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News Release

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VA Progress on Claims Backlog Highlighted during Congressional Testimony VA Says Claims Backlog Down 36 Percent since March

WASHINGTON – At a hearing today before the Senate Committee on Veterans' Affairs, the Department of Veterans Affairs' Under Secretary for Benefits, Allison A. Hickey, outlined progress made by the Veterans Benefits Administration (VBA) in reducing the backlog of Veterans' disability compensation and pension claims by 36 percent since March -- attributing the success to the combined impact of VBA's transformation initiatives and increased employee productivity.

"We know there is much more work to be done to reach our goal of eliminating the disability claims backlog in 2015," said Hickey. "But I'm encouraged that the improved tools and processes we've put in place so far are having a real impact so that we may better serve our nation's Veterans, their survivors and their families."

In her testimony, Under Secretary Hickey detailed the elements of VBA's transformation plan, which includes re-training and reorganizing its workforce, streamlining business processes, and building and implementing new technology solutions. With each transformation milestone, said Hickey, VBA is successfully moving away from a paper-bound, manual process to improve benefits delivery to Veterans, their families, and survivors through paperless claims processing. She also noted that if full funding is received, mandatory overtime for VBA claims processors, which helped bring down the backlog this year, will continue for much of 2014. Key accomplishments highlighted in the testimony included:

- Decreasing the pending inventory of claims by 22 percent;
- Decreasing the number of claims in the backlog (those pending over 125 days) by 36 percent;
- Increasing claim-level accuracy from approximately 83 percent in 2011 to 90 percent today;

- Increasing medical issue-level accuracy to approximately 97 percent today;
- Completed processing of 99.9 percent of all claims that were pending over two years;
- Completed processing of 97 percent of all claims that were pending over one year through the end of October;
- Converting over 360 million images of paper claims documents into a digital format for electronic processing; and
- Establishing over 3.2 million Veteran, Servicemember and family member accounts in *eBenefits*, the joint Defense Department/VA web portal for accessing and tracking VA benefits.

Also, VA's web-based, paperless electronic claims processing solution, the Veterans Benefits Management System (VBMS), was successfully deployed to all 56 of VA's regional benefits offices across the country, six months ahead of schedule. VBMS has also been fielded to the Appeals Management Center, the Records Management Center, the Board of Veterans' Appeals, VA's National Call Center, and all VA Medical Centers. Currently, about 75 percent of the VBA's claims inventory is in digital form for electronic processing in VBMS – a percentage that is growing daily. In December, VBMS will continue to add new features and capability.

During her testimony, Hickey thanked the committee members for their support, noting that VA will rely on their continued support for resourcing the information technology and automation advancements needed to meet the Department's goal of eliminating the backlog in 2015. In fiscal year 2013 alone, VA provided over \$59 billion in compensation benefits to four million Veterans and survivors, and over \$5 billion in pension benefits to more than 515,000 Veterans and survivors.

For Veterans and separating Servicemembers who are planning to file a disability claim, VA urges them to do so by filing Fully Developed Claims (FDCs) electronically through *eBenefits*. Veterans and separating Servicemembers who need help filing their claims can contact their local veteran service organization for assistance.

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Under current law, Veterans filing initial disability compensation claims as FDCs now through Aug. 5, 2015, may be eligible for up to one year of retroactive benefits. Registered *eBenefits* users with a Premium account can file a claim online, track the status, and access a variety of other benefits, including pension, education, health care, home loan eligibility, and vocational rehabilitation and employment programs.

For more information about VA benefits, visit <u>www.benefits.va.gov</u>, or call 1-800-827-1000.

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