



U.S. Department
of Veterans Affairs

Improving the Veteran Experience Through VBA Process Improvements and Modernization



Veterans Benefits Administration (VBA) is responsible for administering programs that provide financial and other forms of assistance to Veterans, their dependents and their survivors. Through a variety of modernization initiatives and improved business processes, VBA strives to deliver Veterans compensation benefit decisions and services within a timely manner.

Improving the Veteran Experience: Decreasing Pending Claims through VBA Modernization

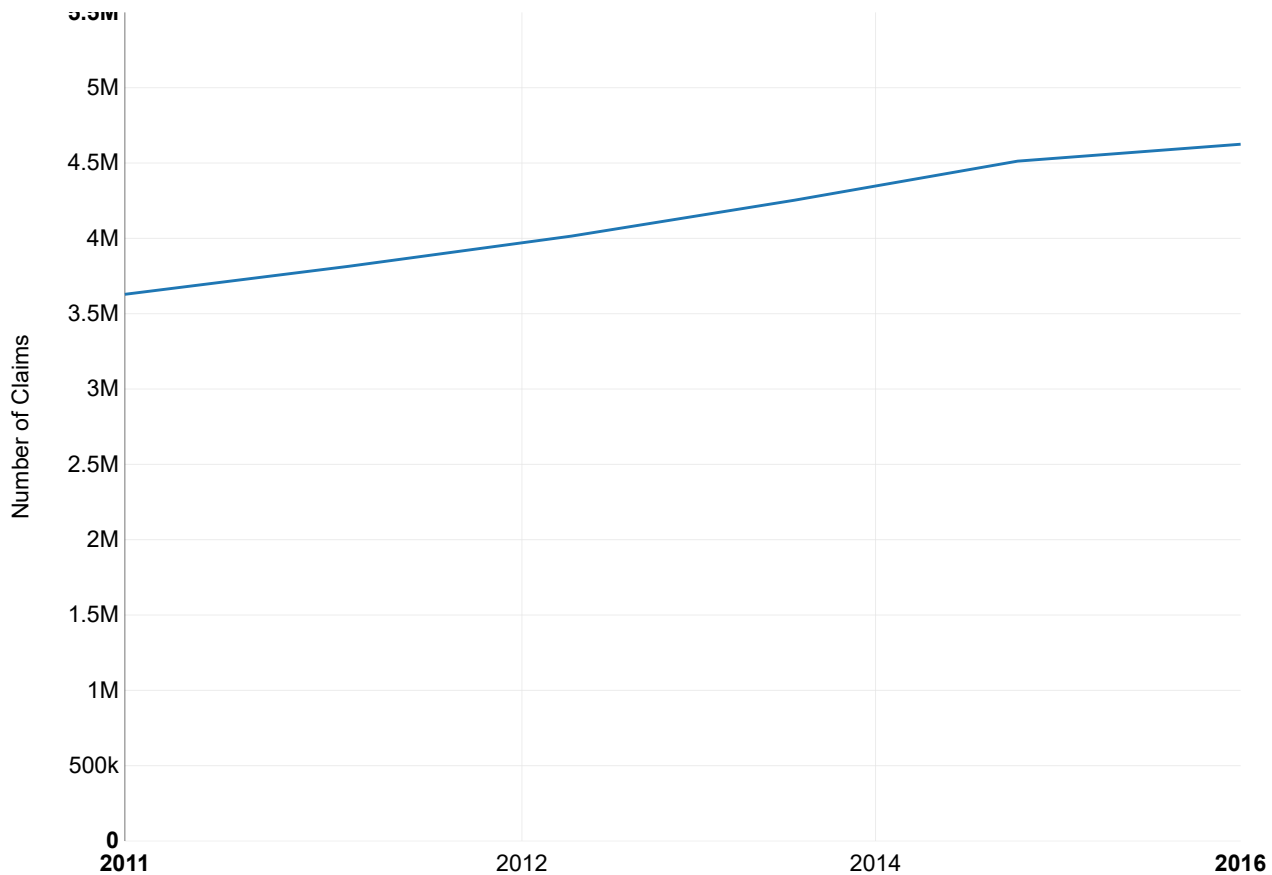
In an effort to provide quality services to Veterans in a timely and efficient manner, VBA continues on-going efforts to reduce the number of claims pending and lengthy wait times while improving claim processing accuracy rates. Over the past 8 years, pending claims reached its peak of 889,930 claims, wait times for Veterans receiving awards were at most over 300 days and accuracy rates were as low as 83%. As of September 2017, the number of claims pending was 330,820, a **63% drop from its peak**. Wait times were **reduced by over 200 days** and **accuracy rose to 88%** by the end of fiscal year (FY) 2017. This improvement can be attributed to multiple factors to include

technological advancements, process improvements and a national collaboration of benefit claims processors across Regional Offices (ROs). More recently, VBA has been focused on optimizing its operations through a series of efficiency and modernization efforts to ensure Veterans have an improved experience with VBA.

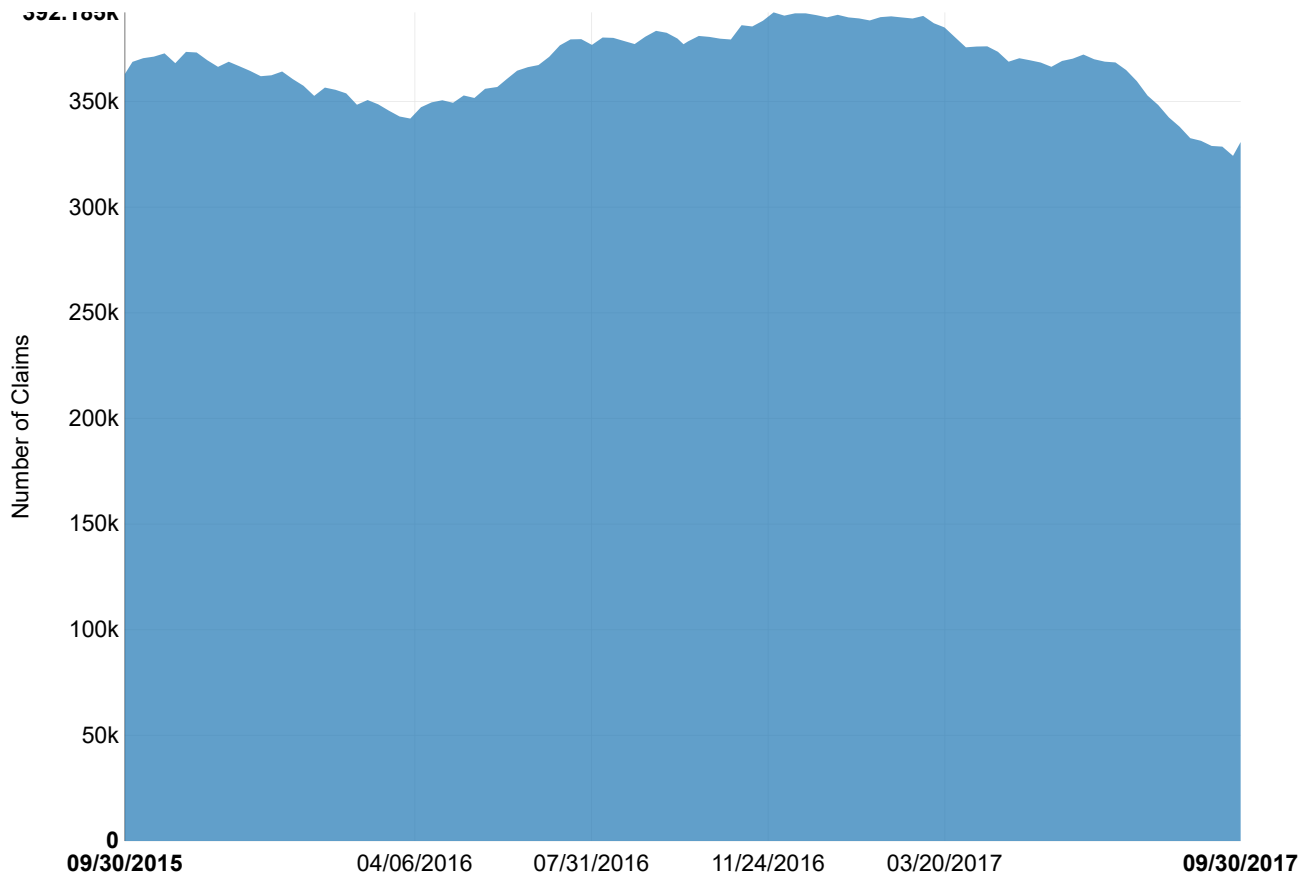


Decreasing Pending Claims Inventory and Improving Claims Processing Accuracy

Currently, there are an estimated 20 million Veterans representing all branches of the military.¹ Receipts of claims submitted have increased by over 1 million during FY 2011 – 2016 as demonstrated in **Figure 1**. Although the Veteran population is projected to decrease in coming years, new recipients of disability, compensation and pension claims are **expected to grow 25% by 2022** based on historical data and projected future trends.² VBA is processing more claims every year. **Over 1.35 million** compensation and pension benefit claims were processed in FY 2017, an increase of 9% or 107,486 claims from FY 2016. At the same time, claim level accuracy increased from 83% to **88% in FY 2017**.³

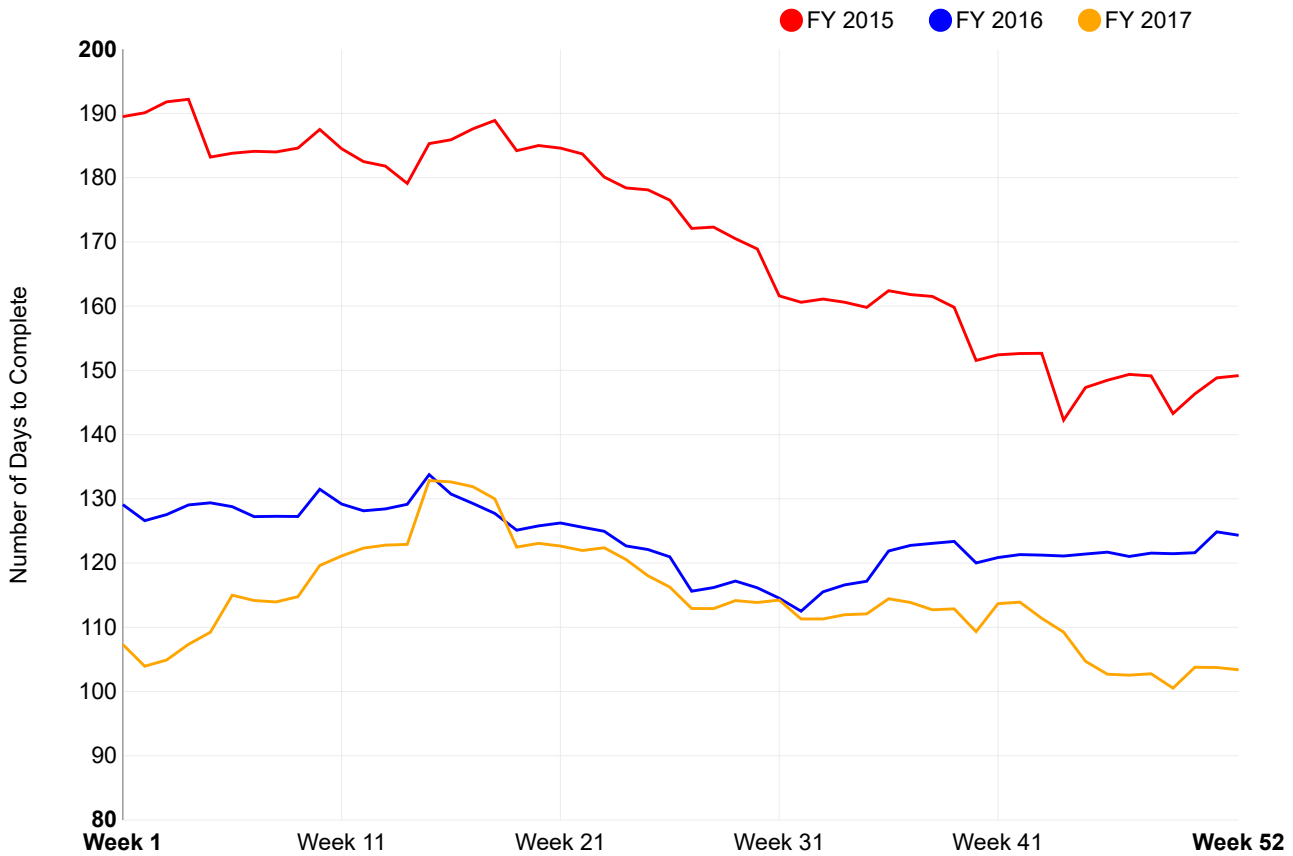
Figure 1: Receipt of Compensation and Pension Claims FY 2011 - 2016

While receipts of claims have been increasing in recent years, VBA has continued to decrease pending claim inventory. As described in **Figure 2**, the inventory of pending claims increased by 9,967 claims by the end of FY 2016. However, this increase was offset by the **net decrease of 37,320 claims** processed from the beginning of FY 2016 to the end of FY 2017. Pending claims consist of disability compensation and pension claims, which require a rating decision. Rating decisions are a recorded document explaining the decision made about one or more of the medical conditions of a claim.

Figure 2: FY 2016 - 2017 Pending Claims

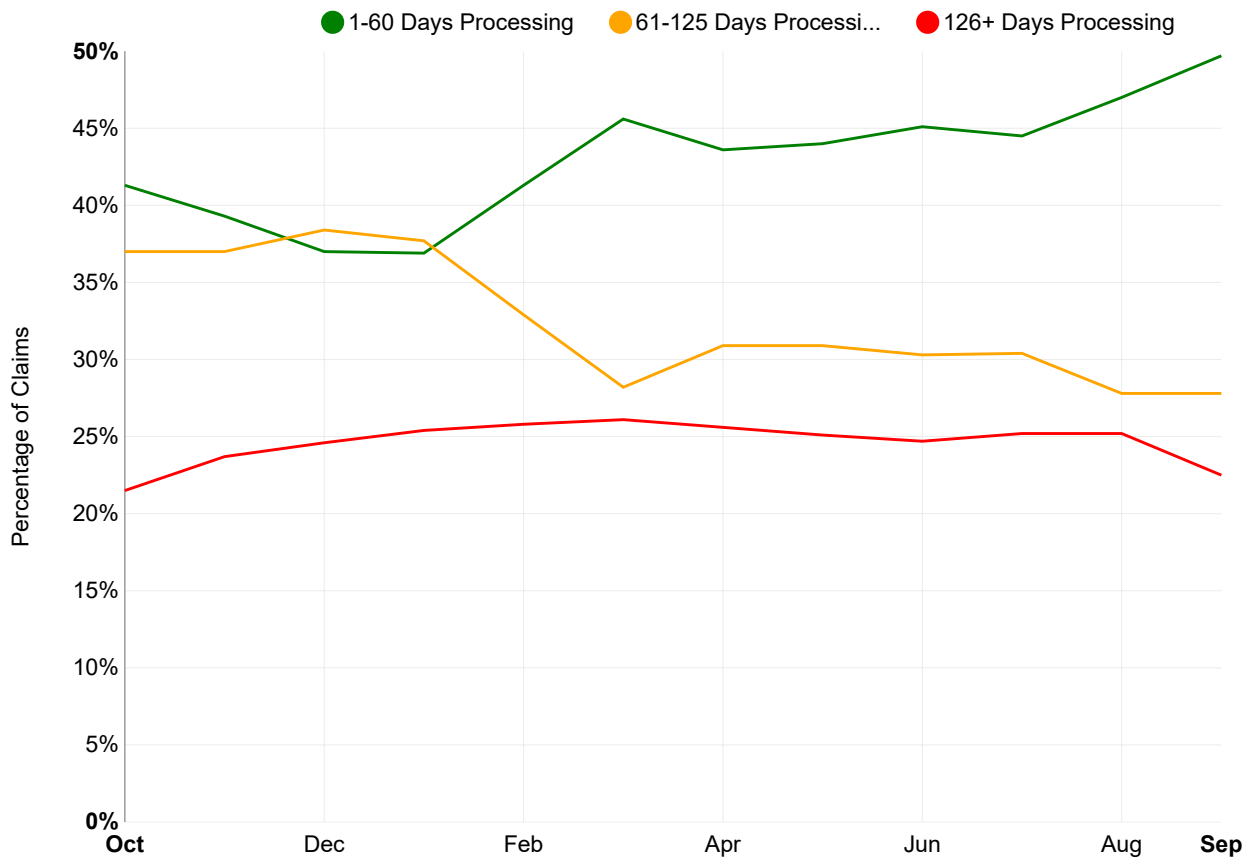
While processing more claims, the average days it took to complete a claim decreased. In FY 2015, the average days to complete a claim was 170 days. This number decreased in FY 2016 to 123 days and continued to decrease to 114 days by the end of FY 2017. These yearly decreases can be viewed below in **Figure 3**. Overall, the average days to complete a claim **decreased by 56 days** from FY 2015 to FY 2017.

Figure 3: Average Days to Complete FY 2015 - 2017



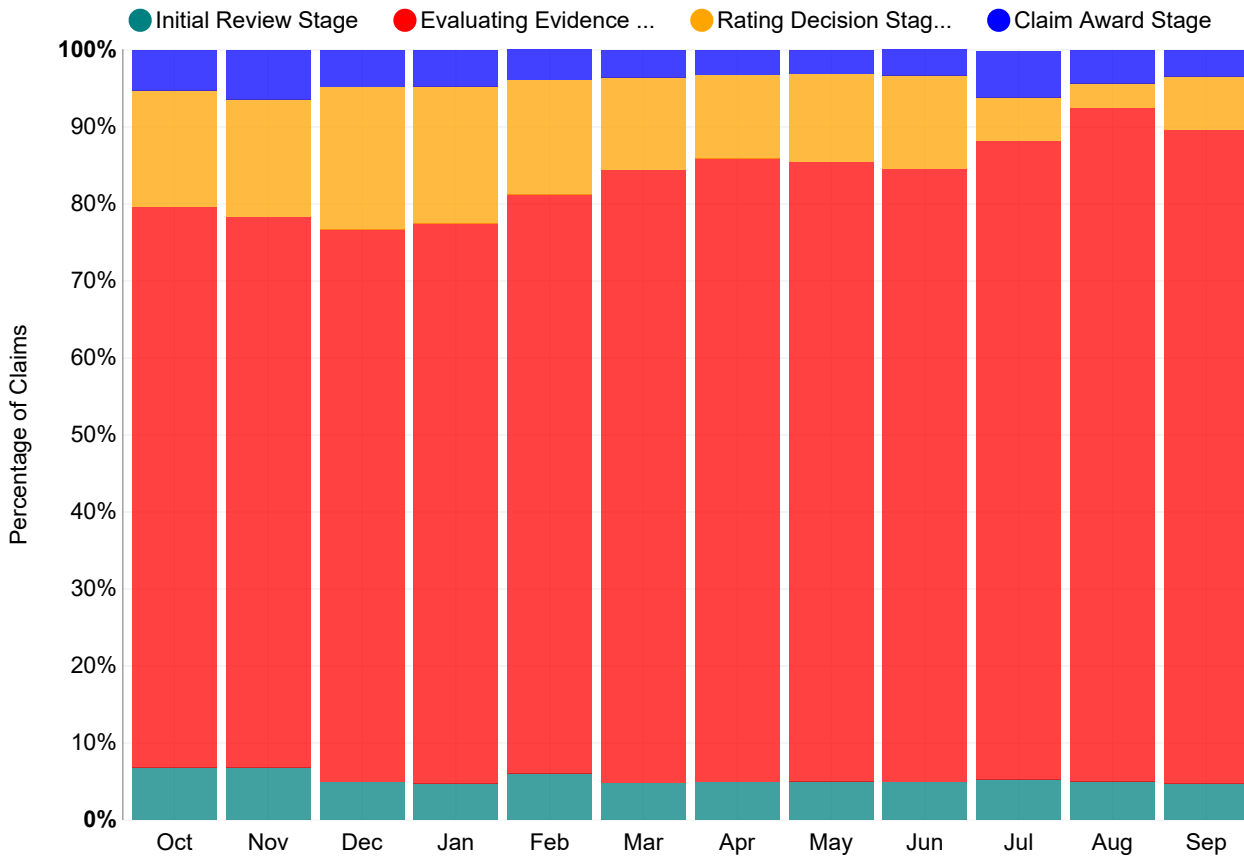
Decreasing Claims Processing Time

In FY 2017, pending claims were processed on average between 87 to 97 days, a decrease of over 200 days from 2013.⁴ On average, 43% of claims in FY 2017 were given a rating decision in under 60 days. The percent of claims processed under 60 days also increased throughout FY 2017 as described in Figure 4. Claims taking between 61 to 125 days to process displayed a 9% decrease during FY 2017. That inverse relationship indicates more claims were processed under 60 days.

Figure 4: FY 2017 Time to Process Claims

While the timeliness of claims have improved, the distribution of time spent across processing claims shifted as described in **Figure 5**. Over FY 2017, time devoted to providing a rating decision **decreased by 8%** while inversely the proportional time devoted to evaluating evidence **increased by 12%**. In FY 2017, **78% of pending claims** involved issues related to submitted documentation or additional evidence to be reviewed. These trends show that in order for timely processing of claims, it is critical that Veterans provide the proper paperwork in the beginning of the claims process.

Figure 5: Stages of Pending Claims FY 2017



VBA Modernization and Process Improvements

VBA is consistently exploring ways to further advance and modernize its systems to better serve the Veteran community. These efforts are expected to improve the claim submission and communication experience as well as further reduce claim processing time. Some of VBA's current modernization initiatives are discussed below.



Decision Ready Claims (DRC)

- Veterans work with an accredited Veterans Service Organization (VSO) to gather all relevant and required evidence in support of a claim and attend a VA claim exam, if needed, before submitting a claim
- Supports the following claim types: Direct Service Connection Claims, Presumptive Service Connection Claims, Secondary Service Connection Claims, Increased Disability Claims, Dependency and Indemnity Compensation (DIC) Claims, and Pre-Discharge Claims
- **Provides a decision on claims to Veterans within 30 days from submission**

File Bank Extraction (FBE)

- Converts historic paper claims to a digital format for improved internal process with VBA systems and tracking of Veteran information
- Enables VBA to eliminate unnecessary and costly leased storage spaces
- As of Feb. 01, 2018, nearly 150,000 boxes were extracted, containing over 1.7M files to be scanned

Centralized Benefits Communication Management (CBCM)

- Provides secure, timely, and convenient communication to Veterans based on their preferred communication channel
- A three phase approach: 1) improve communication with VBA systems, 2) update Veteran preferences and 3) update and store form data
- With 11M letters generated annually, CBCM automated systems reduce VA's time spent printing and stuffing envelopes
- **Creates a centralized and automated process with VBA systems to improve communications with Veterans**

Centralized Mail

- Transition of VBA mail operations to a centralized receipt system
- Deployed to all 56 Regional Offices, Appeals Management Center, Board of Veterans Appeals, Records Management Center and Pension Management Center
- As of Feb. 01, 2018, 17.5M Veteran letters were scanned

- **Creates a digital record of claims with a trackable history of Veterans information**
- **Creates a centralized virtual repository of Veteran correspondence for analysis and distribution to VBA systems**

Secretary of Veteran Affairs David Shulkin, M.D. has made modernizing VA systems and improving timeliness of services part of his 5 priorities for the VA. VBA continues to work towards this goal by providing benefits to Veterans and their families in a timely fashion. VBA is continuously updating and improving its systems to better serve Veterans. Decreasing the pending claims inventory and improving claims processing times while supporting modernization of critical systems are critical in achieving this goal.

“VA has made significant progress in improving its service to Veterans and their family members. We are fully committed to continuing the transformation across the department, so we can deliver the standards of performance our Veterans expect and deserve.”

- Dr. David J. Shulkin, SECVA

¹ https://www.va.gov/vetdata/docs/Demographics/New_Vetpop_Model/Vetpop_Inf...

(https://www.va.gov/vetdata/docs/Demographics/New_Vetpop_Model/Vetpop_Infographic_Final31.pdf).

² <https://www.va.gov/vetdata/report.asp> (<https://www.va.gov/vetdata/report.asp>).

³ https://www.benefits.va.gov/REPORTS/detailed_claims_data.asp (https://www.benefits.va.gov/REPORTS/detailed_claims_data.asp).

⁴ <https://www.va.gov/opa/pressrel/pressrelease.cfm?id=2909> (<https://www.va.gov/opa/pressrel/pressrelease.cfm?id=2909>).



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