

**UPDATE ON VA CONTRACTED EXAMS,
QUALITY REVIEW PROCESS, AND
SERVICE TO RURAL VETERANS**

HEARING

BEFORE THE

SUBCOMMITTEE ON DISABILITY ASSISTANCE AND
MEMORIAL AFFAIRS

OF THE

COMMITTEE ON VETERANS' AFFAIRS

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U.S. HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON DISABILITY ASSISTANCE
AND MEMORIAL AFFAIRS,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:30 a.m., in room 210, House Visitors Center, Hon. Elaine Luria [chairwoman of the subcommittee] presiding.

Present: Representatives Luria, Cisneros, Sablan, Allred, Underwood, Bost, Bilirakis, and Steube.

OPENING STATEMENT OF ELAINE G. LURIA, CHAIRWOMAN

Ms. LURIA. I call this oversight hearing to order.

Good morning and welcome to the subcommittee on disability assistance and memorial affairs hearing. Without objection, the chair is authorized to declare a recess at any time.

I would like to start today's hearing by asking any veteran in the room to raise their hand.

[Laughter.]

Ms. LURIA. I know that my colleagues join me in thanking you for your service. We share the sense of dedication to ensure that we never forget the sacrifice that our women and men in uniform have made in service to our country.

The path to service connection starts with a claim for benefits, and most often requires a VA exam, commonly known as a compensation in pension or C&P exam. These exams are critical to the success of a veteran's claim. They often provide the missing link to service or give a medical assessment of the severity of a disability. This information can be a deciding factor whether a claim for service connection is granted or disability evaluation is increased.

Because disability exams play a key part in enabling veteran access to benefits, we are under a continuing obligation to make sure they are completed correctly and in a timely fashion.

In the recent years we have seen a spike in the number of C&P exams outsourced to contract examiners. The work that contract examiners perform continues to increase. In fact, GAO highlights that the number of contracted exams has quadrupled since 2012.

Currently, contractors carry out 64 percent of the exams, up from 61 percent in May of this year and 53 percent in May of last year.

While I welcome the increased capacity that contracted examiners offer to veterans in rural areas, including veterans who live in my home State of Virginia, quick expansion often can come with growing pains.

Today we are following up on last November's hearing on disability contract exams to ensure that the VA is making progress on the GAO's recommendations. At the last hearing, VA assured Congress it would approve its quality review process, correct flaws in their software and IT programs, and ensure contract examiners completed VA trainings. This is an opportunity for the VA to tell us about the progress they have made over the last 10 months and what work still needs to be done.

Since the VA's recent improvements, veterans report a general decrease in the amount of wait times for C&P exams, but are concerned that cultural training is not appropriately provided to contract examiners.

Veterans also report that locations of contract examinations are not consistently vetted. One example provided in written testimony by the National Association of County Veteran Service Officers highlights a veteran's experience where their C&P exam was conducted inside of a nail salon.

Another example cited to my staff highlighted that a veteran with mobility issues had difficulty reaching their appointment because the contract did not have a handicapped access ramp.

My staff has also heard reports that contract examiners are not consistently providing travel reimbursements to veterans. This, too, is supported by a recent survey conducted by the Disabled American Veterans who outline that as many as 40 percent of their service had offices reported that veterans were not receiving travel reimbursements for the contracted medical exams.

Numerous veterans service organizations, groups and veterans report that expansion to access for benefits is a priority. Our veterans who live in highly populated areas have easier access to VA services than our veterans who live in rural communities and in remote locations, including in tribal lands.

I understand the new contract awarded in November 2018 restricted the geographical regions amongst vendors in an attempt to increase veteran access to examiners and evenly distribute rural veterans amongst the contract vendors.

I look forward to hearing about the successes and challenges with this initiative. It should be clear to everyone that we simply cannot let distance be the barrier to a quality and timely C&P exam.

The VA has made large strides in reducing wait times and improving access to VA benefits. I applaud the VA for their effort thus far. But more work to improve access must be done in the realm of the contract examination process. I look forward to hearing the testimony from the VA, GAO and from veteran service organizations today. I welcome your ideas and ask for your continued open and solution-driven communication.

With that, I would like to recognize Ranking Member Bost for his opening comments.

OPENING STATEMENT OF MIKE BOST, RANKING MEMBER

Mr. BOST. Thank you, Chairman Luria, and thank you all for being here today to discuss the Department of Veterans Affairs issuing that veterans have access—ensuring that veterans have access to a timely and accurate disability medical exams.

But I would also like to take a moment, if I can, to say a special welcome to a friend and former chairman of the Veterans Affairs' Committee, Jeff Miller, is who is here in the audience with us today. Welcome.

The VA oversight of contract exams programs is important because if a veteran does not receive adequate exam, the veteran may not receive the benefits they deserve. This Fiscal Year vendors have already completed 950,000 exams, or 64 percent of all disability exams at the cost of \$876 million.

Given the size and cost of the contract exam program, Congress has a responsibility to ensure that the contracts are effectively serving veterans at a fair rate to taxpayers.

For those reasons, last November I immediately held a subcommittee oversight hearing on contract exams after GAO released a report that found VA was not collecting the data necessary to monitor the contract exam program. I was troubled that the VA could not determine whether the contractors were meeting quality and timeline standards.

Moreover, the VA could not verify whether contract examiners completed required training and whether it was productive.

However, since the November 2018 hearing, I am pleased that Secretary Wilke has started the process to better oversee the contracts such as hiring a quality review team that can conduct quality reviews monthly, and update IT systems to ensure that the Department has accurate data on contract timeliness.

Today, I am looking forward to receiving an update on VA's progress to implementing the GAO's recommendations. I am also interested in learning how the VA can improve the accuracy of the contract exams.

To perform these reviews, VA uses a checklist of 13 questions to assess whether the exam is satisfactory. However, I am concerned that the checklist may not collect enough information to identify the program-wide challenges. If the VA cannot identify common errors and quickly update training contract examiners, many may repeatedly provide inaccurate medical opinions. VA has a responsibility to ensure that contract examiners are sufficiently trained on the requirements for disability exams. Our veterans deserve no less.

Additionally, I am worried about the veterans who live in rural areas, may not have a VA or a contract examiner within a reasonable distance. Many of these veterans have disabilities that make it difficult for them to travel any long distance.

If a veteran is unable to travel to their exam, the VA may not be able to gather the medical information necessary to decide their claim. I am looking forward to learning how the VA and the vendors are developing innovative ways to meet rural veterans where they live.

Lastly, Congress approved the use of contract examiners to allow VA to focus more of its resources on treating patients and to expedite the scheduling of disability exams.

I would like to discuss how contract examiners have streamlined VA's claim system while maintaining veteran satisfaction with the process.

Again, I want to thank everyone for being here today.

With that, I yield back, Madam Chair.

Ms. LURIA. Thank you.

For our first panel we have Ms. Mary Glenn, Deputy Director of the Mandatory Disability Exams Program at the Veterans Benefit Administration; and Ms. Elizabeth Curda, Director of the Education Workforce and Income Security Issues for the Government Accountability Office.

Thank you for being here today.

I would like to recognize Ms. Glenn first for 5 minutes.

STATEMENT OF MARY GLENN

Ms. GLENN. Good morning, Chair Luria, Ranking Member Bost, and members of the committee. Thank you for the opportunity to speak today on the Veterans Benefits Administration contract medical disability examination program. Today I will provide an update on how VBA is delivering contract examination services to veterans in the United States and around the world.

When necessary to adjudicate disability compensation or pension claims, VBA orders an examination and/or medical opinion. This occurs when there is insufficient medical evidence of record to decide the claim. Prior to 1998, all C&P examinations were completed by the Veterans Health Administration. As a result of Public Law 104-275, VBA uses mandatory funds for examinations from non-VA sources.

In Fiscal Year 2017 the authority was expanded to allow examinations across all states and territories, and to international locations. The expansion has afforded VBA great opportunity to complete a larger volume of examinations with greater flexibility in a more efficient manner. The contracts allow VBA to supplement VHA's capacity and have resulted in VBA providing more timely benefit decisions.

In November 2018, VBA awarded new contracts for the United States and aligned the contract districts from 5 to 4, providing more even distribution of rural and urban areas across the districts and increased vendor capacity by allowing for 3 vendors to each district as opposed to only 2 in the previous contract. Vendors are required to meet new quality timeliness and customer service standards.

In addition to the 4 regional contracts, VBA has contracts that provide examinations to service members going through the pre-discharge program and to veterans residing overseas.

VBA has significantly expanded the international contract, increasing from 25 overseas locations in Fiscal Year 2018 to 33 in Fiscal Year 2019.

In Fiscal Year 2018, VBA contract vendors were responsible for 841,852 of the total 1.44 million examination requests completed.

Contract examination completions for Fiscal Year 2019 through August 2019 total 957,858.

VBA's administration of the MDE program employs numerous quality, training and oversight elements to ensure that any issues identified are addressed in a timely manner. VBA is committed to ensuring that veterans are provided with high quality disability examinations. Examination quality is evaluated monthly with the results from the reviews used to identify training needs and provide feedback to contractors through monthly calls and reports.

The MDE quality assurance office became fully staffed in January 2019 and has remained up to date on quality reviews since that time.

To best serve veterans, contract examiners receive the same training as VHA examiners in order to provide consistent results and familiarize them with veteran specific needs.

The MDE program office utilizes multiple mechanisms as efficiently oversee the contract examination program. VBA combines the use of international systems and ancillary contracts to better evaluate vendor performance. The MDE program office uses ancillary contracts to administer financial auditing, validate provider credentialing and provide customer service survey results.

A third party credentialing vendor checks the contract examiner medical credentials against multiple sources such as State medical licensing boards and Federal sanctions data bases.

Another contract audits financial activity associated with vendor invoices and payments. Finally, the customer service survey contracts allows all veterans who receive a contract examination the opportunity to provide feedback regarding their examination experience.

VBA designed an examination management system that provides the capability to interface with multiple vendors' proprietary systems. VBA continues to enhance EMS through a monthly software release schedule. In the last year we have addressed connectivity issues and enhanced system functionality to improve oversight and visibility into vendor performance.

Veterans in the United States and its territories traveling to C&P examinations are eligible for travel reimbursement. Beneficiary travel payments are mailed to veterans by the vendors immediately following their disability examination appointments and are validated through VBA's third party financial audit contract.

In summary, the MDE program is vital to the delivery of timely and high quality claims decisions. VBA continues to provide C&P examinations in those instances where VHA does not have the capacity.

VBA appreciates the authority provided by Congress to obtain contract examinations for veterans and transitioning service members. Continuous oversight and enhancement of the MDE program remain priorities as well as looking for opportunities to streamline the examination process.

This concludes my testimony. I would be happy to answer any questions from members of the committee.

[THE PREPARED STATEMENT OF MARY GLENN APPEARS IN THE APPENDIX]

Ms. LURIA. Thank you, Ms. Glenn.

Ms. Curda, I would like to recognize you for 5 minutes.

STATEMENT OF ELIZABETH CURDA

Ms. CURDA. Chair Luria, Ranking Member Bost and members of the subcommittee, thank you for inviting me to update you on VBA's progress implementing recommendations we made in 2018 to improve oversight of its contracted examiners.

In addition to VHA physicians, VBA relies on private physicians via contracts to examine veterans who claim benefits for a service connected disability. Since 2012, the number of exams completed by contracted examiners has more than quadrupled to about 958,000 and currently accounts for more than half of all exams.

Following the issuance of our report, VBA awarded 12 new contracts to private firms that are worth up to \$6.8 billion over 10 years.

Today, I will discuss VBA's progress implementing recommendations we made in 2018 in 2 areas. First, the progress VBA has made in assessing contractor performance in terms of the quality and timeliness of contracted exams and, second, the progress VBA has made in ensuring that its contracted examiners are well trained.

Regarding the first area, we previously reported that VBA lacked accurate and complete information on whether contractors are meeting the agency's quality and timeliness targets. At the time of our review VBA had not completed many of quality reviews of the contracted exams due to an insufficient number of staff.

In response, VBA officials told us they hired additional quality review staff to complete the outstanding quality reviews. For the new contracts, VBA officials said that they have completed initial quality reviews, but have not yet finalized them.

Further, we previously found that VBA could not accurately assess the timeliness of the contracted exams. In our 2018 report we recommended that VBA develop and implement a plan for using data from its new exam management system to accurately assess contractor timeliness, monitor time spent correcting exams, and verify proper exam invoicing.

VBA officials have told us they are now able to correctly measure contractor timeliness in completing initial exams and in making corrections. However, as of September 2019, VBA reported that it has not yet been able to fully implement its plan for using the new system to calculate contractor timeliness versus targets.

Lacking quarterly performance reports with official quality and timeliness scores, VBA has not yet administered financial bonuses or penalties linked to performance per the contracts.

In addition, ongoing technical issues have prevented VBA from implementing an automated invoicing system that it plans to use to validate the accuracy of contractors invoices. As a result, according to VBA it still cannot ensure that contractors are properly discounting exams that had to be corrected.

VBA stated that it has completed testing of its invoice system and will provide an updated target completion date in October.

Due to these ongoing systems issues, VBA has not yet used its contractor exam data to examine contractor performance trends and program-wide challenges as we have recommended. VBA stated that as it improves its systems it will be able to implement this recommendation, but did not provide a specific date.

In the second area of examiner training, VBA has made some progress. We previously found that VBA lacked information it needed to verify that contract examiners had taken required training. Instead, the contractors self-reported this information.

VBA also lacked plans to evaluate the quality of the training it provided to examiners. This was particularly problematic given the low quality scores many of the contractors had at the time of our review.

We recommended that VBA implement a way to verify that contracted examiners have completed required training and to evaluate the quality of the training. In response, VBA started conducting random audits of contractor training records. In addition, VBA is in the process of developing a centralized training system to collect information on all training completed by contract examiners and to obtain participant feedback on each course.

VBA stated that it expects the new system will be fully implemented by the end of Fiscal Year 2020, and that it will continue random audits until full implementation.

In summary, the VBA has taken steps to address the problems with contractor oversight we identified in 2018, but has not yet fully implemented our recommendations. As VA increasingly relies on contracted examiners, it is important that the agency is well positioned to carry out effective oversight to ensure that veterans receive high quality and timely exams, and contractors are paid correctly.

This concludes my prepared statement, and I will be happy to address the subcommittee's questions.

[THE PREPARED STATEMENT OF ELIZABETH CURDA APPEARS IN THE APPENDIX]

Ms. LURIA. Thank you, Ms. Curda.

We will now begin with questions. I recognize myself for 5 minutes.

I would like to start with Ms. Glenn, and thank you again for your time today. I would like to revisit the issue raised in last year's GAO report regarding the quality review process. I understand that VA's quality review team previously had a backlog that made it difficult, if not impossible, for VA to award incentives or penalties to contract vendors for performance.

Have you worked through the backlog and are you up to date on issuing these incentives and penalties?

Ms. GLENN. Yes, ma'am. We have worked through the backlog as of January 2019 when we became fully staffed on the quality review program. We actually caught up that month of January 2019 and we have remained caught up since that time.

For the new contracts that we just awarded in November, they had a 6 month ramp up period. We are doing quality reviews and we are caught up on quality reviews for the ramp up period, and we are now evaluating the quality reviews for the first period of performance, which started in June. That is a quarter of performance, so June, July and August. We are in the process of completing the quality reviews for that quarter. They should be completed in the next month and a half or so.

Ms. LURIA. Great. Well, we will look forward to being able to see the results of those quality reviews.

Is there any data to show whether a veteran is more or less likely to have their claim denied if it was performed by a VA C&P examiner versus a contract examiner?

Ms. GLENN. We do not have any data like that. However, we are very open to our veterans and we listen to them, and we have completely revised the training program. Well, actually, we created a training program for our medical providers. They have to take all training that any VHA C&P provider has to take. We have also expanded that and created training for them for military culture, for any kind of court decision that comes down that changes the way we look at the medical system, and—

Ms. LURIA. Do you have a comprehensive—

Ms. GLENN.—revision—

Ms. LURIA.—system in place in order to track the completion of that training?

Ms. GLENN. Right. We do not yet have that. We are working very closely to get a talent management system that we can use for all the providers. Right now as Ms. Curda eluded to, we are doing random audits of the completion from the vendors. We are able to go into the vendor system—

Ms. LURIA. Is there any quality control you use for completion of the training? Is someone required to take an exam—

Ms. GLENN. Yes.

Ms. LURIA.—or have a certification—

Ms. GLENN. Yes.

Ms. LURIA.—based off the training?

Ms. GLENN. Yes, they are.

Ms. LURIA. But you don't have a mechanism to track right now whether that has been done?

Ms. GLENN. We do. We go into the vendor's training systems. We have access into their training systems. We pull the data ourselves.

Ms. LURIA. Do you have examples of providers who have been rejected because they either failed to do the training or failed to pass the required exams related to the training?

Ms. GLENN. The last audit we did everyone was in compliance.

Ms. LURIA.: I would also like for you to address issues raised by veterans who State that they have attended VA contract exams in places that didn't really seem appropriate for exams, such as a nail salon or behind a sandwich shop.

Can you explain to me the vetting process for these contract providers and how we can catch things like this before a veteran goes to that location?

Ms. GLENN. Right. All of the vendor locations are supposed to be ADA compliant. That is required by the contract. When we—

Ms. LURIA. The contractor is required to physically verify that before they start using a provider?

Ms. GLENN. Yes, ma'am.

Ms. LURIA. What happens—

Ms. GLENN. So—

Ms. LURIA.—what kind of penalty for the contractor exists when we discover there are cases where that was not true?

Ms. GLENN. If we find out that they are using somewhere that is not ADA compliant, we will tell them to cease and desist immediately. They will no longer use that provider or that facility.

Ms. LURIA. I will continue and yield to Mr. Bost for 5 minutes. Thanks.

Mr. BOST. Thank you, Madam Chair.

Ms. Glenn, and this is important that we get this on the record so we know for future reference. Can you explain, you know, how the VA has used how you are using the lessons learned from the MSLA incident and past failure to quickly respond to the developing situation with VetFed or any other potential underperforming vendor so that the veterans do not receive inadequate or delayed exams?

Can you explain exactly what you are doing to make sure that that doesn't happen or—

Ms. GLENN. Right. So—

Mr. BOST.—cover this problem?

Ms. GLENN.—3 things come to mind. One is the fact that we changed the contract so that we changed the areas so that we had a more even distribution of rural and urban areas. We have staffed up our quality review program. We are giving monthly training and quality calls to all the vendors on a regular basis. We are there to answer their questions and take care of any training issues immediately.

The third thing is we have looked at our EMS program and we are tracking the data much more closely. We are able to get more data. We are able to have a much broader range of data points than we have ever had before. This is a new system, and we are able to look at it and catch immediately when we see that there is a problem.

Mr. BOST. Do you feel like you are ahead of the VetFed problem right now so that you can make sure that it does not develop like the other one did into such a large situation that it causes the veterans to suffer and then the program as a whole to look bad?

Ms. GLENN. Right. We are looking at all of our vendors very closely during this first period of performance. We have been looking at them since the beginning of the ramp up period so that we can catch any kind of problems and make adjustments in their training and anything that we can do to assist them to make sure that they are serving veterans properly.

Mr. BOST. Thank you.

Ms. Curda, is the GAO confident that the information captured in the EMS will allow VA to determine if contractors are meeting performance targets?

Ms. CURDA. VA has told us that they have corrected many of the problems with the EMS system. However, we still haven't really heard an answer about whether the system can produce the timeliness information that is required under the contracts.

I think it can be determined maybe with some work arounds, but I don't know that the system right now can produce that information as readily as would be desired.

Mr. BOST. Okay. Then I am going to check and go with you, Ms. Glenn, and can you give us detailed plans you have to capture the EMS to evaluate performance—

Ms. GLENN. Right.

Mr. BOST.—where you see this going that you can meet the requirements that are set forth by GAO?

Ms. GLENN. Yes. Absolutely.

We are looking at the current provider performance standards. We are listening to our VSO partners. We are listening to veterans. We want to make sure that we do not in any way disadvantage veterans in order to have these performance standards met. We are looking at the new data points that we are able to see now with our EMS system. We are seeing a lot of the underpinnings of the system that we previously could not see, which we have already talked about with the back and forth between the vendor and the claims processor and the answering questions and asking questions.

We are taking all that into consideration as well as meeting with our VSOs to make sure that we have our performance set at the right level.

We also now have the ability to move examination requests quickly from one vendor to another. So if we see a problem, we are able to do that overnight.

Mr. BOST. Thank you.

I am going to kind of shift gears here just for the last minute or so.

Ms. Glenn, what feedback has the VA received from veterans, particularly rural veterans, about the experiences that they have received from the mobile medical clinics?

Ms. GLENN. Right. Most of the veterans that we have talked to that have had an examination through the mobile clinics have been very, very pleased. We were just in a claims clinic in North Carolina this past weekend. We were able to see about 80 veterans during the claims clinic through our mobile clinics. 80 veterans in that area were able to walk in and get an examination that day.

Mr. BOST. It is probably much better than a nail salon.

[Laughter.]

Ms. GLENN. Yes, sir.

Mr. BOST. Just guessing.

Ms. GLENN. Yes, sir.

Mr. BOST. With that I will yield back. Thank you.

Ms. LURIA. Thank you.

I now recognize Mr. Sablan for 5 minutes.

Mr. SABLAN. Thank you, Madam Chair. Thank you for holding today's hearing. Good morning, Ms. Glenn and Ms. Curda.

I think I can honestly say that there is—all of us in this room want nothing but to say that all of our veterans are getting the benefits they deserve fully and no one falls down out of the crack.

There are 2 cycles that I have been in this committee also. I have observed that in one way or another VA has not lived up to its obligations for our veterans.

In a hearing yesterday after 2 years with a software program they still can't determine how many actually—how many employees there are with VA, and how many positions are vacant, and how many are being recruited, and how many are resigning, and how many are relocating.

Again, today I come from a place where there is—when I got in there was no VA existence, period. Then a fee-based clinic conductor was hired. We have VA assistance, but our veterans are

going, flying to destinations to get examinations for—to be determined eligible for benefits.

In your opening testimony, Ms. Glenn, mentioned that VA reimburses veterans from the territories, yes?

Ms. GLENN. Yes, sir. That is correct.

Mr. SABLAN. Yes. So how does the process work? How efficient is it to get because these are not wealthy people. To fly to say, Hawaii, would cost you at least \$1,000, plus hotel, plus transportation to go to Tripler or things like that.

How efficient is the process to reimburse these veterans?

Ms. GLENN. Yes, sir. The process is laid out to be very efficient. After the veteran reports for the examination, they check with the veteran to confirm that the contractor has the veteran's correct mailing address. The veteran, once the veteran confirms the mailing address, they should receive a beneficiary travel check within a couple of weeks.

Mr. SABLAN. A couple of weeks, Okay, because veterans come and ask me for help on getting their reimbursements.

May I ask, Ms. Glenn, if you would provide me with a paper or any document explaining the process that veterans so I could share it with them, you know, when they come visit me?

Ms. GLENN. Yes, sir. We would be happy to look into that for you and get back to you—

Mr. SABLAN. Thank you.

Ms. GLENN.—and your staff.

Mr. SABLAN. Are you aware if there are instances when veterans don't get reimbursed on time?

Ms. GLENN. I have recently heard that there are instances like that. We have been speaking—

Mr. SABLAN. How much? How many in the terms of percentage?

Ms. GLENN. Actually, my staff has not received any complaints. But I have heard anecdotally that there have been problems. We would be happy to work with anybody out there if they are having a problem getting their beneficiary travel check, and make sure that that is rectified immediately.

Mr. SABLAN. Right.

Just like, you know, some of the responses you gave GAO that you would do something in 2 years, and here we are 2 years later and you still don't have a plan as promised. I am not here to be critical in any way. I want nothing more but for you to be successful in your duties and your responsibilities. That is the way we need to serve our veterans.

You are not. The Department is not successful with its mission, and we need to work harder to try to find a way to get the Department, get the different agencies to be successful so that our veterans would be served with the benefits and we give them the benefits they deserve.

My time is up. Thank you.

Ms. LURIA. Thank you, Mr. Sablan.

I would like to follow up with a question. In this example where someone is having to get an exam in the Northern Mariana Islands, is there a provider there, a contract provider there who they can see?

Ms. GLENN. There is a contract provider there who is capable of doing some types of examinations.

Ms. LURIA. If that is not within their scope they have to fly somewhere else?

Ms. GLENN. They do have to fly somewhere else.

Ms. LURIA. They are getting reimbursed, so they have to have the money first just to get the exam? Is that—

Ms. GLENN. Yes. At this—

Ms. LURIA. And you—

Ms. GLENN.—point in time, yes.

Ms. LURIA. What if they can't afford it?

Ms. GLENN. If we are notified about it, we can certainly work with the vendor and work something out for them.

Ms. LURIA. To potentially receive advance travel?

Ms. GLENN. Yes, to potentially get them to where they need to be for the examination, either that or bring a provider in to that area to be able to examine them on the spot.

Ms. LURIA. Okay. I mean, this seems like incredibly burdensome for someone who lives in a remote area where there is not a choice or an available provider. I would like to know that you followed up with Mr. Sablan so that he can have that information for his constituents who, you know, would have to pay out of pocket just to go get an exam which seems unreasonable.

If someone is driving 50 miles, I think that is not an unreasonable expectation. They could do that and then get reimbursed. To travel from Northern Mariana to Hawaii is quite a burden. I would like to know more about that.

Ms. GLENN. Okay. Certainly.

Ms. LURIA. Thank you.

Mr. Bost, do you have any followup on this?

Okay. I would like to recognize Mr. Bilirakis for 5 minutes.

Mr. BILIRAKIS. Thank you, Madam Chair. I appreciate it very much, and I thank you for your testimony.

Ms. Glenn, GAO recommended the VA assess whether its training for examiners is effective. Is VA performing any error trend analysis, such as consistency studies, to determine if VA's training has improved the quality of exams?

Ms. GLENN. Yes, sir. My quality team does error trend analysis on every sample that they look at. That's one of the reasons that we provide monthly—we have monthly quality calls with the vendors, and we notify them if we see anything that is potentially problematic immediately. We provide additional training for them on those quality calls.

Mr. BILIRAKIS. Okay. Very good.

Also, Ms. Glenn, VBA's quality review checklist does not include criteria for frequent exam errors. For example, we have received information that medical examiners commonly fail to consider the impact of flare-ups on range of motion for musculoskeletal conditions. I messed that one up.

Is VA planning to update its quality review process to include additional criteria based on the DBQ completed?

Ms. GLENN. Yes, sir. We are always reevaluating our quality assurance process. But I will tell you that we recently did training on exactly the issue that you're talking about to all of our vendors.

That should resolve some of the problems that have been seen in the past.

Mr. BILIRAKIS. Okay. We are going to followup with that then.

Ms. Curda, what are the main obstacles remaining for VA to implement your recommendations on improving its oversight of contractor training?

Ms. CURDA. Well, I think first they need to work out the kinks in EMS so that they can produce the required timeliness information so they can hold the contractors accountable per the terms of the contract. I think they are up to date on the quality reviews. We were waiting on the first quarter of performance under the new contract.

There are also technical issues with the invoicing verification system. Right now if a contractor produces an inadequate exam, it has to be sent back to be fixed. Under the terms of the contract, those exams are supposed to be charged at 50 percent of the cost and the contractor submits an invoice reflecting that discount.

VBA, until the system is in place, will not have a way to verify if that invoicing has been done correctly and that the government is being charged correctly.

We also feel like—I think we mentioned this last year; VBA needs to do some planning around how to use all this performance information that it is now collecting. They appear to have a lot more information than they had last year. The information may be better than what they had last year, but there—we have not yet seen a plan for how they plan to use all this information to identify trends across the contractors, across regions, to dig into the data and do analysis and use that information to take corrective actions.

I think as Ms. Glenn said, they are certainly doing this on a monthly basis, just looking at the quality information. Now they have timeliness information. They should have better veteran satisfaction information coming in, and doing some analysis on all of this information in combination would give them some insights that they could then use to proactively address contractor issues.

Mr. BILIRAKIS. Thank you very much.

Ms. Glenn, how does VBA know that it has fully resolved the initial technical issues with the exam management system and exam requests getting “stuck”?

Ms. GLENN. Yes, sir. That is no longer an issue. We have worked very closely with our IT partners. As I said in my opening statement, they are doing monthly updates now to our system. We are no longer seeing cases getting stuck. The cases that were stuck have been moved forward and are no longer being delayed, and most have been processed.

Mr. BILIRAKIS. Okay. How recent was that where we don't have cases getting stuck?

Ms. GLENN. It's been a—

Mr. BILIRAKIS. Give me a timeline.

Ms. GLENN.—continuous process since last summer. Every update that happened unstopped more cases, solved more defects. And then it was just a process where we would go and correct additional defects, and then the next month correct more defects.

It has been a process since last summer, but we are now at a good place.

Mr. BILIRAKIS. All right. I see my time has expired. Thank you very much for the answers and we will follow up. I appreciate it very much. Madam Chair, I yield back.

Ms. LURIA. Thank you.

I now recognize Mr. Steube for 5 minutes.

Mr. STEUBE. Thank you, Madam Chair.

Ms. Glenn, so are you over the appeals process as well or just the C&P examinations?

Ms. GLENN. I am just over the C&P examinations.

Mr. STEUBE. Okay. I will keep my comments related to that.

I represent Southwest Florida. A lot of my district is very rural. Most of—well, everybody in my district has to go to Bay Pines, which they have to travel some distance to get to Bay Pines. Many veterans are told when they have to go for their C&P examination that they have to plan to be there the whole day. You need to be there at 08 or 07, which for people in Sarasota, Hardy, Desoto, Highlands Glades, Okeechobee Counties is going to be like a 3 to 4 hour drive. You are getting up at like 3, 2, 3 in the morning to get there by 07, 08. Then they are being told that they have to be there the entire day for—plan the entire day for their C&P exams.

Most working age adults obviously don't have the ability to take off work during a Monday and Friday for an entire day just to go and get an examination for 30 or 45 minutes.

Can you explain to me why our veterans are being told that and expected to be there the entire day?

Ms. GLENN. I can't speak for what—if they are going to the Bay Pines VA Medical Center, I can't speak to what their process is. I just look at—I am just over the contract medical examinations that are administered by VBA. We do not tell—I don't believe our vendors tell people that. They give them the time of the appointment and then just ask them to be at the specific address at that time.

Mr. STEUBE. Well, they are being told that because I have been told that just as early as a couple of months ago. My appeal has been going through the process for now 10 years, 8 to 9 to 10 years. I had a C&P exam at Bay Pines and I will tell you my story and then I will ask for why this is happening to our veterans because it is not just happening to me. It is happening to people in my district.

I received the letter for my C&P exam. So here is the letter from my C&P exam from Bay Pines, from the VA. The date of the letter is June 24, 2019, and then in the letter where it says, "If the C&P office does not receive your call to schedule appointments for the examination by the identified date above"—which the identified date above is Monday, June 24th, which is the date of this letter, so I don't know how you are going to be able to respond on the date of the letter to that date. Then there is a handwritten time in there. I received this on July 3rd, which then the next day is July 4th which is obviously a holiday and nobody is working. I had 1 day to call this office.

I called the office and I was told—I called the number on the letter for the C&P exam. I am going to ask to enter this letter into the record so that you can have a copy of it and the committee has a copy of it to just see what I have experienced, and I am sure other veterans are experiencing the same thing.

When I called the lady to set up the appointment she said she had one day available, which, again, I don't know how working age males can find one day in their schedule that they are going to go on that day and have to take off work for that day and not get paid for that day. She said I had 1 day. I had to be there at 07 or 08, and she told me on the phone that I had to plan to be there all day. I asked her why would I have to be there for the entire day just for an examination. She said that is what the regulations require us to do.

This is what—I see your head shaking behind you, but like this is what was told to me by your VA. Okay. I said, well, I am not available on that date, and I didn't tell her I was a Congressman. I just told her I wasn't in town that day.

She said, Okay, this is what you are going to have to do. You are going to have to—because there are no other dates available in this 30-day window, you are going to have to call me back in 2 weeks, and she gave me the phone number. I wrote it down for you so you have it. You are going to have to call back in 2 weeks because we are going to have to send your packet back to the regional office and you have to wait 2 weeks until the regional office then does whatever they do, and then call back 2 weeks later. Then you have to request from the regional office that they send your packet back to this person that I am talking to and then wait 2 weeks to then set up a new appointment, and then they are going to tell you a 1 day and then you have to be there all day.

Can you explain to me how the—I mean, what is happening is a veteran like myself, whether I was in Congress or not, if I was still not in Congress and just a lawyer or just a plumber or an electrician, I can't take off a day off work to drive 2 hours for a 30 minute appointment.

Explain to me how—because what most veterans are going to do, they are going to say, especially my generation of veterans are going to be like, screw it. It is not worth me going up there, taking a day off work, to lose the money from going a day off work, to go up there and deal with this and sit there because that is going to do because I can explain—I don't have much time left. Hopefully, the chair will give me a little leeway here; but to sit there all day for a 30-minute examination.

Can you explain to me why our veterans are being treated in this manner?

Ms. GLENN. Yes, sir. Just to be clear, that was—I am sorry you had that experience. We don't want any of our veterans to be disadvantaged when they have to go to their C&P examination.

I will be happy to take the information that you provide and go to my colleagues in VHA and see if they can provide you with the information that you are requesting.

Mr. STEUBE. Okay. Since my time is—oh, thank you. Can you please provide me that by—I mean, how long do you think it will give you that information of whoever is in charge of that program and whoever I can talk to as to—because Bay Pines is a big hospital.

Ms. GLENN. Right.

Mr. STEUBE. It has a big service area. If it is happening to me, I can guarantee you it is happening to every veteran that is having to go to a C&P exam.

Let me back up a little bit further. My case was one of the cases that was stuck. For 2 years I haven't heard anything from the VA. Occasionally you get a letter and then nothing for the last year or so.

I had to reach out like what is going on because I have had this appeal going on for 9 or 10 years, what is going on and why—like what is the next step, like tell me what the next step is. And then so somehow it got dislodged from being stuck in the ether, wherever it was stuck in the ether, and then it was like, oh, you need a C&P exam. I am like, well, I just had a C&P exam like 2 years ago, what is wrong with that. Well, the time has elapsed from—you need another one, which is what precipitated the letter, which then I had 1 day to respond to the letter and then the 1 day that they give me to show up I am not available. And then it has to go back to the regional office to come back to this.

I mean, it is just—it is ridiculous. I mean, it is ridiculous that we are putting our veterans through this type of rigmarole because what they are going to do is say, you know what, it is just not worth going through this to have to go through all these hoops to deal with this.

Ms. GLENN. Right.

Mr. STEUBE. I would like to know who in the VA—I had a meeting with Secretary Wilke supposedly today or yesterday. He canceled. So I want to know who it is I need to talk to in the VA to make sure that veterans, at least in the State of Florida, are not having to deal with these issues. I don't have time to talk about all the other issues as it relates to the appeal and C&P process. That is just one little piece that just happened this past summer.

There is a lot of issues that need to be discussed. I hope this committee—I mean, you are a veteran. A lot of us are veterans. I hope that we really address these issues to make sure that our veterans aren't going through the things that I personally went through at least in our country.

I would very much appreciate the information of who I need to talk to to remedy these issues.

Thank you, Madam Chair.

Ms. LURIA. Well, thank you, Mr. Steube, for sharing your personal experiences. And without objection the material that Mr. Steube presented will be entered in the record.

[THE LETTER TO REPRESENTATIVE STEUBE FROM THE BAY PINES VA OFFICE APPEARS IN THE SUBMISSIONS FOR THE RECORD]

Ms. LURIA. I would like to start a second round of questioning, so if you do have further things that you would like to have, you will have time again to do that.

So I recognize myself again for 5 minutes, and this time I have some questions for Ms. Curda.

In our district in Coastal Virginia, I represent over 90,000 veterans in the Second congressional District. And I am concerned with the VA's slow walk toward conducting thorough oversight of these contracted exams as I think our veterans deserve the highest level of quality service.

Do you think from your assessments at GAO that the VA needs more full-time equivalent, more personnel in order to complete the evaluation necessary to give us a good pulse on the evaluations process?

Ms. CURDA. We did not conclude in our work last year, I mean, other than the issue with the quality reviews, that staffing was a significant factor in addressing the oversight issues. I think that we would recommend that the VBA take the time to plan what it needs to do with all this information to be able to provide the oversight, and then use that plan to then align all of its systems and performance information to be able to provide the oversight that they should do.

Ms. LURIA. Okay. Thank you.

And, Ms. Glenn, we had the opportunity to meet yesterday and you did reference a previous staffing shortage. But it seems as though you are within 1 position of having all of those filled.

Are there any additional resources that you would need in your role to be able to provide this thorough analysis or is it a question of taking the new data that you have access to and then working on metrics?

Ms. GLENN. Yes, ma'am. I will say we are always looking at our resources and what our capability is, and trying to take advantage of every bit of resources that we have so that we can better serve veterans.

I would say at this point, as we spoke, we are still analyzing all of our data, and when we are finished doing that I will be happy to meet with you and your staff and let you know.

Ms. LURIA. Great. Well, we look forward to that.

One of the other topics we talked about is cancellations. So do you feel that you have the appropriate IT systems to be able to capture data relative to cancellations and how that impacts the performance both for the contractors and then for the satisfaction of the veterans?

Ms. GLENN. Yes, ma'am. We do at this point. As I said, this is all new data. This EMS system was a new system that we built based on our specifications, and it is able to go into the proprietary systems of all of our vendors and pull the data out of there. That is something brand new that we have never had the ability to do before.

Ms. LURIA. Okay. Likewise we would like to be able to understand, you know, the conclusions that you can draw from that data once you have had time to analyze it.

Lastly, the enactment of Blue Water Navy Veterans Act is pending here in January. And I would like you to explain how that will affect the need for claims exams, and is the VA, and specifically in your capacity as providing contract C&P exams, are you prepared for that role out and a significant jump in claims relative to the Blue Water Navy Veterans Act?

Ms. GLENN. Yes, ma'am. We have been preparing for that for several months now. We do feel that we will be able to meet the surge in exams that we expect in January.

We have been planning on a daily basis all of compensation service in order to meet the needs for our Blue Water Navy veterans.

Ms. LURIA. When you say that, is that specifically internal to your organization? Do you also feel that confidence within the contractors and their capacity to—

Ms. GLENN. Yes, ma'am.

Ms. LURIA.—take on additional exams?

Ms. GLENN. Yes, ma'am. We have notified them as soon as we found out that the act had passed, and we notified them to expect a surge when it went into effect in January.

Ms. LURIA. Thank you.

I recognize Mr. Bost for 5 minutes.

Mr. BOST. Thank you.

Thank you, Madam Chair.

Okay. Ms. Glenn, I'm going to go back to the rural area. This is, I think, something that we need to expand on and get on the record.

Can you give us detailed plans what the VA plans is to provide rural veterans with the claim clinics? You know, what is the overall design that you are looking at, what are some unique ideas that you are coming up with to—because that is a real issue out there. I know there is an extreme case like we heard about a while ago because that would be the extreme case.

There are rural areas all over that we can see that the problem of long-time travel to VA or to even a clinic would be tough.

Ms. GLENN. Yes, sir. We are always looking to improve our outreach to rural veterans. We are reaching out to them through these claims clinics which are typically held by the regional offices within that State. As soon as we hear that there will be a claims clinic, we notify our vendors and ask them if they would be willing to participate. Thus far they have been more than willing.

They have large recreational vehicles that they have stripped down and turned into traveling doctors' offices, mobile clinics, so to speak, and they are able to travel to these rural areas and provide different types of examinations, psychiatric exams, audiological exams, general medical type musculoskeletal exams, any type of exam that can be done within an examination room.

As I eluded to earlier, we had a claims clinic this past weekend in North Carolina. We had 2 vendors there and they were able to see a total of 80 veterans.

Mr. BOST. That is because the vendors have the capability to do this under existing rules?

Ms. GLENN. Yes, sir. They have the ability. They also have the ability to move medical doctors across State lines so that they can—if they see that there is an issue in a rural area, they can travel one of their provider physicians across State lines in order to perform examinations.

Mr. BOST. Then the next question, because I think you touched on it a little bit, but how is it that we are able to reach out to our veterans that may be in the rural area, educate them that this is available to them?

Ms. GLENN. Yes, sir. We work very closely with the regional offices in each State in order to make sure that they are advertising the claims clinics and the availability of our vendors when they are there.

The other thing that our vendors are doing is they are doing some Telehealth exams now so that the veteran really doesn't have to travel far beyond the borders of their home. They are also looking at what we call ACE exams, which are acceptable clinical evidence examinations, where in some certain specific instances the doctor is able to review the veteran's claims folder and make a determination without needing an examination.

We are actually promoting that the vendors use the ACE exams and the Telehealth exams so that the veteran is not disadvantaged in any way.

Mr. BOST. Okay. I am going to kind of shift gears here right quick. I want to ask Ms. Glenn again. Okay. I understand the VA has not yet produced quality timeliness and quality reports that summarize each contractor's performance under the new contracts.

Does EMS have automated functionality to generate timeliness reports or is the VBA still employing manual work arounds to kind of get this information?

Ms. GLENN. Right. We have all this new data now. We are analyzing it. We expect that once we have determined that we are using the right performance measures that EMS will be able to provide us with reports automatically. That is what it was built for and that is what we want it to do. We just need to make sure that it is measuring the correct number, the correct performance measures.

Mr. BOST. When do we think that we as a committee would be able to receive that information, you would have that information available so that we can compare notes and understand what we are trying to do is being done correctly or where the holes are so we can try to work through that?

Ms. GLENN. Yes, sir. As soon as we have worked through that, and my staff is actively working on it today, we will let you know and I will be happy to come back and speak to you again.

Mr. BOST. Are these measures, that information, required in the contract by those—that each individual provider has to be able to get that information back to it?

Ms. GLENN. It is required in the contract that we notify the provider. That is part of their performance. The overall quality timeliness and customer survey satisfaction, that is all of the 3 things that they are measured on and that is in the contract.

Mr. BOST. Okay. Thank you.

And, Madam Chair, I yield back.

Ms. LURIA. Thank you.

And I now recognize Mr. Cisneros for 5 minutes.

Mr. CISNEROS. Thank you, Madam Chairwoman. Thank you both for being here.

Ms. Glenn, thank you for being here. I wanted to bring to your attention a constituent of mine, Alberto Gonzalez, a Gulf War veteran. He came to my office in Fullerton seeking help with a claim for compensation and pension. The VA had referred him out to a physician contractor with third party vendors, VetFed, for an examination earlier this year.

During the course of the evaluation the physician's office made a coding error whereby they incorrectly indicated Mr. Gonzalez was employed during the time of the examination. In fact, Mr. Gonzalez

had been unable to sustain gainful employment since February 2018 due to the condition for which he was being evaluated for.

As a result of the error, there has been substantial delay in Mr. Gonzalez receiving the benefits for which he was entitled, with several months passing before my office was able to help him obtain a letter from the physician to correct the misinformation.

Now Mr. Gonzalez is forced to drive all the way to San Diego regional office for a non-appeal hearing to present the correction letter, which is a one and a half hour drive from his home in Fullerton, California.

For Mr. Gonzalez, this has been an added stressor for himself and his family, and a burden on his time. In a letter to me Mr. Gonzalez stated, I feel guilty that I have had to put a strain on my children's resources. I am one of the lucky ones that has a strong, loving, supportive family.

Mr. Gonzalez's situation is but one example and I fear that we do not have a clear understanding of the full extent of the situation. As the GAO raised in their testimony, this is a serious concern for the VBA. It does not have information on whether training effectively prepares examiners to conduct the high quality exams.

Ms. Glenn, my question is, what training is involved to ensure that third party contractors are fully listing and coding appropriately in the VA system so that a veteran's life isn't put on hold?

Ms. GLENN. Yes, sir. All of our contracted, subcontracted physicians and medical providers have to go through the same training that VHA C&P examiners have to go through.

We also have additional training that we have developed for military culture awareness and any kind of court decision or any kind of other training that we feel is necessary based on trend analysis during quality reviews. We hold monthly calls with all of our vendors in order to go over what we're finding with their quality reviews.

I am very sorry that your constituent is having that issue, and if you would like to provide us with the information I would be happy to go back and see what I can do.

Mr. CISNEROS. We will do that.

Why is it so hard to correct if there is an error made? Why does it take so long to make a correction to where this—why can't it be just done very simply?

Ms. GLENN. Yes, sir. It should be done very simply and I am not quite sure, you know, what happened in that specific case. But it should not be the problem that you indicated that it was.

Mr. CISNEROS. All right. I yield back the balance of my time.

Ms. LURIA. Thank you, Mr. Cisneros, and thank you all for appearing today and answering questions.

I would like to now invite Panel Number 2 to the witness table. As you change places I will make an introduction of those who will be joining us on panel 2.

We have Mr. Rick Weidman, Executive Director for Policy from the Vietnam Veterans of America; Ms. Kimberly Shalloo, Washington D.C. Liaison Chair of the National Association of County Veteran Service Officers; Mr. Shane Liermann, Deputy National Legislative Director of the Disabled American Veterans; and Mr.

Ken Wiseman, State Adjutant and Accredited VSO for the Department of Virginia Veterans of Foreign Wars.

I will just give everyone a minute to get settled and then we will continue.

[Pause]

Ms. LURIA. I especially want to thank Mr. Wiseman today for joining us from my home State of Virginia. We will start with Mr. Rick Weidman. I will recognize you for 5 minutes.

STATEMENT OF RICK WEIDMANN

Mr. WEIDMAN. This is the first time a Member of Congress has recognized me for my age, I think, by putting me first. I am almost always last at these hearings, Ms. Luria.

First, at VVA, we thank you for holding this hearing and we are grateful to you for inviting us to share our thoughts and observations.

This is an important issue for Vietnam veterans because our average age is 73. That is a mean average age, and it was 73.0 this past June. Folks are frankly in the fourth quarter and not just us, but people who serve us like the VA, whether on the health side or the benefits side, need to step up their game, also, and get into a 2-minute drill.

The extension by 6 months of the Blue Water Navy claims has particularly upset us, but also our colleagues who deal with Blue Water Navy folks because how many of those people are going to die between and now July 1 and January 1. The claim dies with the veteran as we all know. And so if they don't adjudicate it now, even if it is a direct medical claim, not a presumptive, it doesn't happen. They have frozen all of them.

The point is here on whether on that or on other claims. We did not support the appeal management and improvement act, Modernization Improvement Act, and the reason when people ask me is, well, it neither improved nor modernized the system. That is why we did not support it. And we need to go back to letting the previous system of the Court making decisions and then that decision being binding on the original claim process. That needs to happen before we are ever going to straighten out this system.

In regard to Blue Water Navy, they claim they will be scheduled as early as early October, but that still doesn't cut it in terms of moving those claims through in a timely manner, which are necessary.

I will skip right to some of our observations and communications about what we believe is the heart of the matter. As much has been made about training, and we believe that is true, that the problem is no cognitive based tests. That is not just for the people who are the medical examiners to fill out the claim. They don't do cognitive based testing of—everybody who touches a claim ought to go through the same type of a test.

A number of years ago, and I am glad the former chairman is in the room because he charged us with coming up, a group of VSOs, and we came back with just such a plan. It would be VSOs plus county and State people, but also VA people and even attorneys would have to take that exam. And people said, well, you can't make attorneys take an exam. I said, really. Do you know you can't

practice Maritime law without passing the Maritime bar? You can't practice aviation law unless you pass the aviation bar, and on and on and on. So we could require that of folks.

In this case the question, central question for us is adequacy of the exam and the accuracy of the judgment. And in many cases folks just aren't trained in the wounds entries and illnesses that result from military service.

Some of the technical things that has to do with scheduling is currently the date that the exam is ordered is not entered into the VBMS computer system so that our folks, our benefits counselors, can know that it went in there and to work with the veteran to make sure that he or she has transportation to get to that exam. That should be an easy thing to do, but it is not being done.

We have suggested it, by the way, directly to VBA in their monthly meetings.

We also recommend that all exam notification letters to the veteran clearly State that it is possible to reschedule the exam and how to do so. Right now it just threatens people, except one. LHI's letter says, to reschedule this exam contact LHI at least 1 business day prior to your scheduled appointment to determine if you are eligible.

That last phrase means to most vets, well, I must not be eligible because they would have called me before. And so what they do is discourage anybody from reaching out.

The third recommendation is that all contractors are trained to speak with an accredited veterans service agent just like the rest of the VA people are trained to do in order to represent the best interest of our clients. VVA recommends that all exam requests generated by VBA contain a date of request on the form to increase accountability and transparency. Currently they don't. You have no idea how long it languished, much less the letter that is generated until it gets to the veteran.

We strongly urge the subcommittee to dive deeper into the quality issue. The quality assurance and you will notice that all of the testimony about trying to address the previous GAO report is all insider baseball. It is all about bureaucratic things. Well, we have adequately staffed up. Okay. How has that improved the actual quality of the exam, and the accuracy of the exam?

Many times, the truth is in the exam itself. From what people tell us, it is clear during the medical exam that the examiner, the contract examiner, has never even looked into your previous medical history. A lot of the claims, particularly of Gulf War claims and other things, become apparent only by looking at the things over time, which is only contained in the medical record.

I am out of time. I do thank you and look forward to discussing with you and your colleagues as well as staff some of the changes that we think are due.

Thank you very much, Madam Chairman.

Ms. LURIA. Thank you, Mr. Weidman. I will now recognize Mr. Liermann for 5 minutes.

[THE PREPARED STATEMENT OF RICK WEIDMAN APPEARS IN THE APPENDIX]

STATEMENT OF SHANE LIERMANN

Mr. LIERMANN. Thank you, Madam Chair, Ranking Member Bost and members of the subcommittee. On behalf of DAV's more than 1 million members, we thank you for the opportunity to present our views at today's hearing.

In order for veterans to receive their earned benefits, a claim seeking service connection for specific conditions must be established with the VA. In many cases, the VA exam is the lynchpin to establish or deny the claimed benefit, thus demanding quality and timely VA and VA contract exams.

Starting in Fiscal Year 2017, the disability contract exam program was expanded to all VA regional offices. Also in Fiscal Year 2017 1.3 million veterans received VA exams of which 45 percent were provided by VA contractors at a cost of \$765 million.

In Fiscal Year 2018 1.4 million veterans received VA exams of which nearly 60 percent were provided by VA contractors at a cost of nearly \$900 million.

In the June 2019 OIG report, inadequate oversight of the contracted disability exam cancellations, they determined that VA exam cancellations increased by 74 percent in Fiscal Year 2017. The staggering increase in exam cancellations is disturbing and DAV is concerned that veterans are being negatively impacted.

If a contractor reports a cancellation reason, such as a veteran was a no show for an exam, the case will be decided based on the evidence of record without the benefit of medical evidence from a completed exam. If this leads to a denial and the veteran then disputes it, the veteran must now submit a supplemental claim to have the exam rescheduled which will cause further delays and add new claims to the pending process.

One factor that may be contributing to the increase in exam cancellations is the contractually required 20 day time period for exam completion. Contractors are not allowing veterans to schedule or reschedule exams that may place them outside of the 20 day time period.

Madam Chair, recently we solicited feedback from our 65 DAV national service offices around the country. Almost 70 percent reported that contractors canceled exams even when veterans were willing and able to report. More than 80 percent reported that veterans whose exams were canceled were unable to reschedule with the contract examiner.

Given the recent increases in contract exam cancellations and the number of veterans involved, we recommend that VBA track all canceled VA contract exams with specific reasons for the cancellations and provide a quarterly report to congress, as well as requiring all existing and future VA exam contracts to add canceled exam as a performance measure.

Cancelled VA contract exams need to be closely monitored as part of the ongoing quality reviews as these can have detrimental effects for all veterans, but specifically rural veterans as their access to VA or VA contract exams is even much more limited.

For example, our office in North Dakota reported that there are only 2 contract examiners available to veterans, requiring them to drive over 70 miles and, in some instances, veterans are being

asked to travel 3 to 4 hours one way for a VA contract examination.

Enacted in 2016, Public Law 114–315 allows a VA contracted physician to conduct an exam at any location in any State. However, this only includes physicians. We recommend this law be amended to include other licensed healthcare professionals such as nurse practitioners and clinical psychologists that VA currently accepts as VA examiners.

Access to VA healthcare for rural veterans is challenging, but providing VA exams to receive their earned benefits accurately and timely should not be.

In closing, the contract exam process should serve the needs and best interests of the men and women made ill or injured by their service. The VA contract exam process should not be designed to serve solely the requirements of the contract.

Madam Chair, this concludes my testimony. I would be pleased to answer any questions you or members of the subcommittee may have.

[THE PREPARED STATEMENT OF SHANE LIERMANN APPEARS IN THE APPENDIX]

Ms. LURIA. Thank you, Mr. Liermann.

I now recognize Mr. Wiseman for 5 minutes.

STATEMENT OF KEN WISEMAN

Mr. WISEMAN. Thank you, Madam Chair, and Ranking Member Bost, members of the subcommittee. We appreciate the opportunity to testify today on the important matter of what veterans living in rural areas face when attending C&P exams as part of their VA disability claims.

The C&P exam is a vital part of this process for determining if a veteran has a condition that is service connected and in determining the severity of the condition. As an accredited veteran service officer and a veteran myself, I know the C&P exam is a major phase of completing the disability claim, but it is a process which can be improved and rural veterans would benefit.

The VFW provided testimony on contracted exams to this subcommittee this past November and we highlighted 5 major areas which I can report that all of those are only worsened by the fact that a veteran lives in a rural area.

I also want to note that just yesterday VA has reached out to the VFW to have a conversation about these appointments.

The shortage of examiners is something that the VA is known to have. However, there are ways to solve this. One of the nurses who cares for me at the Salem VA Medical Center reported to me that after 19 years she will be retiring. However, she clearly stated she wanted to continue working part-time, but VA regulations prohibit this.

Considering that our Nation has a shortage of medical professionals, why would we want to turn away dedicated, experienced people who could help fill critical gaps like C&P exams? This could help solve the problem that rural veterans face.

Veterans also complain about the distance that they travel for an appointment. I represent a veteran who is unable to drive long distances and his daughter drives him. VA recently granted his claim for Type II diabetes associated with Agent Orange. However, his

experience with the C&P exam was absurd and is one we can use to highlight ways to fix this system.

His daughter takes off from work so she can drive the veteran to the appointment. The appointment that was for the exam was deemed as incomplete by VA and the veteran was forced to return to that doctor for another exam. The veteran reported both exams collectively lasted less than 60 minutes and the trip was 8 hours of driving for the two exams. That only gives a negative taste of the VA to the veteran.

I often hear from veterans that their VA doctor, who works for the Veterans Health Administration, VHA, has diagnosed him with having a condition, but they still must go through a C&P exam administered by the Veterans Benefits Administration, VBA.

Why can't the evidence found in a VHA exam suffice for a claim submitted through the VBA? I certainly understand that the responsibility of the VHA doctors who treat a condition, not necessarily evaluate in accordance with regulations.

However, there would be fewer C&P exams if VBA first asked the treating physician to complete a C&P exam. VBA already pulls the evidence from the veteran's record as part of the normal claims process. It is actually questioned right on the exam or, excuse me, right on the claims application.

Continuing on this issue, I would like to point to the types of conditions that veterans file for that are conditions which are diagnosed with a simple blood test. The veteran I mentioned having diabetes lives less than 30 minutes from a VA clinic and could have reported there for the blood draw needed to diagnose his diabetes.

Further, his private doctor could have provided the evidence obtained through a blood test, and this highlights the VFW's longstanding position supporting greater use of private medical evidence in the claims process. Repetitive work that only re-diagnoses a condition is something that needs to end.

Any portion of the C&P exam which requires a veteran to be visually seen by an examiner is an opportunity to use Telehealth, especially for rural veterans. The VFW praises VA for the work they have done to expand options and is a proud partner in one of the latest projects, advancing Telehealth to local access stations better known as Project ATLAS. ATLAS uses buildings zoned by the VFW and American Legion posts to provide locations for Telehealth based appointments. There is no reason we can't do the same for C&P exams.

Partnerships with other Federal agencies and medical schools like the VA has made in the past would be another option for these exams.

Finally, the VA and its third party contractors that provide many C&P exams need to offer more flexibility for veterans in completing their exams. VA has tightened its timelines to complete the exam and this only exasperates unnecessary travel and burdens for rural veterans.

Veterans understand the need for the exam as part of the claims process and are more than willing to wait another week if necessary if it means a shorter drive. In my written testimony I noted the difficulties veterans face in rescheduling C&P exams. VA needs to include flexibility for rescheduling as this only leaves advocates

like me to clean up the mess through unnecessary supplemental claims and appeals.

While I have offered several options to improve this system, I want to be explicitly clear about one important issue. There is no support in my testimony for the lowering of the burden of proof needed for the VA to grant a claim, and the integrity in the exam process is something that the VFW has long supported. Accuracy being sacrificed for speed would only ensure a veteran gets the wrong answer faster and that is not the answer.

In closing and on behalf of those veterans who live in small towns and wide open spaces across our great nation, I ask Congress to work to improve the process by which a veteran is examined for their VA disability claims. Where a veteran lives should not be a burden they are forced to shoulder in this process.

This concludes my testimony and I welcome any questions that the subcommittee has. And we are very happy to have one of Virginia's own as the subcommittee chair.

Thank you.

[THE PREPARED STATEMENT OF KEN WISEMAN APPEARS IN THE APPENDIX]

Ms. LURIA. Well, thank you, Mr. Wiseman. Thanks for your testimony. You were right on 5 minutes, so perfect.

I now recognize Ms. Kimberly Shaloo for 5 minutes.

STATEMENT OF KIMBERLY SHALOO

Ms. SHALOO. Thank you. Chairwoman Luria, Ranking Member Bost, and distinguished members of the committee, my name is Kim Shaloo. I serve as a county veteran service officer in Monmouth County, New Jersey, and as the Washington Liaison for the National Association of County Veteran Service officers, or NACVSO. It is my honor to testify before this committee about the effectiveness of contracted VA C&P exams.

NACVSO is comprised of nearly 2,000 county, city, tribal and State government employees from 33 states who work to ensure an estimated 10 million veterans receive the veterans that they have earned through their sacrifice and service to this country.

CVSO has helped veterans constituents and their families navigate benefits and resources to assist them in their daily lives. Our daily interactions allow our members to develop an unfiltered scope of the issues at the community level. I hope my testimony will given the committee a frontline perspective as to the current State of C&P exams and how it relates to the overall claim process.

In preparation for today's hearing we surveyed our members so that we could help the committee better understand the impact contracted C&P exams have on veteran experience with the benefit claim process.

We also wanted the committee to understand our members' experience with contracted exams in contrast to those performed by the VA. We asked our members a series of questions which are detailed in our written testimony. The survey went out to nearly 2,000 members and in 24 hours we had captured responses from nearly 15 percent of our members representing a cross-section of urban, suburban and rural America.

Our CVSO members do not report a significant difference in the timeliness or accuracy of C&P exams performed by contractors or

VA providers regardless of their location. CVSOs also believe the decision to contract C&P exams has been positive overall for the veteran community. The proximity of exams tends to be much more closer for rural veterans leading to an increase in attendance rate.

While our analysis is still very preliminary, our results suggest there could be still some significant improvements to the process. Several of our VSOs, particularly those in rural areas, feel that the use of contracted examiners has led to an increase in decisions leading to appeals. This means VA needs a better quality review process for their contracted examiners.

Currently, the VA assigns examiners to cases, but the agency only monitors whether the exam was returned in a timely manner. According to our feedback from our members, this lack of oversight has led to veterans receiving exam notifications the day before an exam and, in some cases, after the exam date has already passed. Due to the contractors' inability to reschedule exams, veterans often end up in the appeals process.

We have also heard numerous anecdotes about veterans who were examined in inappropriate locations as mentioned. For example, that one veteran in Florida who drove to the address listed on his packet for his exam. Upon arrival, the veteran found himself very confused. He was at a nail salon. And while the nail salon was ADA compliant, it still was a nail salon.

In spite of his confusion, he decided to walk into the facility and asked if he was at the correct location. The staff member said indeed he was at the right place and directed to him a back office where his examiner evaluated his claimed disabilities.

Thus, we believe the following recommendations, if implemented, would help jumpstart the reform process.

First, develop a report that outlines the effectiveness of contracted exams from VBAs perspective, evaluating not only timeliness, but also the rate of appeals generated and rate of overturned cases.

Second, implement a yearly review process of contract and VA examiners so that the agency can determine which clinicians are performing well and which ones need improvement.

Lastly, create a mechanism for veterans so that they can reschedule their C&P exams. This will ensure veterans will be able to make their appointments in case they receive a late notice.

Chairwoman Luria, Ranking Member Bost, and distinguished members of the committee, on behalf of NACVSO and its members we thank you for including us in this hearing, and I look forward to answering any questions that you may have.

[THE PREPARED STATEMENT OF KIMBERLY SHALLOO APPEARS IN THE APPENDIX]

Ms. LURIA. Thank you, Ms. Shaloo, and thanks to all of our witnesses for appearing today and sharing your observations for working with veterans in our community and being such strong advocates.

I will start with a question for Mr. Wiseman, and want to say thank you, again. I'm very happy to have a veteran, a fellow Virginian here with us on the panel today.

As you know, the Second District, the district that I represent includes the eastern shore—

Mr. WISEMAN. Yes.

Ms. LURIA.—which is, you know, a remote area and has geographic challenges, including a very long and expensive bridge tunnel to get across to where most of the—

Mr. WISEMAN. Yes.

Ms. LURIA.—medical providers are in the Hampton VA.

For those in areas like the eastern shore and you said Salem, you know, there are quite long distances between where people live and those facilities. The distances between their residences and the nearest care providers, many of the veterans residing in these areas, such as where you live or in North Hampton or Accomack Counties have difficulty accessing VA healthcare facilities that would normally conduct these C&P exams.

Can you provide an example of the importance the contract examiner services provide in assisting those in rural areas? Do you have cases where you—

Mr. WISEMAN. Yes. Madam—

Ms. LURIA.—have actually dealt with—

Mr. WISEMAN. Yes, Madam Chair. We have a VFW post in Accomack County. It is around the corner from the Wal-Mart and the Bojangles. When you live in areas like that, you are not going to cross that bridge unless you absolutely have to. When we have doctors who are willing to take on claims in that area, it is very important.

My example is the current VFW post commander of that Accomack County post, he is wheelchair bound. It is very difficult for him to get around and go distances. And so having that facility near him, the doctor near him where he was able to go get his examinations was extremely important.

However, because his claim was complex, he had to have multiple C&P exams and only one could be in that area. He had to go to other—he actually had to go down to Hampton VA for the rest of it.

Yes, it mitigated part of it. But we need better.

Ms. LURIA. The next part of my question I had written down ahead of time which was, you know, asking you for recommendations. I really do appreciate the fact that you came with some recommendations that I think are very insightful and, you know, 3 of those that I wrote down and I plan to look into as well is your comments about contract physicians, but what other types of level of certification of medical professionals could be included in that to increase the access.

The comment about part-time employment.

Mr. WISEMAN. Yes.

Ms. LURIA. I think that gets back to our full committee hearing from yesterday where we talked about not only hiring and retention, but if there is an opportunity for retention of someone on a part-time basis, I'm not familiar with the regulations that currently prohibit that. But it does seem like a way to expand the number of providers.

Then I have also heard from, you know, veterans in rural areas that Telehealth is very beneficial. I would like to be able to explore, you know, if there's ways to use that in providing these types of exams as well.

Thanks for your thoughtful testimony.

Mr. WISEMAN. Thank you.

Ms. LURIA. I would also like to ask a question of Ms. Shaloo. Thank you for being here.

You focused on the rescheduling, and we have heard that as, you know, a habitual problem. You know, my colleague, Mr. Steube, gave an example about the scheduling process and some of the challenges regarding that, and have also come to understand that there is a 20-day timeline. If the contractor falls outside of that 20 days they can be penalized for fulfillment of the contract.

From your observation, what type of system would work better? How could we communicate better to veterans that they have the option to request rescheduling these appointments and just, you know, make this a more transparent process so that we can, you know, both meet the intent of the 20 days because, obviously, that was, you know, found as a benchmark to be timely, but sometimes, you know, timely is not as advantageous as distance or quality of the exam. Giving the veterans a choice in that process and actually giving them an option that they can schedule an exam that they can actually get to.

Ms. SHALOO. Yes. Thank you.

One of the examples that we have often received is that a veteran who is willing and able as previously mentioned is contacted while in transit to the appointment. That the appointment has been cancelled, whether that be for the contracted provider not being present or some other reason that it is just cancelled and they will have to speak with, in our case their veteran service officer to reschedule, which means—in full disclosure it means that we are going to file a supplemental claim stating that the veteran was unable to make it and we'll detail in that process, you know, unable to make it as the contractor did call and cancel while the veteran was in route.

One of the things that through the AMA that we lost was that ability to ask for a reconsideration. It was an easier process than the current supplemental claim asking for a rescheduled exam. And no law is perfect and we look to find a way for VA to find a stop gap measure to fill that space where the reconsideration was.

Often times if the veteran is not available on that specific date, it is a failure to report, an FTR, and that right in that—the contracted examiner doing that forwards that to VA and the VA is decided based on the evidence in record, which there might not be enough to grant. That becomes a denial.

Some sort of mechanism, even when a veteran is getting a C&P exam through VA it is a phone call, it is a discussion. It is not a letter saying, this is when you must report, and there is no—and, yes, it is often done on Day 18, Day 19, and it is without—it is outside of their purview to extend that.

Yes, you know, a conversation as opposed to a demand I think would be a great start. Yes, LHI does offer the opportunity to call in, but the other providers, this is your date, please report.

Ms. LURIA. Well, thank you for sharing that. I recall going through the process of separating and this evaluation process myself. The tone in the letters that I received definitely made me think like you have to be there at this date and this time. And, you know, I simply couldn't do that for some of the appointments and

I was able to call and make changes, but I would say that you're—it is not apparent that that is a possibility. And I, you know, don't know which of the service providers actually was contracted for the exams that I did.

But I did go through the C&P exam process. I did go to providers in town and I feel like I had good quality exams when I was there. I was satisfied with my result. But, again, I did experience the scheduling conflict and I would like that to be more transparent for people.

I would now recognize Mr. Bost for 5 minutes.

Mr. BOST. Thank you, Madam Chair.

I have got a question for the whole panel, and it is a 2 part question, kind of. Okay. I want to know how for rural areas what is the recommendation of each of your organizations to make it to where they can provide the exams better, Okay, and provide them when we deal with rural areas because, I mean, we are—they are trying to do the mobile vans. They are trying to do all of that. I know it sounds very, very terrible that it happened in a nail salon. Okay. But let me put a disclaimer here.

My wife and I own a beauty salon. I would not, you know, say that that would be the proper place. But then the question is, if the front was a nail salon, quite often in our small communities where we could provide these services, there might be an adjacent room that would be appropriate for an exam and then it would give the appearance that it was a nail salon. I don't think it is a good idea. Okay.

When we are trying to provide the closest and best exam that we can for people who have chose to live and/or move back home to a place that is as rural as many of my areas are. So I am asking for you to give suggestions, how do we work with the VA to—and the contract examiners to say, Okay, these are the criteria we set and that way we can really provide for all of them, the best possible.

I will start.

Mr. WEIDMAN. Telehealth is a great way and while we had always favored Telehealth, I personally had that experience where they had thought I had had a stroke back in January and transported me to the Washington VA. My neurologist stayed in the room, but the specialist, there's a specialist, at least 2 on duty someplace in the VA system 24/7, and talked to the specialist who was at DeBakey VA Hospital in Houston. They had me hooked up to all the monitors and a big screen, so I might as well have been in the same room.

The point is this. Even very rural communities usually have some kind of medical facility, and that kind of thing could happen out of that medical facility, including having people hooked up to the medical gear.

It seems to us that that is the way to go. While we were in favor of the contracting out in the beginning, what we really favor is filling those 50,000 vacancies that VHA has with those clinicians and then doing it and pulling it back in-house.

Mr. LIERMANN. You know, a lot of areas, especially when you're talking rural, there is going to be a lot of limitations for all sorts of resources. I think one of the big ones, too, is time. Growing up

on a farm out in the middle of nowhere you don't always have the time to do things because you have other requirements that you have to fulfill.

I think one thing we really need to look at when it comes to rural veterans is maybe extend it from 20 to 30 days. Give them that opportunity to reschedule that contract exam in a way that still gives them the option to get it done without it being not rescheduled and now they have to start all over again.

The other portion I would like to talk about again is they were talking about the mobile claims clinics and how they can go to certain locations and do a claim clinic. Well, why can't we have a compensation exam mobile clinic to where we know there is a group of veterans in this area that all need C&P exams, why can't we set up a clinic like that in a lot of these regions to where we can use some of the local medical facilities that are there.

If we amend Public Law 114-315, not only can you take physicians across State lines, but now you can bring in resources that the contractors may have such as clinical psychologists, nurse practitioners, that can help fill those gaps and provide those exams in a much more expedient manner instead of waiting or rescheduling or driving 4 hours to get an exam.

Mr. WISEMAN. Mr. Ranking Member, I have to agree with my colleague from VVA, the Telehealth option is there. That is why ATLAS is so amazing. If you go to Lee County, Virginia, it's in the far southwest corner, one of my State officers live there. They don't have a hospital. They have got veteran organizations who have buildings. If we had Telehealth abilities, like, for instance, mental health, we are doing a great job at VA treating for mental health. Why can't we do the C&P exam for mental health, you know, in a bigger spread of more and more appointments because you can go to those places.

We have got that ability. Partnering with the VSO is something that the VA has always been able to do. Let's do it more.

Ms. SHALLOO. Yes, sir.

65 percent of our members of CVSOs are in rural areas where we all have offices with doors providing privacy. Yes, we look to partner with VA and why can't we work out some sort of arrangement where VA enters into agreements with County Veteran Service Officers to provide C&P exams onsite where the veteran is already familiar with and can attend.

Thank you.

Mr. BOST. Thank you all very much. My time is expired.

Ms. LURIA. Mr. Bost, would you like more time to continue questioning?

Okay. Well, I want to say thank you again to all of our witnesses for coming today and continue this ongoing dialog. It is great to have those—both those of you from the VSO community who deal with our veterans in communities, especially rural communities, as well as representatives from the VBA and the GAO to join us today. I think it's an important question that we need to continue to address, and it is good to have many voices and many different sources of input into help improving the services that we are providing to our veterans.

With the growing number of disability exams performed by contractors, it is crucial that we ensure that these exams are performed accurately and in a timely manner. And VA's oversight of contract vendors is key to making sure that each veteran receives excellent and convenient care, and exam results enable quick adjudication by VA raters.

It is clear that we still have some work to do. I am hopeful in the future that VA will continue to improve the contract exam program to guarantee better results for veterans and their families. I am also looking forward to understanding what we can learn from some of the data that we have begun to collect recently.

Thank you again for appearing today and thank you for being engaged in this important discussion.

Mr. Bost, would you like to make any closing remarks?

Mr. BOST. Just once again, thank you for being here. We are going to continue to work on this issue. We want the VA to bring their information back as quick as possible when that data is complete.

Thank you.

Ms. LURIA. Well, all members are advised that they have 5 legislative days to revise and extend their remarks, and include any extraneous material.

The hearing is adjourned. Thank you.

[THE PREPARED STATEMENT OF THE NATIONAL CONGRESS OF AMERICAN INDIANS (NCAI) APPEARS IN THE APPENDIX]

[Whereupon, at 12:09 p.m., the subcommittee was adjourned.]

A P P E N D I X

PREPARED STATEMENTS OF WITNESSES

PREPARED STATEMENT OF MARY GLENN

Good morning, Chairwoman Luria, Ranking Member Bost, and Members of the Committee. Thank you for the opportunity to speak today on the Veterans Benefits Administration (VBA) Contract Medical Disability Examination (MDE) Program. Today, I will provide an update on how VBA is delivering contract examination services to Veterans in the United States and around the world. I will also discuss beneficiary travel reimbursement and highlight some of VBA's oversight functions of the program to include quality and training.

STATUTORY AUTHORITY

When necessary to adjudicate disability compensation and pension (C&P) claims, VBA orders an examination and/or medical opinion. This occurs when there is insufficient medical evidence of record to decide the claim. Prior to 1996, VA ordered C&P examinations exclusively through the Veterans Health Administration (VHA). As a result of Public Law (P.L.) 104-275, the Secretary of Veterans Affairs was authorized to contract through VBA using mandatory funds for examinations from non-VA sources. VBA began utilizing contract vendors to complete examinations in 1998, with the authority limited to 10 regional offices (RO) requesting examinations through contract.

P.L. 113-235 authorized the Secretary to expand the use of contract examinations to 12 ROs in Fiscal Year (FY) 2015, 15 ROs in Fiscal Year 2016, and to as many ROs as the Secretary considered appropriate beginning in Fiscal Year 2017. The expansion has afforded VBA a greater opportunity to complete a larger volume of examinations with greater flexibility in a more efficient manner. The contracts supplement VHA capacity and have enabled VBA to provide more timely benefits decisions. Additionally, the contracts enable VBA to request examinations for Veterans and Servicemembers in overseas locations, which was not an option previously provided through any source.

Through these statutory authorities, all 56 ROs now have the flexibility to request an examination or medical opinion from VHA facilities or designated contract providers closest to where the Veteran lives or receives regular medical treatment. Claims processors at ROs use an online tool enabled by real-time VHA examiner availability data and by examination type to determine whether VHA has the internal capacity to complete an examination request or whether to direct the examination request to a contract vendor.

CONTRACT VENDORS

During Fiscal Year 2019, VBA has made considerable improvements in the MDE Program. In November 2018, VBA awarded new contracts for the United States and realigned the contract districts from five to four in order to provide more equal distribution of rural and urban areas across the districts. The new contracts also increased vendor capacity by allowing for three vendors in each district as opposed to only two in the previous contract. Vendors are required to meet new quality, timeliness, and customer service standards, and face stiffer penalties and disincentives if standards are not met. Specifically, the quality performance metric is as follows:

- 82 percent: 3-months following ramp-up period (June 2019-August 2019)
- 87 percent: 2d 3-month period following ramp-up period (Sept-Nov 2019)
- 92 percent: 6 months after ramp-up period (November 2019 forward)

The timeliness standard requires vendors to ensure that 75 percent-85 percent of their inventory is completed within 20 days for C&P exams in regions 1-4. Vendors are also required to maintain a customer service satisfaction score of 90 percent to 94 percent.

VBA understands the challenges of serving Veterans living in rural areas where access to medical services are limited. To reduce travel beyond the contractual 50- and 100-mile requirement, VBA has authorized higher pricing within the contract that covers the Midwest, as this region has fewer medical resources and more rural locations. To improve the accessibility of medical examinations within rural locations, vendors have invested in mobile clinics. The mobile clinics have allowed vendors to conduct examinations in support of claims clinics and other outreach events to provide services in support of disability claims. Vendors deploy mobile clinics around the country, as needed.

PRE-DISCHARGE AND OVERSEAS CONTRACT EXAMINATIONS

In addition to the four regional contracts, VBA also has a contract that provides examinations to Servicemembers going through the Pre-Discharge program and Veterans residing overseas. VBA contracts provide the first opportunity to serve Veterans living overseas. VBA has significantly expanded the International contract, increasing the total number of overseas locations from 25 locations in Fiscal Year 2018 to 33 locations in Fiscal Year 2019. VBA's overseas exam contract is operationally responsible for scheduling examinations for overseas Veterans, which also includes examinations for Benefits Delivery at Discharge and Integrated Disability Evaluation System. VBA continues to explore expanding coverage in international locations.

PERFORMANCE

In Fiscal Year 2018, vendors completed 841,852 examination requests of the total 1.44 million examination requests. VBA contract vendors completed 14,448 overseas examination requests in Fiscal Year 2018 and have completed 11,441 through August 2019. Also, through the end of August 2019, Pre-Discharge examination completions total 59,013. In summary, completions for all contracts through end of month August 2019 total 957,838.

QUALITY, TRAINING, AND OVERSIGHT

VBA's administration of the MDE Program employs numerous quality, training, and oversight elements to ensure that any issues identified are addressed in a timely manner.

QUALITY

VBA is committed to ensuring that Veterans are provided with high-quality disability examinations. Examination quality is evaluated on a quarterly basis by applying quality assessment criteria to a statistically valid sample of examination reports. The results from the quality reviews are used to identify training needs and provide feedback to contractors. VBA utilizes various feedback mechanisms such as monthly phone calls, quarterly meetings, memos, etc., to improve quality. Quality reviews are conducted by Quality Analysts with the assistance of Medical Officers. At the beginning of this fiscal year, the office responsible for quality reviews became fully staffed with 17 Quality Analysts. This has allowed VBA to stay up-to-date on quality reviews and identify issues for improvement more readily.

TRAINING

In order to best serve Veterans, contract examiners receive the same training required for VHA examiners in order to provide consistent results and to familiarize them with Veteran-specific needs. Contract examiners receive privacy training to ensure all Veteran medical information is protected under the Health Insurance Portability and Accountability Act. VBA has recently expanded the office responsible for developing, delivering, and tracking training for contract providers.

Since filling these positions earlier this year, VBA has conducted an initial validation of provider training requirements and developed an approach for future, ongoing training validation. VBA develops ad hoc training modules when we identify error trends in our quality reviews or when program requirements require a change. Most recently, training has been developed and delivered to vendors on topics including Military Culture, Supplemental Gulf War Illnesses, Musculoskeletal Exams, and Audiological and Mental Health examinations. VBA has also investigated options to improve delivery and tracking of training requirements and is in the process of implementing the Talent Management System for all vendor providers.

OVERSIGHT

Oversight of the contract exam program is critical to ensuring that Veterans claims are completed accurately and timely. The MDE Program utilizes multiple mechanisms to effectively oversee the contract exam program. Using internal systems and ancillary contracts, we can effectively evaluate vendor performance. VBA has created a formal oversight mechanism to strengthen the overall performance and integrity of the MDE Program. The MDE Program coordinates access to MDE systems and provides training to assist field users with understanding and utilizing the contract examination process. My staff works proactively with the contract vendors to investigate and take appropriate action on any concerns reported about an examination experience.

The ancillary contracts administer financial auditing, provider credentialing validation, and customer service survey results. The third-party credentialing vendor reviews the contract examiner medical license credentials. In this regard, provider licensing information is checked against multiple sources, such as State Medical Licensing Boards and Federal Sanctions data bases. This allows VBA to identify, among other things, any revoked licenses or past disciplinary actions of providers. Finally, a separate contract audits financial activity associated with vendor invoices and payments. The financial audits provide detailed insight and validation of payments made to all MDE vendors to validate the accuracy of invoicing. The customer service survey contract provides feedback regarding the Veteran experience during vendor examinations. All vendors are currently achieving an overall customer satisfaction score of 90 percent or better.

EXAM MANAGEMENT SYSTEM (EMS)

VBA designed an examination management system that provides the capability to interface with multiple vendor proprietary systems. VBA continues to make significant progress in the enhancement of the EMS system. Through collaboration with VA's Office of Information and Technology, additional resources were committed to support a monthly software release schedule that was implemented to address system defects and new functionality. These releases were prioritized to minimize impact to claims processing timeliness. In the last year, we have addressed connectivity issues and enhanced system functionality to improve oversight and visibility into vendor performance.

BENEFICIARY TRAVEL

Veterans in the United States and its territories traveling to authorized health care facilities for scheduled examinations are eligible for travel reimbursement. Beneficiary travel payments are mailed to Veterans immediately following their disability examination appointments. Payments are based on the distance between the Veteran's address of record and the examination site. Upon issuance of the beneficiary travel payment, vendors invoice VBA for the amount paid to the Veteran. If a Veteran does not endorse the beneficiary travel payment, vendors issue credits back to VBA for the amount previously invoiced. Beneficiary travel payments are validated through VBA's 3d party financial audit contract.

CONCLUSION

In summary, the MDE Program is vital to the delivery of timely and high-quality claims decisions. VBA continues to expand the capacity to perform contract examinations both in the United States and overseas, while maintaining the flexibility to send examinations to VHA based on timeliness specifications. In the last year, VBA has significantly improved MDE Programs operations by right-sizing staffs that oversee the MDE Program and realigning stateside operations from five districts to four regions. VBA has enhanced collaboration between Veterans, Veterans Service Organizations, ROs, and contract exam vendors with the MDE staff through the design of its corporate mailbox. The mailbox provides an internal mechanism to communicate challenges with the vendors, program or process issues, as well as customer service complaints. The VBA program office utilizes the information received to improve vendor performance and to provide support to field offices.

VBA appreciates the authority provided by Congress to obtain contract examinations for Veterans and transitioning Servicemembers. Continuous oversight and enhancement of the MDE Program remain priorities as well as looking for opportunities to further streamline the examination process.

This concludes my testimony. I would be happy to address any questions from Members of the Committee.

PREPARED STATEMENT OF ELIZABETH CURDA

United States Government Accountability Office



Testimony

Before the Subcommittee on Disability Assistance and Memorial Affairs, Committee on Veterans' Affairs, House of Representatives

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VA DISABILITY EXAMS

Opportunities Remain to Improve Oversight of Contracted Examiners

Statement of Elizabeth Curda, Director,
Education, Workforce and Income Security

GAO Highlights

Highlights of [GAO-19-715T](#), a testimony before the Subcommittee on Disability Assistance and Memorial Affairs, Committee on Veterans Affairs, House of Representatives

Why GAO Did This Study

VBA has increased the use of contractors in conducting veterans' disability medical exams. From fiscal year 2012 through mid-September fiscal year 2019, VBA reported that the number of exams completed by contractors rose from about 178,000 to nearly 958,000, which is more than half of all exams completed to date in fiscal year 2019. The remaining exams were completed by medical providers from the Veterans Health Administration. According to VBA, its contracts are worth up to \$6.8 billion over 10 years.

In light of issues GAO identified with VBA's oversight of contracted examiners in its October 2018 report ([GAO-19-13](#)), this testimony provides updates on VA's efforts to 1) improve its oversight of contracted examiners to ensure quality and timely exams and proper invoicing, and 2) ensure that examiners are properly trained.

What GAO Recommends

GAO made four recommendations in 2018, including that VBA (1) develop a plan for using its new data system to monitor contractors' quality and timeliness performance, (2) analyze overall program performance, (3) verify that contracted examiners complete required training, and (4) collect information to assess the effectiveness of that training. VA agreed with and initiated actions on all of these recommendations but has not yet fully implemented them.

View [GAO-19-715T](#). For more information, contact Elizabeth Curda at (202) 512-7215 or curdae@gao.gov.

September 19, 2019

VA DISABILITY EXAMS

Opportunities Remain to Improve Oversight of Contracted Examiners

What GAO Found

The Veterans Benefits Administration (VBA) has not fully resolved issues regarding how it oversees the quality and timeliness of and invoicing for disability compensation medical exams that are completed by contracted examiners. VBA uses medical exam reports from both VHA and contract examiners to help determine if a veteran should receive disability benefits. GAO reported in October 2018 that VBA was behind in completing quality reviews of contracted exams and did not have accurate information on contractor timeliness. VBA's lack of quality and timeliness data hindered its oversight of contractors' performance. In 2018, GAO made recommendations for VBA to address these issues. VBA has begun to implement GAO's recommendations, but continued action is needed to:

- Develop and implement a plan for using data from its new medical exam management system to (1) assess contractor timeliness, (2) monitor time spent correcting exams, and (3) verify proper exam invoicing. According to VBA, the agency has not fully implemented its plan for using this new system to resolve challenges with oversight of contractors' performance. For example, due to system issues, VBA has not been able to implement an automated invoicing system it planned to use to validate the accuracy of contractors' invoices. Further, VBA has not yet completed quarterly performance reviews of contracted exams under its new contracts, including any reports for fiscal year 2019. As a result, VBA still is unable to ensure that it is paying contractors the correct amounts based on its contract terms.
- Monitor and assess aggregate performance data and trends over time to identify higher-level trends and program-wide challenges. VBA officials stated that as the agency makes improvements to the exam management system data it will be able to implement this recommendation, but officials could not provide a target completion date.

VBA has taken steps to address issues GAO identified with its oversight of contracted examiner training requirements but has not yet fully addressed them. Having properly trained examiners who can provide high quality exam reports is critical to ensuring that claims processors can make timely and accurate disability determinations for veterans. In 2018, GAO recommended that VBA improve its training oversight by:

- Implementing a plan to verify that all contracted examiners have completed required training. In response, VBA began conducting random audits of training completed by contracted examiners, but it is still in the process of developing a centralized training system that will collect this information. Such a system could help ensure that contracted examiners complete training and, ultimately, conduct high-quality exams.
- Collecting information from contractors or examiners on training and use this information to assess training and make improvements. VBA has since developed a feedback tool for examiners to complete following training and plans to use it to improve the training, where needed.

Chair Luria, Ranking Member Bost, and Members of the Subcommittee:

I am pleased to be here today to provide an update since my testimony in November 2018 on the Veterans Benefits Administration's (VBA) oversight of disability medical exam contractors.¹ As you know, VBA relies on medical evidence to help determine a veteran's eligibility for disability compensation. To obtain such evidence, VBA staff may request that the veteran undergo a disability medical exam conducted by the Veterans Health Administration (VHA), and VBA also contracts with private firms to perform these exams. According to VBA, it has increased its reliance on contractors to help avoid delays in the disability claims process related to completion of these exams.

We previously reported that VBA needed to make improvements to its oversight of contracted examiners, particularly given its increasing reliance on them. For example, from fiscal year 2012 through mid-September 2019, the number of these exams completed by VBA contractors more than quadrupled—from roughly 178,000 to almost 958,000, according to VBA. To date, in fiscal year 2019, contracted examiners completed more than half of the 1.49 million disability medical exams.

In 2018, VBA awarded 12 new contracts to conduct exams, worth up to \$6.8 billion over 10 years, to four firms to replace contracts that it awarded in 2016 with updated provisions intended to help VBA improve oversight of contracted examiners, according to VBA.² According to its Request for Proposals, VA expected the new contracts to cover approximately 7.7 million exam requests in the United States over a 10-year period.³ VA reported that in fiscal year 2018 the agency spent over \$875 million on disability medical exams conducted by these VBA contractors.

¹GAO, *VA DISABILITY EXAMS: Improved Oversight of Contracted Examiners Needed*, GAO-19-213T (Washington D.C., Nov. 15, 2018).

²GAO has not reviewed these new contracts. As a result, any reference in this statement to provisions in VBA's contracts is a reference to the contracts that we reviewed for our 2018 report.

³ The Request for Proposals issued in May 2018 included domestic exams only. VBA did not award new contracts for exams conducted overseas.

My remarks today are based on our October 2018 report on VBA's oversight of disability medical exam contractors and updates that we have received from VA regarding the agency's progress implementing our recommendations for improving oversight of contracted examiners.⁴ This testimony provides an update on VBA's efforts to: (1) collect more timely and accurate information on contractor quality and timeliness to better evaluate contractors' performance, ensure proper invoicing, and identify program-wide challenges; and (2) ensure that all examiners have completed required training and that the training adequately prepares them to conduct high quality exams.

For our 2018 report, we reviewed and analyzed VBA data on the quality and timeliness of exam reports completed from January 2017 to February 2018. We also reviewed relevant federal laws, regulations, relevant provisions of selected versions of various contracts, and VA guidance. We interviewed VA, VHA, and VBA officials; each of the five contractors that performed exams under the 2016 contract; a private firm that performs audits of VBA contracted examiners' licenses; and three national veterans service organizations. For this testimony, we incorporated recent updates from VBA on the status of our recommendations and obtained some information on the new contracts, staffing levels, and exam management system updates in September 2019. More detailed information on our scope and methodology is available in our issued report.

We conducted the work on which this statement is based in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

VA pays monthly disability compensation to veterans with service-connected disabilities according to the severity of the disability. VA's disability compensation claims process starts when a veteran submits a claim to VA. A claims processor then reviews the claim and helps the

⁴GAO, VA DISABILITY EXAMS: *Improved Performance Analysis and Training Oversight Needed for Contracted Exams*, GAO-19-13 (Washington D.C., Oct. 12, 2018).

veteran gather the relevant evidence needed to evaluate the claim. Such evidence includes the veteran's military service records, medical exams, and treatment records from VHA medical facilities and private medical service providers. If necessary to provide support to substantiate a claim, VA will also provide a medical exam for the veteran, either through a provider at a VHA medical facility or through a VBA contractor. According to VBA officials, VBA monitors a VHA facility's capacity to conduct exams, and in instances when the facility may not have capacity to conduct a timely exam, VBA will send an exam request to one of its contractors instead.

Once the contractor accepts the exam request from VBA, it assigns a contracted examiner to conduct the exam and complete an exam report designed to capture essential medical information for purposes of determining entitlement to disability benefits. The contractors send the completed report to VBA, which uses the information as part of the evidence to evaluate the claim and determine whether the veteran is eligible for benefits.

In 2016, VBA established an exam program office to manage and oversee contractors, monitor their performance, and ensure that they meet contract requirements. For example, in 2018 we reported that the contracts require that contractors develop plans outlining how they will ensure examiners are adequately trained.⁵ We also reported that contractors are required to provide VBA with monthly exam status reports, which include the number of canceled, rescheduled, and completed exams, among other things. VBA also has an office dedicated to completing quality reviews of contractors' exam reports, which are used to assess contractor performance.

VBA awarded new contracts in 2018, in part, because it wanted to update performance measures for its contractors and to change how contractors were assigned to each region throughout the country, according to agency officials. For example, officials said that the agency restructured the service areas in its contracts from five U.S. geographic districts to four to balance the number of rural and urban areas contained in each region. In doing so, they said that VBA's goal was to distribute exams in rural

⁵We reported that, according to agency officials, VBA also requires that contracted examiners complete the same training that VHA providers must take before they can conduct any disability medical exams.

areas, where it can be more challenging to find examiners, more evenly across all contractors.

Incomplete Information on Quality and Timeliness Continues to Affect VBA's Oversight of Contractors' Performance

VBA has not fully resolved issues in collecting information on contractors' quality and timeliness, which continues to hinder its ability to oversee contractor performance. We previously reported that VBA's lack of complete and accurate information on the quality and timeliness of exams limited its oversight of contracted examiners and contributed to other challenges in managing the contracts. For example, VBA officials had told us that as of late June 2018, VBA was behind in completing quality reviews for contracted exams that were completed in 2017, in part, due to lack of staff to complete the quality reviews.⁶ Further, VBA officials had acknowledged that they did not have accurate information on whether contractors were completing veterans' exams in a timely manner as outlined in the contracts. We reported in 2018 that VBA measured timeliness as the number of days between the date the contractor accepts an exam request and the date the contractor initially sends the completed exam report to VBA.⁷ However, we previously found that the exam management system VBA used until spring 2018 did not retain the initial exam completion date when VBA sent an initial exam report back to a contractor for clarification or correction. In such cases, VBA's system maintained only the most recent date an exam report was sent back to VBA. In such a situation, according to agency officials, VBA would not always be able to accurately assess a contractor's timeliness as outlined in the contracts. Similar to our findings, the VA Office of Inspector General's June 2019 report on VBA's oversight of contracted exam

⁶For those reviews that VBA did complete, the agency reported that almost all contractors missed VBA's quality target of 92 percent in the first half of calendar year 2017, with scores ranging from 62 to 92 percent.

⁷The contracts awarded in 2016 included differing information regarding the start date of the timeliness measure. One provision of those contracts referred to the start date of the timeliness measure as the date VBA submits the exam request to the contractor. VBA later clarified that it uses the date the contractor accepts the exam request as the start date and revised its timeliness measure accordingly in contract modifications signed in December 2017 and January 2018.

cancellations also identified deficiencies due to staffing shortages and exam management system limitations, among other reasons.⁸

According to VBA officials in 2018, because VBA did not have complete and accurate information on contractor performance, it could not carry out key oversight activities. For example, VBA officials acknowledged that they were unable to track exams that needed corrections or clarifications, which we reported is needed to determine if VBA should reduce payment to a contractor. In 2018, we reported that the contracts required that contractors correct these exams within a certain number of days and bill VBA for these exams at half price. However, we found that VBA's lack of complete and reliable information on insufficient exams hindered its ability to ensure such requirements were met.

Further, in the absence of current and accurate quality and timeliness information, we reported in 2018 that VBA officials told us that they had not completed the quarterly reports that summarize how each contractor performed. VBA's delay in completing these reports meant that it had not administered other provisions of the contracts. For example, we reported in 2018 that the contracts stated that VBA could use performance data to help determine how to allocate exams within specified areas in the United States that have two contractors; in particular, VBA could decide to allocate more exams to the contractor with higher performance results. However, VBA did not have performance data on which it could base its allocation of exams. Rather, the agency based allocation on contractor workload.⁹ Further, we reported that the contracts outlined how VBA could use performance data to administer financial incentives linked to

⁸For example, VA's Office of Inspector General reported that even though VA's contracting officer indicated there should be at least one federally certified contracting officer's representative per contract, VBA had only three contracting officer's representatives to oversee 14 contracts. In addition, the report stated that VBA's exam management system at that time did not capture information such as contact notes or telephone logs that would allow VBA staff to monitor whether contractors followed contract requirements when cancelling exams. See VA Office of Inspector General, *Inadequate Oversight of Contracted Disability Exam Cancellations*, 18-04266-115 (Washington, D.C.: June 10, 2019).

⁹We reported in 2018 that for exams performed in the United States, two contractors shared the workload within a given geographic area and VBA could determine how to allocate some exams based on a contractor's performance and capacity to conduct exams.

performance targets.¹⁰ However, due to the lack of performance information, VA had not yet administered these incentives at the time of our review in October 2018.

In our 2018 report, we recommended that VBA take steps to address the oversight issues we identified by developing and implementing a plan for using data from the new exam management system to accurately assess contractor timeliness, monitor time spent correcting exams, and verify proper exam invoicing.

VBA has taken steps to address issues with both the incomplete quality information and inaccurate timeliness data. For example, to help resolve the delays in completing quality reviews, VBA officials said in November 2018 that the agency had hired additional staff to assess quality of contract exam reports. As of September 2019, officials said they have 16 out of 17 full-time positions filled in the quality review office because one employee left and that they are in the hiring phase for the final position. With the addition of quality review staff, officials stated that VBA is up-to-date on completing initial quality reviews. However, they said the agency has not yet finalized any quality scores, or completed the quarterly performance reports, under the new contracts. As such, according to VBA, it has not yet administered financial incentives linked to performance.

To address the inaccurate timeliness data, VBA officials stated that the agency's new exam management system, implemented in spring 2018, was designed to capture information that would allow VBA to accurately calculate contractor timeliness. Officials also said that VBA revised its performance measures to help it more fully assess contractors' performance.¹¹ In its agency comment response to our draft report in September 2018, VBA had a target completion date of December 2018 for implementing our recommendation. However, as of September 2019, VBA reported that it has not been able to fully implement its plan for using the new system to improve oversight of contractors and did not provide a

¹⁰We reported that, as outlined in the contract, VA is to provide a bonus to a contractor who met or exceeded its 92 percent quality standard for a quarter, and met or exceeded its 20-day or 30-day timeliness standard.

¹¹ For example, according to VA's Request for Proposals the contracts would include new performance measures to track the percentage of requested exams that have been with a contractor for more than seven days and the percentage of exams that have been cancelled by a contractor.

target completion date for fully implementing our recommendation. In particular, VBA has not been able to implement an automated invoicing system that it plans to use to validate the accuracy of contractors' invoices nor can it reconcile historical data in the exam management system. As a result, according to VBA, it still cannot ensure that it is paying contractors the correct amounts based on the terms of the contracts. According to VBA, the delay in implementation is, in part, a result of having to fix technical issues with exam scheduling requests and an ongoing effort involving multiple VA offices to align VBA's systems with those of multiple contractors. To address these issues, VBA stated that it has completed testing of its invoice system with all of the contractors and anticipates completing analysis of the results of those tests by October 2019 and will provide an updated target completion date at that time.

We also recommended that VBA regularly monitor and assess aggregate performance data and trends over time to identify higher-level trends and program-wide challenges. Without plans to conduct comprehensive performance analyses, we stated that VBA is limited in its ability to determine if the contract exam program is achieving its quality and timeliness goals in a cost effective manner. VBA stated that as it makes improvements to its exam management system data it will be able to implement this recommendation, but did not provide a specific date. VBA also noted that information collected in the new exam management system has helped them to identify potential issues with the metrics that they use to assess contractor performance and that the agency is in the process of identifying the best way to analyze the data to make improvements to the program.

VBA Has Not Finalized System to Verify All Training Has Been Completed

We previously reported that VBA relies on contractors to verify that their examiners complete required VA training and that VBA did not have information on whether the training effectively prepares examiners to conduct high quality exams. Specifically, we noted that the contractors, rather than VBA, access the contractor training systems to verify that examiners have completed the required training before they are approved to conduct exams. Further, VBA did not review contractors' self-reported training reports for accuracy or request supporting documentation, such as training certificates, or solicit feedback from contracted examiners on the effectiveness of training or suggestions for improvement.

Since VBA was without plans to verify completion of training, we noted that VBA risked using contracted examiners who are unaware of the agency's process for conducting exams. This could lead to poor-quality

exams that need to be redone and, thus, delays for veterans. Similarly, without information on the effectiveness of training, VBA may not know whether additional training courses are needed. To address these concerns, we recommended that VBA document and implement a plan and processes to verify that contracted examiners have completed required training and that it collect feedback on training for the purpose of assessing its effectiveness and making improvements as needed.

As of July 2019, after VBA determined that none of its contractors were comprehensive in reporting all examiners' training, VBA reported that the agency started conducting random audits of contractor training records. Additionally, VBA said that contractors can submit feedback following the completion of each VBA-developed training course and that it will use this information to make improvements. However, VBA is still in the process of developing a centralized training system to collect information on all training completed by contracted examiners and to obtain participant feedback on each course. VBA stated that it expects the system updates that would allow it to verify that all examiners have completed required training will be fully implemented by the end of fiscal year 2020 and that it will continue random audits until full implementation.

In conclusion, as VBA increasingly relies on contractors to perform veterans' disability compensation exams, it is important that the agency ensures proper oversight of these contractors. Specifically, VBA needs to ensure that (1) it has accurate and up-to-date information on individual contractor performance to ensure veterans receive quality and timely exams and that contractors are properly paid, as well as a mechanism to assess overall performance of the contract; and (2) examiners are trained to conduct these exams in a manner that results in accurate exam reports that claims processors can use to make a disability ratings decision. Without sustained oversight, VBA also runs the risk of causing undue harm to veterans through delayed or inadequate exams.

Chair Luria, Ranking Member Bost, and Members of the Subcommittee, this concludes my prepared statement. I would be happy to answer any questions you or other members of the subcommittee may have at this time.

**GAO Contact and
Staff
Acknowledgments**

For questions about this statement, please contact Elizabeth Curda, Director, Education Workforce, and Income Security Issues at (202) 512-7215 or curdae@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. In addition to the contact above, Nyree Ryder Tee (Assistant Director); Justin Gordinas (Analyst-in-Charge); Alex Galuten; and Jessica Orr made key contributions to this testimony. Other staff who made key contributions to the report cited in the testimony are identified in the source product.

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PREPARED STATEMENT OF RICK WEIDMAN

Good afternoon Chairwoman Luria, Acting Ranking Member Bost, and other Representatives of this distinguished subcommittee. On behalf of the VVA National President, as well as the members of Vietnam Veterans of America (VVA), I thank you for affording VVA the opportunity to testify today regarding the Department of Veterans' Affairs (VA) contracted Compensation and Pension examinations (hereafter "exams").

VA Compensation and Pension Exams are an often-necessary step in a veteran's disability compensation claim. Obtaining a timely and accurate exam helps to ensure that the claim is correctly decided the first time. This prevents veterans from entering an often multi-year long appeal process to obtain a final and just decision. Given that the VHA has more than 50,000 clinical vacancies, VA simply lacks the capacity and person-power to conduct all necessary exams in-house. As such, VVA supports VA's efforts to utilize contractors as an option to help veterans obtain timely and quality exams for disability compensation purposes.

Nevertheless, VA may delegate authority, but VA may not delegate responsibility. VA must still be held accountable for ensuring that all aspects of the exam process handled by contractors are conducted with the highest level of quality, accuracy, and transparency. Veterans should not be bullied or threatened into attending an exam they simply cannot make. Veterans should not be penalized for not attending an exam that they just learned about the day before. Veterans should not be forced to appeal an erroneous denied claim due to the examiner's incompetence, failure to review the veteran's medical records, or inability to complete the form.

Under the Appeals Modernization Act, there is an often unspoken but ever-present-emphasis on speed at the expense of quality. This emphasis on speed has permeated the contract exam world in all aspects of the exam process—from scheduling an exam to the exam itself. At the end of the day, a focus on speed with little emphasis on accuracy and quality only hurts veterans.

The average age of a Vietnam veteran today is 73 years old. Pursuant to the Blue Water Navy Vietnam Veterans Act of 2019 (hereafter "BWN Act"), countless more veterans and family members will be entitled to disability compensation benefits due to them under the law. As early as October 2019, VA has assured us that exams will be scheduled for veterans who are entitled to benefits under the BWN Act.

The issues surrounding scheduling exams disproportionately impacts older veterans who need to arrange for transportation to and from the testing site, homeless veterans who have limited phone access, incarcerated veterans, and veterans who live in rural areas who must travel long distances to get to and from an exam site. VVA urges VA to swiftly prioritize the issues outlined in this testimony, especially in light of the increase in exam requests likely to occur for Vietnam-era veterans.

I. INADEQUATE ADVANCED NOTICE OF SCHEDULED EXAMS AND CONTRACTORS PRESSURING VETERANS TO NOT RESCHEDULE OR TOLD THEIR CLAIM WILL BE DENIED.

Contractors often do not give veterans sufficient advanced notice to attend the exam. If the veteran does not attend the exam, it is common for the contractor to report to VBA that the veteran was a "no show" and the claim is often automatically denied. In one instance, for example, the veteran was notified of a September 18, 2019 scheduled exam in a letter dated September 10, 2019. By the time the veteran gets the letter, he will only have a couple of days to arrange his schedule to attend this exam. This is the norm. A couple of days advanced notice is often insufficient for veterans that need to arrange for transportation or request a day off from work.

VVA also knows of cases where veterans were being pressured to not reschedule their exam by contractors or being told that if they do not choose the alternative appointment time given, VA will deny the claim. This is unacceptable, especially for veterans that may need to have several weeks advanced notice to be able to coordinate transportation to and from the exam site.

The pressure from contractors to schedule these exams expeditiously is troubling. Veterans should be given sufficient advanced notice of scheduled exams, and when they call to reschedule, they should be given options to schedule it at a time that is convenient for them and without fear of retribution. What timeliness requirements are set by VBA to the contractors where the contractors feel the need to pressure and bully veterans into attending exams that they are unable to attend?

II. COMMUNICATION ISSUES BETWEEN CONTRACTORS AND VETERANS, AND BETWEEN THE CONTRACTORS AND VBA.

Communication between veterans and the contract exam agencies can be improved, as well as between the contractors and VBA. An egregious communication

issue happened recently when a 96-year-old World War II veteran who lives in an assisted living facility was not notified that his exam had been cancelled by the contractor. In this case, the World War II veteran was required to coordinate transportation to and from the testing site, and when the veteran arrived at the exam site, the doctor was not there. It was not until our accredited service officer inquired with VA as to why the exam did not happen that the veteran found out that the exam had been cancelled. No one bothered to notify the veteran in advance of his exam that it had been cancelled.

In another example, VVA recently observed a veteran being scheduled for two exams on the same day by the same contractor, but at different testing facilities with less than 3 hours between scheduled exams. Depending on how long the first exam lasts, it may be physically impossible for the veteran to attend both scheduled exams on the same day. VVA also knows of a recent case where the veteran notified the contractor that she was unable to attend the scheduled exam, and the contractor notified VBA that the exam was “unable to be scheduled.” In response, VBA issued a decision that denied the claims, citing that the veteran failed to show up for the scheduled exam. This is wrong.

Notwithstanding the example scheduling issues detailed above, VVA strongly urges VA to prioritize increasing communication and information to the veteran in the following ways:

1. VVA recommends that all exam requests and exam notifications sent to the veteran by the contractor be timely uploaded to VBMS. Exam notification letters, in particular, are not always uploaded to VBMS. This would be helpful for veteran service representatives to help ensure that veterans are able to attend scheduled exams, and if not, to help the veteran reschedule the exam. If the exam notification letter is not included in VBMS, the veteran service representative will have no way of knowing when an exam is scheduled. Requiring this information be uploaded in VBMS will also increase transparency and accountability on the part of the contractors.
2. VVA recommends that all exam notification letters to the veteran clearly State that it is possible to reschedule the exam and how to do so. For example, VES’s letter does not State anywhere on the letter that it is possible to reschedule or how to reschedule the appointment. This is problematic. As another example, LHI’s letter indicates the following: “To reschedule this appointment, contact LHI at least one business day prior to your scheduled appointment to determine if you are eligible.” Although it is helpful for the letter to indicate that it is possible to reschedule the exam, by stating “to determine if you are eligible” indicates that it may not be possible to reschedule the exam and may deter a veteran from calling. Often the veteran is notified only a couple of days prior to the scheduled exam and it is not uncommon for the veteran to need to reschedule due to the short-notice.
3. VVA recommends that all contractors are trained to speak with an accredited service representative on behalf of a veteran as is done when accredited service representatives interact with VBA employees. VVA service representatives report that contractors refuse to speak with them regarding a veteran we represent. As such, service representatives are unable to assist a veteran in rescheduling an exam with the contractor.
4. VVA recommends that all exam requests generated by VBA contain a date of request on the form to increase accountability and transparency. Although there is the date in VBMS when the form was allegedly uploaded, the exam request form itself does not have a date on it as to when it was generated and sent over to the contractor. Because the VBMS date can easily be changed or inaccurate, VVA recommends the date of the request to be added to the exam request form itself.

III. EXAM QUALITY IS LACKING.

In addition to implementing policies and procedures to ensure that the veteran will be able to attend the exam, it is also important to ensure that the exam itself is of sufficient quality to render an accurate decision for the veteran. The October 2018 GAO report indicated that VBA did not verify if examiners completed the training, nor did VBA collect any information to assess the training effectiveness in preparing examiners. VVA is eager to learn whether VBA has indeed developed a robust training program that has been tested for effectiveness. What are the results? VVA believes that a quality assurance program that is not publicly available for review, including the specific metrics used, makes it as if the program does not exist at all.

VVA also strongly urges this subcommittee to dive deeper into the quality score and metrics being reported by VBA and to not be satisfied with a simple number. What exact metrics are being developed to determine if an exam is accurate? What feedback loops and training is conducted when quality scores are not of a certain standard? Have the quality and performance data been used to identify and implement program-wide changes? How can we have a quality score of 92 percent, but still see a large number of appeals based upon an inadequate exam? Too often has VVA seen “accuracy” scores produced by VBA as a way to appease Congress in not questioning the sudden and dramatic increased pace by which claims are being adjudicated.

VVA understands that it is not an easy task to produce an adequate and thorough exam for compensation purposes. This is an area where continual training, monitoring, and feedback to the examiners must be an integral part of the quality control process to ensure that exams meet the legal minimum standards. The quality of exams can always be improved—it is just a matter of determining what aspect of the exams VA wishes to improve in any given moment. A static number reporting “accuracy” is insufficient and helps no one.

In addition to developing a robust and dynamic quality assurance program for exam contractors, VVA also urges VA to implement a competency-based test for all VA employees that touch a disability benefits claim—contract examiners, VHA examiners, raters, coaches, VA managers, and even veteran service representatives and private attorneys. VA benefits disability law is a specialized field that requires particularized knowledge and competencies. For contract examiners in particular, if VA is confident in its training effectiveness, it should not have a problem with implementing a test to ensure its contractors are equipped to issue adequate and comprehensive exams.

Unfortunately, it is still common to hear about cases when veterans’ claims files are not being reviewed by the examiner, or the examiner does not have adequate time to examine the veteran during the scheduled exam. Veterans also report that during the exam, it appears as if the examiner did not review anything in the claims file prior to the exam. An exam that is riddled with errors and that does not accurately and comprehensively assess a veteran’s disability for compensation purposes is a waste of time, waste of money, and is ultimately a disservice to our veterans. We can do better than that.

CONCLUSION

VVA is supportive of the use of contract exams in theory. However, the push by VA for the contractors to meet certain timeliness objectives results in not delivering the necessary resources and support to veterans as well as compromising on the quality of exams. Veterans should be given more advanced notice of scheduled exams and the ability to reschedule an appointment if necessary. Veterans should not be bullied into attending an exam out of fear that their claims will be denied, and veterans should be provided clear instructions as to how to reschedule an exam.

Consideration into the needs of older veterans, such as sufficient time to arrange for transportation to and from an exam site and scheduling challenges for veterans with limited phone use is strongly encouraged. Homeless veterans and incarcerated veterans should not be penalized and prevented from obtaining an adequate exam.

Finally, quality should not be an afterthought. Timeliness at the expense of quality is not a win for veterans as an inadequate exam will just result in a multi-year appeal battle to obtain benefits that the veteran is entitled to under the law. VVA calls upon VA to require competency-based testing for all individuals that touch a benefits claims file, including contract examiners. Additionally, VVA urges VA to develop a dynamic quality assurance program that does not focus on a static “accuracy” number, but rather, focuses on continually identifying and implementing ways to improve the overall quality of exams.

On behalf of our membership, I ask that you enter our full statement for the record and we thank you for the opportunity to testify and I will be honored to answer any questions the subcommittee may have regarding our testimony presented before you today.

VIETNAM VETERANS OF AMERICA FUNDING STATEMENT SEPTEMBER 19, 2019

The national organization Vietnam Veterans of America (VVA) is a non-profit veterans’ membership organization registered as a 501(c) (19) with the Internal Revenue Service. VVA is also appropriately registered with the Secretary of the Senate and the Clerk of the House of Representatives in compliance with the Lobbying Disclosure Act of 1995.

VVA is not currently in receipt of any Federal grant or contract, other than the routine allocation of office space and associated resources in VA Regional Offices for outreach and direct services through its Veterans Benefits Program (Service Representatives). This is also true of the previous two fiscal years.

For further information, contact: Executive Director for Policy and Government Affairs, Vietnam Veterans of America, (301) 585-4000, extension 127

RICK WEIDMAN

Richard F. "Rick" Weidman serves as Executive Director for Policy & Government Affairs on the National Staff of Vietnam Veterans of America (VVA). As such, he is the primary spokesperson for VVA in Washington. He served as a 1-A-O Army Medical Corpsman during the Vietnam War, including service with Company C, 23rd Med, AMERICAL Division, located in I Corps of Vietnam in 1969.

Mr. Weidman was part of the staff of VVA from 1979 to 1987, and from 1998 to the present, serving variously as Membership Services Director, Agency Liaison, Director of Government Relations, and now Executive Director for Policy & Government Affairs. He left VVA to serve in the Administration of Governor Mario M. Cuomo (NY) as statewide director of veterans' employment & training (State Veterans Programs Administrator) for the New York State Department of Labor from 1987 to 1995.

Rick has served as Consultant on Legislative Affairs to the National Coalition for Homeless Veterans (NCHV), and served at various times on the VA Readjustment Advisory Committee, as a consumer liaison on the Secretary's Advisory Committee on Serious Mental Illness at VA, the Secretary of Labor's Advisory Committee on Veterans Employment & Training, the President's Committee on Employment of Persons with Disabilities—Subcommittee on Disabled Veterans, Advisory Committee on veterans' entrepreneurship at the Small Business Administration, and numerous other advocacy posts in veteran affairs. Weidman has been honored with awards for his work in veterans' employment at the local, State and national levels many times over the last forty years. He is currently Chairman of the Veterans Entrepreneurship Task Force (VET-Force), which is the consortium of most of the major veterans' service organizations and military service organizations regarding expanding opportunities for veterans, particularly disabled veterans to create, own, and successfully operate their own small business.

Mr. Weidman was an instructor and administrator at Johnson State College (Vermont) in the 1970's, where he was also active in community and veterans affairs. He attended Colgate University (B.A., 1967), and did graduate studies at the University of Vermont.

He is married and has four children.

PREPARED STATEMENT OF SHANE L. LIERMANN

Chairwoman Luria, Ranking Member Bost, and Members of the Subcommittee:

Thank you for inviting DAV (Disabled American Veterans) to testify at today's hearing on Department of Veterans Affairs (VA) Contracted Exams, Quality Review Process, and Service to Rural Veterans.

DAV is a congressionally chartered national veterans' service organization of more than one million wartime veterans, all of whom were injured or made ill while serving on behalf of this Nation.

To fulfill our service mission to America's injured and ill veterans and the families who care for them, DAV directly employs a corps of more than 260 National Service Officers (NSOs), all of whom are themselves wartime service-connected disabled veterans, at every VA regional office (VARO) as well as other VA facilities throughout the Nation. Together with our chapter, department, transition and county veteran service officers, DAV has over 4,000 accredited representatives on the front lines providing free claims and appeals services to our Nation's veterans, their families and survivors.

We represent over one million veterans and survivors, making DAV the largest veterans' service organization (VSO) providing claims assistance. This provides us with an expert understanding and direct knowledge in navigating the VA claims and appeals process. Recently, we reached out to our 260 DAV National Service Officers for their feedback and veterans' perceptions regarding VA contract exams.

Based on our collective experience, our testimony will discuss the impact of VA examinations, VA contract exam oversight and quality reviews, the service to rural veterans, and the feedback from our service officers.

THE IMPACT OF VA EXAMINATIONS

In order for veterans to receive their earned benefits, a claim must be established with the VA seeking service connection for specific conditions. Those claims are developed and adjudicated by the Veterans Benefits Administration (VBA). In Fiscal Year (FY) 2018, VBA decided 1.4 million disability claims in an average of less than 100 days with 95 percent quality.

As a part of the development process, a VA veterans' service representative (VSR) determines if a VA exam is required for the specific claimed condition. The VA Compensation and Pension (C&P) examination process is a vital part of the claims process as it can be determinative of the existence of a current condition, or if the veteran's illness or injury is related to their active military service or specifically, the severity of that condition.

VBA has created a new tool that provides the VSR, in real time, with information to determine whether the Veterans Health Administration (VHA) has the internal capacity to conduct the C&P exam. When VHA has the capacity, the exam request is then sent to the VA medical center nearest the veteran to schedule the exam. If VHA does not have the capacity, the exam request is sent to the Medical Disability Examination (MDE) program to be assigned to a VA contractor. If the request is accepted by the contractor, they contact the veteran to schedule the exam with a contract medical exam provider.

In many cases, the VA exam is the linchpin to establish or deny a claimed benefit. However, if a veteran fails to appear for exam or it is cancelled and not rescheduled, this can result in denial of benefits. For example, if a scheduled examination is not completed, it will be returned to VBA for review by a VSR to determine if the case is ready to rate. It is then assigned to a rating veterans' service representative (RVSR) for review and a decision. In this instance, the case would be decided based on the evidence of record without the benefit of medical evidence from a completed exam, which will usually result in a denial of the claimed benefit.

In other instances, a missed or cancelled exam can lead to a reduction of benefits. A re-examination or routine future examination (RFE) will be requested whenever VA determines there is a need to verify either the continued existence or the current severity of a disability. Veterans for whom reexaminations have been authorized and scheduled are required to report for such reexaminations. If a veteran does not report for the exam or it is cancelled and not rescheduled, VBA will issue a decision proposing to reduce the disability in question.

VA C&P exams are of a unique importance and missed or cancelled exams can negatively impact a veteran's claim and disability rating. If a negative decision is rendered based on a missed or cancelled exam, the veteran cannot simply request to reschedule the exam. At this point, the veteran is required to submit a supplemental claim requesting a new exam for the claimed conditions, thus requiring additional time, development, and a new scheduled exam for a new VA rating decision.

VA CONTRACT EXAMS

Starting in 1996, as part of a pilot program, VA was authorized to complete disability exams from non-VA medical sources to increase its capacity and improve timeliness, but stipulated no more than ten VA Regional Offices (VAROs) could participate. These contract exams, originally managed by the VHA, later to be called the Disability Exam Management (DEM) contract exams, were expanded from ten to 15 VAROs between 2014 and 2016.

In 2016, VHA officially transferred to VBA the national compensation and pension disability exam contract and program management. VA established VBA's Medical Disability Examination (MDE) program to manage and oversee contractors, monitor their performance, and ensure that they meet contract requirements, while enhancing the prompt delivery of disability benefits claims and improve the disability exam experience for veterans. The disability contract exam program was also expanded to allow all VAROs access to use the mandatory contract exam program starting in Fiscal Year 2017.

The contracts for the vendor-provided VA examinations require a specialized focus on three areas: quality, timeliness and customer satisfaction. The examiners for the vendors are required to complete the same training as provided to VHA examiners. In reference to the timeliness, the contract exams are required to be completed within 20 days generally, or within 30 days for specialized exam requests outside of the vendor's network.

The use of VA contract exams has vastly increased since October 2016. In Fiscal Year 2017, 1.3 million veterans received C&P examinations, of which 45 percent were provided by VA contractors at a cost of \$765 million and in Fiscal Year 2018, 1.4 million veterans received VA C&P exams, of which, nearly 60 percent were pro-

vided by VA contractors at a cost of \$896 million. This increased reliance on VA contract exams, in addition to the importance of a VA examination for a veteran's claim, requires close monitoring and oversight of the VA contract exam program.

OCTOBER 2018 GOVERNMENT ACCOUNTABILITY OFFICE REPORT

In its report, VA Disability Exams "Improved Performance Analysis and Training Oversight Needed for Contracted Exams," GAO found the following: VBA reported contractors missed exam quality targets and VBA could not accurately measure performance on timeliness targets; delayed quality reviews and performance reports and data limitations hinder VBA's monitoring of contractors; VBA's data limitations hinder its ability to oversee certain contract provisions, and VBA has not conducted comprehensive performance analysis; auditor verifies contracted examiner licenses, but VBA does not verify training completion or collect information on training effectiveness. The report's recommendations are listed below:

1. The Under Secretary for Benefits should develop and implement a plan for how VBA will use data from the new exam management system to oversee contractors, including how it will capture accurate data on the status of exams and use it to (1) assess contractor timeliness, (2) monitor time spent correcting inadequate and insufficient exams, and (3) verify proper exam invoicing.
2. The Under Secretary for Benefits should regularly monitor and assess aggregate performance data and trends over time to identify higher level trends and program-wide challenges.
3. The Under Secretary for Benefits should document and implement a plan and processes to verify that contracted examiners have completed required training.
4. The Under Secretary for Benefits should collect information from contractors or examiners on training and use this information to assess training and make improvements as needed.

NOVEMBER 2018 DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS SUBCOMMITTEE HEARING

In November 2018 at the House Veterans' Affairs Subcommittee on Disability Assistance and Memorial Affairs hearing, Exploring VA's Oversight of Contract Disability Examinations," VBA acknowledged the problems outlined by the GAO report and concurred with it.

VBA noted its electronic management system (EMS) for managing, data capturing, and overseeing the contract vendors was fully operational. The staffing of MDE was noted to be at 17 FTEE and VBA noted it was sufficient to maintain the program and provide proper quality review of the contract vendors and examinations.

At the hearing, VBA announced that the new vendor contracts had been awarded. The contracts contain required standards based on performance measures:

- The quality standard is a 92 performance rating after 6 months.
- The timeliness standard is 75 to 85 percent of the inventory exam requests must be within 20 days for C&P exams.
- The customer satisfaction standard is a 90 to 94 percent rating, which is a new standard on all contracts.

The contracts also contain financial incentives as well financial disincentives concerning the standards set for quality, timeliness and customer satisfaction.

Subsequent to the hearing, it was announced that the new MDE program contracts were awarded to the following contractors: Logistics Health Inc. (LHI); QTC Medical Services Inc. (QTC); Veterans Evaluation Services (VES); VetFed Resources Inc. (VetFed).

JUNE 2019 OFFICE OF INSPECTOR GENERAL REPORT

In June 2019, OIG released its report, "Inadequate Oversight of Contracted Disability Exam Cancellations." This report was based on essentially the same time period as the 2018 GAO report and identified similar issues with the oversight of the VA contract examination process.

The OIG report did include a new concern not specifically addressed by the GAO report; disability exam cancellations. The number of contracted exam requests has increased since 2017. The contracting officer overseeing the MDE contracts stated that VBA anticipated these numbers would continue to increase as the overall volume of claims was expected to rise.

Claims processors requested 1,342,123 DBQ exams from November 1, 2017 through April 30, 2018—an approximate 19 percent increase over the previous 6-month period (May 1, 2017 through October 31, 2017). The OIG team determined that during these same timeframes, cancellations increased by 74 percent.

If a contractor reports a cancellation reason, such as a veteran was a no-show for an exam, the case will be decided based on the evidence of record without the benefit of medical evidence from a completed exam. This type of situation usually leads to a denial of the benefits sought. As we previously noted, if VBA issues an adverse decision as the result of an improper exam cancellation and the veteran then disputes it, the veteran must submit a supplemental claim to have the exam rescheduled, which will cause further delays.

One factor that may be contributing to the increase in exam cancellations, is the contractually required 20-day time period for exam completion. As we will reveal further in the testimony, contractors are not allowing veterans to reschedule exams that may place them outside of the 20-day time period. Of further concern is that contractors struggling to meet this standard may be improperly canceling exams to protect their reported timeliness.

Another factor that may be adding to the increased exam cancellation may be a contractor's pursuit of the additional incentives for timeliness. To be eligible for incentives for timeliness, the other standards must also be met. The new contracts contain financial incentives that allow for a 5-percent bonus if the examinations are completed in 15 days or less. A 5-percent bonus, when considered with \$896 million spent on VA contract exams last fiscal year, could be motivation to find means to reduce exam timeliness for financial gain.

RECOMMENDATIONS

Given the recent increases in contracted disability exam cancellations and the number of veterans involved, we are greatly concerned over improperly cancelled examinations and the impact on veterans trying to establish service-connected disabilities and increased evaluations and thus make the following recommendations:

- Require VBA, through the MDE, to track all cancelled VA contract exams with specific reasons for the cancellations and provide a quarterly report to Congress.
- Require all existing and future VA exam contracts to add cancelled exams as a performance measure with a base standard and incentives as well as disincentives.

Cancelled VA contract exams need to be closely monitored as part of the ongoing quality reviews as these can have detrimental effects for all veterans but specifically rural veterans, as their access to VA or VA contract exams is much more limited.

SERVICE TO RURAL VETERANS

For rural veterans, improperly cancelled exams have an even more profound effect given the limited number of health care resources and the large geographical distances between veterans and basic levels of health care. VHA recognizes the challenges of providing accessible care to rural veterans and currently allocates 32 percent of its health care budget to rural veteran care.

In rural areas, basic levels of health care or preventative care may not be available to support long-term health and well-being. Compared to urban areas, rural communities tend to have higher poverty rates, more elderly residents, residents with poorer health, and fewer physician practices, hospitals and other health delivery resources.

As noted by the VHA Office of Rural Health, there are 4.7 million rural and highly rural veterans with 2.8 million enrolled in VHA. Rural veterans experience rural health care challenges that are intensified by combat-related injuries and illnesses.

VA's Annual Benefits Report for Fiscal Year 2018 shows the most prevalent service-connected disabilities of new compensation recipients were three different neurological disabilities, hearing loss, and post-traumatic stress disorder. These all have special requirements for testing for VA examinations which may not be readily available in rural and highly rural areas. As noted above, rural communities have fewer physicians available; this, coupled with the most prevalent service-connected disabilities of new compensation recipients in 2018, clearly places rural veterans at a disadvantage to receiving timely VA examinations from qualified health care professionals even when utilizing VA contract exams more frequently.

Enacted in 2016, Public Law 114-315, section 109, "Improvements To Authority For Performance Of Medical Disabilities Examinations By Contract Physicians," notes that a physician may conduct an examination pursuant to a contract, at any location in any State, the District of Columbia, or a Commonwealth, territory, or possession of the United States, so long as the examination is within the scope of

the authorized duties under such contract. A physician is defined as one who has a current unrestricted license to practice the health care profession of physician.

The above public law allows contract exam vendors to provide examining physicians to rural areas that may not have examining physicians available in their State or territory. This also provides MDE with more options to get VA contract exams in areas with potential backlogs of scheduled exams and limited resources. However, the law speaks only to physicians and psychiatrists; however it does not include other licensed health care professionals such as nurse practitioners, clinical psychologists, and other clinical health care professionals that are qualified to conduct VA examinations.

RECOMMENDATION

Rural and highly rural veterans are in areas with limited medical and health care resources. Thus, providing them with timely and quality VA contract examinations for their VA claims can be challenging and all avenues to provide them the same options as veterans in urban areas are a necessity and we make the following recommendation:

- Amend Public Law 114–315, section 109, to include licensed health care professionals such as nurse practitioners, clinical psychologists, and other clinical health care professionals, to conduct VA contract examinations at any location in any State, in the same manner as physicians. This should include all non-physician health care professionals that the VA currently accepts as examiners.

As we will discuss below, our feedback from our National Service Officers provides us with an insight to the VA contract exam issues facing veterans and specifically rural veterans. Our office in North Dakota reported that there are only two contact examiners available to them, requiring them to drive over 70 miles and in some instances, veterans are being asked to travel over 3 hours one way for a VA contract examination.

Access to VA health care for rural veterans is challenging, but receiving VA C&P examinations to receive their earned compensation benefits should not be. This recommendation will enhance the MDE and contract vendors to provide timely and quality examinations to the men and who served and reside in rural and highly rural locations.

FEEDBACK FROM DAV'S NATIONAL SERVICE OFFICERS

Finally, we recently solicited feedback from our 260 DAV National Service Officers at over 60 locations throughout the country regarding VA contract exams over the last 6 months. The feedback yielded the following information:

- Almost 70 percent of our NSO offices reported that contractors cancelled exams when veterans were willing and able to report for the exam and more than 80 percent reported that veterans whose exams were cancelled were unable to reschedule with the contractors. Also of importance is that 75 percent of NSO offices reported that it was easier to reschedule exams with VA examiners; while just 12.5 percent said it was easier with contractors.

This is consistent with contractors not being willing to schedule or reschedule outside of the 20-day period. While we understand that is part of the requirements of the contracts, this is not providing service to veterans but providing service to the contractual obligations.

- NSO offices reported that the No. 1 complaint from veterans regarding contractor exams by far was that felt the exams were not thorough (43 percent); next was that examiners were not knowledgeable (20 percent) about the veteran's claim at the time of the exam.

While these two complaints may not speak to the actual quality and thoroughness of the VA contract exams, as required by VA; they do speak to the perception of veterans about the quality and satisfaction of VA contract exams.

- Approximately 40 percent of NSO offices reported that some veterans were not receiving beneficiary travel pay after their contract exams.

In conclusion, VA disability exams are essential for substantiating veterans' disability claims. If VHA does not have the capacity for the exams, then VA contract exams must fill in the gaps. Due to the increased quantity of VA contract exams and their impact on disability claims, it is imperative that VA conduct monitoring for quality and timeliness. Improperly cancelled exams can cause preventable delays and denials in awarding earned benefits to, regardless of where they reside. We need to ensure that the VA contract examination process serves the needs and best interests of the men and women made ill or injured by their service, and not that

the VA contract examination process serves only the obligations and requirements of the contracts.

Madame Chair, this concludes my testimony on behalf of DAV. I would be happy to answer any questions you or other members of the Subcommittee may have.

PREPARED STATEMENT OF KENNETH WISEMAN

Chairwoman Luria, Ranking Member Bost, and members of the subcommittee, I thank you for the chance to testify today on the important matter of what veterans living in rural areas face when attending Compensation and Pension (C&P) exams as part of their VA disability claims.

The C&P exam is a vital part of the process for determining if a veteran has a condition that is service-connected and in determining the severity of the condition. The integrity of those exams should be protected, and this important tool will continue to be part of the process, but it should not be a burden to the veteran. As an accredited Veterans Service Officer, I discuss these exams with every veteran I represent before the exams happen so the veteran understands what to expect and I also hear from those veterans what their experience was with the exam. Further, I have personally sat through several exams related to the many claims I have submitted resulting in the VA disability rating I have. The C&P exam is a major phase of completing a VA disability claim, but it is a process which can be improved.

The VFW provided testimony on contracted exams to this subcommittee on November 15, 2018. In that testimony, the VFW highlighted five major issues and I can report that those issues are only worsened by the fact that a veteran lives in a rural area.

A shortage of examiners, both full-time and contracted, is something the VA is known to have. However, there are ways to solve this. I was at a medical appointment last Friday and the usual nurse I see when I check in informed me that she will be retiring after 19 years with VA. She asked me, knowing what I do for the VFW, what she could do to stay involved at the VA and continue to help veterans. She added something that shocked me when she stated that she would be happy to continue working part-time but that she was told VA rules prohibit part-time work. Considering the shortage of medical professionals in our Nation today, why would we want to turn away those who could fill critical gaps in areas like C&P exams. As rural veterans wait for an appointment, this could be an option to help solve the problem.

Veterans also complain about the distance they travel for an appointment. I represent a veteran who is unable to drive long distances and his daughter drives him. VA recently granted his claim for Type 2 Diabetes associated with Agent Orange. However, his experience with C&P exams is one that is both absurd and one which we can use to highlight ways to fix this system.

His C&P exam was a 4-hour drive, roundtrip, and driving that distance is not something he and his wife can easily do at their age. Their daughter would take off from work for an entire day so she could drive them. The exam was deemed incomplete by the VA and the veteran was forced to return to that doctor for another exam. The veteran reported to me that both exams lasted less than 30 minutes each. Eight hours of driving for less than 60 minutes with the doctor is not the best use of VA resources and it only serves as a negative experience for the veteran.

I often hear from veterans that their VA doctor, who works for the Veterans Health Administration (VHA), has diagnosed them having a condition but they must still go through a C&P exam administered by the Veterans Benefits Administration (VBA). If VA professes that there is only one VA and that all parts are working together to provide the best care and experience for the veteran, why can not the evidence found in a VHA exam suffice for a claim submitted through VBA? I certainly understand that the responsibility of the VHA doctor is to treat the condition-not necessarily evaluate the current extent of a disability within the perimeters of the VA Rating Schedule for Disabilities. However, in lieu of forcing veterans to drive ridiculous distances to C&P exams, I believe it would be more practical for VBA to first request that a VHA treating physician complete the required disability benefits questionnaires. This could perhaps eliminate the need for a veteran to ever appear for an evaluative exam, should the treating physician have the ability to provide the necessary information to adjudicate the claim. VBA already pulls the medical records cited as evidence from VHA and this could be an additional use of those records that would provide a positive impact in this process.

Continuing on this issue, I would point to the types of conditions that veterans file for that are conditions diagnosed with a simple blood test. The veteran I mentioned lives less than 30 minutes from a VA clinic and could have reported there

for the blood draw needed to diagnose his diabetes. Further, his private doctor could have provided evidence obtained through a blood test and this highlights the VFW's long-standing position supporting greater use of private medical evidence in the claims process. Repetitive work that only re-diagnoses a condition is something that needs to end and would make the claims process easier for all veterans, including those living in rural areas.

Any portion of a C&P exam which requires the veteran to be visually seen by an examiner is an opportunity to use telehealth—especially for rural veterans. The VFW praises VA for the work they have done to expand options and is a proud partner in one of the latest VA projects, Advancing Telehealth to Local Access Stations, better known as Project ATLAS. ATLAS uses the buildings owned by VFW and American Legion Posts to provide locations for telehealth based medical appointments. There is no reason VA cannot use telehealth for C&P exams. The veteran I mentioned who received a grant for his claim for Diabetes could have experienced a much shorter drive if the VA had telehealth options for the exam. The use of telehealth would be especially useful in the case of C&P exams where there is no need for lab work or x-rays, and no need to physically touch a veteran. I want to especially highlight the ability of VA to use telehealth in the area of mental health claims as they are extensively using it for the treatment of mental health conditions. Veterans already using telehealth would see much less distance travelled and some, who use telehealth from the comfort of their home, would see travel for an exam eliminated entirely.

VA has partnered with other Federal agencies in the past to help veterans by using the doctors in those other agencies to provide care. For example, VA partnered with the Indian Health Service to provide care for American Indian and Alaska Native veterans. Partnerships like this could be repeated for C&P exams.

An additional option for VA would be to bring on more partners who could provide the exams. We continue to see the VA as a teaching hospital which is something the VFW applauds. This effort exists in many ways with medical schools and nursing programs partnering directly with the VA to place their students. Partnering with medical schools to provide C&P appointments would be a great option.

Finally, VA and its third party contractors that provide many C&P exams need to offer more flexibility for veterans in completing their exams. The VFW is well aware that VA tightened its timelines to complete exams under its most recent contracts. This time crunch only exacerbates unnecessary travel burdens for rural veterans. Like I mentioned before, the reason rural veterans have to travel so far for C&P exams is because the contractors cannot find sufficient capacity to conduct the exams in highly rural areas. Veterans understand that many times VA cannot grant a claim without a current exam, but in working with veterans, waiting another week for an exam is perfectly reasonable, if it means they can conduct the exam close to home. Moreover, VA's current contracts also allow veterans only one opportunity to reschedule. If a veteran needs multiple exams, they can still only reschedule one of these exams. Otherwise, the contractor reports to VA that the veteran was unwilling to report for an exam. This is unreasonable, and only leave advocates like me to clean up the mess through unnecessary supplemental claims and appeals. VA's contracts must reflect the actual needs and expectations of veterans. The current contracts do not.

However, while I have offered several options to improve this system, I want to be explicitly clear on one important issue: There is no support in my testimony for lowering the burden of proof needed for VA to grant a claim. The exams must maintain the level of integrity that the VFW has long supported having but there must be new options which mitigate the long drives and long waits experienced by a veteran. Accuracy being sacrificed for speed would only ensure a veteran gets the wrong decision faster and that is never the answer.

In closing and on behalf of those veterans living in small towns and wide-open spaces across this great nation, I ask that Congress work to improve the process by which a veteran is examined for their VA disability claims. Where a veteran lives should not serve as a burden they are forced to shoulder in this process. This concludes my testimony and I welcome any questions the Subcommittee may have. Thank you for the opportunity to testify.

INFORMATION REQUIRED BY RULE XI2(G)(4) OF THE HOUSE OF REPRESENTATIVES

Pursuant to Rule XI2(g)(4) of the House of Representatives, the VFW has not received any Federal grants in Fiscal Year 2018, nor has it received any Federal grants in the two previous Fiscal Years.

The VFW has not received payments or contracts from any foreign governments in the current year or preceding two calendar years.

PREPARED STATEMENT OF KIMBERLY SHALLOO

**NATIONAL ASSOCIATION OF
COUNTY VETERAN SERVICE OFFICERS**



**House Committee on Veterans' Affairs
Subcommittee on Disability Assistance and Memorial Affairs
Hearing**

September 19, 2019

Presented by

Ms. Kimberly "Kim" Shalloo, MSW, CVA

Washington Liaison, National Association of County Veteran Service Officers

CVSO Monmouth County, NJ

Chairwoman Luria, Ranking Member Bost, and distinguished members of the committee, my name is Kim Shalloo. I currently serve as a County Veteran Service Officer in Monmouth County, NJ, and I am the Washington Liaison for the National Association of County Veterans Service Officers, or NACVSO. It is my honor to testify before this committee about the effectiveness of contracted VA C&P exams.

For those who are unfamiliar, NACVSO is an association of nearly 2,000 county, city, tribal and state government employees from 33 states who work tirelessly to ensure an estimated 10 million veterans receive the benefits they have earned through their service and sacrifice to our nation. We assist veterans by guiding them through the long and sometimes stressful benefits claim process. We do this by educating veterans and their family members about the process, identifying and obtaining medical evidence prior to submission of the claim, and sometimes transporting them to their examinations.

Through our work, we understand veterans' needs and the daily challenges and successes they encounter. We also see the frustration and confusion veterans and their family members sometimes feel when dealing with the VA claims process. Our national platform is largely based on these experiences. In short, I hope my testimony will give the committee a "front line" perspective so that this process can continue to be improved.

NACVSO Survey and Results

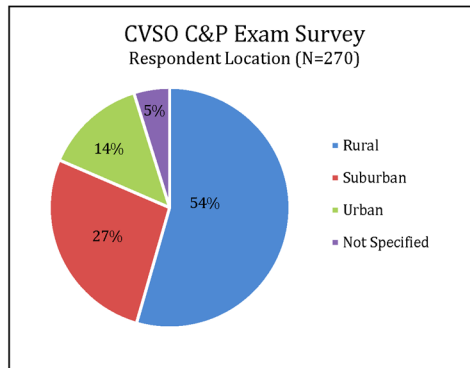
In preparation for today's hearing, we recently surveyed our members so that we could help the committee better understand the impact contracted C&P exams have on veterans' experience with the benefits claim process. We also wanted the committee to understand our members' experience with contract examiners compared to VA examiners.

We asked our members the following questions:

1. Considering your experience on claims you have worked within the last two years, how would you rate the timeliness of C&P examinations handled by contract providers?
2. Considering your experience on claims you have worked within the last two years, how would you rate the timeliness of C&P examinations handled by VA providers?
3. How would you rate the accuracy of C&P examinations handled by contracted providers compared to the accuracy of C&P exams completed by VA providers?

4. What kind of impact has the use of contracted C&P exams had on satisfactory rating decisions in your county?
5. What kind of impact has the use of contracted C&P exams had on decisions leading to appeal or NOD rates in your county?
6. Overall, how would you rate the impact VA's decision to contract C&P exams have had on the veterans you serve?

To date we have received over 270 responses from CVSOs across the country, representing rural, suburban and urban communities. The distribution of survey respondent location type, as shown in the chart on the right, closely mirrors that of our national membership. By comparing responses by location, we hope to help the committee assess whether or not rural veterans face any unique access challenges to C&P exams.



While we continue to receive responses to our survey and are continuing to analyze results, a summary of the responses to each question from this first round of respondents is included at the end of this document. Below is a summary of our initial observations and themes from the survey.

Our CVSO members do not report a significant difference in the timeliness or accuracy of C&P exams performed by contractors or VA providers, regardless of their location. Additionally, the use of contract examiners has not led to a change in the number of satisfactory ratings. However, several of our CVSOs, particularly those in rural areas, believe that the increased use of contracted C&P providers has led to an increase in the rate of decisions leading to appeals or NODs. While our analysis is preliminary, this observation suggests that veterans may be waiting longer to receive earned benefits because of examination or interpretation errors. It would be helpful if the VA could provide analysis that either supports or refutes this observation.

CVSOs also believe that the decision to contract C&P examinations has been overall positive for the veteran community, especially for veterans in rural areas. Over half of our respondents said the VA's decision to contract C&P exams have had either a somewhat positive or very positive effect on the veterans they serve. This result remained consistent

for our rural members – just over half said the VA’s decision to contract C&P exams have had either a positive or very positive effect on the veterans they serve.

VA quality review in contracted C&P examinations and recommendations

Qualitative feedback received from CVSOs responding to our survey suggests that the VA needs a better quality review process for their contract examiners. Currently, the VA assigns examiners to cases, but only monitors whether or not the exam was returned in a timely manner. According to feedback from our members, this has led to veterans receiving exam notifications the day before an exam, and in some cases after the exam date had already passed, which is commonplace for rural veterans.

Due to the contractor’s inability to reschedule exams, veterans often end up needlessly in the appeals process. If a veteran cannot make an exam, the contractor commonly reports back to the VA that the veteran failed to report to the examination or “FTR”, even if the sole reason for the veteran missing the exam is because they were inadequately notified ahead of time. Once an FTR is sent back to the VA, the claim is automatically denied and closed out. For the claim to be re-opened, one of the three appeals options will have to be selected, putting the claim into the appeals lane.

We’ve also heard from veterans who reported being examined in unprofessional settings, including examiners’ residences. In one notable recent example, a Florida veteran drove to the address listed in his packet for his examination. Upon arrival, the veteran found himself at a nail salon. In spite of his confusion, he decided to walk into the facility and asked if he was in the correct location. The staff said he indeed was in the right place and pointed him to a back office where his examiner evaluated his claimed disabilities.

We’ve encountered incidents like the ones listed above far too regularly, and we believe it is the VA’s and Congress’ responsibility to improve the contracted C&P exam quality review process so that veterans receiving exams have the same experience, regardless of whether the exam is performed by a VA or contracted provider.

As we support the use of contracted examiners for C&P exams, improved standards for performance and transparent sharing of contractor performance are necessary. Our recommendations for improving the quality review process include:

1. Implement a yearly review process of contract and VA examiners so that the agency can determine which clinicians are performing well, and which ones need improvement.
2. Create a mechanism for veterans so they can reschedule C&P exams. This will ensure veterans are able to make their appointments, especially in situations where they receive a late notice. It would also give them flexibility to make

proper accommodations if they are required to travel a long distance for their appointment.

3. Develop and regularly publish a report on the effectiveness of contract examinations from the VBA's perspective where timeliness, rate of appeals generated, and rate of overturned cases are all given consideration. This would give the VA, Congress, and veteran service organizations the ability to determine how to work together to best improve the claims process.

We are confident that these recommendations, if implemented, will significantly decrease "no shows," decrease subsequent claim denials, improve veteran satisfaction, and lower overall costs for the VA. We look forward to partnering with the VA to provide our findings and recommendations in more detail.

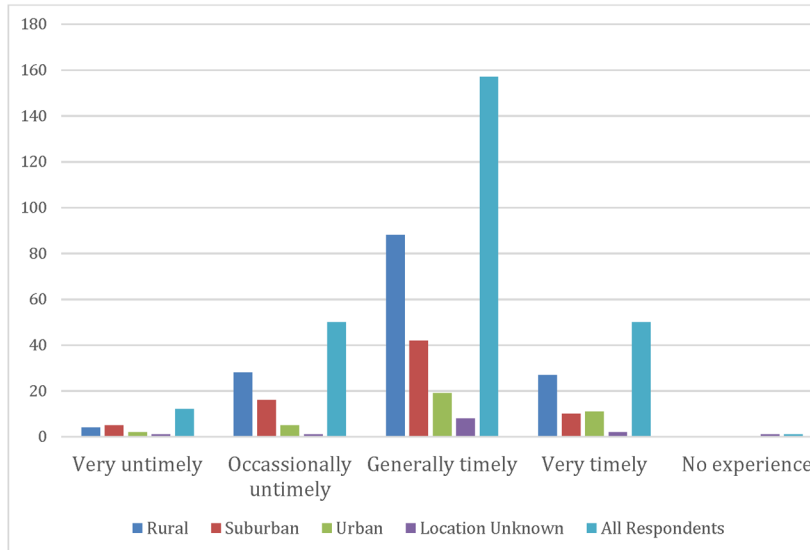
Chairwoman Luria, Ranking Member Bost and distinguished Members of the committee, on behalf of NACVSO and its members we deeply respect and appreciate the important work you are doing to ensure America's veterans receive the service, respect and benefits they have earned. Working together, with VA and all its stakeholders, we can make this process better.

Thank you for including NACVSO in this very important hearing.

**Preliminary NACVSO Survey Results on C&P Examination Process
(Surveys received between September 9, 2019 and September 13, 2019)**

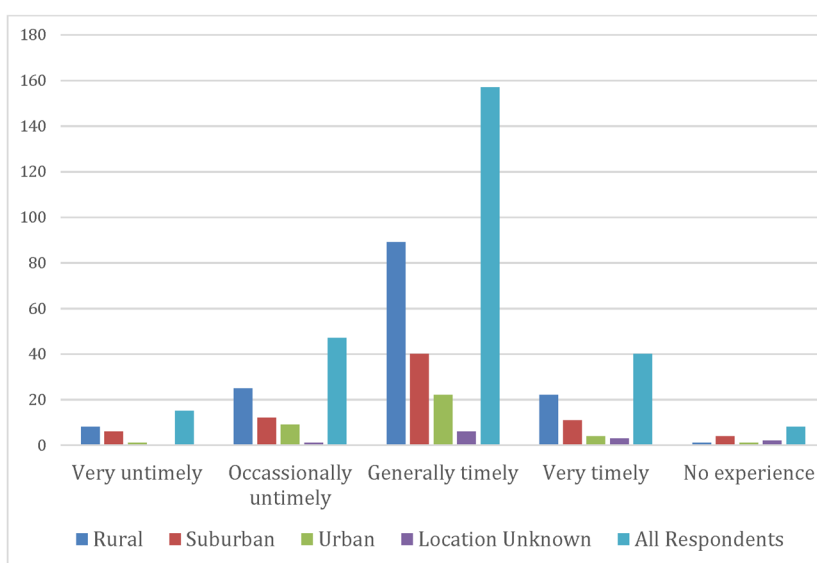
1. Considering your experience on claims you have worked within the last two years, how would you rate the timeliness of C&P examinations handled by contract providers?

	Rural	Suburban	Urban	Location Unknown	All Respondents
Very untimely	4	5	2	1	12
Occasionally untimely	28	16	5	1	50
Generally timely	88	42	19	8	157
Very timely	27	10	11	2	50
No experience	0	0	0	1	1



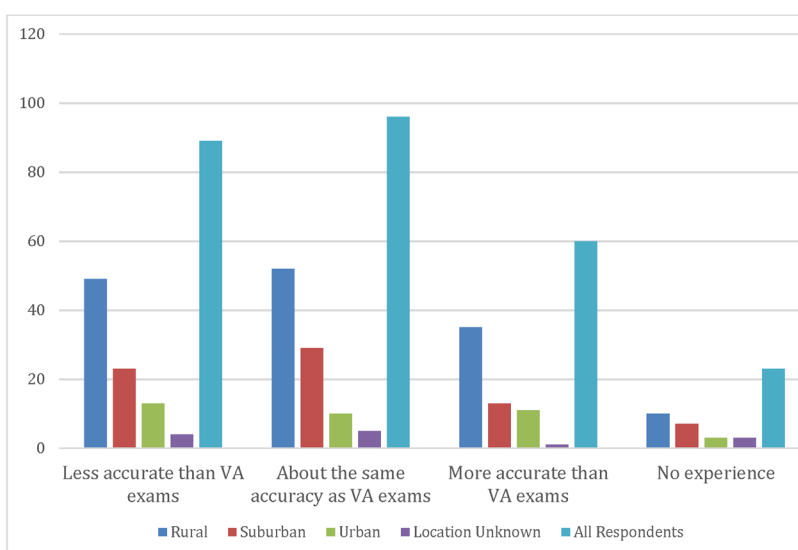
2. Considering your experience on claims you have worked within the last two years, how would you rate the timeliness of C&P examinations handled by VA providers?

	Rural	Suburban	Urban	Location Unknown	All Respondents
Very untimely	8	6	1	0	15
Occasionally untimely	25	12	9	1	47
Generally timely	89	40	22	6	157
Very timely	22	11	4	3	40
No experience	1	4	1	2	8



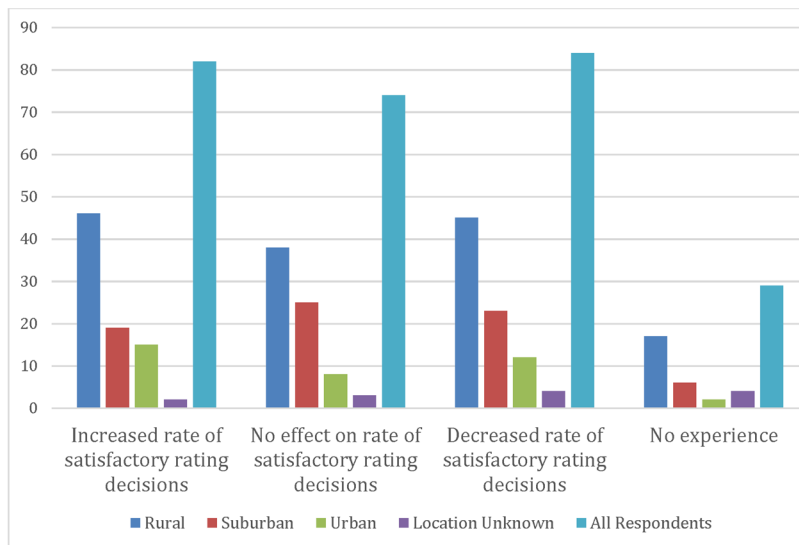
3. How would you rate the accuracy of C&P examinations handled by contracted providers compared to the accuracy of C&P exams completed by VA providers?

	Rural	Suburban	Urban	Location Unknown	All Respondents
Less accurate than VA exams	49	23	13	4	89
About the same accuracy as VA exams	52	29	10	5	96
More accurate than VA exams	35	13	11	1	60
No experience	10	7	3	3	23



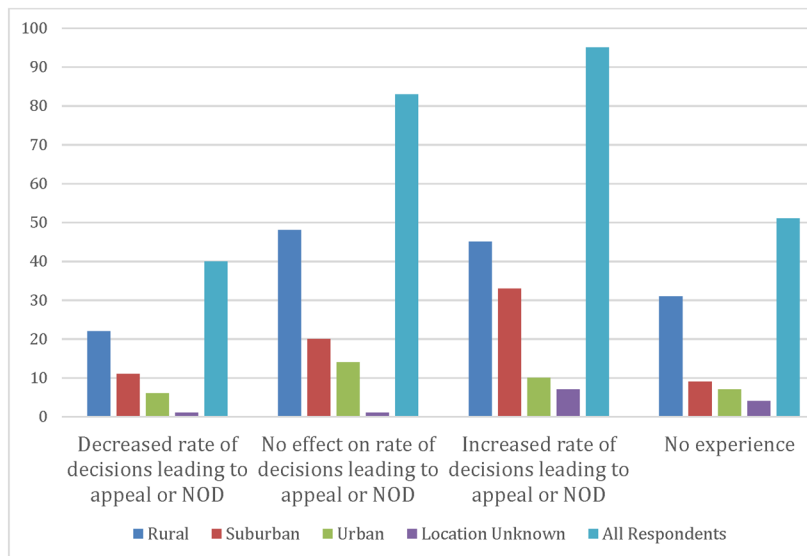
4. What kind of impact has the use of contracted C&P exams had on satisfactory rating decisions in your county?

	Rural	Suburban	Urban	Location Unknown	All Respondents
Increased rate of satisfactory ratings	46	19	15	2	82
No effect on rate of satisfactory ratings	38	25	8	3	74
Decreased rate of satisfactory ratings	45	23	12	4	84
No experience	17	6	2	4	29



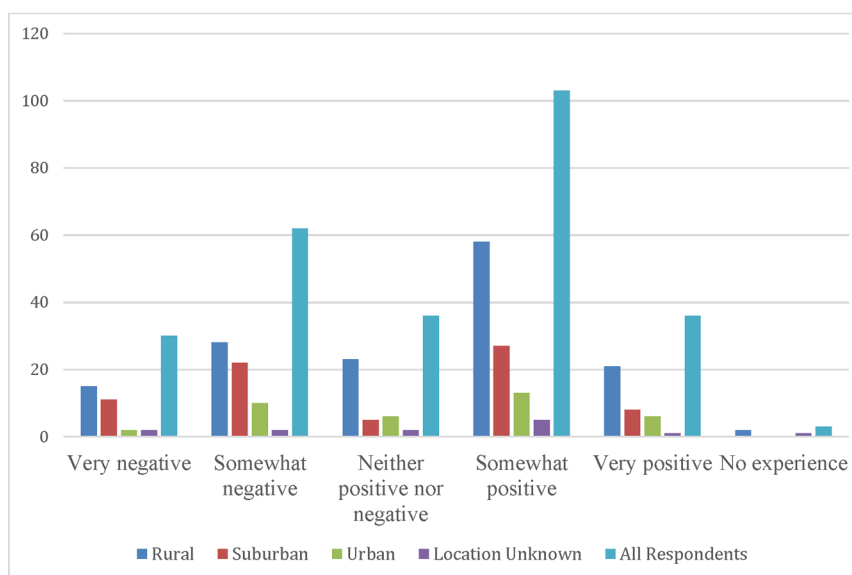
5. What kind of impact has the use of contracted C&P exams had on decisions leading to appeal or NOD rates in your county?

	Rural	Suburban	Urban	Location Unknown	All Respondents
Decreased rate of decisions leading to appeal or NOD	22	11	6	1	40
No effect on rate of decisions leading to appeal or NOD	48	20	14	1	83
Increased rate of decisions leading to appeal or NOD	45	33	10	7	95
No experience	31	9	7	4	51



6. Overall, how would you rate the impact VA's decision to contract C&P exams have had on the veterans you serve?

	Rural	Suburban	Urban	Location Unknown	All Respondents
Very negative	15	11	2	2	30
Somewhat negative	28	22	10	2	62
Neither positive nor negative	23	5	6	2	36
Somewhat positive	58	27	13	5	103
Very positive	21	8	6	1	36
No experience	2	0	0	1	3



PREPARED STATEMENT OF THE NATIONAL CONGRESS OF AMERICAN INDIANS

On behalf of the National Congress of American Indians (NCAI), we are pleased to submit a written Statement for the Record to the House Committee on Veterans' Affairs, Subcommittee on Disability Assistance and Memorial Affairs on the topic of the Department of Veterans Affairs (VA) compensation & pension (C&P) exam process. NCAI is the oldest and largest organization composed of American Indian and Alaska Native (AI/AN) tribal nations and their citizens. NCAI has always held tribal citizens that serve in the U.S. Armed Forces in the highest esteem. We are grateful for the Committee's intention to better fulfill the Federal Government's commitment to provide for the well-being of AI/AN veterans when they return home.

I. BACKGROUND

AI/ANs have a long history of distinguished service to this country. Per capita, AI/ANs serve at a higher rate in the Armed Forces than any other group of Americans and have served in all the Nation's wars since the Revolutionary War. In fact, AI/AN veterans served in several wars before they were even recognized as U.S. citizens. Despite this esteemed service, AI/AN veterans have lower personal incomes, higher unemployment rates, and are more likely to lack health insurance than other veterans.

Additionally, national data indicate that AI/AN veterans are more rural (38.8 percent) compared to the U.S. veteran population nationwide (26.2 percent).ⁱ Veterans who live in rural settings have lower health-related quality of life than their urban counterparts. NCAI would like to share with you some barriers rural AI/AN veterans face when completing a C&P exam. These challenges include issues associated with transportation infrastructure and options, cultural competency, and the often-confusing VA system. We also provide recommendations as to how Congress can help improve the process for AI/AN veterans.

II. ISSUES WITH SCHEDULING A VA COMPENSATION AND PENSION EXAM

AI/AN veterans often find the initial claims process for disability compensation and pensions confusing, intimidating, and have difficulties navigating VA's bureaucratic system. AI/AN veterans have also expressed an underlying feeling of prejudice, discrimination, and stereotyping that discourages them from seeking the VA benefits they earned through their service.

Moreover, 35.4 percent of Americans residing on tribal lands lacked access to fixed broadband services, compared to 7.7 percent of all Americans.ⁱⁱ This lack of access to high-speed internet makes it more difficult to start the claims process, communicate effectively with a VA medical center or VA partner, and upload treatment information or other evidence necessary for a claim's full and proper consideration.

III. ISSUES WITH TRANSPORTATION TO A COMPENSATION AND PENSION EXAM

Once a C&P exam is actually scheduled, many AI/AN veterans living in rural areas experience difficulties traveling to the appointment because of the long distance between reservation lands and the C&P exam location, as well as the conditions of roads in Indian Country.

According to the most recent National Tribal Transportation Facility Inventory (NTTFI), there are approximately 161,000 miles of roads and trails in Indian Country eligible for Federal funding. Of those, tribal nations own and maintain 13,650 miles of roads and trails, of which only 1,000 (or 7.3 percent) are paved (the other 12,650 miles are gravel, earth, or primitive). Of the 29,400 miles owned and maintained by the Bureau of Indian Affairs (BIA), 75 percent are gravel, earth, or primitive. Altogether, the 42,000 miles of roads in Indian Country are still among the most underdeveloped, unsafe, and poorly maintained road networks in the Nation, even though they are the primary means of access to tribal communities by Native and non-Native residents and visitors.

The lack of access to comprehensive transit services also makes traveling to C&P exams and VA services difficult for AI/AN veterans. AI/AN veterans from across the country have shared their stories of how they have overcome these challenges, which include hitchhiking, biking, or even walking miles to reach bus service or a transit stop in order to attend a C&P exam.

ⁱ <https://www.ihs.gov/california/tasks/sites/default/assets/File/PDMtg-2013-NativeAmericanVeterans-King.pdf>

ⁱⁱ U.S. Government Accountability Office, Broadband Internet: FCC's Data OverState Access on Tribal Lands, GAO-18-630 (Washington, DC, 2015), <https://www.gao.gov/assets/700/694386.pdf>.

These transportation and transit challenges are known to cause AI/AN veterans to miss their C&P exams. The consequence is that the claim decision is delayed and the AI/AN veteran feels further discouraged from accessing the benefits he or she earned through his or her service.

IV. ISSUES WITH CULTURAL COMPETENCE

VA's one size fits all process for C&P exams does not account for AI/AN cultural considerations, which can affect how claims are processed and whether they are approved. For example, the VA's generic Post Traumatic Stress Disorder (PTSD) Disability Benefits Questionnaire does not address cultural issues. This lack of consideration leads to many AI/AN veterans being denied benefits for PTSD and other mental health issues or awarded benefits far below what their conditions warrant. Additionally, aging veterans and those with certain types of traumatic brain injuries affecting language that have reverted to their traditional languages face a lack of translation services.

V. THE NEED FOR SOLUTIONS

AI/AN veterans deserve to receive the healthcare they earned through their service. Therefore, NCAI suggests the following solutions:

1. ADDRESS THE ISSUE WITH TRIBAL VETERAN SERVICE OFFICER ACCREDITATION BY AMENDING 38 C.F.R. 14.628(B) TO RECOGNIZE TRIBAL NATIONS AS ACCREDITED ORGANIZATIONS.

In 2017, the VA amended regulations regarding the recognition of tribal nations to establish Tribal Veteran Service Officers (TVSOs). TVSOs are culturally competent advocates that provide meaningful representation in prosecuting benefits claims and other services for AI/AN veterans.

Unfortunately, the current regulation requires that for a tribal nation to have representatives trained and accredited through the VA, they must establish and fund an organization that has the sole purpose of assisting veterans and survivors with their claims. Requiring a tribal nation to establish and fund a separate organization fails to recognize tribal sovereign decisionmaking and creates unnecessary regulatory burdens. This burdensome regulatory structure is the reason only three tribe-affiliated groups have applied for accreditation—and only one has received accreditation. The regulations should be amended to permit tribal nations to include TVSOs as employees of an agency or department of the tribal government rather than having to establish an entirely separate entity.

2. PASS LEGISLATION TO ESTABLISH A VETERANS AFFAIRS TRIBAL ADVISORY COMMITTEE (VATAC)

A VATAC would assist in increasing access to programs and make it more likely that AI/AN veterans' voices and concerns are heard within the VA. Specifically, the VATAC would advise the Secretary on how to improve programs and services for AI/AN veterans, identify timely issues related to VA programs, propose solutions to identified issues, provide a forum for discussion, and help facilitate getting useful feedback from across Indian Country. Building a strong relationship between the VA and tribal nations will increase awareness and understanding across the VA of the unique issues affecting AI/AN veterans in tribal communities. This awareness paired with more direct interaction with tribal leaders who regularly hear from AI/AN veteran constituents will ultimately produce faster solutions and better services for AI/AN veterans.

Legislation has been introduced in the House (H.R. 2791) and the Senate (S. 524) to create a VATAC and provide vital opportunities for collaboration, communication, and coordination between the VA and tribal nations to help AI/AN veterans access the services they earned through their service to this country.

3. INVEST IN TRIBAL INFRASTRUCTURE, ROAD SYSTEMS, AND TRIBAL TRANSIT SYSTEMS

Although outside this Committee's jurisdiction, supporting a strong surface transportation reauthorization bill for Indian Country also would help address some of the issues AI/AN veterans face when trying to access VA services. NCAI urges Congress to provide significant increases for the Tribal Transportation Program, the Tribal Transit Program, and other programs that will improve road conditions and promote road safety in Indian Country. Increased investment in these programs will enhance the ability of AI/AN veterans to travel to VA services.

VI. CONCLUSION

Thank you for the opportunity to provide a written Statement for the Record on this important topic. We greatly appreciate the work of this Committee to address the many challenges and barriers faced by AI/AN veterans. We look forward to working with this Committee to advance Federal policies that support those who have served our country. Should you have any questions, please contact Vice President of Government Relations Jacob Schellinger (jschellinger@ncai.org) or Policy Analyst Nicholas Courtney (ncourtney@ncai.org) or call 202-466-7767.

ADDITIONAL SUBMISSIONS FOR THE RECORD

SUBMISSIONS FOR THE RECORD

PREPARED STATEMENT OF THE AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO

Chairwoman Luria, Ranking Member Bost, and Members of the Subcommittee:

The American Federation of Government Employees, AFL-CIO and its National Veterans Affairs Council (AFGE) appreciate the opportunity to provide our views on today's hearing titled, "Update on VA Contracted Exams, Quality Review Process, and Service to Rural Veterans."

AFGE represents more than 700,000 Federal and District of Columbia government employees, 260,000 of whom are dedicated VA employees. Our membership includes the Veterans Benefits Administration (VBA) claims processors who order the compensation and pension (C&P) exams that are the subject of this hearing, as well as the VA clinicians who perform these exams internally for the Veterans Health Administration (VHA). Veterans are better served by receiving their care, including C&P exams, internally within the VA, and the problems identified in the Office of the Inspector General (OIG) Report titled "Inadequate Oversight of Contracted Disability Exam Cancellations" underscores the need to reverse the outflow of these exams into the private sector and bring them back within the VA.

PROBLEMS IDENTIFIED BY THE IG

The OIG Report titled "Inadequate Oversight of Contracted Disability Exam Cancellations,"¹ states that the IG, first alerted by a VA hotline tip, discovered that 8,770 C&P exams were cancelled because of the inability of a contractor, Medical Support Los Angeles, to meet the requirements of its contract, which resulted in significant delays for veterans who were waiting to have their claims completed and receive benefits. While this performance was unacceptable, unfortunately, this trend of cancelling appointments was not limited to a single contract. As the VA OIG continued its investigation, it noted that "VBA provided documentation showing that claims processors requested 1,342,123 DBQ [Disability Benefits Questionnaires] exams from November 1, 2017, through April 20, 2018—an approximate 19 percent increase over the previous 6-month period (May 1, 2017, through October 31, 2017). The OIG team determined that during these same timeframes, cancellations increased by 74 percent. Given the recent increases in contracted disability exam cancellations and the number of veterans involved, effective oversight is critical."² The gross inability of the contractors to live up to their obligations demonstrates the need for the VA to perform increased oversight, stop eliminating the jobs of VA C&P examiners, as the VA recently did at the Denver VA Medical Center, rebuild the VA's internal C&P capacity, and eliminate the practice of contracting out C&P exams.

The Medical Disability Examination (MDE) program was established by the VA to monitor and track C&P exams performed by contractors. Upon examination "[h]owever, the OIG team found that MDE staff were hampered in their ability to provide oversight because of limitations with VBA's electronic exam management systems, the lack of reliable data, and inadequate staffing of the program."³ AFGE urges the VA to immediately fill the nearly 50,000 current vacancies, including contract oversight positions. This will allow the VA to fulfill its oversight obligation over C&P contractors.

PROBLEMS IDENTIFIED AFTER THE IG REPORT

Subsequent to the release of the OIG report, an email from VBA to staff prohibited employees from sending C&P exams that need to be "Reworked" to a particular

¹ VA OIG 18-04266-115 June 10, 2019

² VA OIG 18-04266-115 Page 10 June 10, 2019

³ VA OIG 18-04266-115 Page ii June 10, 2019

contractor. Such a disruption in service likely caused additional delays and costs for veterans seeking treatment and compensation. AFGE urges the Subcommittee to conduct immediate oversight on the accuracy and reliability of exams produced by contractors, as followup to the GAO report titled “VA DISABILITY EXAMS: Improved Performance Analysis and Training Oversight Needed for Contracted Exams (October 12, 2018).

PROBLEMS IDENTIFIED BY THE GAO

During a hearing on November 15, 2018, titled “Exploring VA’s Oversight of Contract Disability Examinations,” AFGE raised concerns about the problems with contract C&P exams highlighted in the U.S. Government Accountability Office report titled “VA DISABILITY EXAMS: Improved Performance Analysis and Training Oversight Needed for Contracted Exams (GAO–19–13, October 12, 2018).”⁴ That hearing highlighted many inadequacies with contract C&P exams including that “VBA reported that almost all contractors missed VBA’s quality target of 92 percent in the first half of calendar year 2017.”⁵ Moreover, the GAO also reported “VBA relies on contractors to verify that their examiners complete required training, [...] VBA does not review contractors’ self-reported training reports for accuracy or request supporting documentation, such as training certificates, from contractors.”⁶ These findings further lengthen the record of problems plaguing contract C&P exams, and demonstrate why increased oversight is necessary and C&P exams should be conducted internally.

AFGE RECOMMENDATIONS

VA’s own highly trained, highly credentialed, highly experienced, and highly accountable employees should perform C&P exams, with very few exceptions. The continued failures of C&P contractors make the elimination of in-house C&P capacity around the country all the more troubling. AFGE welcomes the opportunity to work with the Subcommittee on new legislation to restore VA’s internal C&P exam capacity and narrow the VA Secretary’s unrestricted authority to contract out these exams. In the near term, AFGE urges immediate action to stop the elimination of C&P examiner positions around the Nation, and urges the VA to only provide internal C&P exams for mental health and specialty claims to better assist veterans when immediate or emergency treatment is needed.

AFGE appreciates the House Committee on Veterans’ Affairs Subcommittee on Disability Assistance and Memorial Affairs holding this important hearing, and we look forward to working with the Committee to find ways to improve C&P exams for all veterans.

⁴ U.S. Gov’t Accountability Office, GAO–19–13, “VA DISABILITY EXAMS: Improved Performance Analysis and Training Oversight Needed for Contracted Exams (October 12, 2018).

⁵ *Id.* at 11.

⁶ *Id.* at 24.

LETTER TO REPRESENTATIVE STEUBE FROM BAY PINES VA OFFICE

06/24/2019
S4503

1-800-827-1000

WILLIAM GREGORY STEUBE
[REDACTED]

Dear William Gregory Steube,

Welcome to the Bay Pines VA Healthcare System Compensation & Pension (C&P) program. We have been requested by the VA regional office to conduct required C&P examinations needed for your VA disability benefits claim. Please carefully read the instructions below to assist us in scheduling appointments for your C&P examination(s).

Date/Time: MONDAY JUN 24, 2019 8:20 AM
Clinic: CWY CP RSVP TEL-X
Telephone: (727)398-6661

APPOINTMENT SCHEDULING:

Please call the C&P scheduling staff at 727-398-6661 or 1-888-820-0230, extension *14029* by: *7-5-19* to schedule the examination(s) appointment at a time convenient for your schedule. Please contact the clinic between 7:30 a.m. to 1:00 p.m., Monday thru Friday.

****IMPORTANT NOTE ****

If the C&P office does not receive your call to schedule appointments for the examination(s) by the identified date above, the examination(s) ~~will be cancelled, and the VA regional office will be informed.~~ VA may proceed to make a disposition on your disability benefits claim, which may not be comprehensive due to not having needed evidence from disability examinations.

To restart the disability benefits claim process after the examination(s) have been cancelled, please call the VA regional office at 1-800-827-1000. Inform the regional office staff that you are available to schedule a disability examination appointment.

We look forward to serving you.

Bay Pines VA Healthcare System
Compensation and Pension Department
10000 Bay Pines Blvd
Bay Pines, FL 33744