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DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY**

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Chairman Van Orden, Ranking Member Levin, and other Members of the Subcommittee, thank you for the opportunity to appear before you today to discuss the Department of Veteran's Affairs (VA) Digital GI Bill (DGIB) program and the continued information technology system improvements and upgrades. Accompanying me today is Mr. Joseph Garcia, Executive Director, Education Service, and Mr. Robert Orifici from the Office of Information and Technology (OIT).

To ensure VA serves all Veterans and their families seeking to use their GI Bill benefits and equip them with the tools and resources necessary to reach their academic and career goals, VA is modernizing the GI Bill's Information Technology (IT) platform to deliver benefits faster and enhance customer service.

The goal of this effort is to develop a modern digital platform, leveraging cloud-based automation, digital service transformation, human-centered design, robust communications, analytics, and other important IT services. The improvements will provide world-class customer and benefit services to Veterans and VA's partners, enabling more timely and accurate delivery of education benefits, providing near real-time eligibility and benefit information, and allowing for first contact resolution.

Another aspect of the DGIB effort is to modernize the numerous legacy systems that are outdated and costly. Updating the benefits payment platform from the 50-year-old Benefits Delivery Network (BDN) will reduce costs and enhance the reliability and security of benefits payments to the Nation's Veterans and beneficiaries.

DGIB Progress to Date

Veteran Claims and Automation

Claims process automation is key for improving a Veteran's GI Bill experience. VA is significantly closer to meeting the goal of automating 50% of original claims and 80% of supplemental claims. A large number of Chapter 33 original claims can now be automated. This means a Certificate of Eligibility (COE) can be issued in a matter of minutes. This allows the Veteran to start an education program and begin receiving education benefits sooner. Since implementation of the DGIB platform in March 2021, automation of original claims has grown from 0% to 32%, and supplemental claims from 39% to 64% (FY 2024 to date, as of September 11, 2024). Because of this automation

and advances to VA's platform, the time it takes to decide an original claim has decreased from 28 days to 10 days on average, and supplemental claims time has dropped from 14 days to only 4 days on average.

Receiving a COE is the first step towards using education benefits. Prior to the Digital GI Bill modernization, a manual original claim could take weeks or months before an education benefits decision was made. For example, in a taping of VBA Education Service's *State of Education* video series¹ on platform and technology enhancements, we identified an active-duty service member named Carson, who submitted his original claim for education benefits. Due to the backend system connection, Carson's application included pre-filled service history information. After completing a few questions, he submitted his GI Bill application through the new automated platform. VA immediately received his application, which was evaluated in the Digital GI Bill system. Within fifteen minutes, Carson received his digital COE, which he can access at any time on VA.gov. When he is ready to pursue his educational goals using his G.I. Bill benefits, Carson already has his COE to get started. His spouse expressed gratitude for VA's quick decision for Carson and what it means for their growing family's future.

The highest priority for DGIB is to improve the Veteran experience. Customer experience surveys show that the DGIB's improved claims automation is benefiting individuals like Carson. For example, one question about timely receipt of the COE demonstrated this commitment to improving the customer experience. Nearly 92% of individuals surveyed answered affirmatively to the survey item: "It was easy to share my Certificate of Eligibility with my school to inform that I wanted to enroll using my GI Bill benefits."

The VBA Veteran Signals Surveys, which reflect the trust Veterans have in Education Service, increased significantly in all categories from FY22 to FY24 (Q3). *Applying for benefits* increased from 69.7% to 75.7%, *Enrolling in school* increased from 75.5% to 89.9%, and *Receiving education benefits* increased from 77.4% to 87%. The overall trust score based on all the surveys improved by 12.96% from FY22 to FY24 (Q3).

New Platform for School Certifying Officials

Enhanced program governance has also led to improved customer experience for the School Certifying Officials (SCOs). In March 2023, Enrollment Manager (major release 5) was launched, which replaced the dated legacy system. Since then, over 7 million enrollments have been processed using the modernized system.

SCOs are better equipped to counsel and advise student Veterans on achieving their educational goals. In regular surveys, SCOs answered 98.2% affirmatively to the question, "I feel much more comfortable submitting enrollments within Enrollment Manager. This feedback is validation of VA's progress in providing SCOs with the tools

¹ <https://www.youtube.com/@VAVetBenefits/videos>

they need to better serve Veterans. For example, a new feature enables the SCO to inform the student Veteran on the initial visit the amount of G.I. Bill education benefits that are available for educational pursuits. SCOs have shared that this feature allows better counseling and advice upfront to student Veterans on achieving their educational goals.

Through attendance at numerous conferences such as the Western Association of Veteran Education Specialists (WAVES) and other outreach events, VA proactively requests additional feedback from the SCO community concerning Enrollment Manager. VA takes the feedback back to the managed service vendor to enhance customer experience through regular system updates.

Improved Data Retrieval and Reporting

VBA's Education Service is currently working to improve data retrieval and reporting. Examples include enhancing the Education Call Center support through generative artificial intelligence (AI) knowledge and supporting School Certifying Officials in addressing questions regarding VA education benefits and use of the Enrollment Manager System. Additionally, prior to the launch of DGIB Data Mart in June 2023, Education Service data was stored across multiple systems, and it did not have direct ownership of the data. The launch of DGIB Data Mart Analytics Platform (DMAP) centralized beneficiary outcome data across all VA education benefits. This enabled self-service analytics, reduced the time required to review and certify data, and introduced AI and Machine Learning capabilities. The Approvals, Compliance, and Liaison staff is leveraging DMAP for improved analysis to inform risk based surveys.

Enhanced Payment Platform

Additional proof that the modernization efforts are working was the successful transition to the Enterprise Management of Payments, Workload, and Reporting VA (eMPWR) payment platform launched on schedule on July 8, 2024 (major release 6). Release 6 transitioned 87% of total payments processing off the Benefits Delivery Network (BDN) legacy platform, marking the first step towards decommissioning the 50+ year old BDN, after numerous other attempts to do so.

The change reduces security risks for claimants, while providing a smoother Chapter 33 claims processing experience for Veteran Claims Examiners (VCEs), by integrating claims processing to a single platform. For the first time, data reciprocity and interoperability are enabled, which allows VA to consolidate its data sources and synchronize data across platforms. The August 2024 Monthly Housing Allowance \$206 million payment file of 214,333 claimants was successfully run with 99.99% accuracy.

Office of Inspector General (OIG) Report

Notwithstanding the progress that has been achieved to date, the recent report issued by the Office of Inspector General (OIG) highlights numerous recommendations that VA can leverage to ensure continuous improvement of the DGIB modernization effort. I will briefly highlight a few actions VA is taking that are responsive to several of those recommendations.

Recommendation 1 of the OIG report advised VA to “Establish a mechanism to monitor progress of the Digital GI Bill platform implementation under the renegotiated contract to avoid additional costs and delays.” To ensure this recommendation is addressed, VA continues the progression of the Program Management Office (PMO) to ensure adequate oversight of DGIB progress. VA has added 15 full-time equivalent employees to support PMO functions along with supplemental contractor support.

Recommendation 2 of the OIG report advised VA to “Communicate regularly with the Digital GI Bill platform contractor to ensure that the project’s integrated master schedule or other master scheduling plan is consistently updated to reflect all schedule changes for external dependencies.” To ensure this recommendation is addressed, VA will continue to review the master planning schedule to ensure all relevant systems are integrated. This is being accomplished through our robust governance process and continued communication with the managed service vendor.

Finally, we will continue collaborative efforts with the OIG staff and our other partners, such as the Office of Information and Technology (OIT), to address improvement opportunities and appropriate closure actions for the specific recommendations. VA commits to engaging with our OIG partners to ensure the intent of their recommendations is met by our actions.

In addition to their recommendations, OIG also identified increased costs associated with the DGIB contract. VA acknowledges that the true complexity of the modernization vision was not apparent at the start of the original contract, which was developed in 2020 and executed in early 2021, and the contract required a full review to ensure that VA was on track for success. As the program evolved and VA worked through the major releases within the contract, it became evident that unanticipated work needed to be added to the original contract to fully enable the transition from VA’s ancient Common Business Oriented Language (COBOL) system, install strong performance metrics as a measure of contractor success, meet DGIB’s growing needs, and ensure protection and delivery of VA’s intellectual property and data rights. While working through modernization activities, some external dependencies were unable to meet committed integration dates, including the need for an additional testing environment. This required changes to schedules and additional work to be added. Further, VA secured the transfer of intellectual property to the VA, which differed from the scope of the original contract. VA leadership determined the transferred intellectual property gives VA the flexibility to maintain developmental and operational control of the

platform assets, so that VA can make faster and safer strategic decisions, independent of contractor constraints.

At the end of fiscal year (FY) 2023, the DGIB program underwent a successful restructuring and rescheduling to accelerate the modernization of system interfaces and integrations, improvement of claims processing automation, and facilitation of legacy system decommissioning. The DGIB program encompasses the operation, maintenance, and improvement of the DGIB Platform, Veterans Education Benefit Tools, and the education legacy systems, which are planned for the eventual decommissioning of numerous separate systems (including the Benefits Delivery Network, the Imaging Management System, the Web Enabled Approval Management System, and Work Study Management System). These modernizations to VA systems are required to meet the expectations and demands of GI Bill Veteran students, beneficiaries, and other key stakeholders. As VA continues to move forward with future releases and as noted above, VA remains committed to ensuring proper governance and communication across all entities involved in DGIB implementation.

Future State

The DGIB team is continuing to make enhancements that contribute to direct, online, one-stop access to education benefit resources. These changes will continue the evolution of a Managed Service that increases efficiency and reduces manual processes, allowing VA to focus more on serving Veterans and their families.

While Release 6 transitioned 87% of total payments processing off the BDN legacy platform, future Releases 7 and 8, targeted for 2025, will address the remaining 13% for the path to BDN decommissioning.

Conclusion

Mr. Chairman, VA has made tremendous strides in the administration of VA education benefits in recent years through modernization efforts. VA acknowledges the challenges we have experienced in implementing DGIB but believe that we are on the right path to improve the education benefits for Veterans and their families. VA looks forward to the continued feedback from our stakeholders and commits to continued partnership with such entities to ensure proper oversight and accountability. VA appreciates the support of the Committee as VA continues its effort to modernize VA educational assistance programs. This concludes my testimony. My colleagues and I look forward to responding to any questions you or other Members of the Subcommittee may have.