STATEMENT OF
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U.S. DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
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Chairman Miller, Ranking Member Michaud, and Committee Members, thank you for providing me the opportunity to discuss the Department of Veterans Affairs' (VA) commitment to providing all Veterans, their families, and Survivors with timely and accurate decisions on their benefit claims and ensuring the integrity of the data that we use to measure our workload performance in carrying out our mission. I am accompanied today by Diana Rubens, Director of the Philadelphia Regional Office, and Thomas Murphy, Director of Compensation Service.

Priority Goals

It has never been acceptable to VA or to the dedicated employees of the Veterans Benefits Administration (VBA) – 52 percent of whom are Veterans themselves – that our Veterans are experiencing long delays in receiving the benefits they have earned and deserve. Over the past four plus years, VBA has been undergoing the largest transformation in its history to fundamentally redesign and streamline the way benefits and services are delivered.

As VBA undertook this major transformation, the Secretary of Veterans Affairs established as a priority goal for VBA to eliminate the disability claims backlog and ensure accurate decisions for Veterans awaiting VA's determinations on their service-connected disability claims. These rating decisions are at the core of our mission, as they have enormous financial impact on Veterans' lives and in many cases lead to eligibility for other important benefits, such as health care, vocational rehabilitation, waiver of home loan funding fees, and housing benefits. VA therefore established as one of the department's top three agency priority goals to process all disability rating

claims within 125 days at a 98-percent accuracy level in 2015. In 2005, VA changed its strategic goal for processing all disability rating claims from an average of 100 days to an average of 125 days, and increased the accuracy goal to 98 percent. In 2010, former Secretary Shinseki changed the processing goal from an average of 125 days to state that all claims would be processed within 125 days, reinforcing his commitment to fundamentally transforming the claims process to ensure all Veterans receive a timely decision on their claims. With the tremendous support that VA continues to receive from its partners including this Committee, the rest of Congress, Veterans Service Organizations (VSO), county and State Departments of Veterans Affairs, the Department of Defense, and other federal agencies, we are on track to meet this goal.

Transformation Progress

We have made tremendous progress, reducing the disability claims backlog by over 55 percent, from the peak of 611,000 in March of 2013 to 275,000 today. Last year, VBA completed a record 1.17 million disability rating claims, and we are on track to complete over 1.3 million rating claims this fiscal year. Over 90 percent of the claims in our inventory are now being processed electronically in our new digital environment, the Veterans Benefits Management System (VBMS). The average age of the pending claims in the inventory is now 154 days, down 128 days or 45 percent from the peak of 282 days in February 2013. The reduction in the disability rating claims backlog and our increased production have not come at the expense of quality, which also continues to improve. We have increased our claim-based accuracy from 86 percent in 2011 to 90.3 percent today. When we measure the accuracy of the individual decisions our employees make within each claim, our accuracy level is 96.2 percent. At the same time, we also remain focused on all of the other workload components of the wide range of benefit programs we are privileged to administer.

Initiatives and Procedural Changes Since March 2013

The Committee requested that VBA specifically address certain initiatives and procedural changes implemented since the last Full Committee hearing in March 2013.

The initiatives discussed below were designed to help us deliver benefits to Veterans more timely, manage our work more effectively, increase production, and ensure we are making the best possible use of our resources.

Claims Brokering

Prior to fielding an electronic claims processing system, each of VBA's 56 regional offices focused primarily on processing benefits for Veterans in the state the office was located. The proximity of the beneficiary claimant to the processing regional office was important in VA's legacy paper-based system, where claims records and files were physically stored, processed, and/or mailed between the Veteran, the regional office, and the closest supporting VA medical facility. However, this geographically-based approach resulted in variances in regional office workloads and processing timeliness due to factors such as multiple National Guard and Reserve Component deployments from certain states, unanticipated staffing losses at regional offices, and shifts in the Veteran population in various states. To address these variances, VBA employs a "brokering" strategy, which balances the workload by sending cases from regional offices with high inventories to regional offices with greater processing capacity. Brokering has been extremely beneficial to managing workload before and during VBA's transition to an electronic claims process. For example, brokering has been of great assistance in reducing the backlog at the Baltimore Regional Office by 77 percent (15,744 claims brokered), the Los Angeles Regional Office by 62 percent (13,075 claims brokered), and the Oakland Regional Office by 74 percent (21,859 claims brokered). This assistance ensures that Veterans waiting too long for decisions receive the benefits they have earned.

National Work Queue

Within VBMS, VBA is implementing the National Work Queue, a paperless workload management initiative designed to improve VBA's overall production capacity and performance accountability. With over 90 percent of our pending claims inventory converted to digital format in the VBMS, VBA can more efficiently manage the claims workload centrally. The initial implementation phase of the National Work Queue involves moving claims electronically from a centralized queue to a regional office

identified as having the capacity to complete the work. Through this process of matching inventory with claims processing capacity, VBA is improving performance nationwide, helping to ensure Veterans receive more timely benefits regardless of where they reside.

In the future, claims will be routed nationally down to the individual employee level based on the nature of claim and the skill set of the claims processor. Under the National Work Queue, the first filter for assignment of a claim will remain the geographic proximity to the Veteran's place of residence. However, if there is not capacity to process the claim at the closest regional office, the claim will be completed by another skilled employee at a different regional office. VA believes the outcome-based strategic measures of this plan will allow VBA to make a focused assessment of the quality and consistency of claims processing. The success of the Oldest Claims Initiative validated the need for this national approach to workload management. More than 100,000 claims were brokered during this initiative, leveraging the full system capacity to achieve a much higher level of production.

Oldest Claims Initiative and Provisional Decisions

VBA launched an initiative in April 2013 to expedite disability rating claim decisions for Veterans who had been waiting the longest. Over 513,000 of the longest-pending claims were covered under this initiative, including nearly 500,000 claims that received final ratings based on the availability of all relevant evidence. Approximately 14,800 of these Veterans (less than 3 percent) received "provisional" rating decisions if evidence was outstanding, but all essential evidence, such as VA examinations and service treatment records, were available.

Provisional decisions were issued during this initiative in order to provide benefits more quickly to eligible Veterans who had been waiting the longest for decisions on their claims, while at the same time giving them an additional 1-year safety net to submit further evidence should it become available, before a final decision. Veterans then have the same statutory 1-year period to appeal the final decision if they disagree.

During the initial phase of the Oldest Claims Initiative, VBA identified that one regional office had misinterpreted the provisional decision guidance. Clarifying instructions were immediately issued to all regional offices and reinforced through conference calls with regional office managers. Authority to issue provisional decisions was withdrawn in November 2013 as we completed the initial phases of the Oldest Claims Initiative.

The Office of the Inspector General (OIG) recently completed a review of VBA's implementation the Oldest Claims Initiative and found further problems with the implementation of the provisional decision guidance. As a result, the Under Secretary for Benefits directed a complete review of all provisional decisions on June 2, 2014. Regional office Quality Review Teams will determine if the ratings were completed properly, if a final rating is now warranted, or if further development is necessary. The final ratings will be completed no later than September 2014, or at least one-year after the provisional rating was issued (whichever is later), unless additional evidence needed to correctly decide the claim remains outstanding.

The purpose of the provisional decisions was to get benefits to Veterans more quickly. Veterans who received provisional decisions had an additional one-year period to submit further evidence or seek review. The final rating process provides further assurance that Veterans who received provisional decisions are receiving the benefits they have earned.

Mandatory Overtime

Mandatory overtime is a management tool that has been periodically utilized by VBA over the years and most recently initiated in May 2013 to maximize productivity during the Oldest Claims Initiative. While in mandatory overtime, Rating Veterans Service Representatives (RVSRs), Veterans Service Representatives (VSRs), and Decision Review Officers work a minimum of 20 hours of overtime per month focused on completing priority claims — our oldest claims, fully developed claims, and special-interest claims (homeless, extreme financial hardship, former prisoners of war, terminally ill, etc.). During mandatory overtime periods in FY 2013, VBA's daily rating

production increased by 30 percent, or more than 1,000 additional claims per day. Staff at all regional offices worked mandatory overtime for six months in 2013 and resumed mandatory overtime on January 19, 2014 to accelerate the reduction in the backlog.

To provide employees with a break from mandatory overtime in order to spend time with their families during the holiday season, optional overtime was in effect from November 24, 2013, through January 18, 2014. Managers at each regional office continue to make exceptions to mandatory overtime, on a case-by-case basis, for employees requesting to be excused for hardship reasons, such as educational commitments, family needs, and medical conditions. In addition, all employees are provided a month in FY 2014 in which they may elect not to work overtime.

Surge Initiative

Regional office closures and early dismissals due to hazardous weather conditions negatively affected VA disability claims production during the past winter season. To mitigate the impact, VBA implemented a short-term initiative from mid-February through the end of March 2014 in order to maintain progress in reaching the Secretary's goal of eliminating the backlog in 2015. The initiative called for the temporary assignment of employees who have claims processing expertise but are performing other duties – such as supervisors, change management agents, and quality review specialists – to process claims in the backlog during regular and/or overtime duty hours. During the five-week initiative, VA employees processed more than 154,000 claims, reducing the backlog by 40,000 claims. The surge initiative mitigated the lost production over the winter months and put us back on track for continuing the progress being made in reducing the backlog.

Found Claims

In May 2013, VBA issued guidance to regional offices that was designed to ensure there was no disincentive in our processing procedures for taking action on any previously undecided claim that may be subsequently identified in a Veteran's claims record (possibly many years or even decades later). As you know, Veterans are entitled to submit their claim in any format, including handwritten notes or letters. At

times, this leads to claims being discovered later in the process. This 2013 directive instructed regional offices to use the date the claim had been discovered ("found") in the claims record as the date of receipt of the claim for tracking purposes, while ensuring that the date the claim had been originally received is used as the effective date for any benefits awarded to the claimant. This ensures the full benefits due are paid to the Veteran.

Prior procedures required employees to use the date of receipt of the original claim for tracking purposes, even if that date was decades ago. Logging such an old date of receipt could potentially harm employees' achievement of their regional offices' timeliness goals. Therefore, the new policy revised prior procedures that could be seen as a disincentive for conducting such a thorough review. This procedural change only affected the date of receipt of the claim for timeliness tracking purposes, and we believed the policy would remove the disincentive.

Indeed, the guidance issued in May 2013 directed regional offices to proactively review all the evidence of record when adjudicating a claim in order to discern if any additional claims or medical issues were of record that had been overlooked in any previous adjudication process, ensuring the Veteran's rights were being protected.

In accordance with statute and VA regulations, this May 2013 guidance instructed regional offices to use the earliest date of receipt by any VA facility as the date of claim for the purpose of determining the effective date of any benefits awarded as a result of the found claim. In addition, special controls were put in place to manage and oversee this process. Authority to apply these procedures and establish a claim based on a discovered document was delegated only to Regional Office Directors and Assistant Directors. Regional offices were also required to notify VBA Compensation Service when any claim was established based on discovered documents.

Recently, OIG received a complaint that a regional office was not properly following this guidance. The OIG dispatched an inspection team to that regional office and identified a misapplication of this guidance. As a result, VBA quickly took several measures. First, the fast letter was immediately suspended while VBA conducts a complete review of the implementation of this policy. Data analysis is being undertaken

to identify regional offices that are potential outliers in the application of this policy, including on-site analysis at certain regional offices where potential implementation issues have been identified. This analysis has also been shared with the OIG. All claims impacted by misinterpretation of this guidance will be identified, and corrective action will be taken in each instance. Any employee found to have intentionally misused this policy will be held accountable. We are committed to identifying our problems and implementing solutions.

Improving Claims Accuracy

As evident in our priority goal statement for 2015, our commitment is not only to eliminate the claims backlog, but to ensure the decisions we provide to the Veterans, families, and Survivors we serve are of the highest possible quality. VBA's transformation plan includes major resource investments to improve the accuracy of our claim decisions, toward our goal of achieving a 98-percent accuracy level in 2015:

- Challenge Training was redesigned for new claims processors that significantly increase quality and production, especially in the first six months following completion of training.
- Station Enrichment Training (SET), based on the success of Challenge training, is offered to regional offices experiencing challenges in quality and production.
- Specialized Adjudication Review Course (SPARC) and Supervisory Technical Analysis of Data (STAND) training sessions are being conducted from May through July 2014. SPARC was developed to retrain 1,250 Veterans Service Representatives and 900 Rating Veterans Service Representatives having difficulty in meeting performance standards. STAND training was developed for 750 coaches and assistant coaches to focus on data analysis and personnel management tools.
- Quality Review Teams (QRTs) were established in each regional office to conduct in-process quality reviews as well as individual employee quality reviews. Over 650 Quality Review Specialists are trained and monitored by VBA's Quality Assurance Staff.

- Skills Certification tests have been implemented for Veterans Service Center Coaches and claims processors.
- Rater Decision Support Tools have been introduced into our new automated processing system to provide more consistent ratings.
- Disability Benefits Questionnaires (DBQs) replace traditional VA examination reports and are designed to capture all medical information relevant to a specific condition at once and up front. A total of 81 DBQs are available to VHA clinicians, including 71 DBQs that can also be completed by private physicians.
- VBMS Automation – VBMS software releases in 2014 are continuing to build more complex automation features into the system, which help employees complete their work more efficiently, reduce errors, and organize tasks. The new functionality improves employees' visibility of the workload, the status of claims and information needed to finalize decisions.

Quality Assurance

VBA's Systematic Technical Analysis Review (STAR) Program measures and reports statistically valid accuracy rates covering all types of VA claim decisions, both rating and non-rating. VBA's Compensation Service and Pension and Fiduciary Service have expert claim processors assigned to the STAR teams to assess the quality of over 14,000 rating decisions and an additional 14,000 authorization (non-rating) decisions identified through a statistically valid random sampling each year. VBA's STAR program has been independently reviewed and validated by the Institute for Defense Analyses (IDA).

Under the STAR program, VBA measures both claim-based and issue-based accuracy. Claim-based accuracy measures the accuracy of the entire claim, regardless of the number of issues decided within that claim. The claim is either 100 percent accurate or 100 percent in error (even if only 1 error is made). Issue-based accuracy evaluates the accuracy of decisions on individual medical conditions. The STAR program measures both 3-month and 12-month accuracy. Site visits are also conducted by employees of VBA's Headquarters elements and the Area Directors to

ensure regional offices are following correct policies and procedures. Site visits include reviews of performance and workload trends and anomalies in rating decisions.

VA's OIG and our VSO partners also conduct assessments of VBA's accuracy, but use different methodologies than the STAR program. All of these reviews are important to VBA and help us to improve our processes. OIG benefits inspection reviews of regional offices focus on specific subsets of claims identified as more complex, needing special emphasis, or with known processing problems. As the OIG states in its benefits inspection reports, the results of these reviews are not reflective of the overall quality of the decision being made by the regional office. OIG also uses a broader definition of what constitutes an error, encompassing compliance with VBA's policies and procedures rather than only the accuracy of the outcome or entitlement. VSO reviews also have a narrower scope, as VSOs are only able to review claims of Veterans for whom they hold power of attorney, and their reviews are only conducted at a limited number of regional offices. Because the evaluation criteria and case-selection processes used by these organizations vary significantly from VBA's STAR Program, the results of these reviews cannot be directly compared.

To provide an independent assessment of VBA's current quality assurance program, VBA has an independent third-party contractor reviewing of this program. We look forward to reviewing results and recommendations of this assessment.

Workload Management

VBA has, for most of its history, used a system of "end products" to identify, track, and manage all types of claims and other workload. Our automated processing systems have been designed to incorporate this end-product methodology for managing work. With the introduction of the Balanced Scorecard approach in 2000, these end products were grouped into three categories or "bundles," enabling some prioritization of the multitude of end products being measured for purposes of tracking performance. Our workload management and reporting systems continue to report work according to these workload "bundles":

- Rating Claims: Includes Veterans' disability compensation and pension claims and as well as Survivors' claims for service-connected death benefits. These claims requiring rating decisions comprise our most complex and labor-intensive workload. Our goal for eliminating the backlog and providing all Veterans with a decision on their disability claims within 125 days at a 98-percent accuracy level applies to this claims "bundle."
- Non-rating Claims: Includes claims that in most cases do not require a rating decision but directly impact benefits, such as survivors pension, burial claims, dependency claims, income adjustments, and drill pay adjustments.
- Other Non-rating Work: Primarily includes administrative actions that are not necessarily claims for benefits, such as correspondence actions, income matching programs and other internal control reviews, and special claim reviews.

VBA uses two metrics to measure and report on the timeliness of the claims process. Average Days to Complete (ADC) tracks the length of the claim process, start to finish. Average Days Pending (ADP) provides a point-in-time measure of in-progress claims from start to current date. Both measures are important for managing our workload. As a result of our focus on the Oldest Claims Initiative, these measures have experienced significant fluctuations. By eliminating the oldest claims from the inventory, VA lowers the ADP for claims in the overall inventory. The focus on taking care of those Veterans who have been waiting the longest also causes the ADC to rise in the near term. ADC is a lagging indicator, while ADP is a leading indicator that provides a better measure of the current state of the claims inventory. VBA has implemented numerous transformation initiatives that not only result in more timely and accurate delivery of benefits, but also enhance our workload management and reporting systems. Development of VBMS, our new paperless processing system, is a critical component of our transformation. Electronic records and automated claims processing not only create significant efficiencies, but also improve workload management and data consistency through standardization. All disability compensation claims and supporting evidence received in paper form are now centrally scanned and converted into digital format at centralized sites. This conversion process also extracts important data and populates this data in the Veteran's electronic folder (eFolder). Through a phased implementation

plan through the end of July, all incoming disability claims will be redirected by the postal service to closely controlled scan facilities, where they are immediately digitized for claims processing. When coupled with currently scheduled VBMS enhancements, centralized mail processing will result in near-instantaneous establishment of end-product controls for a significant portion of the claims we receive.

Non-Rating Workload

Rating claim decisions in many cases open access to other VA benefits and services. Claims for these additional benefits generally do not require another rating decision and are therefore tracked and managed in the non-rating work categories. As we complete more rating claims and add more Veterans to our disability compensation and pension rolls, we also receive more non-rating claims. There is a direct correlation. Even as we have focused on our priority goal to eliminate the disability rating claims backlog for Veterans who have been waiting the longest and are achieving record-breaking levels of production, we have not ignored non-rating claims. We continue to complete more non-rating work each year; however, non-rating receipts also continue to rise. In fiscal year (FY) 2012, we completed 14 percent more non-rating work than in FY 2011. Last year we completed 2.46 million non-rating end products, which was 24 percent more than in FY 2011. This year, we expect to complete 2.84 million non-rating end products (a 44-percent increase over 2011).

VBA has not lost focus on non-rating work, as demonstrated by our efforts to develop and explore innovative ways to automate and improve the timeliness and accuracy of non-rating claim decisions.

- Online Dependency Claims – VBA developed a new Rules-Based Processing System (RBPS) to automate dependency claims. Since inception, self-service features in RBPS have enabled over 75,000 Veterans to add or change the status of their dependents online. Over 50 percent of the dependency claims filed through RBPS are now automatically processed and paid in 1-2 days.
- Dependency Claims Contract – VA recently awarded a contract for assistance in entering data from paper-based dependency claims into VA's electronic rules-

based processing system. The contractor is entering the information from the paper-based dependency claims just as a claimant would enter information if filing the claim online. The contract calls for 40,000 dependency claims to be processed per month when operating at full capacity. The contractor is currently ramping up to that capacity.

- Up-front Income Verification for Pension – A new data-sharing initiative with the Social Security Administration and the Internal Revenue Service enables VBA to verify the income of pension applicants before awarding benefits and eliminates the annual income reporting requirement for pension beneficiaries.
- Burial Claims – VBA published a new regulation, effective July 7, 2014, that allows automatic payment of the one-time burial allowance to a Veteran's spouse without requiring the surviving spouse to apply for the benefit. Under this new regulation, as many as 62,000 surviving spouses will now receive timely burial benefits each year.
- Drill Pay Adjustments – Veterans cannot legally receive VA benefits and drill pay concurrently. VBA is working to streamline and automate the drill pay offset process through an upfront agreement from National Guard and Reserve members.
- National Call Center Initiative – Effective July 14, employees at the St. Louis and Phoenix National Call Centers are now also processing dependency claims. The initiative begins on July 14 at the St. Louis and Phoenix Regional Offices and will be expanded to all of our Call Centers shortly thereafter.
- Hiring Temporary Employees – VBA is in the process of hiring 200 temporary employees, who will be provided specialized training in processing the less complex non-rating claims and work actions.

Centralized Data Collection and Reporting

VBA's data is collected and analyzed at a central level by VBA's Office of Performance Analysis and Integrity. In 2000, VBA established the Enterprise Data Warehouse (EDW) to uniformly capture data across different systems used to administer all benefits and to provide a suite of reports and analytical tools that would

be a consistent source of reliable information and data. EDW collects, integrates, and protects VBA's data. EDW was designed so that as soon as data is in the system, it is protected against any further modifications or manipulation, both for data integrity and to protect the personal information of Veterans stored in the EDW. VBA has made improvements to the EDW since 2000, and we have a very high level of confidence in the accuracy and security of the data.

EDW allows VBA to centrally monitor workloads, check the status of all claims, and prioritize and allocate appropriate resources to regional offices. In addition to VBA Headquarters, our 56 regional offices use data from EDW to actively manage their workload and operations. Standardized reporting and retention of that reporting enable VBA to provide timely, consistent, and accurate data to internal and external stakeholders, including our VSO partners and Congress.

In addition to being a data repository and source for reporting, EDW offers a suite of business intelligence tools to analyze data. These tools help VBA identify trends and anomalies and evaluate corrective actions if necessary. We can explore the underlying data associated with the changes we see, allowing us to pinpoint a group of claims, a particular time period, or portion of the claim process. This level of detail and specificity is invaluable to regional offices in achieving our goals to provide more timely and accurate benefit decisions.

Commitment to Data Transparency

VBA provides publicly available data on our performance on a weekly, monthly, and annual basis through our reports web site: www.vba.va.gov/reports. Weekly performance metrics are available through the Monday Morning Workload Report where we report 11 performance metrics for more than 50 different types of benefit claims including original and reopened compensation and pension claims, award maintenance, appeals, and survivor benefits, as well as the number of education claims pending under the Post 9/11 GI Bill and our other education programs. The data is available to anyone with a computer, access to the internet, and an interest in reviewing it. The Monday Morning Workload Report has been continually updated and expanded over the years – most recently after discussions with key stakeholders, including the House

and Senate Committees on Veterans' Affairs, House and Senate Appropriations Committees, as well as interested Veterans Service Organizations. At the request of these stakeholders, we have added additional data to the weekly report on several occasions, even further expanding our transparency of metrics. The home page for Monday Morning Workload Report contains current and historical information, as well as definitions for data provided in the reports.

Monthly reporting of VBA's performance data is available through the ASPIRE Dashboard, which provides information on how VBA and regional offices are performing in relation to 2015 aspirational goals for all benefit programs. ASPIRE provides data on VBA's six business lines (compensation, pension, education, loan guaranty, vocational rehabilitation and employment, and insurance) and includes a total of 38 metrics broken out at the regional office level. We began reporting using ASPIRE in July 2011. Data in the ASPIRE Dashboard is updated by the 10th of the month for the previous month, and we are working to shorten the update time in order to make current data available earlier in the month.

Each year, VA publishes its Performance and Accountability Report (PAR) to provide results on VA's progress toward providing America's Veterans with the best in benefits and health care. The PAR contains performance targets and results achieved against those targets for the preceding fiscal year. As such, the PAR is VA's report card and, in this context, communicates to the American people how well VA has done, the tangible public benefits VA has produced, and the forward-looking strategies we are employing to achieve and maintain excellence. In addition, VBA publishes an Annual Benefits Reports (ABR), a summary of benefits provided by VA to Veterans and their dependents. The ABR clearly summarizes the benefit programs delivered by VBA, identifies the current level of program participation by eligible persons, and profiles the beneficiaries.

Performance Standards

Objective measures and performance standards are used to determine if our managers and employees are meeting or exceeding their job requirements. VBA

awards its employees for exceeding standards of performance that include both production and quality elements. Employees will not receive a performance award unless they meet quality standards as well as production standards.

New VSR and RVSR National Performance Standards were issued in May 2014. Workgroups of subject matter experts, including VSRs and RVSRs, as well as Headquarters personnel, developed the standards. The workgroups were tasked with aligning the standards with the agency's priority goals. These standards were negotiated with union officials at the national level. The revised standards incorporate compliance with systems requirements for data input and tracking as a critical performance element. This additional measure will help to ensure that the information associated with all aspects of a claim is accurately and completely entered into our processing systems for both internal and external inventory control, as well as to support improved customer service through all communication channels (eBenefits, regional office public contact teams, National Call Centers, SEP, etc.). Our transformational initiatives, including ongoing enhancements to VBMS and development of the National Work Queue, necessitate on-going review of the performance standards. New workgroups are already working on the next review.

STAT Reviews

VBA's Stat Reviews are a performance technique using statistical data (Stat) and visual displays of that data to monitor progress and improve performance. This process involves in-depth performance metric reviews with the Under Secretary of Benefits and other top VA leaders, as well as VBA's Office of Field Operations and other members of the VBA leadership team, to analyze and manage performance more effectively. VBA's Stat Reviews are based on highly successful performance management programs conducted government-wide.

The Under Secretary holds day-long meetings with regional office directors to discuss challenges and successes, using extensive data-driven performance measures for accountability. This allows VBA leadership to more easily identify what improvements are needed to produce desired performance results. Stat Reviews also

help VBA leadership understand what is or is not working, while motivating regional office managers and employees to focus their energy and creativity on achieving specific results. The Stat Review process focuses on accountability to achieve workload performance metrics and encourages information-sharing of best practices across VBA regional offices.

Conclusion

VBA is committed to complete transparency in communicating information about our workload and our progress in providing Veterans, their families, and Survivors with timely and accurate claim decisions. The current administration established as priority goal for VA to process all disability rating claims within 125 days at a 98-percent accuracy level in 2015. VBA has been clear and consistent in communicating our progress toward that goal, while also making information and data available for all categories of work processed by VBA. VA greatly appreciates the investments in claims processing improvements provided by the President and Congress to help us fulfill our vital mission of service to America's Veterans and their families. This concludes my testimony. I would be happy to address any questions from the Committee.