

**STATEMENT OF  
DR. PAUL R. LAWRENCE  
UNDER SECRETARY FOR BENEFITS  
DEPARTMENT OF VETERANS AFFAIRS (VA)  
BEFORE THE  
HOUSE COMMITTEE ON VETERANS' AFFAIRS  
ECONOMIC OPPORTUNITY AND TECHNOLOGY MODERNIZATION  
SUBCOMMITTEES**

**September 16, 2020**

Good Morning Chairman Levin, Madam Chair Lee, Ranking Members Bilirakis and Banks, and Members of the Subcommittees. I appreciate the opportunity to appear before you today to discuss the information technology (IT) needs of the Department of Veterans Affairs' (VA) Education Service business line. Accompanying me today are James Gfrerer, Assistant Secretary for Information and Technology and Chief Information Officer; Charmain Bogue, Executive Director of Education Service, Veterans Benefits Administration (VBA); and Rob Orifici, Deputy Director, Education and Veterans Readiness and Employment Product Line, Office of Information and Technology (OIT).

**Information Technology Needs of Education Service**

VA administers over \$12 billion in educational assistance benefits to approximately 1 million beneficiaries and performs oversight on over 43,000 campuses and 450,000 education programs. This work is accomplished across 23 systems, which is unsustainable given stakeholder expectations. Additionally, Education Service's current IT systems do not have the ability to meet future demands for forthcoming educational programs such as those associated with the GI Bill.

Less than two years ago, VA experienced difficulty in implementing key provisions of Public Law 115-48, Harry W. Colmery Veterans Educational Assistance Act of 2017 (the "Colmery Act" or "Forever GI Bill"). As we discussed then, there were great challenges in updating and integrating legacy systems with complicated business rules that came about because of the statutory requirements, while also maintaining timeliness and payment accuracy. These challenges were overcome with the Secretary's reset of the implementation which provided VA the time, resources, and funding to deliver an IT solution on December 1, 2019.

The risks and costs associated with maintaining legacy systems continue to rise and be more acute. Support and maintenance are difficult or impossible to find for 70's-era systems like the Benefits Delivery Network (BDN) – warranties have expired, security best practices that are common on newer systems cannot be used, integration with newer systems is increasingly difficult to support, and the knowledge pool for ongoing support and maintenance is becoming nonexistent as experts retire. VA's

legacy systems need modernization and further automation. All told, the systems supporting Education Service cost VA \$33 million annually in sustainment costs – this funding is just to keep them running. This is reflected in the Fiscal Year (FY) 2021 President’s Budget request. The OIT request to support Education Service enables some of the necessary foundational work toward the eventual retirement of legacy systems but will not deliver a new modern technology platform.

## **Modern Technology**

For the future, our desire is to have technology that will facilitate better customer relationship management. We must invest in a service that provides robust access to information on our claims process, so when Veterans call us, we will have all of the information we need to serve them, like when you interact with a bank or insurance company. We will purchase capabilities including high-tech computing power to streamline our processes. When you enroll in a class, the system will perform cost calculations and present information so Veterans can clearly see the cost reduction or increase. We will have sufficient data services to aggregate school and Veteran information and have it readily available. This will enable smoother, faster, more accurate payments for our beneficiaries.

With a new modern technology platform, the cost to maintain the information technology will be significantly reduced. VA will not have to take the extraordinary actions that were required to implement Colmery Act provisions for future mandates, and GI Bill students will be better served through an improved experience with education benefits resulting from increased automation and improved information sharing.

To get a better understanding of this effort, VA chartered MITRE to gather and assess requirements from across the various business lines such as Education Service, OIT, other parts of VA and external organizations to guide our effort to modernize the GI Bill. VA will prioritize the use of commercial off-the-shelf packages already in use by the private and public sector over the development of new systems. This will result in a modernized Education Service business platform that provides world-class customer and financial services; end-to-end systems management; and convenient, self-service options for GI Bill student customers. In collaboration with MITRE, VA released a Request for Information on August 28, 2020 in order to refine our requirements and assess the state of the industry. VA anticipates such a modernization effort would take between 24 and 36 months to complete.

## **Background**

VA currently utilizes three main systems when processing claims for VA educational assistance: BDN, the Post-9/11 GI Bill Long-Term Solution (LTS) and VA-Online Certification of Enrollment. In addition, VA maintains more than 20 IT systems

which provide school information, military service data, as well as information for students on prospective schools.

In June 2008, Congress passed the Post-9/11 Veterans Educational Assistance Act, which established a new education benefit program under chapter 33 of title 38 United States Code, otherwise known as the Post-9/11 GI Bill. VA's OIT contracted with the Department of the Navy's Space and Naval Warfare Systems Command to develop the LTS – an end-to-end claims processing solution that utilizes rules-based, industry-standard technologies for the delivery of education benefits. VA has deployed 12 major releases for LTS, including several releases of functionality to implement changes to the Post-9/11 GI Bill required by Public Law 111-377 (Post-9/11 Veterans Educational Assistance Improvements Act of 2010) and more recently the Colmery Act).

In September 2012, VA successfully activated end-to-end automation of supplemental claims for Post-9/11 GI Bill benefits in LTS. Currently, over 4,000 claims per day are processed automatically without human intervention. Last fiscal year, 36.6 percent of all Post-9/11 GI Bill supplemental claims were fully automated. Approximately 83.5 percent of all Post-9/11 GI Bill supplemental claims are now partially or fully automated. This automation has significantly reduced education supplemental claims processing times – from an average of 16.5 days in FY 2012 to 8.9 days in FY 2020. Processing timeliness for original claims (those establishing initial eligibility) has improved by 12.2 days, from 30.5 days in FY 2012 to 18.3 days in FY 2020. VA has also maintained a payment accuracy rate of 97 percent. While VA has made strong gains in processing timeliness and in customer service delivery, these improvements have in large part been a result of aligning staffing and overtime resources towards these areas.

Mr. Chairman and Madam Chair, this concludes my testimony. My colleagues and I are prepared to respond to any questions you or other Members of the Subcommittees may have.