation by Age 35-54	64,243
Disability Compensation by Age 55-74	91,905
Disability Compensation by Age 75-84	35,356
Disability Compensation by Age 85 and over	12,254
Disability Pension Recipients	23,446
Estimated Monthly Disability Pension Costs	$14,567,196
Estimated Annual Disability Pension Costs	$174,806,352
Disability Pension by Age under 45	345
Disability Pension by Age 45-54	4,521
Disability Pension by Age 55-69	8,463
Disability Pension by Age 70-84	8,124
Disability Pension by Age 85 and over	1,993

Education

MGIB-AD Trainees	34,645
MGIB-SR Trainees	4,484
DEA Trainees	6,664
VEAP Trainees	61

Insurance

Life Insurance Payments	$184,045,958
Total Face Value of Insurance	$1,837,200,919
Total Number of Policies	163,419

Loan Guaranty

Number of Loans	2,152
Total Loan Amount	$417,925,877

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	541

Colorado

Compensation and Pension

Estimated Veteran Population	424,029
Disability Compensation Recipients	50,981
Estimated Monthly Disability Compensation Costs	36,001,215
Estimated Annual Disability Compensation Costs	432,014,574
Disability Compensation by Age under 35	4,504
Disability Compensation by Age 35-54	18,902
Disability Compensation by Age 55-74	20,289
Disability Compensation by Age 75-84	5,529
Disability Compensation by Age 85 and over	1,746
Disability Pension Recipients	3,692
Estimated Monthly Disability Pension Costs	$2,483,451
Estimated Annual Disability Pension Costs	$29,801,412
Disability Pension by Age under 45	54
Disability Pension by Age 45-54	715
Disability Pension by Age 55-69	1,179
Disability Pension by Age 70-84	1,357
Disability Pension by Age 85 and over	387

Education

MGIB-AD Trainees	9,090
MGIB-SR Trainees	1,016
DEA Trainees	1,339
VEAP Trainees	13

Insurance

Life Insurance Payments	$28,815,693
Total Face Value of Insurance	$287,646,726
Total Number of Policies	26,008

Loan Guaranty

Number of Loans	6,122
Total Loan Amount	$1,157,135,215

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	330

Connecticut

Compensation and Pension

Estimated Veteran Population	260,388
Disability Compensation Recipients	20,046
Estimated Monthly Disability Compensation Costs	12,918,210
Estimated Annual Disability Compensation Costs	155,018,522
Disability Compensation by Age under 35	1,351
Disability Compensation by Age 35-54	4,688
Disability Compensation by Age 55-74	7,836
Disability Compensation by Age 75-84	4,360
Disability Compensation by Age 85 and over	1,801
Disability Pension Recipients	1,874
Estimated Monthly Disability Pension Costs	$850,812
Estimated Annual Disability Pension Costs	$10,209,744
Disability Pension by Age under 45	12
Disability Pension by Age 45-54	251
Disability Pension by Age 55-69	531
Disability Pension by Age 70-84	760
Disability Pension by Age 85 and over	320

Education

MGIB-AD Trainees	1,580
MGIB-SR Trainees	1,071
DEA Trainees	321
VEAP Trainees	5

Insurance

Life Insurance Payments	$27,510,121
Total Face Value of Insurance	$274,614,125
Total Number of Policies	26,664

Loan Guaranty

Number of Loans	496
Total Loan Amount	$94,429,025

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	58

Delaware

Compensation and Pension

Estimated Veteran Population	79,915
Disability Compensation Recipients	7,962
Estimated Monthly Disability Compensation Costs	$5,095,104
Estimated Annual Disability Compensation Costs	$61,141,248
Disability Compensation by Age under 35	530
Disability Compensation by Age 35-54	2,773
Disability Compensation by Age 55-74	3,271
Disability Compensation by Age 75-84	1,098
Disability Compensation by Age 85 and over	290
Disability Pension Recipients	582
Estimated Monthly Disability Pension Costs	$331,802
Estimated Annual Disability Pension Costs	$3,981,624
Disability Pension by Age under 45	8
Disability Pension by Age 45-54	93
Disability Pension by Age 55-69	189
Disability Pension by Age 70-84	231
Disability Pension by Age 85 and over	61

Education

MGIB-AD Trainees	647
MGIB-SR Trainees	340
DEA Trainees	208
VEAP Trainees	1

Insurance

Life Insurance Payments	$6,088,532
Total Face Value of Insurance	$60,777,523
Total Number of Policies	5,542

Loan Guaranty

Number of Loans	796
Total Loan Amount	$147,759,773

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	40

District of Columbia

Compensation and Pension

Estimated Veteran Population	36,056
Disability Compensation Recipients	4,262
Estimated Monthly Disability Compensation Costs	$2,870,284
Estimated Annual Disability Compensation Costs	$34,443,408
Disability Compensation by Age under 35	256
Disability Compensation by Age 35-54	1,321
Disability Compensation by Age 55-74	1,746
Disability Compensation by Age 75-84	660
Disability Compensation by Age 85 and over	279
Disability Pension Recipients	953
Estimated Monthly Disability Pension Costs	$563,332
Estimated Annual Disability Pension Costs	$6,759,984
Disability Pension by Age under 45	8
Disability Pension by Age 45-54	165
Disability Pension by Age 55-69	284
Disability Pension by Age 70-84	428
Disability Pension by Age 85 and over	68

Education

MGIB-AD Trainees	735
MGIB-SR Trainees	110
DEA Trainees	171
VEAP Trainees	3

Insurance

Life Insurance Payments	$3,192,353
Total Face Value of Insurance	$31,867,007
Total Number of Policies	2,832

Loan Guaranty

Number of Loans	41
Total Loan Amount	$5,895,926

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	105

Florida

Compensation and Pension

Estimated Veteran Population	1,768,359
Disability Compensation Recipients	214,525
Estimated Monthly Disability Compensation Costs	154,014,973
Estimated Annual Disability Compensation Costs	1,848,179,677
Disability Compensation by Age under 35	13,642
Disability Compensation by Age 35-54	64,351
Disability Compensation by Age 55-74	86,998
Disability Compensation by Age 75-84	36,843
Disability Compensation by Age 85 and over	12,641
Disability Pension Recipients	22,066
Estimated Monthly Disability Pension Costs	$14,736,789
Estimated Annual Disability Pension Costs	$176,841,468
Disability Pension by Age under 45	269
Disability Pension by Age 45-54	3,253
Disability Pension by Age 55-69	7,279
Disability Pension by Age 70-84	8,678
Disability Pension by Age 85 and over	2,587

Education

MGIB-AD Trainees	23,658
MGIB-SR Trainees	3,501
DEA Trainees	4,597
VEAP Trainees	35

Insurance

Life Insurance Payments	$165,838,498
Total Face Value of Insurance	$1,655,448,698
Total Number of Policies	151,339

Loan Guaranty

Number of Loans	11,133
Total Loan Amount	$1,814,801,886

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	596

Georgia

Compensation and Pension

Estimated Veteran Population	758,963
Disability Compensation Recipients	92,295
Estimated Monthly Disability Compensation Costs	62,759,942
Estimated Annual Disability Compensation Costs	753,119,302
Disability Compensation by Age under 35	7,937
Disability Compensation by Age 35-54	38,081
Disability Compensation by Age 55-74	35,833
Disability Compensation by Age 75-84	8,130
Disability Compensation by Age 85 and over	2,284
Disability Pension Recipients	11,422
Estimated Monthly Disability Pension Costs	$7,344,137
Estimated Annual Disability Pension Costs	$88,129,644
Disability Pension by Age under 45	179
Disability Pension by Age 45-54	1,704
Disability Pension by Age 55-69	3,545
Disability Pension by Age 70-84	4,611
Disability Pension by Age 85 and over	1,383

Education

MGIB-AD Trainees	12,892
MGIB-SR Trainees	2,193
DEA Trainees	2,596
VEAP Trainees	16

Insurance

Life Insurance Payments	$44,256,752
Total Face Value of Insurance	$441,783,922
Total Number of Policies	37,176

Loan Guaranty

Number of Loans	9,060
Total Loan Amount	$1,313,640,323

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	301

Hawaii

Compensation and Pension

Estimated Veteran Population	104,842
Disability Compensation Recipients	14,341
Estimated Monthly Disability Compensation Costs	10,808,242
Estimated Annual Disability Compensation Costs	129,698,908
Disability Compensation by Age under 35	938
Disability Compensation by Age 35-54	4,539
Disability Compensation by Age 55-74	6,108
Disability Compensation by Age 75-84	2,107
Disability Compensation by Age 85 and over	644
Disability Pension Recipients	752
Estimated Monthly Disability Pension Costs	$488,029
Estimated Annual Disability Pension Costs	$5,856,348
Disability Pension by Age under 45	13
Disability Pension by Age 45-54	157
Disability Pension by Age 55-69	329
Disability Pension by Age 70-84	209
Disability Pension by Age 85 and over	44

Education

MGIB-AD Trainees	2,066
MGIB-SR Trainees	559
DEA Trainees	387
VEAP Trainees	4

Insurance

Life Insurance Payments	$14,875,275
Total Face Value of Insurance	$148,489,372
Total Number of Policies	11,864

Loan Guaranty

Number of Loans	462
Total Loan Amount	$128,366,137

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	108

Idaho

Compensation and Pension

Estimated Veteran Population	132,554
Disability Compensation Recipients	15,850
Estimated Monthly Disability Compensation Costs	11,963,662
Estimated Annual Disability Compensation Costs	143,563,940
Disability Compensation by Age under 35	1,349
Disability Compensation by Age 35-54	4,934
Disability Compensation by Age 55-74	6,781
Disability Compensation by Age 75-84	2,120
Disability Compensation by Age 85 and over	656
Disability Pension Recipients	1,486
Estimated Monthly Disability Pension Costs	$979,319
Estimated Annual Disability Pension Costs	$11,751,828
Disability Pension by Age under 45	17
Disability Pension by Age 45-54	207
Disability Pension by Age 55-69	420
Disability Pension by Age 70-84	661
Disability Pension by Age 85 and over	181

Education

MGIB-AD Trainees	1,453
MGIB-SR Trainees	497
DEA Trainees	367
VEAP Trainees	3

Insurance

Life Insurance Payments	$8,298,126
Total Face Value of Insurance	$82,834,340
Total Number of Policies	7,394

Loan Guaranty

Number of Loans	1,504
Total Loan Amount	206,216,826

Illinois

Compensation and Pension

Estimated Veteran Population	874,387
Disability Compensation Recipients	61,558
Estimated Monthly Disability Compensation Costs	40,030,871
Estimated Annual Disability Compensation Costs	480,370,456
Disability Compensation by Age under 35	6,149
Disability Compensation by Age 35-54	17,774
Disability Compensation by Age 55-74	24,362
Disability Compensation by Age 75-84	9,887
Disability Compensation by Age 85 and over	3,361
Disability Pension Recipients	10,002
Estimated Monthly Disability Pension Costs	$6,200,640
Estimated Annual Disability Pension Costs	$74,407,680
Disability Pension by Age under 45	103
Disability Pension by Age 45-54	1,652
Disability Pension by Age 55-69	3,629
Disability Pension by Age 70-84	3,797
Disability Pension by Age 85 and over	821

Education

MGIB-AD Trainees	15,860
MGIB-SR Trainees	4,013
DEA Trainees	1,712
VEAP Trainees	23

Insurance

Life Insurance Payments	$68,377,079
Total Face Value of Insurance	$682,560,132
Total Number of Policies	64,116

Loan Guaranty

Number of Loans	3,895
Total Loan Amount	$597,629,476

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	238

Indiana

Compensation and Pension

Estimated Veteran Population	542,505
Disability Compensation Recipients	45,776
Estimated Monthly Disability Compensation Costs	28,859,917
Estimated Annual Disability Compensation Costs	346,319,004
Disability Compensation by Age under 35	3,437
Disability Compensation by Age 35-54	14,281
Disability Compensation by Age 55-74	19,150
Disability Compensation by Age 75-84	6,897
Disability Compensation by Age 85 and over	1,966
Disability Pension Recipients	4,758
Estimated Monthly Disability Pension Costs	$2,845,672
Estimated Annual Disability Pension Costs	$34,148,064
Disability Pension by Age under 45	58
Disability Pension by Age 45-54	806
Disability Pension by Age 55-69	1,634
Disability Pension by Age 70-84	1,870
Disability Pension by Age 85 and over	390

Education

MGIB-AD Trainees	3,747
MGIB-SR Trainees	2,210
DEA Trainees	960
VEAP Trainees	10

Insurance

Life Insurance Payments	$26,213,093
Total Face Value of Insurance	$261,666,811
Total Number of Policies	24,514

Loan Guaranty

Number of Loans	3,236
Total Loan Amount	$410,520,029

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	162

Iowa

Compensation and Pension

Estimated Veteran Population	260,406
Disability Compensation Recipients	20,789
Estimated Monthly Disability Compensation Costs	14,438,213
Estimated Annual Disability Compensation Costs	173,258,560
Disability Compensation by Age under 35	1,454
Disability Compensation by Age 35-54	5,802
Disability Compensation by Age 55-74	8,418
Disability Compensation by Age 75-84	3,706
Disability Compensation by Age 85 and over	1,374
Disability Pension Recipients	3,522
Estimated Monthly Disability Pension Costs	$2,343,050
Estimated Annual Disability Pension Costs	$28,116,600
Disability Pension by Age under 45	39
Disability Pension by Age 45-54	519
Disability Pension by Age 55-69	987
Disability Pension by Age 70-84	1,541
Disability Pension by Age 85 and over	436

Education

MGIB-AD Trainees	3,132
MGIB-SR Trainees	1,849
DEA Trainees	526
VEAP Trainees	6

Insurance

Life Insurance Payments	$19,177,121
Total Face Value of Insurance	$191,431,669
Total Number of Policies	18,740

Loan Guaranty

Number of Loans	983
Total Loan Amount	$123,590,197

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	59

Kansas

Compensation and Pension

Estimated Veteran Population	241,958
Disability Compensation Recipients	24,407
Estimated Monthly Disability Compensation Costs	16,367,644
Estimated Annual Disability Compensation Costs	196,411,733
Disability Compensation by Age under 35	1,727
Disability Compensation by Age 35-54	7,799
Disability Compensation by Age 55-74	10,019
Disability Compensation by Age 75-84	3,636
Disability Compensation by Age 85 and over	1,210
Disability Pension Recipients	3,104
Estimated Monthly Disability Pension Costs	$1,956,821
Estimated Annual Disability Pension Costs	$23,481,852
Disability Pension by Age under 45	53
Disability Pension by Age 45-54	545
Disability Pension by Age 55-69	976
Disability Pension by Age 70-84	1,201
Disability Pension by Age 85 and over	329

Education

MGIB-AD Trainees	2,901
MGIB-SR Trainees	1,154
DEA Trainees	724
VEAP Trainees	5

Insurance

Life Insurance Payments	$17,044,849
Total Face Value of Insurance	$170,146,698
Total Number of Policies	15,936

Loan Guaranty

Number of Loans	1,940
Total Loan Amount	$253,562,698

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	89

Kentucky

Compensation and Pension

Estimated Veteran Population	355,576
Disability Compensation Recipients	40,833
Estimated Monthly Disability Compensation Costs	32,891,478
Estimated Annual Disability Compensation Costs	394,697,733
Disability Compensation by Age under 35	3,109
Disability Compensation by Age 35-54	12,912
Disability Compensation by Age 55-74	17,328
Disability Compensation by Age 75-84	5,825
Disability Compensation by Age 85 and over	1,631
Disability Pension Recipients	6,982
Estimated Monthly Disability Pension Costs	$4,364,849
Estimated Annual Disability Pension Costs	$52,378,188
Disability Pension by Age under 45	63
Disability Pension by Age 45-54	963
Disability Pension by Age 55-69	2,170
Disability Pension by Age 70-84	3,059
Disability Pension by Age 85 and over	727

Education

MGIB-AD Trainees	3,239
MGIB-SR Trainees	1,264
DEA Trainees	1,276
VEAP Trainees	7

Insurance

Life Insurance Payments	$18,622,511
Total Face Value of Insurance	$185,895,388
Total Number of Policies	16,412

Loan Guaranty

Number of Loans	2,797
Total Loan Amount	$351,925,665

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	144

Louisiana

Compensation and Pension

Estimated Veteran Population	361,757
Disability Compensation Recipients	37,395
Estimated Monthly Disability Compensation Costs	30,582,783
Estimated Annual Disability Compensation Costs	366,993,395
Disability Compensation by Age under 35	3,315
Disability Compensation by Age 35-54	10,802
Disability Compensation by Age 55-74	16,629
Disability Compensation by Age 75-84	5,185
Disability Compensation by Age 85 and over	1,460
Disability Pension Recipients	9,514
Estimated Monthly Disability Pension Costs	$6,008,727
Estimated Annual Disability Pension Costs	$72,104,724
Disability Pension by Age under 45	123
Disability Pension by Age 45-54	1,336
Disability Pension by Age 55-69	2,714
Disability Pension by Age 70-84	4,176
Disability Pension by Age 85 and over	1,165

Education

MGIB-AD Trainees	4,739
MGIB-SR Trainees	2,514
DEA Trainees	1,640
VEAP Trainees	6

Insurance

Life Insurance Payments	$22,889,489
Total Face Value of Insurance	$228,489,619
Total Number of Policies	19,007

Loan Guaranty

Number of Loans	2,541
Total Loan Amount	$334,996,067

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	154

Maine

Compensation and Pension

Estimated Veteran Population	141,416
Disability Compensation Recipients	19,931
Estimated Monthly Disability Compensation Costs	19,403,159
Estimated Annual Disability Compensation Costs	232,837,906
Disability Compensation by Age under 35	1,354
Disability Compensation by Age 35-54	5,894
Disability Compensation by Age 55-74	8,976
Disability Compensation by Age 75-84	2,815
Disability Compensation by Age 85 and over	802
Disability Pension Recipients	2,683
Estimated Monthly Disability Pension Costs	$1,648,349
Estimated Annual Disability Pension Costs	$19,780,188
Disability Pension by Age under 45	32
Disability Pension by Age 45-54	457
Disability Pension by Age 55-69	889
Disability Pension by Age 70-84	1,067
Disability Pension by Age 85 and over	238

Education

MGIB-AD Trainees	1,003
MGIB-SR Trainees	393
DEA Trainees	740
VEAP Trainees	3

Insurance

Life Insurance Payments	$10,872,866
Total Face Value of Insurance	$108,536,146
Total Number of Policies	9,503

Loan Guaranty

Number of Loans	634
Total Loan Amount	$93,887,125

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	36

Maryland

Compensation and Pension

Estimated Veteran Population	478,543
Disability Compensation Recipients	48,915
Estimated Monthly Disability Compensation Costs	31,196,631
Estimated Annual Disability Compensation Costs	374,359,573
Disability Compensation by Age under 35	4,255
Disability Compensation by Age 35-54	18,639
Disability Compensation by Age 55-74	18,354
Disability Compensation by Age 75-84	5,725
Disability Compensation by Age 85 and over	1,936
Disability Pension Recipients	3,721
Estimated Monthly Disability Pension Costs	$2,253,406
Estimated Annual Disability Pension Costs	$27,040,872
Disability Pension by Age under 45	44
Disability Pension by Age 45-54	623
Disability Pension by Age 55-69	1,289
Disability Pension by Age 70-84	1,474
Disability Pension by Age 85 and over	291

Education

MGIB-AD Trainees	8,596
MGIB-SR Trainees	1,213
DEA Trainees	937
VEAP Trainees	16

Insurance

Life Insurance Payments	$36,410,864
Total Face Value of Insurance	$363,463,958
Total Number of Policies	32,832

Loan Guaranty

Number of Loans	3,271
Total Loan Amount	$624,978,599

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	117

Massachusetts

Compensation and Pension

Estimated Veteran Population	476,363
Disability Compensation Recipients	54,153
Estimated Monthly Disability Compensation Costs	37,658,278
Estimated Annual Disability Compensation Costs	451,899,338
Disability Compensation by Age under 35	2,477
Disability Compensation by Age 35-54	10,347
Disability Compensation by Age 55-74	22,241
Disability Compensation by Age 75-84	13,921
Disability Compensation by Age 85 and over	5,147
Disability Pension Recipients	4,287
Estimated Monthly Disability Pension Costs	$2,443,352
Estimated Annual Disability Pension Costs	$29,320,224
Disability Pension by Age under 45	46
Disability Pension by Age 45-54	707
Disability Pension by Age 55-69	1,356
Disability Pension by Age 70-84	1,747
Disability Pension by Age 85 and over	431

Education

MGIB-AD Trainees	2,631
MGIB-SR Trainees	1,452
DEA Trainees	1,085
VEAP Trainees	13

Insurance

Life Insurance Payments	$47,318,479
Total Face Value of Insurance	$472,346,983
Total Number of Policies	48,147

Loan Guaranty

Number of Loans	486
Total Loan Amount	$90,964,673

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	98

Michigan

Compensation and Pension

Estimated Veteran Population	820,485
Disability Compensation Recipients	63,961
Estimated Monthly Disability Compensation Costs	42,613,020
Estimated Annual Disability Compensation Costs	511,356,241
Disability Compensation by Age under 35	4,361
Disability Compensation by Age 35-54	16,907
Disability Compensation by Age 55-74	27,435
Disability Compensation by Age 75-84	11,563
Disability Compensation by Age 85 and over	3,664
Disability Pension Recipients	8,969
Estimated Monthly Disability Pension Costs	$6,284,163
Estimated Annual Disability Pension Costs	$75,409,956
Disability Pension by Age under 45	145
Disability Pension by Age 45-54	1,717
Disability Pension by Age 55-69	3,618
Disability Pension by Age 70-84	2,864
Disability Pension by Age 85 and over	625

Education

MGIB-AD Trainees	6,534
MGIB-SR Trainees	1,897
DEA Trainees	1,369
VEAP Trainees	21

Insurance

Life Insurance Payments	$49,197,863
Total Face Value of Insurance	$491,107,547
Total Number of Policies	47,387

Loan Guaranty

Number of Loans	2,249
Total Loan Amount	$305,297,784

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	133

Minnesota

Compensation and Pension

Estimated Veteran Population	418,386
Disability Compensation Recipients	44,921
Estimated Monthly Disability Compensation Costs	32,591,201
Estimated Annual Disability Compensation Costs	391,094,407
Disability Compensation by Age under 35	2,762
Disability Compensation by Age 35-54	10,912
Disability Compensation by Age 55-74	19,491
Disability Compensation by Age 75-84	8,640
Disability Compensation by Age 85 and over	3,103
Disability Pension Recipients	4,771
Estimated Monthly Disability Pension Costs	$2,794,966
Estimated Annual Disability Pension Costs	$33,539,592
Disability Pension by Age under 45	40
Disability Pension by Age 45-54	608
Disability Pension by Age 55-69	1,218
Disability Pension by Age 70-84	2,112
Disability Pension by Age 85 and over	793

Education

MGIB-AD Trainees	3,886
MGIB-SR Trainees	2,663
DEA Trainees	1,231
VEAP Trainees	13

Insurance

Life Insurance Payments	$38,977,717
Total Face Value of Insurance	$389,087,039
Total Number of Policies	36,474

Loan Guaranty

Number of Loans	1,306
Total Loan Amount	$220,019,670

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	53

Mississippi

Compensation and Pension

Estimated Veteran Population	238,279
Disability Compensation Recipients	26,811
Estimated Monthly Disability Compensation Costs	21,036,141
Estimated Annual Disability Compensation Costs	252,433,693
Disability Compensation by Age under 35	1,574
Disability Compensation by Age 35-54	8,226
Disability Compensation by Age 55-74	11,855
Disability Compensation by Age 75-84	3,998
Disability Compensation by Age 85 and over	1,133
Disability Pension Recipients	6,264
Estimated Monthly Disability Pension Costs	$3,692,632
Estimated Annual Disability Pension Costs	$44,311,584
Disability Pension by Age under 45	52
Disability Pension by Age 45-54	657
Disability Pension by Age 55-69	1,437
Disability Pension by Age 70-84	3,089
Disability Pension by Age 85 and over	1,029

Education

MGIB-AD Trainees	2,018
MGIB-SR Trainees	1,528
DEA Trainees	810
VEAP Trainees	3

Insurance

Life Insurance Payments	$14,070,474
Total Face Value of Insurance	$140,455,617
Total Number of Policies	11,700

Loan Guaranty

Number of Loans	1,918
Total Loan Amount	$251,815,068

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	100

Missouri

Compensation and Pension

Estimated Veteran Population	546,416
Disability Compensation Recipients	51,233
Estimated Monthly Disability Compensation Costs	37,158,423
Estimated Annual Disability Compensation Costs	445,901,081
Disability Compensation by Age under 35	3,361
Disability Compensation by Age 35-54	15,323
Disability Compensation by Age 55-74	22,018
Disability Compensation by Age 75-84	7,959
Disability Compensation by Age 85 and over	2,467
Disability Pension Recipients	8,407
Estimated Monthly Disability Pension Costs	$5,759,556
Estimated Annual Disability Pension Costs	$69,114,672
Disability Pension by Age under 45	71
Disability Pension by Age 45-54	1,324
Disability Pension by Age 55-69	2,516
Disability Pension by Age 70-84	3,506
Disability Pension by Age 85 and over	990

Education

MGIB-AD Trainees	5,295
MGIB-SR Trainees	2,100
DEA Trainees	1,326
VEAP Trainees	16

Insurance

Life Insurance Payments	$33,102,697
Total Face Value of Insurance	$330,440,862
Total Number of Policies	31,749

Loan Guaranty

Number of Loans	3,724
Total Loan Amount	$507,990,143

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	187

Montana

Compensation and Pension

Estimated Veteran Population	101,438
Disability Compensation Recipients	13,241
Estimated Monthly Disability Compensation Costs	10,427,039
Estimated Annual Disability Compensation Costs	125,124,466
Disability Compensation by Age under 35	1,166
Disability Compensation by Age 35-54	4,017
Disability Compensation by Age 55-74	5,886
Disability Compensation by Age 75-84	1,643
Disability Compensation by Age 85 and over	515
Disability Pension Recipients	1,667
Estimated Monthly Disability Pension Costs	$1,071,476
Estimated Annual Disability Pension Costs	$12,857,712
Disability Pension by Age under 45	12
Disability Pension by Age 45-54	297
Disability Pension by Age 55-69	592
Disability Pension by Age 70-84	611
Disability Pension by Age 85 and over	155

Education

MGIB-AD Trainees	922
MGIB-SR Trainees	351
DEA Trainees	279
VEAP Trainees	2

Insurance

Life Insurance Payments	$7,138,398
Total Face Value of Insurance	$71,257,587
Total Number of Policies	6,522

Loan Guaranty

Number of Loans	866
Total Loan Amount	$119,454,528

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	74

Nebraska

Compensation and Pension

Estimated Veteran Population	156,667
Disability Compensation Recipients	17,858
Estimated Monthly Disability Compensation Costs	14,657,298
Estimated Annual Disability Compensation Costs	175,887,575
Disability Compensation by Age under 35	1,163
Disability Compensation by Age 35-54	5,675
Disability Compensation by Age 55-74	6,643
Disability Compensation by Age 75-84	2,211
Disability Compensation by Age 85 and over	599
Disability Pension Recipients	2,163
Estimated Monthly Disability Pension Costs	$1,522,178
Estimated Annual Disability Pension Costs	$18,266,136
Disability Pension by Age under 45	35
Disability Pension by Age 45-54	336
Disability Pension by Age 55-69	639
Disability Pension by Age 70-84	904
Disability Pension by Age 85 and over	249

Education

MGIB-AD Trainees	2,394
MGIB-SR Trainees	1,078
DEA Trainees	742
VEAP Trainees	5

Insurance

Life Insurance Payments	$12,151,255
Total Face Value of Insurance	$121,297,406
Total Number of Policies	11,796

Loan Guaranty

Number of Loans	1,937
Total Loan Amount	$279,418,626

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	36

Nevada

Compensation and Pension

Estimated Veteran Population	244,205
Disability Compensation Recipients	25,999
Estimated Monthly Disability Compensation Costs	18,641,531
Estimated Annual Disability Compensation Costs	223,698,366
Disability Compensation by Age under 35	1,961
Disability Compensation by Age 35-54	8,262
Disability Compensation by Age 55-74	11,689
Disability Compensation by Age 75-84	3,243
Disability Compensation by Age 85 and over	839
Disability Pension Recipients	3,100
Estimated Monthly Disability Pension Costs	$1,966,715
Estimated Annual Disability Pension Costs	$23,600,580
Disability Pension by Age under 45	38
Disability Pension by Age 45-54	560
Disability Pension by Age 55-69	1,193
Disability Pension by Age 70-84	1,123
Disability Pension by Age 85 and over	186

Education

MGIB-AD Trainees	2,785
MGIB-SR Trainees	415
DEA Trainees	540
VEAP Trainees	3

Insurance

Life Insurance Payments	$13,789,974
Total Face Value of Insurance	$137,655,580
Total Number of Policies	11,930

Loan Guaranty

Number of Loans	1,465
Total Loan Amount	$287,688,973

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	84

New Hampshire

Compensation and Pension

Estimated Veteran Population	129,281
Disability Compensation Recipients	14,528
Estimated Monthly Disability Compensation Costs	10,063,653
Estimated Annual Disability Compensation Costs	120,763,830
Disability Compensation by Age under 35	940
Disability Compensation by Age 35-54	4,177
Disability Compensation by Age 55-74	6,526
Disability Compensation by Age 75-84	2,219
Disability Compensation by Age 85 and over	658
Disability Pension Recipients	1,004
Estimated Monthly Disability Pension Costs	$678,890
Estimated Annual Disability Pension Costs	$8,146,680
Disability Pension by Age under 45	4
Disability Pension by Age 45-54	129
Disability Pension by Age 55-69	272
Disability Pension by Age 70-84	447
Disability Pension by Age 85 and over	152

Education

MGIB-AD Trainees	760
MGIB-SR Trainees	234
DEA Trainees	289
VEAP Trainees	3

Insurance

Life Insurance Payments	$9,938,542
Total Face Value of Insurance	$99,209,455
Total Number of Policies	9,125

Loan Guaranty

Number of Loans	389
Total Loan Amount	$72,011,534

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	48

New Jersey

Compensation and Pension

Estimated Veteran Population	563,953
Disability Compensation Recipients	48,800
Estimated Monthly Disability Compensation Costs	32,660,636
Estimated Annual Disability Compensation Costs	391,927,632
Disability Compensation by Age under 35	2,483
Disability Compensation by Age 35-54	9,796
Disability Compensation by Age 55-74	20,514
Disability Compensation by Age 75-84	11,556
Disability Compensation by Age 85 and over	4,445
Disability Pension Recipients	3,318
Estimated Monthly Disability Pension Costs	$2,022,694
Estimated Annual Disability Pension Costs	$24,272,328
Disability Pension by Age under 45	32
Disability Pension by Age 45-54	470
Disability Pension by Age 55-69	962
Disability Pension by Age 70-84	1,456
Disability Pension by Age 85 and over	398

Education

MGIB-AD Trainees	3,074
MGIB-SR Trainees	1,341
DEA Trainees	838
VEAP Trainees	10

Insurance

Life Insurance Payments	$58,826,985
Total Face Value of Insurance	$587,228,282
Total Number of Policies	56,785

Loan Guaranty

Number of Loans	1,243
Total Loan Amount	$223,104,564

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	75

New Mexico

Compensation and Pension

Estimated Veteran Population	178,070
Disability Compensation Recipients	26,182
Estimated Monthly Disability Compensation Costs	27,020,380
Estimated Annual Disability Compensation Costs	324,244,557
Disability Compensation by Age under 35	1,593
Disability Compensation by Age 35-54	7,469
Disability Compensation by Age 55-74	12,378
Disability Compensation by Age 75-84	3,610
Disability Compensation by Age 85 and over	1,109
Disability Pension Recipients	3,044
Estimated Monthly Disability Pension Costs	$1,920,695
Estimated Annual Disability Pension Costs	$23,048,340
Disability Pension by Age under 45	58
Disability Pension by Age 45-54	489
Disability Pension by Age 55-69	1,004
Disability Pension by Age 70-84	1,191
Disability Pension by Age 85 and over	302

Education

MGIB-AD Trainees	2,812
MGIB-SR Trainees	612
DEA Trainees	1,468
VEAP Trainees	5

Insurance

Life Insurance Payments	$15,204,884
Total Face Value of Insurance	$151,779,631
Total Number of Policies	12,481

Loan Guaranty

Number of Loans	2,676
Total Loan Amount	$390,795,262

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	79

New York

Compensation and Pension

Estimated Veteran Population	1,132,703
D Disability Compensation Recipients	104,510
Estimated Monthly Disability Compensation Costs	72,052,884
Estimated Annual Disability Compensation Costs	864,634,609
Disability Compensation by Age under 35	6,658
Disability Compensation by Age 35-54	23,108
Disability Compensation by Age 55-74	44,092
Disability Compensation by Age 75-84	21,776
Disability Compensation by Age 85 and over	8,810
Disability Pension Recipients	15,567
Estimated Monthly Disability Pension Costs	$8,962,539
Estimated Annual Disability Pension Costs	$107,550,468
Disability Pension by Age under 45	215
Disability Pension by Age 45-54	2,399
Disability Pension by Age 55-69	4,987
Disability Pension by Age 70-84	6,334
Disability Pension by Age 85 and over	1,632

Education

MGIB-AD Trainees	8,059
MGIB-SR Trainees	2,996
DEA Trainees	2,538
VEAP Trainees	27

Insurance

Life Insurance Payments	$110,688,003
Total Face Value of Insurance	$1,104,920,225
Total Number of Policies	106,706

Loan Guaranty

Number of Loans	2,510
Total Loan Amount	$287,910,713

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	237

North Carolina

Compensation and Pension

Estimated Veteran Population	761,894
Disability Compensation Recipients	99,194
Estimated Monthly Disability Compensation Costs	78,877,989
Estimated Annual Disability Compensation Costs	946,535,866
Disability Compensation by Age under 35	8,536
Disability Compensation by Age 35-54	37,072
Disability Compensation by Age 55-74	40,582
Disability Compensation by Age 75-84	10,425
Disability Compensation by Age 85 and over	2,510
Disability Pension Recipients	10,568
Estimated Monthly Disability Pension Costs	$5,873,391
Estimated Annual Disability Pension Costs	$70,480,692
Disability Pension by Age under 45	101
Disability Pension by Age 45-54	1,417
Disability Pension by Age 55-69	2,698
Disability Pension by Age 70-84	4,987
Disability Pension by Age 85 and over	1,365

Education

MGIB-AD Trainees	10,462
MGIB-SR Trainees	1,812
DEA Trainees	3,505
VEAP Trainees	15

Insurance

Life Insurance Payments	$49,612,297
Total Face Value of Insurance	$495,244,553
Total Number of Policies	41,246

Loan Guaranty

Number of Loans	11,453
Total Loan Amount	$1,551,023,305

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	315

North Dakota

Compensation and Pension

Estimated Veteran Population	54,208
Disability Compensation Recipients	7,492
Estimated Monthly Disability Compensation Costs	5,139,028
Estimated Annual Disability Compensation Costs	61,668,336
Disability Compensation by Age under 35	649
Disability Compensation by Age 35-54	2,251
Disability Compensation by Age 55-74	3,135
Disability Compensation by Age 75-84	1,024
Disability Compensation by Age 85 and over	428
Disability Pension Recipients	991
Estimated Monthly Disability Pension Costs	$566,935
Estimated Annual Disability Pension Costs	$6,803,220
Disability Pension by Age under 45	6
Disability Pension by Age 45-54	124
Disability Pension by Age 55-69	276
Disability Pension by Age 70-84	452
Disability Pension by Age 85 and over	133

Education

MGIB-AD Trainees	729
MGIB-SR Trainees	897
DEA Trainees	254
VEAP Trainees	2

Insurance

Life Insurance Payments	$4,543,472
Total Face Value of Insurance	$45,354,272
Total Number of Policies	4,310

Loan Guaranty

Number of Loans	559
Total Loan Amount	$64,879,857

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	27

Ohio

Compensation and Pension

Estimated Veteran Population	1,032,095
Disability Compensation Recipients	84,578
Estimated Monthly Disability Compensation Costs	53,230,425
Estimated Annual Disability Compensation Costs	638,765,099
Disability Compensation by Age under 35	6,182
Disability Compensation by Age 35-54	24,788
Disability Compensation by Age 55-74	34,485
Disability Compensation by Age 75-84	14,389
Disability Compensation by Age 85 and over	4,692
Disability Pension Recipients	14,808
Estimated Monthly Disability Pension Costs	$10,049,556
Estimated Annual Disability Pension Costs	$120,594,672
Disability Pension by Age under 45	237
Disability Pension by Age 45-54	3,122
Disability Pension by Age 55-69	5,836
Disability Pension by Age 70-84	4,589
Disability Pension by Age 85 and over	1,024

Education

MGIB-AD Trainees	8,048
MGIB-SR Trainees	4,189
DEA Trainees	1,733
VEAP Trainees	23

Insurance

Life Insurance Payments	$65,260,247
Total Face Value of Insurance	$651,446,991
Total Number of Policies	62,436

Loan Guaranty

Number of Loans	4,644
Total Loan Amount	$642,349,333

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	243

Oklahoma

Compensation and Pension

Estimated Veteran Population	351,072
Disability Compensation Recipients	50,547
Estimated Monthly Disability Compensation Costs	49,006,651
Estimated Annual Disability Compensation Costs	588,079,808
Disability Compensation by Age under 35	3,857
Disability Compensation by Age 35-54	14,815
Disability Compensation by Age 55-74	23,267
Disability Compensation by Age 75-84	6,730
Disability Compensation by Age 85 and over	1,838
Disability Pension Recipients	8,166
Estimated Monthly Disability Pension Costs	$6,517,981
Estimated Annual Disability Pension Costs	$78,215,772
Disability Pension by Age under 45	109
Disability Pension by Age 45-54	1,257
Disability Pension by Age 55-69	2,816
Disability Pension by Age 70-84	3,176
Disability Pension by Age 85 and over	808

Education

MGIB-AD Trainees	5,160
MGIB-SR Trainees	2,506
DEA Trainees	2,171
VEAP Trainees	7

Insurance

Life Insurance Payments	$22,881,121
Total Face Value of Insurance	$228,406,086
Total Number of Policies	19,071

Loan Guaranty

Number of Loans	3,723
Total Loan Amount	$441,563,728

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	260

Oregon

Compensation and Pension

Estimated Veteran Population	362,104
Disability Compensation Recipients	38,687
Estimated Monthly Disability Compensation Costs	34,389,509
Estimated Annual Disability Compensation Costs	412,674,102
Disability Compensation by Age under 35	3,367
Disability Compensation by Age 35-54	11,254
Disability Compensation by Age 55-74	16,846
Disability Compensation by Age 75-84	5,382
Disability Compensation by Age 85 and over	1,801
Disability Pension Recipients	5,854
Estimated Monthly Disability Pension Costs	$4,200,816
Estimated Annual Disability Pension Costs	$50,409,792
Disability Pension by Age under 45	61
Disability Pension by Age 45-54	1,150
Disability Pension by Age 55-69	2,142
Disability Pension by Age 70-84	1,971
Disability Pension by Age 85 and over	530

Education

MGIB-AD Trainees	3,551
MGIB-SR Trainees	1,033
DEA Trainees	1,164
VEAP Trainees	9

Insurance

Life Insurance Payments	$23,721,940
Total Face Value of Insurance	$236,799,389
Total Number of Policies	21,517

Loan Guaranty

Number of Loans	2,078
Total Loan Amount	$338,516,212

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	226

Pennsylvania

Compensation and Pension

Estimated Veteran Population	1,117,004
Disability Compensation Recipients	90,704
Estimated Monthly Disability Compensation Costs	62,498,879
Estimated Annual Disability Compensation Costs	749,986,546
Disability Compensation by Age under 35	5,633
Disability Compensation by Age 35-54	21,767
Disability Compensation by Age 55-74	37,735
Disability Compensation by Age 75-84	19,023
Disability Compensation by Age 85 and over	6,529
Disability Pension Recipients	14,384
Estimated Monthly Disability Pension Costs	$9,916,000
Estimated Annual Disability Pension Costs	$118,992,000
Disability Pension by Age under 45	165
Disability Pension by Age 45-54	2,048
Disability Pension by Age 55-69	4,675
Disability Pension by Age 70-84	5,818
Disability Pension by Age 85 and over	1,678

Education

MGIB-AD Trainees	6,788
MGIB-SR Trainees	4,088
DEA Trainees	2,099
VEAP Trainees	23

Insurance

Life Insurance Payments	$90,439,477
Total Face Value of Insurance	$902,793,474
Total Number of Policies	90,450

Loan Guaranty

Number of Loans	3,444
Total Loan Amount	$479,429,987

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	262

Rhode Island

Compensation and Pension

Estimated Veteran Population	88,735
Disability Compensation Recipients	9,743
Estimated Monthly Disability Compensation Costs	7,572,218
Estimated Annual Disability Compensation Costs	90,866,610
Disability Compensation by Age under 35	513
Disability Compensation by Age 35-54	2,193
Disability Compensation by Age 55-74	3,955
Disability Compensation by Age 75-84	2,215
Disability Compensation by Age 85 and over	856
Disability Pension Recipients	979
Estimated Monthly Disability Pension Costs	$624,265
Estimated Annual Disability Pension Costs	$7,491,180
Disability Pension by Age under 45	9
Disability Pension by Age 45-54	141
Disability Pension by Age 55-69	312
Disability Pension by Age 70-84	401
Disability Pension by Age 85 and over	116

Education

MGIB-AD Trainees	611
MGIB-SR Trainees	318
DEA Trainees	249
VEAP Trainees	3

Insurance

Life Insurance Payments	$7,511,498
Total Face Value of Insurance	$74,981,981
Total Number of Policies	7,651

Loan Guaranty

Number of Loans	131
Total Loan Amount	$26,312,547

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	40

South Carolina

Compensation and Pension

Estimated Veteran Population	411,987
Disability Compensation Recipients	49,716
Estimated Monthly Disability Compensation Costs	37,738,604
Estimated Annual Disability Compensation Costs	452,863,253
Disability Compensation by Age under 35	3,827
Disability Compensation by Age 35-54	17,337
Disability Compensation by Age 55-74	21,954
Disability Compensation by Age 75-84	5,254
Disability Compensation by Age 85 and over	1,307
Disability Pension Recipients	7,170
Estimated Monthly Disability Pension Costs	$4,731,770
Estimated Annual Disability Pension Costs	$56,781,240
Disability Pension by Age under 45	65
Disability Pension by Age 45-54	843
Disability Pension by Age 55-69	2,060
Disability Pension by Age 70-84	3,270
Disability Pension by Age 85 and over	932

Education

MGIB-AD Trainees	4,251
MGIB-SR Trainees	1,547
DEA Trainees	1,508
VEAP Trainees	8

Insurance

Life Insurance Payments	$27,519,827
Total Face Value of Insurance	$274,711,016
Total Number of Policies	23,124

Loan Guaranty

Number of Loans	3,746
Total Loan Amount	$552,238,512

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	261

South Dakota

Compensation and Pension

Estimated Veteran Population	72,196
Disability Compensation Recipients	9,969
Estimated Monthly Disability Compensation Costs	7,552,399
Estimated Annual Disability Compensation Costs	90,628,792
Disability Compensation by Age under 35	790
Disability Compensation by Age 35-54	3,252
Disability Compensation by Age 55-74	4,238
Disability Compensation by Age 75-84	1,215
Disability Compensation by Age 85 and over	435
Disability Pension Recipients	1,706
Estimated Monthly Disability Pension Costs	$1,063,343
Estimated Annual Disability Pension Costs	$12,760,116
Disability Pension by Age under 45	18
Disability Pension by Age 45-54	205
Disability Pension by Age 55-69	431
Disability Pension by Age 70-84	816
Disability Pension by Age 85 and over	236

Education

MGIB-AD Trainees	708
MGIB-SR Trainees	927
DEA Trainees	253
VEAP Trainees	2

Insurance

Life Insurance Payments	$5,707,082
Total Face Value of Insurance	$56,969,773
Total Number of Policies	5,424

Loan Guaranty

Number of Loans	691
Total Loan Amount	$93,858,414

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	73

Tennessee

Compensation and Pension

Estimated Veteran Population	536,574
Disability Compensation Recipients	59,274
Estimated Monthly Disability Compensation Costs	44,685,056
Estimated Annual Disability Compensation Costs	536,220,669
Disability Compensation by Age under 35	4,621
Disability Compensation by Age 35-54	20,427
Disability Compensation by Age 55-74	25,012
Disability Compensation by Age 75-84	6,913
Disability Compensation by Age 85 and over	1,860
Disability Pension Recipients	9,788
Estimated Monthly Disability Pension Costs	$6,076,215
Estimated Annual Disability Pension Costs	$72,914,580
Disability Pension by Age under 45	98
Disability Pension by Age 45-54	1,355
Disability Pension by Age 55-69	2,940
Disability Pension by Age 70-84	4,223
Disability Pension by Age 85 and over	1,172

Education

MGIB-AD Trainees	5,358
MGIB-SR Trainees	1,299
DEA Trainees	1,475
VEAP Trainees	10

Insurance

Life Insurance Payments	$29,234,633
Total Face Value of Insurance	$291,828,707
Total Number of Policies	24,486

Loan Guaranty

Number of Loans	5,691
Total Loan Amount	$751,848,074

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	298

Texas

Compensation and Pension

Estimated Veteran Population	1,667,370
Disability Compensation Recipients	222,588
Estimated Monthly Disability Compensation Costs	175,844,458
Estimated Annual Disability Compensation Costs	2,110,133,499
Disability Compensation by Age under 35	20,433
Disability Compensation by Age 35-54	72,362
Disability Compensation by Age 55-74	94,988
Disability Compensation by Age 75-84	26,601
Disability Compensation by Age 85 and over	8,099
Disability Pension Recipients	26,911
Estimated Monthly Disability Pension Costs	$17,576,459
Estimated Annual Disability Pension Costs	$210,917,508
Disability Pension by Age under 45	417
Disability Pension by Age 45-54	4,603
Disability Pension by Age 55-69	8,775
Disability Pension by Age 70-84	10,378
Disability Pension by Age 85 and over	2,738

Education

MGIB-AD Trainees	30,141
MGIB-SR Trainees	4,361
DEA Trainees	7,091
VEAP Trainees	35

Insurance

Life Insurance Payments	$112,252,591
Total Face Value of Insurance	$1,120,538,403
Total Number of Policies	94,058

Loan Guaranty

Number of Loans	22,119
Total Loan Amount	$2,912,357,624

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	760

Utah

Compensation and Pension

Estimated Veteran Population	148,958
Disability Compensation Recipients	15,005
Estimated Monthly Disability Compensation Costs	10,498,051
Estimated Annual Disability Compensation Costs	125,976,606
Disability Compensation by Age under 35	1,337
Disability Compensation by Age 35-54	4,660
Disability Compensation by Age 55-74	6,066
Disability Compensation by Age 75-84	2,225
Disability Compensation by Age 85 and over	716
Disability Pension Recipients	1,228
Estimated Monthly Disability Pension Costs	$742,166
Estimated Annual Disability Pension Costs	$8,905,992
Disability Pension by Age under 45	18
Disability Pension by Age 45-54	223
Disability Pension by Age 55-69	419
Disability Pension by Age 70-84	465
Disability Pension by Age 85 and over	103

Education

MGIB-AD Trainees	2,152
MGIB-SR Trainees	1,703
DEA Trainees	635
VEAP Trainees	3

Insurance

Life Insurance Payments	$11,124,297
Total Face Value of Insurance	$111,046,010
Total Number of Policies	10,655

Loan Guaranty

Number of Loans	1,799
Total Loan Amount	$285,756,963

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	176

Vermont

Compensation and Pension

Estimated Veteran Population	56,743
Disability Compensation Recipients	5,374
Estimated Monthly Disability Compensation Costs	4,332,712
Estimated Annual Disability Compensation Costs	51,992,544
Disability Compensation by Age under 35	333
Disability Compensation by Age 35-54	1,504
Disability Compensation by Age 55-74	2,407
Disability Compensation by Age 75-84	843
Disability Compensation by Age 85 and over	283
Disability Pension Recipients	585
Estimated Monthly Disability Pension Costs	$319,712
Estimated Annual Disability Pension Costs	$3,836,544
Disability Pension by Age under 45	3
Disability Pension by Age 45-54	84
Disability Pension by Age 55-69	205
Disability Pension by Age 70-84	245
Disability Pension by Age 85 and over	48

Education

MGIB-AD Trainees	339
MGIB-SR Trainees	161
DEA Trainees	117
VEAP Trainees	1

Insurance

Life Insurance Payments	$4,346,293
Total Face Value of Insurance	$43,385,976
Total Number of Policies	3,835

Loan Guaranty

Number of Loans	118
Total Loan Amount	$19,037,477

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	25

Virginia

Compensation and Pension

Estimated Veteran Population	744,459
Disability Compensation Recipients	100,074
Estimated Monthly Disability Compensation Costs	64,215,414
Estimated Annual Disability Compensation Costs	770,584,966
Disability Compensation by Age under 35	7,706
Disability Compensation by Age 35-54	41,417
Disability Compensation by Age 55-74	38,673
Disability Compensation by Age 75-84	9,509
Disability Compensation by Age 85 and over	2,694
Disability Pension Recipients	6,443
Estimated Monthly Disability Pension Costs	$3,625,037
Estimated Annual Disability Pension Costs	$43,500,444
Disability Pension by Age under 45	69
Disability Pension by Age 45-54	977
Disability Pension by Age 55-69	1,896
Disability Pension by Age 70-84	2,805
Disability Pension by Age 85 and over	696

Education

MGIB-AD Trainees	15,371
MGIB-SR Trainees	2,049
DEA Trainees	2,242
VEAP Trainees	20

Insurance

Life Insurance Payments	$52,224,051
Total Face Value of Insurance	$521,315,847
Total Number of Policies	45,176

Loan Guaranty

Number of Loans	9,044
Total Loan Amount	$1,582,658,702

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	308

Washington

Compensation and Pension

Estimated Veteran Population	625,408
Disability Compensation Recipients	83,315
Estimated Monthly Disability Compensation Costs	63,554,892
Estimated Annual Disability Compensation Costs	762,658,706
Disability Compensation by Age under 35	7,119
Disability Compensation by Age 35-54	30,765
Disability Compensation by Age 55-74	33,992
Disability Compensation by Age 75-84	8,718
Disability Compensation by Age 85 and over	2,702
Disability Pension Recipients	5,327
Estimated Monthly Disability Pension Costs	$3,486,318
Estimated Annual Disability Pension Costs	$41,835,816
Disability Pension by Age under 45	100
Disability Pension by Age 45-54	1,120
Disability Pension by Age 55-69	1,998
Disability Pension by Age 70-84	1,683
Disability Pension by Age 85 and over	426

Education

MGIB-AD Trainees	8,457
MGIB-SR Trainees	1,678
DEA Trainees	2,185
VEAP Trainees	16

Insurance

Life Insurance Payments	$41,497,510
Total Face Value of Insurance	$414,240,356
Total Number of Policies	36,778

Loan Guaranty

Number of Loans	7,029
Total Loan Amount	$1,308,538,005

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	361

West Virginia

Compensation and Pension

Estimated Veteran Population	185,221
Disability Compensation Recipients	22,075
Estimated Monthly Disability Compensation Costs	20,843,592
Estimated Annual Disability Compensation Costs	250,123,104
Disability Compensation by Age under 35	1,615
Disability Compensation by Age 35-54	5,555
Disability Compensation by Age 55-74	10,861
Disability Compensation by Age 75-84	3,164
Disability Compensation by Age 85 and over	848
Disability Pension Recipients	4,552
Estimated Monthly Disability Pension Costs	$2,969,860
Estimated Annual Disability Pension Costs	$35,638,320
Disability Pension by Age under 45	61
Disability Pension by Age 45-54	757
Disability Pension by Age 55-69	1,616
Disability Pension by Age 70-84	1,772
Disability Pension by Age 85 and over	346

Education

MGIB-AD Trainees	2,513
MGIB-SR Trainees	1,096
DEA Trainees	729
VEAP Trainees	2

Insurance

Life Insurance Payments	$11,271,815
Total Face Value of Insurance	$112,518,575
Total Number of Policies	9,422

Loan Guaranty

Number of Loans	639
Total Loan Amount	$93,269,970

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	76

Wisconsin

Compensation and Pension

Estimated Veteran Population	466,054
Disability Compensation Recipients	44,614
Estimated Monthly Disability Compensation Costs	32,871,648
Estimated Annual Disability Compensation Costs	394,459,774
Disability Compensation by Age under 35	3,838
Disability Compensation by Age 35-54	12,947
Disability Compensation by Age 55-74	18,651
Disability Compensation by Age 75-84	6,910
Disability Compensation by Age 85 and over	2,256
Disability Pension Recipients	5,604
Estimated Monthly Disability Pension Costs	$3,690,516
Estimated Annual Disability Pension Costs	$44,286,192
Disability Pension by Age under 45	62
Disability Pension by Age 45-54	963
Disability Pension by Age 55-69	1,759
Disability Pension by Age 70-84	2,133
Disability Pension by Age 85 and over	687

Education

MGIB-AD Trainees	3,159
MGIB-SR Trainees	2,506
DEA Trainees	978
VEAP Trainees	10

Insurance

Life Insurance Payments	$37,506,310
Total Face Value of Insurance	$374,399,024
Total Number of Policies	36,130

Loan Guaranty

Number of Loans	1,978
Total Loan Amount	$285,038,026

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	208

Wyoming

Compensation and Pension

Estimated Veteran Population	54,341
Disability Compensation Recipients	6,132
Estimated Monthly Disability Compensation Costs	4,269,870
Estimated Annual Disability Compensation Costs	51,238,436
Disability Compensation by Age under 35	507
Disability Compensation by Age 35-54	2,059
Disability Compensation by Age 55-74	2,633
Disability Compensation by Age 75-84	732
Disability Compensation by Age 85 and over	198
Disability Pension Recipients	534
Estimated Monthly Disability Pension Costs	$320,325
Estimated Annual Disability Pension Costs	$3,843,900
Disability Pension by Age under 45	8
Disability Pension by Age 45-54	96
Disability Pension by Age 55-69	189
Disability Pension by Age 70-84	190
Disability Pension by Age 85 and over	51

Education

MGIB-AD Trainees	674
MGIB-SR Trainees	249
DEA Trainees	143
VEAP Trainees	1

Insurance

Life Insurance Payments	$3,296,289
Total Face Value of Insurance	$32,904,532
Total Number of Policies	2,909

Loan Guaranty

Number of Loans	678
Total Loan Amount	$104,783,845

Philippines

Compensation and Pension

Estimated Veteran Population	0
Disability Compensation Recipients	5,111
Estimated Monthly Disability Compensation Costs	$487,814
Estimated Annual Disability Compensation Costs	$58,461,768
Disability Compensation by Age under 35	38
Disability Compensation by Age 35-54	602
Disability Compensation by Age 55-74	1,063
Disability Compensation by Age 75-84	1,236
Disability Compensation by Age 85 and over	2,172
Disability Pension Recipients	827
Estimated Monthly Disability Pension Costs	$904,778
Estimated Annual Disability Pension Costs	$10,857,336
Disability Pension by Age under 45	4
Disability Pension by Age 45-54	38
Disability Pension by Age 55-69	321
Disability Pension by Age 70-84	208
Disability Pension by Age 85 and over	256

Education

MGIB-AD Trainees	288
MGIB-SR Trainees	0
DEA Trainees	44
VEAP Trainees	0

Insurance

Life Insurance Payments	$606,644
Total Face Value of Insurance	$6,055,694
Total Number of Policies	441

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	17

Puerto Rico

Compensation and Pension

Estimated Veteran Population	128,322
D Disability Compensation Recipients	19,790
Estimated Monthly Disability Compensation Costs	20,717,602
Estimated Annual Disability Compensation Costs	248,611,223
Disability Compensation by Age under 35	989
Disability Compensation by Age 35-54	6,035
Disability Compensation by Age 55-74	9,114
Disability Compensation by Age 75-84	3,012
Disability Compensation by Age 85 and over	612
Disability Pension Recipients	13,536
Estimated Monthly Disability Pension Costs	$7,504,125
Estimated Annual Disability Pension Costs	$90,049,500
Disability Pension by Age under 45	27
Disability Pension by Age 45-54	473
Disability Pension by Age 55-69	1,728
Disability Pension by Age 70-84	9,420
Disability Pension by Age 85 and over	1,888

Education

MGIB-AD Trainees	806
MGIB-SR Trainees	1,569
DEA Trainees	1,670
VEAP Trainees	4

Insurance

Life Insurance Payments	$5,885,589
Total Face Value of Insurance	$58,751,682
Total Number of Policies	4,408

Loan Guaranty

Number of Loans	486
Total Loan Amount	$61,974,837

Vocational Rehabilitation and Employment

Number of Veterans Obtaining Suitable Employment	66

All Other (Includes other U.S. Territories and Foreign)

Compensation and Pension

Estimated Veteran Population	130,236
Disability Compensation Recipients	16,815
Estimated Monthly Disability Compensation Costs	10,978,138
Estimated Annual Disability Compensation Costs	$131,737,656
Disability Compensation by Age under 35	1,448
Disability Compensation by Age 35-54	7,654
Disability Compensation by Age 55-74	6,234
Disability Compensation by Age 75-84	1,175
Disability Compensation by Age 85 and over	304
Disability Pension Recipients	885
Estimated Monthly Disability Pension Costs	$627,379
Estimated Annual Disability Pension Costs	$7,528,548
Disability Pension by Age under 45	10
Disability Pension by Age 45-54	67
Disability Pension by Age 55-69	217
Disability Pension by Age 70-84	453
Disability Pension by Age 85 and over	138

Education*

MGIB-AD Trainees	27,927
MGIB-SR Trainees	2,562
DEA Trainees	258
VEAP Trainees	50

Insurance

Life Insurance Payments	$5,282,113
Total Face Value of Insurance	$52,727,603
Total Number of Policies	4,362

Loan Guaranty

Number of Loans	22
Total Loan Amount	$3,979,008

FROM THE FRONT COVER:

VETERANS' DAYS POSTERS 1979—2005

1997 1996 1989 1983 1991 1992 1994 1979

1982 1998

1986 1993

1995 1999

2002 1981

1993 1984

1987 1978

2004 2000 2003 1980 2001 2005

1988 1985

U.S. DEPARTMENT OF VETERANS AFFAIRS

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