

GAO Highlights

Highlights of [GAO-18-661T](#), a testimony before the House Committee on Veterans' Affairs, House of Representatives

Why GAO Did This Study

VA's disability compensation program pays cash benefits to veterans with disabilities connected to their military service. In recent years, the time needed to complete appeals of VA's decisions on claims has increased. For appeals resolved in fiscal year 2017, veterans waited an average of 3 years. The subset of appeals resolved by the Board of Veterans Appeals—a separate VA agency that provides a higher level of appeals review—took on average 7 years to resolve.

The Veterans Appeals Improvement and Modernization Act of 2017 makes changes to VA's current (legacy) process, giving veterans options to have their claims further reviewed by VA or appeal directly to the Board. The Act requires VA to submit a plan to Congress and GAO for implementing a new appeals process (which VA submitted in November 2017) and periodic updates (which VA submitted in February and May 2018). The Act also includes a provision for GAO to assess VA's original plan.

In March 2018, GAO found that VA could help ensure successful implementation of appeals reform by addressing gaps in planning and made four recommendations, with which VA agreed. This testimony focuses on the steps VA has taken to address GAO's recommendations and what aspects remain unaddressed.

For this statement, GAO reviewed VA's May 2018 updated plan, and interviewed VA officials and reviewed information they provided about steps taken to implement GAO's recommendations.

View [GAO-18-661T](#). For more information, contact Elizabeth H. Curda at (202) 512-7215 or curdae@gao.gov.

July 2018

VA DISABILITY BENEFITS

Some Progress, but Further Steps Needed to Improve Appeals Reform Planning

What GAO Found

In a March 2018 report, GAO assessed the Department of Veterans Affairs' (VA) November 2017 plan for changing how veterans appeal disability claim decisions and found that VA could do more to successfully implement these reforms. The March 2018 report made four recommendations to address planning gaps. Since then, VA has updated its plan and taken some steps to address aspects of these recommendations, but further steps are needed:

- **Address all legally required elements.** GAO reported that VA's plan did not address one and partially addressed four of 22 elements required by the Veterans Appeals Improvement and Modernization Act of 2017 (Act), and recommended VA fully address them all. In a May 2018 update to its plan, VA took steps to address the five elements, such as developing productivity projections and a model to forecast resource needs for processing appeals. These steps address one element related to projecting productivity, and partially address the four remaining elements.
- **Articulate performance measurement.** GAO also recommended VA clearly articulate how it will monitor and assess the new appeals process relative to the legacy process. This recommendation includes specifying timeliness goals for five new appeals options to be made available to veterans, and additional goals or measures of performance, such as accuracy in processing appeals. VA's updated plan states that the agency will develop goals and measures for all appeals options after fully implementing appeals reform. Contrary to sound planning practices, it does not articulate these performance goals and measures now, which would provide a vision for what successful implementation would look like. Lacking this vision, VA does not have an "end state" to guide its implementation and help establish accountability.
- **Augment project plan.** GAO recommended VA augment its master schedule for implementing appeals reform to include all key activities and reflect other sound practices for guiding implementation and establishing accountability. Although VA's May 2018 updated master schedule added activities, it omitted a pilot test of the new Board of Veterans' Appeals (Board) options. More generally, the plan does not reflect interdependencies among activities. Until all key activities are accounted for and the master schedule reflects sound practices, VA cannot provide reasonable assurance that it has the essential information needed to manage its appeals reform implementation.
- **Address risk fully.** GAO recommended that VA's appeals plan more fully address risks in implementing a new process by, for example, testing all appeals options prior to full implementation. In its updated plan, VA stated it will pilot all five new appeals options. By taking these steps, VA should be better positioned to assess implementation risks. However, the updated plan does not have well-defined, measurable criteria for assessing lessons learned from these pilots and does not articulate how well these lessons translate to a broader context. Taking these steps would improve VA's ability to assess and mitigate risks as it implements its reforms.