

EXAMINING VA EFFORTS TO
DECREASE DELAYS IN VETERANS'
DISABILITY COMPENSATION CLAIMS

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

The subcommittee met, pursuant to notice, at 1:44 p.m., in room 360, Cannon House Office Building, Hon. Morgan Luttrell (chairman of the subcommittee) presiding.

Present: Representatives Luttrell, Bergman, McGarvey, Pappas, and Morrison.

OPENING STATEMENT OF MORGAN LUTTRELL, CHAIRMAN

Mr. LUTTRELL. The subcommittee will come to order. Thank you all. Thank you to all of our witnesses for being here today. We are taking a close look at the U.S. Department of Veterans' Affairs (VA) efforts to decrease delays in veterans disability compensation claims resulting from VA overdevelopment. When a veteran files a claim for disability compensation, VA has a duty to assist them with proving their claim. This means helping veterans obtain service records and medical records or scheduling veterans for VA disability compensation exams. VA cannot make a decision on a veterans claim until all development is completed. Although I hear from veterans about how frustrating the wait is for a decision to be made, many times VA efforts to obtain records and/or exams leads to an award for disability compensation.

On the other hand, overdevelopment is when VA takes unnecessary steps to obtain records or exams. Example, if existing documents in the veterans claims file are sufficient to support the claim, VA should not schedule a government-funded disability exam. Overdevelopment forces veterans to wait longer than necessary for a decision on their claims and can lead to incorrect decisions. Unnecessary exams also waste veterans time and money.

Further, if a veteran misses a VA scheduled exam without good cause and they do not reschedule, VA automatically denies the veteran's claim even when it was unnecessary for VA to schedule the exam in the first place. H.R. 2137, the Review Every Veterans Claims Act will absolutely fix this injustice.

Overdevelopment also drives government waste because VA pays contracted exam vendors for every exam, even those that were not

necessary. In Fiscal Year 2023, about 2.4 million exams were completed, a number that rose to approximately 3.2 million in Fiscal Year 2024. Contracted exam vendors were paid for nearly 95 percent of those exams. In December 2024 report, in the 2024 report, the VA Office of Inspector General (OIG) of the Inspector General (IG) found that VA spent about \$1.4 million on unnecessary exams from April through September 2023. The total amount of wasted taxpayer dollars each Fiscal Year is likely much higher. The OIG review did not cover the full Fiscal Year or examine all types of claims of decisions, both approvals and denials.

We have heard from OIG and the VA employees that overdevelopment mistakes are due to an inadequate training. Claims processors as well as confusing and inconsistent guidance. To address overdevelopment, VA created an Overdevelopment Reduction Task Force. This task force recommended dozens of actions, including targeted quality reviews, updating policy guidance, and increased training.

I look forward to hearing from VA today on the progress made in implementing the Task Force's recommendations, particularly I am interested in whether the VA has implemented a plan to evaluate the effectiveness of its efforts using clear result-driven metrics for success and I would like to hear about any efforts VA is undertaking to further enhance its strategies to decrease overdevelopment.

Finally, I look forward to discussing whether VA will implement technology to ensure that every claims processor who overdevelops a claim learns from that mistake. The National Work Queue, also known as NWQ, electronically distributed the major—the majority of VA claims workloads across all regional offices (RO). The National Work Queue has largely decreased decision wait times, thankfully. A key feature of the National Work Queue is that when a claims processor defers a claim for development, it is returned to the National Work Queue. The National Work Queue often then routes the claim to a different claims processor at another regional office for additional action.

We have heard about cases where one claims processor after another claims processor makes the same overdevelopment error in the same veteran's claim. These repeated mistakes are so-called avoidable deferrals, have resulted in months or years long delays for veterans even before a claims processor realizes that the development efforts were unnecessary. The current system only notifies the most recent claims processor, to my understanding, that they committed an overdevelopment error. All the other previous claims processors who committed the same mistake in the same claim are actually never notified, that is what we need clarification on, and therefore do not learn from that specific mistake.

November 2024 letter then Undersecretary for Benefits, Dr. Josh Jacobs informed me that there are no technological barriers preventing VA from notifying all claims processors who have made the same overdevelopment mistake in a single claim. Mr. Jacobs told me the VA would conduct a pilot study to determine the value of additional functionality. I look forward to hearing about the study, progress, and any findings under the current Administration. Every veteran survivor deserves a timely decision on their claim

decisions. Wait times will decrease if we can reduce or eliminate overdevelopment. I look forward to hearing from our witnesses today about VA's efforts to do so.

I now yield to the ranking member.

**OPENING STATEMENT OF MORGAN MCGARVEY, RANKING
MEMBER**

Mr. MCGARVEY. Thank you, Mr. Chairman. Good afternoon, everybody. Thank you all so much for being here today. You all have heard me say this a million times. I am going to say it a million more times. Everything we do on this subcommittee is on behalf of our veterans. Everything. It is to serve our veterans. Today, that means making sure that the VA systems used to process disability claims for our veterans work the best they can. It also means equipping and empowering the employees who serve the veterans. We need them to be able to do their best work without unnecessary limits or undermining their importance to the system.

Unfortunately, this Administration continues to spread the false message that VA employees are not dedicated to their mission, that they do not have the veterans best interest at heart. There is an email from U.S. Office of Personnel Management (OPM) that castigated all Federal workers as low productivity. It is simply not true. It is also hurtful. It hurts morale at the VA, which ultimately affects the job performance, which hurts our veterans, which is what we are focused on in this committee, helping our veterans.

The Veterans Board of Appeals employees, the Veterans Benefits Administration (VBA) employees, like those in my regional office in Louisville, Kentucky, are highly dedicated to their mission. Many are veterans themselves. They go to work every day in a stressful, high-pressure environment and work as hard as they can on behalf of the veterans they both serve and sometimes served with. They are in systems where they are forced to work in, and the systems fail. They are not given adequate training. They are subject to arbitrary performance metrics and sometimes arbitrary discipline and now even unnecessary insults. All of that makes it more difficult for them to do their job, which, of course, ultimately makes it more difficult to serve our veterans.

I am interested today in exploring ways that we can improve outcomes for veterans by making the job of these dedicated VBA employees easier. The Administration's recent decision to end collective bargaining agreements with the unions representing these employees, it is a serious mistake. I think it is going to harm both the employees at the VBA and the veterans they serve. That is really important.

I think it is going to have an adverse impact on our veterans because the unions are crucial to creating a workplace that helps employees perform their best, delivering better results for our veterans. They help employees feel more invested in their work, and they offer better chances for mentorship and personal growth. The public sector unions play an important role in creating a higher quality training for their members and providing important feedback to management and policymakers about what is actually happening on the ground in the organization. This means better reten-

tion rates. It means lower wait time for benefits, and ultimately better service for our veterans.

Contrary to belief, public sector unions do not stand in the way of dismissing bad employees. In fact, they often facilitate it. It is in their best interest to make sure that all employees are doing their job well. Public sector unions do, however, make sure an employee's dismissal is justified, orderly, and most importantly, legal.

I am hopeful today that the Secretary will listen to this committee and request an exemption from Trump's executive order (EO), because these employees deserve all the rights afforded to them under law and the Constitution to best fulfill their mission and, of course, deliver the best possible service and results for our veterans.

Thank you, Mr. Chairman. I yield back.

Mr. LUTTRELL. Thank you, Mr. McGarvey. Our lead witness from VA is Mr. Kenneth Smith, Assistant Deputy Undersecretary for Field Operations, as well as the Acting Executive Director for Education Services for the Veterans Benefits Administration. Mr. Smith is joined by Mr. James Smith, Deputy Executive Director for Policy and Procedures. You guys related?

Mr. SMITH. No.

Mr. SMITH. No.

Mr. LUTTRELL. Just checking. Procedures and Compensation Services. Sorry, man, I lost myself. I am sorry. For the Veterans Benefits Administration. Mr. Smith is also joined by Mr. Robert Orifici. Got it. We have been together long enough. Executive Director for Benefits and Memorial Services for the Office of Information and Technology. Today's witness panel also includes Mr. James Swartz, sir, who is the president of Local 2823 in the American Federation of Government Employees (AFGE).

I asked that the witnesses on our panel please stand and raise your right hand.

[Witnesses sworn.]

Mr. LUTTRELL. Let the record reflect that the witnesses have answered in the affirmative. Mr. Smith, you are now recognized for 5 minutes to deliver—Mr. James Smith, you are now recognized. What is that? I am sorry. Mr. Kenneth Smith, you are going to start us off with the Smiths. You are now recognized for 5 minutes to deliver your opening statement on behalf of the Department.

STATEMENT OF KENNETH SMITH

Mr. SMITH. Good afternoon, Chairman Luttrell, Ranking Member McGarvey, and members of the subcommittee, thank you for the opportunity to discuss VA's efforts to increase efficiency and process processing veterans disability compensation claims through the National Work Queue and improvements brought by the Overdevelopment Reduction Task Force. Joining me today are James Smith, Deputy Executive Director for Compensation Service, and Robert Orifici, Portfolio Director for Benefits, Appeals, and Memorial Services, Office of Information and Technology.

The Veterans Benefits Administration has undertaken substantial efforts to enhance training and quality review programs by focusing on high standards of performance and continuous learning

opportunities for VA staff. Today, I will highlight three specific ways VA is better supporting our employees and veterans.

The first improvement is enhancing the Exam Scheduling Assistant, which helps employees correctly determine if an exam or medical opinion is necessary. Originally launched in 2023, this tool was refreshed last year through the most recent work of the Overdevelopment Reduction Task Force. Exam errors specific to overdevelopment have been one of the top categories of error and delay, resulting in avoidable deferrals and rework. Recent enhancements increase the tools used by 48 percent and contributes to a reduction in monthly errors cited for exam overdevelopment. In Fiscal Year 2025, to date, these errors have decreased by 7 percent over Fiscal Year 2024. VBA will integrate this tool into the Veterans Benefits Management System (VBMS), which we expect to launch in Fiscal Year 2026.

The second improvement involves training strategy. In June 2024, VBA launched interactive hands-on learning modules and updated training content, including comprehensive lessons on requesting exams. These efforts reinforce concepts through interactive activities, ongoing assessments to gauge mastery of the content, remedial training, and follow-up assessments for those who need additional repetition. As recommended by a recent OIG audit, VA added The Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act specific related medical opinion requirements to all training products, ensuring employees are well trained to address common disabilities. During VBA's Quality Standdown on March 20th of this year, claims processors were provided additional training and live instructor engagement activities focused on ordering exams and medical opinions.

Third, VBA and the Office of Information Technology are developing a solution to complete claims actions correctly the first time through improvements to the Veterans Benefits Management System. This upgraded functionality is being designed as an error check for the employee, providing real time feedback on potential errors before the claim is recalled to the National Work Queue. This effort is aimed at reducing instances of misdevelopment, while improving first touch efficiency and reducing avoidable deferrals. This functional enhancement is currently in development and is planned for initial testing beginning in Fiscal Year 2026. On the topic of avoidable deferrals, VA has recently completed preliminary data analysis for a pilot study. The study aims to develop a reporting solution for employees to receive feedback on any claim they touched that resulted in an avoidable deferral. I look forward to providing results to the committee on this study and its impact on training and mentoring.

VA is also working on additional improvements to the National Work Queue to support improved timeliness through better workload management. These include advanced data analytics and predictive modeling to prioritize claims in near real time and distribute claims based on complexity, urgency, and employees skill and experience to speed up the claims process. These improvements will also allow employees to request additional work in real time directly from the work queue and promote supervisory focus

on coaching and quality. Together, these upgrades ensure claims are handled by the most suitable staff, leading to a faster decision and continued reduction of the claims backlog, and higher quality decisions for veterans. This project is estimated for completion in Fiscal Year 2026.

VBA remains committed to delivering the highest standard of service to our Nation's veterans, their families and survivors. While significant progress has been made, we recognize the need for continuous improvement and adaptive—adapting to evolved needs of those we serve.

Thank you for continued support and collaboration as we honor our veterans' sacrifices. Mr. Chairman, this concludes my statement. My colleagues and I are ready to answer any questions you or other members of the subcommittee may have.

[THE PREPARED STATEMENT OF KENNETH SMITH APPEARS IN THE APPENDIX]

Mr. LUTTRELL. The written statement of Mr. Smith will be entered into the hearing record. Mr. Swartz, you are now recognized for 5 minutes, sir.

STATEMENT OF JAMES SWARTZ

Mr. SWARTZ. Chairman Luttrell, Ranking Member McGarvey, and members of the committee, on behalf of AFGE and National Veterans Affairs Council (NVAC), I appreciate the opportunity to testify today. My name is James Swartz, and I am President of AFGE Local 2823 representing the Cleveland, Ohio Regional Office. I am a U.S. Army Service-Connected Veteran and I have the privilege of continuing to serve my fellow veterans, first as an Registered Nurse (RN) at the Cleveland VA and then in VBA for the last 23 years. On behalf of over 320,000 VA employees AFGE represents, including thousands of claims processors. It is a privilege to offer AFGE's views on the National Work Queue training and how VBA can enable employees to more efficiently and effectively process veterans' and the beneficiaries' claims.

VA should modify the National Work Queue so that a claim remains within the same regional office for the duration of its processing. Variations between regional offices can cause claims processors from different ROs to misunderstand each other's work, resulting in a correct claim being unnecessarily deferred or delayed. Furthermore, by keeping a claim in a single regional office, managers have more control to send claims back to the original Veterans Service Representative (VSR) who wants worked on it. This would allow the VSR to learn from this error and not repeat it. This would also let the VSR and our Rating Veterans Service Representative (RVSR) who are already familiar with the claim to efficiently address follow-up work, saving other employees from wasting time to familiarize themselves with a new claim.

If VBA, despite record production and quality from employees while working from home during COVID-19 pandemic, is going to require claims processors to report to the regional office, why continue to shuffle work throughout the country and not instead leverage employee ability to collaborate with the colleagues sitting next to them?

As Congressman Self asked about the last time I testified, despite the claims backlog, one of the most consistent complaints from the claims processors is they do not have enough work to meet the performance metrics and must waste time asking for more work. The reason for this problem is the internal controls VBA has put on the National Work Queue.

To address this, AFGE recommends, first, the National Work Queue should automatically provide claims to individual claims processors work queue when they are out of cases to develop or rate. Second, claims processors should have a limited ability to temporarily hold onto the claim before it is retracted by the National Work Queue. Having the claim stay within one regional office for its duration would avoid delays and give ROs more control over their workload. It would also allow secondary claims to be associated with the primary claim and worked on simultaneously. Third, the National Work Queue must better filter automatic ready-to-rate claims, ensuring employees do not waste time on cases that are not ready to rate. Fourth, VBA should program the National Work Queue so employees who have previously worked on the claim have the claims returned to them. This would allow claims processors to learn from any mistakes that were previously made and improve efficiency and quality.

New employees do not understand the claims process or VA lingo that is critical for employees to do their job. This is an easy problem to fix. All training should require hands on experience using the tools employees will actually use. Training must also focus on mastering the basics, including learning the claims process, VBA terminology, and what a claim looks like. AFGE urges VBA to reorder its curriculum to allow instructors to reference the material that was just taught, reinforce the concept, and use this to teach higher level concepts. VBA must also improve PACT Act training as Talent Management System (TMS) self-reviewed courses are ineffective, especially considering constant updates to the Standard Operating Procedure (SOP) and manuals that are not reflected in the training.

Finally, on behalf of AFGE and NVAC partners who have long worked with this committee to help improve the VA and its delivery of benefits in health care to our Nation's heroes, I respectfully urge you to ask Secretary Collins to use the authority granted to him by President Trump's executive order to certify VA employees, including the employees under the jurisdiction of the subcommittee at the Veterans Benefit Administration, National Cemetery Administration, and the Board of Veteran Appeals, are not involved in national security and are, in turn, exempt from the executive order.

The rights guaranteed in our collective bargaining agreement are critical to our ability to support the VA's mission and better serve veterans and their families. VBA is two generations of employees, both the mentors with institutional memory who are close to retirement and the next generation who are just beginning their journey of caring for veterans. Within 5 to 10 years, this knowledge will be lost forever if there are no exemptions made, combined with the proposed rifts. AFGE and NVAC stand ready to work with the House VA Committee and VBA to address these issues.

Thank you and I look forward to your questions.

[THE PREPARED STATEMENT OF JAMES SWARTZ APPEARS IN THE APPENDIX]

Mr. LUTTRELL. The written statement of Mr. Swartz will be entering into the hearing record. We will now move to questioning. Mr. Smith, Kenneth Smith, Mr. Swartz seems like he nailed it right on the head. Now, this is kind of the conversation you and I have been having the past couple of years.

Can we have a, not totally granular, but dive into the National Work Queue 2.0? You mentioned first touch efficiency. I think that is brilliant. Then what Mr. Swartz said, how a specific claim will return to a particular Veterans Service Organization (VSO) before it is—so it can be completed or repopulated into the work queue and then out to another regional office.

Mr. SMITH. Thank you for the question. We are working on new capability to focus on direct feedback to employees at the development action. This is a solution that we have been thinking carefully about since our conversations over the last year, year and a half. The idea here is to provide an error check right after they have completed their actions and before it returns to the National Work Queue to prevent delay on that claim. This is part of an interactive discussion between my—VBA and the Office of Information and Technology, who is working on that solution right now.

Mr. LUTTRELL. As we are doing our best to inform anyone that they have made a mistake from the top down, what are we doing from the bottom up as far as training and readiness is going, so the mistake window is closed?

Mr. SMITH. Yes. I mean, we have completely revamped our training. Mr. Smith and his team have been working diligently on that to build in more training about exams, to make sure that we order the right exams the first time and not overdevelop. It has been added into all of our existing training products as well as our most recent Quality Standdown, where we took our entire workforce off-line for a day to focus on specific training needs.

Mr. LUTTRELL. Mr. Swartz mentioned that some of the VA employees are saying there is not enough work for them, which I find that—I have heard that myself from VA employees. I would like to hear your response and I—okay, so you are going to get into the National Work Queue thing. I got it. All right. However, if we do have certain employees at regional offices say there is nothing here for me. We have a miss somewhere.

Mr. SMITH. Yes, sir. There are 918,000 veterans waiting for decisions in the National Work Queue right now.

Mr. LUTTRELL. Is that number—

Mr. SMITH. I—

Mr. LUTTRELL. That number is down?

Mr. SMITH. It is. Since over the last year we have dropped it almost 6 percent.

Mr. LUTTRELL. Six percent?

Mr. SMITH. Mm-hmm.

Mr. LUTTRELL. Okay.

Mr. SMITH. The very fact that we do not have any work, there are two potential reasons for that that I can understand. You know, one is it has not been assigned to the employee or they have depleted all the work in their queue. That is why we want to be able to allow them to pull claims in when they are ready and then

have us, have the National Work Queue push claims to them that is matched to their experience and training. Newer employees that are trained on a smaller subset of disabilities or types of claims get disability claims that they can work until they are fully trained and able to do all of them. More experienced staff can handle the more complex claims.

Mr. LUTTRELL. I understand this correctly, now a claim will move from the National Work Queue into a regional area. A VA employee will be able to pull that claim without having a supervisor load up their desktop more or less, and the supervisor providing, I guess, oversight and training. An employee can, can move as much as possible. I am sure there is a baseline somewhere. It is like, hey look, you are—your minimum is this weekly, monthly.

Mr. SMITH. My expectation, and this is still, we are still working on the exact development and solution with Mr. Orifici's staff. The concept that we are operating under is that we will be able to distribute enough claims every day, prospectively, to keep people busy. Then if they actually run out because things are not ready for them, that they will be able to request additional work.

Mr. LUTTRELL. I know we do not have a stat yet on—I am going to walk that one back. I want to think about that one for a second. Sir, Ranking Member, I will yield to you for your questioning.

Mr. MCGARVEY. Thank you, Mr. Chairman. Mr. Swartz, I want to dig in a little bit about the recent executive order and the collective bargaining agreement that AFGE negotiated with VA. Aside from just being a gross breach of good faith, it also has some very real practical and detrimental consequences on the day-to-day work of those who are involved in processing claims. Again, that means our veterans. Anything that harms our frontline employees' ability to do their job by definition harms their ability to serve the veterans who are at the heart of VA's mission, who are at the heart of the mission of this committee.

Mr. Swartz, ask you some questions. To your knowledge, has the Secretary submitted a request for an exemption to the collective bargaining EO for VBA employees?

Mr. SWARTZ. No, sir.

Mr. MCGARVEY. Thank you. Mr. Swartz, can the union members at VA collectively bargain for wages or promotions?

Mr. SWARTZ. No, sir. That is banned by law, I believe.

Mr. MCGARVEY. Okay. Can the union collectively bargain performance standards surrounding either quality or timeliness of claims processing?

Mr. SWARTZ. No, sir.

Mr. MCGARVEY. When was the last time the union workers at VA went on strike?

Mr. SWARTZ. Never. It is against law.

Mr. MCGARVEY. Perfect. Can the union collectively bargain for more or better training?

Mr. SWARTZ. No, sir. I do believe that is where the union would be very beneficial for both the employees, the VBA or VA, and also for the veterans. Most of us are workers ourselves. We are aware of what is going on. We do the work, we talk to the first line employees, and more often they will come to us and let us know what their training needs are. Many of them are afraid to actually go to

managers or supervisors. We have even worked with a lot of supervisors when employees are running into trouble so that we can work with the employees to get them where they need to be.

Mr. MCGARVEY. What would you say is the biggest impediment to frontline employees operating more efficiently with higher quality? How do you think AFGE can help remedy that?

Mr. SWARTZ. The number one issue would have to be training, and that is where the VA would be, or, I am sorry, the unit would be able to work with the VA in order to establish what training is needed and to help the employees be able to get to their—get these training needs met when it becomes an issue, before it becomes a problem.

Mr. MCGARVEY. Just looking at this, how does the lack of a union with collective bargaining rights impact the ability of frontline employees to do their job well and better serve veterans?

Mr. SWARTZ. I would say one of the biggest things has probably have to do with moral, the moral impact that it would have. The employees will no longer have a voice. They will no longer feel comfortable or competent to be able to go to the agency and discuss what their training needs are or discuss even what some of the roadblocks are in the way of them performing the mission.

Mr. MCGARVEY. Is VBA planning to consult frontline employees in development of new technology modules?

Mr. SWARTZ. Not that I am aware of.

Mr. MCGARVEY. Okay. What about the training content?

Mr. SWARTZ. Again, not that I am aware of. I have been fortunate enough at, I hate to say it, at my regional office, but I have been able to work with management to get employees some of the additional training necessary.

Mr. MCGARVEY. For Mr. Kenneth Smith, I will just ask you those exact same questions. Is VBA planning to consult frontline employees in development of new technology or training modules?

Mr. SMITH. Usually management develops the solutions and then we brief the union when it is time to implement.

Mr. MCGARVEY. I would just suggest from being in the private sector and other things, getting the input from the people who are actually doing the work on the ground before you develop the training is a best practice. What about the training content, is it the same thing?

Mr. SMITH. I believe that there—and I will ask Mr. Smith to weigh in on this. I believe there are union members on the training team.

Mr. SMITH. That is correct. Not only are they on the training team, they develop the content and then also Subject Matter Experts (SMEs) from the field, more often than not are labor BUEs. They are actually the ones providing the training.

Mr. MCGARVEY. Again, we want the best training. We want the best employees. This is what helps our veterans. Thank you guys so much.

Mr. Chairman, I yield back.

Mr. LUTTRELL. Thank you, sir. Mr. Smith, did the Overdevelopment Reduction Tax Task Force, was that disbanded last year?

Mr. SMITH. I would not say disbanded, sir. It completed work at the end of July. We are working right now on some additional ini-

tiatives. Such as, we are collaborating with the Board of Veterans' Appeals and Office of General Counsel to take a look at end-to-end automation and process and procedural efficiencies.

Mr. LUTTRELL. Did it perform its functionality as it should have? It seemed like that was a pretty short window.

Mr. SMITH. Yes, sir. They made more than 50 manual updates to streamline and clarify guidance as well as promoted and executed some enhancements to the exam scheduling assistant to make it more—a little better for employees.

Mr. LUTTRELL. That is onboard and running.

Mr. SMITH. It is up and running, but it is a standalone tool. What we are doing right now is building that into VBMS so that the claims processors do not have to lead the VBMS environment to use it.

Mr. LUTTRELL. Besides updating the VBA manual on March 10, what else is the VA doing to ensure claims processors understand the long-standing rules for when to schedule an exam?

Mr. SMITH. That is core to our training. All of our training content reinforces the requirements for training for ordering exams and medical opinions. We have done that through our Overdevelopment Reduction Task Force. Those recommendations reinforce that leading to a 7 percent decrease in overdevelopment errors.

Mr. LUTTRELL. You mentioned 7 percent reduction off of the gross number. What is projection for this year and what was our—did we break a record last year? Or last year—in February for disability claims?

Mr. SMITH. Yes. We completed more than a million claims earlier this year than ever before.

Mr. LUTTRELL. Job well done.

Mr. SMITH. Thank you.

Mr. LUTTRELL. I will share that with everybody I know. How are we looking for what month is it? April, May, June? How – what is the projection downstream?

Mr. SMITH. We are looking—right now we are running eight and a half percent ahead of where we were this time last year. We are looking to complete more than 2.5 million claims this year.

Mr. LUTTRELL. What is our total that are outstanding? I mean, eventually I would assume we are going to run out of veterans.

Mr. SMITH. Well—

Mr. LUTTRELL. If we are working at this rate, seems like. I probably should not say it like that. I got 40,000 veterans who will kick my butt for saying that. I did not mean that in a bad way. What I meant was, for the record, what I meant was eventually all our veterans will be whole.

Mr. SMITH. Yep. We continue to receive about 10,000 new claims a day. Our inventory right now is 918,000. We have been fortunate with some high productivity. We have been completing north somewhere between right around 11,000 claims a day to help us decrease the inventory and get ahead of the backlog as well.

Mr. LUTTRELL. Okay, well. Outstanding. Before I move on, Mr. Smith, do you have anything you would like to add? I would hate for you to come all the way—we are having markup in multiple committees currently today. Obviously, that is why—the ranking

member and I are the only ones here. Mr. Smith, I am not going to let you come all the way to DC. and not say anything.

Mr. SMITH. No, I appreciate the opportunity. I would like to circle back to the Overdevelopment Task Force. In addition to what Mr. Smith shared some of the feedback not only from, you know, our partners across the different business lines, but our SMEs from the field to include bargaining unit employees (BUEs), was that the class size was too large. We shrunk the class size. We focused on four phases of a training process. Planning, design development, implementation, evaluation, or the Kilpatrick Model. We are focused on making data-driven decisions and updates to the training based on feedback, the assessments that the employees complete themselves as well as data that has gleaned from quality reviews. We are committed to continuous process improvement with the goal of putting veterans first in every decision made.

Mr. LUTTRELL. Mr. Orifici.

Mr. ORIFICI. Thank you for the opportunity. We are extremely excited about the work that we are doing in support of VBA and claims process. We are utilizing a lot of the current technologies including Artificial Intelligence (AI) to help us get ahead of the claims process.

Mr. LUTTRELL. Are you where you need to be or is the VA where they need to be in the AI space, since it is forever changing? I would recommend you keep us very well read on if we are slowing so we can get ahead of it.

Mr. ORIFICI. No, we are definitely leaning into it. We are utilizing it to its most. We are very excited about the interactive assist that we have for claims with helping them to avoid deferrals and help them make the right decisions. This will also tie back into ordering the right exams when they are needed and not ordering exams when they are not.

Mr. LUTTRELL. Mm-hmm.

Mr. ORIFICI. We have a lot of very interesting pilots coming up that we are working with VBA on. That should yield a lot of benefits when it comes to making the right decision the first time versus having to defer back to correct later on.

Mr. LUTTRELL. Okay, thank you. There will always be something that populates. There will always be a problem set that exists. The VA is such a wonderful working machine. Right? I mean, I say that wholeheartedly. It has its problems. It does. We should forever be changing in order to keep up with the wants and needs of our veterans' space. As we move into, as our older generations, we are moving into the younger generations, our generation of war fighters are coming into the VA, and there are a lot of us. Then, you know, it pains me to say this, but we are always on the threshold of activation again.

If we do have to go to another theater of war, it will populate more and more and more of us. The VA, as hard as we work, will always have to work harder every single day. Every day, I am sure you do the same thing. Every day I wake up and I walk into the—I look in the mirror, I was like, it is not about me. It is about everybody I represent. Guess what, gentlemen? You represent the most cherished asset we have, and that is our veterans that allowed us to do the things that we do today. Okay?

Ranking Member, you got any closing remarks?

Mr. MCGARVEY. Thank you, Mr. Chairman. I echo those remarks. I thank you for your service and thank you all for the service you perform, particularly on behalf of our veterans, the men and women who are putting on a uniform, willing to sacrifice everything to keep us safe and keep us free. What I am going to ask you all to do is on this committee, we actually do our best to work together because we understand the mission of this committee is to serve our veterans. Make sure you got the best management, make sure you got the best labor, and that everybody is getting the training they need, and that everybody has access to the tools they need and the morale they need, the retention that we need to keep people there to keep these claims going forward, because that is what is going to help our veterans out. Hope you all can continue to do that good work, because it is going to take care of the men and women who took care of us.

Mr. Chairman, I please ask unanimous consent to enter into the record the following letter to Secretary Collins, from Rep. Takano, yourself, Senator Blumenthal, and 126 other members of the House and Senate condemning the Trump Administration's decision to obviate the collective bargaining agreements, bargaining rights of Federal employees, and urging the Secretary request waiver from those requirements.

Thank you.

Mr. LUTTRELL. Without objection. Thank you again, gentlemen, for coming today. I ask unanimous consent that all members have 5 legislative days to revise and extend their remarks and include extraneous material. Without objections, so ordered. This hearing is adjourned.

[Whereupon, at 2:18 p.m., the subcommittee was adjourned.]

A P P E N D I X

PREPARED STATEMENTS OF WITNESSES

Prepared Statement of Kenneth Smith

Good morning, Chairman Luttrell, Ranking Member McGarvey, and Members of the Subcommittee. I appreciate the opportunity to appear before you today to discuss VA's efforts to improve efficiency in Veterans' disability compensation claims processing through the National Work Queue (NWQ), and the efficacy of VBA's quality assurance and training programs resulting from the Overdevelopment Reduction Task Force (ODRTF). Joining me today are James Smith, Deputy Executive Director of Compensation Service, and Robert Orifici, Executive Portfolio Director for Benefits Appeals and Memorial Services, Office of Information and Technology.

VA is committed to providing outstanding customer service to our Nation's Veterans, their families, and survivors, and we are steadfast in our commitment to timely and accurate decisions on Veterans' disability compensation claims. VBA has a robust training and quality review program holding employees, regional offices (RO), and program offices to a higher 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.

Over-Development Reduction Task Force

On January 31, 2024, ODRTF's second phase (ODRTF 2.0) kicked off with a focus on improving the claims examination process. The task force put an emphasis on contract examinations, utilization of private Disability Benefits Questionnaires (DBQ) submitted by Veterans, utilization of the Examination Scheduling Request tool, and effectiveness of automated examination ordering. It also explored opportunities in policy, processes, and technology to eliminate over-development.

When ODRTF 2.0 concluded in July 2024, VA implemented numerous recommendations in several areas including improvement of the private DBQ submission process; guidance to field employees on appropriately requesting examinations; and employee training to assist claims processors in scheduling more informed, intentional, and accurate requests for disability examinations and medical opinions.

One of the recommendations that VBA implemented were improvements to the Exam Scheduling Assistant (ESA). This tool provides claims processors with a series of questions for each claimed disability and helps determine whether an examination or medical opinion is warranted. VBA is in the process of integrating the web-based ESA tool into the Veterans Benefits Management System (VBMS) so that claim data can be auto-populated, reducing duplication of work and increasing the accuracy of examination decisions. The integrated tool will continue to present the claims processor with a series of questions to aid in claim development. The anticipated date of release of the integrated tool is Fiscal Year (FY) 2026.

Additionally, since June 2024, VBA has made procedural changes to clarify and emphasize that examinations are not required when there is sufficient evidence of record to decide the claim. VA regulations direct decision-makers to render a decision without the need of further examination or development, if the medical evidence of record is sufficient. This includes accepting private DBQs when sufficient, which avoids scheduling unnecessary exams. VA is continuing to guide claims processors on this concept as another update to VA's procedures manual relating to medical evidence sufficiency was just published on March 10, 2025.

Training and Quality Initiatives

In June 2024, VBA began efforts to modernize training for all disability compensation claims processors. This program has specifically focused on reducing over-development in medical opinions and examinations – streamlining when, why, and how they are ordered. These lessons emphasize hands on learning and reinforcement of concepts through interactive and engaging activities, ongoing assessments to ensure learners are mastering the content, and remedial training and follow-up assessments for those who fail to grasp the concept the first time it is assessed.

Some of the specific training courses provided in support of minimizing over-development include courses on preventing deferred rating decisions in the claims process, identifying the need and sufficiency of VA examinations, reviewing DBQs to determine if a medical opinion is necessary to decide a claim versus when it can be decided based on the evidence of record, and a renewed training on the duty to assist requirements for our Rating Service Representatives who render decisions on Veterans' claims for compensation benefits.

When training newly hired claims processors, VA emphasizes the negative impact over-development has on claims timelines. How, when, and whether to order examinations consistent with regulatory guidance are addressed in several courses during initial claims processor training. The courses emphasize the impact of 38 C.F.R. § 3.326 – specifically, that medical evidence accompanying a claim, whether submitted by the claimant or received from a Federal records custodian, might render a claim ready for decision without the need of further examination or development. This scenario is frequently seen with cases of active, presumptive cancer, or claims for increase for total joint replacement – an examination would provide no new information beyond what is already available in the medical records, so the claim should be decided immediately.

Examination and medical opinion training courses have also been updated to include the most recent guidance on requesting evidence, sufficient examinations, and Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022 or PACT Act-related claims and toxic exposure risk activity opinions. These concepts are reinforced throughout training with knowledge checks and instructor guidance.

Additional training is provided to claims processors on a recurring basis for topics such as the different types of medical examinations and opinions and in which scenario each is required or not required to grant a claimed issue. An important part of this training is specifically focused on preventing the ordering of additional development for examinations and medical opinions when the evidence of record allows the claimed issue to be resolved in the Veteran's favor. This information is laid out and reemphasized throughout the training program for new claims processors.

In June 2024, VBA hosted the first ever VBA-wide Quality Standdown, highlighting the Agency's commitment to the importance of high-quality actions and positive work experience. This provided claims processors with targeted instruction on medical exam requests and the rework process. In the post-event survey, with 77 percent of employees reporting positive sentiments with improvements noted in 3 month rolling quality. In Fiscal Year 2025, VBA plans to host regular events collaborating with the Board of Veterans' Appeals and Office of General Counsel to further improve measurable outcomes and engage employees in content directly related to accuracy trends.

VA acknowledges that there is always room for improvement, however VBA's quality data shows that monthly errors cited for examination over-development in Fiscal Year 2025 to date has decreased by just over 7 percent from Fiscal Year 2024. VBA achieved this while the average number of claims processors on production increased by nearly 11 percent. Additionally, in disability compensation rating claims, 3-month issue-based accuracy improved from 91.5 percent at the close of Fiscal Year 2024 to just under 93 percent at the close of January 2025. This portrays that the changes VBA implemented to improve quality assurance and training programs are having a positive effect. VBA will continue to find ways to improve.

VA's commitment to continued process improvement of quality programs has been further strengthened by additional safeguards that have been built into the processing software used to develop and decide claims for benefits. For example, modifications were made to the examination process by updating a tracking indicator in the VBMS system to clarify the status of medical examinations and what additional evidence, if any, may be required. This allows claims processors involved with the claim to quickly surmise the status of the claim and to determine what other development actions are required to decide the claim.

Implementing VA Office of Inspector General (OIG) Recommendations

In the OIG Report, "Staff Incorrectly Processed Claims When Denying Veterans' Benefits for Presumptive Disabilities Under the PACT Act,"¹ OIG made a process recommendation and a systems recommendation. VA has made significant progress in addressing both. As previously noted in this testimony, VBA is scheduled to implement the web-based Exam Scheduling Assistant (ESA) tool within the VBMS in early Fiscal Year 2026. However, the ESA tool has been available as a stand-alone,

¹ <https://www.vaog.gov/reports/review/staff-incorrectly-processed-claims-when-denying-veterans-benefits-presumptive>

web-based tool for claims processors since November 2023, in addition to RO guides developed by the Medical Disability Examination Office such as the “Exam Scheduling Request Reference Job Aid” and “Medical Opinion Guide.”

Transformative changes are currently being implemented in the National Work Queue (NWQ) system, as well as how the NWQ team trains the field on workload management, which will impact the efficiency of claims processing within VBA. VBA has implemented training to address workload management issues, to include local auto-assignment rules. Supervisors have provided positive feedback that the training has significantly helped, and they also bring that knowledge back to their RO peers.

While the December 2024 OIG report highlighted inconsistencies in claims processing, VA is actively addressing these issues by refining the Adjudication Procedures Manual and enhancing examination tools. Most recently, on March 10, 2025, VBA published a revision to the Manual to add a note on the threshold for evidence of a current disability or persistent or recurrent symptoms of disability for the purpose of determining whether to request an examination and/or medical opinion and to cross-reference similar principles discussed in other portions of the Manual. Based on this progress, VBA has requested closure of the related recommendation and continues to work toward closure of the remaining recommendation.

VA is committed to continued process improvement for processing PACT Act claims and is implementing OIG’s recommendations. VA is continuing to update the Manual on when personnel should request medical disability examinations and opinions. Additionally, VA is also working on enhancing systems and tools involving the examination process.

National Work Queue Initiatives and Improvements

National Training and Supervisory Workload Management Training (SWMT)

In August 2023, NWQ conducted national training for all regional offices, with over 600 claims processing managers attending, focusing on local rules and deferral routing. This content has since been incorporated into the SWMT, launched in February 2024. SWMT is designed to equip new supervisors with the principles and best practices for workload management. To date, 300 supervisors have benefited from this training. Additionally, NWQ offers personalized consultations with RO managers to enhance their understanding and application of local workload routing rules.

NWQ 2.0 and Enhancements

NWQ 2.0 will represent a significant leap forward in VBA’s claims processing capabilities. One of the areas of concern raised by Congress during a previous oversight hearing and confirmed by an internal “red team” is the routing of work back to an employee who previously worked on a claim. The current system, which utilizes Prior Assignment Routing (PAR), has limitations, and does not always ensure that the claim reaches the actual claims processor who previously worked on it. To address this, VA has developed requirements for a new approach to replace PAR, allowing for claims to be routed back to the employee based on the last creditable transaction. VA is taking this one step further and is carefully evaluating other approaches to implement themes from the ODRTF while also reducing missed development. This targeted approach will be expected to improve the first touch efficiency and reduce avoidable deferrals, while still maintaining a routing process to get the claim back to the last person who took action on the claim.

Another key improvement in NWQ 2.0 is the introduction of a “pull” capability to allow a claims processor the ability to take the next claim to be worked out of a dynamically optimized list of claims pending assignment. Through this capability, claims processors will be “badged” with attributes, including experience level and proficiency levels for specific categories of claims. When the employee is out of work, they may request an additional claim, and the system will automatically assign a claim that meets their competencies. Eventual functionality will allow employees and their supervisors specific, actionable feedback for additional training, while ensuring that claims requiring special handling are directed to claims processors who are both trained and qualified, thereby enhancing the efficiency and accuracy of our service to Veterans.

VBA and the Office of Information and Technology (OIT) are currently working to define requirements to achieve outcomes for both reduction in erroneous development, the ability to leverage the prior claims processor’s expertise as well as provide feedback on errors if subsequent development is necessary. This functionality will be released incrementally, with the first deployments starting in Quarter 4 of this fiscal year. As functionality becomes available, VBA and OIT will collaboratively

confirm that the functionality is working as intended and adapt requirements to ensure VBA has the capability needed to distribute claims effectively.

Deferrals

The deferral process is a critical component of VBA's commitment to quality and employee development. Deferrals are a mechanism for employees working later stages of the claims process, to ensure the completeness and accuracy of claims processing. It allows for mentoring and constructive feedback, particularly for junior employees. When an employee completes all required actions, they are certifying that the work done is accurate and is ready for the next action by subsequent claims processors to complete the claim. The most important movement of a claim is the movement from evidence development to the decision phase. In this scenario, if the decision-maker cannot make a decision due to a misstep in evidence development, they will issue a deferred decision and direct additional action be taken to remedy the issue. This type of deferral may be categorized as either avoidable or unavoidable. An avoidable deferral is an error in workmanship, while an unavoidable deferral typically arises when new evidence has been introduced subsequent to the last action. This process is not unique to NWQ; it is an electronic adaptation of VBA's longstanding practice.

Avoidable deferrals are routed back to the last employee who handled the claim for correction. This reflects a simple accountability framework: employees are accountable for certifying the claim is ready for a decision and should only certify claims for decision when they have personally reviewed and have ensured that all necessary actions have been taken. This fundamental management determination and process ensure accountability and are longstanding principles that are hard coded into VBMS. As of February 2025, 99 percent of all avoidable deferrals were being routed back to the RO and 92 percent were routed to the specific employee that last worked the claim in the prior claim cycle.²

Supervisors play a crucial role in monitoring deferral frequencies and developing plans for improvement. As part of recent national events, such as the Quality Standdown and SWMT, supervisors have received training on new tools to evaluate deferral trends and errors trends. These tools include the Deferral, Error, and Transaction Dashboard which compiles six reports into one easy to use tool, for reviewing deferral data and recommending appropriate remedial training. This report also houses all errors in one report, providing a breakdown of errors by body system and claimed condition. These tools will allow VBA to make data driven decisions to enhance training and drive quality improvements.

VBA is taking a data driven approach to construct a pilot for wider communication of a claim's deferral. VA's duty to assist often requires more than one review in the development process. While VA is working to ensure these claims are routed back to the same claims processor and has made substantial improvements in this area, employee leave and capacity may require assignment to another claim's processor for subsequent action. While the deferral process assigns accountability for full and complete evidence development to the last employee to work the claim in the development cycle, VBA does recognize the potential for feedback to the claims processor(s) who worked on the claim upstream from the final certification of completeness. This feedback would be focused on training and awareness of the need for quality at each step of the process, with the intended effect of constructive supervisor-employee discussions and continuous improvement. Available data will be evaluated and shared with RO supervisors to determine the utility of the feedback, which is in addition to existing feedback from VBA's formal quality management process.

OIT and VBA are also evaluating other efforts to prevent deferrals before they occur. One area of exploration will use Artificial Intelligence (AI) and machine learning to analyze a claim, reference policy manuals and user training materials, and provide guidance to claims processors on which actions should be taken. These efforts are using historic claims and deferrals to train AI models to better understand what steps will be needed to lead to the correct outcomes the first time. VA plans to begin a small pilot on this and other efforts by the end of this fiscal year.

Conclusion

VA remains committed to identifying areas where we can improve our systems and processes to increase the efficiency and quality of benefits that we deliver to the Nation's Veterans. We will continue to leverage internal quality reviews, adapt our training programs, and continue advancements in NWQ 2.0 to ensure that all

²Deferrals may not route back to the previous employee if the RO has the avoidable deferral routing turned off for specific employees due to a new work assignment.

claim processors are equipped with the best tools to complete our sacred mission and to uphold President Lincoln's promise to care for those who have borne the battle and for their dependents. Mr. Chairman, this concludes my statement. We thank the Committee for your continued support of programs that serve the Nation's Veterans and look forward to working together to further enhance delivery of benefits and services. My colleagues and I are prepared to respond to any questions that you or other members of the Subcommittee may have.

Prepared Statement of James Swartz



CONGRESSIONAL TESTIMONY

STATEMENT BY

MR. JAMES R. SWARTZ

PRESIDENT OF AFGE LOCAL 2823

**AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO
MEMBER OF THE NATIONAL VETERANS AFFAIRS COUNCIL VBA LEGISLATIVE COMMITTEE**

PROVIDED TO THE

HOUSE COMMITTEE ON VETERANS' AFFAIRS

SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS

HEARING ON

**"EXAMINING VA EFFORTS TO DECREASE DELAYS IN VETERANS' DISABILITY COMPENSATION
CLAIMS"**

APRIL 9, 2025

**AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO
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Chairman Luttrell, Ranking Member McGarvey, 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 "Examining VA Efforts to Decrease Delays in Veterans' Disability Compensation Claims." My name is James Swartz, and I am the President of AFGE Local 2823, representing the Cleveland, Ohio Veterans Benefits Administration (VBA) Regional Office (RO), and am a member of the National Veterans Affairs Council VBA Legislative Committee. I am a U.S. Army veteran having attained the rank of Sergeant and I am a service-connected disabled veteran. After my military service, I have had the privilege of continuing to serve my fellow veterans, first as a Registered Nurse at the Cleveland VA Medical Center, and then in the VBA for 23 years, including as a Rating Veteran Service Representative (RVSR), Decision Review Officer, and as a Rating Quality Review Specialist in the Cleveland, Ohio RO. I also had the privilege of testifying before this subcommittee last year on June 26, 2024, at hearing titled "Examining Shortcomings with VA's National Work Queue Veterans Benefits Claims Management System."

On behalf of the 320,000 Department of Veterans Affairs (VA) employees AFGE represents, approximately a third of whom are veterans themselves, including approximately 50 percent of frontline workers at VBA, it is a privilege to offer AFGE's views on how VBA can improve the claims process, particularly through improvements to the National Work Queue (NWQ), as well improving training, both for claims processors as they learn the ever changing nuances of their jobs, and can effectively learn from their mistakes. It is also my hope that through this testimony, it becomes clear to the committee the vital role employees and AFGE

play in ensuring veterans receive their benefits in an accurate and effective manner and the need to protect their collective bargaining rights to help achieve this goal.

Background

The NWQ was created in part to maximize the VBA's claims processing capacity between regional offices. One justification for the NWQ is that if one RO has a backlog of claims and another RO has capacity, VBA can use the NWQ to easily transfer claims to a different RO for processing. The NWQ certainly has helped achieve this original goal of moving claims to where there is more capacity. However, VBA management has utilized the NWQ beyond this basic transferring of claims, an action that has caused numerous unintended consequences that must be highlighted to this committee and addressed by VBA.

Specialization of Claims

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

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

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

Because of the level of difficulty in processing these claims, AFGE strongly supported returning to a “Special Operations” model for as many complex claims as the system will support. Over the intervening six years since this report, VBA has heeded some of this advice as it tries to reestablish what it did for to specialty claims. Now certain ROs have Special Operations Centers within them where certain claims are processed, including MST claims at the San Juan, PR RO and the Roanoke, VA RO, Camp Lejune Water Contamination claims in the Louisville, KY RO, and Radiation claims in the Jackson, MS RO. This allows VBA to have its highly skilled claims processors work on particular claims with veterans benefiting from this expertise. As the VBA continues to build out these Special Operations centers, AFGE encourages VBA to identify additional complex areas suitable for a Special Operations center where specialization would benefit additional veterans. AFGE also notes that while this specialization is critical, to ensure that claims processors can transition to other claims in the future and do not burn out from issues like “compassion fatigue” by exclusively developing MST claims, claims processors on specialty missions also work on other claims while serving in this special mission.

Beyond the Special Operations Centers, AFGE also recommends that VBA use the NWQ to sort and distribute claims in a manner similar to the efficiency and moderate lanes that existed as part of the “Segmented Lanes model” prior to the NWQ. This would serve two specific purposes to help both veterans and claims processors. First, by putting a veteran whose claim has a minimal number of contentions in the express lane, the veteran will not have to wait as long in line behind more complex claims and could receive benefits sooner. Much like a shopper who goes to the grocery store for a gallon of milk and wants to use an express checkout lane instead

of waiting behind a family doing their shopping for the week, veterans who have easier claims should not be held up by VBA's preoccupation with meeting its own internal metrics.

Second, the original "Segmented Lanes model" created the opportunity to help new claims processors by assigning them to the efficiency lane and allowed them to hone their skills on relatively less complex claims, with more seasoned and experienced claims processors in the moderate and special operations lanes. This provided claims processors with on-the-job training, which benefited future veterans, as well as current veterans with pending claims by having more tenured claims processors focus on claims that required their experience. AFGE urges the VBA to leverage the NWQ to best maximize claims processors expertise while efficiently serving veterans.

Keeping Claims in One Regional Office for their Duration

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

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

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

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

Unlocking the NWQ

Despite a claims backlog that has significantly grown following the enactment of the PACT Act, one of the most shocking yet consistent complaints from claims processors is that

they are not assigned enough work to meet their performance metrics and must frequently ask their “coaches” for more claims to work on. The reason for this problem is the internal controls VBA has placed on the NWQ. Generally speaking, VBA assigns an RO a certain number of claims each day, which are then passed down to teams, and then individuals.

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

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

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

claims so those waiting on additional detail are not automatically sent to a RVSR, harming efficiency.

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

Examining RO Performance Metrics

AFGE notes that, in addition to individual claims processor performance standards, each RO must meet VBA-imposed performance metrics. While measuring the success of individual claims processors and ROs is important and within VBA's purview, AFGE believes at least two RO-level metrics do not serve veterans' best interest: "Time in Queue" and how VBA awards credit for partial rating of claims.

"Time in Queue"

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

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

Rating of Partial Claims

Each veteran’s claim can have as few as one contention and as many as dozens of contentions, not all which are necessarily connected to each other. Because of this, it is common that some parts of a veteran’s claim are developed and ready to rate prior to other parts. Unfortunately, VBA has an internal metric that awards credit to ROs only on the claims that are fully rated and promulgated on all of their contentions. This in turn can hold up all of a veteran’s claim on the basis of a single outstanding contention. For example, if a veteran’s claim has 10 contentions, and nine are developed by a VSR, and the remaining contention requires additional medical records or an additional compensation and pension exam, VBA discourages ROs from rating the 90% of the claim that is ready to rate by not awarding credit until later. This has the doubly negative effect of delaying a veteran from receiving a significant part of his or her benefits, and delays ROs from assigning work to claims processors who need claims to work on, all because the RO with the claim does not want to let the last step be completed by a different RO and receive credit for the entire claim. While not all ROs follow this practice and will decide to rate partial claims, the mere existence of the metric and certain ROs attempting to meet it is a

classic case of VBA treating veterans like widgets instead of warriors. AFGE calls on VBA to eliminate these counterproductive metrics and instead create metrics that facilitate and expedite the accurate delivery of benefits to qualifying veterans.

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 COVID-19 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 (VBMS) 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 seed 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 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.

Specialized Training

PACT Act Training

VBA is up to version six of its PACT Act standing operating procedures manual, which was recently updated in November 2024, after being on version three in June of 2024 when AFGE last testified on this issue. 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 with no question and answer opportunity 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, AFGE again urges VBA to consult with AFGE 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 a 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 as they serve veterans.

Conclusion

I hope that my testimony today leads the subcommittees to conduct further oversight of the NWQ, the claims process, and training at VBA. VBA should calibrate the NWQ to better enable claims processors to serve veterans, instead of meeting artificial internal metrics, and improve training and quality to better enable frontline workers to serve veterans. I also hope this demonstrates the importance of allowing VA employees, including the employees under jurisdiction of the DAMA Subcommittee, to retain their collective bargaining rights. AFGE and the NVAC stand ready to work with the House Veterans' Affairs Committee and VBA to reach each of these goals. Thank you, and I look forward to answering your questions.

STATEMENTS FOR THE RECORD

Prepared Statement of Disabled American Veterans

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

DAV (Disabled American Veterans) is grateful to provide a statement for the record for this oversight hearing titled, “Examining VA Efforts to Decrease Delays in Veterans’ Disability Compensation Claims”.

DAV is a congressionally chartered and Department of Veterans Affairs (VA) accredited veterans service organization. We provide meaningful claims support free of charge to veterans, family members, caregivers and survivors.

To fulfill our service mission, DAV directly employs a corps of benefits advisors, national service officers (NSOs) and transition service officers (TSOs), all of whom are themselves wartime service-connected disabled veterans, at every VA regional office (VARO) as well as other VA facilities throughout the Nation, including the Board of Veterans’ Appeals (Board). During 2024, DAV filed 561,358 claims for over 1.5 million specific injuries and illnesses on behalf of thousands of veterans, resulting in more than \$30.4 billion in earned benefits for veterans and their families.

We currently provide representation for nearly 250,000 pending claims and appeals before the Veterans Benefits Administration (VBA). Based on over a century of direct experience, we are pleased to provide our insights and concerns related to the significant issue of overdevelopment within the VA claims and appeals processes. This issue directly affects the efficiency of VBA and the well-being of millions of veterans who rely on timely access to their earned benefits.

Our testimony outlines the significant problems with overdevelopment in several areas, which include feedback from our service officers; claims related to the PACT Act; military sexual trauma (MST); and disability benefits, as well as appeals under the Appeals Modernization Act (AMA) and DAV’s recommendations.

Overdevelopment, characterized by redundant and unnecessary requests for additional evidence delays decision-making, creates inefficiencies and imposes undue burdens on veterans. Additionally, the implementation of the Veterans Benefits Management System (VBMS) and the National Work Queue (NWQ) have contributed to challenges in overdevelopment despite their intended purposes of streamlining the claims process.

Examples of overdevelopment noted by our service officers illustrate the broader systemic inefficiencies within the VA that continue to hinder the timely and accurate resolution of claims and appeals. For example:

- Improper indexing of evidence in VBMS results in unnecessary efforts to develop evidence already present in the claimant’s record.
- VA claims processors that initiate examinations for conditions unrelated to Toxic Exposure Risk Activity (TERA) leads to wasted resources and unnecessary processing steps for TERA claims.
- VA requests for additional examinations despite claimants providing DBQs completed by private physicians results in delaying the veteran’s access to benefits.

The VA’s statutorily required duty to assist is a foundational obligation that requires the agency to assist claimants in gathering relevant evidence to support their claims. Unfortunately, unclear and inconsistent communication regarding the duty to assist has contributed significantly to overdevelopment. Claimants often receive vague or redundant notifications requesting additional evidence without sufficient guidance on what is needed. This ambiguity results in repetitive submissions, unnecessary delays, and excessive evidence gathering, which burden both claimants and the VA system. Notifications intended to update claimants on claim statutes frequently lack detail, leaving claimants uncertain about next steps and prolonging the process further.

The severity of the overdevelopment problem is fully displayed in the 2024 Office of Inspector General (OIG) report titled, “Staff Incorrectly Processed Claims When

Denying Veterans' Benefits for Presumptive Disabilities Under the PACT Act" (Report Number 24-00118-01), which identified critical systemic issues in PACT Act claims processing. Claims processors often requested unwarranted examinations and medical opinions, even for conditions presumptively linked to service. These unnecessary actions caused delays and incurred \$1.4 million in avoidable expenditures over 6 months. Underpayments totaling \$56,700 were identified for improperly denied claims, along with 870 potential errors affecting veterans' benefits. Examinations containing inadequate or conflicting information were not sent back for clarification but were prematurely used to deny claims, further exacerbating delays and appeals.

Additionally, the OIG report indicated that the VA had an overdevelopment-reduction task force and the Deputy Under Secretary for Policy and Oversight stated that overdevelopment is expensive and time-consuming and has been a known problem for years.

Another area that has been plagued with systemic inefficiencies and overdevelopment are claims dealing with MST. According to the 2021 OIG report, "Improvements Still Needed in Processing Military Sexual Trauma Claims," (Report Number 20-0041-163), nearly half of MST-related claims denied during a 6-month review were processed incorrectly. Claims processors failed to apply liberal evidentiary standards, essential for MST cases due to the difficulty of documenting such incidents. The report attributed these failures to inadequate training and oversight, which perpetuates errors and prolongs the process. Claimants submitting MST-related claims often faced redundant evidence requests and unnecessarily lengthy appeals due to mistakes in the initial claims process.

Appeals processing under the AMA has also been affected by overdevelopment. The 2023 OIG report—"VHA Faces Challenges Implementing the Appeals Modernization Act" (Report Number 22-02064-155) highlighted inefficiencies in providing guidance for higher-level reviews and supplemental claims. Claimants often encountered delays caused by inconsistent processes, inadequate tracking systems, and excessive evidence-gathering requirements. These issues undermine the AMA's intent to streamline the appeals process and result in unpredictable outcomes for veterans seeking resolution.

The VBMS has also contributed to overdevelopment. According to the GAO report titled "VA Disability Benefits: Training for Claims Processors Needs to Be Enhanced" (GAO-24-107510), VBMS faces technical limitations, including system defects and slow response times. These issues necessitate manual interventions that perpetuate redundant evidence requests and inefficiencies. Furthermore, VBMS has not fully integrated appeals capabilities, complicating claims resolution and adding to claimants' frustrations.

The NWQ, established to balance workloads across regional offices, has created additional challenges. Less experienced claims processors often request additional evidence, which leads to redundant requests and delays as processors seek clarification or additional records unnecessarily. The lack of standardized protocols across offices further exacerbates disparities in decision quality and timeliness.

Fragmented record retrieval processes also remain a significant hurdle. The NWQ and VBMS exacerbate these delays by frequently transferring claims between offices, further complicating an already disjointed system. As we have pointed out, overdevelopment is a significant problem within the claims and appeals processes.

DAV recommends the following targeted reforms:

- **Streamline the claims process:** Eliminate redundant evidence requests and enhance automated systems to track claims progress in the NWQ and VBMS.
- **Simplify forms:** Redesign VA Forms, such as 21-526EZ and 20-0996, to eliminate unnecessary sections and provide clearer instructions, ensuring veterans can submit accurate claims and appeals efficiently.
- **Enhance communication protocols:** Establish clear and consistent standards for duty-to-assist notifications, providing veterans with specific and actionable guidance on required evidence and detailing claim status updates.
- **Expand training programs:** Equip claims processors with specialized training to handle complex cases, including PACT Act claims, MST-related claims, and AMA appeals. Emphasize proper application of evidentiary standards and effective communication with veterans.
- **Standardize NWQ protocols:** Ensure claims are assigned to processors with relevant expertise to improve decision quality and consistency across regional offices.

- **Strengthen compensation and pension examination protocols:** Minimize errors by enforcing comprehensive evaluations and implementing peer reviews of examination reports for accuracy and accountability.
- **Streamline record retrieval:** Collaborate with the Department of Defense to create a centralized, efficient system for accessing veterans' medical and personnel records. Efforts should also focus on simplifying processes for obtaining private medical records.

Systemic reforms are essential to eliminate the barriers imposed by overdevelopment and ensure the VA fulfills its obligation to serve those who have served. DAV urges Congress to enact these critical reforms, empowering the VA to provide timely and equitable benefits for all veterans.

As an accredited veterans service organization, DAV remains steadfast in its commitment to advocating for the fair and timely resolution of claims and appeals. Our cost-free advocacy empowers millions of veterans and their families to navigate the complexities of the VA system.

Mr. Chairman, this concludes DAV's statement for the record.

Prepared Statement of The American Legion



**TESTIMONY
OF
BRANDON MCCLAIN
POLICY ANALYST
VETERANS' AFFAIRS AND REHABILITATION DIVISION
THE AMERICAN LEGION
BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL
AFFAIRS OVERSIGHT HEARING
ON
"EXAMINING VA EFFORTS TO DECREASE DELAYS IN VETERANS'
DISABILITY ON COMPENSATION CLAIMS"**

APRIL 9, 2025

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ON COMPENSATION CLAIMS"**

April 9, 2025

Chairman Luttrell, Ranking Member Pappas and distinguished members of the subcommittee, on behalf of National Commander Jim LaCoursiere Jr., and more than 1.5 million dues-paying members of The American Legion, we thank you for the opportunity to offer our statement for the record on decreasing delays in veterans' compensation and pension (C&P) exams.

The American Legion is guided by active Legionnaires who dedicate their time and resources to serve veterans, service members, their families, and caregivers. As a resolutions-based organization, our positions are directed by more than 106 years of advocacy and resolutions that originate at the post level of our organization. Every time The American Legion testifies, we offer a direct voice from the veteran community to Congress.

Through our founding principles, The American Legion remains committed to ensuring that veterans and their families receive timely and accurate benefits decisions. A critical element in receiving those decisions is improving the disability C&P claims process. For decades, The American Legion has played an oversight role in improving claims processing within the Department of Veterans Affairs (VA). Today, that role is more important than ever. VA has pledged to serve all veterans and their families with thoughtfulness and efficiency upon their exit of service. However, a lack of oversight and proper enforcement mechanisms to ensure third party vendors adhere to the required levels of accuracy has depleted precious time and resources, compounding the existing backlog.

The implementation of the Sergeant First Class Health Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act of 2022 significantly expanded eligibility and introduced new complexities to the claim's environment. Unfortunately, The Veterans Benefits Administration (VBA) was not adequately prepared to absorb this surge in claims. While the law's intent was to improve outcomes for toxic exposed veterans, the result has been a renewed backlog and an overwhelmed workforce struggling under shifting guidance, inconsistent training, outdated

development standards, and rotational leadership. The challenges are not limited to gaps in contractor oversight alone. At the heart of the issue is VBA's internal capacity to train, equip, and support its own staff in executing these responsibilities with consistency and care.

The American Legion has observed that claims are being delayed or erroneously denied not solely because of exam quality, but also due to insufficient staff onboarding, lack of real time coaching, and procedural misinterpretation. A deeper investigation into VBA's training infrastructure reveals that claims processors, raters and quality review personnel are critical to upholding the mission of the PACT Act. As our nation's technology capabilities and access improves, it is imperative that the claims process is continuously modernized and streamlined.

The American Legion is a resolution-based organization, and the following resolution supports and informs our recommendations below: Resolution No. 123: Increase the Transparency of the Veterans Benefits Administration's Claim Processing.¹ The American Legion stands ready to assist, not only by highlighting the problems, but offering concrete and actionable solutions in collaboration with Congress and VA.

Background

Historically, C&P exams have been an ongoing challenge for VA and have been fraught with delays and inconsistencies. This has contributed to systemic challenges that remain a problem today—particularly staff training, procedural consistency, policy implementation, and quality control. Independent reviews from VA Office of Inspector General (OIG), Government Accountability Office (GAO), and from The American Legion highlight the need for stronger, more coherent training and oversight infrastructure to keep pace with the complexity and volume of modern claims.

Evidence from multiple oversight bodies draws heavily from the December 2024 VA OIG audit on claims denials,² the GAO's July 4, 2024 congressional testimony on VBAs training program shortcomings,³ and the most recent American Legion Regional Office Action Review (ROAR) site assessments. These sources collectively provide a holistic view of the systemic issues rooted in

¹ *Resolution No. 123: Increase the Transparency of the Veterans Benefits Administration's Claims Processing* (2025) *Legion.org*. Available at: <https://archive.legion.org/node/349>

² Office of Inspector General. "Staff Incorrectly Processed Claims When Denying Veterans' Benefits for Presumptive Disabilities Under the PACT Act," December 3, 2024. Accessed April 3, 2025. <https://www.vaog.gov/sites/default/files/reports/2024-11/vaog-24-00118-01.pdf>.

³ "VA DISABILITY BENEFITS Training for Claims Processors Needs to Be Enhanced." Testimony. *Statement of Elizabeth Curda, Director, Education, Workforce and Income Security Testimony Before the Subcommittee on Disability Assistance and Memorial Affairs, Committee on Veterans' Affairs, House of Representatives*. United States Government Accountability Office, July 2024. <https://www.gao.gov/assets/gao-24-107510.pdf>.

more than just isolated events, but deeply ingrained procedural gaps, insufficient training, and an overwhelmed workforce.

The assessments reveal four critical insights: First, that approximately 45 percent of denied PACT Act claims reviewed by VA OIG contained one of three types of errors—overdevelopment errors, monetary errors, and potential impact errors.⁴ Secondly, the GAO report found VBA lacks a fully realized training program with measurable outcomes and evaluation mechanisms. An additional insight identified within the assessments was that certain successes, like those seen in the San Juan Regional Office, remain exceptions due to local leadership and innovations, not due to agency policy. The final insight relates to overdevelopment and inconsistent adjudication practices, which cost VA millions of dollars in unnecessary exams while delaying deserved benefits. Staff at all levels of this process have reported increased anxiety and fatigue caused by insufficient guidance amidst rising volumes of claims.

According to VA OIG projections, approximately 8,600 out of 19,200 denied PACT Act claims (45%) were processed with one or more significant errors.⁵ These include overdevelopment, unnecessary examinations, and premature denials. The associated financial impact totaled nearly \$1.4 million over six months. Separately, GAO noted that issue-level accuracy rates fell from above 97 percent in 2023 to 91 percent in 2024, signaling challenges in staff preparation.

Two confirmed consequences highlighted by the OIG report stated that two veterans were underpaid \$56,700 due to errors directly tied to misunderstandings of presumptive eligibility.⁶ In other cases, staff prematurely denied claims without requesting necessary clarification or evidence, often because training did not sufficiently cover these conditions. Veterans who are denied benefits for toxic exposure related conditions often experience cascading delays in access to care, particularly mental health services that are directly tied to compensation status. Delays caused by staff uncertainty or lack of policy clarity compounds stress, increasing the burden placed on already vulnerable individuals.

According to The American Legion’s ROAR visits, San Juan and other VA Regional Offices have claims processors who reported feeling overwhelmed and underprepared for the wave of incoming claims. With an average tenure of about 18 months, many staff are handling complex claims for which their only preparation has been passive online training modules. The lack of real time scenario-based instruction has created procedural inconsistencies and growing claims backlogs. While virtual instruction offers convenience, many employees feel that it significantly diminishes the effectiveness of training, particularly for new employees and newly promoted personnel. There

⁴ “Staff Incorrectly Processed Claims When Denying Veterans’ Benefits for Presumptive Disabilities Under the PACT Act.” *Office of Inspector General*, December 3, 2024. <https://www.vaoig.gov/sites/default/files/reports/2024-11/vaoig-24-00118-01.pdf>.

⁵ Ibid

⁶ Ibid

is a strong consensus that onboarding and role-specific training should be far more comprehensive to support employees transitioning into higher levels of responsibility. The current training model does not adequately prepare them for the complexity and volume of claims they are expected to process. Because raters often encounter a wide variety of claims, many of which are uncommon and not represented in the standard training, their confidence in their own ability to process claims accurately and efficiently can be eroded.

Not all errors lead to outright denials, but many create prolonged processing times and burdens on veterans. GAO found that VBA's training plan lacks clear performance goals or a timeline for assessing further training needs. Additionally, many claims are repeatedly returned to staff due to incomplete Disability Benefits Questionnaires (DBQs) and an unclear rationale. The cumbersome structure of DBQs presents systemic challenges. These forms are excessively long and include questions some staff feel are irrelevant to the specific claim. For example, while conducting our interviews, one staff member shared their opinion on the length of DBQs and how it impacts their workflow:

"The DBQ for migraines is four pages long, but could easily, in my opinion, be condensed to one or two pages. Moreover, vendors lack the capability to 'bookmark' specific sections of the DBQs, which could help us quickly locate key evidence to ensure efficiency."

This inefficiency hampers productivity and increases the risk of errors during adjudication. Nationally, claims processors expressed confusion over evolving PACT Act policies. GAO found that while VBA created job aids and training modules, many staff lacked time or clarity to learn or use them effectively. Updates remain too frequent, scattered across platforms, and disconnected from real life scenarios.

Modernization

VA has made incredible strides in modernization, investing in staff, technology, artificial intelligence (AI), and a national work queue to enhance claims processing holistically. In 2013, VA began removing paper records and digitizing claims from 60 locations. Within 22 months, staff and third-party vendors scanned over 7.8 million paper files into VA's electronic claims processing system.⁷ This led to the launch of the agency-wide File Bank Extraction initiative in 2016.⁸ Regional offices east of the Mississippi took part in the digital conversion that digitized inactive claims that had remained inactive for several years. Historically, VBA only digitized

⁷ Department of Veterans Affairs (jdt). "VA achieves major milestone in effort to modernize claims processing." *VA News*, n.d. <https://news.va.gov/press-room/va-achieves-major-milestone-in-effort-to-modernize-claims-processing/>.

⁸ Ledesma, Mark. "VA's modernization of the claims process continues - VA News." *VA News*, n.d. <https://news.va.gov/36122/vas-modernization-of-the-claims-process-continues-with-more-than-300000-digitalized-inactive-claim-records-removed-to-improve-process-service/>.

inactive claims when veterans and their family members filed new disability or dependency indemnity compensation (DIC) claims. The process added days to the adjudication process because physical files needed to be boxed, shipped and digitized before the review of the new claim could even begin.⁹ The extraction initiative led to the processing of a remarkable 387 million documents that were scanned and uploaded into the veteran's benefits management system.¹⁰

At the St. Petersburg Regional Office, a Decision Review Operations Center (DROC) has been the tip of the spear regarding VA's modernization efforts and continues to operate at this amazing level of excellence today. During The American Legion's 2024 St. Petersburg ROAR visit, modernization efforts and implementation of AI had obviously improved employee production and claims processing, improved operational efficiency, and improved employee morale. The regional office implemented Automated Decision Support (ADS) technologies to streamline claims and address the workload. One key component is the Automated Data Ingestion (ADI), which enables Disability Benefits questionnaire (DBQ) data to be automatically populated into the Veterans Benefits Management System (VBMS) rating calculator. This innovation eliminates the need for manual data entry, which improved both speed and accuracy of the process.

Additionally, the Health Data Repository (HDR) has emerged as a powerful tool, allowing VA to connect with VistA data sources. The HDR automates the retrieval of medical records and standardizes them into a single documented format that can be seamlessly integrated into the veteran's records. This dramatically simplifies access to medical history and reduces the need for manual file searches.

Another advancement, the Automated Review Summary Document (ARSD), assists claims processors by scanning the veteran's eFolder and extracting relevant data. The ARSD compiles a concise record summary that includes military service locations, scheduler evidence, and medical records from multiple sources. Feedback from the field has been very positive. A Veteran Service Center (VSC) manager noted:

"[HDR] Is a game changer. It captures all the medical records from different hospitals and puts them into one .pdf file. Before, you had to search a variety of sources.... The 'smart search' functionality of ADS saves 20-30 minutes on each claim being processed. 'We need to leverage this technology and use it wisely,' one assistant director said. 'It isn't perfect the first go round but we use feedback to make it better – it helps to keep up with the cases coming in.'"

⁹ Ledesma, Mark. "VA's modernization of the claims process continues - VA News." VA News, n.d. <https://news.va.gov/36122/vas-modernization-of-the-claims-process-continues-with-more-than-300000-digitalized-inactive-claim-records-removed-to-improve-process-service/>.

¹⁰ Ibid

While acknowledging that AI technology is not perfect, St. Petersburg Regional Office staff reported the importance of the iterative improvements based on user feedback and stressed the need to leverage this technology wisely to stay ahead of the curve.

Despite technological gains, RVSRs have expressed significant concerns regarding the effectiveness of AI in the claims adjudication process. Specifically, the AI is often unable to accurately interpret handwritten information submitted by service members on VA form 526. As a result, critical data is not being extracted or auto populated into the system, requiring the RVSRs to spend additional time manually reviewing and inputting information that should otherwise be automated. This undermines the efficiency of automated decision support tools and reduces the overall effectiveness of digital claims processing.

In addition, while the AI is programmed to recognize common key words such as “lower back” or “hypertension,” it struggles to identify more nuanced complex secondary conditions, including neuropathy, muscular disorders, or conditions linked to primary service-connected disabilities. This limitation frequently results in partial rather than complete claims being submitted, which subsequently delays and contributes to the underdevelopment of claims. Another key issue, according to our findings, involves the AI-powered translation of benefits letters, particularly English to Spanish correspondence. One staff member is quoted saying:

“The current AI translation method performs literal, word for word translations, which do not consider regional dialects, cultural nuances, or colloquial phrasing. As a result, many letters are difficult for Spanish-speaking Veterans to understand, forcing them to visit the regional office in person to have their correspondence interpreted or clarified”.

Insufficient translations of vital information reduces trust in the system and increases administrative burdens on both the veteran and VA staff.

Regional Office Action Review (ROAR) Oversight

The American Legion documented and confirmed these deficiencies through its own regional office oversight program called ROAR. Before arriving to any regional office, The American Legion’s review team conducts pre-conference visits and sends questionnaires to get a baseline of the RO’s claims metrics and challenges prior to arrival. Additionally, a random sample of 50 claim files are assessed for accuracy, potential mistakes, or inconsistencies. Trends for our FY 2024 report revealed:

- 42% of sampled cases had duty-to-assist issues where VA did not assist the veterans in obtaining necessary evidence for filed claims.

- 30% of sampled cases ignored favorable evidence. When evidence is ignored, veterans are forced to appeal or submit additional evidence, further extending the time it takes to resolve claims.
- 12% of sampled cases were PACT Act claims involving errors or oversight in accordance with provisions of the legislation or evolving Standard Operating Procedures (SOPs).

Additionally, The American Legion's review team has tracked similar trends stemming from a variety of VA Regional Offices (VARO) over the course of many years. Examples from these reports include:

- **COLUMBIA, SC:** An interview of VA employees revealed a concerning number of incomplete C&P exams, as VA-contracted examiners failed to provide medical opinions for diagnosed conditions. Furthermore, VA employees relayed those contractors balked at re-doing C&P exams because "they don't get paid" for them (August 2022).
- **NEW YORK, NY:** Similar trends of incompleteness were noted at the New York VARO, where VA-contracted examiners would establish service connection without referring to any in-service event or condition. Of note, VARO employees disclosed that these types of inadequacies (or under development) errors committed by contractors resulted in many deferrals where VA employees were unable to receive any work credit for postponed or delayed actions (December 2022).
- **SACRAMENTO, CA:** The Sacramento VARO confirmed persistent trends of delays due to inadequate exams. Again, contracted vendors were unwilling to "re-work" examinations if they were "unpaid" to do so. After the Veteran Service Center (VSC) spotted and relayed examination error findings to the MDEO, VA staff stated that the RO would submit the claim back for "re-work due to an inadequate opinion," but the contractor's response was typically, "You need to order a new exam," which in the end causes VA to spend millions of dollars on multiple unnecessary exams (March 2023).
- **PHOENIX, AZ:** At the Phoenix VARO, VA employees disclosed stressors from the need to comply with the newly implemented process of completing a Toxic Exposure Risk Activity (TERA) memorandum if a claimant identifies any potential toxic exposure. As this new process demands a large amount of staff time to ensure proper interpretation and compliance, one executive manager commented that PACT Act claims were reminiscent of the Nehmer court decision to re-adjudicate Vietnam War era claims. The demands of learning and applying new criteria to a high-volume of claims requires careful implementation (March 2023).
- **SAN JUAN, PR:** Quality Control teams at the San Juan VARO cited the development phase as problematic due to a lack of experience among VSRs. Disability Benefits Questionnaires (DBQs) were not thoroughly read or fully completed, forcing Rating VSRs to return claims for clarification. The contracted examiner(s) poor exam quality, inconsistencies, and a lack of attention to detail, particularly due to the overly lengthy and repetitive DBQ format, resulted in a rushed, impersonal approach during appointments,

with examiners more focused on form completion than engaging with the veterans' actual medical concerns. VA staff reported that C&P examinations over all became quite challenging, as an excessive number of new exams were ordered before answering questions on missing or unclear information on submitted DBQs.

Additionally, examiners refused to provide secondary medical opinions for claims, resulting in incomplete DBQs. These DBQs are used by VA to evaluate service-connected disabilities, but due to their length and complexity, vendors often omit critical sections or fail to completely review the medical examination request. Consequently, only primary medical opinions were being rendered, while crucial secondary medical opinions were missing, forcing VA disability raters to adjudicate claims with partial or insufficient examinations (March 2025).

Recommendations

The American Legion recommends the following areas for the Committee to conduct oversight and make improvements:

1. Adopt best practices seen within the St. Petersburg RO that utilizes AI to improve employee productivity, eliminate redundancy, and increase morale.
2. Urge VA to leverage its oversight ability to hold contracted examiners accountable. DBQs should be filled out in their entirety to ensure all claims are processed and always completed thoroughly for every veteran.
3. Formalize and expand the Overdevelopment Reduction Taskforce with representation from field level employees and stakeholders like Veteran Service Organizations (VSOs). In addition, appointing a VSO liaison to the taskforce could ensure service officer expertise is consistently and frequently integrated into policy discussions and decisions.
4. Tap into VSOs like The American Legion as partners in training delivery. The Legion's national network of accredited Department Service Officers (DSOs) is available to provide training and instruction, free of charge, on claims development, PACT Act eligibility, and evidence standards. Our accredited professionals interact with claims daily and can provide front line insight in real time.
5. Clarify the adjudication procedures to separate presumptive claims processing guidance from standard direct service connection guidance. Reducing procedural ambiguity will help staff avoid unnecessary medical opinion requests and cut down on costly unwarranted exams.
6. Expand in person training opportunities for VBA employees, especially those in rural areas or remote territories like The United States Virgin Islands and Puerto Rico to attend

stateside training programs. Face to face, scenario-based instruction should be prioritized over passive online Talent Management System training.

7. Conduct a national internal audit to evaluate the correlation between training delivery methods and claims accuracy. These audits should examine regional disparities in implementation outcomes, particularly in relation to PACT Act related claims.

Conclusion

The overdevelopment of claims has emerged as one of the most pressing and costly inefficiencies within the VBA. What was originally intended as a safeguard within the system to ensure accuracy has, in practice, become a reflexive response to unclear guidance and inexperience amongst claims specialists. Rather than making decisions based on the evidence readily available, many claims are subject to redundant overdevelopment, requests for additional exams, excessive documentation, and repetitive evidence gathering that delays the entire process with no true outcome leading to extreme consequences. Claims that could have been resolved quickly are instead extended for months or even years. Veterans are subjected to excessive re-examinations, re-traumatization, and overall fatigue. Human and financial resources are diverted to duplicative tasks resulting in bottlenecks across the entire system. Most concerning, overdevelopment leads to premature and flawed rating decisions which result in avoidable appeals. The Board of Veteran Appeals (BVA) recently reported that 7.5 percent of appeals have been remanded five or more times, many due to errors in the C&P exam process or excessive development actions that failed to yield clarity. The delays in the appeals process lead to financial distress, a lack of resource access, and prolonged wait times between denials and hearings for veterans. These delays could likely have been avoided if due diligence had occurred during the beginning stages of the development process.

The American Legion understands that overdevelopment is not a result of malice or neglect, but a consequence of systemic uncertainty. Claims processors, operating without consistent guidance or adequate training default to “playing it safe” to reduce liability or even worse, losing their job. Contracted examiners are not always aligned with VA standards, further compounding the problem. The result is a costly cycle of delay, rework, and veteran dissatisfaction. By implementing clearer standardized guidance for claims development, reinforcing targeted training, and tightening oversight on contractor performance, VA can reduce the overdevelopment of claims while improving timeliness and accuracy. The implementation of these goals should help the MDEO reach its goal of 92 percent accuracy and subsequently reduce the strain on the appeals system.

Time is not a luxury that our veterans have, particularly our aging veterans. Every unnecessary step in the development process is time stolen from those who have already waited too long. It is

imperative that VA act swiftly and decisively to ensure that its systems serve veterans with urgency and efficiency.

Chairman Luttrell, Ranking Member Pappas and distinguished members of the subcommittee, The American Legion thanks you for your leadership and for allowing us the opportunity to provide our insight on examining delays in claims and benefits processing. The American Legion stands ready to work with the subcommittee on changes as they develop, and we look forward to sharing the feedback we receive from our membership.

Questions concerning this testimony can be directed to Jake Corsi, Legislative Associate, at jcorsi@legion.org.

Prepared Statement of Veterans of Foreign Wars of the United States

Chairman Luttrell, Ranking Member McGarvey, and members of the subcommittee, on behalf of the men and women of the Veterans of Foreign Wars of the United States (VFW) and its Auxiliary, thank you for the opportunity to provide testimony on this topic.

Myriad reasons may cause delays in the Department of Veterans Affairs (VA) disability compensation claims process. However, despite the reason, they often result in underpayment of claimants and denial of benefits, at least for a period of time. We will limit our statement to four common causes of delay: failure to conduct a full review of the record prior to filing the claim, claim overdevelopment, review of the physician's medical opinion by a lesser credentialed medical professional, and anomalies in claims processing automated tools.

Failure to Conduct a Full Review of the Record

A VA Veterans Service Representative must perform a full review of a record during the development of the claim. In some cases, claims processors will focus on the first contention in the record and then base examinations and other actions only on that specific claimed item, rather than consider the entire scope of the claim. Ordering medical examinations based on an incomplete understanding of the record could cause unnecessary or duplicative examinations and medical opinions as the details of the record emerge. Superfluous medical examinations contribute to a disjointed process and unnecessary delays.

Overdevelopment

Overdeveloping the claim by ordering unnecessary medical examinations slows down the claims process and often frustrates the veteran. Claims for conditions related to toxic exposures seem especially prone to overdevelopment. Presumption of service connection satisfies the need for a medical opinion if the claimant's service record substantiates service in an exposure location and eliminates the requirement for further medical examination. Any additional investigation or medical examinations would be redundant and should be considered overdevelopment. As an example, for a veteran exposed to burn pits, VA would automatically grant service connection for a claim for chronic obstructive pulmonary disease (COPD), which is a presumptive condition attributed to that exposure. VA should not order a medical examination and incur a delay to determine some other cause of the COPD, such as the veteran's smoking habits. The VFW recommends that VA cross reference any previous claims and/or existing medical records to prevent ordering an unnecessary medical examination that would contribute to a delay in adjudicating the claim. VA also acknowledges claims overdevelopment as a problem area and established its own overdevelopment task force in 2021 to educate claims processors on strategies to reduce or eliminate this practice.

Review by Lesser Credentialed Medical Professional

Sending the physician's medical opinion to a lesser credentialed medical professional, such as a nurse practitioner, for confirmation/certification causes unnecessary delay and should not routinely occur. Claimants could perceive this practice as developing evidence to deny the claim rather than offering the veteran reasonable doubt. Time lost in sending the medical opinion report to this medical provider and awaiting action contributes to the delay with no increase in accuracy, quality, or completeness of the claim, and often results in an improper denial of benefits.

Automated Tools Performance Degradation

Automated tools ease claim preparation, submission, and tracking. However, VA must monitor their use to detect problems and develop solutions at the earliest possible opportunity to prevent delays. Beginning in May 2024, our VFW Service Officers noticed delays over several months in electronic claims submissions to the Veterans Benefits Management System. Delays of 40 days were routine persisting through December 2024. During those months, we met several times with VA to solve the problem and determine the cause. The situation is currently resolved with submissions occurring mostly within a day or two, but we still do not know conclusively what caused the delay or what to do if it occurs again. A 40-day delay to simply add evidence to a veteran's record is unacceptable and provides the opportunity for other situations that could have adverse effects, such as when VA decides a claim when there is additional evidence waiting for initial processing that would have resulted in a grant of benefits. When this happens, the veteran must file an appeal and wait months or years for a benefit delayed by an incomplete claims file.

Information Required by Rule XI2(g)(4) of the House of Representatives

Pursuant to Rule XI2(g)(4) of the House of Representatives, the VFW has not received any Federal grants in Fiscal Year 2025, nor has it received any Federal grants in the two previous Fiscal Years.

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

