

**IS THE VETERANS BENEFITS
ADMINISTRATION PROPERLY
PROCESSING AND DECIDING
VETERANS CLAIMS?**

HEARING

BEFORE THE

SUBCOMMITTEE ON DISABILITY
ASSISTANCE AND MEMORIAL AFFAIRS

OF THE

COMMITTEE ON VETERANS' AFFAIRS

U.S. HOUSE OF REPRESENTATIVES

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C O N T E N T S

TUESDAY, JULY 23, 2024

	Page
OPENING STATEMENTS	
The Honorable Morgan Luttrell, Chairman	1
The Honorable Chris Pappas, Ranking Member	2
WITNESSES	
PANEL I	
Mr. Ronald S. Burke Jr., Deputy Under Secretary, Office of Policy & Oversight, Veterans Benefits Administration, U.S. Department of Veterans Affairs	4
Accompanied by:	
Mr. Kenneth Smith, Assistant Deputy Under Secretary, Operations Management, Veterans Benefits Administration, U.S. Department of Veterans Affairs	
Ms. Kristina Messenger, Deputy Executive Director of Operations, Compensation Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs	
Mr. Stephen Bracci, Director, Compensation Programs Inspection Division, Office of Audits and Evaluations, Office of Inspector General (OIG), U.S. Department of Veterans Affairs	6
Ms. Elizabeth Curda, Director, Education, Workforce, and Income Security, U.S. Government Accountability Office (GAO)	8
Ms. Linda Parker-Cooks, President, Local 138, American Federation of Government Employees (AFGE)	9
APPENDIX	
PREPARED STATEMENTS OF WITNESSES	
Mr. Ronald S. Burke Jr. Prepared Statement	25
Mr. Stephen Bracci Prepared Statement	39
Ms. Elizabeth Curda Prepared Statement	48
Ms. Linda Parker-Cooks Prepared Statement	62

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TUESDAY, JULY 23, 2024

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

The subcommittee met, pursuant to notice, at 1:25 p.m., in room 360, Cannon House Office Building, Hon. Morgan Luttrell (chairman of the subcommittee) presiding.

Present: Representatives Luttrell, Self, Franklin, and Pappas.

OPENING STATEMENT OF MORGAN LUTTRELL, CHAIRMAN

Mr. LUTTRELL. The subcommittee will come to order. Thank you to all of our witnesses for being here today. Today we are going to take a closer look at whether the Veterans Benefits Administration (VBA) has implemented quality assurance and training programs to ensure that VBA employees properly process and decide veterans' and survivors' claims for U.S. Department of Veterans Affairs (VA) benefits.

Inadequate employee training and ineffective quality control processes have led to the reworked waste agency resources and incorrect decisions on veterans' and survivors' claims for VA benefits.

When the VBA claims processors have to redo their work and when veterans and survivors have to appeal incorrect decisions on their claims that adds months and years to how long veterans and survivors must wait to finally receive the benefits they are eligible for.

Given the sporadic problem set, a lot of veterans just give up on pursuing their claims. We recognize that it is difficult to balance the goal of issuing veterans fast decisions on their claims with the goal of issuing fair and correct decisions, but we must assure that quality is not sacrificed for quantity.

VBA has made some great improvements to its quality assurance and training programs, including some progress since we first notified the VA of our intentions to hold this hearing. However, based on our reports from the VA Office of Inspector General (IG) and the U.S. Government Accountability Office (GAO), there is much work still to be done.

Numerous VA OIG reports have identified disproportionately high rates of error in certain kinds of disability compensation claims and certain processing tasks. Just last week, the VA OIG issued a report in which OIG estimated the VBA had an error rate of roughly 75 percent in claims, an estimated error rate of 75 percent where veterans were seeking a 100 percent rating based on their inability to work.

There are the so-called Total Disability Based On Individual Unemployability (TDIU) claims. That is much too high. OIG estimated that from May 2022 to April 2023 alone, TDIU claims processing error resulted in at least \$100 million in improper payments and that improper payments could have been as high as \$250 million.

As another example, in February 2024, a report by OIG estimated that VBA had an error rate of 43 percent in claims where veterans were seeking benefits for hip and knee replacements. OIG estimated that from February 2021 to August 2022 alone these hip and knee claim processing errors resulted in \$3.3 million in improper payments.

When errors resulted in underpayments, affected veterans do not receive the benefits they have earned. When errors result in overpayments, VA wastes taxpayer dollars. We owe it to the veterans, the families, and the American taxpayer to hold the VBA accountable for the quality claims processing and decision-making.

I look forward to working with VBA leadership here with us today and employees as well as we go—as with GAO and OIG today and in the future to ensure that VBA's quality assurance and training programs effectively prevent these errors from happening again.

With that, I yield to the ranking member for his opening statement.

OPENING STATEMENT OF CHRIS PAPPAS, RANKING MEMBER

Mr. PAPPAS. Well, thank you, Chairman Luttrell. I look forward to exploring this important issue of quality assurance and training within the Veterans Benefits Administration together.

From Fiscal Year 2023 to the first half of 2024, over 4.4 million disability claims have been submitted to VBA. As a result, veterans have been compensated nearly \$143 billion for their injuries incurred while serving on our Nation's security interests.

The task of processing these millions of claims veterans depend on falls to just 20,000 claims processors inside VBA regional offices spread throughout the country. Because of the scale, complexity, and importance of VBA's disability compensation program, the GAO added the program to their high-risk list back in 2003. That is 21 years ago.

Since then, both GAO and OIG have consistently identified quality and training-related issues that have uncovered deeper concerns in VBA's leadership ability to modernize and reform operations through quality assurance and training.

I anticipate GAO and OIG will speak directly to their respective concerns outlined in their reports, so I will share just two quotes sampled from their reports that I believe communicate the heart of the issue.

From OIG, quote, “While VBA’s quality assurance program routinely identified claims processing deficiencies and communicated results to internal and external stakeholders, Office of Field Operations (OFO) did not ensure that regional office employees took adequate corrective actions and addressed the deficiencies identified,” end quote.

From GAO, quote, “Reforms are done on a project-by-project basis without centralized leadership and not consistently in accordance to the leading reform practices,” end quote.

During visits to VBA regional offices, this committee has consistently heard concerns from claims processors about VBA’s training and quality assurance efforts. The story is always the same. New employees return from Virtual In-person (VIP) training feeling unprepared for the duties of their job, but they voice these concerns to leadership but have not been heard.

In response, employees in regional offices have taken it upon themselves to design and implement grassroots training programs to fill the gaps in VBA’s foundational training for new hires. This is unacceptable that any employee feels that they must contact Congress to receive the foundational knowledge they need to do their job effectively.

Similarly, we consistently hear that individual performance standards are becoming increasingly strict. Employees are expected to process a higher volume in less time and at a higher quality.

On top of this, in our last hearing, we heard how claims processors rarely receive feedback on errors they have made in their work. This significantly hinders the rate that an employee can learn and by effect overall workforce quality and retention.

To be fair, VBA has had to respond to unprecedented demand from the success of the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act. To respond to that demand they have hired and onboarded thousands of claims processors seemingly overnight. Even the most robust operation would be strained but all systems must be continuously reevaluated.

VBA employees face tremendous challenges in processing complex disability claims. These challenges are only exacerbated by changing policies and processes that are disconnected from the workforce. Claims processors need to have the training and support from management to meet the needs of veterans, especially under increasingly demanding production quotas and quality metrics.

Today I want to explore the disconnect between the processes put in place by VBA leadership to meet claims processing volume and quality requirements and the daily experience of frontline VA employees.

I yield back.

Mr. LUTTRELL. Thank you, Ranking Member.

Our panel of witnesses today include our lead witness from the VA, Mr. Ron Burke, deputy undersecretary for Policy and Oversight in the Veterans Benefit Administration. Good to see you again, sir.

Mr. Ken Smith, assistant deputy undersecretary for field operations in the VBA. Good to see you again, Mr. Smith.

Ms. Messenger, deputy executive director, Operations, Compensation Service at the VBA. It is a pleasure.

Mr. Stephen Bracci, Director of the Compensation Programs Inspection Division for the VA Office of Inspector General. Mr. Bracci, a pleasure.

Ms. Elizabeth Curda, director of Education, Workforce, and Income Security at the Government Accountability Office. Thank you for joining us.

Ms. Linda Parker-Cooks, president of the Local 138 American Federation of Government Employees (AFGE). Ms. Cooks, thank you for joining us.

I ask the witnesses in our panel to please stand and raise your right hand.

[Witnesses sworn.]

Mr. LUTTRELL. Thank you. Let the record reflect that the witnesses have answered in the affirmative.

Thank you all for being here today. Mr. Burke, you are now recognized for 5 minutes, sir, to deliver your opening statement.

STATEMENT OF RONALD BURKE

Mr. BURKE. Thank you, Chairman Luttrell, Ranking Member Pappas, and members of the subcommittee. Thank you for inviting us here today to discuss the efficacy of the Department of Veterans Affairs' quality assurance and training programs. Joining me today are Mr. Kenneth Smith, assistant deputy under secretary for Field Operations and Ms. Kristina Messenger, deputy executive director of Operations, Compensation Service, both from VBA.

VA is committed to providing outstanding customer service to the Nation's veterans, their families, and survivors, and VA is steadfast in its commitment to provide accurate decisions for all veterans and survivors.

VBA has a robust training and quality review program holding employees, regional offices, and program offices to the highest standard for producing quality claims decisions while also promoting continuous learning and performance improvement. We appreciate the subcommittee's interest in this topic and I know we share the same goal of collaboration and continuous improvement.

I would like to focus on a few efforts that I believe are innovative and have the potential to transform business as usual. My office, the Office of Policy and Oversight, in partnership with offices such as Compensation Service and the Office of Field Operations, has created a suite of quality-related programs that facilitate greater collaboration and better focus on root causes.

In Fiscal Year 2022, VBA established the Overdevelopment Reduction Task Force for the purpose of reducing overdevelopment in the Compensation and Pension (C&P) claims process. This task force includes a diverse group of subject matter experts from both VBA Central Office and the field and is charged with analyzing the claims development process to streamline procedures.

That particular effort led to more than 30 improvements, including guidance on requesting exams and preventing redundancy. VBA is currently in the second phase of this task force, which is now focusing on several large-scale initiatives that will have lasting positive impact on claims processing with more than 60 im-

provements identified and underway as far as implementation is concerned.

Additionally, since November 2021, VBA implemented work groups focused on both quality and training where subject matter experts can share insights, lessons learned, and innovative methodology used for both quality and training programs across the Benefits Administration.

This exchange of knowledge not only enhances the proficiency of claims processors but also cultivates a culture of accountability and high standards within the organization. By leveraging collective expertise, VA adapts swiftly to changes in policy or procedures keeping the VA workforce well-equipped to deliver timely and accurate decisions for veterans.

As a further example VBA's commitment to continued process improvement of quality programs, at the start of Fiscal Year 2023 my office established an overarching program for special focus reviews, or SFRs, which help identify gaps in performance and address and identify areas of improvement.

While individual program offices conduct their own SFRs, this additional oversight facilitates a consistent method to measure the efficiency and validity of procedural and policy actions. I am proud to let the committee know in just under 2 fiscal years VBA has completed 58 SFRs on topics ranging from C&P exam clarification requests to Camp Lejeune claims processing.

In addition to immediate corrective actions taken to improve policies, processes, and performance, VBA has made 190 recommendations of which 138 have been completed as of the end of June 2024.

Additionally, as part of our larger effort to provide the best possible service to veterans and survivors, on June 6th of this year VBA held the first Quality Standdown and Employee Wellness Day. This day met two important goals: improving the quality of our work across all business lines from the Central Office to the field and improving employee wellness and experience by addressing burnout and mental health. Nearly all of VBA's 34,000 employees participated on that day.

Finally, we acknowledge that there is always room for improvement. In terms of training, VBA has taken a long, hard look at our current training programs and the efficiency of those programs. We have asked ourselves, what can we do better? How can we better prepare our claims processors?

We have been out in the field actively talking to claims processors nationwide and gathering feedback. We have also been talking to our veterans service center managers, Veterans Service Organizations (VSO), and AFGE partners to get their comments and ideas.

Then we are listening, listening to ideas, listening to criticisms, and we are listening for ways we can improve. Based on this feedback, I am proud to announce that in June 2024 VBA kicked off a massive training modernization project for all Veterans Service Representatives (VSR) and Ratings Veterans Service Representatives (RVSR), which will completely revamp and transform what training looks like with the aim to significantly overhaul and transform the VBA training process.

VBA has scrutinized the current training for claims processors and will be immediately tackling some effective short-term improvements which can be implemented within the next 3 to 6 months. Simultaneously, we have established work groups to completely revamp the training process with ambitious plans for long-term modernization of claims processor training.

The training overhaul will result in a more effective process and better prepared claims processors to complete claims for veterans more efficiently with exceptional quality. We are excited for this next era of training for VBA.

Mr. Chairman, this concludes my statement. My colleagues and I are prepared to respond to any questions that you or other members of the subcommittee may have.

[THE PREPARED STATEMENT OF RONALD BURKE APPEARS IN THE APPENDIX]

Mr. LUTTRELL. Thank you, Mr. Burke. The written statement of Mr. Burke will be entered into the hearing record.

Mr. Bracci, you are now recognized for 5 minutes, sir, to deliver your opening statement.

STATEMENT OF STEPHEN BRACCI

Mr. BRACCI. Chairman Luttrell, Ranking Member Pappas, and members of the subcommittee, I appreciate the opportunity to discuss the OIG's oversight of VBA's quality assurance and training programs related to disability claims. While VBA has made enhancements to its quality assurance program, there is still work to be done.

That program is intended to help ensure timely, accurate, and consistent claims decisions. VBA's training program must prepare new and current employees to follow complex and frequently changing guidance. Given that millions of veterans and family members will receive over \$150 billion in disability benefits this fiscal year, the OIG is committed to continuing its independent oversight to provide VBA with meaningful recommendations for improvements.

As detailed in my statement, we have persistently identified challenges to both programs. Four OIG reports from the last few years addressed such critical areas as: one, processing errors made on veterans' individual unemployability claims; two, inconsistencies implementing changes to the disability rating schedule; three, issues with claims automation; and four, unwarranted medical re-examinations of veterans.

In the individual unemployability claims report released last week, we found that VBA's training did not provide staff adequate examples to equip them to adjudicate these complex claims. We estimated that claims processing errors resulted in at least \$100 million in improper payments during the 1-year review period, including both underpayments and overpayments.

Earlier this year, a team assessed the effectiveness of VBA's implementation of disability rating schedule updates in 2021 for hip and knee replacement claims. We estimated that inaccurate decisions made by claims processors resulted in at least \$3.3 million in improper payments. As a result, we recommended VBA implement

claims accuracy monitoring when ratings schedule revisions are made and update the training, accordingly.

Our findings reflect the larger concern that without the thorough quality assurance processes, VBA cannot gauge the effectiveness of its training to make requisite changes that address the staff's training needs.

We also issued a report last year that evaluated VBA's effort to implement an automated decision support tool that extracted and summarized blood pressure readings and hypertension-related medication data from veterans' records. The team found the summary sheets did not provide accurate and reliable evidence resulting in incorrect decisions.

We recommended VBA improve its quality assurance process and monitor the results to ensure the accuracy of summary sheets and final decisions.

Another report published last year revealed that veterans were being required to attend unwarranted medical reexaminations. Although VBA may require veterans to be reexamined to verify a disability's existence or severity, unnecessary reexaminations subject veterans to undue hardship, waste money, and slow claims processing.

We found VBA's practices were inconsistent with procedures and estimated that staff were erroneously establishing dates for reexaminations about 66 percent of the time. We recommended that VBA update training materials and ensure claims processors meet all training requirements.

We will continue to track all recommendations from these reports until they are fully implemented. Concerns about VBA's quality assurance program predate these reports. Our six nationwide reports published from 2020 to 2022 detail issues we found with VBA's governance structure for the program.

The Compensation Service, which administers the program and assesses accuracy nationwide, lacks the authority to remediate the issues and errors identified. That authority lies with the Office of Field Operations, OFO, which manages the day-to-day operations of VBA's regional offices. Therefore, it is critical that these offices coordinate effectively.

We found issues with VBA's national quality assurance review program called STAR. We also reported on concerns with the local quality review teams in place at regional offices. Last, we determined OFO did not ensure all claims processing errors were corrected.

Although VA has made progress in implementing action plans that address our recommendations, its leaders must continue to improve internal quality assurance and ensure high-risk claims are monitored.

In closing, we continue to take on complex oversight projects to help VBA improve claims processing accuracy for veterans, their caregivers, and survivors while making the most effective use of taxpayer dollars. Our ongoing work includes PACT Act claims accuracy, as well as training for claims processors and medical examiners.

Mr. Chairman and members of the subcommittee, I am happy to answer any questions that you may have.

[THE PREPARED STATEMENT OF STEPHEN BRACCI APPEARS IN THE APPENDIX]

Mr. LUTTRELL. Thank you, Mr. Bracci. Your written statement will be entered into the hearing record.

Ms. Curda, you are now recognized for 5 minutes to deliver your opening statement.

STATEMENT OF ELIZABETH CURDA

Ms. CURDA. Good afternoon, Chairman Luttrell, Ranking Member Pappas, and members of the subcommittee. I am pleased to be here to discuss GAO's work regarding VBA's training program for disability claims processors. Veterans who have been injured in service to their country deserve timely and high quality disability compensation decisions, and claims processors play a vital role in responding to their needs.

VBA is filled with dedicated claims processors who work hard to make numerous daily decisions on disability and other claims, which is often a complex undertaking.

VBA faces well-known challenges with processing large volumes of disability claims and issues with the quality of decisions. In fact, one measure of accuracy for claims decisions has fallen from a high of 93 percent to 77 percent more recently.

To help VA manage increasing workloads with the influx of PACT Act claims, Congress has provided additional funding to help VA hire thousands of new staff. However, hiring alone is not a guarantee of success.

An effective training program is needed to, one, help new claims processors become fully proficient, and two, for seasoned staff to maintain their knowledge and skills in an ever-changing, complex environment.

The focus of this hearing is appropriate because training and quality have a clear connection. That is, training helps prevent errors from occurring in the first place.

My testimony focuses on VBA's progress in implementing the 10 recommendations in our June 2021 report. Our report examined wide-ranging aspects of VBA's training program for claims processors against a framework of leading practices for training.

Overall, our report highlighted shortfalls in VBA's management of its training, such as directing and coordinating training across VBA, monitoring whether claims processors completed required training, and assessing training results. To remedy these shortfalls in how VBA planned, designed, implemented, and evaluated its training for claims processors, we made 10 recommendations.

As of today, 6 of our 10 recommendations have been addressed and four have not been fully implemented. I am pleased with the progress VBA has made on addressing our recommendations, particularly in the past several months. For example, VBA has taken steps to enhance training for instructors who teach claims processors and to ensure that all assigned training is completed.

However, VBA needs to fully address the four remaining recommendations. For example, we recommended that VBA established performance goals with targets for VBA's training program. VBA has established performance goals for some aspects of its training but lacks goals and targets for some of its annual required training.

Further, VBA's plan for its training program lacks important details, such as how VBA training will help claims processors improve decisions and accuracy. In addition, although VBA is collecting more feedback from frontline staff about its training, it is not clear how that feedback is being incorporated into improvement efforts.

To some this talk of planning and evaluation can seem quite dry and technical, however, effective management of VBA's training program can help claims processors meet veterans' needs by providing timely and accurate decisions. It can also save taxpayer dollars by reducing mistakes and rework of the same claim if it is appealed.

In closing, noted quality assurance guru Edwards Deming once observed that, "A bad system will beat a good person every time." Developing a good system for training VBA's claims processors would empower staff to process disability claims more accurately and efficiently.

This concludes my prepared statement, and I am happy to address your questions.

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

Mr. LUTTRELL. Thank you, Ms. Curda. Your statement will be entered into the hearing record.

Ms. Parker-Cooks, you are now recognized for 5 minutes for your opening remarks.

STATEMENT OF LINDA PARKER-COOKS

Ms. PARKER-COOKS. Chairman Luttrell, Ranking Member Pappas, and members of the subcommittee, AFGE and its national VA Council appreciate the opportunity to testify today.

My name is Linda Parker-Cooks and I am the president of AFGE Local 138 representing the VBA regional office in Detroit, Michigan. I am a 20-year U.S. Army veteran and a service-connected disabled veteran.

After my military service I have continued to serve my fellow veterans at VBA for the past 18 years and currently serve as a decision review officer and a certified VBA elite master instructor. On behalf of thousands of frontline VBA workers, over half of whom are veterans themselves, it is a privilege to offer AFGE frontline perspective on how VBA trains its employees.

VBA faces many challenges in effectively training its employees to process claims. I want to highlight several of these issues and offer specific changes that would better enable VBA employees to serve veterans.

For decades VA used in-person and interactive challenge training that lasted several weeks. Today, VBA uses inferior virtual in-person training including instructor-led web training (IWT) and classroom training to train employees. The primary problem with IWT is that new employees have not yet mastered the basics of VBA.

New employees in IWT do not understand the claims process or the VA lingo that is critical for employees to do their job. This is an easy problem to fix. IWT does not use the actual tools that employees will use in their jobs. In particular, new trainees do not

have access to Veterans Benefits Management System (VBMS)-Core until after IWT.

IWT provides examples in Portable Document Format (PDF). Trainees will not use the actual technology for weeks.

Employees are not trained on if they can grant or deny service-connection or the elements required to grant on a direct, secondary, aggravated, or presumptive basis.

Furthermore, IWT does not train employees to analyze the claim and review evidence including VA medical records, Disability Benefits Questionnaires (DBQ), and what this evidence says about having a current diagnosis. Again, they have only seen PDF examples. To improve IWT employees must have access to VBMS-Core and review claims in the system instead of looking at PDFs.

Additionally, VBA must teach new employees the basics, including learning the claims process, VA terminology, and what a claim looks like. It must also give employees hands-on experience with the technology they will actually use every day.

AFGE also recommends that the current size of 100 be lowered to more than no more than 35. Smaller groups allow for a more interactive environment and more questions to be addressed during class. VBA has trainers available to them but are not using them effectively.

Following IWT, trainings shift into several weeks of classroom training to refine their skills. AFGE urges VBA to be more strategic and reorder the curriculum to allow the employees to better learn the information.

Currently, classes are taught in a haphazard order instead of sequenced to enhance on the building of concepts. Training should be reordered to allow the instructors to reference the material that was just taught, reinforce the concepts, and use this to teach higher level concepts.

Following the completion of IWT and classroom training, there are still significant gaps on critical issues employees will need to perform their duties successfully. AFGE recommends VBA's training to include modules on weighing in evidence, due process, and denials of service-connection that would help employees' confidence, performance, and retention.

As a result of the current curriculum and schedule of VIP and classroom training, regional offices have been forced to provide supplemental training to fill in the learning gaps and the lag in starting national training. With VBA using the national work queue and relying on the idea that each employee, regardless of station, is trained the same way, AFGE strongly recommends standardizing the supplemental training.

Last, the PACT Act training primarily consists of prepared PowerPoint presentations in the talent management system and self-review of the ever-changing Standard Operating Procedures (SOP). This training is not interactive and is there more to check the box than actually help the employees do their job.

AFGE again urges VBA to consult with AFGE to understand the problems frontline employees are facing and what training would help to improve performance. AFGE and NST stands ready to work with the committee and VBA to improve training and quality. Thank you and I look forward to answering your questions.

[THE PREPARED STATEMENT OF LINDA PARKER-COOKS APPEARS IN THE APPENDIX]

Mr. LUTTRELL. The written statement of Ms. Cooks will be entered into the record. We will now move to questioning.

Ms. Parker-Cooks, it sounds like you have got it figured out. Who is on the receiving end of what she just said? Is that you, Mr. Burke?

Mr. BURKE. Yes, sir.

Mr. LUTTRELL. Well, I was hanging on every word she just said. I am hoping that you were, too. Given Mr. Bracci's report is any—are those communications happening between AFGÉ and you guys?

Mr. BURKE. Yes, sir. As a matter of fact, got a very good working relationship with my partner in the AFGÉ here. We are——

Mr. LUTTRELL. Is that true?

Ms. PARKER-COOKS. Yes.

Mr. LUTTRELL. This is time that you can be totally honest in here. You are——

Mr. BURKE. I am not going to lie to you. I am not going to lie to you.

Mr. LUTTRELL. I appreciate you——

Mr. BURKE. I am not going to lie to you.

Mr. LUTTRELL. Okay.

Mr. BURKE. They have got a very good relationship with not only AFGÉ but also our partners in IG, and that is also true. What I can tell you is most of what you just heard is being incorporated into a massive training modernization process that is already under way.

We are looking at how we improve the training to employees. We are looking how we capitalize and maximize more in-person, smaller class sizes, more access to real cases earlier, access to VBMS, all of the things it was just discussed or were just discussed, those are part of four massive work groups that we have right now that are chiseling away and revamping the way that we modernize the training.

Mr. LUTTRELL. Do you agree with that statement, Ms. Cooks?

Ms. PARKER-COOKS. I hope that is happening. I hope it is happening.

Mr. LUTTRELL. We do, too. I have—but you seem to be the subject matter expert and what you just said in your opening statement, I am hoping that what he just told me is being confirmed by you that it is happening. Is that true?

Ms. PARKER-COOKS. I have not seen the changes yet, I will say. I have not seen the changes yet. I do know that, again, what I have shared here has been shared with Mr. Burke and so I hope that they did take our input to actually implement those changes.

Mr. LUTTRELL. I would hope before we have you in front of this committee again, I can look directly at Ms. Cooks and say thank you, Mr. Burke. That is exactly what probably should have happened. I would hate to think that you would come back in here and she says they did not pay any attention to me whatsoever. That would not happen.

Mr. BURKE. Could I add to that, sir?

Mr. LUTTRELL. Absolutely.

Mr. BURKE. We are at the early stages of working groups.

Mr. LUTTRELL. What does “early” mean?

Mr. BURKE. "Early" means we just formed them in a month and a half ago. We established working groups. In my written testimony—or my oral testimony, rather, we talked about—I talked about we have identified items that can be implemented in the next 3 to 6 months.

I have the pleasure of going to Labor Management Forum next week in Chicago with a friend of mine. We are briefing and it will be on the training modernization efforts. If we had had this meeting or this hearing next week you would have a better feel that we are all on the same page.

Mr. LUTTRELL. Okay. I am going off of what Mr. Bracci told us that it has been the past 3 or 4 years, I believe you said 3 or 4 years of kind of a repeated report, so I am glad to see there is traction and that you are moving on this.

Mr. Bracci, I kind of missed it, but you said the operations officer does not have authorities that he or she may need?

Mr. BRACCI. The Compensation Service.

Mr. LUTTRELL. Is that Ms. Messenger? Does that belong to you, what he is speaking on as far as authorities?

Go ahead, Mr. Bracci.

Mr. BRACCI. The Compensation Service, which actually falls under Mr. Burke's authority—

Mr. LUTTRELL. Okay.

Mr. BRACCI [continuing]. it oversees the quality assurance program. They conduct reviews. They have analysts that conduct reviews and report on quality nationwide, but they do not have the authority to remedy and make sure these errors are corrected.

Mr. LUTTRELL. Please explain to me what authorities he needs so if it is something that we can address, or is it Secretary-driven?

Mr. BRACCI. Currently, that authority lies with the Office of Field Operations. They oversee regional offices and claims processors, and they drive decisions on priorities. They have to ensure the training is completed. They have to ensure that errors are corrected. That is the office that has the authority to make sure that errors are corrected.

Mr. LUTTRELL. It is supposed to have the authority?

Mr. BRACCI. They have the authority under the organization structure.

Mr. LUTTRELL. They do have it. Okay. Maybe I misunderstood what is going on.

Mr. BRACCI. They do, yes.

Mr. LUTTRELL. Okay. Just to be 100 percent clear, you do have the authority that you need?

Mr. BURKE. The answer is yes to that question, sir. In fact, the Office of Field Operations has recently stood up a compliance office that is not only helping to ensure that required training is met, it is the one that is connecting information to our performance standards group to ensure that in our employee performance standards there are expectations on timeliness of corrective actions.

That also is a new office that was stood up a year and a half, maybe 2 years ago, I do not have the exact date, to address the gap that IG just spoke about.

Mr. LUTTRELL. Okay, thank you.

Mr. Pappas, you are recognized, sir.

Mr. PAPPAS. Thank you. I want to first focus on an issue that came out of the OIG reports, rating schedule update for hip and knee injuries. OIG found that an estimated 38 percent of claims had an improper payment.

Mr. Burke, is VBA initiating a special focus review to address these errors? If not, why not? If so, what is your timeline for completing it?

Mr. BURKE. Yes, sir. We will be doing a special focus review. We actually reviewed the IG's findings. We have taken, much like the TDIU cases where there are claims that need to be corrected, we will take corrective action. We are also trying to figure out if there are gaps in our training to the field.

We go back with those findings and we can improve the training, update policies and procedures. Then, again, we use the special focus reviews to do targeted after we do big releases, like manual changes, Veterans Affairs Schedule for Rating Disabilities (VASRD) changes. We will do a short period of time go back and pull cases and see if we are compliant. Our findings are similar with what the IG found.

Mr. PAPPAS. How do you make that assessment about whether or not there is a gap with respect to training as you undertake one of these special focus reviews?

Mr. BURKE. In some instances it is pretty clear that the mistakes are pretty common and we will go back to the training and see that the training was either vague or contradictory. Basically the policies, the training materials is really the guide what we expect employees to follow.

When we find the outcome of the employee's work is consistently going down a path that it was not intended to go, that is normally not an employee issue. That is normally a policy or training issue. Seeing those consistent trends allow us to trace it back and say we have a gap in what we have provided to the field.

Mr. PAPPAS. When VBA hears about a pervasive quality issue from OIG or GAO what criteria do you use to decide whether or not to initiate a special focus review? Or is it a monetary value involved? Is it a percentage? What are you looking at to trigger that? Or is it subjective?

Mr. BURKE. Typically with special focus reviews we allow all of VBA's business lines to recommend to my office the focus in advance. Typically, it is timed to the release of something new, something substantive that we want to make sure that employees have grasped the training and that the training was adequate.

Most of our special focus reviews have to do with something that we have released relatively recently, a change in law, a change in a process or a procedure, and then we will approve the selected special focus review. The results of the special focus review then come into my office and the recommendations and findings are tracked until closure.

We do give our lines of business some leeway, if you will, to pick those themes. We approve them and then track the results.

Mr. PAPPAS. Okay.

Ms. Parker-Cooks, I appreciate your testimony as well. You identified a long list of issues that could be looked at with respect to improving training. I am wondering if you could just talk more

broadly about the quality of training itself and how that impacts frontline employees and our need to focus on recruitment and retention?

Ms. PARKER-COOKS. Thank you. What I would like to say is that when you are looking at the training and the quality of it, and I specifically talked about the VIP, and it is interesting that you brought up about the changes with the musculoskeletal conditions. VIP rarely focus on those, and that is our largest category. We are always getting claims for back condition, knees, hips.

In VIP they cover the back and maybe the knee, but they are not getting detailed training. It is interesting that that is a high level error that you are seeing because they are not focused on that training.

I think when you are looking at it the clear thing is that we are starting them out and they are not getting the basics. They do not understand what they are supposed to do. By the time they end training they are frustrated. They do not feel that they are prepared to do the job they have been hired to do. Their confidence level is low. Then, of course, you are seeing a revolving door where people are leaving.

If we change and restructure the training, of course, where we are giving them the basics they need to start out and build on that foundation, you are going to find that the employees are more comfortable, confidence, trained, and then they are going to also, of course, it is going to result in more positive quality decisions.

I think if we focused on, and I am glad to hear that they are saying that we are going to be making changes to the training program, but that is what we need. We need to train our employees to do the job right from the beginning so that you do not see the rework.

That is what you are seeing now when you are coming out of training is folks are doing the work but because they were not trained well and they are not confident in what they are doing, we are having more errors and you are having that work have to be redone.

Mr. PAPPAS. Well, we certainly should not be setting people up to fail. We should be setting them up for success so I appreciate that feedback.

I yield back, Mr. Chair.

Mr. LUTTRELL. Thank you, Ranking Member.

Mr. Self, sir, you are recognized.

Mr. SELF. Thank you, Mr. Chairman.

First of all, we, and I make this comment almost every hearing, we hear a lot about inputs from VA, inputs. We established this. Mr. Burke in your testimony established, established, established lots of inputs. Very little about outputs.

Ms. Curda, I am not sure I got it entirely right, made the statement we do not know how training will help I think it was employees, but several times in your written testimony you said basically the same thing.

I think I have found the sentence that you were referring to specifically, and I quote from the GAO written testimony, "The training program goals and measures do not address how VBA training will help achieve the desired accuracy of benefits decisions made by

claims processor,” which means your inputs are not working to change the outputs is the way I read that sentence.

I want to hear more in the future what the outputs of all these things that you are establishing, all these bureaucracies that you are establishing.

Now, my first question is to you, Mr. Burke, and I am asking this on behalf of my Navy SEAL brother in arms Mr. Crane. I have heard from VA employees in Arizona, too, that they received inadequate training on processing PACT Act claims. GAO stated that VA has not provided GAO with VA’s evaluation plan or reports for PACT Act training.

Mr. Crane asks, “Within the next 2 weeks will you provide us with VA’s plan for PACT Act training and reports on the trainings VA has already provided, yes or no?”

Mr. BURKE. No, sir. I cannot commit to 2 weeks. I will commit to going back and coming back to this committee with an actual firm date. The reason I cannot commit to 2 weeks I am not exactly sure where we are in that process.

Mr. SELF. Okay. I would ask you—

Mr. BURKE. We will come back.

Mr. SELF [continuing]. to get back with Mr. Crane—

Mr. BURKE. Yes, sir.

Mr. SELF [continuing]. to tell him when you will have that report.

Mr. BURKE. Yes, sir.

Mr. SELF. Now, Mr. Burke, let us stick with you. OIG estimates there has been between \$100 million to \$250 million in improper payments in TDIU claims processing errors alone. These are errors alone.

What is your plan to recoup these funds and prevent such significant losses in the future? \$100 million to \$250 million is a significant amount of money in anyone’s budget.

Mr. BURKE. Yes, sir. I am reviewing that TDIU report. It is important to reflect that the findings were both overpayments and underpayments. Obviously, underpayments are as bad as an overpayment, right? Somebody is entitled to something they are not getting paid for that.

We have taken corrective action on 95 percent of all the cases identified in that report and we should have the remainder done here shortly. Then it is important to also note that the amounts, and my partner from IG can correct me if I am wrong, that is that is not the actual overpayment. There is they use a different calculator. They rejected that so there is not really that much in actual overpayments today.

To your question, any—

Mr. SELF. Well, wait a minute. I would like the OIG to address that \$100 and million to \$250 million. That is not an actual figure?

Mr. BRACCI. \$100 million is from statistical sampling. We look at a sample of claims and then we project to that universe of claims. That is how we come up with \$100 million.

Mr. SELF. It seems fair enough to me. You mentioned a report, Mr. Burke. When will you have that report ready for Chairman Luttrell?

Mr. BURKE. Which report? I know that we are—I know I mentioned—

Mr. SELF. A report on these overpayments and underpayments. You just mentioned it.

Mr. BURKE. We are 95 percent through with the corrective actions. That does not necessarily result in a report, but we are happy to come back to the chairman to notify him when all 100 percent of it is—

Mr. SELF. I was just using your word, okay?

Mr. BRACCI, what are the underlying reasons for these joint errors? What are the underlying reasons, \$3.3 million in this case. Not quite as big as the TDIU, but what are the reasons?

Mr. BRACCI. Yes, sir. Relevant to this hearing we found issues with quality assurance and with training. In this case we found that there was not targeted quality assurance that looked at these specific claims. Mr. Burke mentioned that they are now doing a special focused review that will cover that. They are addressing the recommendations that we have made.

We found that in the training there is a post-assessment after the training is completed and we determined that about 75 percent of the employees who took the training initially failed that training. It calls into question the adequacy of that training.

We also made a recommendation to make improvements to that.

Mr. SELF. My time is up, Mr. Chairman. I yield back.

Mr. LUTTRELL. Mr. Bracci, I am sorry. Explain to me how you are taking a statistical evaluation to present this committee with a \$100 million to \$250 million and that is not the exact number?

Mr. BRACCI. Yes, sir. We do almost all of our work based on statistical sampling. We—

Mr. LUTTRELL. Okay.

Mr. BRACCI [continuing]. look at our—

Mr. LUTTRELL. What is that? Our N value is what, that you are taking these numbers from?

Mr. BRACCI. In the TDIU report, we looked at 200 claims.

Mr. LUTTRELL. Two hundred claims. You have got an N value of 200?

Mr. BRACCI. Yes.

Mr. LUTTRELL. Your valuation of plus payment and minus payment is almost \$250 million?

Mr. BRACCI. \$100 million in improper payments. We—

Mr. LUTTRELL. I am sorry. I thought there was a 250 in there somewhere, too.

Mr. BRACCI. No. The \$100 million is what we determined was the improper payments for that universe of claims. The hundred—

Mr. LUTTRELL. What is the total number? You took an N value of 200 out of what is our gross statistical number?

Mr. BRACCI. I do not have that. I can come back to you and with that number. I do not have that. I do not have the number in front of me. I know that there are 375,000 veterans who are receiving TDIU benefits.

Mr. LUTTRELL. Okay.

Mr. BRACCI. So—

Mr. LUTTRELL. How much of that \$100 million is overpayment?

Mr. BRACCI. Not very much. The vast majority were underpayments to veterans. I think we identified—we projected about \$85 million to be underpayments.

Mr. LUTTRELL. I would like to see that. I would like to see those, how that equation is processed, please, if you do not mind?

Mr. BRACCI. Absolutely.

Mr. LUTTRELL. Mr. Burke, since the OIG's March 23 report showing that 44 percent of disability compensation exams were unnecessary, what is the VA doing to reduce unnecessary exams for our veterans?

Mr. BURKE. Yes, thank you for this question, sir. We have actually spent a lot of energy in reducing unnecessary developments, specifically the Overdevelopment Reduction Task Force Version 2, which wraps up at the end of this month was specifically focused on exams. We focused on vendor exams, private DBQs, automation exams, and also the utilization and the effectiveness of a new exam request tool.

This working group alone has been operating for most of Fiscal Year 2024. They have already identified more than 60 manual change needs, improvements to tools and technologies, partnership with the IG on how to detect and report fraudulent DBQs, how to strengthen the messaging of using acceptable medical evidence and reducing unnecessary exams because, as you are aware and we are aware, calling a veteran into an exam that is not necessary is expensive. It is inconvenient. It can be confusing and it delays the process. We have focused significant efforts this year on the second version of the Overdevelopment Reduction Task Force, and I will commit now there will be a third one in Fiscal Year 2025.

Mr. LUTTRELL. Okay. When this task force is finished and the next one ramps back up, at what point are you going to push this out to all the VA facilities, and this problem will be remedied? That seems like a pretty heavy lift.

Mr. BURKE. That is an extremely heavy lift. That is why we are on version two and there will be a version three.

Mr. LUTTRELL. How many are we going?

Mr. BURKE. Until we fix it.

Mr. LUTTRELL. How many?

Mr. BURKE. Until we fix it.

Mr. LUTTRELL. Okay. I would assume there is not a—kind of a timeframe at which that is going to hit Conroe, Texas, and I can tell all of my folks, hey, like, we are good to go?

Mr. BURKE. Every year I am in this role there will be one until we fix it.

Mr. LUTTRELL. Okay.

Mr. BURKE. It is a big issue. We have got a lot of work to do.

Mr. LUTTRELL. Mr. Pappas.

Mr. PAPPAS. Thanks, maybe just a couple more.

Mr. Bracci, if I can turn to you? It is always good to have a fellow Granite Stater here, so welcome. You know, you reported on so many acute quality issues in your reports. You reviewed root causes in the Office of Field Operations. Do you agree with VA's assessment about these quality issues?

Mr. BRACCI. Generally, yes. We acknowledge that disability claims processing is a complex process with constantly changing guidance. It is a difficult job to do.

When we identify issues, VBA does take action to address our recommendations. We agree that the action that they take is responsive to the intent of our recommendations.

Mr. PAPPAS. Mr. Burke, there is no question that VBA can adequately identify acute quality assurance issues. We are here because there is a structural issue limiting the OFO's ability to implement and oversee policy changes to include action on quality deficiencies.

I understand that there is going to be a major update to VASRD in the late summer or fall, so taking this specific issue how can you assure the committee that the update will not result in the same sort of quality concerns that we have had over the last 5 years?

Mr. BURKE. I will give assurance that we have learned from issues in the past. We are now including in the creation of materials more subject matter expertise from the field, more inclusion, more feedback. We are allowing folks in the field to kick the tires, if you will, on significant policy changes before we push them out to the field at large.

We have excellent collaboration with the Office of Field Operations and the new compliance entity—well, all the entities within OFO. We are collaborating with our partners in AFGE and OIG.

I will say this. The one thing that I want to make sure that I leave with this committee is the fact that the VBA workforce is incredible. I have said this in previous hearings.

Prior to this year, VBA has never completed 10,000 claims in a day. Never completed 10,000 claims in a day. This year alone this amazing workforce has done it 87 times. We continue to ride the strength of our workforce and invest in the training and the improvements and learn from some of the mistakes from the past.

Mr. PAPPAS. Once again, it would be helpful to leave this hearing with a clear indication of what your training priorities are because that is such an important piece of this puzzle. Can you go over that again for me? Where are we going with training and what resources are you bringing to bear to address this problem?

Mr. BURKE. I can, yes, sir. In fact, what I want to describe and set up for a briefing here in the near future is our focus on the training modernization. We are really looking at it. We have established four key groups, four working groups.

One is to focus on the things that we do before formal training, how we onboard employees, how we equip them, how we screen them better to ensure they are the right people to do this job. That is the before formal training.

Then we have a work group that is focusing on a complete redo of what we currently call VIP. VIP was done to replace the old challenge training hat was outdated. We have modernized everything within our organization except training, so now we are modernizing and VIP will be a thing of the past once we do this.

The second phase of that or the second work group is the formal training. This goes to the tools, the technology, the types of cases, the types of topics, the micro learning instead of dumping everything in front of an employee. That is the focus of that group.

The third one is the continued employee development because it is not just about training new employees. It is about refresher training. It is about consistency training.

Then the fourth would be the resources, the roles, and responsibilities, and that goes to the class size, the instructor cadre, how we actually ensure we have the right people training our trainees and the right people that maintain their skillset to continue to train and do refresher training.

We have a plan. We have a documented plan. We have a vision and now we are executing with the work groups to get something that we can come back to this committee and brief on in much greater detail.

Mr. PAPPAS. Well, we are eager to see more progress there. That is a pretty robust outline. Once again, just to underscore, you cannot get there without folks like Ms. Parker-Cooks and others who I think have really terrific insights and recommendations and are going to be tasked with helping you refine this over time.

You have got to have an open mind and an open door with respect to those employees.

Ms. Curda, if I could just go to you within the time I have remaining? You mentioned that your open recommendations related to training have to do with program strategy, goals, and evaluations. Is it safe to say that as it stands now VBA's overarching training program is reflexive and reactive on an ad hoc project-by-project basis? Is that how you would characterize it?

Ms. CURDA. Yes.

Mr. PAPPAS. Okay. Anything else there you would like to leave us with, respect to training?

Ms. CURDA. Well, I think our recommendations, I mean, taking a step back from some of the micro issues, you know, we are talking about this system they have in place to ensure training works. Just taking a step back from that, getting out of that reactive mode, planning for what you want to accomplish, setting goals, priorities, having a way to evaluate your progress.

If you do not have a goal going into it, how are you going to know if you are accomplishing it at the end of the day? How you going to monitor whether you are achieving the goal you set out to achieve? That is what we were seeing missing back in 2021 when we did this report, no clear goals, no clear strategy.

They have improved some of those things, but, I mean, this is what I am hearing today is kind of new, so, you know, we had not seen goals and evaluation plans for the existing training program. Now they are going to introduce a new program. I would just recommend that they think about doing this in a disciplined way.

I think you brought up our reform initiatives report earlier, and that is a roadmap to how to set up a program for success, you know, establishing goals, checking in with stakeholders, getting feedback from the people that have to implement the training and do the program and take the training.

Having milestones and measures of success, I think, are all really, really important. That is an open recommendation that we have to VA as well, and we would love to see them take some action on that report.

Mr. PAPPAS. Yes.

Mr. Burke, how do you feel about that one?

Mr. BURKE. We generally agree. I mean, as Ms. Curda said, I think there were 10 recommendations. Six are already closed out. The four they are partially addressed. We are—continue to kind of make headway with that.

I do agree. In order to gauge the success of something you have to have some milestones and some measurements, and we are working to get to that point. That will be incorporated in the new training modernization as well.

We are surveying with all of our training. We are doing surveys. We are getting feedback from folks. We are getting better in this realm but noted that we need to continue to make some improvement there.

Mr. PAPPAS. Well, I think her remarks were just an important cautionary note as you launch into this new effort for some important ways to be thinking about how you structure it, how you build in feedback loops, and what sort of benchmarks we can have along the way. I hope you will continue listening to those folks outside the department and within it that can help guide the process.

Mr. BURKE. Will do, yes, sir.

Mr. PAPPAS. Thanks. I yield back.

Mr. LUTTRELL. Thank you, Mr. Pappas.

Keep leaning forward. You are never going to—I will never wire brush you if you are leaning forward and thinking outside the box. Here you all are the subject matter experts. You are leaning forward to take care of guys like me and the rest of us in this room, okay?

If I have to come in here and listen to another OIG report that says same thing over and over again, just negative. By you unpacking everything.

I get what Ms. Curda is saying and what the ranking member is saying. Yes, put your guardrails up on your left and right flank and move forward effectively and efficiently.

Ms. PARKER-COOKS, are you happy with what you are hearing in here?

Ms. PARKER-COOKS. Let us see what happens in 3 to 6 months. They say they have some things that could be implemented in 3 to 6 months. I am looking forward to seeing what that is.

Mr. LUTTRELL. I can assure you we most certainly are going to have every one of you back in here in front of us to see and hear just that. Okay?

Mr. BURKE. Yes, sir.

Mr. LUTTRELL. I think that is a very fair statement.

Mr. BURKE. I agree.

Mr. LUTTRELL. We are hearing what she is saying and she is the subject matter expert when it comes to boots on the ground. That is a fair statement?

Ms. PARKER-COOKS. Yes, Chairman.

Mr. LUTTRELL. Okay. Okay. Thank you all for coming before us today and speaking on the important issues ensuring that the VBA implements effective quality assurance and training methods so that the VA claims processors can provide our veterans and their families with accurate and timely decisions on their VA claims for VA benefits.

With that, I yield to you, Mr. Ranking Member.

Mr. PAPPAS. Just want to thank our panelists. I really appreciate your reflections today, and this stuff is so important to how we deliver the benefits that veterans deserve. We have got to move forward in a way where we can set VA up for success and just really grateful for the opinions that we heard here today.

We want to work with you to get this right, so let us stay engaged. I am sure we will be revisiting this pretty soon.

Thanks, Mr. Chair.

Mr. LUTTRELL. I am with you. Please keep up. We may wire brush you here. I use that term. I have to use that term talking about what you are doing. You are doing your jobs and you are doing great work.

You have to get up every morning and take care of unsavory people like myself and the rest of the veterans, right? I mean, that is an incredible job that you do. Just get better every day, okay?

I ask you unanimous consent that all members have 5 legislative days to revise and extend their remarks and include extraneous material. Without objection, so ordered. This hearing is adjourned.

[Whereupon, at 2:20 p.m., the subcommittee was adjourned.]

A P P E N D I X

PREPARED STATEMENTS OF WITNESSES

Prepared Statement of Ronald Burke

STATEMENT OF RONALD S. BURKE, JR.
DEPUTY UNDER SECRETARY FOR POLICY AND OVERSIGHT
VETERANS BENEFITS ADMINISTRATION (VBA)
DEPARTMENT OF VETERANS AFFAIRS (VA)
BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS SUBCOMMITTEE

July 23, 2024

Good morning, Chairman Luttrell, Ranking Member Pappas, and Members of the Subcommittee. I appreciate the opportunity to appear before you today to discuss the efficacy of VA's quality assurance and training programs, ensuring accurate decisions for Veterans' and survivors' claims. Joining me today are Mr. Kenneth Smith, Assistant Deputy Under Secretary for Field Operations, and Ms. Kristina Messenger, Deputy Executive Director, Operations, Compensation Service.

VA is committed to providing outstanding customer service to all Veterans, their families, and their survivors. Part of this is our commitment to providing high quality claims decisions and ensuring our workforce is thoroughly trained to process all types of benefits claims. Today I will focus my testimony on the quality assurance and training programs for VBA's disability compensation, pension, survivor, and appeals programs. As of May 2024, VBA's Rating Issue Based Quality was 92.4%, with a performance goal of 96% for FY 24 and Non-Rating Claim Based Quality was 89.3%. While VA believes we still can improve claims quality, we have demonstrated great strides in our quality assurance and training programs.

Quality Assurance

VBA has a steadfast commitment to making accurate claims decisions for our Veterans and survivors. From July to September 2020, the VA Office of Inspector General (OIG) conducted reviews of various components of VBA's quality assurance programs. In response, VBA implemented multiple programs and improvements to our quality assurance efforts.¹ We continue to work collaboratively with our oversight partners to strengthen our programs. VBA's robust quality programs hold employees, regional offices (RO), and program offices accountable for quality claims decisions for our Nation's Veterans and survivors, while also promoting continuous learning and performance improvement for our staff. VBA has continued robust quality review programs that hold employees, regional offices (RO), and program offices accountable for quality claims decisions for our Nation's Veterans and survivors, while also promoting continuous learning and performance improvement for our staff.

VBA develops and provides several reports aimed at providing stakeholders insights into the quality of VBA claims processing and to VBA leadership and decision-making personnel on error category trends, quality review workload, and accuracy over

¹ [VAOIG-20-00049-122.pdf](#)

time. VBA's robust reporting and evaluation of data allows VBA to quickly identify quality deficiencies and to inform training needs.

VBA's official reporting metric for claims processing accuracy is through its national Systematic Technical Accuracy Reviews (STAR) program. Under this quality review program, VBA measures quality on decisions provided to our customers and categorizes errors dependent on whether they impact benefit entitlement or not. Benefit entitlement errors result in overpayments or underpayments, may violate due process rights, or could impact the outcome of the claim. VBA also identifies non-benefit entitlement errors as those that do not rise to the level of a benefit-entitlement error or impact the decision for process improvement. These are not included in VBA's STAR error rate because of their procedural nature, but they are used to drive improvements to the claims process through the identification of system enhancements, In-Process Review (IPR) projects, and new or improved job aids.

VBA uses data quality to hold individuals, program offices, and VBA accountable for identifying improvements to policy, procedures, and information technology systems, as well as developing training to assist employees. VBA constantly strives to identify the most effective ways to improve quality as is explained below.

There are three primary programs VBA uses to audit claims quality. First, VBA's STAR program audits quality at the national level, which is focused on reviewing claims that have been fully completed. At the local level, Individual Quality Reviews (IQR) and IPRs are focused on individual employees and actions they have taken on a particular part of a claim. Quality is measured differently between the STAR and IQR programs, but they are each geared to ensure correct decisions are being made.

Systematic Technical Accuracy Reviews

The national STAR program measures quality through an end-to-end review of completed rating and non-rating claims. VBA Central Office Quality Assurance (QA) Staff complete STAR reviews and use them to identify error trends for feedback to the field and to drive training and process improvements to ensure Veterans and survivors receive the benefits they have earned and deserve. Under the STAR program, VBA's Performance Analysis & Integrity (PA&I) Office randomly selects claims throughout the month, and those claims are loaded into the Quality Management System (QMS), VBA's official national-level quality system of record for review. PA&I determines the RO sample sizes using a statistical formula that considers both historical accuracy and workload values. Substantive elements reviewed include ensuring all issues have been addressed, validating that VA's duty to assist and other applicable regulations for complete development have been satisfied, and that decisions, evaluations, effective dates, and payment rates are all correct. QA also checks for procedural deficiencies, including notification errors, administrative or internal control errors. Claims with errors are returned to the ROs where the errors were made and must be corrected or formally disputed within 30 business days. The identified employee responsible for the error receives a notification that there is an error which needs correcting. A copy of this

notification is also sent to the employee's supervisor. If an employee is not identified in the STAR review, ROs must determine the responsible employee for corrective action. These claims are retained at the RO and not recalled by VBA's National Work Queue (NWQ) until the error correction has been initiated and will be returned to the RO based on capacity when the next action is required.

Individual Quality Reviews

IQRs are a review of an individual claims processor's work at key points in the claims process. RO Quality Review Teams (QRT) complete all IQRs against a national quality checklist and are randomly assigned throughout the country to QRT members based on their designated skill sets. On average, QRT teams review between three and five randomly selected claims per month for each employee depending on their position type. Reviews during this process may occur while the claim is still pending or has recently been completed, allowing more immediate feedback to employees on the quality of their work. VA's IQR process is the formal measure for accountability using statistically-sound methods that provide the benefit of the doubt to the employee. To ensure fairness to the employee while also ensuring timely correction of identified errors, the employee has 5 business days to express disagreement or to correct the error.

In-Process Reviews

An IPR is a specialized review designed to correct deficiencies identified during the claims process and identify training opportunities. IPRs are designed to be a "quick touch" review with an emphasis on identifying specific error trends. Unlike IQR, an IPR is not used for formal evaluation of individual employee performance. The QRT member does not complete a full "end to end" review of the entire claim but instead limits the review to the basic information needed to determine whether the action the employee carried out was complete and correct under the appropriate IPR checklist. Employees have 5 business days to correct an error. Recent IPR topics include the Sergeant First Class Heath Robinson Honoring Our Promise to Address Comprehensive Toxics (PACT) Act of 2022 reviews, Federal records, disability conditions due to Military Sexual Trauma (MST), and Amyotrophic Lateral Sclerosis (ALS) processing.

Special Focused Reviews

As another mechanism in its QA portfolio, VBA uses Special Focused Reviews (SFR) to do a deep dive review on targeted areas of claims processing. These may be based on error trends, Veteran feedback, Office of the Inspector General (OIG) reports, or significant changes in policy and procedure. SFRs assist QA with ensuring accuracy by identifying inconsistencies so that timely feedback is disseminated, and training needs are met. For example, in fiscal year (FY) 2024, VBA completed SFRs on claims denials for posttraumatic stress disorder due to MST (recurring annual review), PACT Act claims, accrued benefits processing, self-authorization, and processing of claims for incarcerated Veterans. These reviews may also drive updated employee training

materials, procedures manual edits, creation of tools for claims processors, and system updates. Like IPRs, SFRs are not used to formally evaluate any individual employee's performance.

At the start of FY 2023, to illustrate VBA's commitment to continue improving quality for all VBA program offices, the Office of Policy and Oversight (OPO) established an overarching SFR program across VBA's business lines. While individual program offices conducted SFRs previously, OPO's SFR program facilitates a consistent method to measure the efficacy and validity of recent actions taken and are completed quarterly by each program office. As of July 5, 2024, OPO offices have completed 58 SFRs on topics ranging from disability examination clarification requests to Camp Lejeune Contaminated Water claims processing. In addition to immediate corrective actions taken to improve policies, processes, and performance, the program offices have completed 138 recommendations (as of July 5, 2024).²

Quality Review Teams

QRTs are responsible for promoting consistency across all decisions VBA makes through quality reviews, mentoring, and other quality-related activities. As noted earlier in this testimony, QRTs are located at each RO and may be specialized in their expertise; however, reviews are distributed across the country via VBA's QMS to ensure fairness of reviews.

Compensation Service QA conducts training for newly promoted QRT members twice per fiscal year. The training centers around their role as a quality review specialist. Along with initial training, in May 2024 Compensation Service provided refresher training to current QRT members on topics such as IQR checklist principles, the standards of an error, how to write clear and succinct error narratives, and error trend analysis and training.

VBA scales its QRT staffing to ensure that individual employee work is reviewed timely, and quality review specialists can provide appropriate mentoring to claims processors. From October 1, 2021, to June 1, 2024, VBA has onboarded 15,414 claims processors—4,912 were onboarded during FY 2022, and 10,502 were onboarded from the start of FY 2023 to June 1, 2024. The change in onboard staff improves VBA's claim processing potential, with approximately 61.2% more onboard claims processors than FY 2021 levels. To keep up with this unprecedented increase in claims processing staffing and to provide mentoring support through a 13- or 26-week informal assessment period, VBA added 254 new quality review professionals. VBA continues to monitor QRT staffing levels following this increase, and the results demonstrate more timely quality reviews and improved access to mentors.

Quality Methodology

² OPO SFR data encompasses all business lines and program offices under OPO's purview.

During FY 2015, VBA revised its quality assurance program to reflect industry-standard best practices in statistical sampling and estimation. VBA's quality assurance program is designed to provide quality estimates within a 5% margin of error with a 95% confidence level for every 12 months of reviews.³

VBA estimates claims processing accuracy for each RO and the entire Nation. Within each RO, estimates are provided for different types of workloads, including compensation rating (i.e., decisions) and compensation authorization (i.e., payments). Each RO and workload type combination is treated as a separate population, from which a sample is drawn independently. The sample design is a systematic random sample, where the sample is by RO and time-period. After a VA contractor, MITRE, conducted a study in FY 2019 recommending proportional allocation of disability compensation claims, VBA made the decision to maintain the stratification by RO but to allow the individual RO margin of error to widen to 7.5%. This change allows VBA to report its national accuracy with a high degree of reliability and margin of error of less than 1.0%.

Quality Management System

QMS is the official system of record for the program offices discussed in this testimony to complete and track quality reviews at the local and national levels. VBA launched this system in 2017 to ensure quality reviews could be managed throughout the country and to provide oversight and tracking of reviews. QMS also allows users to build reports at the national, RO, and team levels, and future enhancements will tie in employee data, such as the level of experience. During a multi-prong review of VBA's Compensation Service Quality Assurance Portfolio in 2019 and 2020, OIG identified QMS as a best practice and recommended that employee error reviews be routed and conducted at an RO other than where the employee works, for objectivity and internal control purposes.⁴ Since all reviews are completed in QMS, data can be easily tracked for feedback and accountability.

Additional Oversight

To assess and monitor performance at the local level, each program office conducts oversight visits at claims processing centers throughout the country. This includes Veterans Service Centers, Benefit Eligibility Support Teams, the MST Operations Center, Pension Management Centers, and Decision Review Operations Centers.

All ROs are also required to complete an annual review of their local quality in a Strategic Oversight and Analysis Review (SOAR). SOARs are an internal control self-audit mechanism for operational analysis and improvement. Some of the primary SOAR objectives are to assess the effectiveness and adherence to operational procedures, identify problems and recommend corrective actions, and identify operational

³ [VBA Quality Assurance Sampling Methodology.](#)

⁴ [VA OIG Report 19-07054-174, Deficiencies in the Quality Review Team Program.](#)

procedures and oversight that are not currently included as part of the station workload management plan. During all site visits, the Quality SOARs are reviewed to ensure they contain in-depth analysis supported by data, identify areas that need improvement and/or best practices, include appropriate recommendations for areas needing improvement, use a recommendation log, and fully comply with the appropriate procedural manual.

Deferrals

Outside of formal quality assessment processes, VBA requires decision-making employees to review work performed at earlier stages of the claims process and determine if all necessary actions and evidence gathering to support the Veteran's claim have been completed. If they have not, these employees have a tool called a deferral that is used to send the claim back to an earlier stage for additional work. The deferral process has existed since VBA's paper claims processing days but now leverages two distinct categories of deferrals to ensure non-punitive feedback on defects and the greatest efficiency through VBA's NWQ routing logic.

Avoidable deferrals are those that should have been preventable by the prior employee and are frequently missed actions to collect necessary evidence. These deferrals are routed by NWQ back to the prior station that completed the work, regardless of the volume of work currently at that station, to ensure awareness of the defect and ensure prompt correction. ROs are encouraged to use automated rules to route avoidable deferrals back to the prior employee as well. NWQ provides continued training to front line supervisors on local rule functionality so ROs can determine the best way to use automated rules for local deferral management. Due to rapid hiring in FY 2023, avoidable deferrals doubled from FY 2022 to FY 2023. Through May 2024, VBA has had 6.1 fewer avoidable deferrals per claims processor, or an 18.2% improvement compared to the same time in FY 2023 as new staff become more experienced. VBA remains committed to continued improvements to our process and to fully supporting our employees with the resources needed.

In FY 2024, VBA has worked to improve avoidable deferral routing and ensure that employees receive claims back for correction, just as they would for a formal error. The Veterans Benefits Management System's RO Work Queue functionality allows ROs to create automated rules to govern avoidable deferrals routing. RO managers can route avoidable deferrals back to the prior employee through the daily automated NWQ distribution. This functionality represents a best practice. To enhance claims distribution efficiency and timeliness of decisions, NWQ provided national training to more than 600 claims processing managers in August 2023 to cover local rules and deferral routing. This content has been incorporated into ongoing Supervisory Workload Management Training (SWMT) launched in February 2024, which provides training to new supervisors in workload management principles and best practices for local rules and claims routing.

Unavoidable deferrals are those that may not have been preventable, such as those that result from evidence or correspondence received following the prior employee's action. These claims are distributed by NWQ with all others requiring further development, with first preference for the prior RO. However, because these deferrals do not represent a defect in workmanship, they are routed with a higher priority for timely completion rather than strictly to the prior RO and employee who worked the claim.

At the direction of the Under Secretary for Benefits in June 2023, VBA commissioned a "Red Team" to scrutinize the deferral process as well as NWQ's ability to reduce rework and improve quality. Comprised of RO Directors, Division Managers, NWQ staff, and first-line supervisors, the team validated the core deferral process and recommended improvements for routing of claims back to the prior employee who completed an action, thereby better leveraging claim familiarity and efficiency. The enhancement request from this recommendation has been submitted for action as part of VBA's efforts to modernize and improve NWQ, which is expected to be completed in FY 2025.

Error Trend and Data Sharing

VBA's Compensation Service and Pension & Fiduciary Service conduct monthly calls that are available to all claims processors to communicate updates, trends, and changes for Veterans Service Representatives (VSR), Rating Veterans Service Representatives (RVSR), and QRT members. Topics for the Quality Calls originate from the responsible program office, other business lines/staffs (such as the Office of Business Automation-Production Optimization, Office of Field Operations (OFO), Medical Disability Examination Office, etc.), and the ROs. Quality Calls are published in VA's Talent Management System as locally assigned training for employees with a due date of 30 days after assignment. Quality Calls historically have reached a monthly audience of over 8,000 employees. Along with monthly Quality Calls, there are quarterly calls specific to QRTs on error trends, IQR checklist updates, and issues ROs bring up that impact QRTs.

Additionally, VBA's Office of Administrative Review manages a Feedback Loop, which is a partnership between VBA and the Board of Veterans' Appeals (Board) to provide a direct line for clarification of Board decisions and remands. In the past 4 years, VBA and the Board collaborated on approximately 500 requests for clarification and guidance in effectuating Board decisions and remands.

Accountability Measures

The quality of work VBA employees perform is an integral element of leadership performance metrics. Historically, VBA held its RO Directors responsible for quality as determined by the STAR program. Starting in FY 2024, VBA implemented a GAO recommendation to transition its quality accountability from the STAR-based method—which attributes any error in the entire claim process to the RO who completed work on

the claim—to an IQR method, which assesses accuracy of the discrete actions of each employee.⁵ In the IQR framework, RO leadership is accountable for the sum of IQR accuracy for all claims processors at that RO. This change incentivizes all RO personnel, from the claims processor, to the first line coach, to the division leadership, and to the RO Director to review and improve quality of work performed by each employee. Failure to meet the performance standards can result in a negative personnel action. However, before initiating any negative personnel action, ROs can provide additional targeted training, mentoring, and assistance to the employee based on error trends. Fairness in quality assessments is a core organizational value. Performance assessments provide the benefit of the doubt to the employee to prevent a single month's review from having an outsized effect on a full year performance assessment, while ensuring accountability when error trends are identified.

Oversight of Quality for Automation

In December 2021, VBA's Office of Automated Benefits Delivery (ABD) initiated Automation Decision Support (ADS) technology and developed a robust quality program to assess its accuracy. Quality of the ADS tools are measured from two lenses— an Independent, Verification, and Validation vendor is responsible for ensuring technology is functioning as intended and an internal QA team that conducts reviews on claims processed through automation to verify the technology is accurately determining outcomes based on established policies and procedures. This approach provides a holistic view of ADS technology ensuring the logic is driving the correct automation outcomes and also consistently populating the Automated Review Summary Document in accordance with requirements. ABD leadership uses both assessments to determine when conditions are ready for national deployment.

To foster and facilitate changes and enhancements to the claims processing systems, ABD uses human-centered design feedback sessions with claims processors, both virtually and in-person, to develop and improve automation training materials and communication products. ABD leverages change management techniques offering bi-weekly ADS training sessions to assist claims processors and RO managers and to discuss automation utilization, challenges, and successes. ABD is also working to expand ADS technology to address system compliance errors, utilizing automation tools to ensure the Veteran's electronic records are up-to-date and reflect accurate information.

In FY 2024, ABD redesigned its internal intranet website, allowing claims processors to quickly locate job aids, training materials, instructional videos, and release notes to automation updates. Within this site, claims processors have access to feedback tools to submit their recommendations and questions to further provide ABD with input on how to improve automation in claims processing.

⁵ [Veterans' Disability Benefits: Better Measures Needed to Assess Regional Office Performance in Processing Claims.](#)

Additionally, VBA's Pension and Fiduciary (P&F) Service has oversight of multiple automated programs to include State Plot, First Notice of Death, and the Pension Optimization Initiative. To provide a comprehensive assessment of automation quality, P&F created the Automation Quality Program (AQP), which provides rolling accuracy scores on a monthly, quarterly, and annual basis, using a similar sampling and reporting structure as VA's national STAR program. P&F also conducts frequent Targeted Program Reviews and SFRs for automated P&F claims to identify improvement opportunities and areas of success. Quality findings result in creating and prioritizing enhancements that address the quality gap in existing requirements. As of May 2024, 634 claims have been reviewed in the rolling 12-month AQP score with an accuracy rate of 97.3%.

Training

VBA has invested in robust training programs for both newly appointed and experienced claims processors to enable their success in providing earned benefits to Veterans and their eligible dependents and survivors. VBA continues to assess and is actively working to mature its training programs as part of its broader commitment to being a learning organization.

In alignment with industry best practices, VBA standardized processes for evaluating training programs and systems, promoting consistency with training evaluation requirements, and meeting expectations for training evaluation. This improves information available for employee development action planning, focuses training resources more effectively, promotes data-driven decision-making, and provides world-class service to Veterans, Service members, and beneficiaries as well as Administration employees and representatives. VBA primarily uses the Kirkpatrick model of learning evaluation, which is a widely recognized model for learning evaluation. Additionally, frequent changes to the laws, regulations, policies and procedures that govern claims processor duties requires regular curriculum lifecycle maintenance to address the constantly evolving content creation and revision.

Training for Newly Hired and Promoted Claims Processors

VBA recognizes that training is an essential part of preparing claims processors to accurately process disability claims. As a result, VBA has incorporated training requirements for claims processors on an annual basis. In 2020, VBA established a multi-phase mandatory foundational training program, Virtual and In-Person Progression (VIP) training. VIP is administered to newly assigned VSRs and RVSRs. VIP incorporates a blended learning approach that includes instructor-led web-based training, classroom instruction, hands-on experience using eCase demonstrations (mock claims), and working live claims. This model enables VBA to flex and provide essential training to new claims processor cohorts more frequently and in greater numbers than was possible under the previous foundational training model. Since

FY 2022, VBA has trained over 13,000 VSRs and RVSRs in this model, primarily in support of surge hiring for PACT Act claims processing. As of June 1, 2024, a total of 3,549 students have graduated from VIP in FY 2024.

For newly hired VSRs and RVSRs, once they complete VIP training, the QRT or a more journey-level employee in the same position reviews their claim processing work during an informal assessment (IA) period. VSRs have their work reviewed for 13 weeks and, in the most recent VIP class, averaged 91 claims during the IA period. VBA reviewed 164,601 trainee claims in FY 2022; 241,260 in FY 2023; and 187,405 claims in FY 2024 (as of June 30, 2024). RVSRs have their claims reviewed for a longer period of time (26 weeks) based on the complexity of their position. In the most recent VIP class, RVSRs averaged 89 claims during this timeframe. VBA reviewed 110,672 trainee claims in FY 2022; 239,406 in FY 2023; and 168,964 claims in FY 2024 (as of June 30, 2024).

VBA also collaborates with the Department of Defense to offer the Warrior Training Advancement Course (WARTAC), which is a SkillBridge education and employment opportunity for Wounded Warriors and transitioning Service members who have 180-days or less left in service. This program allows them to complete the VSR/RVSR national-level VBA VIP training program while still on active duty. Successfully completing this training program leads to an employment opportunity at one of 55 VBA ROs around the country.⁶ The duration of the VSR class is 6 weeks, and the duration of the RVSR class is 11 weeks. Since its inception in 2014, WARTAC has expanded to 16 military bases around the world. In this same period, 2,769 transitioning Service members have graduated the WARTAC program, of which 2,098 (79% retention rate) are still employed at VA.

Training for Experienced Claims Processors

The Competency Based Training System (CBTS) is a robust training tool used to identify knowledge and skills gaps to provide the right training to the right employee at the right time. CBTS is assigned to VSRs and RVSRs who have 1 year or more in their position. It is administered on an annual basis and is designed to identify individual training needs or knowledge or skill deficiencies, with follow-on training assigned and tracked. CBTS is designed collaboratively with claims processor subject matter experts, VBA's Human Capital Services (HCS), OFO, and third-party assessment creators. An extensive program of instruction outlining every stage of training curriculum and linkages to specific knowledge, skills, and abilities is used to create the foundation for training needs evaluation that CBTS uses as a framework for assessment modeling.

Mandatory Training

Mandatory training is training which is assigned based on nationally identified trends and potential knowledge or skills gaps that may or may not have been captured in the CBTS diagnostic assessment results on an ad hoc or annual basis. Mandatory

⁶ Excludes Manila

training may also include periodic assessments to gauge claims processors' understanding and assist in creating better training products. Additionally, ROs conduct trend analysis based on the needs of their individual offices and may select additional training to address specific needs. ROs are not limited in the amount of training that can be provided.

VA also provides specialized claims processor training for centralized or special mission claims. Claims such as Traumatic Brain Injury, disability conditions due to MST, and ALS require claims processors to take additional training annually. Specialized processing centers, such as Pension Management Centers and Decision Review Operations Center supplement the national training with their own specialized training.

Professional Development

VBA considers professional development to be another valuable component of training, ensuring employees who are interested in pursuing further opportunities within VA are provided guidance and coaching. VBA's HCS Learning and Development Team provides national programs for future leaders through intensive formal classroom and virtual training, developmental activities, networking, mentoring, and career advising that serves leaders of all levels. NWQ's Red Team also recommended new, in-person SWMT in concert with the existing training provided to new supervisors. Launched in 2024 and taught by experienced RO division and business line leaders, this training provides new supervisors with analytical tools and detailed insights into workload management techniques in NWQ's environment to ensure that this knowledge is passed on and improved over time.

Various ROs have also developed their own professional development programs. As an example, the Waco RO established multiple development programs, targeted at employees from GS-7 through GS-13. Their Mentoring and Organizational Development of Emerging Leaders program commenced in June 2022 and is designed to cultivate the potential of Waco's aspiring leaders. The goal is to sharpen, educate, and model successful leadership skills. The Strategic Thinking by Empowering Exploration into Leadership (STEEL) program is open to employees who are interested in pursuing a supervisory or leadership position in the future. Waco STEEL program's goal is to provide a framework for employees to know themselves; to be able to grow within VA; and to show themselves as an asset to the organization. Finally, the Essential Attributes of Genuine Leadership Engagement program is designed to provide new supervisors with training to develop the leadership and technical skills required to be successful as a VA supervisor.

Collaboration and Modernization

Although VBA has implemented multiple, nationwide employee training programs while training unprecedented numbers of VSRs and RVSRs, VBA has recognized the need to modernize claims processors foundational training. Training modernization efforts are underway and have consisted of District listening sessions, RO division

leadership level input and feedback sessions, and development of a working group to implement changes to the existing VIP program while working towards a modernized foundational training framework that has the employee and their experience at the center. VBA's training modernization aims to provide a world class adult learning experience.

Furthermore, VBA is actively exploring innovative training delivery methods. VBA is continuing to explore and deploy modernized training techniques such as microlessons and videos to ensure that claims processors are well-equipped to address the challenges presented by cases that often involve complex legal and medical questions. Ongoing initiatives include continued competency-based training development, instructional integrity reviews of training content by independent experts, internal collaborations to assess training needs, and establishing a VBA Training Oversight Council. Additionally, VBA has implemented various mechanisms focused on improving quality and training, including formal quality and training huddles, a task force focused on reducing overdevelopment in claims processing, and a quality standdown with a focus on employee wellness.

VA Central Office Quality and Training Huddles

In November 2021, OPO formed the VA Central Office (VACO) Quality Huddle with the intent of sharing quality best practices across the program offices. VBA identified that, although the measures of quality may differ across the business lines, training processes and procedures used may be versatile enough to be applied across VBA. The Quality Huddle also aims to reduce any silos and improve communication throughout VA, achieving goals of trust and innovation as well as improved collaboration and improved quality. Following the success of the Quality Huddle, in June 2023, OPO also established the VACO Training Huddle. By leveraging collective expertise, VA can adapt swiftly to changes in policies or procedures to provide the training that ensures our workforce remains well-equipped to deliver timely and accurate decisions on claims.

Over-Development Reduction Task Force

In FY 2022, OPO established the Over-Development Reduction Task Force (ODRTF) comprised of members across VBA and charged with promoting consistency and quality by analyzing the claims development process and streamlining processes by eliminating unnecessary employee actions. During the first phase, the task force implemented over 30 action items, which included claims processing manual updates, creating and updating training components, enhancements to claims processing systems, updates to VA notification letters, and initiation of several different quality reviews with targeted feedback to field employees. These action items positively impacted claims processing timeliness and quality.

On January 31, 2024, the second phase of ODRTF commenced with a focus on improvement in examination processes, to include: vendor examinations, use of private

disability benefits questionnaires (DBQ) submitted by Veterans, use of a standardized exam scheduling request tool, and effectiveness of automated examination ordering. The task force is exploring opportunities in policy, processes, and technology to eliminate over-development.

Numerous action items have already been initiated for improving the private DBQ submission process, improving guidance to field employees on appropriately requesting examinations and preventing redundancy, and employee training to assist claims processors in scheduling more informed, intentional, and accurate requests for disability exams and medical opinions. During the second phase of the ODRTF, business lines collaborated to implement a Strategic Oversight and Analysis Review of Over development in Claims Processing, which regional offices will be required to complete bi-annually. VBA has also submitted improvements to the Exam Schedule Request tool to alleviate ordering unnecessary exams, and the name of the tool will be updated to Exam Scheduling Assistant. Additionally, VBA sent communication to the field on the acceptance of private DBQs and emphasis to review/weigh the evidence/DBQs of record to decide claims. The second phase of ODRTF is currently working on several large-scale initiatives that will have lasting positive impact on claims processing. For example, on June 4, 2024, VBA provided training on examination requests and the rework process. This training was designed and delivered in direct response to data showing frequent occurrence of exam clarifications required before claims can be decided, for reasons such as incorrect DBQs, missing DBQs, and missing/incomplete medical opinions. This training was presented and made available to claims processors at each regional office, in every district.

As VBA presses forward on these advancements, ODRTF is just one component of our overall commitment to improvement in self-evaluation, training, quality, and overall customer service.

Quality Standdown and Employee Wellness

As part of our larger effort to provide the best possible service to Veterans and survivors, VBA hosted an organizational-wide Quality Standdown and Employee Wellness Day, on June 6, 2024. The effort was intended to meet two important goals—improving the quality of our work across all business lines, from Central Office to the field and improving employee wellness and experience by addressing burnout and mental health. Nearly all of VBA's 34,000 employees participated. The agenda was designed to address the needs of our entire operations, from claims processors to call center agents, and provided a connection between employees through live engagement, small group discussions, and focused communication from VBA leadership to first line supervisors to front line employees.

VBA's Quality Standdown and Employee Wellness Day consisted of nation-wide training that focused on employee wellness and national content provided by program offices to RO employees. The remaining time was customized to address local quality and improvement topics in all divisions. The quality agenda was driven by gaps and/or

concerns identified nationally and locally, and topics addressed identified deficiencies in top categories of error trends, with a focus on promoting claims processing accuracy. The employee wellness agenda addressed employee burnout and focused on overall employee work experience and resiliency. VBA is considering holding additional sessions throughout the year and will leverage the feedback we are currently collecting from our employees and labor partners from last month's event.

Conclusion

VBA remains committed to delivering timely, accurate, and equitable claims decisions to all Veterans, dependents, and survivors—all while providing a world class experience. I hope this testimony provides insight into this commitment. As always, VBA looks forward to the continued oversight Congress provides and the partnership of our stakeholders. Chairman Luttrell, Ranking Member Pappas, this concludes my testimony. My colleagues and I are happy to respond to any questions you or the Subcommittee may have.

Prepared Statement of Stephen Bracci



DEPARTMENT OF VETERANS AFFAIRS
OFFICE OF INSPECTOR GENERAL

STATEMENT OF STEPHEN BRACCI
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FOR THE OFFICE OF AUDITS AND EVALUATIONS,
OFFICE OF INSPECTOR GENERAL, US DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS,
US HOUSE OF REPRESENTATIVES COMMITTEE ON VETERANS' AFFAIRS
HEARING ON
"IS THE VETERANS BENEFITS ADMINISTRATION PROPERLY PROCESSING
AND DECIDING VETERANS' CLAIMS?"
JULY 23, 2024

Chairman Luttrell, Ranking Member Pappas, and members of the Subcommittee, thank you for the opportunity to testify on the independent oversight conducted by the Office of Inspector General (OIG) on VA's quality assurance and training programs related to providing disability compensation benefits to eligible veterans. The OIG is committed to conducting work that results in evidence-based findings and practical recommendations to help the Veterans Benefits Administration (VBA) promptly and accurately provide veterans with the benefits and services they have earned. To that end, the OIG works diligently to ensure every report issued is fair and balanced, and serves as a road map for VA leaders to make program and process improvements across the nation.

Disability compensation is a tax-free monetary benefit paid to veterans with disabilities that are the result of a disease or injury incurred or aggravated during active military service. As of December 31, 2023, more than 5.7 million veterans were receiving these benefits.¹ VBA has established a multifaceted quality assurance program to help identify and eliminate barriers to making timely, accurate, and consistent decisions on disability compensation claims. Its training program is meant to adequately prepare new and current employees to address the complexity of the claims process, particularly given the increased workload from the PACT Act, and to inform all claims personnel of constantly changing policies, procedures, and guidance.² Both the quality assurance and training programs have had considerable challenges in meeting their objectives, as evidenced by the OIG reports

¹ VA, "VA Benefits & Health Care Utilization," www.va.gov/vetdata/docs/pocketcards/fy2024q1.pdf

² The PACT Act refers to the Sergeant First Class Heath Robinson Honoring Our Promise to Address Comprehensive Toxics Act of 2022, Pub. L. No. 117-168, 136 Stat. 1759.

discussed below. Given the impact on veterans when benefits are delayed or decided in error, the OIG remains vigilant in its oversight of various aspects of these programs.

DEFICIENCIES IN VBA'S QUALITY ASSURANCE AND TRAINING PROGRAMS

The OIG acknowledges that VBA has improved its quality assurance review process by implementing action plans associated with OIG report recommendations, including those made in response to the oversight reports issued in 2020 through 2022 described later in this statement. However, the OIG continues to identify deficiencies with VBA's quality assurance and training processes related to disability compensation claims. The following four reports provide examples of errors and weaknesses that can affect whether veterans receive the prompt and accurate payments they are due. These highlighted reports focus on (1) processing errors VBA personnel made on veterans' individual unemployability claims, (2) inconsistencies implementing changes to the disability rating schedule, (3) issues with claims automation, and (4) unwarranted medical reexaminations for veterans.

VBA Personnel Made Errors When Processing Veterans' Claims for Individual Unemployability Benefits

When a veteran is unable to secure and maintain "a substantially gainful occupation" because of service-connected disabilities, VA policy states that the veteran should be rated totally disabled—also referred to as total disability based on individual unemployability (TDIU).³ The OIG conducted a review to determine if claims processors were following policies and procedures to accurately decide veterans' claims for TDIU benefits.⁴

In the resulting July 2024 report, the team found VBA employees did not consistently follow policies and procedures when processing these claims, leading to errors and improper payments to veterans.⁵ The team estimated, based on two statistical samples, that these claims processing errors resulted in \$84.7 million in underpayments and at least \$9.8 million in overpayments during the review period from

³ VA Manual 21-1, part 8, sub. 4, chap. 3, sec. A, topic 1.a, "Establishing Entitlement to TDIU" and topic 2.b, "Definition: Substantially Gainful Employment," July 29, 2021.

⁴ VA OIG, *VBA Needs to Improve Accuracy of Decisions for Total Disability Based on Individual Unemployability*, July 17, 2024.

⁵ Both underpayments and overpayments are considered improper payments. The Office of Management and Budget defines federal payments as improper when they are paid in the incorrect amount, paid to an ineligible recipient, or issued without adequate supporting documentation. Office of Management and Budget, "Requirements for Payment Integrity Improvement," app. C in OMB Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*, March 5, 2021.

May 1, 2022, to April 30, 2023.⁶ The OIG made seven recommendations to help VBA improve the accuracy of TDIU claims decisions. These recommendations included updating guidance, enhancing information systems, improving training, and evaluating workload distribution. All recommendations remain open, and the OIG will continue to assess VBA's corrective actions until adequate documentation has been presented to demonstrate sufficient implementation.⁷

Disability Rating Updates Were Not Consistently Applied

VBA uses the VA Schedule for Rating Disabilities (the rating schedule) to determine monthly compensation to eligible veterans for service-connected disabilities based on documented medical severity. In 2021, updates were made to the rating schedule for the musculoskeletal body system. The OIG performed a review to assess the effectiveness of VBA's implementation of the rating schedule changes for hip and knee replacements.

The report on the review's findings, published in February 2024, found an estimated 38 percent of claims had an improper payment during the review period.⁸ VBA paid an estimated \$3.3 million in total improper payments for hip and knee replacement claims—including both underpayments and overpayments for these claims. VBA concurred with the OIG's four recommendations, with two focusing on inadequate quality assurance (monitoring) and training processes.⁹ Specifically, the OIG called on VBA to develop implementation procedures to include monitoring the accuracy of claims processing when rating schedule revisions are made. The OIG also recommended VBA supplement training on the rating schedule updates and include how to apply the changes to help assure claims processors' comprehension. The recommendations remain open at this time.¹⁰ The OIG will track VBA's progress through its recommendation follow-up process.¹¹

⁶ The OIG team reviewed a random sample of 120 granted individual unemployability claims and 80 denied claims that were completed from May 1, 2022, to April 30, 2023.

⁷ At quarterly intervals commencing 90 calendar days from the report issue date, the OIG sends a follow-up status request to the action office asking for an implementation status report. The OIG follow-up staff generally will provide VBA 30 calendar days to respond.

⁸ VA OIG, *Rating Schedule Updates for Hip and Knee Replacement Benefits Were Not Consistently Applied*, February 21, 2024.

⁹ The other two recommendations address issues unrelated to quality assurance and training.

¹⁰ VA's action plans included target completion dates for recommendation 3 as May 31, 2024, and was yet to be determined for recommendation 4.

¹¹ The OIG made its first follow-up status request for this report on May 21, 2024. VBA provided their status update to the OIG on July 3, 2024, and the documentation provided is currently being reviewed.

Improvements Are Needed to Claims Automation

Anticipating a surge in disability benefits claims resulting from passage of the PACT Act, VBA launched a project to automate the processing of certain hypertension (high blood pressure) claims.¹² The project automates evidence-gathering tasks including extracting blood pressure readings and hypertension-related medication data from VA treatment records. These are compiled into a summary sheet, uploaded to the veteran's electronic claims folder, and used as evidence to decide the claim.

The OIG carried out a proactive review to determine whether the project supported accurate decisions on veterans' claims while also improving processing timeliness and reducing manual effort. In September 2023, the OIG published a report detailing deficiencies with the automation project.¹³ The team found the summary sheets did not provide accurate and reliable evidence, which resulted in inaccurate decisions on veterans' claims. The OIG made four recommendations to VBA, including implementing an improved quality assurance process and monitoring the results to ensure the accuracy of hypertension summary sheets and final decisions.¹⁴ All recommendations remain open at this time.¹⁵

Veterans Were Required to Attend Unwarranted Medical Reexaminations

To ensure veterans' monthly compensation benefits are consistent with their levels of disability, VBA requires reexaminations for veterans when there is a need to verify the continued existence or the current severity of a disability. VBA's policy is to only request reexaminations when mandated by law, or if necessary, before reducing a veteran's disability rating due to improvements in the disability. While required reexaminations are important to make sure that taxpayer dollars are spent appropriately, unwarranted reexaminations are a waste of funds, could cause undue hardships for veterans, and reduce the efficiency and timeliness of claims processing.

The OIG conducted a review to determine whether VBA staff followed procedures when requesting medical reexaminations. The subsequent March 2023 report found practices inconsistent with procedures and that VBA had opportunities to reduce unwarranted reexaminations.¹⁶ When VBA staff complete rating decisions on veterans' claims for benefits, they may establish approximate reexamination control dates in the electronic system. A control date is the month and year when the

¹² The automation project focused on claims that include a request for an increased rating for hypertension.

¹³ VA OIG, *Improvements Needed for VBA's Claims Automation Project*, September 25, 2023.

¹⁴ The other three recommendations deal with issues unrelated to quality assurance and training.

¹⁵ VBA provided their most recent status update to the OIG on July 16, 2024, and the documentation provided is currently being reviewed.

¹⁶ VA OIG, *Veterans Are Still Being Required to Attend Unwarranted Medical Reexaminations for Disability Benefits*, March 16, 2023.

claim is due for review. Based on a statistical sample review, the team estimated staff *erroneously established a control date* for future reexaminations in 66 percent of cases (3,149 of 4,754), including cases in which disabilities were permanent and not likely to improve. This occurred, in part, because VBA did not require staff to cite objective evidence for why reexaminations were needed.

VBA's policy was for a "locally designated claims processor with expertise in review examination ordering" to determine whether reexamination is still needed once the related control date is reached.¹⁷ However, VBA did not define or provide criteria for the expertise needed to process these claims. The team reviewed a separate statistical sample of claims with control dates that had come due and estimated claims processors requested unwarranted reexaminations at that time in about 44 percent of cases (9,733 of 22,534).

VBA concurred with the report's three recommendations, which included VBA updating its training materials and ensuring claims processors meet all training requirements related to establishing and ordering medical reexaminations.¹⁸ All recommendations remain open until VBA provides documentation of sufficient progress to demonstrate adequate implementation.¹⁹

PRIOR OIG REPORTS ON VBA QUALITY ASSURANCE

Concerns with the accuracy and timeliness of claims processing are not new. From 2020 through 2022, the OIG completed six nationwide reviews that focused on various components of VBA's quality assurance review program.²⁰ This statement highlights three reports from that series that focus on the accuracy of decisions for veterans' disability compensation claims:

- The first report examines reviews by VBA's national quality assurance program, referred to as the Systematic Technical Accuracy Review (STAR) program.²¹

¹⁷ VA Manual 21-1, "Control of Future Examinations," updated September 15, 2021, sec. IV.ii.1.B, topic. 1.d. The February 2019 version of the manual placed this information in sec. III.iv.3.C, topic 2.d.

¹⁸ The other two recommendations address concerns unrelated to quality assurance and training.

¹⁹ VBA provided their most recent status update to the OIG on April 11, 2024. The team is communicating with VBA to obtain the necessary evidence to assess closure of the recommendations.

²⁰ VA OIG, [The Systematic Technical Accuracy Review Program Has Not Adequately Identified and Corrected Claims-Processing Deficiencies](#), July 22, 2020; VA OIG, [Deficiencies in the Quality Review Team Program](#), July 22, 2020; VA OIG, [Site Visit Program Can Do More to Improve Nationwide Claims Processing](#), August 18, 2020; VA OIG, [Greater Consistency Study Participation and Use of Results Could Improve Claims Processing Nationwide](#), September 29, 2020; VA OIG, [The Office of Field Operations Did Not Adequately Oversee Quality Assurance Program Findings](#), May 18, 2021; VA OIG, [The Compensation Service Could Better Use Special-Focused Reviews to Improve Claims Processing](#), August 9, 2022.

²¹ VA OIG, [The Systematic Technical Accuracy Review Program Has Not Adequately Identified and Corrected Claims-Processing Deficiencies](#).

- The second publication assesses the quality review teams at each of VBA's 57 regional offices.²²
- The third report summarizes the systemic issues identified during the OIG's prior reviews.²³

To better understand who is responsible for implementing the OIG recommendations related to VBA's quality assurance review program, it is useful to know the governance structure of responsible offices and individuals. The program relies on two offices within VBA—the Compensation Service and the Office of Field Operations. The Compensation Service, led by an executive director, administers the quality assurance review program and assesses claims processing accuracy nationwide. The Office of Field Operations, headed by a deputy under secretary, directs VBA's district and regional offices and is responsible for ensuring claims processing personnel follow quality assurance procedures. Field Operations is also tasked with taking corrective actions on deficiencies identified during quality assurance reviews. It is vital for these two offices to effectively coordinate and communicate to help the quality assurance program achieve its mission, goals, and responsibilities.

The STAR Program Did Not Adequately Identify and Correct Claims-Processing Deficiencies

The STAR program is one element of VBA's multifaceted quality assurance review program to support the provision of disability compensation benefits in a timely and accurate manner. The program is intended to provide quality review and analyses of all factors involved with processing a specific claim. STAR analysts perform quality reviews on individual, randomly selected claims from across the country to identify processing deficiencies and provide feedback to claims personnel to improve decision-making. VBA uses the results of these publicly reported reviews to estimate claims processing accuracy nationally and for each regional office. The OIG conducted this review to determine whether the STAR program performed accurate quality reviews of claims decisions, had adequate procedures to ensure corrective actions were implemented timely and correctly, and provided feedback to managers and staff to increase the accuracy of claims decisions.

The OIG found in its 2020 report that the STAR quality review process needed improvement, and VBA did not take sufficient actions to make certain the program fully identified deficiencies in the claims process and provided meaningful feedback to regional office employees.²⁴ STAR analysts generally detected benefit entitlement errors but did not place as much emphasis on finding procedural deficiencies. A benefit entitlement error occurs when a claims processor takes an action that violates

²² VA OIG, *Deficiencies in the Quality Review Team Program*.

²³ VA OIG, *The Office of Field Operations Did Not Adequately Oversee Quality Assurance Program Findings*.

²⁴ VA OIG, *The Systematic Technical Accuracy Review Program Has Not Adequately Identified and Corrected Claims-Processing Deficiencies*.

current regulations or other directives and affects the outcome or has the potential to affect the outcome of a veteran's claim, such as an overpayment or underpayment. Procedural deficiencies also involve a violation of regulations or directives; however, they do not directly affect a veteran's benefits. An example of a procedural deficiency would be establishing an unnecessary medical examination, which could delay benefits decisions. The review team determined there was no formal secondary review process for procedural deficiencies. With this lack of emphasis on procedural deficiencies, VBA may not have complete data on whether employees are properly processing and deciding veterans' claims. The deputy under secretary interviewed by the OIG team stated that identifying these deficiencies is important to help drive operational decisions, such as determining whether additional training is needed for VBA's claims processors. Moreover, in response to the related report recommendation, VBA agreed that some procedural errors have the potential to affect benefits.

The OIG team examined a statistical sample of 100 claims. Of those, an estimated 55 percent had benefit entitlement errors that were identified by STAR analysts that could affect veterans' disability compensation payments and procedural deficiencies. Problems were also noted with the process for correcting errors that resulted in delayed and inaccurate actions, as well as outdated feedback from reviews being provided to VBA personnel that did not enhance the quality of claims decisions.

The six recommendations have been closed based on documentation provided by VBA. They addressed improving and formalizing the processes for secondary reviews and training, including remediating identified deficiencies; increasing claims processing accuracy; enhancing the emphasis on procedural deficiencies; tracking corrective actions; and consistently providing data and feedback to regional offices.

Deficiencies in the Quality Review Team Program

Another OIG oversight report examined quality review teams at each regional office that are responsible for evaluating the accuracy with which VBA staff process compensation claims, identifying any trends in errors committed by claims processors, providing training and mentoring on addressing error trends, and reviewing the performance of individual employees. Quality review team specialists perform reviews of compensation claims that have been processed by other employees. The OIG's work focused on whether specialists executed accurate quality reviews, regional office managers appropriately decided requests for reconsideration of errors identified, and employees initiated timely action to correct identified claims processing errors based on established standards.

Among the findings presented in this 2020 report was that the specialists responsible for identifying claims processing errors missed them in approximately 35 percent of quality reviews completed during

the review period.²⁵ Furthermore, the process by which these specialists assess one another's work was inadequate to detect errors missed during the initial quality review. Performance reviews of specialists also did not ensure they had the competency needed to detect errors. Without accurate quality review data, VBA cannot fully assess whether employees are making the correct decisions on veterans' claims.

The OIG team also estimated that during the review period, regional office managers inappropriately overturned specialists' determinations that errors were made about 50 percent of the time when claims processors requested a reconsideration of the identified mistakes. Finally, VBA had not established adequate oversight or accountability for assuring the prompt correction of claims processing errors. The OIG estimated that during the review period about 45 percent of identified errors were not corrected within established timelines and about 18 percent were not corrected at all.

The OIG made five recommendations to VBA that were all closed in response to documentation that satisfactory steps for improvement had been completed. These included assessing the peer review process, sampling non-error quality reviews, revising the specialist performance review and error reconsideration processes, and improving the monitoring of error correction timeliness.

The Office of Field Operations Did Not Adequately Oversee Quality Assurance Program Findings

An OIG report issued in 2021 summarized systemic weaknesses found in the oversight and accountability of VBA's quality assurance review program.²⁶ Although the program routinely identified claims processing deficiencies and communicated results to internal and external stakeholders, the Office of Field Operations did not ensure regional office employees took adequate corrective actions to redress the deficiencies identified. For example, regional office managers did not follow up with employees to make certain that they corrected errors in a timely manner that were identified by STAR and quality review team personnel. This systemic weakness in oversight and accountability by the Office of Field Operations put veterans at risk of not receiving accurate decisions and the benefits for which they were eligible.

VA submitted sufficient evidence of implementing the report's single recommendation for its closure. VBA carried out an action plan to strengthen oversight of quality assurance by improving the Office of Field Operations' monitoring of errors identified during quality reviews to confirm identified deficiencies were being adequately addressed.

²⁵ VA OIG, *Deficiencies in the Quality Review Team Program*. If an employee disagrees with an error cited by a quality review team specialist, they have the option to request reconsideration.

²⁶ VA OIG, *The Office of Field Operations Did Not Adequately Oversee Quality Assurance Program Findings*.

CONCLUSION

One of the critical foundations of accountability for any program is effective quality assurance to detect and resolve issues. The OIG has found that VBA needs to improve the execution of its quality assurance review program so that eligible veterans receive the disability compensation benefits they are due. While VBA has made progress by carrying out action plans to address oversight report recommendations for improvement, there is more work to be done. The OIG acknowledges that VBA personnel face significant difficulties in processing often complex claims. These challenges are exacerbated by constantly changing policies and processes, increasing workloads, as well as tight timelines. This state of constant change reinforces the OIG's calls for VBA to provide its employees with accurate, timely, and effective training. The OIG remains committed to conducting independent oversight and providing practical recommendations to help improve the accuracy of decisions involving veterans' disability compensation claims, with ongoing projects focused on such areas as PACT Act claims accuracy, staffing, and more effective training for claims processors and medical examiners.

Mr. Chairman, this concludes my statement. I would be happy to answer any questions you or members of the subcommittee may have.

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
BENEFITS**

**Training for Claims
Processors Needs to
Be Enhanced**

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

GAO Highlights

Highlights of [GAO-24-107510](#), a testimony before the Subcommittee on Disability Assistance and Memorial Affairs, Committee on Veterans' Affairs, House of Representatives

Why GAO Did This Study

In fiscal year 2023, VBA processed over 2.2 million claims for disability compensation and provided about \$136 billion in benefits to veterans with service-connected disabilities.

VBA provides training each year to thousands of claims processors. Training is particularly important as VBA hires more staff and implements new initiatives. VA has been on GAO's High-Risk List since 2003 due in part to challenges with managing disability claims workloads.

This statement discusses the status of recommendations from GAO's June 2021 report ([GAO-21-348](#)) that compared VBA's training program for claims processors with leading practices for training in the federal government.

What GAO Recommends

GAO's June 2021 report made 10 recommendations to incorporate leading practices for training. VA agreed with these recommendations and has addressed six, but four have not yet been fully implemented.

Continued efforts by VBA to plan and evaluate its training program, in line with GAO's recommendations, and sustained attention to designing and implementing training would help claims processors better serve veterans with disabilities. Additionally, VBA would have greater assurance that its workforce has the necessary skills to process disability claims efficiently and effectively.

View [GAO-24-107510](#). For more information, contact Elizabeth H. Curda at (202) 512-7215 or curdae@gao.gov.

July 2024

VA DISABILITY BENEFITS

Training for Claims Processors Needs to Be Enhanced

What GAO Found

In a June 2021 report, GAO found that the Department of Veterans Affairs' (VA) Veterans Benefits Administration (VBA) had not applied many leading practices for federal training efforts for its program to train new and experienced disability claims processors. Training is a key strategy to help ensure claims processors have the needed skills to make quality decisions on veterans' claims. GAO made 10 recommendations related to design, implementation, planning, and evaluation of VBA's training program. VBA has addressed six recommendations as of June 2024, but work remains to fully address those related to planning and evaluation.

- Design.** VBA has taken steps to fully implement GAO's recommendation on design. In 2021, GAO reported that VBA used a variety of training delivery mechanisms, including computer-based and classroom training, consistent with leading practices. However, VBA had not established criteria to determine the most appropriate delivery mechanism. In December 2021, VBA reported creating a tool for VBA training staff to use in determining the delivery mechanism. VBA identified about a dozen courses for which staff applied this tool to develop or modify the delivery mechanism.
- Implementation.** VBA has taken steps to fully implement all recommendations GAO made related to implementing its training program. Specifically, GAO previously found that VBA had taken steps to enhance available training for instructors, but according to VBA officials, it had not developed minimum training requirements. In 2023, VBA established training requirements for all instructors. In May 2024, VBA established a procedure to monitor instructors' training completion. In addition, GAO previously found that VBA had no requirement to monitor claims processors' completion of all required training. In December 2021, VBA established a standard operating procedure and set up a process to monitor training completion, in line with GAO's recommendation.
- Planning.** VBA has taken some steps to develop a strategic approach to its training efforts but has not yet fully implemented two of three related GAO recommendations. In March 2024, VBA established a governance structure to coordinate training activities across three key VBA offices that help administer training. However, a fiscal year 2025 plan for the training program did not have comprehensive goals and other elements, including how program activities will be prioritized to meet goals, as called for in GAO's recommendations.
- Evaluation.** VBA has not fully implemented two of three recommendations on evaluation. In 2021, GAO found that VBA collected and incorporated some stakeholder feedback about training and finalized plans to evaluate certain training, but these efforts were not comprehensive or systematic. The agency also had not completed an evaluation of its training program in recent years. Later in 2021, VBA established a policy for evaluating VBA training and created a process to review and incorporate feedback, as called for by GAO's recommendations. However, VBA has not yet demonstrated how it incorporates feedback from relevant stakeholders, as GAO recommended, or completed a plan to evaluate training for experienced claims processors.

GAO is continuing to monitor VBA's implementation of these recommendations.

July 23, 2024

Chairman Luttrell, Ranking Member Pappas, and Members of the Subcommittee:

Thank you for the opportunity to discuss our June 2021 review of the Department of Veterans Affairs' (VA) Veterans Benefit Administration's (VBA) training program for disability compensation benefit claims processors.¹ As you know, VA provides cash benefits to veterans injured in service to their country. In fiscal year 2023, VBA processed over 2.2 million claims for disability compensation and provided about \$136 billion to about 5.5 million veterans.

VA faces well-known challenges with processing large volumes of disability compensation claims. These challenges raise questions about VA's ability to effectively meet the needs of a significant number of veterans seeking disability benefits, as VA reports an increase in claims received due, in part, to the Honoring our PACT Act of 2022 (PACT Act).² Contending with large claims processing workloads also potentially creates pressure for staff to sacrifice the quality of work to meet timeliness goals. Since 2003, VA has been on GAO's High Risk List due to issues with managing its disability claims workload.³

Effective training is key to helping ensure that claims processors have the skills to make timely and high-quality decisions—especially as VBA hires more staff, implements new initiatives, and updates eligibility criteria for assigning a degree of disability and compensation level. For example, according to a recent report by VA's Office of Inspector General, claims processors made errors in applying aspects of the updated eligibility

¹GAO, *VA Disability Benefits: Veterans Benefits Administration Could Enhance Management of Claims Processor Training*, GAO-21-348 (Washington, D.C.: June 7, 2021).

²Pub. L. No. 117-168, 136 Stat. 1759 (2022). The PACT Act changed certain disability compensation examination requirements and expanded presumptive conditions associated with exposure to burn pits and other toxins, among other things, resulting in a potential increase in eligibility for certain health care and benefits.

³GAO's High-Risk series identifies government operations with vulnerabilities to fraud, waste, abuse, and mismanagement, or are in need of transformation. See the most recent list at GAO, *High-Risk Series: Efforts Made to Achieve Progress Need to Be Maintained and Expanded to Fully Address All Areas*, GAO-23-106203 (Washington, D.C.: Apr. 20, 2023).

criteria for hip and knee replacements due in part to deficiencies in staff training.⁴

In our June 2021 report, we examined VBA's training program for claims processors against a wide range of leading practices for training related to planning, design, implementation, and evaluation.⁵ My statement today addresses VBA's recent progress in implementing the 10 recommendations we made in our June 2021 report and aspects of those recommendations VBA has not yet addressed. VA agreed with these recommendations. As of June 2024, six of these 10 recommendations have been implemented and four have not been fully addressed.

Specifically, my remarks today focus on VBA's progress applying leading practices for effective training in the federal government in four related areas (1) planning – establishing a governance structure, goals, and plans for its training program; (2) design – delivering training through the most appropriate methods to meet the needs of claims processors; (3) implementation – setting minimum training requirements for instructors and monitoring whether claims processors complete training; and (4) evaluation – evaluating the training program, including collecting and incorporating feedback.

For the June 2021 report, we collected and analyzed VBA policies, reports, and planning documents related to aspects of its training program. We also interviewed officials from VBA offices who help administer claims processor training: Compensation Service, the Office of Talent Management, and the Office of the Deputy Under Secretary for Field Operations.⁶ In addition, we interviewed managers and claims processors at four VA regional offices who were selected for variation in office size, region, and claims workload. We also reviewed a selection of training materials. We used the following categories to describe the extent to which the agency applied relevant leading practices for training:

- Generally applied – most of the relevant leading practices.

⁴Department of Veterans Affairs Office of Inspector General, *Veterans Benefits Administration, Rating Schedule Updates for Hip and Knee Replacement Benefits Were Not Consistently Applied*, 23-00153-41 (Feb. 21, 2024).

⁵For the leading practices, see GAO, *Human Capital: A Guide for Assessing Strategic Training and Development Efforts in the Federal Government*, GAO-04-546G (Washington, D.C.: Mar. 1, 2004).

⁶In 2021, the Office of Talent Management became the Office of Human Capital Services.

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- Partially applied – some of the relevant leading practices.
 - Did not apply – did not apply any of the relevant leading practices.

More information on our scope and methodology is available in our June 2021 report.⁷ We also reviewed information we received in April, May, and June 2024 from VA officials about steps they took to implement our June 2021 recommendations.

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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Veterans with service-connected disabilities (i.e., injuries or illnesses incurred or aggravated during active-duty military service) may receive monthly VA disability compensation payments according to the severity of their disability. VBA's Compensation Service oversees the disability compensation program and employs thousands of claims processors to process disability compensation claims across its 56 regional offices. These claims processors include:

- Veterans Service Representatives (VSR) who gather evidence needed to determine entitlement and who review the amount of the award and authorize payment, if any, and
- Rating Veterans Service Representatives (RVSR or rater) who determine entitlement and the disability rating percentage.

Claims processors determine disability ratings and benefit amounts using the Veterans Affairs Schedule for Rating Disabilities and VBA's M21-1 Claims Processing Manual.

In recent years, VBA has changed its approach to training newly hired or promoted VSR and RVSR claims processors. Prior to fiscal year 2021, this training was called "Challenge training," a technical skills focused program conducted at a VBA training center. In 2019, VBA reported delivering Challenge training to almost 1,000 claims processors. In fiscal year 2021, VBA's Challenge training became the Virtual and In-Person

⁷CAO-21-348.

Progression (VIP) training program. A major change under VIP training is having local instructors deliver more introductory training at regional offices rather than at a VBA training center, as in previous years.

According to VBA policy, VSRs are required to complete 40 hours of annual training.⁸ VBA's Compensation Service assigns courses totaling at least 15 hours of training in response to national priorities, such as trends in errors. Regional offices select the remaining 25 hours of training from VBA's Learning Catalog.

To track the performance of claims processing, VA maintains reports of its claims inventory and claims accuracy on a public website. For example, as of June 22, 2024, VA reported that about 962,300 claims were awaiting processing. About 28 percent of those claims are considered backlogged, a term VA uses to indicate that these claims have been pending for more than 125 days since receipt. Regarding claims accuracy, VA tracks the proportion of error-free claims (claim-based accuracy), as well as the accuracy of individual medical issues contained within a disability claim (issue-level accuracy). For example, as of June 22, 2024, the 3-month issue-level accuracy rate was about 91 percent, which represents a drop from over 97 percent as of May 2023.

VBA Has Addressed Six of Our 10 Recommendations Related to the Planning, Design, Implementation, and Evaluation of Its Training Program

Planning – Establishing a Governance structure. In 2021, we reported that the agency lacked a governance structure to guide its training program and coordinate activities across three key VBA offices that help administer training. We recommended that VBA establish a governance structure that identifies clear lines of authority among the VBA offices responsible for guiding strategic training efforts and establishing clear accountability for the success of these efforts.

VA generally agreed with this recommendation and in March 2024, VBA fully implemented it by developing a charter to establish a governance structure. VBA's charter states that this governance structure would ensure strategic, programmatic, and operational governance of the training program. The governance structure includes: (1) an Executive Training Board responsible for overall strategic direction, including oversight of the training budget; and (2) a Training Oversight Council that

⁸For fiscal year 2024, VBA policy states that the 40-hour requirement applies to VSRs, while RVSR training requirements for the fiscal year are determined by individual competency-based training system (CBTS) remediation needs (i.e., tailored to employee training needs based on their CBTS assessment results) and regional office-selected training.

includes senior decisionmakers in VBA offices, such as Compensation Service. Major duties of the board and council include establishing priorities, developing training plans, and implementing metrics to measure returns on investments in training. The governance structure includes VBA leadership, as well as representatives from VBA offices, such as the Office of Field Operations.

Successfully using this governance structure could help VBA align its training efforts with accountability for training program results. Based on the council duties outlined in the charter, this structure could also help VBA address our other recommendations on goals, plans, and evaluation.

Design – Determining delivery mechanisms. We found that VBA used a variety of training delivery mechanisms, including computer-based and instructor-led classroom training, which is consistent with leading practices. However, claims processors and managers we interviewed raised concerns about whether the training delivery mechanisms meet course requirements and the needs of attendees. For example, although claims processors said they preferred live, instructor-led training because it provides opportunities to ask questions, most claims processors described receiving a significant amount of self-paced training, even before the COVID-19 pandemic.

Regional office staff we interviewed had also described instances in which different types of training could benefit from specific delivery mechanisms. For example, trainings that require complex practical exercises might be better taught in person, while pre-recorded training may be helpful in delivering consistent information regarding major claims processing changes. However, VBA had not established criteria to determine the most appropriate delivery mechanism.

We recommended that VBA document and use criteria to decide when a specific training delivery mechanism should be used. VBA concurred with this recommendation and, as of August 2022, completed actions to fully implement it. Specifically, VBA developed a tool and job aid to guide VBA personnel in selecting the most appropriate training delivery mechanism and demonstrated that it provided its training staff with criteria and the tool to help select the best training delivery mechanism. To use the tool, staff consider the relevant details of the training, such as the training audience, and answer questions about the training based on its learning objectives. The tool generates recommendations for the best method—such as instructor-led training or simulations—to deliver that training. VBA identified about a dozen new and existing courses where staff applied this

tool to develop or modify the delivery mechanism. Continuing to use this tool and job aid should help VBA staff better match the training's content with its delivery mechanism, and thereby improve the training's effectiveness.

Implementation – Ensuring instructors are qualified. We reported in June 2021 that claims processors in two of our four discussion groups described inconsistencies in instructor quality, and that VBA had taken steps to ensure that instructors are qualified. For example, VBA had taken steps to enhance training for instructors, including developing an instructor certification program. In addition, VBA had begun requiring headquarters approval of regional office instructors who teach VIP training for newly hired or promoted claims processors.

However, we reported that according to VBA officials, the agency lacked minimum qualifications or requirements for regional office instructors overall, and the certification program, although encouraged, was optional. We recommended that VBA establish and monitor minimum training requirements to prepare all course instructors at regional offices to conduct claims processor training. VA agreed with this recommendation and has fully addressed it.

In May 2024, VBA clarified that as of 2023, instructors of all claims processor training are required to provide documentation of their qualifications, which includes completion of at least one instructor training course. A May 2024 standard operating procedure lays out VBA's process for ensuring that instructors maintain current documentation of their qualifications, including completed instructor training. Requiring up-to-date training for all instructors should help to ensure the training for new and experienced claims processors is of high quality.

Implementation - Ensuring accountability by monitoring training. In 2021, we found that VBA monitored training to ensure claims processors complete centrally assigned training but did not ensure they completed all 40 hours of required training. Leading practices for training state that agencies should establish mechanisms to ensure that employees successfully complete assigned training.

We recommended that VBA develop and implement a policy to monitor claims processors' completion of annual regional office-selected training hours. VBA concurred with this recommendation and has fully implemented it. Specifically, in December 2021, VBA established a standard operating procedure to monitor training completion and set up

an associated process. Based on our review, this process has helped VBA identify regional offices with claims processors who have not completed training and follow up to ensure completion.

Evaluation - Planning evaluations. We found that prior to our 2021 report, VBA did not have a formal evaluation plan, and had not completed an overall evaluation of its training for disability claims processors in a number of years. We recommended that VBA establish a policy to help ensure recurring evaluation of training. VBA agreed with this recommendation and, in November 2021, fully addressed it by establishing a policy for evaluating VBA mission-based training programs.⁹

VBA Has Not Fully Addressed Four of Our 10 Recommendations Related to Planning and Evaluation of Its Training Program

Planning – Establishing performance goals. In 2021, we found that VBA had not established program-wide goals for its training program. We recommended that VBA establish performance goals specifically for VBA's training program for disability claims processors. We also stated that these program-level goals should have specific targets to provide a basis for comparing actual program performance with expected results. VA agreed with this recommendation and has partially addressed it.

In its fiscal year 2025 training plan, VBA reported goals for several aspects of its training program for disability claims processors. For example, one goal is for 100 percent of newly hired raters to complete virtual and in-person training with an 80 percent or higher level of proficiency. However, other aspects of the training program, such as the annual required training, do not have associated goals or performance targets. Until VBA establishes measurable performance goals, it cannot effectively assess its training efforts, or the training program overall.

Planning - Documenting a training strategy or plan. We found in 2021 that VBA had documented strategies for some aspects of its training program but had not developed or documented a comprehensive strategy or plan for claims processor training. Officials told us they focused on urgent or emerging training needs, such as needs in response to appeals modernization and changes to claims processing in response to the COVID-19 pandemic, rather than prioritizing the creation of an overall training strategy. We recommended that VBA develop and document an integrated and comprehensive training plan or strategy for its program for

⁹Department of Veterans Affairs, Veterans Benefits Administration, VBA Letter 20-21-19, *Evaluating Training Programs and Training Systems Policy* (Nov. 30, 2021).

training disability claims processors. VA agreed with this recommendation and has partially addressed it.

As of April 2024, VBA has developed a fiscal year 2025 training plan. We reviewed this plan and determined that while it has some improvements over prior year plans, it does not include all elements of a training plan, as described in our prior work on assessing training. These elements include linkages with the agency's strategic objectives, priorities established among competing demands, efforts to address employee developmental goals, and anticipated benefits and projected costs. For example, VBA's training plan describes how ongoing assessments can help determine training needs but does not indicate when VBA will conduct these assessments, or the planned actions to identify training needs.

Moreover, the plan is unclear about how the training program's goals align with VBA's goals. For example, VBA has longstanding efforts to track the accuracy of its claims decisions, which it reports weekly on a public website. However, the training program goals and measures do not address how VBA training will help achieve the desired accuracy of benefits decisions made by claims processors. Until VBA incorporates all elements of a training plan, this plan may fall short of aligning training with agency needs.

Evaluation - Collecting and incorporating feedback. In general, in 2021 we found that VBA did not have a comprehensive policy or approach for the kind of feedback to collect and from whom, and how this feedback should be incorporated into the training program. Specifically, we reported that VBA had collected feedback on the training program from several stakeholders, including veterans service center managers, other regional office managers, and claims processors, but that other stakeholders' perspectives were missing. For example, VBA did not collect the insights of claims processors' direct supervisors, who, according to leading practices, might have valuable perspectives on the extent to which training contributes to employee performance. We also found that VBA made limited efforts to incorporate the feedback it collected. Specifically, VBA compiled reports of training that had been delivered, but officials were not systematically reviewing those reports to determine whether adjustments needed to be made when planning future training.

We recommended that VBA develop and document a policy and related processes for collecting and incorporating feedback from relevant stakeholders on the strengths and weaknesses of its claims processor

training program. VBA agreed with this recommendation and has partially addressed it.

In September 2023, VBA reported that it developed and documented a training evaluation process. The process incorporates training data, evaluation reports, and the views of VBA's in-house evaluation experts, who make recommendations for training improvements. VBA's documentation on this process explains that each recommendation must have a decision on whether to implement it and the decision must have supporting documentation. However, the process does not clearly articulate how these recommendations for training improvements incorporate views of training participants and other stakeholders. Routinely incorporating the feedback from stakeholders—including training participants, supervisors, and instructors—would help VBA make practical improvements to its training.

Evaluation - Conducting evaluations. We found that VBA had not completed efforts to conduct evaluation activities to help ensure continuous improvement of its training program. We reported in 2021 that VBA had developed evaluation plans for some newly hired or promoted claims processor training. For example, in some cases this type of training had evaluation plans that included performance measures against which to evaluate the training program. These measures were aligned with data collection activities, such as surveys for claims processors who completed the training within 3 or 6 months, and surveys of their supervisors. In addition, the surveys included open-ended questions to collect additional information on opportunities to improve the training.

However, other components of its training program, such as training for experienced claims processors, lacked evaluation plans. We recommended that VBA ensure that Compensation Service complete and implement evaluation plans for its training for disability claims processors and that such plans align with leading practices, such as those outlined in VBA's strategy for evaluating training. VA concurred with this recommendation and has partially addressed it.

In December 2021, VBA officials reported they were finalizing several evaluation plans, including one for its new competency-based training system. In February 2022, VBA provided fiscal year 2022 evaluation plans for several components of its training program, and in December 2022 shared examples of evaluation reports. However, as of June 2024, VBA has not provided an evaluation plan or reports for PACT Act training,

or for the annual required training. Until VBA completes and implements plans to evaluate all components of its claims processor training, it will lack assurance that training efforts are responsive to agency needs and resulting in expected performance.

In summary, VBA has taken several positive steps to improve its training program in response to our June 2021 report. However, 3 years after we published our report, several gaps remain. Further efforts are needed to incorporate a range of leading training practices for planning and evaluating the training program to help ensure that VBA's training will meet current and emerging needs for the disability compensation program.

An effective VBA training program is a key strategy for ensuring that claims processors make timely and high-quality decisions on veterans' disability compensation claims. A strong training program is critical as the agency hires large numbers of new claims processors and operates in an ever-changing environment. We will continue to monitor VBA's progress implementing our remaining June 2021 recommendations.

Chairman Luttrell, Ranking Member Pappas, and Members of the Subcommittee, this completes my prepared statement. I would be pleased to respond to any questions that you may have at this time.

GAO Contact and Staff Acknowledgments

If you or your staff have any questions about this testimony, please contact Elizabeth H. Curda 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. GAO staff who made key contributions to this testimony are James Whitcomb (Assistant Director), Dana Hopings (Analyst in Charge), and Caitlin Croake, as well as Cliff Douglas, Alex Galuten, Shirley Hwang, Serena Lo, Dawn Locke, Kathleen van Gelder, Adam Wendel, and Ashanta Williams.

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Prepared Statement of Linda Parker-Cooks



**CONGRESSIONAL
TESTIMONY**

STATEMENT BY

MRS. LINDA PARKER-COOKS

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FORMER NATIONAL VETERANS AFFAIRS COUNCIL DISTRICT 7 REPRESENTATIVE

PROVIDED TO THE

HOUSE COMMITTEE ON VETERANS' AFFAIRS

SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS

HEARING ON

"IS THE VETERANS BENEFITS ADMINISTRATION PROPERLY PROCESSING AND DECIDING
VETERANS CLAIMS?"

JULY 23, 2024

Chairman Luttrell, Ranking Member Pappas, and Members of the Disability Assistance and Memorial Affairs Subcommittee:

The American Federation of Government Employees, AFL-CIO (AFGE) and its National Veterans Affairs Council (NVAC) appreciate the opportunity to testify at today's subcommittee hearing titled "Is the Veterans Benefits Administration Properly Processing and Deciding Veterans Claims?" My name is Linda Parker-Cooks, and I am the President of AFGE Local 138, representing the Veterans Benefits Administration (VBA) Regional Office (RO) in Detroit, Michigan. I have also previously served as the District 7 Representative for the NVAC, representing Michigan, Illinois, and Wisconsin. I am a 20-year U.S. Army veteran, having attained the rank of Sergeant, First Class/E-7, and am a service-connected disabled veteran. After my military service, I have continued to serve my fellow veterans at VBA for the past 18 years and currently serve as a Decision Review Officer (DRO) and am a Certified VBA Elite Master Instructor.

On behalf of the 304,000 Department of Veterans Affairs (VA) employees AFGE represents, including thousands of frontline workers at the VBA, over 50 percent of whom are veterans themselves, it is a privilege to offer AFGE's views on how the VBA trains its employees and assures quality claim processing.

I want to especially thank Chairman Luttrell, Ranking Member Pappas, and DAMA staff for welcoming and valuing the perspective of frontline employees in this subcommittee and holding today's hearing.

Training for Quality

VBA faces many challenges in effectively training its workforce to process veterans' claims accurately and efficiently. Today, I want to highlight several of these issues and offer specific changes that would better enable VBA employees to serve veterans.

In-Person vs. Virtual Training

For decades, VBA had in-person "challenge training" for VBA claims processors in Baltimore, Denver, and other locations as needed to train Veteran Service Representatives (VSR) and Rating Veteran Service Representatives (RVSR). This training lasted several weeks and was intensive and interactive, allowing employees to immerse themselves in their new positions and prepare them to effectively process veterans' claims. Specifically, trainees benefitted from having certified instructors whose sole job was to train and mentor employees. Additionally, employees had the opportunity to work with the actual technology they were going to use as claims processors and ask questions of the people best equipped to answer them. Furthermore, by having claims processors from all over the country go to one of the challenge training locations, VBA was able to build consistency throughout the different regional offices.

Unfortunately, since the pandemic, in-person Challenge Training has been replaced by inferior training, which has led to worse results and excessive employee turnover.

Virtual In-Person (VIP) and Classroom Training

In place of in-person Challenge Training, VBA has utilized Virtual In-Person (VIP) and Classroom Training to train claims processors. The Instructor-led Web Training (IWT) and classroom training, specifically for RVSRs, are structured to provide too much information too soon and only require the trainee to listen. The training does not test how well these trainees have

grasped what was taught. As a result, when trainees complete this new training, they are unable to apply learned concepts correctly.

This new training utilizes three phases: Instructor-led Web Training (IWT), Classroom Training, and Informal Assessment. AFGE would like to identify challenges to IWT and Classroom Training and propose changes that will improve this training to enable claims processors to better serve veterans.

Challenges with IWT

Failure to Teach the Basics

The primary problem with IWT is that new employees undergoing the training are not yet prepared for the IWT training as they have not mastered, or in some cases been introduced to, the basics of VBA. External trainees completing IWT do not understand the VA claims process or VA language, which is an alphabet soup unto itself, but is critical to understand for claims processors to do their job.

Beyond basic conversancy, external trainees are not trained on what End Products (EPs) are, and as a result, they do not know what a completed, accurate claim is supposed to look like nor if they are complete or incomplete. Similarly, another gap in training that new employees in VBA have no exposure to is how to work with an Intent to File (ITF) and the rules related to duplicate ITFs, expired ITFs, or incomplete ITFs. Inadequate training on all of these basic principles is setting up trainees to fail and is harmful to the veterans they serve.

Lack of Hands-on Experience

One of the most critical flaws of IWT is its lack of hands-on experience with the actual tools that claims processors will use in their jobs to process claims. In particular, trainees who are not already working for VBA do not have access to the Veterans Benefits Management

System (VMBS) VBMS-Core until after IWT. Even in training, there is no VBMS Core Demo for them to practice reviewing claims in IWT. Instead, IWT only provides e-cases in PDF format. Only after weeks of IWT are new claims processors allowed to see what the e-folder looks like in the interface they will have to use.

IWT also fails to teach claims processors how to perform basic critical functions, such as uploading VA Medical Center records that are either identified by a veteran on the application or found through Capri enterprise search. These records, if relevant to a decision, must be uploaded into VBMS. This is a common everyday function for RVSRs.

External and internal trainees coming out of IWT do not know if they can grant or deny service connection. This is because trainees are not trained on all the pathways of service connection and the elements of service connection needed for each pathway to grant service connection. Employees are also not pre trained on the elements required to grant on a direct basis, secondary basis, aggravated basis or on a presumptive basis, with each failure being a critical error on a performance evaluation.

Trainees coming out of IWT also do not know how to analyze a claim and review evidence, as there is no training class for this. One of the most time-consuming parts of the RVSR position is reviewing evidence and understanding what the evidence says about each element to see if the VA can grant or deny under each pathway for service connection. Trainees are not taught in the system that they need to review any exams, VAMC records, private DBQ/records, and what this evidence says about having a current diagnosis. They have only seen PDF examples in IWT.

In addition to this education gap, trainees have only seen PDF examples on several other essential functions, but they have not been shown how claims processors must go to the service

treatment records to look for a qualifying event, injury, or disease that had its onset during a veteran's service. This is also true for reviewing a personnel file to see what location the veteran served in or what type of job they did in service, and to see what this evidence shows about a qualifying event, injury, or disease. There is also a gap on how to review available medical opinions and causation to establish a link between the claimed issue and an in-service event or injury.

Recommendations to improve IWT

To improve IWT and make it more useful and comprehensive for new employees, employees in IWT training must have access to VBMS-Core and review claims in the system instead of looking at PDFs. Additionally, IWT or a class preceding IWT must prepare trainees to do the following: (1) Master the basics of VBA, including learning the claims process, VA terminology, EPs, complete /incomplete claims, ITF rules, and proper claims forms; (2) Review claims in VBMS-Core for more hands-on experience. The purpose is to get these trainees into VBMS-Core and start reviewing the information in the e-folder.

AFGE recommends that the current class size of 100 be lowered to no more than 35. Smaller groups allow for a more interactive environment and more questions to be addressed during presentations. After the presentation, it is recommended that a "case application" or fact pattern be given to help students understand the concept, particularly for routine claims that VSRs and RVSRs will commonly encounter.

Classroom Training

Following IWT, trainees shift into several weeks of classroom training to further refine their skills. AFGE urges VBA to be more strategic and reorder its curriculum to allow trainees to better retain the information. Currently, classes are taught in a haphazard order, instead of

sequenced to enhance the building of concepts. For example, vision is taught on the first day of the classroom sessions. The slides include questions on higher levels of Special Monthly Compensation (SMC), which trainees have not been taught yet. Higher level SMC is taught later in the classroom but is supposed to be taught before peripheral nerves and diabetes. Higher level SMC is often granted based on multi-body system conditions like diabetes, Parkinson's, and MS that attack multiple systems of the body. Nerve evaluations are often involved in SMC and higher-level SMC decisions. Teaching higher-level SMC before teaching peripheral nerves or introducing the concept of a multi-body system condition makes little sense and confuses trainees. Instead, VBA should reorder the classes, so that we teach nerves, diabetes, and then higher-level SMC, which allows trainers to reference the classes were just taught, reinforce the concepts from the previous days, and teach them more complex applications of higher-level SMC concepts.

Post IWT Classroom Training

Following the completion of IWT and classroom training, there are still significant gaps on critical issues claims processors will need to perform their duties successfully. AFGE would like to identify several components of training that are not explicitly taught during VBA's mandated training that would improve claims processors' confidence, performance, and, hopefully, retention.

Weighing Evidence

There is no training class on weighing evidence. Claims processors will be required to weigh evidence against other evidence and to conclude why more value was assigned to specific evidence in their decisions. Trainees must work through examples and practice developing narratives to justify their decisions. Beyond the basic weighing of evidence, trainees require

better instruction on whether the evidence in front of them is enough to make an informed decision or whether all the evidence in the claim file is necessary for a determination.

Trainees also need a deeper review on how to conduct a pre-rating review for duty to assist. They do not understand that they cannot deny service connection or an increased evaluation without the duty to assist being met. This also relates to the lack of training related to exams, and educating employees whether the exams that have already been conducted are sufficient to make a decision. Having the opportunity to look at several examples of what is sufficient in several different claims would help employees better learn this material.

Due Process

VBA must improve its training on veteran due process. There is currently no training on Clear and Unmistakable Errors (CUEs). RVSRs will have to call CUEs as they start to work on live claims. This means being taught how to make these decisions and how to enter them in VBMS-R. They will have to understand when due process rules apply and when they do not. These decisions can be time-consuming for new decision-makers, and they need to learn what needs to be in their narrative of the decision and how to correct prior errors. A clear solution would be to review cases and have RVSR trainees practice decisions in VBMS-R Demo. This will help RVSRs avoid critical errors in the future.

Due Process issues also apply to reductions for which there is currently no training. Since RVSRs are required to address even unclaimed reductions in their decisions, they should be provided training on reductions to help them understand when due process rules apply and when they do not. Review cases and have them do decisions in VBMS-R Demo to practice. This will help avoid critical errors.

Denials of service connection

Unfortunately, not every claim is eligible for service-connected benefits under the law. These are highly sensitive decisions to make, and there is no training on how to appropriately write the narrative to the veteran when making a denial. Denial narratives have a lot of notification requirements that should also be compassionate while denying a veteran. This is something that should be prioritized for the benefit of veterans.

Supplemental Training

As a result of the current curriculum and schedule of VIP and classroom training, regional offices have been forced to provide supplemental training to fill in the learning gaps and the lag in starting the national training following onboarding. The lag in the national training could be anywhere from two to six weeks. AFGE strongly recommends standardizing this supplemental training, which currently varies between each RO, with some ROs providing exemplary training, while others provide little to none. With the VBA relying on the idea that each employee, regardless of station, is trained the same way in fundamentals, it makes sense to use the best practices of ROs to ensure all trainees are receiving the training they need.

One example of an RO that has greatly expanded local supplemental training is my facility, the Detroit Regional Office. At the Detroit RO, there are several different ways for new and experienced claims processors to improve their skills and understand changes to the claims process. One program at the Detroit Veteran Service Center conducts a listening group with VSR and RVSR trainees separately, bi-weekly, with an allotted time of one hour. The meeting is held with the Veterans Service Center Manager (VSCM) or Assistant Veterans Service Center Manager (AVSCM) over the trainees. The leadership solicits a handful of trainee volunteers to provide feedback on the training they are receiving. This listening session is intended to offer suggestions and solutions to any challenges they are experiencing in the training class.

The RO also holds 30-minute VSR Trainee Fireside Chats where Quality Review Team (QRT), Authorization Quality Review Specialists (AQRS) and VSR mentors host a weekly call. The RO also holds similar RVSR Trainee Fireside Chat where the QRT, Rating Quality Review Specialists (RQRS) and RVSR mentors host a weekly call. These calls are for any VSR or RVSR in the post-classroom phase of the VIP training curriculum only. These are informal spaces for any VSR or RVSR in VIP training.

Additionally, the RO holds Roundtables for VSRs and RVSRs where QRT, AQRS, and RQRS provide monthly training on pressing issues or as needed if a common problem is arising. All of these programs benefit employees by allowing them to increase their skill base and confidence and ownership of their own performance. They also benefit the Regional Office by improving performance and retention and facilitating employee integration into the organization and collaboration with employees. This leads to a better process for employees and allows them to better serve veterans.

This is especially true as VBA has spent significant resources on training instructors but often does not assign them to classes leaving many idle. VBA's current Employee Learning Inspires True Excellence (ELITE) Master Instruction Certification Program consists of self-paced training, examination, and an in-person or virtual two-day practicum. Upon completion, employees are certified for three years. Recertification criteria include a minimum of 12 hours of instruction per year and a re-examination practicum. VBA continues to certify instructors; however, many of these employees are not being utilized. This untapped pool of more than 700 certified instructors could allow VBA to increase the number of training sessions per year. VBA must better leverage its resources to train its growing workforce and help trainers to retain their certification.

Additionally, following up on the June 26, 2024 Subcommittee hearing titled “Examining Shortcomings with VA’s National Work Queue Veterans Benefits Claims Management System,” these discrepancies in training further underscore the need for more standardized training, and the benefits of keeping claims in one RO through the duration of the claims process.

Specialized Training

PACT Act Training

VBA is up to version three of its standing operating procedures manual, which was recently updated in June 2024. The PACT Act training primarily consists of prepared PowerPoint presentations in the Talent Management System (TMS) and self-review of the ever-changing Standard Operating Procedure. This training is not interactive and feels like it exists to check the box more than actually help the workforce process claims. Additionally, while there are constant changes, VBA does not consistently grant employees excluded time from their production quotas to learn this material but expects them to read and process it on their own time. As PACT Act claims have been processing for several years, AFGC again urges VBA to consult with AFGC to understand the problems frontline claims processors are facing and what training would be helpful to improve this training.

Military Sexual Trauma Claims

Prior to the implementation of the Military Sexual Trauma (MST) Operations Center (MSTOC) in San Juan, Puerto Rico, MST claims were being processed by eight regional offices. Once the MSTOC in San Juan was operational, it was the only RO processing MST claims, with claims processors in the other ROs returning to other claims. Despite this expertise in other facilities around the country, in response to the recent surge of MST claims, in April 2024, approximately 230 employees at the Roanoke Regional Office were tasked to assist the San Juan

Office. In lieu of obtaining assistance from the employees who previously worked these claims and required little to no training, VBA chose an office requiring in-depth training and a steep learning curve. Utilizing the already trained employees would have allowed for a faster reduction of the MST claims inventory.

However, because they were using claims processors largely unfamiliar with MST claims, to minimize the claims processing errors, VBA suspended the individual quality reviews and increased the in-process reviews of all claims for the Roanoke employees and any new employees assigned to the MSTOC. In doing so, an increase in quality review specialists is required to assist the MSTOC's quality review personnel. These employees were obtained from the original eight regional offices previously designated to process MST claims, which again begs the question of why they did not utilize the workforce who already knew how to process these claims.

Utilizing the Innovation of Frontline Workers

VBA is always looking for innovative ways to provide earned benefits to veterans, family members, survivors, and caregivers faster and more equitably. What better means of assessing how processes can be improved than soliciting valued information from those on the ground level doing the work? For example, the development of a tool, the Rating Analysis Tool (RAT), that assists Rating Veterans Service Representatives (RVSRs) in reviewing evidence in VBMS-Core in an efficient sequential order and answering questions from a quality perspective that leads the RVSR to make a more accurate decision to enter in VBMS-Rating as quickly as possible. The RAT was developed by Amanda Thompson, a Rating Quality Review Specialist in Detroit, Michigan. Since the implementation of training on the use of the RAT more than a year ago, the trainers have seen an improvement in the quality of RVSR decisions and timeliness.

Mrs. Thompson provided an in-person demonstration of the RAT to VBA senior leadership in May 2024. The functionality of determining elements met and not met is unavailable in VBMS-Rating. The RAT assists with determining the elements for each decision type, and if it was embedded into VBMS-Rating, it would resolve that missing functionality and become available for all RVSRs to utilize. VBA would be well served to allow its employees to innovate and collaborate to better assist employees serve veterans.

Conclusion

I hope that my testimony today leads the subcommittee to conduct further oversight of Training and Quality in the claims process. AFGE hopes that VBA considers this testimony and the straightforward proposals made today to help improve the training and quality of claims processors across the nation. AFGE and the NVAC stand ready to work with the House Veterans Affairs Committee and VBA to reach this goal. Thank you, and I look forward to answering your questions.