



VA Regional Office
AFGE LOCAL 520
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November 12, 2013

Chairmen, Ranking Members, Members of the US House and Senate Committees of Veterans Affairs

Dear Committee Members:

Local 520, the exclusive representative of the bargaining unit of VARO Columbia, SC, wants to address the continued struggle of Veterans and their survivors and a system that is ill equipped to handle the diverse types of claims that make up the Veterans Benefit Administration's workload.

Yesterday, around our Nation, there were parades and events to honor our Nation's Veterans. However, for thousands of Veterans and their survivors, they are still waiting on their claims to be processed by the VBA.

Here are some excerpts from the article, *Overtime, new computer system put sizable dent in VA benefits backlog*, *The Center for Investigative Reporting*, November 11, 2013

- ✓ “Internal VA documents, obtained by CIR, revealed the agency’s ability to provide earned benefits quickly had virtually collapsed under President Barack Obama, with the number of veterans waiting more than a year for compensation increasing by more than 2,000 percent, to 256,000 in March.
 - Since then, the number of veterans facing delays for a year or longer has fallen to 34,000, and the average time veterans have been waiting has dropped by nearly four months.
- ✓ Despite clear progress, the VA failed to meet its goal to eliminate all year-old disability claims by October. The agency also fell 100,000 claims short of its production goal for the fiscal year that ended Sept. 30.
 - On the eve of Veterans Day, 401,000 claims remained officially backlogged, meaning that the applicants have been waiting at least four months – the agency’s target for the maximum allowable delay.
- ✓ Today, the computer system is in use at each of the VA’s 58 regional offices, and hundreds of thousands of paper files have been scanned and digitized.

- ✓ This spring, a series of senior VA officials resigned. On May 15, Secretary of Veterans Affairs Eric Shinseki announced that the more than 10,000 VA employees who process claims each would be required to work 20 hours of overtime a month to combat the backlog.
- ✓ If the VA continues at its current pace, it will eliminate the backlog in mid-December 2014, fulfilling a promise set by the Obama administration that no veteran would have to wait more than four months by 2015.
- ✓ In interviews, VA workers said they receive frequent praise for their progress from the agency's undersecretary for benefits, retired Brig. Gen. Allison Hickey.
 - "I am very pleased with your exceptional effort!" read one all-staff email Hickey sent Aug. 23. "So are the many Veterans, family members and Survivors you are helping in history breaking ways. Let's show the world how much we care about them all! Lean in – grant if you can. Deny only if you must!!!"
- ✓ Some workers expressed concern that the gains might not be sustainable.
 - They produced other emails from agency officials indicating that the computer system regularly crashes, and they argued that the VA's ability to cut the backlog has been almost entirely due to working five months of mandatory overtime at a cost of tens of millions of dollars.
 - "People are burnt out," said Ron Robinson, an Army veteran who has worked at the VA's regional office in South Carolina for 16 years.
 - Valorie Reilly, president of the American Federation of Government Employees union local at the VA's St. Petersburg, Fla., office, said claims processors have been told to focus exclusively on year-old disability claims, leaving newer claims to languish.
 - "We've made a tremendous amount of progress, but on the other hand, if you filed a claim in February, it's not a year old yet, so it's probably just sitting there," she said.
- ✓ For those still waiting, the encouraging news was not much solace.
 - In the New York suburb of Yonkers, former infantryman Heriberto Baez has been waiting 291 days for the VA to rule on his claim for post-traumatic stress disorder, back pain and a knee injury he suffered jumping out of a helicopter in Afghanistan.
 - After he stabbed himself in the forehead during a flashback while sleeping, Baez quit his job to make time for weekly medical appointments. In June, he applied for food stamps, unable to support his wife, stepson and infant."

This article reveals the dilemma the Veteran, their survivors, employees, and taxpayers are currently facing.

Progress is being made with the oldest claims, but at a tremendous cost to the taxpayers and employees. More importantly, the Veterans and their survivors are still caught in the claims processing trap.

Even though VBA has shown progress on paper, the claims process and the tools are still broken. It is evident by the VBA's inability to meet its own goals and predict/manage its workload.

The VBA has used March 2013 as its starting point for progress. Therefore, let's examine all aspects of the claims processing starting with March 2, 2013 Monday Morning Workload Report (MMWR).

On March 2, 2013, the VBA's MMWR included:

| | | |
|---|-----------|-----------------------------|
| Compensation and Pension Entitlement: | 895,029 | 626,884 over 125 days 70% |
| Compensation and Pension Rating Bundle: | 860,570 | 600,108 over 125 days 69.7% |
| Appeals: | 249,914 | |
| EP 930 | 25,390 | |
| Other claims: | 505,185 | |
| Total | 1,675,518 | |

On November 2, 2013, the VBA's MMWR included:

| | | |
|--|-----------|-----------------------------|
| Rating Compensation and Rating Bundle: | 705,113 | 400,835 over 125 days 56.8% |
| Appeals: | 264,270 | (+14,456) |
| Other claims: | 603,117 | (+97,932) |
| EP 190 (Original claims for Survivors) | 31,287 | |
| EP 930 | 25,614 | |
| Total | 1,629,401 | |

In July 2013, the Compensation and Pension Entitlement category was eliminated from the MMWR which included EP 190. The MMWR gave this reason "This decision was made in response to stakeholder concerns that the number misrepresented VBA's progress towards the strategic 2015 goals." Therefore, the timely processing of death pension claims is not included in the strategic 2015 goals.

EP 930 has never been included in the Compensation and Pension Rating Bundle, but the majority of these claims were rated prematurely or without evidence that VBA had in its possession at the time the claim was rated. These are do overs, but are not counted in the backlog or overall numbers.

In April 2013, VBA initiated the provisional rating without appeal rights. The number of provisional ratings promulgated since that time is unknown. EP 400 was also associated with these provisional ratings. They were established when additional evidence was requested for the issues that could not be rated on the initial provisional rating. When the additional evidence is received these claims are given a new date and counted in the overall inventory as claims under 125 days. On March 2, 2013, there were 29,141 EP 400. As of November 2, 2013, there were 72,091.

The provisional rating initiative has been out of sight and out of mind.

In May 2013, VBA initiated mandatory overtime. The cost of mandatory has cost the taxpayers tens of millions of dollars. If voluntary overtime is added in which started at the beginning of FY13 and has continued in conjunction with mandatory overtime, the cost would show a need for proper staffing.

The excerpts from the article, *VA trims disability claims backlog*, *Union Bulletin.com*, November 9, 2013, sheds more light on the burnout issue.

“But he said the department plans to temporarily cease the use of mandatory overtime, an initiative credited as an important part of the reduction. Shinseki said the agency was easing back on overtime, which began in May, to avoid exhausting the work force. “You can only run full throttle for so long,” he said.”

No, the holidays are approaching. However, the workforce is exhausted an issue previously addressed.

It also addressed the VBMS as well. It says, “Shinseki also credited the launch of the VA’s new digital claim system as a key reason for the decline. “We have been standing astride a river of paper for decades,” he said.”

The VBMS has created more problems that it has solved. In our last letter, we addressed that issue. I have personally experienced the working of VBMS and have talked to other employees as well.

The Benefits Delivery at Discharge program records have already been digitized for five years (since 2008). However, those claims have been caught in the backlog. The question to be answered is “why” if digitization is the answer or is there some other underlying problem?

If digitized records are not properly indexed, it is a paperless maze that wastes more time than paper processing. There was a reason that U.S. National Archives Records Administration (NARA) did not renew the two year contract with VA.

Mr. William J. Bosanko, Executive for Agency Service, NARA testified that the two year old contract with VA cost the U.S. taxpayers 9.7 million dollars. During this time, they had 60 employees working on the project. However, he testified that it would take 4000 employees to scan 60 million pages a month. *Reclaiming the Process: Examining the VBA Claims Transformation Plan as a Means to Effectively Serve our Veterans*, Webcast, June 19, 2012, 02:04:10 – 02:07:53

Mr. Thomas Murphy also gave this testimony at a Senate hearing, “There is no single system that is going to come in that will be a silver bullet – VBMS and make everything work. VBMS if left

alone without other change will just make a bad system worst. So, there are other things that have to go on here in terms of, ***training, education, the quality of hiring***, The processes that we are doing, the legislative proposal that you are bringing before us and have done so the last couple of years that are bearing fruit in helping us develop this as well.” *Pending Benefits Legislation, US Senate Veterans Affairs Committee SR-418, June 12, 2013*

These excerpts from, *VA says it is reducing big backlog of disability claims, The Kansas City Star, November 7, 2013*, shows one of the biggest problem that faces claims processing – a lack of accountability at VBA offices.

- ✓ ‘According to other recent VA documents, about 58 percent of the VA’s pending claims are still counted in the backlog. That comes after a year in which the department threw significant amounts of overtime at VA processors so they could target the oldest of the old claims.
- ✓ And since the VA processes its claims in its network of 56 regional offices, the service that individual veterans receive can vary widely. In the Baltimore regional office, for example, the recent backlog figure was 72 percent; in Sioux Falls, S.D., it was 33 percent. Claims in Baltimore suffered an error rate of 23 percent. In Lincoln, Neb., it was 3 percent.
- ✓ The St. Louis office that serves Missouri veterans appeared to be suffering above-average backlogs. Its error rate was 14 percent. Sixty-five percent of cases had been pending more than 125 days. Of all the cases on its books, the average number of days they’ve been pending is 189. And it takes 405 days, on average, to close a case.
- ✓ At the Wichita office, which serves Kansans, the record was better. The error rate is 10 percent. Sixty percent of cases were pending more than 125 days. The average time for those currently pending is 171 days. And it takes an average of 323 days to close a case.”

The brokering of work from one office to another creates more problems than it solves.

The Columbia VARO sent claims to the Atlanta VARO to work. Now, the Atlanta VARO is sending claims to the Columbia Day 1 Brokering Center (D1BC) to work. However, the employees at the D1BC report that the claims they receive are not ready to be rated or need further development. There is no accountability for work being sent. VBA does not know which stations are not performing. Poor leadership is not being held accountable.

The most egregious act is not processing claims that are less than one year. When a Veteran submits a claim to the VBA, he/she should expect that the claim is being processed. However, under the current flawed workload management plan only claims that fit in a certain date range called “bucket” are being worked. Currently, the only claims that are being worked are the claims with a date of claim of January 31, 2013 with an expected completion date of December 31, 2013.

The only exceptions are a Fully Development Claims (FDC) with a specific date, Homeless, Terminally Ill, Medal of Honor recipients, Former POWs, and Extreme Financial Hardship.

This approach is flawed on two levels. New claims are not being worked and the VBA has been given a license not to process them, as well as, appeals, and other claims that are critical to the Veteran's financial well-being.

When the VA Secretary drew a 125 days line, the focus shifted from analyzing claims that could be worked expeditiously to a focus on claims that were 125 days old. This 125 days old line is misleading as well. How many claims are 5, 6, 7, 8, 9, 10, or 11 months old? We know that the VA did not accomplish the elimination of 2 and 1 year claims by September 30, 2013. Therefore, these claims must still be worked.

The following numbers should also cause alarm:

- The average control time to establish a claim within 7 days is 61.2% and the average days to establish a rating end product within 7 days is 15.6 days.
- Since March 2, 2013, the number of appeals has increased by 14,456 to 264,270.
- Since March 2, 2013, the number of dependent claims has increased by 40,392 to 222,136.
- Since March 2, 2013, the number of EP 400 has increased by 72,091 to 101,232.
- Since March 2, 2013, the number of EP 290 has increased by 16,111 to 92,067.

The MMWR was changed again. It states, "NEW: Effective October 21st, 2013, VBA released a new version of the Monday Morning Workload Report."

The new "Traditional Aggregate" shows that non-rating average pending in USA is 304.2 days.

There is no law that gives the VBA the right to discriminate against Veterans.

The VBA should show progress on paper. VBA has been allowed to focus on one side of the claims process and use all of its resources to work on it. However, the other parts of claims processing is wanting and Veterans and their survivors are still suffering and dying waiting a decision on their claims.

Although the House has passed a law for a commission, it must pass the Senate. The Veterans and their survivors do not have the time to wait for a commission. There are many GAO and IGs reports past and present and Congressional hearings to formulate the reasons for this continued failure of the claims processing.

Remember, the Afghanistan draw down is on the way, the completion of provisional ratings is looming, the informal FDCs are pending, and appeals and nonrating claims are being neglected.

The VBA should not get praise for reducing one part of its diverse workload. The VBA has destroyed its workload management system and that is a direct link to poor leadership and a lack


of accountability. These are the two major components of its problems and have been known for decades, but they continue today.

Here is a summary of the progress that has been made since March 2013 and the weekly difference made since FY14:

| WEEK | C&P RB OVERALL | DIFF | WEEK | C&P RB BACKLOG | DIFF |
|---------------------|--------------------|-----------------|----------|--------------------|-----------------|
| 03/02/13 | 860,570 | | 03/02/13 | 600,108 | |
| 09/28/13 | 725,469 | -135,101 | 09/28/13 | 421,793 | -178,315 |
| <i>FY 14</i> | | | | | |
| 10/05/13 | 725,165 | -304 | 10/05/13 | 418,711 | -3,082 |
| 10/12/13 | 720,764 | -4,401 | 10/12/13 | 414,022 | -4,689 |
| 10/19/13 | 717,007 | -3,757 | 10/19/13 | 411,704 | -2,318 |
| 10/26/13 | 711,775 | -5,232 | 10/26/13 | 405,656 | -6,048 |
| 11/02/13 | 705,113 | -6,662 | 11/02/13 | 400,835 | -4,821 |
| | FY14 DIFF | -20,356 | | FY 14 DIFF | -20,958 |
| | GRAND TOTAL | -155,457 | | GRAND TOTAL | -199,273 |

Local 520 will continue to take its responsibility given by law to safeguard the public and contribute to the effective conduct of public business, seriously.

Therefore, we will continue to chime in weekly on this most critical subject with “objective evidence” because Veterans have earned the right to have a claims processing system that works for all of them and employees can only effectively serve them if they are provided with the leadership, processes, people systems and work place culture that are conducive to providing timely and accurate decisions.


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