United States Government Accountability Office

Report to the Ranking Member, Committee on Veterans' Affairs, House of Representatives

July 2022

VA DISABILITY BENEFITS

Compensation Program Could Be Strengthened by Consistently Following Leading Reform Practices

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Why GAO Did This Study

In fiscal year 2021, VBA provided over $112 billion in disability compensation to approximately 5.6 million veterans and their families. Over the past decade, VBA has taken steps aimed at improving its disability compensation program. GAO's prior work has shown that effective agency reforms depend on following leading practices, such as establishing outcome-oriented goals. GAO was asked to review VBA's implementation of reforms to improve its disability compensation program.

This report identifies reforms VBA has undertaken, examines the extent to which five selected VBA reforms followed leading reform practices, and reviews how VBA has managed the overall set of reforms.

GAO reviewed relevant documents, interviewed VA officials, and randomly selected five reforms based on criteria such as the number of VA offices involved and milestones completed. GAO compared the agency's efforts to relevant leading practices for effective agency reforms and managing portfolios of projects, and federal standards for internal control.

What GAO Recommends

GAO is making eight recommendations, including that VBA take additional actions to fully follow leading practices where needed for the selected reforms; designate a centralized leadership team to oversee VBA's many reforms; and develop a policy describing the leading practices that VA officials should follow when undertaking reforms. VA generally concurred with GAO's recommendations.

What GAO found

GAO identified 23 reforms the Veterans Benefits Administration (VBA) implemented that were aimed at improving its disability compensation program and were underway from fiscal years 2017 through 2020.

GAO's review of five of these reforms found that VBA did not consistently follow relevant leading practices for effective reforms that GAO has identified in prior work, such as establishing outcome-oriented goals and implementation plans, involving key stakeholders, and using data and evidence to justify the reform.

Extent to Which Five Randomly Selected VBA Efforts to Reform the Disability Compensation Program Followed Relevant Leading Reform Practices

Reform practices:	Duty to assist initiative	Eliminate 48-hour VSO review period	Develop Exam Management System	Initial claims predictive models	Specialized military sexual trauma teams
Establishing goals and outcomes	●	◑	◑	●	◑
Involving key stakeholders and employees	●	◑	◑	●	◑
Using data and evidence	●	◑	●	●	●
Addressing high risk and longstanding challenges	●	N/A	●	●	○
Leadership focus and attention	●	●	●	●	◑
Managing and monitoring	●	◑	◑	●	◑
Employee performance management	●	N/A	●	N/A	◑

Legend: ● Generally followed ◑ Partially followed ○ Not followed *N/A* = Does not apply

VSO = Veterans Service Organization

Source: GAO analysis of Veterans Benefit Administration (VBA) documentation and interviews. | GAO-22-104488

GAO found that VBA has managed its reforms on a project-by-project basis. VBA officials told GAO they do not manage reforms as a whole because they addressed diverse issues that have arisen over time. As a result, VBA had not compiled or tracked reforms or had a method to prioritize or oversee these efforts. Moving forward, as VBA continues to plan and implement reforms, designating a centralized leadership team may help VBA to track, prioritize, and oversee ongoing and new reforms aimed at improving the disability compensation program. Also, VBA could be better positioned to effectively implement such reforms by developing a policy that comprehensively describes leading practices that its managers should follow when undertaking these efforts.

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Abbreviations

EMS	Exam Management System
MST	military sexual trauma
OAR	Office of Administrative Review
OIG	Office of Inspector General
OSIC	Office of Strategic Initiatives and Collaboration
OSSI	Office of Strategic Support and Initiatives
PA&I	Office of Performance Analysis and Integrity
PMI	Project Management Institute, Inc.
VA	U.S. Department of Veterans Affairs
VBA	Veterans Benefits Administration
VSO	veterans service organization

GAO U.S. GOVERNMENT ACCOUNTABILITY OFFICE

441 G St. N.W.
Washington, DC 20548

July 18, 2022

The Honorable Mike Bost
Ranking Member
Committee on Veterans' Affairs
House of Representatives

Dear Mr. Bost:

The Veterans Benefits Administration (VBA) within the U.S. Department of Veterans Affairs (VA) administers one of the largest federal disability compensation programs in the nation, providing over $112 billion in compensation to approximately 5.6 million veterans and their families in fiscal year 2021. Our prior work has highlighted longstanding challenges VBA has faced administering its disability compensation program, including processing complex Gulf War claims, managing appeals, and overseeing contract medical examiners.[1] As a result of these and other challenges, since 2003 VBA's management of disability compensation claims (disability claims) workloads has remained on GAO's High-Risk List.[2]

Over the past decade, VBA has taken steps aimed at improving the efficiency and effectiveness of processing initial claims in its disability compensation program. In addition to these efforts, VBA has emphasized modernization in its strategic plan to help increase veterans' satisfaction

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[1]GAO, *Gulf War Illness, Improvements Needed for VA to Better Understand, Process, and Communicate Decisions on Claims*, GAO-17-511 (Washington, D.C.: June 29, 2017); *VA Disability Benefits: Improved Planning Practices Would Better Ensure Successful Appeals Reform,* GAO-18-352 (Washington, D.C.: Mar. 22, 2018); and *VA Disability Exams: Improved Performance Analysis and Training Oversight Needed for Contracted Exams*, GAO-19-13 (Washington, D.C.: Oct. 12, 2018).

[2]GAO's High-Risk List focuses attention on government operations that are vulnerable to fraud, waste, abuse, or mismanagement, or in need of transformation to address economy, efficiency, or effectiveness challenges. Our 2021 High-Risk Report provides VA a road map for better managing its disability claim workload. See GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, GAO-21-119SP (Washington, D.C.: Mar. 2, 2021).

GAO-22-104488 VA Disability Benefits

with services and their general trust in VA.[3] However, our prior work,[4] and that of VA's Office of Inspector General (OIG),[5] has shown that VBA's efforts to reform its disability compensation program have not consistently achieved its goals to improve various aspects of the disability claims process. While VBA has made significant progress in managing its workloads and reducing its backlog of disability claims prior to the pandemic, the number of backlogged disability claims has more than doubled since the pandemic began.[6] Moreover, VA anticipates surges in disability claims, stemming from, among other things, veterans' exposure to herbicides during the Vietnam War, including Agent Orange.[7] VA is also assessing additional presumptions for rare cancers and other potentially service-connected conditions.

In June 2018, we described how the success of agency reforms hinges on an agency following certain leading practices, such as establishing

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[3]Department of Veterans Affairs, Veterans Benefits Administration, *Envision 2025: Strategic Plan, 2021-2025* (Washington, D.C.: Jan. 2020).

[4]See, for example, GAO, *Veterans' Disability Benefits: Timely Processing Remains a Daunting Challenge*, GAO-13-89 (Washington, D.C.: Dec. 21, 2012); *Electronic Health Records: VA Has Made Progress in Preparing for New System, but Subsequent Test Findings Will Need to Be Addressed*, GAO-21-224 (Washington, D.C.: Feb. 11, 2021); and *VA Disability Benefits: Veterans Benefits Administration Could Enhance Management of Claims Processor Training*, GAO-21-348 (Washington, D.C.: June 7, 2021).

[5]Department of Veterans Affairs Office of Inspector General, *Improvements Still Needed in Processing Military Sexual Trauma Claims*, Report #20-00041-163 (Washington, D.C.: Aug. 5, 2021).

[6]VA considers a claim as being backlogged if it has been in the claims processing system for more than 125 days without a decision. In February 2020, just prior to the onset of COVID-19, VA reported that the number of backlogged claims was about 71,500. As of June 2022, the number was about 182,000.

[7]Generally, veterans must prove that their conditions were caused or aggravated by their military service. However, VA presumes that certain conditions were connected to service. Over the years, VA has added new conditions for veterans who served in certain locations that it presumes are connected to service and continues to assess the merits of adding more conditions.

clear outcome-oriented goals and performance measures, and consulting key stakeholders to develop the proposed reforms.[8]

You asked us to review VBA's efforts to reform its disability compensation program. This report addresses (1) the reform efforts for the disability compensation program that VBA has undertaken from fiscal year 2017 through fiscal year 2020, (2) the extent to which VBA has followed relevant leading practices for successful planning and implementation of selected reform efforts for the disability compensation program, and (3) how VBA has generally managed the overall set of reforms aimed at improving its disability compensation program.

To address all three objectives we reviewed relevant federal laws and guidance, and we interviewed officials from VA offices with responsibilities for planning and implementing the reforms. We also reviewed past GAO work related to the VA disability compensation program, VA reform efforts, and GAO's High-Risk List.

More specifically, to compile our list of VA disability compensation program reform efforts from fiscal years 2017 through 2020, we reviewed VA strategic plans, budget requests, OIG reports, and work by the Advisory Committee on Disability Compensation.[9] We also collected information from GAO subject matter experts. Our list included reforms that began between fiscal years 2017 and 2020, as well as those that began in prior years but were still active during this period. We corroborated our list of reforms with relevant VA officials.

To assess the extent to which VA has followed relevant leading practices for successful planning and implementation of selected reform efforts, we randomly selected five reform efforts from those we identified. To ensure

[8]For this report we define agency reform broadly based on our prior work. Reforming and reorganizing the federal government is a major endeavor that can include refocusing, realigning, or enhancing agency missions, as well as taking steps to improve services by identifying and eliminating inefficiencies. Equally important is maintaining or improving effectiveness and examining the impact of such proposed changes on employees, stakeholders, and program customers. See GAO, *Government Reorganization: Key Questions to Assess Agency Reform Efforts*, GAO-18-427 (Washington, D.C.: June 13, 2018).

[9]The Advisory Committee on Disability Compensation is an assembly of subject matter experts, appointed by the Secretary of VA. Its duties include, for example, reviewing relevant information relating to the needs of veterans with disabilities; assessing the effectiveness of the VA's Schedule for Rating Disabilities; and providing ongoing advice on responding to veteran's needs relating to disability compensation in the future.

that our selection captured variations among reform efforts, we selected them from randomly sorted lists based on size (the number of VA offices or business lines involved), status (number of milestones completed), and the phases within the VA disability compensation process the reform affected. Table 1 presents the five selected reforms and the VBA lead office for each. Our assessments of these selected reforms are not generalizable to all the reforms we identified.

Table 1: Selected Reforms for the Disability Compensation Program and Lead VBA Offices

Selected reforms	Summary	Lead VBA office
1. Duty to Assist Initiative	VBA convened several offices to address errors in which VBA fails to collect medical or other evidence necessary to decide a disability claim.	Office of Administrative Review
2. Elimination of the 48-Hour Review Period for Veterans Service Organizations	VBA eliminated the 48-hour review period prior to a VBA claims decision.	Compensation Service
3. Exam Management System Development	VA developed software to help monitor contract medical examiners.	Medical Disability Examination Office
4. Initial Claims Predictive Models	VBA developed statistical models to estimate disability compensation program workloads.	Office of Performance Analysis and Integrity
5. Military Sexual Trauma Specialized Teams	VBA created specialized teams to review complex military sexual trauma claims.	Office of Field Operations

Source: GAO review of Veterans Benefits Administration (VBA) documents and interviews with VBA officials. | GAO-22-104488

After we selected these five reforms, we reviewed relevant agency documents related to the planning, implementation, or assessment of each reform; interviewed relevant agency officials; and coordinated with the OIG regarding their ongoing audits of the disability compensation program. We also selected leading practices from our prior work to compare the extent to which VA followed those practices.[10] For our assessment, we chose the leading practices that were most relevant to VBA's administrative process. For example, we excluded the leading practice of workforce reduction strategies because none of the selected reforms involved reducing VA's workforce. Three analysts then independently assessed whether the selected reforms followed the relevant leading practices and reconciled any differences in the assessments at each stage of the analysis. This process was subject to supervisory and internal subject matter expert review, and any concerns raised were resolved through discussion. Subsequent to this step, VBA provided additional information and materials that necessitated a

[10]GAO-18-427.

reassessment of a few reforms with some modification to the final results. This step was conducted though team discussion. We used the following categories to describe the extent to which the agency followed relevant leading practices:

- Generally followed – VA followed a practice without significant gaps in its coverage of the actions associated with this leading practice.

- Partially followed – VA followed a practice with significant gaps in its coverage of the actions associated with this leading practice.

- Not followed – VA did not substantively follow any of the actions associated with this leading practice.

To examine how the agency generally managed the overall set of reforms aimed at improving its disability compensation program process, we considered the information we had collected from our interviews with agency officials regarding the management of the reforms. We compared the agency's approach to leading practices for the management of portfolios, programs, and projects and federal standards for internal control related to the design of control activities.[11]

We conducted this performance audit from August 2020 to July 2022 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

VA Disability Compensation Program

Veterans with service-connected disabilities (i.e., injuries or illnesses incurred or aggravated during military service) may receive monthly VA disability compensation payments according to the severity of their disability.[12] VA's disability claims process starts when a veteran submits a claim to VA. A claims processor in one of VA's regional offices will review the claim and initiate the claims process. VA's disability claims process

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[11]See Project Management Institute, *Governance of Portfolios, Programs and Projects: A Practice Guide* (Newtown Square, Penn.: 2016) and GAO, *Standards for Internal Control in the Federal Government*, GAO-14-704G (Washington, D.C.: Sept. 2014), principle 10.

[12]See generally 38 U.S.C. § 1101 et seq.

has five phases: (1) Initial development, (2) Supplemental development, (3) Rating, (4) Award, and (5) Authorization (see fig 1).

Figure 1: Five Phases of the Department of Veterans Affairs' Disability Compensation Claims Process

Initial development	Supplemental development	Rating	Award	Authorization
■ Request service medical records ■ Request private medical records ■ Request medical exam	■ Receive requested evidence ■ Send follow-up request if any evidence is outstanding	■ Review claim and evidence ■ Prepare rating decision	■ Propose award and/or denial of benefits ■ Prepare proposed decision notice	■ Approve proposed award and/or denial ■ Approve and release decision notice to veteran

Source: GAO analysis of Veterans Benefits Administration (VBA) procedures. | GAO-22-104488

Figure 2 presents the organizational structure of selected VA offices referred to in this report, including VBA offices leading or involved with reform efforts aimed at improving the disability compensation program.

Figure 2: Organizational Structure of Selected Department of Veterans Affairs (VA) and Veterans Benefits Administration Offices
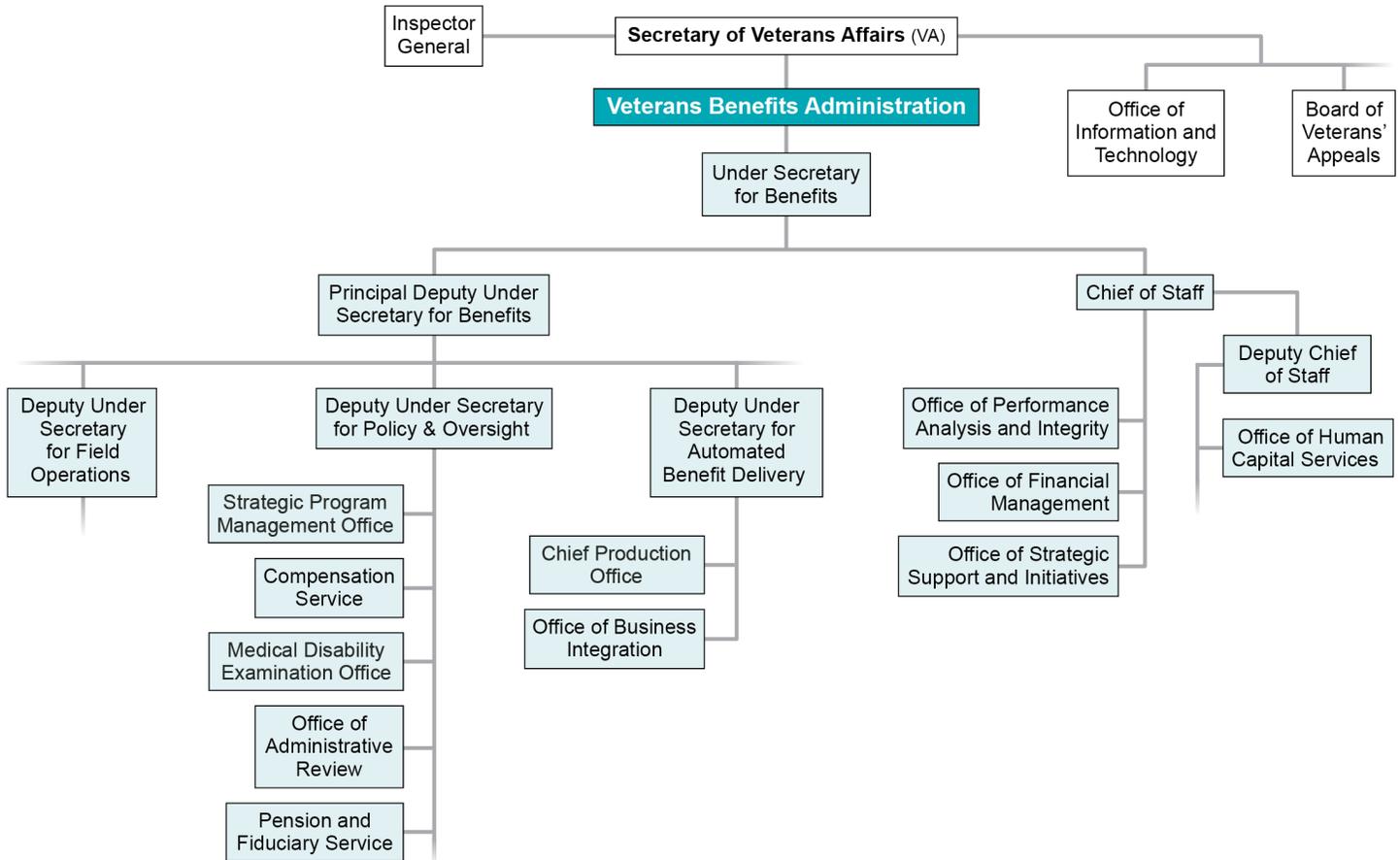
Source: GAO analysis of Veterans Affairs documents. | GAO-22-104488

GAO's High-Risk List Designation

When we added VA's disability compensation program (in addition to other federal disability programs) to our High Risk List in 2003, we identified VA's struggles to manage its disability claims workloads and update its criteria for determining whether individuals qualify for disability compensation. VA has made some progress in addressing our concerns, but we continue to identify problems with modernizing the program, which could slow VA's efforts to improve service to veterans. For example, in October 2020 VA provided us with corrective action plans to address root causes it had identified, but the plans did not contain specific actions and time frames for completing initiatives and performance metrics that could be used to demonstrate progress, among other issues. We continue to

monitor VA's efforts to address these issues and VA officials stated that they will update their high-risk action plan in August 2022.[13]

Leading Practices to Assess Agency Reforms

In June 2018 we outlined leading practices that are vital for effective government reforms. Table 2 presents the seven leading practices relevant to the reforms we identified, and the key questions associated with each practice.

Table 2: Selected Leading Practices and Key Questions for Effective Government Reforms

Leading practices	Key questions
1. Establishing Goals and Outcomes	Has the agency (1) established clear and specific outcome-oriented goals; (2) developed performance measures; (3) put processes in place to collect and analyze performance data to effectively measure the reforms' outcome-oriented goals; and (4) ensured transparency by having a process to report results?
2. Involving Employees and Key Stakeholders	Has the agency gathered and incorporated stakeholder input (e.g., customers, affected public)?
3. Using Data and Evidence	Has the agency justified and designed the reform based on collection of evidence and analysis of reliable data, such as from program evaluations, performance data, or risk assessments gauging how well a program or agency is achieving its goals?
4. Addressing High Risk Areas and Longstanding Management Challenges	Has the agency (1) identified and considered ongoing management challenges, weaknesses, and high-risk issues that the reform will address; and (2) taken into account relevant recommendations from other sources (e.g., OIG, and GAO)?
5. Leadership Focus and Attention	Has the agency established a dedicated implementation team that has the capacity to manage the reform process and be accountable for ensuring that the reform's implementation milestones are met?
6. Managing and Monitoring	Has the agency developed an implementation plan and timeline with key milestones and deliverables to build momentum and track progress?
7. Employee Performance Management	Has the agency aligned performance standards for employees with the reform's goals?

Source: GAO-18-427. | GAO-22-104488

[13]The five criteria for high-risk removal are as follows: (1) leadership commitment, which is demonstrated strong commitment and top leadership support; (2) capacity (i.e., people and resources) to resolve the risk(s); (3) a corrective action plan that defines the root cause and solutions and provides for substantially completing corrective measures, including steps necessary to implement solutions we recommended; (4) monitoring to independently validate the effectiveness and sustainability of corrective measures; and (5) demonstrated progress in implementing corrective measures and in resolving the high-risk area. GAO-21-119SP.

Portfolio Management

Managing high-dollar, complex programs and projects is a challenge for the federal government and the private sector. We have found that, to manage such challenges, leading commercial companies use portfolio management—a disciplined approach that focuses on evaluating, selecting, prioritizing, and allocating limited resources to programs and projects that collectively best accomplish an organization's strategic objectives.[14] The Project Management Institute, Inc., (PMI) has established standards for project, program, and portfolio management that are generally recognized as leading practices.[15] According to PMI, portfolio management is a vehicle to make a wide variety of decisions, including capability and funding trade-offs, that allow an organization to achieve the optimal mix of capabilities for a given investment.[16]

VBA Undertook 23 Reforms from Fiscal Year 2017 through Fiscal Year 2020

We identified 23 reforms VBA implemented that were aimed at improving the agency's disability compensation program and were underway from fiscal year 2017 through fiscal year 2020. VBA initiated some of these reforms in response to recommendations from GAO and the OIG.[17] VBA initiated others in response to statutory changes, such as those made by the Veterans Appeals Improvement and Modernization Act of 2017 (Appeals Modernization Act)[18] and the Blue Water Navy Vietnam

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[14]GAO, *Weapon System Acquisitions: Opportunities Exist to Improve the Department of Defense's Portfolio Management,* GAO-15-466 (Washington, D.C.: Aug. 27, 2015); and *Best Practices: An Integrated Portfolio Management Approach to Weapon System Investments Could Improve DOD's Acquisition Outcomes*, GAO-07-388 (Washington, D.C.: Mar. 30, 2007).

[15]PMI is a not-for-profit association that provides global standards for, among other things, project and program management. These standards are utilized worldwide and provide guidance on how to manage various aspects of projects, programs, and portfolios.

[16]PMI defines a portfolio as a collection of projects, programs, subportfolios, and operations managed as a group to achieve strategic objectives.

[17]For example, see GAO, *High Risk Series: Progress on Many High-Risk Areas, While Substantial Efforts Needed on Others*, GAO-17-317 (Washington, D.C.: Feb. 15, 2017). Also, see Department of Veterans Affairs Office of Inspector General, *Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma*, Report #17-05248-241 (Washington, D.C.: Aug. 21, 2018).

[18]Pub. L. No. 115-55, 131 Stat. 1105.

Veterans Act of 2019.[19] Others stemmed from improvement needs the agency identified.

The reforms vary in many respects. Examples include efforts to improve information technology, such as reducing printing costs by centralizing electronic communication to veterans. Others address quality assurance, such as revising the claims processor quality review program. Also, some reforms were narrowly focused on a specific phase of the disability claims process, such as evidence gathering or rating claims, while a few of the more systemic reforms affected multiple or all phases. Of those that have been underway since fiscal year 2017, 17 had been completed as of January 2022 while six remain in progress. A complete list of all 23 reforms can be found in appendix I.

Selected Reforms Generally or Partially Followed Most Relevant Leading Practices but Did Not Do So Consistently

Three of the five reforms we randomly selected generally followed the majority of the leading reform practices we have identified based on our prior work; however, VBA did not consistently follow any of the seven selected practices across all the reforms. Specifically, two of the selected reforms generally followed all of the relevant practices, as applicable; one generally followed four leading practices; and two generally followed one of the leading practices (see table 3).

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[19]Among other things, the Blue Water Navy Vietnam Veterans Act of 2019 extended the presumption of service connection for disability compensation for certain illnesses associated with exposure to herbicides, such as Agent Orange, to veterans who served in the offshore waters of the Republic of Vietnam during the Vietnam War. Pub. L. No. 116-23, § 2(a), 133 Stat. 966, 966-67.

Table 3: Extent to Which Five Randomly Selected VBA Efforts to Reform the Disability Compensation Program Followed Relevant Leading Reform Practices

Selected reforms	Establishing Goals and Outcomes	Involving Employees and Key Stakeholders	Using Data and Evidence	Addressing High Risk Areas and Longstanding Management Challenges	Leadership Focus and Attention	Managing and Monitoring	Employee Performance Management
Duty to Assist Initiative	●*	●	●	●	●	●*	●
Elimination of the 48-hour Review Period for Veterans Service Organizations	◑	◑	◑	N/A	●	◑	N/A
Exam Management System Development	◑	◑	●	●	●	◑	●
Initial Claims Predictive Models	●	●*	●	●	●	●	N/A
Military Sexual Trauma Specialized Teams	◑	◑	●	○	◑	◑	◑

Legend:

● Generally followed – VBA followed a practice without significant gaps in its coverage of the actions associated with this leading practice.

◑ Partially followed – VBA followed a practice with significant gaps in its coverage of the actions associated with this leading practice.

○ Not followed – VBA did not substantively follow any of the actions associated with this leading practice.

N/A – Not applicable to this reform.

* During the course of our audit, VBA made certain improvements in managing this reform; in response, we changed our assessment from partially followed to generally followed for this leading practice.

Source: GAO analysis of Veterans Benefits Administration (VBA) documents and interviews with VBA officials. | GAO-22-104488

Duty to Assist Initiative: All Relevant Leading Practices Generally Followed

In May 2020, VBA began an initiative to improve decisions in initial claims by focusing on duty to assist errors. These errors are cases where VBA fails to collect necessary evidence to decide a disability claim, such as medical records or examinations.[20] Such errors can lead to VBA rework to correct these errors or cause unnecessary work for the Board of Veterans' Appeals in the appeals process. For example, when the Board of Veterans' Appeals finds that VBA failed to collect evidence as required under the duty to assist requirement, it can return the claim to VBA, which is a process called remanding. The team tasked with this initiative worked with VA data to determine the primary causes of these errors, identify solutions to reduce rework and remanded cases, and track information required to be reported under the Appeals Modernization Act.[21] The initiative's activities, which have continued in 2022, have focused on changes to agency systems and trainings to VBA employees.

Establishing Goals and Outcomes – Generally Followed

VBA has established goals and performance measures for reducing duty to assist errors. Our prior work emphasizes that an agency should clearly identify what the agency is trying to achieve by establishing specific outcome-oriented goals, performance measures, and processes to enable an agency to analyze and report on the extent to which projects are achieving progress toward reform goals.[22]

VBA established clear and specific outcome-oriented goals and performance measures tied to this reform. According to the initiative's charter, the overall goals are to identify the causes of duty to assist errors and to increase the accuracy of initial claims by addressing these causes. During the course of our audit, VBA developed performance measures to gauge progress toward the reforms' outcome-oriented goals. Specifically, VBA developed a measure to reduce by 3 percent in fiscal year 2022 duty to assist errors in VBA reviews and Board of Veterans' Appeals remands related to examinations. VBA identified these areas as a primary cause of duty to assist errors as part of its ongoing analysis of error rates and trends. VBA also developed measures to track accuracy. These

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[20]VA has a legal duty, known as the duty to assist, to collect the relevant evidence, such as medical records, to support a veteran's disability claim. The Appeals Modernization Act contains built-in feedback loops to improve decision accuracy at the point of an initial claim and throughout the appeals process.

[21]For the appeals process under the Appeals Modernization Act, VA is required to publicly report remanded cases, duty to assist errors, and other metrics.

[22]GAO-18-427.

measures include a 94 percent accuracy rate in special focused reviews and reducing remands from the Board of Veterans' Appeals by 3 percent in fiscal year 2022.

Involving Employees and Key Stakeholders – Generally Followed

VBA has involved employees and key stakeholders from multiple VA offices. Our prior work emphasizes that an agency should gather and incorporate input to capture the views of employees and views of key stakeholders.[23]

According to the initiative's charter and interviews with VBA officials, officials from the Office of Administrative Review, Board of Veterans' Appeals, Performance Analysis and Integrity, Office of Field Operations, and Compensation Service met quarterly to discuss trends that influenced duty to assist errors and to develop remediation efforts. In some cases, these efforts required gathering input and collaborating across multiple VA offices. For example, in 2020 Compensation Service and the Office of Administrative Review jointly released a training and tip sheet for identifying potential duty to assist issues with Gulf War Illness disability claims.[24]

Using Data and Evidence – Generally Followed

VBA has used existing data on duty to assist errors in designing the reform. Our prior work emphasizes that an agency should justify and design a reform based on collection of evidence and analysis of reliable data.[25]

Agency officials told us that to justify and design the initiative, they used evidence that duty to assist errors led to rework for the agency.

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[23]GAO-18-427.

[24]According to the Department of Defense, veterans who served in the Southwest Asia theater of operations may have been exposed to certain environmental hazards and developed medical issues, which are referred to as Gulf War Illness, upon their return. For Gulf War Illness, VA presumes that certain illnesses claimed for disability compensation benefits are service connected if a veteran served during the Gulf War and meets other criteria. See GAO, *Gulf War Illness: Improvements Needed for VA to Better Understand, Process, and Communicate Decisions on Claims*, GAO-17-511 (Washington, D.C.: June 29, 2017).

[25]GAO-18-427.

Additionally, they cited the need for this effort to address the data collection and reporting required by the Appeals Modernization Act.[26]

Addressing High Risk Areas and Longstanding Management Challenges – Generally Followed

VBA identified and considered longstanding management challenges associated with managing disability compensation program workloads generally and duty to assist errors specifically. Our prior work emphasizes that an agency should identify and consider ongoing management challenges, weaknesses, and high-risk issues that the reform will address; and take into account relevant recommendations from other sources (e.g., OIG, and GAO).[27]

By bringing together agency officials who oversee initial claims processing, decision reviews, and appeals, VBA documents show that the agency took steps to identify causes of and prevent future duty to assist errors in VBA's initial decisions. Such errors can lead to Board of Veterans' Appeals remands and VBA rework that in turn can increase VA disability claims processing and adjudication workloads and veteran wait times. In addition, VBA officials told us that the reform would contribute to progress against GAO's high risk designation because reducing duty to assist errors results in reduced disability claims backlogs.

Leadership Focus and Attention – Generally Followed

VBA established a dedicated leadership team to implement the reform. Our prior work emphasizes that an agency should establish a dedicated implementation team that has the capacity to manage the reform process and be accountable for ensuring that the reform's implementation milestones are met.[28]

The initiative, under the direction of the Under Secretary for Benefits, designated clear roles for a team lead by the Office of Administrative Review. Its charter lists each additional participating office that would contribute to the initiative's efforts, and also names specific individuals accountable for implementing remediation efforts that the team identifies. Further, it also designated specific individuals across the multiple offices who would support those identified as leaders in the remediation efforts.

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[26]The Appeals Modernization Act requires VA to periodically publish on its website various metrics on the new and legacy appeals processes. Pub. L. No. 115-55, § 5, 131 Stat. 1105, 1123-27.

[27]GAO-18-427.

[28]GAO-18-427.

Additionally, the charter states that the participating offices will be responsible for sustaining the project when completed.

Managing and Monitoring – Generally Followed

VBA has developed an implementation plan for managing and monitoring this reform. Our prior work emphasizes that an agency should develop an implementation plan and timeline to build momentum and track progress for the reform.[29]

During the course of our audit, VBA developed an implementation plan for fiscal year 2022. This plan identified stakeholders responsible for various tasks in the coming year and established interim completion dates for those tasks. For example, the plan shows that the Office of Administrative Review will coordinate with Compensation Service and Pension and Fiduciary Service to review trainings on examinations and medical opinions. This work is expected to finish in September 2022. The project plan also includes monthly efforts by the Office of Administrative Review to monitor duty to assist data and commits to reviewing and updating the plan in October 2022 for the new fiscal year.

Employee Performance Management – Generally Followed

VBA has aligned the reform's goals with employees' performance standards. Our prior work emphasizes that an agency should align performance standards for employees with the reform's goals.[30]

VBA aligned its goals with employees' performance standards by assessing the performance of individual employees and also of regional offices. VBA then used findings from these performance analyses to target additional trainings to employees with poor performance. For example, in March 2021 VBA reported that Compensation Service's training staff developed 6 hours of supplemental training for the top 100 employees who were responsible for duty to assist errors in fiscal year 2019 and 2020 and planned to track their progress after the training. The team's analysis also found that 34 percent of errors came from 10 of VA's regional offices in 2019. Therefore, the team mandated local training plans for employees with the highest number of errors at these offices.

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[29]GAO-18-427.

[30]GAO-18-427.

Elimination of the 48-Hour Review Period for Veterans Service Organizations: Most Relevant Leading Practices Partially Followed

In April 2020, VBA eliminated a step in the disability claims process that had given veterans service organizations (VSO) 48 hours to review disability rating decisions on behalf of veterans they served and notify VBA of any perceived errors. According to VA officials, VBA had begun considering removing the review period in 2017, in response to a court case related to the process. The concurrence to the court's opinion in that case urged VBA to reconsider the process by making it available to all representatives of veterans or to none.[31] According to VBA officials, in 2018 VBA established a project team to investigate the potential elimination of the process. In February 2020, VBA decided to eliminate the 48-hour review period and this went into effect in April 2020.[32] Given that this reform ended in April 2020, we are not recommending any actions related to this reform.

Establishing Goals and Outcomes – Partially Followed

VBA had established goals for the elimination of the 48-hour review, but it had not developed and used performance measures for the reform. Our prior work emphasizes that an agency should clearly identify what an agency is trying to achieve by establishing specific outcome-oriented goals, performance measures, and a process to enable an agency to analyze and report on the extent to which projects are achieving progress toward reform goals.[33]

VBA had established two clear and specific outcome-oriented goals for eliminating the 48-hour review: mitigate legal risk and expedite the claims process. VBA's decision to eliminate the review period helped to mitigate risk by helping to avoid agency exposure to future lawsuits. However, VBA did not develop performance measures and a process to collect and analyze performance data and report results, which could have allowed the agency to demonstrate progress toward the goal of expediting the claims process. For example, it did not track the number of claims appealed or remanded before and after the elimination of the 48-hour

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[31]See Rosinski v. Shulkin, 29 Vet. App. 183 (2018). In June 2017, an attorney representing veterans before VA sought to compel VA to provide him access to newly completed but non-promulgated rating decisions prepared by VA in his clients' claims for benefits. The case was dismissed based on the plaintiff lacking standing. VA's Office of General Counsel warned that should the matter come before the court again, it may rule in favor of the plaintiff. In February 2018, the plaintiff filed another petition on the issue. The court, in January 2019, ordered VA to issue an appealable decision within 30 days. See Rosinski v. Wilkie, 31 Vet. App. 1 (2019).

[32]The U.S. Court of Appeals for the Federal Circuit affirmed VA's action on January 4, 2022.

[33]GAO-18-427.

review process. Instead, VBA assumed that the elimination of the 48-hour review would result in a 2-day reduction in the length of the claims process without assessing the impact on the quality of claims processing. This potential impact might include a possible increase in appeals or remands and the associated rework and time for both VBA and the veterans.

Involving Employees and Key Stakeholders – Partially Followed

VBA involved employees and key internal stakeholders for this reform, but it did not fully gather and incorporate input from key external stakeholders. Our prior work emphasizes that an agency should gather and incorporate input to capture the views of employees and key stakeholders.[34]

According to VBA, VBA officials designed the reform in consultation with multiple internal offices and conducted some limited outreach to external stakeholders, including conversations with VSOs. Further, VBA officials briefed VSOs after agency officials decided to remove the review period. However, in developing the reform, VBA did not provide us with a plan or other evidence that they had fully gathered and incorporated input from VSOs or other stakeholders. As a result, VSOs and other stakeholders indicated in various documents that VBA did not fully take into account their perspectives. For example, a number of VSOs coauthored a letter to the President in 2020 voicing concerns about the abrupt nature of the decision. Moreover, the chair and ranking member of the House Committee on Veterans' Affairs sent a letter to VA urging it to consider postponing the reform.[35]

Using Data and Evidence – Partially Followed

VBA has used some data and evidence to justify this reform, but it missed opportunities to analyze additional data that could have informed the final decision to eliminate the 48-hour review. Our prior work emphasizes that an agency should justify a reform based on collection of evidence and analysis of reliable data.[36]

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[34]GAO-18-427.

[35]"Chairman Takano, Ranking Member Roe Call on VA to Postpone Changes to Disability Claims Process," House Committee on Veterans' Affairs, released April 20, 2020 and accessed online on May 3, 2022, https://veterans.house.gov/news/press-releases/chairman-takano-ranking-member-roe-call-on-va-to-postpone-changes-to-disability-claims-process-.

[36]GAO-18-427.

VBA cited several reasons for eliminating the 48-hour review. For example, VBA stated that VSOs and other accredited representatives had access to the electronic records of veterans and that the Appeals Modernization Act provided veterans and their representatives with recourse for claims clarification. It also relied on its legal analysis that determined expanding the 48-hour claim review process to include other parties could expose the agency to future lawsuits.

Nevertheless, VBA officials did not use data or evidence, such as from program evaluations and performance data, to demonstrate how well the 48-hour review process was achieving their goals. For example, VBA justified the elimination of the 48-hour review through the assumption that it would result in a 2-day reduction in the length of the claims process. However, it did not fully analyze the potential impact that the 48-hour review's elimination could have on the quality of claims processing, including a possible increase in appeals or remands and the associated rework. Specifically, VBA assessed data related to the outcome of claims that VSOs had reviewed, but found the data did not provide information or insight as to whether the 48-hour review caught substantial errors or resulted in changed rating decisions. Although VBA deemed these data unreliable, it chose to not collect additional data before implementing the reform, citing the effort would not be cost-effective. However, data collection as part of reform efforts can help them succeed and GAO's past work has highlighted strategies that agencies can use. For example, to inform reform plans, the Department of State used data gathered through a "listening tour" with agency employees that included a confidential online survey.[37] By not collecting reliable data to justify its decision, VBA missed an opportunity to take a data-driven approach to deciding on whether to eliminate the review period.

Leadership Focus and Attention – Generally Followed

VBA established a dedicated team to implement the decision to eliminate the 48-hour review period. Our prior work emphasizes that an agency should establish a dedicated implementation team that has the capacity to manage the reform process and be accountable for ensuring that the reform's implementation milestones are met.[38]

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[37]GAO, *USAID Reform: Efforts Address Most Key Practices but Could Improve in Performance Assessment and Strategic Workforce Planning*, GAO-19-609 (Washington, D.C.: Sept. 11, 2019).

[38]GAO-18-427.

According to VBA officials, the project team was created in 2018 to reassess the 48-hour review and make a recommendation regarding whether it should be modified or eliminated. The team presented its recommendation to eliminate the review period in February 2020, after which VBA designated a new team and specific leaders to implement the reform over the following two months.

Managing and Monitoring – Partially Followed

VBA developed some implementation plans for managing and monitoring the reform. Our prior work emphasizes that agencies should develop an implementation plan and timeline to build momentum and show progress for the reform.[39]

The team leading the reform developed an implementation plan after it had recommended eliminating the review period. This 2-month implementation plan included a timeline for achieving key milestones toward completion. For example, the plan included deliverables, such as the drafting of directives and policy, briefing of VBA leadership and employees, and briefings to Congress and VSOs. The reform team rolled out the reform on time and as planned. However, VBA did not develop an implementation plan and timeline for the activities leading up to its decision to eliminate the review period. As a result, the agency missed an opportunity to build in time to incorporate other leading practices, such as actively involving stakeholders and using data to justify the reform.

Exam Management System Development: Majority of Relevant Leading Practices Generally Followed

According to VA officials, in 2012, VA began developing the Exam Management System (EMS), which is software that VBA uses to manage its contracted disability medical examinations. VBA often uses disability medical exams to help evaluate claims from veterans seeking disability compensation for service-connected disabilities. As we have previously reported, in recent years VA has increasingly relied on VBA-contracted medical examiners instead of Veterans Health Administration medical providers to complete disability medical exams.[40] In 2014, federal law authorized VBA to expand its use of contractors for disability medical exams across all of its regional offices starting in fiscal year 2017.[41]

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[39]GAO-18-427.

[40]GAO, *VA Disability Exams: Better Planning Needed as Use of Contracted Examiners Continues to Grow*, GAO-21-444T (Washington, D.C.: Mar. 23, 2021).

[41]Pub. L. No. 113-235, div. I, tit. II, § 241, 128 Stat. 2130, 2568. Prior to this authorization under federal law, VBA's contract exam pilot program allowed 10 VA regional offices to order exams from contractors.

Accordingly, the number of exams completed by VBA contract examiners has increased significantly and represented more than three-quarters of the 1.4 million exams completed in fiscal year 2020.

To develop EMS, VA has used Agile software development, which is focused on incremental and rapid delivery of working software in small segments.[42] In VA's implementation of Agile development for EMS, a team of developers created an early version of the software, known as a Minimum Viable Product, in 2018. Since then, VA has continued developing incremental portions of EMS while it releases regular updates to the Veterans Benefits Management System, of which EMS is a component. In this process, VBA's Medical Disability Examination Office collaborates with the Office of Business Integration, which collects requirements for new incremental portions of EMS. The Office of Business Integration also helps VA's Office of Information and Technology plan and implement its development schedule for EMS. As of March 2022, VA continues to make incremental developments to this software.

Establishing Goals and Outcomes – Partially Followed

VA has established goals, but has not fully developed and used performance measures for developing EMS software. Our prior work emphasizes that an agency should clearly identify what the agency is trying to achieve by establishing specific outcome-oriented goals, performance measures, and a process to enable an agency to analyze and report on the extent to which projects are achieving progress toward reform goals.[43]

VA established a clear and specific outcome-oriented goal for EMS: to facilitate timely exams to veterans and move toward automating claims processing. Moreover, VA officials told us they collect and analyze some information about the software, including tracking the inputs and outputs of the system. For example, they track how long exam requests have been in the system and are developing a way to track errors in communication between VA software and contract vendors' software.

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[42]An Agile method includes, among other activities, rolling-wave planning in which near-term work is planned in detail and all future work is identified at a high level. It also includes processes for ensuring that the software meets customer needs. See GAO, *Agile Assessment Guide: Best Practices for Agile Adoption and Implementation*, GAO-20-590G (Washington, D.C.: Sept. 28, 2020).

[43]GAO-18-427.

However, VA officials told us that they do not use performance measures to assess how EMS contributes to the goal of timely exams and faster claims processing because the existing performance data do not have sufficient information to determine the effect on claim processing time. In addition, VA officials did not document or tell us how VA has defined or agreed upon goals for EMS's contribution to claims timeliness. The lack of performance information to measure progress toward the EMS timeliness goal or other expected results raises the risk that ongoing enhancement efforts will produce deliverables that do not meet customer and veterans' priority needs. Until VA develops and uses performance goals and measures that indicate what is to be achieved and by when, VA may be unable to fully assess and report on the extent to which the software is helping VA collect medical information to support disability claims processing through timely exams for veterans.

Involving Employees and Key Stakeholders – Partially Followed

VA has involved employees and key stakeholders in the process of identifying desired enhancements and requirements and in testing and release activities. However, this testing did not sufficiently gather and incorporate input needed before releasing EMS software iterations. Our prior work emphasizes that an agency should gather and incorporate input to capture the views of employees and views of key stakeholders.[44] Moreover, best practices in Agile development call for teams to continually test and validate software iterations to ensure that they meet customer needs. One process agencies can use for meeting customer needs is acceptance testing, which is formal testing to determine whether or not a piece of the product satisfies acceptance criteria agreed to by the customer.[45]

VA's acceptance testing process for EMS regularly defines criteria for new EMS iterations and tests the software prior to each release, consistent with best practices in Agile development. According to VA officials, they set the criteria for new iterations through meetings every 3 months among officials from Compensation Service; Pension and Fiduciary Service; Office of Field Operations; and Office of Performance, Analysis, and Integrity. These criteria then inform acceptance testing that typically involves field users, Compensation Service, the Medical Disability Examination Office, and Office of Business Integration testing staff.

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[44]GAO-18-427.

[45]GAO-20-590G.

A contractor that completed an assessment in July 2021 for the Medical Disability Examination Office found that this acceptance testing process did not sufficiently identify defects in new EMS iterations. Specifically, the assessment found that the EMS software released to date had errors that could have been detected and fixed with more thorough testing. The assessment also found that a lack of trained staff and insufficient expertise and testing tools within the Office of Business Integration limited the effectiveness of the testing. According to Medical Disability Examination Office officials, the testers lacked sufficient expertise because they are assigned temporarily to the testing process and frequently replaced with new staff who need to be trained. Further, VA officials told us that, to meet deadlines associated with a 2-week release cycle for EMS iterations, the testing focused more on new functionality in each iteration than on the usefulness of EMS overall.

While EMS acceptance testing continues for new iterations of the software, as of March 2022 VA has not developed and documented a plan to address these acceptance-testing deficiencies. According to Medical Disability Examination Office officials, they are considering enhancements to EMS for fiscal year 2023, including the possibility of hiring contractors to provide a consistent set of testers and subject matter experts to assist the Office of Business Integration. Without addressing testing deficiencies, EMS may incorporate new features that do not adequately meet customer needs, which could contribute to delayed disability claims decisions for veterans.

Using Data and Evidence – Generally Followed

VA has used data and evidence about the growing use of contractors for disability medical exams when designing the reform. Our prior work emphasizes that an agency should justify and design a reform based on collection of evidence and analysis of reliable data.[46]

Agency officials told us that they justified and designed EMS based on VA's expanded use of contractors to conduct veterans' disability medical exams. When VA began designing EMS in 2012, a relatively small number of contract exams existed under a pilot program, and agency officials determined that they had did not have an adequate system to track a growing contract exam program. As we noted previously, VA has increasingly relied more on contract examiners. Specifically, according to VBA officials, VBA contractors' share of the disability exam workload

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[46]GAO-18-427.

grew each year from about 24 percent in fiscal year 2016 to about 90 percent in early fiscal year 2021.[47]

Addressing High Risk Areas and Longstanding Management Challenges – Generally Followed

VA identified and considered high-risk areas and longstanding management challenges that EMS could help address. Our prior work emphasizes that an agency should identify and consider ongoing management challenges, weaknesses, and high-risk issues that the reform will address; and take into account relevant recommendations from other sources (e.g., OIG and GAO).[48]

In 2018 and 2019 we found shortcomings in VBA's ability to accurately measure exam contractor timeliness or monitor incorrectly completed exams.[49] We recommended that VA develop and implement a plan for how VBA will use data from EMS to oversee contractors, including how it will capture accurate data on the status of exams and use it to (1) assess contractor timeliness, (2) monitor time spent correcting inadequate and insufficient exams, and (3) verify proper exam invoicing.

As of July 2021, VBA had implemented this recommendation by aligning EMS updates with other VA and contractor systems, producing reports with the timeliness data needed to oversee contractor performance. For example, VBA created separate data elements in EMS to track the status of original exam requests and any related rework requests due to insufficient exam reports, which allows VBA to better monitor contractor performance. Moreover, VBA started using EMS data to conduct monthly invoice validation reviews to identify and resolve any potential billing errors made by contractors.

Leadership Focus and Attention – Generally Followed

VA has established a dedicated leadership team that approves features that are to be developed and released in EMS. Our prior work emphasizes that an agency should establish a dedicated implementation team that has the capacity to manage the reform process and be

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[47]GAO-21-444T.

[48]GAO-18-427.

[49]GAO, *VA Disability Exams: Improved Performance Analysis and Training Oversight Needed for Contracted Exams*, GAO-19-13 (Washington, D.C.: Oct. 12, 2018) and *VA Disability Exams: Opportunities Remain to Improve Oversight of Contracted Examiners*, GAO-19-715T (Washington, D.C.: Sept. 19, 2019).

accountable for ensuring that the reform's implementation milestones are met.[50]

VA's Veterans Benefits Management System Program Management Office was initially responsible for overseeing the early stages of developing EMS. In 2016, VBA established the Medical Disability Examination Office to manage and oversee contractors and to identify needed enhancements to EMS. The Medical Disability Examination Office also coordinates with the Office of Business Integration and the Office of Information and Technology, which help plan and implement new iterations of EMS software.

Managing and Monitoring – Partially Followed

VA had developed implementation plans for managing and monitoring early versions of EMS development, but lacked an updated and complete plan for ongoing development. Our prior work emphasizes that an agency should develop an implementation plan and timeline to build momentum and show progress for the reform.[51] Also, best practices in Agile development call for a high-level plan that outlines a set of releases and the associated features needed in a completed system.[52] This plan, also referred to as a road map or vision, should be continuously revised as the plan evolves. Agile best practices also note that well-defined road maps are a key tool for ensuring that the software aligns with program goals and meets stakeholder needs.[53] Additionally, VA's Agile playbook calls for an outcome road map that details how an information technology product will meet VA's business objectives, how it will benefit veterans, and that details the work required to get there. The outcome road map should also include features and major enhancements that improve business outcomes.

We found that VBA had a road map or implementation plan for early versions of EMS, but VBA officials could not provide evidence that it had revised this road map since the 2018 implementation of EMS. In 2014-2015, multiple stakeholders throughout VA helped define a set of features that would be required for an early version of EMS. For example, one of the required features in this early version was that the completed product should be able to access a claimant's current mailing address and the

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[50]GAO-18-427.

[51]GAO-18-427.

[52]GAO-20-590G.

[53]GAO-20-590G.

software should differentiate between exams conducted by the Veterans Health Administration and VBA contractors. This early version, called a minimum viable product, was completed in 2018.

During the course of our audit, VBA did not provide us with documentation in response to our requests that showed it had been using a road map to guide these efforts since the 2018 implementation of EMS. In March 2022, the Medical Disability Examination Office provided us with a document that outlined its future priorities for EMS development. However, this document lacked several key details that a road map for Agile development should include. In particular, the document does not, per Agile best practices, describe how the software will align with program goals and meet stakeholder needs.

According to VA officials, they have not developed such a road map because business priorities have changed with legislative and business needs. Instead, they plan specific new features for EMS, but do not maintain a road map or higher-level vision that shows the overall requirements for completing EMS, contrary to Agile best practices. These best practices call for agencies to use a road map to document high-level requirements. Agile best practices also call for agencies to reevaluate requirements frequently through team discussions because the value of requirements is constantly fluctuating based on the state of the program and the organization. Using a road map and these ongoing discussions are what allows customers to receive the most important functionality (e.g., those features that provide the greatest value) first.

Without an updated and complete road map, VA may become stuck in a boundless development process and the agency risks not receiving the full value it requires from EMS. A road map can also help VA stakeholders, such as the Office of Information and Technology, the Medical Disability Examination Office, and the contracted vendors providing the exams, effectively communicate and can help align EMS development with agency goals and stakeholder needs.

Employee Performance Management – Generally Followed

VA has aligned employee performance with the reform's goals. Our prior work emphasizes that an agency should align performance standards for employees with the reform's goals.[54] Additionally, best practices in Agile development call for retrospective meetings, which typically occur after each iterative software release, to review lessons learned and to discuss

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[54]GAO-18-427.

how the team can improve the process and team dynamics. During each retrospective meeting, the team is to explore ways to improve how they communicate, collaborate, problem solve, and resolve conflict in an effort to improve their own performance.[55]

Consistent with Agile best practices, EMS developers held retrospective meetings at regular intervals in the development process. According to VA documentation of these meetings, the developers identified lessons learned since the last software release, documented what the team had accomplished, and tracked individual contributions toward project benchmarks.

Initial Claims Predictive Models: All Relevant Leading Practices Generally Followed

In 2013, VBA began developing statistical models to estimate the number of initial claims that veterans will file. The models were initially developed to help VBA respond to a backlog of disability claims that peaked at over 600,000 in 2013. Since then, staff in VBA's Office of Performance Analysis and Integrity (PA&I) have worked with contractors to increase the sophistication and accuracy of the models. These models help assess workload demand and capacity, and inform decisions about the agency's budget requests, hiring expectations, and responses to ongoing events, such as COVID-19.

Establishing Goals and Outcomes – Generally Followed

VBA has established goals and is measuring progress towards these goals. Our prior work emphasizes that an agency should clearly identify what the agency is trying to achieve by establishing specific outcome-oriented goals, performance measures, and a process to enable an agency to assess and report on the extent to which projects are achieving progress toward reform goals.[56]

VBA officials told us they established two clear and specific outcome-oriented goals for the modeling reform: usefulness of its projections to its internal customers and improving the accuracy of the model. To assess the usefulness of the projections to internal customers, PA&I officials regularly contact other VBA officials to ensure that the models account for factors that could affect the results. When the officials report the results of the latest model to internal customers, they also include a list of these factors, such as the other offices' estimates of incoming Blue Water Navy claims, which PA&I incorporated into the models.

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[55]GAO-20-590G.

[56]GAO-18-427.

To assess the accuracy goal, each month PA&I officials compare the current and prior models against the previous months' actual number of incoming claims. This process assesses the average error rate of current and prior versions of the model and the direction of any bias, which is an agency measure of whether the models underestimated or overestimated the number of claims. This assessment also allows VA to compare the accuracy of different versions of the model. In addition to comparing the model's projections against baselines, VBA worked with a contractor to assess the model's performance and suggest improvements. For example, the assessment has identified specific strengths and limitations of the models and recommended new modelling techniques and additional ways to test the techniques for accuracy.

Involving Employees and Key Stakeholders – Generally Followed

VBA has involved other VA employees and key stakeholders in developing and refining the models. Our prior work emphasizes that an agency should gather and incorporate input to capture the views of employees and views of key stakeholders.[57]

As noted previously, PA&I regularly gathers and incorporates feedback from users of the model to ensure that PA&I's estimates reflect relevant assumptions about disability claims in workload trends. This includes estimates of incoming claims from changes elsewhere in the program and estimates of the effects of organizational reforms on how many claims the agency can process.

In addition, during the course of our work, PA&I began sharing strategies, technical knowledge, and lessons learned with another team within VBA's Office of Administrative Review (OAR), which is developing and using predictive models associated with appeals of claim decisions. This collaboration could help VA make the most of its continuous improvements in predictive modelling. Specifically, PA&I works with an external consultant on statistical techniques and strategies for developing new long-term forecasts. Additionally, PA&I produced a whitepaper to help estimate potential impacts of COVID-19 on disability claims workloads. According to agency correspondence, PA&I and OAR have shared approaches to modelling COVID-19 impacts to assist both offices' areas of responsibility.

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[57]GAO-18-427.

Using Data and Evidence – Generally Followed	VBA has used data on disability claims workloads when designing this reform. Our prior work emphasizes that an agency should justify and design a reform based on collection of evidence and analysis of reliable data.[58]
	According to PA&I officials, the Under Secretary for Benefits asked VBA to develop a model to help the agency respond to a 2010 surge in disability claims and a large backlog of pending claims related to certain herbicides, including Agent Orange exposure. Before then, the agency used a simple calculation to project future workloads, such as presuming that claims would grow by 3 percent based on a decade of claims numbers. In 2013, the agency increased its use of recently acquired forecasting software that incorporated monthly data, which officials told us increased the accuracy of their models. Starting in 2016, PA&I incorporated additional data on employee productivity into its models, including data on how productivity has changed over time.
Addressing High Risk Areas and Longstanding Management Challenges – Generally Followed	VBA identified and considered high-risk areas and longstanding management challenges associated with VA's disability claims workloads. Our prior work emphasizes that an agency should identify and consider ongoing management challenges, weaknesses, and high-risk issues that the reform will address; and take into account relevant recommendations from other sources (e.g., OIG and GAO).[59]
	VBA has faced longstanding challenges in deciding disability claims and managing these large workloads, which resulted in the program being added to GAO's High-Risk List in 2003.[60] Rising claims workloads have the potential to increase backlogs and lead to less timely service for veterans and their families. VBA has taken into account these ongoing management challenges and high-risk issues through the use of these models, which are intended to help VBA anticipate and plan for surges in claims workloads. Specifically, VA has cited the use of the models as a

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[58]GAO-18-427.

[59]GAO-18-427.

[60]VA's disability compensation program has longstanding management challenges. These challenges are included on our high-risk list that shows government operations with greater vulnerabilities to fraud, waste, abuse, or mismanagement, or in need of transformation. One high-risk area is improving and modernizing VA disability programs, including managing claims workloads and updating VA's eligibility criteria. See GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, GAO-21-119SP (Washington, D.C.: Mar. 2, 2021), 267.

key strategy in its corrective action plans to make progress against GAO's high-risk list designation.[61]

Leadership Focus and Attention – Generally Followed

VBA designated specific leaders to implement the models. Our prior work emphasizes that an agency should establish a dedicated implementation team that has the capacity to manage the reform process and be accountable for ensuring that the reform's implementation milestones are met.[62]

As noted previously, the Under Secretary for Benefits identified improved modelling as a need and designated PA&I as the dedicated implementation team to develop the models. Since 2013 PA&I leadership has overseen the projections every year.

Managing and Monitoring – Generally Followed

VBA developed an implementation plan for this reform. Our prior work emphasizes that an agency should develop an implementation plan and timeline to build momentum and track progress for the reform.[63]

PA&I uses an implementation plan and timeline for specific tasks to be carried out over the course of a year. The primary tasks that the models must achieve are to update the workload projections that VA uses it in its annual budget request and support operational decision-making. Therefore, PA&I schedules an update of the model every October, February, and June to support any needed changes. PA&I's fiscal year 2022 project plan designates specific staff to handle particular parts of the coming year's October forecast update. For example, specific individuals are responsible for handling tasks such as producing staffing estimates for claims processors, updating models of backlog totals for the Office of Field Operations, integrating changes suggested by an evaluation contractor, and delivering updated tables to management.

The work plan also includes interim milestones for updates to the models, including and assessing how the model weighs certain variables in quarter two and an exhaustive code review in quarter three. As of February 2022, PA&I officials told us that they had completed their

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[61]In October 2020, VA provided us with corrective action plans to address the root causes it had identified for issues with managing disability workloads and updating disability eligibility criteria and updated these plans in January 2022.

[62]GAO-18-427.

[63]GAO-18-427.

planned updates to the model and will assess these changes for another year before any further code review.

Military Sexual Trauma Specialized Teams: Most Relevant Leading Practices Partially or Not Followed

In 2018, VBA instituted specially trained teams to process disability claims related to military sexual trauma (MST) as part of its ongoing efforts to improve processing of these disability claims. VA has noted that processing veterans' disability claims related to MST poses challenges for VBA because many sexual assaults are often not officially reported when they happen during military service.[64] Further, evidence of the military sexual trauma can be difficult to produce or validate.

In response to these challenges, VBA has undertaken numerous efforts since 2011, when VA began instituting additional training and reassessing its requirements for processing MST claims. As we reported previously, approval rates for MST-related disability claims increased markedly in this period.[65] However, in a 2018 report, the OIG estimated that VBA did not properly process around half of MST-related claims that had been denied from April 1 through September 30, 2017, among other issues.[66] OIG made several recommendations intended to help VBA review and correct denied claims and better process these claims in the future, such as having a specialized group of claims processors handle MST-related disability claims. To implement OIG's recommendations, in November 2018 VBA established specialized teams at each of its 56 regional offices for processing MST-related disability claims.[67] As of March 2022, according to VBA officials, VBA had consolidated these specialized teams into eight of its regional offices, and they plan further consolidation and other changes for managing this workload.

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[64]Department of Veteran's Affairs, *M21-1 Adjudication Procedures Manual*, Part VIII, Subpart iv, Chapter 1, Section B - Development for Posttraumatic Stress Disorder (PTSD) Claims Related to Personal Trauma.

[65]GAO, *Military Sexual Trauma: Improvements Made, but VA Can Do More to Track and Improve the Consistency of Disability Claim Decisions*, GAO-14-477 (Washington, D.C.: June 9, 2014).

[66]Department of Veterans Affairs Office of Inspector General*, Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma*, Report No. 17-05248-241, (Washington, D.C: Aug. 21, 2018).

[67]In 2021, the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020 also mandated that VA establish specialized teams to process MST claims. Pub. L. No. 116-315, § 5501(a), 134 Stat. 4932, 5048.

| Establishing Goals and Outcomes – Partially Followed | VBA officials told us that they had established goals for the MST claims processing reform, but they have not documented them or fully developed performance measures. Our prior work emphasizes that an agency should clearly identify what the agency is trying to achieve by establishing specific outcome-oriented goals, performance measures, and a process to enable an agency to analyze and report on the extent to which projects are achieving progress toward reform goals.[68]

According to VBA officials, the goal of this ongoing reform is to streamline operations and increase accountability for correct MST claims processing. VBA officials told us that they do not have performance measures specifically to measure progress toward the reform goals, but have some performance data on processing MST claims. For example, they told us that they monitored the results of a 2019 special focused quality review for MST claims and the approval rates for MST claims.[69]

While VBA has data that could be used to assess the reform's performance, it has not documented the goals to streamline operations and increase accountability, which officials verbally described to us. It has also not defined a level of performance that would show what the reform is to achieve and by when. These actions are necessary preconditions that would allow for analyzing progress toward the reform's goals. Specifically, VBA could use these analyses to determine whether it is falling short of this level of performance and diagnose why. These analyses, in turn, could more fully inform VBA decision-making about how to process MST claims and when to adjust its strategies. For example, VBA tracks the overall MST claims workload and analyzes trends in the number of these claims that were processed over the last 12 months. However, VBA does not compare these data to any expected levels of performance and is not positioned to understand whether they are any nearer to achieving the goals of the reform.

Moreover, how VBA officials make decisions about VBA's shifting strategies is unclear. For example, VBA has planned to create a new remote office to oversee MST claims processing and ensure tighter control and accountability. Further, in March 2022 VBA officials told us |

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[68]GAO-18-427.

[69]The OIG recommended this special focused review in their 2018 report on MST claims processing. In March 2021, OIG closed that recommendation as unimplemented because of discrepancies in error reporting in the special focused review that VA conducted in 2019.

that they expanded the number of specialized teams from five regional offices to eight in fall 2021 because of increased workload demands. However, aside from workload considerations, VBA officials could not articulate to us what performance or other information they use to make these resource allocations and other related decisions.

Additionally, in August 2021 the OIG found that VBA had not effectively implemented its prior recommendations or established adequate governance to address continuing deficiencies in MST claims processing.[70] The OIG recommended that VBA develop a plan, which may position the agency to better monitor and report on performance. As of March 2022, VBA officials told us that they did not have additional information to share nor could they describe to us how they planned to address these issues because they were still finalizing their plan. As VBA develops a monitoring plan, a key to its success will be including specific measures and milestones that indicate what is to be achieved by when.

Until such measures are developed—linked to clear, specific outcome-oriented goals for MST claims processing reform—and used to analyze progress toward goals, the agency risks pursuing further changes that may not successfully improve MST claims processing.

Involving Employees and Key Stakeholders – Partially Followed

VBA has involved employees and gathered stakeholder input, but it has not fully incorporated input from key external stakeholders. Our prior work emphasizes that an agency should gather and incorporate input to capture the views of employees and views of key stakeholders.[71]

Officials from VBA's Office of Field Operations, which manages the implementation of specialized teams for MST-related claims processing, told us VBA regularly consulted with employees and their unions in the process of developing the reform. However, VBA officials have not yet fully incorporated input from external stakeholders, including veterans with MST-related disabilities or their representatives, to account for how the reform affects these stakeholders. According to VBA officials, they have not incorporated input from external stakeholders because the

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[70]Department of Veterans Affairs Office of Inspector General, *Veterans Benefits Administration: Improvements Still Needed in Processing Military Sexual Trauma Claims*, Report #20-00041-163 (Washington, D.C.: Aug. 5, 2021).

[71]GAO-18-427.

reform does not involve direct communication with veterans. However, veterans who are likely to be affected by this reform are stakeholders.

Office of Field Operations officials told us that they have multiple approaches for gathering input from veterans, but they have not yet documented how they intend to incorporate the input into this reform. For example, the officials told us that each office is required to conduct 12 hours of outreach to veterans with MST-related disabilities each quarter. Also, VBA's Strategic Program Management Office started a project in December 2021 to gather input from veterans with MST-related disabilities. VBA officials also told us in March 2022 that they conducted a listening session with VSOs to improve technical and customer service experiences for veterans with MST-related disabilities.

Although these approaches to gather input on veterans' experience with VBA may hold promise, the Office of Field Operations lacks a documented plan for incorporating the input of veterans with MST or their representatives into this ongoing reform. VBA's efforts to gather input are underway without a clear sense of how the agency will use this information to improve the MST reform. Given the wide range of VBA's changes to MST claims processing since late 2018—trainings, policies, and office consolidations—detailed plans for incorporating veteran and VSO input on this reform would better position VBA to address these veterans' needs.

Using Data and Evidence – Generally Followed

VBA has used data and evidence when designing the reform by examining the findings from the 2018 OIG report on MST claims processing and by examining claims processing data.[72] Our prior work emphasizes that an agency should justify and design a reform based on collection of evidence and analysis of reliable data.[73]

In developing their action plan to respond to the OIG's recommendations, VBA officials examined claims processing data, such as MST claims completed in each office, to determine the resources that would be needed to implement a specialized team in each of the 56 regional offices. When VBA consolidated MST claims processing into five offices, officials told us they did similar calculations to determine the number of

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[72]Department of Veterans Affairs Office of Inspector General, *Veterans Benefits Administration: Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma,* Report No. 17-05248-241 (Washington, D.C.: Aug. 21, 2018).

[73]GAO-18-427.

staff needed. As of March 2022 they told us that workload data helped them to determine that eight offices would be necessary to process current claims.

Addressing High Risk Areas and Longstanding Management Challenges – Not Followed

As of March 2022, VBA has not adequately responded to longstanding management challenges identified by the OIG. Our prior work emphasizes that an agency should identify and consider ongoing management challenges, weaknesses, and high-risk issues that the reform will address; and take into account relevant recommendations from other sources (e.g., OIG, and GAO).[74]

In August 2021, the OIG found that VBA's efforts to implement its 2018 recommendations related to MST had serious flaws and recommended that VBA: (1) establish and implement a formal procedure to ensure all processing errors on claims identified by the review team are corrected and results are reported to the OIG; (2) develop, implement, and monitor a written plan to address continuing MST claims-processing deficiencies identified by the OIG, including reassessing previously decided claims when appropriate, and report the results to the OIG; (3) strengthen controls to effectively implement and promote compliance with 2018 OIG report recommendations related to MST claims; and (4) develop, implement, and monitor a written plan that requires the Compensation Service and the Office of Field Operations to strengthen communication, oversight, and accountability of MST claims processing. As of March 2022, VBA was planning how it would implement these recommendations.[75]

Leadership Focus and Attention – Partially Followed

VBA designated a leader to implement the reform, but did not demonstrate leadership focus and attention over key aspects of improving MST claims processing. Our prior work emphasizes that an agency should establish a dedicated implementation team that has the capacity to manage the reform process and be accountable for ensuring that the reform's implementation milestones are met.[76]

VBA designated a leader to manage ongoing improvements to MST claims processing in its regional offices. However, VBA did not establish a

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[74]GAO-18-427.

[75]Department of Veterans Affairs Office of Inspector General, *Veterans Benefits Administration: Improvements Still Needed in Processing Military Sexual Trauma Claims*, Report #20-00041-163 (Washington, D.C.: Aug. 5, 2021).

[76]GAO-18-427.

sufficient governance structure for key parts of improving how these claims are processed. Specifically, the OIG found that the agency did not establish clear responsibility or leadership for correcting errors in processing claims. In 2021, the OIG found that VBA officials leading the efforts to improve MST claims processing had not corrected OIG-identified deficiencies because of unclear responsibilities spread among multiple VA offices. Particularly, when the OIG identified incorrectly processed claims, it provided detailed summaries to VBA's Compensation Service, which is the office responsible for quality reviews. However, Compensation Service did not share these summaries with the Office of Field Operations, which is responsible for benefits delivery and oversees VBA's regional offices. In addition, Office of Field Operations staff confirmed they did not follow up with the regional offices to ensure errors were corrected.

The OIG found that, as a result, some prematurely denied claims were never corrected, and in the absence of clear leadership, these deficiencies could lead to future mistakes in MST claims processing. The OIG recommended that VBA develop, implement, and monitor a written plan to clarify communication and accountability over the process. As of December 2021, VBA had submitted a written plan to the OIG, which includes steps such as creating a centralized MST processing office that VA plans to continue implementing throughout 2022. Therefore, we are not recommending further changes in this area within this report.

Managing and Monitoring – Partially Followed

VA developed implementation plans for managing and monitoring early parts of this reform, but lacked an updated and complete plan for consolidating MST claims processing. Our prior work indicates that an agency should develop an implementation plan and timeline to build momentum and track progress for the reform.[77]

In 2018, VBA developed an implementation plan and timeline setting up specialized MST teams in each of its 56 regional offices. However, VBA has not updated this plan to reflect subsequent changes and deliverables or activities needed to accomplish the reform's goals of streamlining operations and improving accountability. Specifically, VBA officials told us they dissolved most of the 56 specialized teams and consolidated all MST claims processing into eight regional offices and would create a remote operations center for MST claims to ensure tighter control and accountability. However, as of March 2022, VBA officials were unable to

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[77]GAO-18-427.

share information nor could they describe the planning for and implementation of this new approach because they were still finalizing the details. Officials also told us that they had planned to implement this centralized claims processing as of April 1, 2022, but they chose to delay implementation because of high workloads.

Until VBA updates its implementation plans with detailed information about deliverables, interim milestones, and other timeframes, VBA may commit resources without an important tool for managing and monitoring its efforts.

Employee Performance Management – Partially Followed

VBA has aligned performance standards for employees processing MST claims with the reform's goals, but it lacks consistent and reliable information to measure processors' performance. Our prior work emphasizes that an agency should align performance standards for employees with the reform's goals.[78]

To align performance standards with this reform and to take into account the complexity of these claims, VBA reduced the number of claims that it expects employees to complete for employees who process MST claims. By providing additional credit to staff who process complex claims, VBA can ensure that employees have adequate time to process these claims and avoid errors and potential rework.

In addition to monitoring how many claims employees process, VBA also uses special focused quality reviews to set baselines for measuring the accuracy, consistency, and compliance with policy of employees' work. However, these reviews, which include a targeted sample of MST-related claims, have not consistently reflected how accurately MST-related claims are being processed, according to the OIG. Specifically, in 2021 the OIG found that VBA's special focused quality reviews frequently failed to find common errors in MST claims processing and that those errors were never addressed. Without a reliable system for ensuring accountability for correctly processing MST claims, VBA will continue to struggle to provide veterans with the benefits they have earned. Due to these issues, OIG has initiated a separate review of VBA's special focused reviews of MST claims. Therefore, we will not be recommending further changes in this area.

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[78]GAO-18-427.

VBA Has Managed the Overall Reforms on a Project-by-Project Basis, Not as a Whole

VBA has been managing reforms to the disability compensation program on a project-by-project basis. Leading practices for portfolio, program, and project management call for a strategic framework to ensure an organization's alignment of strategy and its subsequent execution by providing appropriate oversight, leadership, and guidance.[79] This strategic framework may take the form of a centralized leadership team that guides multiple efforts to optimize planning and coordination across all efforts and ensure accountability through ongoing oversight and reporting.

While VBA had a dedicated team for each reform, we found that VA has not designated centralized leadership to help plan, implement, and oversee the multiple reforms as a whole across numerous agency offices. Specifically, we found that the 23 reforms we identified were led or co-led by eight offices across VBA, with involvement from six additional offices, and according to VA officials, additional oversight is provided by three Deputy Under Secretaries. VBA officials also told us they do not track how many reforms are ongoing at any given time. Moreover, while VBA's Office of Strategic Support and Initiatives (OSSI) and its predecessor office, the Office of Strategic Initiatives and Collaboration (OSIC), were designed to help coordinate different lines of business activities, OSSI officials told us that neither they nor OSIC have played a role in overseeing these reform activities.[80]

VBA officials told us that the agency has not thought of these reform efforts or projects as a portfolio and has been managing reforms on a project-by-project basis. According to officials, VBA has used this approach for managing the reforms because these projects have arisen gradually over several years and addressed a diverse set of issues related to processing disability claims. Nevertheless, VBA is missing an opportunity to reexamine its management in this area. Our work and that of others shows that establishing a mission-driven strategic framework provides greater assurance that an agency's efforts will achieve intended results.[81]

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[79]Project Management Institute, *Governance of Portfolios, Programs and Projects: A Practice Guide*.

[80]According to VBA officials, the former OSIC Enterprise Collaborations team, now part of the Strategic Program Management Office, played a facilitator role in the duty to assist initiative and elimination of the 48-hour review period for VSOs reforms.

[81]GAO-18-427 and Project Management Institute.

Such a strategic framework or structure is important to ensure a coordinated, rather than ad hoc, approach particularly as VBA continues to introduce new reforms. For example, VBA is piloting a program that expedites the appeals of claims when VSOs, attorneys, and other accredited agents identify factual errors in VBA's decisions on initial claims. Moreover, in December 2021, VA began testing a system to automate parts of the disability claims process for veterans' seeking increased disability ratings for service-connected cases of hypertension. This framework could also enhance VBA management's capacity to prioritize these efforts, such as approving or rejecting proposed reforms, stopping or deferring existing ones, and adjusting activities based on evolving priorities.[82] In this way, VBA might also be better positioned to manage change, such as assessing how ongoing reform and change affects VBA claims processors and other staff.

The absence of centralized leadership to help plan, coordinate, and oversee these reform efforts as a whole poses an increased risk that these efforts will not meet VBA mission objectives to modernize the disability compensation program. For example, as we previously mentioned, we found that VBA implemented three of the five selected reforms, in some cases over several years, without fully measuring performance against goals.

In addition, as previously shown in table 3, VBA inconsistently followed selected leading practices for effective government reforms in the five reforms we selected. Federal standards for internal control state that agencies should design control activities to achieve objectives and respond to risks.[83] For example, a control activity that is performed routinely and consistently generally is more precise than one performed sporadically. In this case, VBA lacks an effective control for consistently following the leading practices across VBA's reform efforts. VBA inconsistently followed leading practices because it lacked a policy for

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[82]Similarly, in June 2021 we found that VBA's training program for disability claims processes was not guided by key management practices, such as a centralized leadership structure that could set priorities with a strategic focus on how efforts will contribute to results. We recommended that VBA establish a governance structure that identifies clear lines of authority among the VBA offices responsible for guiding strategic training efforts and establish clear accountability for the success of these efforts. VBA agreed with the recommendation but has not fully implemented it as of June 2022. See GAO, *VA Disability Benefits: Veterans Benefits Administration Could Enhance Management of Claims Processor Training*, GAO-21-348 (Washington, D.C.: June 7, 2021).

[83]GAO, *Standards for Internal Control in the Federal Government*, GAO-14-704G (Washington, D.C.: Sept. 2014), Principle 10.

managing the planning and implementation of efforts to improve the efficiency and effectiveness of the disability compensation program. These practices that GAO has identified help ensure an effective government reform.

As VBA pursues other similar reform efforts, it has an opportunity to develop and implement a policy that requires its staff to follow a comprehensive set of leading practices for effective agency reforms. Doing so would better position VBA to achieve progress toward its numerous individual project goals and overall organizational goals to increase veterans' satisfaction with services, and their general trust in VA. Moreover, a policy is a tool that a centralized leadership team or others within VBA could use to oversee a structured process for consistently applying the leading practices, as appropriate.

Conclusions

Veterans and VBA spend substantial time and effort applying for and processing disability claims respectively, and the agency provides tens of billions of dollars each year to veterans with injuries or illnesses connected to their military service. To modernize the program, VBA's strategic plan emphasizes increasing veteran satisfaction and trust, and the agency has implemented 23 reforms in recent years to potentially improve the disability claims process. However, our work on VBA's reform efforts surfaced management and oversight challenges in how the agency approaches reforms to its disability compensation program.

Specifically, the selected reforms did not consistently follow selected leading reform practices, which may hinder VBA's ability to have an impact. VBA could more fully follow leading practices by developing performance measures and implementation plans and timelines for its EMS development and MST claims processing. Also, VA can bolster the continued relevance and efficiency of its reforms by fully gathering and incorporating input from key stakeholders in EMS development and MST claims processing. Without consistently following these and other leading practices, the agency may be unable to determine how much progress has been made in achieving its reform goals and what work remains to be done. It also risks pursuing efforts that may not successfully improve the efficiency and effectiveness of the disability compensation program.

Additionally, management of these reforms could be enhanced by designating a centralized leadership team to manage them as a whole. Such management could provide oversight and leadership to prioritize and guide planning and implementation and achieve organizational objectives. Having such leadership and processes in place is particularly

important as VBA implements future reforms to address ongoing challenges with processing its growing disability claims workloads. Further, the shortfalls we identified in consistently following the leading practices suggest that opportunities exist to develop and implement a policy that comprehensively incorporates leading practices for effective government reforms. Such a policy would help ensure that planning and implementation is consistent from one reform to another and better position VBA to achieve its intended results, including valuable services to veterans. Overall, until VBA creates a structured process to put strategy and planning ahead of action, the agency will continue to approach reforms to its disability compensation program in an ad hoc manner.

Recommendations for Executive Action

We are making the following eight recommendations to VA:

The Under Secretary for Benefits should develop and use performance measures to assess the Exam Management System's effect on claims processing time. These measures should align with best practices in Agile development. (Recommendation 1)

The Under Secretary for Benefits should address the training, expertise, and testing tool deficiencies with the user-testing of the Exam Management System. (Recommendation 2)

The Under Secretary for Benefits should develop a project road map that provides the strategic vision and goals and related time frames for completing the Exam Management System. This road map should align with best practices in Agile development to monitor the value of work completed and whether its meets stakeholder needs. (Recommendation 3)

The Under Secretary for Benefits should document clearly defined outcome-oriented goals and develop related levels of performance or targets to enable VBA to analyze and report on improvements to military sexual trauma disability claims processing. (Recommendation 4)

The Under Secretary for Benefits should develop a detailed plan for incorporating input from military sexual trauma disability claimants and VSO representatives into changes to the processing of those disability claims. (Recommendation 5)

The Under Secretary for Benefits should update the implementation plan and timeline to identify deliverables, time frames, and interim milestones

for consolidating military sexual trauma disability claims processing. (Recommendation 6)

The Under Secretary for Benefits should designate a centralized leadership team to oversee and prioritize VBA's ongoing and new reform efforts intended to improve the efficiency and effectiveness of the disability compensation program. (Recommendation 7)

The Under Secretary for Benefits should develop and implement a policy that comprehensively describes the leading practices for effective government reform that VBA officials should follow, as appropriate, when undertaking efforts to improve the efficiency and effectiveness of the disability compensation program. (Recommendation 8)

Agency Comments and Our Evaluation

We provided a draft of this report to VA for comment. In its written comments, reproduced in appendix II, VA concurred with recommendations 2 – 6 and concurred in principle with recommendations 1 and 8. For recommendation 7, although VA said it concurred, it said the agency had addressed the recommendation. VA also provided technical comments, which we incorporated as appropriate. For example, we revised the wording of recommendations 1 - 6 to direct them to the Under Secretary for Benefits without reference to VBA business lines.

VA's written comments described actions it plans to take to address recommendations 2, 3, 4, 5, and 6:

- Regarding recommendation 2, VA plans to identify qualified testing support for the Exam Management System (EMS), including evaluating an option to use contractors as a core set of testers.

- Regarding recommendation 3, VA plans to develop a project road map for EMS development. This road map will include the strategic vision and goals for the system and provide a timeline for future features.

- Regarding recommendation 4, VA plans to define outcome-oriented goals and levels of performance to support improvements to military sexual trauma disability claims processing.

- Regarding recommendation 5, VA plans to develop a detailed plan for incorporating input from military sexual trauma disability claimants and their veterans service organization representatives into changes to the processing of these claims.

- Regarding recommendation 6, VA plans to update its implementation plan and timeline for consolidating military sexual trauma disability claims processing.

In regard to recommendation 7, although VA said it concurred with our recommendation to designate a centralized leadership team to oversee and prioritize ongoing and new reforms, the agency stated that it considers this recommendation fully implemented. According to the agency's written comments, each reform had a dedicated leadership team to execute and track the reform. The agency also said that additional monitoring of the reforms is conducted by the Deputy Under Secretaries for the Office of Policy and Oversight, Office of Field Operations, and Office of Automated Benefits Delivery, which constitute a core leadership team to help align strategy and execute the reforms. However, during the course of our audit, we asked VA to provide information about how the agency oversaw and prioritized reforms, but VA officials did not provide us with information about this core leadership team.

Our draft report acknowledged that each selected reform had established a dedicated implementation team. And in response to VA's comments, we revised the report to highlight that three Deputy Under Secretaries provide additional oversight of their respective reforms. Nevertheless, VA's written comments underscore our findings and recommendation; that is, multiple offices led the reforms. This arrangement suggests that no one centralized leadership team oversaw and prioritized all 23 reforms as a whole. As we noted in the report, we identified the 23 reforms because VBA had not tracked how many reforms are ongoing at any given time and did not consistently follow leading practices for planning and implementing effective government reforms in the five reforms we selected. If VA has established a centralized leadership team, it will be important for the agency to document its process, including designated oversight roles, for managing the overall set of reforms. Until VA provides evidence of such a team and process, we continue to believe that our recommendation is valid and might better position VBA to manage the overall set of reforms, including any new reforms it undertakes, to ensure a coordinated rather than ad hoc approach, enhance VBA management's capacity to prioritize these efforts, and assess how ongoing reform and change affects VBA claims processors and other staff.

In addition, in its written comments VA said that it concurred in principle with recommendations 1 and 8. In regard to recommendation 1, VA said it concurred in principle with our recommendation to develop performance

measures to track the EMS' effect on claims processing time and considered it fully implemented. It also provided us with new information about the data the agency tracks from EMS. This new information included several encouraging achievements in expediting disability exams. For example, VA noted in its comments that claims processors receive completed examinations faster since EMS was implemented. However, without performance measures, these achievements lack context for understanding progress toward established expectations for improving timeliness. Therefore, we continue to believe that developing and using performance measures to assess the effect of EMS on claims processing is warranted. With performance measures in place for the system, VA would be able to use this performance data to determine the impact of the investment in this system on claims processing. Accordingly, we revised the language of our recommendation to clarify that VA should both develop and use performance measures for EMS that assess its impact on claims processing time.

In regard to recommendation 8, VA concurred in principle to develop and implement a policy that describes leading practices for effective government reform that VBA officials should follow when undertaking efforts to improve the efficiency and effectiveness of the disability compensation program. In its written comments, the agency stated that a policy is not needed and that it is addressing the intent of this recommendation through the creation of the Strategic Program Management Office. VA stated that this office has developed guidance and tools to help implement reforms and plans to develop additional guidance that will incorporate leading practices for effective agency reform. While we are encouraged that VBA is developing guidance to help its business lines plan and implement reforms, these actions do not fully address our recommendation. We continue to believe that VBA lacks an effective control for consistently following the leading practices across VBA's reform efforts. As we noted in the report, a policy is a tool that a centralized leadership team or others within VBA could use to oversee a structured process for consistently applying the leading practices for agency reform. A policy is particularly needed given the pace of change and the number of reforms VA is undertaking to improve the efficiency and effectiveness of the disability compensation program.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies of this report to the appropriate congressional committees, the Secretary of Veterans Affairs, and other interested parties. In addition, the report is available at no charge on the GAO website at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or curdae@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix III.

Sincerely yours,

Elizabeth H. Curda
Director, Education, Workforce, and Income Security

Appendix I: Veterans Benefits Administration Disability Compensation Program Reform Efforts, Fiscal Years 2017 through 2020

Table 4 presents details on the 23 reforms we identified that VBA implemented to improve the agency's disability compensation program. All reforms were underway at some point from fiscal year 2017 through fiscal year 2020.

Table 4: Reforms to the Veterans Benefits Administration (VBA) Disability Compensation Program Underway from Fiscal Year 2017 through Fiscal Year 2020

VBA reform	VA offices and business lines involved	Phase of claim process affected	Status
1. Benefits Delivery at Discharge (BDD) **Issue:** VBA has established a goal to ensure that servicemembers who are within 180 to 90 days from military separation and wish to file a claim with VA for service-connected disability benefits receive upfront and timely assistance in doing so. **Action:** BDD has engaged transitioning servicemembers in the claims process prior to discharge, and a disability benefit decision can be offered within 30 days of discharge and in some cases the day after discharge. Program development was initiated and timeliness goals were met by May 2018. VBA continues collaborating with the Department of Defense (DOD) and other stakeholders to further improve the timeliness of claim decisions.	**Lead:** Compensation Service **Others:** None **Year reform began:** 2017 **Year reform completed:** 2018	Initial Development	Completed
2. Blue Water Navy (BWN) Readiness and Implementation Project **Issue:** The Blue Water Navy Vietnam Veterans Act of 2019 extended the presumption of service connection for disability compensation to additional veterans leading to an increase in related claims. **Action:** VBA chartered the initiative to plan and execute all BWN-related activities, and to perform project review, evaluation, and reporting. The initiative identified requirements, gaps, risks, and potential governance conflicts, with the goal of coordinating all activities related to the timely and successful implementation of the act.	**Leads:** Compensation Service; Office of Field Operations **Others:** All[a] **Year reform began: 2019** **Year reform completed: 2020**	All phases	Completed
3. Centralized Benefits Communications Management **Issue:** During the disability claims process, VBA communicates with claimants and their representatives in various ways, including printed communication. **Action:** VBA centralized electronic communications, reduced printing costs, and modernized how VBA interacts with claimants.	**Lead:** Office of Business Integration **Others:** None **Year reform began:** 2017 **Year reform completed:** 2020	Initial Development, Supplemental Development	Completed

VBA reform	VA offices and business lines involved	Phase of claim process affected	Status
4. Competency-based Training System (CBTS) **Issue:** Competency-based training involves assessing the necessary skills and competencies needed for each claims processor, and developing an individualized program of instruction for the claims processor. **Action:** The Rating Veterans Service Representative CBTS program was implemented in October 2021. Veterans Service Representative CBTS is being designed with an anticipated implementation date of October 2022.	**Lead:** Compensation Service **Others:** None **Year reform began:** 2013 **Year reform completed:** Not Applicable (N/A)	All phases	In progress
5. Duty To Assist (DTA) Initiative **Issue:** Federal law requires VA to assist veterans in gathering evidence, such as medical records, to support the veteran's case for benefits (referred to as DTA). Errors in this evidence gathering contribute to rework for the agency and delays in claims processing for veterans. **Action:** The DTA initiative convened VA offices to determine the primary causes of DTA-related errors with the intent of identifying solutions to reduce rework. The goals of the team were to identify the reasons for DTA errors and to increase the accuracy of initial claims by addressing these reasons for errors.	**Lead:** Office of Administrative Review (OAR) **Others:** None **Year reform began:** 2020 **Year reform completed:** 2021	Initial Development, Supplemental Development	Completed
6. Elimination of the veterans service organization (VSO) 48-hour review period **Issue:** In past years, prior to making a final decision on a claim, VBA would provide VSOs 48 hours to review the claim and file. This provided VSOs the opportunity to identify potential errors or irregularities prior to VBA's decision. In 2020, VBA announced it would remove the 48-hour review period. **Action:** VBA eliminated the 48-hour predecisional review period for VSOs in April of 2020. The U.S. Court of Appeals for the Federal Circuit affirmed VBA's action on January 4, 2022.	**Lead:** Compensation Service **Others:** Office of Automated Benefits Delivery **Year reform began:** 2018 **Year reform completed:** 2020	Rating	Completed
7. Exam Management System (EMS) Development **Issue:** As part of the eligibility determination process, VA increasingly relies on contractors to perform medical exams that provide evidence of a veteran's disability and its connection to military service. **Action:** In spring 2018, VA implemented a software solution to track contractors who perform disability exams. The new system is designed to capture details on the status of exams throughout the veteran's eligibility determination process.	**Lead:** Medical Disability Examination Office **Others:** Office of Business Integration **Year reform began:** 2015 **Year reform completed:** 2018	Initial Development, Supplemental Development	Completed

VBA reform	VA offices and business lines involved	Phase of claim process affected	Status
8. Exam Management System (EMS) Modernization **Issue:** In 2020, VA began evaluating the current systems supporting medical disability examinations to determine future EMS modernization efforts. **Action:** VA identified nine improvements to modernize and improve the systems supporting medical disability examinations. Improvements are being assessed and prioritized for implementation over the next few fiscal years.	**Lead:** Medical Disability Examination Office **Others:** None **Year reform began:** 2020 **Year reform completed:** n/a	Initial Development, Supplemental Development	In progress
9. Expanding the Private Medical Records (PMR) program **Issue:** The previously implemented PMR program increased VA's use of contractors to assist veterans retrieve their medical records to support their disability claim. **Action:** VBA expanded the PMR program whereby contractors are used to assist veterans living abroad.	**Lead:** Office of Business Integration **Others:** None **Year reform began:** 2015 **Year reform completed:** 2018	Initial Development, Supplemental Development	Completed
10. Initial claims predictive models **Issue:** VBA uses statistical models to monitor workload demands and timeliness outcomes to ensure demand and supply are balanced. The resulting information is used to inform resource requirements (e.g., budget and staff). **Action:** VBA continues to update predictive modeling needs, including identifying and addressing gaps in the models.	**Leads:** Office of Performance Analysis and Integrity **Others:** Office of Financial Management (OFO) **Year reform began:** 2013 **Year reform completed:** 2018[b]	All phases	Completed
11. Military sexual trauma (MST) specialized teams **Issue:** Since VBA moved to a national work queue to distribute incoming claims workloads in 2016, it has changed how it processes MST related disability claims several times. Beginning in 2021, VA was mandated to report annually on various aspects of disability compensation claims based on covered mental health conditions alleged to have been incurred or aggravated by MST.[c] **Action:** VBA has established a policy that specialized teams would review complex MST claims. VBA also reviewed previously denied claims; conducted quality improvement reviews; updated training courses for claims processors; and developed checklists and a worksheet to help VBA employees identify claims potentially related to MST.	Lead: Office of Field Operations Others: None Year reform began: 2018 Year reform completed: 2022	All phases	Completed
12. Official Military Activities Report (OMAR) **Issue:** VBA claims examiners corroborate military events associated with mental health disability claims. Traditionally, the examiner would rely on DOD to identify those events— a process that could take weeks or months to accomplish. **Action:** VBA has created OMAR, a database that stores over 280,000 Significant Activity events in Iraq and over 475,000 events in Afghanistan. Claims examiners can access this information to corroborate events, eliminating their reliance on DOD.	**Lead:** Office of Field Operations **Others:** None **Year reform began:** 2018 **Year reform completed**: 2018	Initial Development, Supplemental Development	Completed

VBA reform	VA offices and business lines involved	Phase of claim process affected	Status
13. Quality Review Redesign **Issue:** VBA's quality review program aims to ensure high-quality work products from its employees, and includes employee mentoring and trainee quality reviews. **Action:** VBA revised the claims processor quality review program to improve its statistical rigor and better measure employees on the work they complete, while maintaining high accuracy standards.	**Lead:** Office of Field Operations; Compensation Service **Others:** Pension & Fiduciary Service; Office of Administrative Review **Year reform began:** 2018 **Year reform completed:** 2020	All phases	Completed
14. Reassess use of disability questionnaires **Issue:** Disability benefits questionnaires (DBQ) were introduced in 2010 and are used by VA medical examiners to expedite the gathering of evidence that supports veterans' claims for benefits. VA also published the DBQs on the internet for public use by medical providers. VA discontinued the public use of DBQs after VA's Office of Inspector General (OIG) found they had been misused. **Action:** In 2020, VA discontinued the public use of DBQs after the OIG found they had been misused. In 2021, VA was mandated by Congress to assess the feasibility and advisability of replacing DBQs with another process[d]	**Lead:** Medical Disability Examination Office **Others:** Office of Business Integration **Year reform began:** 2020 **Year reform completed:** 2021	Initial Development, Supplemental Development	Completed
15. Review of decision letters **Issue:** For all disability claims, decision letters should clearly state the decision made, the reason for the decision, and the veteran's right to appeal, among other things. **Action:** Primary changes included attaching the Rating Document to the letter to provide detailed explanations of all decisions made, reformatting to consolidate information, and including additional information on how to retain a free VSO as a representative.	**Lead:** Office of Automated Benefits Delivery (ABD) / Chief Production Office (CPO) **Others:** None **Year reform began:** 2016 **Year reform completed:** 2017	Award	Completed
16. Updating disability benefit eligibility criteria **Issue:** VA's Veterans Affairs Schedule for Rating Disabilities (VASRD) is used to assign the degree of disability and compensation levels for veterans with service-connected injuries or conditions. **Action:** VBA is in the process of updating all 15 Body Systems in its disability rating schedule. As of December 2021, VBA reported it had updated 10 systems and plans to complete all 15 by 2024 (two will be addressed in one rulemaking).	**Lead:** Compensation Service **Others:** None **Year reform began:** 2017 **Year reform completed:** n/a	Rating	In progress
17. Updating earnings loss information **Issue:** VA uses medical and earnings information to evaluate veterans' loss of earnings in the current economy. **Action:** VBA has conducted two earnings loss studies to generate information based on the current economy. A third study started in September 2020 and it is currently ongoing.	**Lead:** Compensation Service **Others:** None **Year reform began:** 2017 **Year reform completed:** n/a	Rating	In progress

VBA reform	VA offices and business lines involved	Phase of claim process affected	Status
18. Using contract translators for foreign language claim documents **Issue:** Having documents translated from a foreign language to English can be a challenge and delay disability claims processing. **Action:** VBA's most recent contract for translations began in fiscal year 2019 after a change in vendors. In fiscal year 2020 VBA hired three additional contract translators.	**Lead:** Office of Field Operations **Others:** None **Year reform began:** 2019 **Year reform completed:** 2020[e]	Initial Development, Supplemental Development, Rating	Completed
19. VA Electronic Health Record Modernization (EHRM) **Issue:** Over the past decade VA has worked to modernize its electronic health record system. The new system is aimed at not only further improving access to veterans' health records but also improving communications in requesting medical services, to include exchanging claim and veteran demographic information for treatment eligibility and integrating disability examinations required to establish benefits eligibility, which directly supports the disability claims process. **Action:** The new system will connect VA medical facilities with DOD, the Coast Guard, and participating community care providers, enabling VBA direct access to a veteran's medical records for claims processing. During 2020, VA piloted the system in one VBA location.	**Leads:** Office of Business Integration **Others:** Compensation Services, Pension & Fiduciary Service, Medical Disability Examination Office **Year reform began:** 2017 **Year reform completed:** n/a	Initial Development, Supplemental Development, Rating, Appeals	In progress
20. VASRD Program Office Stand-up **Issue:** VBA determined the need for a singular program office to (1) regularly update VASRD, (2) improve the update process, (3) conduct earnings loss studies, and (4) facilitate collaborations across federal disability programs and offices. **Action:** Staffing of the program office is underway, with 20 of 24 positions filled.	**Lead:** Compensation Service **Others:** None **Year reform began:** 2020 **Year reform completed:** n/a	Rating	In progress
21. Veterans Benefits Management System (VBMS) **Issue:** VBMS was the first electronic system intended to facilitate paperless electronic processing of disability compensation claims. **Action:** VBA rolled out an initial version of VBMS in 2013 and made progress toward implementation during 2015. As of March 2021, VBA reported that work on the system has been completed.	**Lead:** Office of Business Integration **Others:** None **Year reform began:** 2010 **Year reform completed:** 2021	All phases	Completed
22. Veterans Claims Intake Program (VCIP) **Issue:** VCIP supports the scanning and digital conversion of claims documentation. The program was implemented in 2012, with modernization and expansions continuing through fiscal year 2020. **Action:** Fiscal year 2020 and 2021 goals include supporting requirements in the Blue Water Navy Vietnam Veterans Act of 2019 by digitizing more than 60,000 military personnel files and 22,000 boxes of archival Navy and Coast Guard log information.	**Lead:** Office of Business Integration **Others:** None **Year reform began:** 2019 **Year reform completed:** 2020	All phases	Completed

VBA reform	VA offices and business lines involved	Phase of claim process affected	Status
23. Virtual and In Person Progression (VIP) Model Training **Issue:** VIP Model Training will serve as a replacement to, and enhancement of, initial claims processor training, previously referred to as Challenge Training. VIP is an instructor-led web-based model, providing both entry-level and on-the-job training. **Action:** The VIP program office has established a training schedule and VIP training is underway for the claims process predevelopment and rating phases. Training for other phases will follow.	**Lead:** Office of Field Operations Others Office of Human Capital Services **Year reform began:** 2019 **Year reform completed:** 2020	All phases	Completed

Source: GAO review of VA documents and past GAO work, all information confirmed by VA officials. | GAO-22-104488

[a]All business lines are defined as, Compensation Service, Insurance Service, Loan Guaranty Service, OAR, the Office of Business Integration, OFO, Pension and Fiduciary Service, and the Veteran Readiness & Employment Service.

[b]According to VBA, the predicative models became operational during 2018. However, VA is continuing to refine the modules as new information and technologies become available.

[c]Pub. L. No. 116-315, § 5501(b), 134 Stat. 4932, 5048-50 (2021).

[d]Pub. L. No. 116-315, § 2006(d), 134 Stat. 4932, 4976-77 (2021).

[e]According to VBA, the use of contracts will continue in future years.

Appendix II: Comments from the Department of Veterans Affairs

DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON

June 22, 2022

Ms. Elizabeth Curda
Director
Education, Workforce
  and Income Security Issues
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Ms. Curda:

The Department of Veterans Affairs (VA) has reviewed the Government Accountability Office (GAO) draft report: *VA DISABILITY BENEFITS: Compensation Program Could be Strengthened by Consistently Following Leading Reform Practices* (GAO-22-104488).

The enclosure contains technical comments and the actions to be taken to address the draft report recommendations. VA appreciates the opportunity to comment on your draft report.

Sincerely,

Tanya G. Bradsher

Tanya Bradsher
Chief of Staff

Enclosure

Enclosure

Department of Veterans Affairs (VA) Response to the
Government Accountability Office (GAO) Draft Report
*VA DISABILITY BENEFITS: Compensation Program Could be Strengthened by
Consistently Following Leading Reform Practices*
(GAO-22-104488)

Recommendation 1: The Under Secretary for Benefits should ensure that the
Office of Business Integration, in coordination with the Medical Disability
Examination Office and The Office of Information and Technology, develops
performance measures to assess the Exam Management System's effect on
claims processing time. These measures should align with best practices in Agile
development.

VA Response: Concur in principle. The Veterans Benefits Administration (VBA) has
key performance measures and targets in place to assess medical disability
examination performance. These include regular monitoring of exam volumes (e.g.,
receipts, cancelled and completed) and exam timeliness (e.g., average days to
complete, average days pending). Improving medical disability examination
performance contributes to improving claims processing time, and the Medical Disability
Examinations Office (MDEO) tracks medical disability examination performance to
ensure the system, operations and vendors contribute to improved performance.

VBA Office of Performance Analysis and Integrity (PA&I) is responsible for reporting on
claims processing time. MDEO has provided instructions on using the Exam
Management System (EMS) data to finalize reporting for some of these measures so
PA&I can track progress against them and ensure that sustainment and enhancement
for EMS continues to support these targets.

The Veterans Benefits Management System (VBMS), EMS, and interfacing systems, to
include Medical Disability Examination (MDE) vendor systems, use an Agile framework.
The Sprints and Releases are in 2-week increments and Program Increment (PI) cycles
are in 3-month increments. Performance measures and outcomes for medical disability
examinations are in place, which are best practices in Agile development.

In addition, VBA has achieved significant performance improvements to improve claims
processing time with the implementation of EMS.
- EMS has helped to expedite when a claims processor receives completed
  Disability Benefits Questionnaires (DBQs) by reducing the time of receipt from
  months to within 10 days of the appointment completion. This time includes an
  automated notification to users to review completed DBQ results.
- Exam Scheduling Requests (ESRs) to vendors has improved to within a few
  minutes of the users submitting the ESR, and the system validating receipt of the
  ESR by the MDE vendor.
- Through EMS, there is automated distribution of ESRs to meet the contract
  allocation requirements with MDE vendors. MDEO is now able to monitor that
  distribution and validate the allocation.

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- EMS provides visibility into the examination life cycle, which was not feasible prior to EMS. Prior to EMS, the only data points available were when the DBQ was requested and completed. DBQs had to be located by claims processors when DBQ uploads failed, and they had to retrieve DBQs from MDE vendor portals and manually upload them to the eFolder. Prior to EMS, DBQ results upload success rate was 60%. However, EMS has improved the upload success rate to over 99%.
- Prior to EMS, Vendor Clarification Requests (CRs) were completed manually, using phone calls or emails to claims processors. CRs are now handled as automated messages between the vendors and claims processors, which speeds up the questions and responses. Based on National Work Queue (NWQ) rules, the system routes CRs back to the regional office where the ESR was submitted. Prior to EMS, time from the initiation of a clarification requests to response time was over five days. EMS has improved the time between clarification requests and responses to 2.4 days.
- EMS also allows NWQ to develop and route ESRs without the geographical constraint of the claims processor and Veteran location. Claims are assigned to claims processors based on capacity versus location, which contributes to claims backlog reduction through workload balancing.
- Real-time notifications for ESR cancellations to vendors and claims processors reduces delays in claims processing and reduces unnecessary examinations requested for claims.
- EMS reduced the development of an ESR to approximately 10 minutes from at least 30 minutes, regardless of the number of contentions, due to the automation of the Veterans information, required content, and language, etc.

Based on the evidence provided in the preceding list, VBA considers this recommendation fully implemented and requests closure.

Recommendation 2: The Under Secretary for Benefits should ensure that the Office of Business Integration, in coordination with the Medical Disability Examination Office, address the training, expertise, and testing tool deficiencies with the user-testing of the Exam Management System.

VA Response: Concur. VBA MDEO and the Office of Business Integration (OBI) work together to identify qualified testing support from the field user pool. Training for field user testers consists of familiarizing trainees with the latest sprint release functionality through requirements documents, system user guide updates and demonstration of the expected functionality. VBA ensures that new testers are mentored by seasoned testers during the testing process. MDEO also is evaluating an option to pursue enhancing testing capacity through additional contractor resources, which would provide a core set

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of testers supporting test activities in addition to the field users. Planned completion of
the evaluation of adding a contractor to support enhanced testing is September 30,
2022.

Target Completion Date: September 30, 2022

Recommendation 3: The Under Secretary for Benefits should ensure that the
Office of Business Integration, in coordination with the Medical Disability
Examination Office and the Office of Information Technology develop a project
roadmap that provides the strategic vision and goals and related time frames for
completing the Exam Management System. This roadmap should align with best
practices in Agile development to monitor the value of work completed and
whether its meets stakeholder needs.

VA Response: Concur. VBA conducts fiscal year and multi-year planning yearly,
including identifying higher-level information technology (IT) needs for all business lines,
including MDEO, which supports the EMS project roadmap. In addition, VBMS EMS
enhancement and sustainment needs follow this process, along with all other MDEO IT
business needs. MDEO will compile the strategic vision and goals for EMS and provide
a timeline of known future integrations and impacts (e.g., DBQ Portal, DBQ Content
Management Tool (CMT)) and create an EMS Roadmap document aligned with Agile
best practices. Completion of the EMS Roadmap document is anticipated by September
30, 2022.

Target Completion Date: September 30, 2022

Recommendation 4: The Under Secretary for Benefits should ensure that the
Office of Field Operations documents clearly defined outcome-oriented goals and
develops related levels of performance or targets to enable VBA to analyze and
report on improvements to Military Sexual Trauma disability claims processing.

VA Response: Concur. VBA will ensure clearly defined outcome-oriented goals and
levels of performance targets are developed and documented to support analysis and
reporting improvements to military sexual trauma (MST) disability claims processing.

Target Completion Date: March 31, 2023

Recommendation 5: The Under Secretary for Benefits should ensure that the
Office of Field Operations develops a detailed plan for incorporating input from
Military Sexual Trauma disability claimants and VSO representatives into changes
to the processing of those disability claims.

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VA Response: Concur. VBA will develop a detailed plan for incorporating input from MST disability claimants and Veterans Service Organization (VSO) representatives into changes to the processing of MST disability claims.

Target Completion Date: March 31, 2023

Recommendation 6: The Under Secretary for Benefits should ensure that the Office of Field Operations updates its implementation plan and timeline to identify deliverables, time frames and interim milestones for consolidating Military Sexual Trauma disability claims processing.

VA Response: Concur. VBA will update its implementation plan and timeline to identify deliverables, time frames, and interim milestones for consolidating MST disability claims processing.

Target Completion Date: October 1, 2022

Recommendation 7: The Under Secretary for Benefits should designate a centralized leadership team to oversee and prioritize VBA's ongoing and new reform efforts intended to improve the efficiency and effectiveness of the disability compensation program.

VA Response: Concur. VBA has a leadership team that oversees disability compensation reforms and considers this to be fully implemented. VBA has a dedicated leadership team to plan, implement and oversee multiple reforms for disability compensation. For reforms, the offices identified as the lead execute and track the reform with additional monitoring from their respective oversight office, which includes the Office of Policy and Oversight (OPO), Office of Field Operations (OFO) and Office of Automated Benefits Delivery (ABD). This core leadership team includes the Deputy Under Secretaries for Policy and Oversight, Field Operations and Automated Benefits Delivery who report directly to the Principal Deputy Under Secretary for Benefits, each responsible for their organizations' alignment to strategy and execution of reforms.

VBA requests closure of this recommendation.

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<u>Recommendation 8</u>: **The Under Secretary for Benefits should develop and
implement a policy that comprehensively describes the leading practices for
effective government reform that VBA officials should follow, as appropriate,
when undertaking efforts to improve the efficiency and effectiveness of the
disability compensation program.**

<u>VA Response:</u> Concur in principle. VBA does not believe that a change in policy is
needed to implement this recommendation. VBA is already addressing the intent of this
recommendation through the creation of the Strategic Program Management Office
(SPMO) to work with VBA business lines to provide strategic project management and
enable customer experience for enhanced delivery of services to Veterans. SPMO is
charged with providing the skills, experience and tools necessary to manage complex,
enterprise-wide projects efficiently and effectively. SPMO has delivered playbooks on
automating elements of the disability claims process when implementing new
presumptive conditions and has applied innovative strategies for coordinating VBA's
implementation of legislative requirements across multiple business lines. SPMO will
also launch a Project Management Community of Practice (CoP) with standard
templates, guides and tools for project managers in VBA during the third quarter of
fiscal year (FY) 2022. As part of the CoP, SPMO will develop additional guidance on
leading practices for effective government reform based on GAO-18-427 for VBA
business lines to use when undertaking efforts to improve the efficiency and
effectiveness of the disability compensation program.

Target Completion Date: September 30, 2022

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Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact	Elizabeth H. Curda at (202) 512-7215 or curdae@gao.gov
Staff Acknowledgements	In addition to the contact named above, James Whitcomb (Assistant Director), Lucas Alvarez (Analyst-in-Charge), David Perkins, and Emily Weisenberger made key contributions to this report. Also contributing to this report were Sandra Baxter, Rachel Beers, James Bennett, Mark Bird, Alex Galuten, Michael Kniss, Benjamin Licht, Jean McSween, Jessica Orr, Samuel Portnow, Sarah Veale, and Adam Wendel.