

STATEMENT OF  
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BEFORE THE  
SUBCOMMITTEE ON BENEFITS  
COMMITTEE ON VETERANS AFFAIRS  
UNITED STATES HOUSE OF REPRESENTATIVES

WITH RESPECT TO

STATUS OF THE DEPARTMENT OF VETERANS AFFAIRS  
IMPLEMENTATION OF THE  
VA CLAIMS PROCESSING TASK FORCE'S RECOMMENDATIONS

WASHINGTON, DC

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MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

Thank you, Mr. Chairman, for inviting the Veterans of Foreign Wars of the United States (VFW) to participate in this hearing. We believe effective implementation of the recommendations made by the VA Claims Processing Task Force, in their October 3, 2001 report to the Secretary of Veterans Affairs, to be one of the two most important missions now facing the secretary. Accordingly, Congressional oversight on this is imperative. We commend you, Mr. Chairman and Ranking Member Reyes for your critical insight in having this hearing. We also implore you and your esteemed colleagues to continue your interest on this matter until the secretary reports that the Task Force's recommendations have been implemented to his satisfaction. Until that time, we should consider the Task Force to still be a work in progress.

As we are all well aware, the Claims Processing Task Force was one of a series of studies done in the last decade to tackle the problems of timeliness and the mounting (actually fluctuating) backlog of veterans' claims for disability compensation. Three sources were mentioned in the invitation letter to this hearing. To that list, we would like to add the Blue Ribbon Panel on Claims Processing (report in November 1993); the Board of Veterans' Appeals Select Panel on Productivity Improvement in 1994; and, the one that arguably caused a philosophical business approach readjustment in the Veterans Benefits Administration, the National Academy of Public Administration (NAPA) "Report on Management of Compensation and Pension Benefits Claim Processes for Veterans" in August 1997. All of these past studies (and reports) had essentially the same thrust as the Claims Processing Task Force – to make recommendations to improve the efficiency of veterans' entitlements claims processing with the end result being quality, timely decisions.

And, at their chronological time, all of these studies had a respective impact toward "improving" the system. (The Veterans Claims Adjudication Commission's report, in most areas, is one document that has seemed to stand the test of time; it is something that all serious veterans' advocates should review annually.) In a way, some of the improvements made as a result of these past studies are actually a factor in the claims processing system problems now facing us. Examples supporting this premise are the very successful outreach programs by the Veterans Benefits Administration; the tremendous influx of service connection claims for diabetes; the strong commitment to "Quality is Job One" through the creation of the Balanced Scorecard and the Systematic Technical Accuracy Review (STAR), which addressed the most vital of all goals: quality

(“zero-defects”) decisions; and, the reinstatement by Congress of the benevolent “Duty to Assist” doctrine on veterans’ entitlements. All of these examples are critical in their support of a proper and deserving government entitlements program that emphasizes the importance and respect placed on our veterans by this great country. There is none in the world to compare to it – as it should be.

So, in a positive irony, we all (veterans, Congress, veterans service organizations, and the VA) played a role in the creation of the current claims processing problems. We therefore must share, and be a full partner to Secretary Principi, in the actions necessary to help resolve this dilemma.

(Indeed, the Claims Processing Task Force’s report, in a lot of areas, is not a groundbreaking document. We view many of its recommendations to be simply a reaffirmation of what was espoused in the VBA’s *Roadmap to Excellence* and the VA’s Strategic Plan. The difference here, it seems, is that Secretary Principi is now providing strong leadership in insisting that the Task Force’s recommendations will be implemented, and will be so at all echelons in the VBA. The secretary’s “teeth” further extend to the establishment of solid, measurable performance standards for incumbents at critical positions in the VBA, such as the regional office directors; this is an exemplary undertaking that reinforces the secretary’s tangible commitment to accountability. While the secretary had already made that commitment at the time of the Task Force’s report, they acknowledge it with their Recommendation S-16.)

Consequently, when the Task Force issued its report last October, we reviewed it in detail, word by word, not from a primary thrust to find fault or disagreement with any recommendations, but exactly the opposite to see where we must play an integral role through possible augmentation actions. A secondary purpose was that we had just established, in February 2001, a comprehensive strategic plan for the VFW's National Veterans Service with the mission of enhancing professionalism at all levels in the VFW veterans' service programs and we had to program the anticipated impact of the Task Force recommendations into our planning, particularly our comprehensive training program.

With this philosophy, and even though we had concerns on some of the recommendations, there were only two with which we had disagreements – and the reason for those was a belief that, in the long term, both will actually impede the expeditious processing of claims by causing unneeded additional work. The first disagreement was on Recommendation S-4: "... Evidence requested from a claimant, private physician, or private hospital must be received within 30 Days". (Emphasis added.) Our disagreement with establishing such a restrictive standard has nothing to do with the fact that claims processing times are presently inordinately longer than 30 days. It is actually because we envision too many examples of veterans, when considering things as mailing transit times and absences such as vacations, having insufficient time to react adequately, especially if records must be obtained from a private physician. It is interesting to note that the VBA informally estimates approximately 25% would respond in a time period of 30 to 60 days. In those situations where a veteran responds soon after the expiration of the 30 days and the VA renders a decision at the 31<sup>st</sup> day, redundant

readjudication and another decision must occur. Worse yet will be the cases where the veteran instead submits a preemptive Notice of Disagreement when the eventually submitted evidence supports the allowance of the claim. If the 25% figure is remotely accurate, there is potentially a tremendous increased and unnecessary workload addition to a system already currently burdened with redundant claims processing actions. The previous 60-day standard was reasonable, functional, and needs to be retained.

The second disagreement was on Recommendation S-17: “Centralize the debt waiver function at the Debt Management Center in St. Paul, MN.” The primary concern we had with this recommendation is the inherent consolidation at one location of the Committee on Waivers and Compromises mission currently at each regional office and the resultant inability (certainly inconvenience) for veterans to have timely personal hearings before those committees. The Under Secretary for Benefits has announced that the implementation of this recommendation is delayed indefinitely.

Conversely, we believe most of the Task Force’s recommendations to be so important in the overall picture of the secretary’s plan to improve the claims processing system that we will fully support them even at the additional expenditure of resources, both monetary and labor. A specific example is that we considered Recommendation S-1: “Create a Tiger Team ... to expedite resolution of any C&P case over 1-year old ...” a praiseworthy endeavor by the secretary that mandated manpower augmentation in Cleveland by us in assisting the rapid adjudication of these claims. All indications are that project has been a resounding success. We are also expending additional time resources to ensure the success of the consolidation of the maintenance portion of

pension processing (part of Recommendation S-9). This approach will soon pay solid dividends by allowing concentrated training and enhanced specialization for a core group of pension experts in an area that is arguably the most difficult to master for a rating specialist. The attendant result at the other regional offices that no longer have this function will certainly be increased productivity in disability compensation claims processing with the diversion of manpower assets to that mission.

The invitation to this hearing requested us to specifically comment on Recommendation M-1 which essentially enlists the veterans service organizations to “help improve service ... in gathering evidence for the development of a well documented and ‘ready-to-rate’ claim ... deter frivolous claims, and by providing information on claims status.” Initially, we must state that the first recommendation request, to present a fully developed claim, has been a long-time principle for our service officers. This canon of ours, on fully developing a claim as part of our mission to adequately represent veterans, precedes the Task Force, indeed the prescient *Roadmap to Excellence*. It goes back at least to the time of the creation of the Partner Assisted Rating Development System (PARDS) program started at the St. Petersburg Regional Office in July 1996, and which served as the harbinger to the current successful Training, Responsibility, Involvement and Preparation of claims (TRIP) program of certifying VSO access to critical VBA software programs. The very basic and first edict of TRIP is the promise by the VBA for expeditious decisions upon the presentation of a “ready-to-rate” claim (as it was for PARDS). The Task Force obviously recognized the importance of TRIP because it stressed the need to “accelerate [TRIP] as a high priority” in the same recommendation. Additional support for this objective will also soon happen with the

Veterans Health Administration's development of a software tool that will enable accredited representatives to electronically view and copy pertinent health information documentation in support of a represented veteran's claim.

The third request, to provide timely claim status reports to veterans, is now easily accomplished through veterans service officers' certification at TRIP Level II and resultant access to the Claims Automated Processing System (CAPS). Over 90% of the VFW service officers located at the regional offices now have CAPS access and they universally praise its functionality. It has helped immensely in increasing the efficiency of our representation. The only comment we have in this regard is that the next VBA application generation on claims processing, Modern Award Processing – Development (MAP-D) looks even better and we are pushing hard for its VBA-wide implementation.

The second request, to deter frivolous claims, is the last to discuss because it's an extremely difficult one for us to suggest actions. This naturally implies that there is a readily definable claim as one of being frivolous. Usually, that determination only occurs -- and in most cases, subjectively at that -- upon a final rating decision. Because veterans service organizations do not have a fiduciary responsibility in veterans' claims, it is a very dangerous business for us to pre-judge a claim as being frivolous. (Many of us can recall only too clearly situations where we thought a claim was not meritorious on the surface just to have the VA determine appropriately that there is an actual entitlement.) Certainly, there are situations where ineligibility for a specific entitlement is very clear, but all we can do is strongly advise an individual on the laws and regulations pertaining to that ineligibility. If that individual is classified as having veteran status by statute and

regulation, we in the VFW have a policy of providing the necessary and appropriate assistance in filing a claim.

The one VBA initiative where it is very easy to have fully developed, ready-to-rate claims is the Benefits Delivery at Discharge (BDD) program. The claims by our soon-to-be-discharged military under this program don't involve the time consuming efforts to retrieve old records and don't require a necessity for medical opinions to close continuity of symptomatology gaps (Title 38 Code of Federal Regulations § 3.303(b)). Everything is "fresh" and an accurate baseline for future evaluations is established with the initial rating decision at the time of discharge. Presently, around 40% of the active duty military take advantage of this exemplary program; it is ludicrous that this figure is not significantly higher. We choose to believe that the Task Force's Recommendation S-20 on "[evaluating] the advantage of opening additional Pre-Discharge Centers ..." is actually a request to the secretary for a high priority on the allocation of resources to the BDD initiative as opposed to a de-emphasis of this "highly successful" program (as quoted in the Task Force report).

Because timely claims processing is the core of the Task Force's report, we would like to add as a footnote that we have testified in the past that 120 days seemed to be the ideal standard for the processing of original disability compensation claims. With a more sophisticated veteran as a result of the excellent outreach programs that have been established in the last ten years and the understanding that comprehensive medical examinations have to be performed in conjunction with these claims, we now feel that 150 days is a more reasonable expectation, with a 50-day standard included in that time

period for the completion of compensation and pension examinations. Therefore, the goal of 100 days by Secretary Principi is, in our opinion, both commendable and ambitious.

In summary, we believe the secretary's attack on the claims processing problems is beginning to bear fruit. Certainly, this attack will receive additional impetus with the readjudication completion of the previous "not well grounded" denial decisions and the crest of the higher than originally estimated diabetes claims. This is also coupled with the knowledge that many of the new Veterans Service Representatives (VSR) hired over the past 18 months are now becoming experienced and comfortable in their mission. (We believe that it really takes at least three years for a rating VSR to become fully efficient in that job.) But, we strongly feel the real victory will come with the complete, consistent, and shared implementation of the Task Force's recommendations. Therefore, our suggestion here is that we all need presently to support Secretary Principi in just "staying the course".

Mr. Chairman, this concludes my testimony.