



CONGRESSIONAL TESTIMONY

STATEMENT FOR THE RECORD

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO

PROVIDED TO THE

HOUSE COMMITTEE ON VETERANS' AFFAIRS

HEARING ON

**"FASTER DECISIONS, STRONGER OUTCOMES: VA'S WORK TO STREAMLINE THE DISABILITY
CLAIMS BACKLOG"**

APRIL 15, 2026

Chairman Bost, Ranking Member Takano, and Members of the House Committee on Veterans' Affairs:

The American Federation of Government Employees, AFL-CIO (AFGE) and its National Veterans Affairs Council (NVAC) appreciate the opportunity to submit a statement for the record for today's hearing titled "Faster Decisions, Stronger Outcomes: VA's Work to Streamline the Disability Claims Backlog." On behalf of the 325,000 Department of Veterans Affairs (VA) employees AFGE represents, approximately a third of whom are veterans themselves, including approximately 50 percent of frontline workers at the Veterans Benefits Administration (VBA), it is a privilege to offer AFGE's view on the current state of the claims process and its ability to meet veterans' needs. In its examination, AFGE will focus on the logistics of the claims process, and the internal metrics VBA uses to measure its own success. In each of these categories, AFGE will highlight current problems and offer commonsense solutions that would enable claims processors to better serve veterans, as well as demonstrate the vital role employees and AFGE play in ensuring veterans receive their benefits in an accurate and effective manner.

Logistics of the Claims Process

The National Work Queue (NWQ) was created in part to maximize VBA's claims processing capacity between Regional Offices (RO). One justification for the NWQ is that if one RO has a backlog of claims and another RO has capacity, VBA can use the NWQ to easily transfer claims to a different RO for processing. The NWQ certainly has helped achieve this original goal of moving claims to where there is more capacity. However, VBA management has

utilized the NWQ beyond this basic transferring of claims, which has caused numerous unintended consequences that must be highlighted to this committee and addressed by VBA.

Specialization of Claims

Prior to the implementation of the NWQ, each regional office operated in the “Segmented Lanes model” with three separate lanes, including an efficiency lane for claims with few contentions or issues, a regular lane for a moderate number of contentions, and a special operations lane for certain complex claims or veterans with a significant number of contentions. This model better enabled claims processors including Veteran Service Representatives (VSRs) and Rating Veteran Service Representatives (RVSRs) to work on claims. AFGE agrees with the Inspector General’s (IG) 2018 conclusion that VBA’s decision to eliminate specialization of claims processing has had a detrimental impact on veterans whose claims are more complex and sensitive in nature. As the IG report explains, prior to the implementation of the NWQ:

The Segmented Lanes model required VSRs and RVSRs on Special Operations teams to process all claims VBA designated as requiring special handling, which included MST [(military sexual trauma)]-related claims. By implementing the NWQ, VBA no longer required Special Operations teams to review MST-related claims. Under the NWQ, VSRs and RVSRs are responsible for processing a wide variety of claims, including MST-related claims. However, many VSRs and RVSRs do not have the experience or expertise to process MST-related claims.¹

Because of the level of difficulty in processing these claims, AFGE strongly supported returning to a “Special Operations” model for as many complex claims as the system will support. Over the intervening seven plus years since this report, VBA has heeded some of this advice as it tries to reestablish what it did for specialty claims. Now certain ROs have Special Operations centers within them where certain claims are processed, including MST claims at the San Juan, PR RO and the Roanoke, VA RO, Camp Lejeune water contamination claims in the Louisville, KY RO,

¹ VA OIG 17-05248-241 | Page iii | August 21, 2018

and radiation claims in the Jackson, MS RO. This allows VBA to have its highly skilled claims processors work on specific and more challenging claims, with veterans benefiting from these employees' expertise. As VBA continues to build out these Special Operations centers, AFGE encourages VBA to identify additional complex areas suitable for a Special Operations center where specialization would benefit additional veterans. AFGE also notes that while this specialization is critical, to ensure that claims processors can transition to other claims in the future and do not burn out from issues like "compassion fatigue" by exclusively developing MST claims, claims processors on specialty missions also work on other claims while serving in these special missions.

Beyond the Special Operations Centers, AFGE also recommends that VBA use the NWQ to sort and distribute claims in a manner similar to the efficiency and moderate lanes that existed as part of the "Segmented Lanes model" prior to the NWQ. This would serve two specific purposes to help both veterans and claims processors. First, by putting a veteran whose claim has a minimal number of contentions in the express lane, the veteran will not have to wait as long in line behind more complex claims and could receive benefits sooner. Much like a shopper who goes to the grocery store for a gallon of milk and wants to use an express checkout lane instead of waiting behind a family doing their grocery shopping for the week, veterans who have simpler claims should not be held up by VBA's preoccupation with meeting its own internal metrics.

Second, the original "Segmented Lanes model" created the opportunity to help new claims processors by assigning them to the efficiency lane and allowed them to hone their skills on relatively less complex claims, with more seasoned and experienced claims processors in the moderate and special operations lanes. This provided claims processors with on-the-job training, which also benefited future veterans, as well as current veterans with pending claims by having

more tenured claims processors focus on claims that required their experience. AFGE urges VBA to leverage the NWQ to best maximize claims processors' expertise while efficiently serving veterans.

Keeping Claims in One Regional Office for their Duration

There is a cliché in the VA that if you have been to one VA Medical Center, then you have been to one VA Medical Center. This holds true for VBA ROs. For this reason, AFGE also encourages VBA to modify the NWQ so that claims remain within the same RO for the duration of the claims process. Every RO, despite uniform production standards and training, often has its own way of conducting specific tasks. These small but critical differences between ROs can cause claims processors from different ROs to misunderstand each other's work, and result in a correct claim being unnecessarily deferred, delaying veterans from receiving their benefits. Having a claim stay within one RO for a claim's duration would avoid these inconsistencies and delays. This is also true for secondary claims arising out of the original claim. Keeping those secondary claims in the same RO would help with efficiency, as claims processors are already familiar with the original claim.

Additionally, keeping the claim within the same RO improves communication and collaboration. For example, an RVSR, having a working relationship with VSRs in the same RO, could easily ask a VSR who worked on the claim a clarifying question, receive a quick response, and address a small problem with the claim, instead of requiring the claim to be deferred and reworked, causing delays. This would be significantly less likely to work for claims processors in different offices, who might be slower to respond to an email from an unknown colleague or might be working in a different time zone.

To take this a step further, by keeping claims in one RO for the duration of their processing, managers who assign work would be more in control to send claims where a RVSR caught an error or required a deferral back to the original VSR. This would allow the VSR to learn from the error and avoid repeating the mistake. This would also let the VSR and RVSR who are already familiar with the claim quickly address follow-up work, instead of having different claims processors taking significant time and energy to understand an entirely new claim. Under the current rules of the NWQ, this scenario is extremely unlikely.

Furthermore, VBA has implemented a return to the office, despite well-documented improvements in claims processor production since telework and remote work became necessary during the COVID-19 Pandemic. If VBA does not also require that claims stay in the same RO for the duration of their processing to allow for collaboration and efficiency, what is the merit of requiring claims processors to work anonymously with one another from across the country?

Unlocking the NWQ

Despite a claims backlog that VA states is “below 90,000” as of March 18, 2026, one of the most shocking yet consistent complaints from claims processors is that they are not assigned enough work to meet their performance metrics and must frequently ask their “coaches” for more claims to work on. The reason for this problem is the internal controls VBA has placed on the NWQ. VBA assigns each RO a certain number of claims each day, which are then passed down to teams, and then individuals.

First, the NWQ should automatically provide claims to an individual claims processor’s work queue when they are out of cases to develop or rate. This would greatly improve efficiency.

Second, claims processors should have the limited ability to hold onto a claim for a longer time period than what is allotted before it is retracted by the NWQ. Each individual

claims processor works slightly differently, notably in the order in which they work on their assigned claims. These different preferences for working through claims can result in claims being taken away from processors before they have had the opportunity to work on that claim later that day or the following day. Allowing each claims processor to ask the system for an extension on a limited number of claims would be helpful to claims processors planning their daily work. Similarly, claims processors would benefit from NWQ notifying them how much longer they may work on a claim before the NWQ will retract a claim into the system. This would help the processor appropriately budget their workday. Currently, claims processors know on which day a claim is assigned, but not how much time they have left to work on the claim.

Third, the NWQ must address “automatically ready to rate” claims. These claims are sent to a RVSR after they have not been worked on for a certain amount of time. While no claim should fall through the cracks, RVSRs must spend time determining why the claim has not advanced, often discovering after a considerable amount of time that the claim is still waiting on medical evidence or other information. VBA should better filter “automatically ready to rate” claims so those waiting on additional detail are not automatically sent to a RVSR, harming efficiency.

Fourth, as was mentioned previously, VBA should program the NWQ to allow VSRs and RVSRs who have previously worked on a claim to have claims return to them if available. This would allow claims processors to learn from any mistakes that were previously made and allow them to use time efficiently and prevent a different claims processor from having to spend time familiarizing themselves with an entirely new claim unnecessarily.

Examining Internal VBA Regional Office Performance Metrics

AFGE notes that, in addition to individual claims processor performance standards, each RO must meet VBA-imposed performance metrics. These metrics drive the priorities and behavior of Regional Office executives and greatly influence the claims process. While VBA has a responsibility to measure the success of individual claims processors and ROs, AFGE believes that at least three RO-level metrics do not serve veterans' best interest: "Time in Queue," VBA's lack of credit for partial rating of claims, and mandatory overtime.

"Time in Queue"

"Time in Queue" is a term describing how long a claim has not only been in the claims process, but also how long it has been at certain steps within the claims process. Each step has its own countdown of days that a claim can be in a particular step before it is considered late. For example, if a claim has 10 steps with five days allocated for each step, a claim can spend five days in each of the ten steps and be considered on time. Because of this, when prioritizing which claims to assign when, VBA management looks at how much time a claim has left in its current step before it is considered late for advancement. This can lead to VBA slow-walking claims that are ready to advance even though claims processors may be waiting for work.

Additionally, if a claim is late in any one of the 10 steps, the entire claim is deemed late. Because of this metric and how VBA reports claims, using the previous 10-step, five-day example, VBA would prefer a claim to spend the full 50 days with five days in each of the ten steps and be considered on time, instead of a claim being completed in 36 days, where a claim spent three days each in nine of the 10 steps, and six days in one of the 10 steps as it would be deemed late, despite being completed two weeks earlier. It is not hard to imagine that veterans

would rather have their claims deemed “late” and completed two weeks earlier than having them be considered “on time” by a VBA internal metric.

Lack of Credit for Rating of Partial Claims

Each veteran’s claim can have as few as one contention or as many as dozens of contentions, not all of which are necessarily connected to each other. Because of this, it is common that some parts of a veteran’s claim are developed and ready to rate prior to other parts. Unfortunately, VBA has an internal metric that awards credit to ROs only on the claims that are fully rated and promulgated on all of their contentions; as a result, a single outstanding contention can hold up a veteran’s entire claim: For example, if a veteran’s claim has 10 contentions, and nine are developed by a VSR, and the remaining contention requires additional medical records or an additional compensation and pension exam, VBA discourages ROs from rating the 90% of the claim that is ready to rate by not awarding credit until later. This has the doubly negative effect of delaying a veteran from receiving a significant part of his or her benefits and delays ROs from assigning work to claims processors who need claims to work on. While not all ROs follow this practice and some do rate partial claims, on balance, the metric creates perverse incentives for ROs that slows down the claims process. Veterans deserve to be treated like warriors and not widgets. AFGE therefore calls on VBA to eliminate these counterproductive metrics and instead create metrics that facilitate and expedite the accurate delivery of benefits to qualifying veterans.

Mandatory Overtime

For years, VBA has used and relied upon mandatory overtime to achieve its own internal production metrics. The problem with its use is, as its name suggests, that it is mandatory. Not all VBA claims processors desire to work extra hours and would prefer to spend additional time

with their family and friends. While not denying those who choose to work overtime, giving employees an option would help avoid burnout, improve claims quality, and prevent extra attrition, all in the best interests of veterans.

Conclusion

AFGE thanks the House Committee on Veterans' Affairs for the opportunity to submit a statement for the record for today's hearing. AFGE stands ready to work with the committee and VBA to address problems and better allow VBA employees to perform their duties and serve veterans.