EXHIBIT 27



DEPARTMENT OF VETERANS AFFAIRS Veterans Benefits Administration Washington, DC 20420

July XX, 2006

Director (00/21) All VA Regional Offices In Reply Refer To: 212 Training Letter 06-XX

SUBJ: Procedures for Chemical-Biological Exposures at Edgewood Arsenal, and other-locations to be announced

Background Information

For the past five years, Department of Defense (DoD) has been releasing to VA lists of service members who may have been exposed to various agents. The two previous releases concerned Project 112/SHAD tests, (see Training Letter 04-03, October 28, 2004), and concerned mustard gas tests, (see Training Letter 05-01, March 28, 2005. VA now has a new list of approximately 4,400 service members who have been exposed to a various agents at Edgewood Arsenal in Maryland. The nature of the list caused DoD to call the database Chemical, Biological, Radiological, Nuclear, and Explosives (CBRNE) database. C&P has adopted the term Chem-Bio to simplify the issue. This training letter presents the procedure for processing any claims based on exposures beyond Project 112/SHAD and mustard gas. Over time, this database will contain what DoD calls "the rest of the story."

Employees must be well informed about this issue. Service organizations, members of Congress, and our veterans are focused on continued investigation into possible chemical and biological exposure and the consequences of these tests.

Action Requested

VSC employees should review the enclosed information which is separated by employee responsibility. Procedures for claims processing are separately presented for Veterans Service Representative (VSRs) and Rating Veterans Service Representative (RVSRs). All employees, particularly in the Public Contact Team, should be familiar with Project 112/SHAD and where detailed information on it may be found.

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Page 2.

Director (00/21)

Summary of Chem-Bio Information to Date

We have received approximately 4,400 names of service members who were listed by the Department of Defense (DoD) as participants or service members who were scheduled to participate in one or more chemical and biological tests at Edgewood Arsenal. This number should increase to around 7,000 names as DoD releases more the names of test participants from Ft. Detrick, Maryland, and Dugway Proving Ground, Utah. In the immediate future, C&P Service will mail notification letters to approximately 1,800 Edgewood participants.

VBA's notification letter to test participants does not include the name of the agents or simulants because of the nature and complexity of these substances. However, DoD has agreed to answer any veteran's questions about the tests and the agents for VA.

There are over 140 agents and simulants involved in the tests at Edgewood Arsenal. DoD does not have fact sheets about specific tests or agents. However, DoD's supplied a general statement about the test program, Edgewood Arsenal Chemical Agent Exposure Studies: 1955-1975, which will be attached to all notification letters.

Who to Contact for Help

If you have questions or need additional information, you should e-mail your inquiry to the SHAD mailbox at SHADMANAGER @VBA.VA.GOV.

/s/
Renée L. Szybala, Director
Compensation and Pension Service

Enclosures

VBA Notification letter (DRAFT)
Edgewood Arsenal Chemical Agent Exposure Studies: 1955-1975 (DRAFT)

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Information For Phone Inquiries (Chem-Bio Exposures)

What is the Chem-Bio database?

Chem-Bio is the acronym for the Chemical, Biological, Radiological, Nuclear, and Explosives (CBRNE) database. This database in its current form, contains over 4,400 names of service members who participated or who were scheduled to participate in a number of tests involving over 140 agents and simulants at Edgewood Arsenal in Maryland. According to DoD, these tests were conducted between 1955 and 1975.

Over the remainder of 2006, DoD anticipates releaseing more names to include test participants from Ft. Detrick, Maryland, and Dugway Proving Ground, Utah. Tests conducted at other location will be added as DoD extends their investigation.

Are There Any Presumptive Conditions or Common Disabilities?

No. Each exposure will be considered based on current medical understanding of any long terms effects based on the type of exposure, the duration of the exposure, and dosage. Currently, Veterans Health Administration is preparing a paper for physicians to help address questions about the agents and simulants used in these tests.

Can a Person Claiming Exposure in a Chem-Bio Test Receive Medical Treatment at a VA Medical Center?

Yes. Here is the statement sent to all test participants:

"Although there is no specific medical test or evaluation for the types of exposures you might have experienced more than 30 years ago, VA is offering a clinical examination to veterans who receive this notification letter. If you have health concerns and wish to be medically evaluated, PLEASE BRING THIS LETTER WITH YOU TO THE NEAREST VA HEALTH CARE FACILITY. This letter will help you apply for the examination by providing needed documentation. Additional medical information about potential exposures is available through the "Environmental Health Coordinators," who are located in every VA medical center.

Note: The examination itself does not constitute, or provide eligibility for enrollment into the VA health care system. If you are not already enrolled, you are encouraged to apply for VA health care benefits at time you apply for the examination."

Questions about the tests and agents

If a veteran has any questions about chemical or biological agent tests, or concerns about releasing classified information, they should contact DoD at (800) 497-6261, Monday through Friday, 9 a.m. to 9 p.m. Eastern standard time.

VSR Processing Procedures (Chem-Bio Exposures)

Defining a Chem-Bio Claim

Consider a claim to be a Chem-Bio case if the veteran alleges disease or injury as a result of participation in any chemical or biological testing. This does not include mustard gas or Project 112/SHAD claims. While Edgewood Arsenal, Ft. Detrick, and Dugway Proving Ground are know test locations, there are other location. Therefore, included any chemical or biological exposure in this category regardless of test location claimed.

Almost everyone who has been in the military has participated in tests involving tear gas. Sometimes those tests included tear gas, colored to look like something more dangerous. It is not our position to distinguish between harmful and harmless tests. Any claim must be considered harmful until information from DoD defines it otherwise.

End Product Control

When you determine that you have a Chem-Bio claim, establish an EP 683 in addition to the traditional EP control (e.g., 010, 110, 020). If DoD finally verifies that the claimant is NOT a Chem-Bio participant, PCAN the EP 683 (see below, "Claimant Not on Chem-Bio List"). Otherwise, the EP 683 should remain pending until the Chem-Bio issues are closed by a rating decision and the veteran is notified.

We recognize that this end product is currently used to identify Project 112/SHAD claims. This is to continue. As long as you submit an e-mail for each case involved asking for exposure verification, whether a SHAD case or Chem-Bio, C&P Service will be able to keep of decision outcomes.

E-Mail VACO for Verification of Chem-Bio Participation

Send an e-mail to the SHAD mailbox requesting verification of Chem-Bio test participation. Even if the claim does not seem plausible based on evidence in the claims folder, e.g., the veteran claims exposure before or after the period 1955 to 1975, DoD has sole authority to validate whether an individual was a participant in any chemical or biological test. Also, it is possible that we may receive claims associated with other DoD tests, which have not been declassified.

Please send the following information to the SHAD mailbox:

- The veteran's full name, VA file number, branch of military service, social security number, and service number (the older DoD records are based on the old 8 digit service number).
- Available test information (e.g., test location, description of the test or how exposure took place).
- The nature of the disability(ies) claimed as due to exposure to agents/substances while participating in a Chem-Bio test.

The Compensation and Pension (C&P) Service uses the information provided by ROs to look for patterns in the disabilities being claimed by Project 112/SHAD participants and to track decision outcomes.

An example of the information that will be returned for a test participant is as follows:

Veteran's Name VA File #	
SSN	XXX-XX-XXXX
Date(s) of exposure	July 24, 1967
Place of exposure	Edgewood Arsenal
Type of exposure	injection
Agent/Simulant Name	Scopolamine
Agent/Simulant Amount	16.6 microgram/kg of body weight
Agent/Simulant Form	Liquid
Munition/ Mechanism of Exposure	Syringe
Route of Expoure	Intramuscular
Antedote Used	VX was used as an antidote

Claimant Not on SHAD List

If C&P Service responds that the claimant's name is not on the current "Chem-Bio list," develop for a copy of the military 201 file and DD 214, if not available. When received, send a copy of the records to:

Department of Veterans Affairs Compensation and Pension Service (212) 810 Vermont Ave, NW Washington, DC 20420

ATTN: Chem-Bio Manager

If there are fewer than 20 pages, they may be sent via fax to the SHAD Manager at 202-275-1756. This will also expedite the case.

When C&P Service receives the military records, a copy will be given to DoD for further inquiry and final verification. If DoD's response remains negative, C&P Service will notify the requestor via e-mail of the fact, and the RO should cancel the EP 683 and continue normal claims processing.

Claimant Is a Verified Chem-Bio Participant

When verification of Chem-Bio participation is received, the Pre-Determination Team will determine the need for a physical examination (see "RVSR Procedures").

Electronic Submission of Rating Decisions

C&P Service needs to know the outcome of all Chem-Bio claims. At the time that you notify the claimant about the rating decision, please e-mail all Chem-Bio rating decisions (under the subject name "Chem-Bio Rating") to the <u>SHAD Mailbox</u>.

RVSR Procedures (Chem-Bio Exposures)

Scheduling an Exam

If you determine that a Chem-Bio examination is needed, it must be conducted at a VA medical facility (as opposed to a contracted facility). While the development procedures for these cases are slightly different, the fundamental rating principles remain the same.

Medical Opinions: If a medical opinion is needed, request a medical opinion of any relationship(s) between the current disability(ies) and exposure to agents, simulants, tracers, and/or decontaminants used in the tests involved. Use the Medical Opinion template found in M21-1MR.III.iv.3.A.14.

AMIE/CAPRI: When completing the exam request, include a list of the agents, simulants, tracers, antidotes, and/or decontaminants listed in the e-mail from VA Central Office which lists the agents and related data from DoD, in the comment section of the AMIE examination request. Send a copy of the e-mail from CO. Backfile the attachments along with the exam request to ensure the examiner reviews the information.

Review of Medical Opinions

An opinion must be based on the veteran's history and the doctor's examination in conjunction with a review of the veteran's claims file. Therefore, if the examiner indicates that he or she did not review the claims file, return the examination as inadequate.

Be sure that any medical opinion meets the "as likely as not" threshold and includes a supporting rationale. The question the examiner should answer is: "Is it at least as likely as not that the condition the veteran is claiming was caused by the veteran's exposure to chemicals, biological agents, or other associated events surrounding the veteran's participation in Chem-Bio tests?" "At least as likely as not" is the lowest threshold of certainty that the examiner can express that will support a grant of service connection. Insufficient justification for a grant of service connection includes statements such as the "effects of exposure are unknown," or that an exposure "could be a contributor," or "may have a relationship" to a disease.

A medical opinion without a supporting rationale carries no probative value. Not all rationales are logical. Therefore, it is critical that the examination report include a discussion as to why, or how, the literature supports the examiner's opinion. If no supporting rationale is provided, return the file to the examiner to provide a rationale for the opinion. Cite 38 CFR 4.2.

Rating Code Sheet

When completing the code sheet, clearly identify those disabilities which the veteran claimed or which the RVSR granted as related to exposures from Chem-Bio tests. Type "[Chem-Bio]" by claimed symptoms or the diagnosis in RBA 2000.