

IS VA READY FOR FULL IMPLEMENTATION OF APPEALS REFORM?

HEARING

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS

U.S. HOUSE OF REPRESENTATIVES

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IS VA READY FOR FULL IMPLEMENTATION OF APPEALS REFORM?

Wednesday, December 12, 2018

COMMITTEE ON VETERANS' AFFAIRS,
U. S. HOUSE OF REPRESENTATIVES,
Washington, D.C.

The Committee met, pursuant to notice, at 10:00 a.m., in Room 334, Cannon House Office Building, Hon. David P. Roe [Chairman of the Committee] presiding.

Present: Representatives Roe, Bilirakis, Coffman, Flores, Radewagen, Bost, Poliquin, Dunn, Arrington, Higgins, Bergman, Banks, Takano, Kuster, O'Rourke, Correa, Lamb, Esty, and Peters.

OPENING STATEMENT OF DAVID P. ROE, CHAIRMAN

The CHAIRMAN. I call the meeting to order.

Good morning.

Thank you all for being here today.

This is the final hearing we will hold this session on the Implementation of the Veterans Appeals Improvement and Modernization Act of 2017, also called AMA.

Let me start by thanking Acting Deputy Secretary Byrne for his being here today. Thank you for being here.

As you know, the AMA requires the Secretary to certify in January of 2019 that the Department has the resources, personnel, and procedures and information technology to carry out the new appeals system while timely addressing both new and legacy appeals.

The AMA also provides the Secretary with the authority to delay the effective date of the law if VA is not fully prepared to implement appeals reform.

Since the Secretary is responsible for certifying that the Department is ready, I believe that it is important for Congress and the veteran community to hear from senior leadership on the status of the implementation.

I understand that Ms. Mason has been delegated the authority to oversee the implementation, but your presence here today, Mr. Byrne, demonstrates the Secretary's commitment to ensuring this program is implemented correctly.

And thank you all for being here.

Today, I want to talk about the VA's progress, updating its IT system, publishing final implementing regulations and forms, and completing training for employees, and appropriately allocating staff and resources, which all must be completed within the next 2 months.

I was encouraged by the recent August and November updates to VA's comprehensive plan, which showed the steps VA is taking to effectively overhaul the current appeals process.

However, I am uncertain that all the components needed for appeals reform will be completed on time. While we are all excited for appeals reform to roll out, it is also important for VA to understand that this Committee does not wish for VA to push out the new appeal system in February if it is not truly ready. That is one lesson we have all learned from the Forever GI Bill implementation.

One of my main concerns is whether VA's IT system will be fully functional by February of 2019. VA needs robust IT systems that are capable of handling appeals under the AMA.

During the July appeals hearing, Under Secretary for Benefits, Dr. Lawrence, testified that about 100 percent of the IT functionality will be delivered by this month, and I would like to know if that timeline remains accurate.

If VA appeals IT will not be ready in time, I want to hear what the VA's contingency plan is.

Turning to regulations, according to the November 2018 appeals report, VA said it planned to send OMB the final regulations for approval by November 13, 2018. I would also like to know whether this has taken place.

Additionally, I am looking forward to an update from VA about how it intends to effectively balance appeals under the new system and the legacy inventory. Right now, VA has almost 400,000 appeals pending.

VA anticipated that the Rapid Appeals Modernization Program, or RAMP, which allows veterans who have pending appeals to transfer to the new system would help reduce the backlog. However, RAMP has had only a 16 percent take break from the legacy inventory.

I would like to hear today how long it will take VA and the board to decide all remaining legacy appeals, whether it be 1, 5 or 10 years.

Despite RAMP's low opt-in rate, I am curious about how the Department has used the feedback it has received from RAMP to test assumptions and to make adjustments to the new appeals system accordingly.

I want to make sure that VA is using RAMP to inform the new system, and not as a means to disguise a true size of the appeals backlog.

I also would like to hear about the training provided to employees. My staff visited the Denver regional office in October, and the employees shared that VA's guidance on the new system was confusing and that they needed additional training to understand the new procedures.

I am hoping to have a productive discussion today to ensure that when the law is fully implemented, all veterans will receive correct and timely decisions.

Again, I want to thank the witnesses for being here today to discuss this important matter.

And just as an aside, I have spoken to several veterans who have opted into RAMP program. And when they do, the results have

been good. I will have to say, I have been encouraged by that. And if it is scalable, if we have the capacity to do it, and that is what we will hear from you all today, then I think it has a chance to be very successful.

I can remember sitting right down there 10 years ago, and there were 1 million appeals claims backlog. So even though it doesn't—400,000 is a lot—if you are one veteran out there whose appeal hadn't been looked at, it is 100 percent for you, there has been improvement and changes have been made.

I would now like to yield to Ranking Member Esty for her opening comments.

OPENING STATEMENT OF ELIZABETH ESTY, RANKING MEMBER, DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS

Ms. ESTY. Thank you, Mr. Chairman. And I associate myself with all of his comments, in particular, the same issue areas that I think all of us on the Committee would like to get your review of, your guidance, your input, so that together we can move this forward.

I am happy to welcome everyone here today as we enter the home stretch on the implementation of the Appeals Modernization Act.

Today is this Committee's final check-in with GAO, the Veterans Benefits Administration and the Board of Veterans Appeals before the Act is fully implemented on February 14, or thereabouts, as we have already discussed.

From what I am reading in the testimony, all systems look to be a go. The Secretary is expected to certify in January that the VA has the resources, personnel, office space, procedures, and information technology required. But before that happens next month, I wanted to step back for a moment and highlight the process by which we arrived here, because I believe it is a model that for large-scale policymaking that other Committees—this Committee and other Committees—should look to duplicate.

First and foremost, appeals modernization has been bipartisan from the beginning almost 4 years ago.

Second, the statute set in place an innovative system of progress reports from both VA and GAO at regular intervals as implementation planning was playing out.

Third, full VSO participation in all stages is required by the statute. That is unprecedented. And I am happy to report that having checked with the VSOs this week and throughout the process, they have generally been quite well-pleased with the feedback they have been given the opportunity to share with VA. And it has not only been shared, but they are seeing evidence of that being incorporated in the planning process.

We want to make sure that that continues, and we want to make sure that that is reflected in the OMB regulations.

I strongly encourage this structured VA, GAO communication to continue after the rollout, because it is the veterans service representatives all around the country who are working with veterans every day, and they are in the best position to give you constant feedback about how, in fact, all this planning is playing out in the real world.

Another innovation in this law we are studying and applying more broadly is the authority that the statute provides VA to pilot various components. Both VBA and BVA did avail themselves of this authority, and I know that the lessons learned in these pilots will mean and are already meaning a faster and fairer process for veterans in the end. And that is after all, the point of this whole undertaking.

We are on the verge of one of the most significant improvements in a generation in how veteran disability compensation claims are processed. And I want to congratulate all those who have worked so hard to make these historic changes possible.

I want to congratulate our esteemed Chairman, Dr. Roe, to the DAMA Subcommittee and Chairman, Mr. Bost, to the leadership in the VA in two different administrations, to Chairman Isakson and Ranking Member Tester, our counterparts in the Senate, and, of course, to the leadership of the VSOs who are willing to put aside quite a few concerns and differences at the start of this process to bring us all together to the table to come to where we are today.

I have some questions as well as about the IT systems, but I will reserve those for later. But because this is my last opportunity as a Member of this Committee to publicly comment on this important reform, I want to end my remarks with two points.

First, with optimism. With optimism about the possibilities that appeals reform hold to make more accurate and timely disability compensation for veterans. And secondly, with an appreciation for the unprecedented willingness that has been shown by all to communicate constantly and to work together in the service of the same goal. That is serving the veterans that we are sworn to serve in honor for what they have provided to this country.

It has been a pleasure over the last 2 years to be on this Committee, the last 6 years in Congress working on behalf of veterans. And I want to again thank the Chairman for his leadership, my Ranking Member counterpart, the Chairman of the Subcommittee, Mr. Bost, and for all the Members of this esteemed Committee and for our guests here today. Thank you for your work every day on behalf of veterans.

Thank you, Mr. Chairman, and I yield back.

The CHAIRMAN. I thank the gentlelady for yielding and for your kind comments.

Joining us today is the Honorable James Byrne, the Acting Deputy Secretary. He is accompanied by the Honorable Cheryl Mason, Chairman of the Board of Veterans Appeals, David McLenachen, Director of Appeals Management Office at the Veterans Benefits Administration, and by Lloyd Thrower, the Deputy Chief Information Officer, Account Manager, Benefits Portfolio of the Office of Information and Technology; and Elizabeth Curda, the Director of Education, Workforce and Income Security Team for GAO.

Thank you all for being here this morning.

Acting Deputy Secretary Byrne, we will start with you. You are recognized for 5 minutes.

STATEMENT OF HONORABLE JAMES BYRNE

Mr. Byrne. Good morning, Chairman Roe, Ranking Member Esty, and Members the Committee.

Thank you for inviting me to testify on VA's implementation of the Veterans Appeals Improvement and Modernization Act of 2017.

My thanks to this Committee for its devotion to veterans, for its strong support of veterans and VA, and for keeping all of us above partisan politics. I have been Acting Deputy Secretary for just over 3 months. The year before, I served as the VA's general counsel. And what is clear to me in a short time, and to anyone watching, is that VA is on the cusp of the most comprehensive improvements since World War II. In large part, that is thanks to this Committee's work and the administration's unmitigated support.

Appeals modernization is just one example of historic legislation Congress has given veterans in the last 2 years. I am happy to report, that thanks to Cheryl's, Dave's and Lloyd's leadership and their team's great work, we are on track for operational launch in February.

We will continue to keep the Committee apprised of our progress, and alerted to any early or delayed publication of the regulations.

Before we take your questions, I would like to quickly touch on a few points. First, board and VBA IT teams have fully integrated their activities and worked collaboratively and productively over the past year. We expect to meet all appeals modernization IT milestones.

Appeals modernization implementation is not facing the IT challenges we have seen with Forever GI Bill implementation.

Second, I appreciate concerns that appeals modernization could distract from legacy appeal work, but we continue making historic progress on legacy appeals.

We reduce the appeals inventory by 9.6 percent in fiscal year 2018, despite receiving nearly 188,000 new appeals.

VBA exceeded their production targets by 12.5 percent, and the board issued a record number of decisions. 62 percent more than fiscal year 2017.

We accomplished this by resolving over 168,000 appeals and administering the Rapid Appeals Modernization Program, RAMP. We will continue balancing resources with requirements and preserve focus on legacy appeals through implementation and beyond.

Third, to facilitate smooth implementation, we set and achieved aggressive hiring goals, and the board and VBA have collaborated on training and outreach.

The board has provided staff large-scale training that will continue through full implementation, and VBA developed, delivered and continuously updates training for employees involved in RAMP and the new processes.

Finally, both RAMP and the Board's Early Applicability of Appeals Modernization Initiative, BEAAM have effectively tested processes, technology and assumptions and helped inform the new system, RAMP, giving eligible veterans opportunities to have decisions reviewed under modernize processes.

As of last Wednesday, veterans had moved over 75,600 appeals from the legacy to the modernized process.

VBA has completed nearly 33,000 higher-level review and supplemental claims decisions under RAMP, on average, in about 120 days, and has paid almost \$137 million in retroactive benefits.

In October, the board began adjudicating appeals in RAMP. As of Monday, they received over 930 RAMP appeals.

BEAAM, the smaller scale research program, has captured qualitative feedback from veterans and representatives that will further inform implementation. The board will provide BEAAM outcomes in its assessments later this month.

Appeals modernization is a good news story for veterans and VA. We collaborated on realistic, effective, flexible plan and we have been executing against that plan and making steady progress. Veterans can expect a modernized appeal process on time in February 2019.

Thank you for your support and for inviting us to testify today, and we look forward to your questions.

[THE PREPARED STATEMENT OF JAMES BYRNE APPEARS IN THE APPENDIX]

The CHAIRMAN. Thank you, Mr. Byrne.

And now, Ms. Curda, you are recognized for 5 minutes.

STATEMENT OF ELIZABETH H. CURDA

Ms. CURDA. Chairman Roe, Ranking Member Esty, and Members of the Committee, thank you for inviting me to discuss GAO's observations on VA's readiness to implement the reform of its disability appeals system.

I would like to commend the Committee for your extensive oversight of VA's planning for this complex endeavor.

The new process will affect the lives of hundreds of thousands of veterans with disabilities, and therefore requires careful planning to improve VA's chance of success.

Last March, we reported that while VA's initial plan reflected aspects of sound planning, improvements were still needed to provide greater assurance that appeals reform will be successful.

We recommended VA's plan, one, address all legally required elements in the Appeals Modernization Act.

Two, articulate how it will monitor and assess the performance of its appeals processes.

Three, augment its project plan for implementation.

And, four, address risks more fully.

VA agreed with our recommendations.

Today, I will discuss our observations on how VA's updated plan reflects progress in implementing our four recommendations and areas where their plan could be more robust.

First, regarding the five legal requirements that were not fully addressed in March, VA has addressed one element related to projecting productivity and partially addressed four remaining elements.

For example, VA's plan does not contain required metrics for monitoring implementation, and is still missing information the agency will need to certify that it has the resources needed to carry out timely processing under the new and legacy appeals processes.

Regarding assessing the performance of the new process, VBA has established some new performance measures and has plans to develop more.

For example, VA has taken steps to be able to measure and compare veterans' satisfaction with the new and legacy appeals processes.

VA officials have stated they plan to establish a balanced set of performance measures for all five new appeals options, as we recommended, but VA has not yet documented all of these measures, or how it will assess the relative performance of the new and legacy processes.

Regarding project management, VA has augmented its project plan to a limited extent. Last March, we reported that VA's high-level master schedule did not include all key activities, show how activities should be sequenced, reflect interim goals and milestone for monitoring implementation, or assign resources for activities.

Although VA's project plan provides significantly more detail than it did initially, we found the plan only minimally met sound practices for project management.

For example, the schedule did not contain a work breakdown structure that defines the work, activities and resources necessary to accomplish tasks.

Further, according to VA's schedule, the agency needs to complete 117 activities between January 1 and when it plans to implement in February. The lack of a robust schedule poses risks to successful and smooth implementation in February.

Finally, regarding addressing risks more fully, VA has addressed many, but not all key risks to implementation. For example, VA is better positioned to mitigate risks by using new analytical tools to better project resource needs under different assumptions about opt-in rates and productivity.

VA has also addressed risks by testing the two appeals options at VBA through RAMP and using preliminary results to update elements of the appeals process.

VA also initiated a small scale non-generalizable test of the three new board options. VA has used this limited test to learn about veterans' preferences among the new board options and to update the training, guidance systems and forms needed for full implementation. However, VA has not tested all aspects of the new appeals process.

For example, VA only recently began adjudicating cases for veterans in RAMP who are allowed to appeal subsequently to the board.

VA's August 2018 progress report identified a risk that veterans may appeal to the board at higher rates, which could have implications for timeliness and quality of decisions. However, VA's plan does not identify a mitigation strategy for this significant risk.

In summary, VA has made some concrete progress to improve its planning for disability appeals reform while it attends to legacy appeals. However, significant risks exist with launching the new process in February. Fully implementing our recommendations could better position VA to ensure successful implementation, but doing so prior to February 2019 may be challenging.

The option remains to phase in implementation to allow time for more testing and plan improvements. In any event, even after implementation, VA could better assure that the new process meets

veterans' needs by continuing to improve its approach to performance measurement, scheduling and risk management.

This concludes my prepared statement, and I will be happy to address the Committee's questions.

[THE PREPARED STATEMENT OF ELIZABETH H. CURDA APPEARS IN THE APPENDIX]

The CHAIRMAN. Thank you, Ms. Curda.

I will start yielding myself 5 minutes, and I will start with Mr. Byrne.

We are 2 months out from the earliest date, and I heard you say, I think three times, out from the earliest date that appeals modernization will be fully implemented.

Do you know if the Secretary intends to certify, hearing what Ms. Curda just said, that appeals reform is ready for full implementation next month? That is when he has to certify, 30 days out.

Mr. BYRNE. That is correct, sir. He is ready to certify in January, based on what we know now.

The CHAIRMAN. Okay. Knowing that, then I will go straight to the next question, which is directed at you also, Mr. Byrne, is that VA agreed with all four of GAO's recommendations in March of this year that improved planning practices would be better to ensure successful appeals reform.

Does VA continue to agree with those recommendations?

Mr. BYRNE. I am trying to remember all. There were four of them. Yes, sir, I believe so. I may ask for Chairman Mason to help me with that question, if that is okay.

The CHAIRMAN. Fine. Oh, absolutely.

Ms. MASON. Yes, sir. VA does continue to agree with GAO's recommendations, and we are working very closely with GAO in implementing some of those changes and taking some of the suggestions and working towards a more robust plan.

The CHAIRMAN. Well, then, having, if we are ready to go and GAO says there are 117 activities that they would recommend, they are not sure you can get to that point—and, look, I am all for if it takes another month, believe me, after going through this GI bill. If it is March when we certify, I don't have it any problem with that. Some people have been waiting for, you know, 5, 6, 7, 8 years. And so I think another month to get this out right. And I think you all have made tremendous progress, but how would you answer, Mr. Byrne or Ms. Mason, either one, her comments just a minute ago that a phased-in approach might be better?

Mr. BYRNE. My understanding is we are ready to go and will alert this body if we are going to be able to implement earlier or later.

As I understood some of the recommendations, that they were about backup and redundancy plans, and I believe we have addressed some of those. I am not best positioned, maybe, to answer those, but the two core issues are, are we ready with the regulations? Are we ready with the IT? And it is my understanding that we are, and I have good reason to believe, based upon questions to these folks that we are.

The CHAIRMAN. And just a question on the IT, I guess, Mr. Thrower, and when you put this, and I assume you were the

project manager on putting the system together, how is it that this—you think this IT system is going to work and the GI bill didn't.

Mr. THROWER. Well, actually I am not the project manager, but I am the liaison between OINT and—

The CHAIRMAN. Okay.

Mr. THROWER [continued].—and the board in managing this. But this is actually a very different scenario than the GI bill.

First off, let me just tell you, as of this past weekend, we have deployed the solution for all of the quirks of VMS that are required to implement this bill. It is deployed and ready in the field.

The Caseflow work has been incrementally delivered over the last 9 months. There are maybe two things that I know of that they are finishing up over the next month, and those I have very good confidence about.

A very important difference in this scenario than the GI bill scenario, is that it in this instance we are updating—to accomplish this, we are updating two critical VA systems that we have actually had boots on the ground working very hard long before this path, before this bill passed.

Their teams, execution teams were very familiar with the code, they were fully funded, and the level of requirements that we had to deal with was simpler.

The CHAIRMAN. I think you had another thing, too. I think the idea that you phased in RAMP allowed you to see through any hiccups in there without just having all of it dumped in your lap at one time. I think that was a very smart way to do it, to begin the way you did.

Mr. THROWER. Yes.

The CHAIRMAN. And then if there were problems, they weren't major problems affecting hundreds of thousands of people, they are affecting a few hundred, or a few people maybe, and you could see those. And I think there is a lesson to be learned there. I truly do.

Mr. THROWER. That is a very good observation, sir. Thank you.

The CHAIRMAN. Mr. Lamb, you are recognized for 5 minutes.

Mr. LAMB. Thank you, Mr. Chairman. If I could pick up where the Chairman left off, Mr. Thrower, could you walk us through that a little bit how the rollout of new IT in this pilot project worked and maybe what the lessons are for other IT projects we have in the VA?

Mr. THROWER. Let me think about it. Okay.

Mr. LAMB. I guess I am just asking, are there concrete examples in the last year or so?

Mr. THROWER. I will say that the most important—I think, that this was an excellent example of where the organization fully implemented its agile development principles, where we had incremental deliverables scheduled throughout the process.

First, we had very tight integration with the business, from day one. So there was no air gap between us in terms of understanding of requirements and what was needed.

We laid out a schedule early on of capabilities that needed to be done in May and September and in December, which we actually published in our report to Congress that you had available to you on the VBMS side.

On the Caseflow side, we were doing incremental waves of development, actually, from the last 2 years, that are all fed into the successful implementation of this. So throughout—

Mr. LAMB. And how well-tested has the Caseflow side of it been at this point? Do you know how many cases it has handled?

Mr. THROWER. Actually, I would have to defer to Ms. Mason.

Ms. MASON. The caseload is currently operational, and has been operational from the point that VBA puts the cases into the process, into the board, into intake. And then Caseflow Queue manages the cases. So pieces of it have been built and operational. So we started with the intake at the board and dispatch.

So all of our dispatch cases for at least, I want to say, the last 6 months, I would have to double-check that, but I am pretty sure the last 6 months of fiscal year 2018 were handled through the Caseflow Dispatch Program. [MEA1]And the intake part where VBA sends the cases into the board, that has been, I believe, operational from VBA for about the same time period, maybe a little bit more.

The Caseflow Queue Program at the board, which manages the dockets, that has been fully operational for the past couple of months.

We phased it in as well. There was a user-tester period, and then we have continued to phase in. We are currently in final user-testing in phase-in for how the cases within AMA and legacy will be used through the algorithm that actually manages how the cases are dispersed.

So we are pretty operational with all of the cases currently at the board.

Mr. LAMB. I guess I am just asking for an estimate of the sample size that have been tried in that new program.

Ms. MASON. I would have to take the current—I would have to take that as a do-out on that. I know majority of the cases dispatch from the board. This last year the 85,000, at least half of those came through Caseflow Dispatch, so those were all handled at that point.

I would have to get back to you on how many the Caseflow Queue program is, but it is currently running and operational at the board and that is how our cases are being processed currently.

Mr. LAMB. Okay. What does user satisfaction appear to be with that so far?

Ms. MASON. It is very high at the board.

Mr. LAMB. Yeah.

Ms. MASON. Dave?

Mr. MCLENACHEN. Same thing. Yes, actually Chairman Mason is correct. In fact, one of the first pieces that Caseflow delivered was when we certify a legacy appeal to the board, that has been in place for well over a year now, and that actually doesn't just help the efficiency of managing the work and sending it over, it actually improves the quality of our certifications to the board, so it has a very large impact.

Mr. LAMB. Okay. And was that an off-the-shelf purchase or was that partially developed within the VA? Can you just tell me the history of that?

Ms. MASON. Caseflow?

Mr. LAMB. Yes.

Ms. MASON. Caseflow was built by Digital Service. That is what they were already working on. Digital Service has been in VA since late 2015, and they were already working on building the Caseflow system before this law passed.

Mr. LAMB. Got it. Thank you very much.

Mr. Chairman, I yield back.

The CHAIRMAN. Thank the gentleman for yielding. Vice Chair Bilirakis, you are recognized.

Mr. BILIRAKIS. Thank you, Mr. Chairman. I appreciate it.

First question is for Acting Deputy Secretary Byrne.

According to information provided to staff, the VBMS release scheduled for December 9, 2018, was supposed to include the remainder of the VBMS functionality needed to implement the law with planning, production, validation testing occurring in January and February.

If after all the testing, hopefully this will now be the case, but VA realizes that the VBMS appeals functionality is not working as intended, what is VA's contingency or backup plan? Contingency plan, backup plan, what have you.

Mr. BYRNE. So the legacy appeals process will still be working for a while, and so they will fall back into those, is my understanding.

Mr. BILIRAKIS. Can you—

Mr. THROWER. Sir?

Mr. BILIRAKIS. Yes, please. And address the new appeals as well.

Mr. THROWER. Well, I will just say that the work in VBMS to make it done is finished. It is fully tested and is deployed.

Mr. BILIRAKIS. Okay. Let me ask another question of Deputy Secretary Byrne. According to the November 2018 update, VA plans to hire 542 new claims processors. Is that correct? And will place them primarily at the DROC in St. Petersburg, which is just outside of my district in Florida and in Seattle. This is what I was told.

How many of the 542 new claim processors will be placed into the appeals positions at DROC in St. Petersburg, the division in St. Petersburg?

Mr. BYRNE. Can I ask Mr. McLenachen to give you specifics on that?

Mr. BILIRAKIS. Please.

Mr. MCLENACHEN. Yes, sir. It is good news here, Congressman.

605 FTE was the additional appropriation we got for appeals in fiscal year 2019. So thanks to the Committee and others in Congress for that support.

I am happy to report that about 75 percent of that hiring is already done. The distribution between those two locations is about 400 in St. Pete, and the remainder in Seattle. As I said, 75 percent complete. Those DROCs will be up and running by February.

Mr. BILIRAKIS. Okay. How will you ensure that these people are appropriately trained, again, on the appeals process and the applicable laws and regulations?

Mr. MCLENACHEN. Yes, so, we have already hired all of the management team for those two locations, and we have hired all of the production employees with just a few exceptions. The majority of the production employees are already hired.

Some of them are already in training, and we have training scheduled for the remainder to go into. So they are going through our challenge training program to prepare them for doing that work. That has all been scheduled and in place.

Mr. BILIRAKIS. Okay. Chairman Mason, how many years do you estimate it will take for the board to address the current legacy appeals backlog? How many years would you say, 1 year, 2 years, 3 years?

Ms. MASON. It is going to take more than 1 year, sir.

Mr. BILIRAKIS. Give me a ballpark, please.

Ms. MASON. That is really hard for me to do without guesstimating right now, because the board relies on the cases coming in from VBA to work those legacy cases. VBA does have a deadline they have set, plus we are bringing in the AMA cases and working those, and we are balancing those.

We do expect to be able to tell you a timeline after February, after we start the new process, because the legacy will—all the cases then will be in AMA, and we will better have a better number, a determination of how long it will take us.

Mr. BILIRAKIS. Okay. So you will get back to us—

Ms. MASON. We are going to—

Mr. BILIRAKIS [continued].—to this Committee in February?

Ms. MASON. It will be after the February 14 launch.

Mr. BILIRAKIS. After the February.

Ms. MASON. So I am hoping early spring, but as soon as I have it, I will report out, as I have done with my other responses.

Mr. BILIRAKIS. Please get it to us. I would appreciate it very much.

Ms. MASON. Will do so, sir.

Mr. BILIRAKIS. And then, Secretary Byrne, what are VA's plan for comparing the performance of the legacy system, and new appeals process using a range of goals and measures like timeliness and, of course, veteran satisfaction, which is so very important?

Mr. BYRNE. So it is my understanding there are and will be several surveys to inform us going forward with implementing the new modernization.

Feedback from veterans is key toward everything we do, and in particular, claims and appeals such as this. So it is a circle, it is a loop, sir, of feedback.

Mr. BILIRAKIS. Okay. Can you address the timeliness as well? Satisfaction, sure, from the veteran, but timeliness. Give me a range. What is the goal as far as timeliness is concerned, in general?

Mr. BYRNE. So I have a general thought of that.

Mr. BILIRAKIS. In general.

Mr. BYRNE. Chairman Mason can give us some specifics, I think.

Ms. MASON. Sure. Both the board and VBA are monitoring our metrics on both performance, quality, and timeliness. And as we move forward, as we brought the sand table before you all in the spring, we are starting to plug those numbers in and adjust those numbers a little bit, we will have timeliness goals for you.

VBA already runs those in the RAMP programs with the average of 125 days. The board expects to do the direct docket in an average of 365 days. The other two lanes, I am hoping, again, to get

metrics on that once I get into the system. The current RAMP appeals program at the board is giving me some early data, but at this point in time, until I start running all five dockets and get that absolutely running and launched, I am not comfortable giving you full data on the timeliness, but I will get back to you.

But we are monitoring all of that, and VBA and the board are collaborating very closely on all of that data. And we are running the metrics, just as we are required to under Section 5 of the AMA.

Mr. BILIRAKIS. All right. Thank you very much.

I yield back Mr. Chairman. I appreciate it.

The CHAIRMAN. Ms. Kuster, you are recognized.

Ms. KUSTER. Thank you. And thank you for being with us.

I just want to go back to the veteran experience, if we could.

Can you walk us through, after this is all online, what the veteran experience would be, what their choices would be, and what the timeframes would be that they can expect for resolution of their claim?

Mr. BYRNE. I can pull out my chart and follow it, ma'am, but I can assure you that Chairman Mason, right off the top of her head, can walk you through that in very, very fine detail.

Ms. KUSTER. I am fine to hear it from her. I just want the American people to know what veterans can expect.

Ms. MASON. So first and foremost, we are working very closely with the Office of Veterans Experience within the Department and working on those surveys. We already have surveys launched, and we are already receiving satisfaction information back on those. We have already started receiving those. So that is the first thing we are looking at.

Second thing we have also launched is the appeals status tracker on the VA website to allow veterans to log on and see exactly where their appeals is and exactly where the claims is. And that provides them feedback where they are. So those things are already launched and running.

Both the board and VBA have been very transparent with our numbers on how we are doing and what we are doing. Both in training programs when Mr. McLenachen and I have been out speaking, whether together or separately, we have provided the time lines for 125 days for VBAs, what their expectation, and that is an average.

We will continue to monitor that within VBA. And then at the board, again, the direct docket is the 365 lane, we expect to complete those within the 365—

Ms. KUSTER. Including a hearing?

Ms. MASON. Hearings are not. Hearing is a separate lane. The additional evidence lane, which is 90 days, additional evidence submission and the hearing lane are going to take a little bit longer.

The situation with hearings with the board is I currently have 71,000 veterans in the legacy who have requested hearings. And I am working on those. I have redistributed my resources, and I expect to announce something very soon with the collaboration with OIT on hearings, which will impact the ability of the board to hold more hearings.

Ms. KUSTER. Do you have sufficient resources and personnel to process the 71,000 hearings?

Ms. MASON. I do. It is going to take me a minute, but we have actually reduced that number. We started the year with over 80,000, and we were able to hold 16,000 hearings last year. We offered 24,000. Veterans either rescheduled or did not appear for approximately 9,000 of those cases.

This year we expect to offer—we have already started—but we expect to offer over 34,000 hearing opportunities. To date, the board has held over 4,500 hearings, which is ahead of schedule from what we offered last year, and we are continuing to do that.

Ms. KUSTER. So it would take somewhere between 2 to 5 years to process the backlog? How many new hearings are requested every year?

Ms. MASON. Right now with the appeals, with the AMA coming in, out of the 930 RAMP cases the board has received to date, 450, approximately 450 of those are hearing requests.

Ms. KUSTER. So half, roughly half.

Ms. MASON. That is generally what we have seen. That is generally our average, is about half request hearings. That is something we are looking, and I have already started to change my resource allocation with my judges on how we handle the decisions and the hearings. And I expect that will have an impact going forward. And as we start to implement those changes, I will be happy to report back to you all on how we are doing.

Again, the board does report information on its website on a regular basis, usually weekly, on how we are doing on the decisions dispatched, as well as the hearings held. And that is our mission. Those two things are our mission, and that is my job, is to make sure that we do them and we get those results to veterans.

Ms. KUSTER. And our job is to make sure you have the resources to do that. So just trying to do the math in my head, it doesn't sound as though you will be able to process the backlog while you keep up with half of the new cases requesting hearings.

So I would just recommend to the chair and to the incoming chair next session that we consider additional resources to help you get through this. So thank you.

Ms. MASON. Thank you, ma'am.

Ms. KUSTER. I yield back.

The CHAIRMAN. I thank the gentlelady for yielding.

Mr. Coffman, you are recognized.

Mr. COFFMAN. Thank you, Mr. Chairman.

Chairman Mason, the—Chairwoman Mason, the RAMP pilot was implemented to test the new appeals process prior to full implementation.

Your testimony indicates RAMP has been successful. Noting over the past year, 74,399 appeals were processed using RAMP, which reduced the legacy appeals inventory.

What percent of these RAMP appeals met quality standards? Specifically, how many appeals decisions received a quality review to ensure accuracy and identity errors that would warrant retraining for employees?

Ms. MASON. So, first, I am going to answer the question as to RAMP appeals at the board, which started in October, and then I am going to hand it over to Mr. McLenachen for the VBA RAMP

program that started last November because he has that data and he is in charge of that piece.

As far as RAMP appeals at the board, we have our quality review system in place, and we are running quality review. We did quality review on the first 40 RAMP appeals that were issued, and since then, we have run the statistical standard on that.

We have not yet seen any indications of a need for training or trends there, but we are working it closely. Our current quality rate at the board for both the RAMP appeals and for board decisions is over 92 percent.

Mr. McLenachen?

Mr. MCLENACHEN. So we look at quality in a number of different ways in the RAMP program. Keep in mind, this is a temporary program, so we are really focused on setting up a new quality assurance program for the high-level reviews when we start that process in February.

But for RAMP, we actually did 100 percent quality review during the training for the 12 stations that are doing the RAMP processing in VA.

In addition to that, we have a local quality assurance program where a sample of the work that is being done is reviewed locally. In addition to that, we have done four site visits at some of the stations that have been processing RAMP the longest. That included taking samples of claims that were decided and reviewing quality on that basis.

We are also doing special focus reviews. And this was primarily to ensure that, because it is a little bit of a cultural change for higher-level reviewers, in particular, that they are following the procedures that we put out for RAMP. And so those special focus reviews really zeroed in on that.

So we have a really comprehensive program for reviewing the RAMP decisions and making sure they are accurate, but I wanted to point out, one of the advantages of the RAMP program is once they get a decision, they are in the new process. So that means that they have that control and the options over their review that they would have after February, anyway.

So if they are still dissatisfied after that decision that they get on an average of 120 days, they have all the options and the benefits of the new process that was in the law. And to include choosing another option, then, once they get that decision. So really, that is the real advantage of opting-in through RAMP, is you get all the benefits of the new system.

Mr. COFFMAN. Chairwoman Mason, how are VBA and BVA ensuring—and I think part of this was answered—ensuring the quality of claims processed using RAMP and BEAAM?

Ms. MASON. So the BEAAM, again, was a small-scale program that the board tested to see if our communications and what veterans were understanding in various different organizations from the VSOs as well as our advocates, and so we were able to get feedback from the BEAAM program, qualitative feedback, and change some of our form letters and respond that way to the feedback.

So that is the BEAAM portion.

The board and VBA work very collaboratively together on our training and our quality review process, and recently, in November,

the board and VBA launched an appeal to training initiative that we are working together to provide training to. Really it is a dual-training action.

We provide some training to VBA, and they give us some feedback on what they are seeing with our cases. And we just launched that project. It has got great feedback initially, and that is how we expect to move forward. That is the vehicle we are going to use as we move out to process the feedback and the trends that we are seeing as a result of that.

Mr. COFFMAN. Mr. Chairman, I yield back.

The CHAIRMAN. I thank the gentleman for yielding.

As Ms. Mason, if you wouldn't mind, would you send us a blank survey, one of those surveys so both sides of the aisle can look at that? We would just like to see it.

Ms. MASON. Absolutely. We can get that from the Veteran Experience Office. Happy to do it.

The CHAIRMAN. Thank you. Mr. O'Rourke, you are recognized.

Mr. O'ROURKE. Thank you, Mr. Chairman.

From the opening testimony, it seemed as though the GAO was telling us that we weren't ready for implementation in February. And based on your recommendations, you didn't feel like there was enough time for VA to implement those, and you suggest a phase-in approach.

And then if I heard you correctly, Mr. Secretary, you feel that the VA is ready and that there is no need to have a phase-in approach.

So I wonder, Ms. Curda, given what you have heard from Secretary Byrne and Chairwoman Mason, whether their answers to our questions so far address your outstanding concerns and whether you agree with them that they are ready to go. If not, I would love for you to share with us what you think the consequences are if the VA goes without having addressed the legal requirements, the performance measures, the project management concerns, including 117 activities—you mentioned there is not a robust schedule to implement those—and then the risks, which is your fourth point.

Ms. CURDA. Certainly. I mean, I think that there is nothing I have heard today that is surprising. We have been talking to the VA folks all along, and we certainly have their perspective on this.

I would say the biggest risk, from our perspective to implementation is the risk that when veterans are faced with five new options which has not been tested before, that larger numbers of them will go, opt for a hearing at the board. That is the most resource-intensive option and could have implications for the ability of the board to process legacy claims, and also to take care of the folks that are now signing up for something new and they were hoping that would get better for them.

So in terms of mitigating that risk, you know, we have recommended taking several steps as they, if they still continue to fully implement, you know, articulate expectations for performance so they can monitor against those expectations and see, are we meeting goals, are we not meeting goals. And then, you know, even if they delay full implementation of the new process, they could allow more time to model-test or phase in the board options and develop contingency plans, if outcomes are not what are expected.

In terms of another sort of big risk area is, and we have, you know, I think the board has alluded to this a little bit, this is large-scale change for everyone involved, all the staff, all the managers, you are hiring new people, and change management is complicated business and can take time. It is critically important to communicate to all the players, all the stakeholders what is happening with the change and the stakeholders as well, and there has to be buy-in.

So, you know, that can take a little bit of time, and I am not completely sure that the change management to date has been as robust as it could be.

And was there another aspect to the question?

Mr. O'ROURKE. I am just wondering if these outstanding concerns are not addressed and the VA does not take a phase-in approach and implements without being fully ready, what is the worst that could happen to veterans?

And one of the things I hear you saying is there may not be resources there, and that is following up on Ms. Kuster's questions, on some unintended consequences of paths that veterans may choose. And perhaps, you know, the suggestion is that in the next Congress, we appropriate additional resources to meet that demand.

I wonder, Secretary Byrne, one of the concerns raised that seems to be a consistent problem with the VA, and I know Chairman Arrington has been really good on this issue, is the lack of performance measures. How to know whether you are successful, how you are doing along the way. And that was a second outstanding concern from the GAO. The VA has not developed measures to assess performance. How would you know if you are successful or not?

Mr. BYRNE. So that is a fair question, and I think the GAO concerns are fair as well. But the big picture is, is that we are offering the veterans choice and control over the appeals process that is sort of unprecedented, making it easier and very veteran-user-friendly.

The phased-in approach—I appreciate that comment—however, RAMP has given us a pretty good picture of how this is going to be implemented.

Mr. O'ROURKE. And if I could interrupt, I am out of time. If we don't have defined goals, we will never know how we are doing. You can say, we are giving it our best, we are giving veterans lots of options, this feels good, we have hired a lot of people, this is better than what it was. But if I don't know what the target is, how can we gauge your performance and hold you accountable?

So of the concerns raised by GAO, that is the most concerning to me. And I hope that you can, working with the GAO, come up with defined performance measures that we can all hold ourselves accountable. I yield back to the Chairman.

The CHAIRMAN. I thank the gentleman for yielding. Mrs. Radewagen, you are recognized.

Mrs. RADEWAGEN. Thank you, Mr. Chairman, and the Ranking Member. Thank you also to the panel for being here today.

My question is for the Honorable Cheryl Mason. Chairman Mason, the Secretary has delegated to you the authority to oversee appeals reform implementation. Have you faced any challenges in

overseeing implementation given that you do not have line authority over all the different elements of VA that are involved in appeals reform, such as VBA and OINT?

Ms. MASON. Thank you for your question, ma'am. The board, the way the situation works with the board is the board is the Secretary's designee to handle appeals from in the Department, from all the administrations and general counsel. And so that is under the law where the board sits.

Having said that, you are correct, the board does not have line authority over VBA. There is no way I can tell USB what to do. But we work very collaboratively in the Department. And the one thing I will tell you is the new Under Secretary Wilkie and Acting Deputy Secretary Byrne, we have implemented a very strong governance process where we all come together on a monthly basis and discuss all the issues that are before us. And so it is a collaborative issue. And so while I may have point for this, it is a collaboration.

So if there is a concern on appeals on the VBA side or if there is an issue with OINT, that is something that the Department handles as a governance body. It is not just me. I am just the driver to make sure that I bring those issues to the governance board. To date, I have not had any issues. We work very collaboratively together and have done so since I became Chairman.

Mrs. RADEWAGEN. So how are you ensuring that VA has a comprehensive and cohesive plan to successfully develop and implement the new system?

Ms. MASON. Well, the Under Secretary for Benefits and I meet every 2 weeks, and we discuss specific challenges within the appeals structure and those planning. I also meet on a regular basis with OINT leadership, and we talk about the customer service requirements there. And it is the same thing, you know, with VHA. I meet with the PDUSH, the acting PDUSH as well.

So I have oversight of all that through the Secretary and Acting Deputy Secretary, and then my job is to report out if there is any issues.

But we do have a comprehensive plan. That is what you have seen in the 90-day reports that we have sent out.

The board has had the lead on putting those together, but, again, it is a collaboration.

We have to work in partnership, and we have to take care of all our customers across the organization in order to deliver results to the veterans.

Mrs. RADEWAGEN. Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. I thank the gentlelady for yielding.

Ms. Esty, you are recognized for 5 minutes.

Ms. ESTY. Thank you, Mr. Chairman.

I would like to raise the question the VSOs raised with me. They have raised concerns, the new IT system, the Caseflow Queue, is not fully ready for implementation. Specifically they have raised concerns that they are unable to view legacy cases through Caseflow.

Can you provide a specific date by which the VSOs will have access to legacy cases via Caseflow?

Ms. MASON. Currently, we are actually testing the collocated VSOs at the board. They do have access at the board right now.

We just rolled that out on a limited basis. We are testing that. That is part of our phase-in.

As we go forward into January 2019 and full delivery in February, we expect to broaden that. That will be more of a phased-in process with Caseflow, because there are procedures that the VSOs have to go through to meet those access requirements that are Department requirements.

But we are already working, and they do have access in the program now.

Ms. ESTY. Well, thank you, because I know that is very important in our effort to really comprehensively address issues. If they cannot see—the VSOs who are on the front line are unable to see the legacy claims, then we are not really getting the benefit—the promised benefits of this IT innovation.

The next question I wanted to address was one that the Chairman referenced at the very beginning.

We think it is very important to have these goals and these timelines, but we have seen happen with other VA ambitious programs, that they have rolled out in an effort to meet a timeline and have, thereby, lost the trust of the veterans we are here to serve.

Have you considered, given the 117 items, I believe, Ms. Curda, intended that need to be completed, and some of them may be very small? But 117 items between January 1 and February 14 is a lot. And there will be a new Congress and lots of questions.

Have you considered delaying that in order to be certain you have done the beta testing, you are prepared to do the rollout fully so that we do not lose the goodwill we have been all attempting to regain from veterans?

Mr. BYRNE. That is a very fair question, ma'am. And I can assure you there has been some robust discussion, certainly over the last a couple of weeks about implementation of various programs, and this one in particular. This is one that I can tell you that the Secretary and I have a lot of confidence in the implementation being met on time. The regulations, we don't completely control that process. It is being evaluated right now. So that would be the hold-up.

From an IT perspective, my understanding is we are much, much further—in fact, we are implementing it. My understanding, we are driving that car right now, and that is why, from a layman's perspective, the Secretary and I have confidence that we are going to be able to implement this on time.

The caveat would be the regulations, but we have every indication that that is going to be on time as well.

Ms. ESTY. Thank you. You mentioned on BEAAM that we have only had 30 cases go through right now. And, Mr. Byrne, you indicated that that would be qualitative feedback, and yet, for the process to fully run out, you are moving from about 900 cases, of which only 30 have gone through.

What assurance do you have you are going to be in a position again in less than 2—in about 2 months to be able to have this fully functioning, the BEAAM portion fully functioning so you understand how those cases go through and are ready to implement them across the board?

Mr. BYRNE. So I will touch on that lightly, and then maybe ask Chairman Mason to help me out on that.

BEAAM, as I understand it, was a very detailed interview feedback loop process with our veterans to ensure we were delivering to them the control and choice that they have been asking for from the veterans, from the VSOs, and from—with internal.

As far as the actual implementation, I think those were a little bit apples and oranges, right? The implementation is about the regulations being available on time and about having the IT solution performing. And we have a pretty high degree of confidence. And I understand we maybe all be a little gun shy about actual execution. But in this case, there is a pretty high degree—there is a high degree of confidence that we will be able to execute as predicted in February.

Ms. ESTY. Well, I guess to be more precise. Whether you have been able to incorporate that qualitative detailed feedback from 30 cases, whether you feel that is sufficiently broad to incorporate it and have it ready to go in that as far—

Ms. MASON. Ma'am, we have incorporated—thank you. We have incorporated that feedback already in our form letters and, actually, the NOD form for the board specifically. And as far as—so that BEAAM was enough for us to get that initial information.

But then, we also had the RAMP program running a VBA as well as what the board took over. And that did give us—continue to give us information on top of the VEO surveys.

Ms. ESTY. Thank you.

The CHAIRMAN. I thank the gentlelady for yielding.

Mr. Poliquin, you are recognized for 5 minutes.

Mr. POLIQUIN. Thank you very much, Mr. Chairman. I appreciate it. And I appreciate the great bipartisan work over the last a couple of years on this Committee.

I represent the rural part of the State of Maine. Now, some people think that all of Maine is rural, but that is not true. And health care closer at home is really a critical issue for our veterans up in rural Maine. And I am delighted that all this work has been done such that our veterans now—the law of the land can get their health care closer to home.

That initiative actually started with a pilot program, Mr. Chairman. Maine was one of five places in the country up in Caribou, Maine, where the ARCH program started. And it was rolled out nationally. And now we are here with these nice folks before us talking about this problem we have had for a number of years with the appeals backlog. And you had had a couple examples of the pilot programs to roll this out and see would it work.

So I would like to ask you, Mr. Byrne, and you can delegate that to anybody else that is beside you, if that is more effective. But tell us, what have you learned in your two pilot programs, just like we have learned up in northern Maine, the pilot program that led to the Mission Act and the Choice Program here that has been rolled out nationally. What have you learned that you can learn—that you can share with us such that when you roll this out big time across the system, you will have a better success rate?

If I may, Ms. Mason, be as specific as you can, please.

Ms. MASON. Okay. Sure.

I think I am going to start, and I am going to then delegate it to Mr. McLenachen, because we run two pieces of that.

Really, what the board has learned primarily is how important that veteran feedback is and to listen to our stakeholders, because they have had some very—

Mr. POLIQUIN. And do you have a way to get that feedback very user-friendly for our veterans such that they can log on, however they do it, so they can get back to you very quickly, very easily, so you can assess that?

Ms. MASON. Yes. Actually, with the new VA experience customer surveys, we can receive that feedback immediately.

Mr. POLIQUIN. And how about folks that live in rural Maine that don't have access to the internet? How do you do that?

Ms. MASON. I think they can do surveys both electronically and via mail. I would have to check on that one though, sir.

Mr. POLIQUIN. That would be great if you can get back to me on that.

Ms. MASON. So I am going to hand the rest of that answer over to Mr. McLenachen, because I know he has more on that.

Mr. POLIQUIN. Yes, ma'am.

Mr. MCLENACHEN. Sure.

So RAMP really helped us, because we have actually received—then this goes back to the previous question—34—we have actually done 34,000 decisions in the RAMP program. So it wasn't just the feedback we were getting from the small scale BEAAM program, but it was all of those decisions that we were making. So we were getting feedback from representatives of veterans, from veterans, from our own employees.

Mr. POLIQUIN. And what have you learned that you can share with us?

Mr. MCLENACHEN. Sure.

We have learned how to improve the procedures that we are launching permanently next in February.

Mr. POLIQUIN. Be specific. Give me an example, please.

Mr. MCLENACHEN. Sure.

A higher-level reviewer has to do a—in some cases, an informal conference with the veteran. We received a lot of feedback about how to make that process better and improve the scheduling of those. There is a lot of those type of—

Mr. POLIQUIN. Right now, just on average, sir, how much time in the legacy system currently today, if a veteran has an appeal because he has lost hearing and he gets back the decision from you nice folks that it is not what he expects it to be or what it should be, how long does it now take to go through that process, on average?

Mr. MCLENACHEN. On average, 3 to 7 years.

Mr. POLIQUIN. 3 to 7 years.

How long do you think it will take with this new system that you folks are implementing that we have given you a lot of money to do?

Mr. MCLENACHEN. It is designed for early resolution. So an average of 125 days in each of the two VBA lanes. And then at the board, as Chairman Mason has said, the fastest opportunity there is an average of 1 year.

Mr. POLIQUIN. Okay. So you expect to go from—anywhere from 3 to 7 years to roughly 4 months to 1 year.

God bless you. We are all behind you. We hope you do it. Our veterans deserve this.

Mr. MCLENACHEN. Right now we are processing RAMP claims in an average of about 120 days.

Mr. POLIQUIN. Okay. Okay. How are you folks getting the VSOs involved? Because so many of our veterans on the ground touch our veteran service organizations on a regular basis. How are you bringing them into the fold such that they can help you roll this out effectively, get the word out, and keep our veterans well informed? How are you doing that?

Mr. MCLENACHEN. So this goes back to the Chairman's opening statement. Take you back to March 2016. We started this by getting all stakeholders in the room together. That is how we did this.

Mr. POLIQUIN. Okay. And are they doing their job to help us with this?

Mr. MCLENACHEN. Absolutely. They have been with us every step of the way to include promoting RAMP and everything.

Mr. POLIQUIN. Thank you.

Mr. BYRNE, I am going to ask my last question quickly here.

You folks have mentioned hiring a bunch of people to make sure this works smoothly, and that is all great. I like to remind you, you have 285,000—excuse me. I think it is 385,000 people at the Veterans Administration.

Can you find any people internally to do this, so we don't have to spend taxpayer money to go outside and do this all over again? Were you able to do that?

Mr. BYRNE. To a certain degree, I think we were.

Mr. POLIQUIN. How many of the people that you had to hire for this project came from the inside?

Mr. BYRNE. Can I ask Chairman Mason for that specific—?

Mr. POLIQUIN. Yeah. Of course.

Ms. MASON. We looked at offering opportunities to all our employees. But we are going to have to take that as a do-out and get to you, sir. I don't know exactly how many internal employees.

Mr. POLIQUIN. Okay. So you have two things you are going to get back to me with, right?

Ms. MASON. Yes.

Mr. POLIQUIN. Great.

Thank you very much. I yield back my time. Thank you.

Good luck, everybody.

The CHAIRMAN. There is a New York minute, and then there is a Maine minute, and those are different. I now yield to Mr. Correa.

Mr. CORREA. Thank you, Mr. Chairman.

To the panel, the application, the implementation of the Appeals Modernization Act, how are you including the VSOs in that process?

Mr. BYRNE. So I am just going to touch it briefly.

The VSOs were part of the ground floor in coming up with control and choice for the veterans. They were a driving factor in this. And we continue to have feedback with them in this process. And their service representatives are also a key part of—

Mr. CORREA. Can you describe how you are actually getting feedback and implementing that feedback?

Mr. BYRNE. That I would have kick over to the Chairman, sir.

Mr. CORREA. Sure.

Ms. MASON. We have regular meetings, sir. The Secretary has regular meetings and receives feedback. The Chairman, the USB. We sometimes do joint meetings with VBA. But we are interacting with our VSOs on a regular basis.

At the board, the board has co-located VSOs that actually sit with us that handle the cases. And we meet with them on a regular basis as well.

So we are constantly taking feedback and constantly taking the pulse from our VSOs.

Mr. CORREA. Moving forward, do you see that to continue to be the case?

Ms. MASON. Absolutely. We can't go forward without them.

Mr. CORREA. Any VSOs here today?

Ms. MASON. Yes.

Mr. CORREA. Yes?

Are we okay? Satisfaction? Yes? No? Good?

I can't read sign language. Are we okay?

Thumbs up. Thank you very much.

Mr. Chair, I yield.

The CHAIRMAN. I thank the gentleman for yielding.

Mr. Higgins, you are recognized for 5 minutes.

Mr. HIGGINS. Thank you, Mr. Chairman. Thank you, ladies and gentlemen for your service to your country. Mr. McLenachen, thank you for your service to your country, sir. I understand you are an Army veteran.

I have constant communications with the veterans that I serve in south Louisiana. And the primary complaint regarding the appeals process out of New Orleans, you are looking at appeals from 2014 and 2015, certainly hundreds of backlog appeals cases. In most of the hearings, there is a requirement for the veteran to attend a hearing in New Orleans. These guys have transportation problems, man. They have deteriorating medical conditions, and in some cases, mental challenges, certainly financial and transportation challenges. Their hearing dates gets moved and shifted. And it is hard enough for them to get to their CBOC or their VA medical facility. Wherein, we have invested tremendous amounts of the people's treasure in order to completely modernize these facilities. In my district, I have two brand new CBOCs. They are beautiful, incredible state-of-the-art technology.

What I don't understand, as a veteran myself, why a veteran would be required to drive 200, 250 miles to a hearing when it is hard enough for him to get 20 miles to a CBOC or his VA medical facility, yet we have invested incredible amounts of treasure in these facilities to make them telecapable. And the decisions made about their appeals is primarily medical in nature.

So I am told that the VA states that their IT systems in the appeals arena does not communicate well with their IT systems in the medical arena. And it is just unacceptable to me as a veteran and as a Congressman.

Would you please address that, sir, as a veteran yourself?

Mr. MCLENACHEN. Yes, sir. And thank you.

Chairman Mason is actually doing a lot of work in this area. The hearings that you are referring to are board hearings that the board judges handle. We do the scheduling for those right now. But she is doing—

Mr. HIGGINS. They are legal questions. I agree. But they are based upon medical conditions, are they not, 100 percent of the time?

Mr. MCLENACHEN. That is generally correct, yes, based on medical exams that are done in the initial decision process. And then if there is an appeal to the board, one of the things the board looks at is do we fulfill our duty to assist the veteran in developing their, which includes providing them a medical examination.

Mr. HIGGINS. Thank you for that answer.

I asked for—I asked generally is there a commitment—can we look for a commitment from the VA to integrate IT systems and to enhance the abilities of veterans to attend their hearings more locally at VA facilities, medical facilities, CBOCs, et cetera. Is that on the horizon? Can we look at that?

Ms. MASON. Yes, sir, it is on the immediate horizon.

Mr. HIGGINS. Thank you, ma'am. That is encouraging. I have questions I promised to get to.

Secretary Byrne, I understand you also serve as a VA general—as the VA's general counsel?

Mr. BYRNE. Yes, sir.

Mr. HIGGINS. Thank you for your service, sir. Commander, correct? You are Commander Byrne, correct?

Mr. BYRNE. I was lieutenant colonel in the Marine Corps.

Mr. HIGGINS. Roger that. Thank you for your service.

What is the current status of regulatory changes you will need to implement the appeals reform?

Mr. BYRNE. The current regulatory process involves another component of the executive branch, and that is where it is under review right now. And we have expectations that it is going to come out on time and be published sufficiently before the February 14 deadline. But we are tracking it. And if we have any indications that it is going to come out early or late, we will certainly let this body know.

Mr. HIGGINS. Your optimism, your tone has been encouraging. It is uplifting to us to hear that sort of can-do attitude. We recognize what you guys are dealing with is incredibly difficult.

I have a follow-up question for you, sir. Will the Secretary still certify next month if the final rule is not yet published?

Mr. BYRNE. Yes, sir, he will certify.

Mr. HIGGINS. Will the Secretary still certify next month if the final rule is not yet published?

Mr. BYRNE. Correct.

Mr. HIGGINS. I take that as a yes.

Mr. BYRNE. Yes, sir.

Mr. HIGGINS. And finally, even if the final regulations are completed prior to implementation, how can you ensure the VA disseminates that information and conducts training for staff on the new regulations and forms, which is a nightmare in the VA that,

you know, getting your head wrapped around as these new forms are very complex prior to the effective date of the law?

Mr. BYRNE. Sir, I am going to kick this over, but I hope the training is already underway. I hope that is the answer we are going to hear.

Ms. MASON. That is the answer you are going to hear. That training has already been underway for some time at the board, and I believe VBA. And I will let Mr. McLenachen take that.

But the board has ongoing training on a regular basis for both the new law as well as our IT changes as well as the forms, and we are also working with our VSOs in those areas as well.

Mr. HIGGINS. Thank you, madam, for your response.

Mr. Chairman, I yield.

The CHAIRMAN. I thank the gentleman for yielding.

Mr. Takano, you are recognized.

Mr. TAKANO. Thank you, Mr. Chairman.

Secretary Byrne and Chairman Mason, regarding legacy claims, could you discuss how we won't leave these people behind? We are talking about the legacy—you understand what I mean by legacy claims, right?

Go ahead, Mr. Secretary.

Mr. BYRNE. I believe Chairman Mason is going to tell you that legacy—that we are going to balance the resources that we have. But processing legacy claims is a priority to reduce that backlog.

Ms. MASON. That is correct, sir. The Department made a commitment in March of 2016 when we started this process that led to the Appeals Modernization Act passing that we would prioritize the legacy cases. And we are keeping that commitment. We—at the board, and, I believe, at VBA, I can't speak for Mr. McLenachen on this one, other than it is my understanding that they are also prioritizing those.

At the board specifically, the Caseflow Queue program is already in user testing. The algorithm program, which has a—was built for us by Digital Services has a prioritization piece in it that prioritizes those legacy cases over the AMA. But the direct docket is the next level. So Mr. McLenachen—

Mr. TAKANO. Mr. McLenachen.

Mr. MCLENACHEN. Yes. So we know what resources it is going to take to complete our legacy appeals as well as work the new system. We are separately allocating resources to each of those, and we will adjust as necessary when we go forward.

Mr. TAKANO. Okay. Well, to both of you and Chair Mason, have you made efforts to meet with the union during the discussion implementation of new regulations surrounding the Appeals Modernization Act?

Ms. MASON. The union at the board, the union representative, we regularly meet with the union, the leadership team. It is not always me. It is sometimes my leadership team with my other duties.

The union has been involved in our training process and is always a partner at the table to discuss how we are rolling those out. But there are management pieces that go to that that the management can make the decisions on. And we give the union the notification as required.

Mr. TAKANO. Mr. McLenachen.

Mr. MCLENACHEN. The same answer. All the way back from when we implemented RAMP, all the way through to what we are doing today, we have kept the union apprised of what we are doing, yes.

Mr. TAKANO. I mean, you would say it is fairly regular? Weekly? Monthly?

Ms. MASON. It is usually monthly to quarterly depending on what the union request is at the board.

Mr. TAKANO. Okay. Have you incorporated any of their suggestions from these quarterly or monthly meetings or the comments that the union submitted during the proposed rulemaking?

Ms. MASON. Yes. We looked at all comments from our employees. Our employees all gave feedback on the process when we spoke with them. Specifically, I don't know that we used anything in the rulemaking on that, because that was an internal agency piece. But we did discuss what the comments were.

Mr. TAKANO. Mr. McLenachen.

Mr. MCLENACHEN. Yes. So usually the union's concern is the impact of employees when we implement major initiatives like this. So, yes, we have fully advised them of that. They have told us of their concerns about implementation and tried to address those as best we could.

Mr. TAKANO. What assurances are you giving the front-line employees that they will have adequate time to adjust to the new procedures and regulations as they are being implemented, and that they are not unfairly dinged during the implementation, and immediately thereafter?

Ms. MASON. Well, at the board, we rolled out new production standards this October. We actually met with our union partners in August and September in preparation for appeals modernization. And part of that change was to measure—allow attorneys to measure their production on the number of issues they do per decision, which is exactly how we will report. We report both the number of decisions the board does as well as the number of issues under appeals modernization.

And training—there is also a training piece that is part of our union agreement that they get a certain piece of time that doesn't count towards production and training. And I can't speak for—

Mr. MCLENACHEN. Same in VBA. When we implement something like this, usually there is an acclimation period for employees to get used to the new procedures.

I just want to point out, though, the law does not change how—the entitlement to benefits and how we process those claims. It is really a process change rather than a changing the way that they are used to making decisions based on the entitlement that veterans have.

Mr. TAKANO. But, nevertheless, you are representing to me that there is adequate time for the employees to adjust, as you say, acclimate—

Mr. MCLENACHEN. Yes, that is always the case.

Mr. TAKANO [continued].—to the new regulatory and procedural environment.

I am not going to take the Maine minute. I am just going to yield back.

The CHAIRMAN. I thank the gentleman for yielding.

I am going to take a point of personal privilege here and thank some Members of this Committee before everybody gets gone.

Mike Coffman, a classmate of mine, veteran of both Marine Corps and the U.S. Army. He made one good choice. That would be the U.S. Army, with all due deference to Colonel Byrne. Mike, thank you for your service all these years on the Committee and the things you have done for the folks in Denver with the Denver VA. You stayed on that. Thank you so much for that.

And, Ms. Esty, you will be leaving the Congress this point. It has been a pleasure working with you. You have had very, very positive things and intuitive things that you have done for not only constituents in your district, but across the entire country. So thank you for that.

And I tried to get, before Mr. O'Rourke escaped, to thank him for his work on the Committee. He has been terrific. He certainly has a passion for the people in El Paso and the people he represents. And I want to thank all three of you who won't be here next term to work on veterans' issues. I know what is near and dear to your heart. Me, personally, thank each and every one of you.

General Bergman, I now yield 5 minutes.

Mr. BERGMAN. It is okay to be a Marine, though, right, even though, you know, we like to think that Mr. Coffman succeeded so successfully in the Army because of his basic training in the Corps.

Thank you, everyone.

We will keep this to the point at hand.

But speaking of veterans, you know, in the first district of Michigan, Michigan as a State has a very high percentage of men and women who have served and are veterans. And in the first district of Michigan, we have almost double the percentage of veterans, as do other districts in Michigan. So, you know, it has been an honor these first 2 years to represent the veterans—all the veterans in the district. And we are not getting any younger. And the point of that is, has there been any consideration in the appeals process to prioritize older veterans because of where they are in the time in their life?

Ms. MASON. Oh, actually, do you want me to take—actually, sir, thank you for the question. It is a good point.

Actually, the board does have an advance on the docket process already in place. The veterans is 75 or older. It is automatically flagged to go into that bin, and we work those cases first. And in our new algorithm, the advance on the docket cases are in—all—those are all in the prioritization regardless of whether they are legacy or whether they are AMA.

The advance on the docket also applies to veterans who have terminal health issues as well as financial issues. And this past year, on my own motion, I advanced cases on the docket for the hurricanes as well as the typhoon in the Mariana Islands. And we are releasing a statement, I believe, by the end of the week that will address the California fires and the Alaska earthquake.

So we do actually advance cases for those veterans. And as veterans reach that age, it is an automatic flag.

Mr. BERGMAN. Okay. Is there something they have to fill out? Or is it just automatically because of the information they provide, your ages and there it is automatically then put into the—

Ms. MASON. For age, it is automatically flagged in our electronic system at the board.

Mr. BERGMAN. Now, you know, communication is not what is said, it is what is heard. And understanding of words written may or may not translate into the veteran understanding when they receive a letter. And I received some interesting letters from government agencies addressing my senior status and different things that I have no clue what actually the point of the letter is. Okay? And I am not going to get into details. And I think even asking a couple of other folks, what does this mean? There was some head scratching going on.

So I know the VA, I believe, has made an effort to make more understandable written communication so when that veteran receives it, they can actually understand what the point of the letter is.

Would anyone care to give me an example of success in that?

Mr. MCLENACHEN. Yes. Actually, I am happy to point out that that is a priority for the Under Secretary. He is—actually has a program that he has running now where he has an individual leading a review of the letters that we use to do exactly that, make them more understandable.

Mr. BERGMAN. So does that include—not to cut in.

So does that include feedback? Because we talked about the feedback loop has been put in. Is that—does that include feedback? So if a—

Mr. MCLENACHEN. Yes.

Mr. BERGMAN. You know, you get—so we can look at the success of a letter or success of phrases. Is that something that is visible to us as a Committee to see where the change has been made?

Mr. MCLENACHEN. Yes. And, in fact, the model that we use for appeals modernization is something we are trying to use further in the Department but, in particular, in VBA. Getting the input of veteran service organizations veterans, and getting their perspective on whether it really is understandable. And then even at the Department level, the Veterans Experience Office is very helpful and focused on that particular issue.

Ms. MASON. We have survey results currently from the Veterans Experience Office, at least at the board level, that we get on a regular basis that tells us how the judges are communicating at hearings, how our decisions are being received by veterans in that communication piece. So we are looking at that regularly at the board.

Mr. BERGMAN. It is one thing—and I know my time is coming short here. It is one thing to provide an opportunity for feedback. The second step, of course, is taking that feedback and truly evaluating it to then turn whatever it is you are trying to accomplish into a better document or a better communication.

Thank you, and I yield back.

The CHAIRMAN. I thank the gentleman for yielding.

Chairman Arrington, you are recognized.

Mr. ARRINGTON. Thank you, Mr. Chairman.

First, I want to associate myself with your commendation to our colleagues, Ms. Esty and Mr. Coffman. It has been a delight serving with you and wish you the very best, and Godspeed. And thank you all for your good work on the panel, and sounds like we are making some progress.

The guy who held this seat that I served in three decades ago, his name is Kent Hance. He used to tell a story about a public schoolteacher in Dimmitt, Texas. It is a little town, like a lot of little towns in my district. Farming and ranching town. He had a public schoolteacher named Ms. Littlepage, and she taught accounting. And she kept it real simple. She said, in accounting you have money coming in, and you have money coming out. And if you have more money going out than you have coming in, you broke.

And I want to apply Ms. Littlepage's principle of accounting to this discussion, because you have incoming cases, and then you have resolved, or outgoing, cases. And if you got more incoming cases than you got outgoing, you broke. The system is broke. And we cannot continue with the backlog of over 400,000. The whole point of this was to have a more timely resolution of these claims.

So let me just go through the numbers, here make sure my Dimmitt/Plainview/West Texas math is working appropriately.

The RAMP claims—let me just start there. The RAMP—and anybody can answer this who is the expert in RAMP, but it—RAMP deals with two of the three lanes, correct? And the anticipation of the pilot was that we would have more people, I think, that signed up for RAMP saying that they would go to those two lanes. I think it was like 16 percent versus 40 percent. So not as many people signed up for the—or signed on, maybe, to the two lanes that RAMP is testing. Is that a fair statement?

Mr. MCLENACHEN. It is. We did not know what we were going to get. We are at about 18 percent right now opting in, and we have seen it go up every month that we have been running the program.

Mr. ARRINGTON. One might believe, in the case where you didn't get as many on the two lanes that RAMP is testing, that you would have more going into that third lane, which is the board appeals. Is that an accurate assumption, or fair assumption?

Mr. MCLENACHEN. That is possible, that we deliberately designed the RAMP program not to include that lane, because we don't just want to trade a long process that is broken now for those people going to the board. We wanted early resolution. And we are doing that quickly in those two VBA lanes.

Mr. ARRINGTON. So you have—in November 30, there were 420,000 pending appeals. About 130 of those thousand appeals were with the board, Ms. Mason. And my understanding is that by 2024, it will be 400,000 pending. I am reading—let's see here. The board projected the inventory of more than double between 2017 to 2024 from 150,000 to around 400,000. Is that not accurate?

Ms. MASON. I believe it is—what we are doing in that with that guesstimate was, and that was from more than a year ago, so that was before I became Chairman, so I am not exactly sure what—

Mr. ARRINGTON. Well, let's just say it is an approximate number. But 400,000. Here's my bigger point. You guys have had a better number in terms of resolutions at about 85,000 in 1 year.

Ms. MASON. Right.

Mr. ARRINGTON. But the incoming is 90-plus thousand, correct?

Ms. MASON. Well, this past year we actually only received only about 69,000 in the door.

Mr. ARRINGTON. Do we expect it will be 90 every year?

My understanding that that was a pretty good round average, or rolling average over the last several years, 90,000.

Ms. MASON. You are correct, sir.

Mr. ARRINGTON. Okay. So if that continues, and this is just an anomaly this year of 60-something, then we will just always be in a deficit mode. And so you will never get enough to—you won't have the capacity to receive the incoming. I don't know what you are going to do with the legacy, as Mr. Takano mentioned it.

What do you do with the backlog? Are we ever going to get at the backlog? Will we ever have the capacity not to just meet the demand, but exceed it? That is the only way we are going to get at that bigger legacy number of 400-plus thousand.

I will just stop, because my time is expired. But if the Chairman would indulge me and allow them to answer that long question.

Mr. MCLENACHEN. Sir, excellent questions. I think the one factor that you are not considering is in February, we shut off the flow to the legacy process. So one other factor to consider is every year, we receive more than 160,000 new legacy appeals. That is what we have been receiving. So the fact that we are at now 420,000, we were at about 475,000, while we were receiving that constant flow of 160,000 new appeals every year, that is significant that we brought that number down. And when you shut the flow off in February, you will have no more going to legacy. And that is really the key that is missing in that discussion is—that is what the law does for us. It shuts the flow off to that broken system. And you are absolutely correct. It is broken.

So just considering that factor, we believe that we, in VBA, will get through our legacy appeals in 2020, which is a vast improvement about—over what we were talking about a couple of years ago.

The wildcard for the board is they get their appeals from us, so we resolve what we can first. Veterans choose to appeal to them. So the board is relying on what is flowing from us to them.

In addition to that, we have flow back from the board, even though the board decided 85,000, which was great. Many of those are remands back to VBA, where we have to do more work. And that is kind of the key to what is broken in the current process. It is that constant churn back and forth between VBA and the board. The Committee's work shut that off in February, at least a good portion of it.

Ms. MASON. And the other thing is, I want to go back to the stats you quoted. I don't believe those stats took into consideration the resources that Congress gave the board in fiscal year 2017 that allowed us to hire more people, and allowed us to increase our resources, which you saw the payout from—began to saw the payout from in fiscal year 2018 with those 85,000. And we are going to continue, so that is going to change what the estimate is. We are going to give you a new number. But I can't get there until I get to—it will be after February, but you will get a new number, sir.

The CHAIRMAN. That was a Texas minute right there. Let's see.

Mr. Takano, do you have any closing comments?

Mr. TAKANO. Yes. Just briefly.

Mr. Chairman, I thank all the witnesses for coming forward. And I have met with some of you in private. I am cautiously optimistic that the implementation will be successful. And that the work that was done by this Committee on a bipartisan basis to lay the groundwork for where you are, the work that my colleague, Ms. Esty, did as the Ranking Member and inheriting from Ranking Member Dina Titus, and the whole way in which the VSOs work together. And this Committee worked together, Mr. Chairman. This is a point of pride for me. And our small talk up here indicates that both of us have a cautiously good feeling about where this is going. I am happy to hear that IT, the work that you have done with Digital Services, seems to have borne good fruit.

So I do want to say my farewells to Mr. Coffman. I do admire the work that you have done, sir. Under my presumptive chairmanship, you can guarantee that Denver will not be forgotten, and that we will—and we care about all the veterans in all the communities, and we are going to make sure that all these medical centers all get up to snuff.

Ms. Esty, what a pleasure it has been to be your colleague. And it was a great note of sadness that I see you are departing. You are enormously talented. But I know that you are going to be contributing to our country and our Nation, and you will continue to contribute to your community.

And, of course, Mr. O'Rourke, he is not here, but enough said about him. There is a lot already being said about him, and I have a feeling we haven't heard the last of him here.

And what a special sacred bipartisan space this is, Mr. Chairman. I know we are going to continue this relationship that we have. And I will do my utmost to preserve the traditions of this Committee, so thank you.

Mr. ARRINGTON. Will the gentleman yield?

Mr. TAKANO. I will yield, yes.

Mr. ARRINGTON. I am excited and looking forward to the new leadership here. And my understanding is that I am looking at one of the new leaders of this Committee. But I want to say something about the current leader as we wrap this session up.

This is, for many of us on the Committee, our first term in Congress. And I did not anticipate I would have the privilege of serving on this Committee. And I certainly didn't fully appreciate how productive this Committee would be. And I think a lot of that is the bipartisan nature. But it has to be stewarded by the captain of the ship. I mean, it trickles down from the top. And the leader of this Committee sets the tone.

And I just want to say, Mr. Chairman, and if Ranking Member Walz were here, I would commend him as well. But, Chairman, thank you for your tremendous leadership for all of us, to lead us through one of the most—it would have to be. I don't know the numbers. But to pass 80 veteran-related bills in the House, virtually all of them bipartisan coming out of this Committee. And to have almost 30 veteran-related reforms, major initiatives like the

Mission Act and like the new Forever GI bill, et cetera, et cetera, like this appeals process, I can't find another space and spot in place in the United States Congress that has been more productive and more ably led, and led in a way that reflects not just well on your colleagues, but on the character of the men and women who wore the uniform who we are trying to serve.

So you set a great example for me, and I think for my freshman class and all of us on this Committee. Thank you for your leadership and thank you for your service, not just to our veterans, but to our entire Nation over this last 2 years in the 115th Congress.

The CHAIRMAN. Thank you very much.

I appreciate your kind words. I do, Jodey. Thanks very much for that. It is much appreciated. And, again, you have heard me thank the Committee profusely for what they have done.

I also want to thank the people who are here today. You all have done a great job. And we are excited about doing this. Because I can promise you, every Member up here, probably the most things that—individual cases we work on at home are veterans' cases. And we have one, two, maybe more people on our staffs that work on those, and most of them are appeals or something related to the VA.

And I want to thank you all for getting this up and ready to run. I think it is going to work, and I think the RAMP program really did give us a good trial run. And, again, as I said at the opening, I have heard any number of people come up and say, Hey, Doc, this RAMP program really got me my case adjudicated very rapidly.

Mr. Higgins, I want to thank you. I think it is a great idea with teleconference. And I think that makes absolute sense. If you got the capacity in the CBOC, why you couldn't just schedule that with a veteran right there in their hometown. That makes absolute sense, so they don't have to travel long distances. It is much more difficult for them to travel. Many other good ideas we flushed out today. And I look forward to them.

And one of the things I think I learned with this bill was to continue to bring the stakeholders back in every few months and go over where we are. That maybe was a mistake in some of the bills that we didn't do. We are doing that with mission. If we are here next week, we will be doing a mission hearing next week, next Wednesday afternoon.

So I think we have learned a lot from you all. And kudos to you all with the good work you have done. I appreciate it, and we look forward to going live next year.

Mr. Coffman.

Mr. COFFMAN.—was very important. But I also think, having been a retired physician, was extremely important in terms of bringing that knowledge and sharing that knowledge and your experiences with this Committee I think is very important.

And, of course, we all know the acronym for Army stands for 'Ain't Ready for the Marines Yet', but we won't go there.

The CHAIRMAN. I thank the gentleman. I won't yield any more time to that gentleman.

I was about to dismiss us before we got done here.

No further questions. Thank you all for being here.

I ask unanimous consent that the written statements provided for the record be placed into the hearing record. Without objection, so ordered. And also ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material. Hearing no objections, the hearing is adjourned.

[Whereupon, at 11:40 a.m., the Committee was adjourned.]

A P P E N D I X

Prepared Statement of James Byrne

Good morning Chairman Roe, Ranking Member Walz, and Members of the Committee. Thank you for inviting us to provide an update on VA's progress implementing the Veterans Appeals Improvement and Modernization Act of 2017 (AMA). Joining me today are Ms. Cheryl Mason, Chairman of the Board of Veterans Appeals; Mr. David R. McLenachen, Director of the Appeals Management Office, Veterans Benefits Administration (VBA); and Mr. Lloyd Thrower, Deputy Chief Information Officer, Account Manager for Benefits, Office of Information and Technology (OIT). We hope that this hearing will add to the long line of regular updates and meetings previously had on this topic.

AMA, enacted on August 23, 2017, is the most significant statutory change affecting VA appeals in decades, and I wish to thank the Committee for its work on the much-needed comprehensive legislation that is transforming an archaic process into one that makes sense for Veterans and their families, their advocates, VA, stakeholders, and taxpayers. I appreciate the opportunity to discuss the progress of implementation and how the Department will timely address new decision review requests and legacy appeals.

VA remains deeply committed to helping Veterans receive the benefits that they have earned, and I am pleased to report that Appeals Modernization remains on track for implementation in February 2019.

During the past few months, VA made significant strides towards implementing the new decision review system. VA initiated its rulemaking to implement the law by publishing a proposed rule in the Federal Register on August 10, 2018, and the public notice and comment period ended on October 9, 2018. VA received 29 comments from the public on the proposed rule, which are available for review by the public on regulations.gov and will be addressed in the publication of the final rule. VA received comments from Veterans Service Organizations, the private bar, legal clinics, and individuals. These comments were supportive and included a desire that VA decision notices should provide enough information for a claimant to make a well-informed decision about next steps in their decision review or appeal. VA has made changes to the rule, such as clarifying terms and definitions, that will be described in the published final rule. VA is working collaboratively with the Office of Management and Budget to finalize the regulations and prepare them for publication in the Federal Register.

The Department is focused on additional aspects of implementation, to include developing and updating information technology (IT) systems for the new claims and appeals process, conducting programs to test assumptions regarding the new system, developing and refining meaningful performance metrics to track progress, providing training across VA for employees, and collaborating in the implementation process with stakeholders - Veterans Service Organizations (VSO), Veteran advocates, Congressional stakeholders, and the Government Accountability Office, among others.

VA's enterprise-wide IT modernization efforts that began prior to the current statutory changes were re-focused to build out functionality necessary to support implementation of the AMA. VA's IT solution for implementing the AMA is a collaboration within OIT between teams supporting the Veterans Benefits Management System, VBA primary claims processing and tracking system, the Veterans Appeals Control and Locator System (VACOLS), and Caseflow, the Board's new case management and workflow system. These two teams have been working collaboratively, using agile practices, including a robust requirements development process, fully integrating their activities over the past year to deliver the necessary solution. VA anticipates meeting all implementation milestones and deliverables, which are detailed in the integrated master schedule included in the periodic updates to the Comprehensive Plan for Processing Legacy Appeals and Implementing the Modernized Appeals System that VA submits to Congress and GAO. These periodic reports are

available to the public on VA's website. The most recent report was submitted last month.

AMA authorized VA to create programs to test assumptions in the implementation of the new claims and appeals system. VA launched the Rapid Appeals Modernization Program (RAMP) on November 1, 2017, giving eligible Veterans with disability compensation appeals the voluntary option to have their decisions reviewed in the Higher-Level or Supplemental Claim Lanes outlined in AMA. RAMP gives Veterans early access to the benefits of the new system and helps to lower the number of appeals pending in the legacy system during transition. Overall, RAMP has been successful, and has provided numerous Veterans early access to the modernized appeals system. As of November 28, 2018, RAMP helped transition 74,399 appeals from the legacy inventory of 398,674. VBA has completed nearly 32,000 Higher-Level Review and Supplemental Claim decisions under RAMP, with an average processing time of 119 days, resulting in the payment of more than \$131 million in retroactive disability compensation benefits to Veterans in the program. VBA has learned valuable lessons from RAMP and has found that using enhanced workload distribution systems like the National Work Queue (NWQ) can have a significant impact on RAMP station productivity. Accordingly, on November 13, 2018, VBA began using NWQ to assign, prioritize, and distribute RAMP claims. VBA continues to focus on resolving legacy appeals for Veterans. At the end of September, despite receiving more than 160,000 new appeals in fiscal year (FY) 2018, the compensation and pension appeals inventory had decreased by over 14 percent, and appeals production was over 12.5 percent above target.

The Board of Veterans' Appeals (the Board) demonstrated its commitment to reducing legacy appeals by deciding a record number of 85,288 appeals in FY 2018, a historic high for any fiscal year. The Board's annual production goal for FY 2019 is set at 90,050 decisions, an increase of approximately 5.5 percent above FY 2018.

The Board is continuing to test programs targeted at preparing the organization for AMA implementation. On October 1, 2018, the Board began adjudicating its first RAMP appeals in a phased-in test of processes and technology. This allows the Board to identify and address potential issues and risks relating to implementation of the new framework, and RAMP is providing VA with additional information it is using to update and change Standard Operating Procedures. As of November 19, 2018, the Board had received 823 appeals of RAMP decisions. More than half of the Veterans who elected to file a RAMP appeal to the Board selected the hearing lane, suggesting that the opportunity for a hearing with a Veterans Law Judge will continue to be a valued aspect of the Board appeal process following implementation of the new appeals system.

The Board's Early Applicability of Appeals Modernization (BEAAM) is a small-scale research program designed to provide valuable qualitative feedback and insight that will inform future implementation plans. The research team conducted more than 70 hours of interviews, providing valuable insight into how Veterans and representatives would make choices under the new framework and allowing VA to refine and update implementation activities to improve Veteran experiences. The Board has a final assessment of its research program available upon request.

In addition to identifying and addressing potential risks and issues through test programs, the Board collaborated with the Veterans Experience Office, using the Medallia tool/database, to conduct surveys of Veterans who have an active appeal at the Board, including both legacy and RAMP appeals. Data collected such as age, gender and geographic location can be reviewed in the aggregate to assist with program improvement and implementation of the new system by informing the Board's policies and procedures.

To ensure smooth implementation, the Board launched an aggressive workforce plan to recruit, hire, and train new employees in FY 2018. The Board on-boarded approximately 242 individuals, including approximately 20 administrative personnel, as well as 217 attorneys/ law clerks hired during the last quarter of FY 2018.

The Board anticipates that initially a minimum of 10 percent of resources associated with attorney and Veterans Law Judge workflow will be required to implement and administer the new appeals system. This means that the Board is estimating that roughly 10 percent of staff time will be spent completing tasks related to AMA. The Board has a finite pool of attorneys and judges to work the cases. The Board will not allocate resources dedicated solely to the legacy or new appeals processes. The reason for this is that the legacy caseload will not immediately diminish once the new appeals system begins. This percentage will be adjusted as dictated by priorities and inventory, and will preserve equitable processing of appeals on each docket while employing the workload efficiently across the fixed Judge/Attorney workforce.

VBA's compensation and pension appeals program is presently supported by 1,495 FTEs. VBA received an additional 605 FTEs in its FY 2019 Budget to process legacy appeals and decision reviews in the modernized process. As of October 1, 2018, to best maximize its resources and enable efficiencies, VBA centralized these additional assets to conduct higher-level reviews at two Decision Review Operation Centers (DROC). VBA will convert the current Appeals Resource Center in Washington, DC, into a third DROC using existing assets.

The Board and VBA collaborated on training and outreach activities for employees and stakeholders, to include for VSOs and Congressional staff. The Board provides large-scale trainings on the new appeals system for all Board staff, which reinforce the differences between the legacy and new systems. Regular training activities will continue at the Board through full implementation in February 2019.

Since the implementation of RAMP in November 2017, VBA has continuously provided updated training for employees directly involved in public contact teams, intake processing centers, and appeals teams regarding RAMP and the future of the decision review process. VBA develops and delivers AMA training to its employees, which provide a comprehensive overview of full implementation and a greater awareness of RAMP.

VA is grateful to all stakeholders for their continued contributions of time, energy, and expertise in this effort. VA is working strategically to increase awareness of AMA and RAMP through a combination of direct outreach and increased communications products. Beyond VA's routine local outreach, the Department engages with Veteran stakeholders to disseminate information through national conferences and training events. Through coordination and collaboration, senior leadership from the Board and VBA have provided approximately 60 such outreach sessions in FY 2018, with several more scheduled throughout this current fiscal year.

Mr. Chairman, this concludes my statement. Thank you for the opportunity to appear before you today. We would be pleased to respond to any questions that you, or other Members, may have.

Prepared Statement of Elizabeth H. Curda

Chairman Roe, Ranking Member Walz, and Members of the Committee:

VA DISABILITY BENEFITS

Planning Gaps Could Impede Readiness for Successful Appeals Implementation

I appreciate the opportunity today to provide an update on the Department of Veterans Affairs' (VA) plans for implementing a new disability appeals process while still attending to appeals under the current, or legacy, process.

VA provides cash benefits to veterans for disabling conditions incurred in or aggravated by military service, paying about \$72 billion to about 4.5 million veterans in fiscal year 2017. If veterans are dissatisfied with VA's initial decision they can appeal-first to the Veterans Benefits Administration (VBA) and then, if not satisfied there, to the Board of Veterans' Appeals (Board), a separate agency within VA. For appeals resolved in fiscal year 2017, veterans waited an average of approximately 3 years from the date they initiated their appeal to resolution by either VBA or the Board-and an average of 7 years for appeals resolved by the Board. Due in part to the challenges VA faces managing large workloads and deciding disability claims and appeals in a timely manner, in 2003 we designated VA disability compensation, along with other federal disability programs, as one of the government's highest risk areas.¹

The Veterans Appeals Improvement and Modernization Act of 2017 (Act) makes changes to VA's disability appeals process by replacing it with one that gives veterans various options either for further review by VBA or to bypass VBA and appeal directly to the Board.² These changes may generally take effect no earlier than February 2019, which is about 18 months from the date of enactment. The Act also built in flexibility for VA regarding this time frame by stating that most of these changes will not take effect until 30 days after the Secretary of Veterans Affairs certifies that the agency is prepared to carry out timely processing of appeals under

¹Improving and modernizing federal disability programs is an area that we continue to monitor on our high-risk list. 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).

²Pub. L. No. 115-55, § 2, 131 Stat. 1105, 1105.

the new and legacy appeals process, in addition to giving VA the option of phasing in implementation of the new process at that time.³

The Act further required VA to submit a comprehensive plan for implementing the new appeals process to the appropriate Committees of Congress and GAO.⁴ (VA submitted its plan to GAO on November 22, 2017.) The Act delineates 22 legally required elements—some with subparts—for this plan. In addition, the Act requires VA to provide progress reports to the appropriate Committees of Congress and GAO at least every 90 days until the Act's changes to the appeals process generally go into effect and then at least every 180 days after this date for 7 years. VA submitted progress reports in February, May, August, and November 2018.

The Act also includes a provision for GAO to assess whether VA's appeals plan comports with sound planning practices and identify any gaps in the plan.⁵ In response, we have issued a series of reports and testimonies assessing VA's plans. In our March 2018 report, we concluded that while VA's November 2017 plan reflected aspects of sound planning, improvements in planning were still needed to ensure successful appeals reform. We recommended VA's plan (1) address all legally required elements in the Act; (2) articulate how VA will monitor and assess the performance of appeals processes; (3) augment its project plan for implementation; and (4) address risk more fully.⁶ VA agreed with our recommendations.⁷ In a July 2018 testimony we concluded that VA had updated its plan and taken some steps to address aspects of these four recommendations, but further steps were needed.⁸

My statement today addresses VA's recent progress in implementing the four recommendations in our March 2018 report, what aspects of those recommendations VA has yet to address, and the risks these gaps pose for successful implementation of appeals reform.⁹

For this statement, we reviewed VA's most recent progress reports on its appeals reform plan, dated August and November 2018, and information we received from VA officials about steps taken to implement our March 2018 recommendations. We assessed VA's schedules and supporting documentation against applicable best practices in GAO's Schedule Assessment Guide.¹⁰ We also interviewed VA officials and reviewed information related to VA's progress in addressing related recommendations from work that we conducted prior to enactment of the Act.¹¹

³Under the Act, the legal changes to VA's appeals process will generally take effect on or after the later of (1) 540 days (approximately 18 months) after enactment, and (2) 30 days after the Secretary of Veterans Affairs submits to the appropriate Committees of Congress (i) a certification that VA has the resources, personnel, office space, procedures, and IT required to carry out the new appeals system and to timely address appeals under the new appeals system as well as pending legacy appeals, and (ii) a summary of the expected performance outcomes used in making the certification with respect to legacy claims and a comparison of these expected outcomes with actual program performance with respect to the appeals under the legacy system (before the new system is implemented). Pub. L. No. 115–55, § 2(x)(1), 131 Stat. 1105, 1115.

⁴The Act defines “appropriate Committees of Congress” as the Committee on Veterans’ Affairs and the Committee on Appropriations of the Senate, and the Committee on Veterans’ Affairs and the Committee on Appropriations in the House of Representatives.

⁵Pub. L. No. 115–55, § 3(c), 131 Stat. 1105, 1118.

⁶GAO, VA Disability Benefits: Improved Planning Practices Would Better Ensure Successful Appeals Reform, GAO 18 352 (Washington, D.C.: Mar. 22, 2018). We also discussed our work and proposed recommendations in a January 2018 testimony. See GAO, VA Disability Benefits: Opportunities Exist to Better Ensure Successful Appeals Reform, GAO 18 349T (Washington, D.C.: Jan. 30, 2018). See also our report on VA's appeals planning that pre-dated the Act: GAO, VA Disability Benefits: Additional Planning Would Enhance Efforts to Improve the Timeliness of Appeals Decisions, GAO 17 234 (Washington, D.C.: Mar. 23, 2017).

⁷Subsequently, in April 2018 we designated two of our four recommendations—monitoring and assessing performance as well as addressing risks—as “priority recommendations” for VA to implement. Priority recommendations are open recommendations we believe warrant priority attention from heads of key departments and agencies.

⁸GAO, VA Disability Benefits: Some Progress, but Further Steps Needed to Improve Appeals Reform Planning, GAO 18 661T (Washington, D.C.: July 24, 2018).

⁹GAO 18 352.

¹⁰GAO, GAO Schedule Assessment Guide: Best Practices for Project Schedules, GAO 16 89G (Washington, D.C.: December 2015).

¹¹We have been monitoring VA's progress in addressing a related set of five recommendations from our 2017 report on VA's appeals planning. See GAO, VA Disability Benefits: Additional Planning Would Enhance Efforts to Improve the Timeliness of Appeals Decisions, GAO 17 234 (Washington, D.C.: March 23, 2017). Specifically, we made five recommendations to improve VA's ability to implement its proposed reform to the appeals process while addressing a growing appeals workload, with which VA agreed in principle. In summary, we recommended that VA develop: (1) a detailed workforce plan, (2) a complete schedule of information technology (IT) updates, (3) better estimates of future workloads and timeliness, (4) a robust plan for monitoring appeals reform, and (5) a strategy for assessing whether the new process improves veterans' experiences over the current process. We also suggested that Congress require VA to pilot test

The work upon which this statement is based was conducted 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's Current Disability Compensation Appeals Process

VA's process for deciding veterans' eligibility for disability compensation begins when a veteran submits a claim to VA.¹² Staff in one of VBA's 57 regional offices assist the veteran by gathering additional evidence, such as military and medical records, that is needed to evaluate the claim. Based on this evidence, VBA decides whether the veteran is entitled to compensation and, if so, how much. A veteran dissatisfied with the initial claim decision can generally appeal within 1 year from the date of the notification letter sent by VBA.

Under the current appeals process (now referred to by VA as the legacy process), an appeal begins with the veteran filing a Notice of Disagreement. VBA then re-examines the case and generally issues a Statement of the Case that represents its decision. A veteran dissatisfied with VBA's decision can file an appeal with the Board. In filing that appeal, the veteran can indicate whether a Board hearing is desired. Before the Board reviews the appeal, VBA prepares the file and certifies it as ready for Board review. If the veteran requests a hearing to present new evidence or arguments, the Board will hold a hearing by videoconference or at a local VBA regional office. The Board reviews the evidence and either issues a decision to grant or deny the veteran's appeal or refers the appeal back to VBA for further work.

VA's New Appeals Process

According to VA's appeals plan, VA intends to implement the Act by February 2019, by replacing the current appeals process with a process offering veterans who are dissatisfied with VBA's decision on their claim five options. Two of those options afford the veteran an opportunity for an additional review of VBA's decision within VBA, and the other three options afford them the opportunity to bypass additional VBA review and appeal directly to the Board.

Under the new appeals process, the two VBA options will be:

1. Request higher-level review: The veteran asks VBA to review its initial decision based on the same evidence but with a higher-level official reviewing and issuing a new decision.

2. File supplemental claim: The veteran provides additional evidence and files a supplemental claim with VBA for a new decision on the claim. The veteran can also request a VBA hearing.

The three Board options will be:

3. Request Board review of existing record: The veteran appeals to the Board and asks it to review only the existing record without a hearing.

4. Request Board review of additional evidence, without a hearing.

5. Request Board review of additional evidence, with a hearing.

In November 2017, VA initiated a test of the new VBA higher-level review and supplemental claim options. According to VA's appeals plan, a purpose of this test—the Rapid Appeals Modernization Program (RAMP)—is to reduce legacy appeals by providing veterans with a chance for early resolution of their claims within VBA's new process. Participation in RAMP is voluntary, but veterans must withdraw their pending legacy appeal to participate, according to VA's appeals plan.

VA Has Not Provided Complete Information on Four Elements in the Act

appeals reform changes. As of December 2018, four of these recommendations remain open. We closed the third recommendation because VA developed better estimates of future workloads and timeliness. We also closed our suggestion to Congress because the Act authorizes VA to carry out programs to test any assumptions relied upon in developing its comprehensive plan and test the feasibility and advisability of any facet of the new appeals process.

¹²For additional details about VA's current and new appeals processes and the Act, see GAO 18 352.

In our March 2018 report, we found that VA's November 2017 plan for implementing a new disability appeals process while attending to appeals under way in the current (legacy) process, addressed 17 of 22 elements required by the Act.¹³ For the 5 remaining elements, we found that it partially addressed 4 elements related to implementation monitoring, productivity projecting, and workforce planning, and did not address 1 element related to identifying total resources. This element called for delineating the resources needed by VBA and the Board to implement the new appeals process and address legacy appeals.

We recommended in March 2018 that VA address all 22 required elements in the Act in VA's appeals plan to Congress—including delineating resources required for all VBA and Board appeals options—using sensitivity analyses and results from its test, RAMP, where appropriate and needed.¹⁴

Since our March 2018 report, VA has taken some action on each of the five elements that we found were not fully addressed at that time. For example, VA added details related to projecting staff productivity, identifying total resources, as well as determining personnel requirements and productivity projections for processing appeals. For identifying total resources, VA added FTE information for other offices that help implement the appeals process and prepared a model to project resource needs.

Although VA now addresses the 1 element related to projecting productivity, it only partially addresses 4 elements related to monitoring implementation, workforce planning, and delineating the total resources. For example, as of November 2018, VA's plan does not contain metrics for monitoring implementation. Moreover, for total resources, the updated plan does not delineate the total resources required by VBA and the Board, such as the resources necessary for information technology and training. We acknowledge that in some cases delineating total resources could prove challenging, such as delineating information technology resources for the legacy and new appeals processes. We also acknowledge that implementing corrective actions to fully address these 4 elements may be challenging within the next several weeks, but we continue to believe VA has an opportunity to further address these 4 elements as part of certifying the agency's readiness prior to the full implementation of the new process.

VA Has Addressed Some Gaps in Its Plans to Monitor and Assess Performance, though Further Steps Remain

In our March 2018 report, we found gaps in VA's planning for how it will monitor and assess performance of the new appeals process when it is implemented. Specifically, we reported that the plan did not (1) establish timeliness goals for two of the three Board options (i.e., Board review of additional evidence without a hearing and Board review of additional evidence with a hearing); (2) articulate aspects of performance important for managing appeals, such as accuracy of decisions, veteran satisfaction with the process, or cost; (3) explain how the performance of the new appeals process would be compared to that of the legacy process; or (4) explain how the agency would monitor relative workloads of, and resources devoted to, the new and legacy appeals processes.

To address these gaps, we recommended that VA clearly articulate in its appeals plan how VA will monitor and assess the new appeals process compared to the legacy process, including specifying a balanced set of goals and measures—such as timeliness goals for all VBA appeals options and Board dockets, and measures of accuracy, veteran satisfaction, and cost—and related baseline data. Articulating a balanced set of goals that cover key aspects of managing appeals is important to avoid promoting skewed behaviors (e.g., favoring timeliness over accuracy) and to fully understanding performance.

In its progress reports, VA addressed some but not all aspects of this recommendation (see table 1).

¹³We identified 22 required elements for VA's comprehensive plan under section 3(a) and (b) of the Act. Specifically, subsection (a) contains 4 elements, and subsection (b) requires the appeals plan to address 18 elements. See GAO 18 352.

¹⁴Sensitivity analysis—used in scenario planning to, for example, determine the resources needed for implementing a new process—is an analysis to determine how sensitive outcomes are to changes in assumptions, such as those used to determine resource needs. The assumptions that deserve the most attention should depend on the dominant benefit and cost elements and the areas of greatest uncertainty of the program or process being analyzed. See GAO, GAO Cost Estimating and Assessment Guide: Best Practices for Developing and Managing Capital Program Costs, GAO 09 3SP (Washington, D.C.: Mar 2, 2009).

Table 1: Key Steps Taken and Steps Remaining for Department of Veterans Affairs (VA) to Address GAO's March 2018 Recommendation on Performance Measurement of Reform of Disability Appeals Process

Aspects of GAO's March 2018 recommendation	Key steps taken by VA since March 2018	Key steps remaining for VA to fully address GAO's recommendation
Specify timeliness goals for all appeal options and measures for accuracy, veteran satisfaction and cost (balanced measures)	<ul style="list-style-type: none"> In November 2018, the Board of Veterans Appeals (Board) stated that it plans to publish projected wait times for each new option after implementation. In August 2018, the Veterans Benefits Administration (VBA) developed productivity/cost goals under the new process. In May 2018, VA reported that it is collecting data to inform development of balanced measures for all five new appeals options (e.g., veteran satisfaction, accuracy, etc.). 	<ul style="list-style-type: none"> Develop timeliness metrics and goals for two of the three Board options, and productivity/cost goals for the Board. Specify a complete set of balanced goals and measures for VBA and the Board to assess appeals performance, including veteran satisfaction and, for the Board, accuracy goals. Articulate in its appeals plan how VA will use the Act's and other metrics to assess the relative performances of the new and legacy processes.
Monitor and assess the new appeals process compared to the legacy process	<ul style="list-style-type: none"> In August and November 2018, VA reported it plans to compare veterans' experiences with the new and legacy appeals processes using satisfaction surveys. As of May 2018, VA reported it had been developing sensitivity and other analyses to monitor and manage staff resources for both the new and legacy appeals processes. VA has reported it was developing information technology capacity to produce and report metrics required under the Act.^a 	

Source: GAO analysis of VA's appeals plan, progress reports, supporting documents, and interviews with VA officials. | GAO-19-272T

^aThe Veterans Appeals Improvement and Modernization Act of 2017.

VA has made progress in monitoring performance and addressing workload changes in its new and legacy appeals processes, but still lacks a complete set of balanced goals and measures. As we noted in our July 2018 testimony, VA has developed sensitivity models and other analyses to monitor and forecast future VBA and Board workloads, production, and staffing requirements to help VA manage the legacy and new appeals processes.¹⁵ However, VBA and the Board have yet to specify a complete set of balanced goals for monitoring the performance of the new appeals processes.¹⁶ According to the November 2018 progress report, the Board plans to develop timeliness goals after VA fully implements the new appeals process. Until VA fully develops a set of balanced goals and measures, the agency risks not fully understanding how well the reforms are performing.

Regarding comparing the performance of the new and legacy appeals processes, VA has previously reported that the agency plans to implement the reporting requirements in section 5 of the Act.¹⁷ This section requires VA to report performance measures related to, among other things, timeliness, productivity, and outcomes, without specifying whether or how VA should compare performance of the new versus legacy processes.

In November 2018, VBA and Board officials told us they intend to use timeliness and productivity metrics from section 5 to compare the two processes. However, in its updated plans to date, VA has been reporting average timeliness of decisions made to date under RAMP—VA's test of the two VBA options—without reporting the average time cases are pending. Moreover, VA has not been reporting timeliness data on both decisions and pending cases according to the month that they entered into RAMP, which present a more balanced indication of performance and trends.¹⁸

¹⁵ GAO 18 661T.

¹⁶ Moreover, by not establishing key goals, such as timeliness goals for all Board options, until after fully implementing the new appeals process, VA is missing an opportunity to more fully define its vision for what successful implementation would look like and what resources would be required to achieve that vision.

¹⁷ Section 5 of the Act requires VA to periodically publish on its website various metrics on the new and legacy processes. Pub. L. No. 115–55 § 5, 131 Stat. 1105, 1123.

¹⁸ We previously reported on the benefits and limitations of analyzing timeliness of a new process according to time of case completion versus time of case enrollment. In a prior review of the Integrated Disability Evaluation System (IDES), administered by the Department of Defense and VA, we found that analyzing IDES cases according to completion date resulted in shorter average processing times in the first year of IDES because it reflected those cases that were processed quickly. As such, organizing cases by enrollment date provided a better estimate of the processing times for the early IDES cases. However, this approach resulted in shorter

Continued

In November 2018 VBA and Board officials told us they would consider reporting timeliness using a monthly cohort that reflects when appeals were filed.¹⁹

VBA and Board officials also said they have taken steps to collect, through surveys, comparable information on veterans' satisfaction with the new and legacy appeals processes. According to VBA and Board officials, they have pre-tested the surveys—which is considered a best practice by survey methodologists—and are coordinating the survey efforts with one another. VBA and Board officials also told us that the agency will report on accuracy and outcomes (grants and denials of claims) in the new process. However, they also stated that these measures would not provide a fair comparison with the legacy process because the Act eliminated several of the requirements formerly required in the legacy appeals administrative processes.²⁰

Although VA officials said they would develop a plan for comparing the performance of the two appeals processes after the new process is fully implemented, they did not indicate how soon they would do so. Developing such a plan would better position the agency to fully understand whether the new process is an improvement.

VA Has Augmented Its Master Schedule to a Limited Extent

Our March 2018 report identified elements of a high-quality and reliable implementation schedule that were missing from VA's master schedule for appeals reform. Specifically, we reported that VA's high-level master schedule—which the agency included with its November 2017 plan—did not (1) include all key activities; (2) show which activities must finish prior to the start of other activities, or the amount of time an activity could be delayed before the delay affects VA's estimated implementation date; (3) reflect interim goals and milestones for monitoring implementation; or (4) assign resources for activities.

We recommended that VA augment the master schedule for its appeals plan to reflect all activities—such as modifications to information technology systems—as well as assigned responsibilities, interdependencies, start and end dates for key activities for each workgroup, and resources. These steps establish accountability and reduce overall risk of implementation failures.

In response to our recommendation, the Board, VBA and other VA administrations made progress over time with developing and integrating underlying plans into the integrated master schedule (IMS) in spring and summer 2018. According to VA officials, VA set a baseline schedule for implementing appeals reform in response to the potential February 2019 implementation date established in the Act.²¹ Since November 2017, VA's plan and progress reports have stated that VA uses an agency-wide governance structure to coordinate implementation, and regularly uses the schedule as a management tool for monitoring progress on appeals reform. For example, the Board's project manager meets regularly with those responsible for major activities to check progress, including weekly meetings with leadership, and identifies and corrects issues related to schedule execution.

In October 2018, VA provided us with lower-level schedules and information that allowed us to conduct a more detailed assessment of VA's IMS against applicable best practices criteria.²² The six criteria we assessed lower-level schedules against were:

- **Capturing all activities:** schedule should reflect all activities necessary to perform work to accomplish a project's objective.
- **Sequencing activities:** activities should be logically sequenced in the order they are to be carried out so that critical program dates can be met.
- **Assigning resources:** schedule should reflect all resources necessary to complete work, verify whether resources will be available, and identify any constraints.
- **Verifying horizontal and vertical traceability:** schedule should be rational and logically sequenced, account for interdependencies among activities, and provide a way to evaluate the current status (horizontal traceability). Also, the

processing times in the most recent full year of the program because only cases that finished quickly in that year could be analyzed. See figures 10 and 11 from GAO, Military Disability System: Improved Monitoring Needed to Better Track and Manage Performance, GAO 12 676 (Washington, D.C.: Aug. 28, 2012).

¹⁹VBA and Board officials also noted that cases taking longer to process often reflect the lack of supporting evidence provided by veterans.

²⁰Further, Board officials stated that its current approach to quality review may not include sufficient cases to do a valid comparison of decision accuracy across the new and legacy processes, or among Board options.

²¹As previously noted, the Act built in flexibility for VA to phase in or continue preparing for certification beyond February 2019.

²²GAO 16 89G.

various levels of a schedule-summary, intermediate, and detailed-should be consistent with one another and enable different teams to work to the same schedule expectations (vertical traceability).

- **Updating the schedule using actual progress and logic:** maintain and continually update the schedule to reflect a realistic forecast of start and end dates of activities.
- **Maintaining a baseline schedule:** use original configuration of the program plan as a point of comparison for the current plan to manage scope, timeframes, and required resources.

We found that, while VA has made progress with providing more detail, its master and underlying schedules only minimally met sound practices for project management. Specifically, as with our March 2018 assessment, we found that the schedule does not contain enough detail to manage the work or provide a realistic representation of the resources and time needed for this project. For example, the schedule did not contain a work breakdown structure that defines the work, activities, and resources necessary to accomplish implementation. Moreover, half of all the remaining activities are missing logic that shows which activities must finish prior to the start of other activities. In addition, the schedule contains an invalid critical path, meaning that the schedule does not present the amount of time that key activities could be delayed before such delays affect VA's estimated implementation date.²³ Without a valid critical path, management cannot focus on activities that will detrimentally affect the key program milestones and deliveries if they slip.

To address our March 2018 recommendation, VA would need to ensure that all activities are accounted for, that scheduled activities appear in the correct order, that resources are properly allocated, that all activities appear on the critical path, and that a schedule risk analysis accounts for all risks. We provide a more detailed explanation of our assessment results in appendix I.

In addition, establishing an overly optimistic schedule can reduce capacity for carrying out a project and potentially create pressure to sacrifice the quality of work activities to meet deadlines. Moreover, many of VA's activities are slated to be concurrently completed just before implementation, posing a significant risk to implementing reform in February. For example, according to VA's schedule, the agency needs to complete 117 activities after January 1, 2019. Further, other VA efforts to redesign or update key aspects of VA's disability compensation process—including the Veterans Benefits Management System (VBMS)—were not driven by robust, comprehensive planning and did not achieve their schedule goals.²⁴

While VA intends to start full implementation in February, we do not know the extent to which the lack of a robust schedule poses risks to successful and smooth implementation. Even if taking corrective actions to address our findings may not be feasible before February, incorporating such lessons learned into future project planning could help VA improve its project scheduling capabilities.

VA Has Addressed Many, but Not All Key Risks to Implementation

In our March 2018 report, we found that VA's appeals plan could more fully assess key risks related to implementing the new appeals process. In particular, we found that VA's plan did not include testing of new Board options or clearly define how it would assess the RAMP test of the VBA-only options before implementing them more broadly.²⁵ Further, we reported that VA's plan had not comprehensively reflected key risks because the agency had not established a complete and balanced

²³ Further, the Board's overall timeline for implementing its information technology system, Caseflow, lacks information clarifying key activities associated with this implementation. Specifically, although VA's plan mentions that it is finalizing the algorithm for assigning appeals to judges for adjudication, there is no information that further describes this capability or its status.

²⁴ GAO, Veterans Benefits Management System: Ongoing Development and Implementation Can Be Improved; Goals Are Needed to Promote Increased User Satisfaction, GAO 15 582 (Washington, D.C.: Sept. 1, 2015); Veterans' Disability Benefits: Timely Processing Remains a Daunting Challenge, GAO 13 89 (Washington, D.C.: Dec. 21, 2012); and, VA Disability Compensation: Actions Needed to Address Hurdles Facing Program Modernization, GAO 12 846 (Washington, D.C.: Sept. 10, 2012).

²⁵ We previously reported on the benefits of testing appeals reform and the risks of not doing so, and recommended that Congress require VA to develop options for testing appeal reform prior to implementation. See GAO 17 234. The Act authorizes VA to carry out programs to test any assumptions relied upon in developing its comprehensive plan and test the feasibility and advisability of any facet of the new appeals process.

set of goals and measures, which are a necessary pre-condition to effectively assessing risk.²⁶

We recommended that VA ensure that the appeals plan more fully addresses risk associated with appeals reform by, for example, assessing risks against a balanced set of goals and measures, articulating success criteria and an assessment plan for RAMP, and testing or conducting sensitivity analyses of all five appeals options before fully implementing the new appeals process.

In its progress reports, VA took many steps to address our recommendation, although key steps are remaining for VA to better assess risks associated with implementing appeals reform and managing appeals workloads in the legacy process (see table 2).

Table 2: Key Steps Taken and Remaining Steps for Department of Veterans Affairs (VA) to Address GAO's March 2018 Recommendation on Risks to Reform of Disability Appeals Process

Aspects of GAO's March 2018 Recommendation	Key steps taken by VA since March 2018	Key steps remaining for VA to fully address GAO's recommendation
Test or conduct sensitivity analysis for all aspects of the new appeals process	<ul style="list-style-type: none"> Since May 2018, VA has been conducting a limited test of 3 options at the Board of Veterans' Appeals (Board), and subsequently used results to update elements of the appeals process. Since May 2018, VA has developed and began using sensitivity analyses to project budget needs and staffing requirements. VA has been testing both appeals options at the Veterans Benefits Administration (VBA) through the Rapid Appeals Modernization Program (RAMP), and subsequently has used preliminary results to update elements of the appeals process. 	<ul style="list-style-type: none"> VA has not conducted a full test of all aspects of the new appeals process. <ul style="list-style-type: none"> Although RAMP allowed veterans an opportunity to appeal directly to the Board as of May 2018, the Board did not begin adjudicating these cases until October 2018. Test of Board option was limited by small scale, restricted selection of veterans, and limited time to conduct test and assess results. Although VA's August 2018 plan identified a risk that veterans may appeal to the Board at higher rates, which could have implications for timeliness and quality of decisions, VA's August and November plans do not identify a mitigation strategy.
Define success criteria and articulate how to assess test programs	<ul style="list-style-type: none"> As of November 2018, VA provided evidence of methodologies and data collection efforts for testing some, but not all, aspects of reform As of August 2018 VA has identified lessons learned from tests and updated training, guidance, and forms needed for full implementation. Since February 2018, VA has defined broad goals for tests related to how they will be used to monitor and assess new and legacy appeals. 	<ul style="list-style-type: none"> VA lacks a comprehensive plan with well-defined, measurable criteria for fully assessing performance, and evaluating final results of tests to inform decision-making on new appeals implementation.
Assessing risks against a set of balanced goals and measures	<ul style="list-style-type: none"> Since November 2017, VA has identified and continues to identify additional risks related to timeliness of new VBA and Board options.^a 	<ul style="list-style-type: none"> VA continues to lack a complete set of balanced goals and measures—for example, with respect to veteran satisfaction for VBA and the Board and timeliness for two of the Board options—with which to assess risk.

Source: GAO analysis of VA's appeals plan, progress reports, supporting documents, and interviews with VA officials. | GAO-19-272T

^aIn November 2018, the Board reported that it had executed, and the VBA is developing, an internal change management plan to facilitate successful implementation.

Sound redesign and change management practices both suggest that tests be rigorously monitored and evaluated and that further roll-out occur only after an agency takes any needed corrective action and determines that the new process is achieving previously identified success criteria.²⁷ Until VA takes these remaining steps, it may not have comprehensively addressed key risks to better position the agency for successful implementation of appeals reform.

In conclusion, VA is undertaking an ambitious effort to reform its disability appeals process while onboarding hundreds of new staff and implementing new technology that will affect the lives of hundreds of thousands of veterans with disabilities for years to come. Consistent with our prior recommendations, VA has made concrete progress to improve its planning for disability appeals reform while it at-

²⁶ See GAO 18 352. A risk assessment is the identification and analysis of risks related to achieving the defined objectives. This assessment provides the basis for developing appropriate risk responses. See GAO, Standards for Internal Control in the Federal Government, GAO 14 704G (Washington, D.C.: September 2014).

²⁷ See GAO, Business Process Reengineering Assessment Guide GAO/AIMD 10.1.15 (Washington, D.C.: May 1997) and Data Act: Section 5 Pilot Design Issues Need to Be Addressed to Meet Goal of Reducing Recipient Reporting Burden GAO 16 438 (Washington, D.C.: April 19, 2016).

tends to legacy appeals. Efforts such as resuming sensitivity analysis to monitor workloads and testing VBA and Board appeals options will provide useful information to guide VA through the uncertainty often associated with process change.

However, VA has reported it plans to fully implement the new disability appeals process in February 2019 even though it has yet to fully address our recommendations. While fully implementing our recommendations prior to February 2019 may not be feasible, doing so would better position VA to ensure successful implementation. Nevertheless, VA should still work to increase clarity around its plans prior to fully implementing reform. Moreover, many of the principles of sound planning practices that informed our recommendations remain relevant during process change. By continuing to improve its approach to performance measurement, scheduling, and risk management, even after implementation, VA could better ensure that the new process meets veterans' needs.

Chairman Roe, Ranking Member Walz, and Members of the Committee, this concludes my prepared statement. I would be pleased to respond to any questions you may have at this time.

GAO Contact and Staff Acknowledgments

For further information about this testimony, please contact Elizabeth H. Curda 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 testimony. Other key contributors to this testimony include James Whitcomb (Assistant Director), Juan Collymore, Michele Grgich, Sara Pelton, and Rachel Pittenger. In addition, key support was provided by Susan Aschoff, Mark Bird, Alex Galuten, Jason Lee, Sheila R. McCoy, Almeta Spencer, and Walter Vance.

Appendix I: Assessment of the Extent to Which VA Followed Aspects of Scheduling Leading Practices

For this testimony, we assessed the steps that the Department of Veterans Affairs (VA) has taken to address our March 2018 recommendations and what aspects remain unaddressed, including the extent to which VA is using sound practices for scheduling key projects.¹ In summary, we identified several areas where VA's most recent schedule falls short of sound practices. Further incorporating sound practices into future project planning could help VA improve its project scheduling capabilities.

We reviewed VA's integrated master schedule (IMS) for the appeals reform effort and underlying sub-schedules to assess them against 6 of the 10 best practices, which we determined most relevant to our March 2018 recommendation that VA augment its master schedule for VA's appeals plan to reflect all activities—such as modifications to information technology systems—as well as assigned responsibilities, interdependencies, start and end dates for key activities for each workgroup, and resources, to establish accountability and reduce the overall risk of implementation failures. Specifically, we analyzed the following related scheduling best practices: (1) Capturing all activities, (2) Sequencing all activities, (3) Assigning resources to all activities, (4) Verifying that the schedule can be traced vertically and horizontally, (5) Updating the schedule using actual progress and logic and (6) Maintaining a baseline schedule.

We assessed VA's lower-level schedules against these 6 best practices by:

- Checking for specific problems that could hinder the schedule's ability to respond to changes. For example, we:
- Examined if there are any open-ended activities (i.e., activities with no predecessor and/or successors),
- Searched for activities with poor logic:
- For example, Start to Start successor only or Finish to Finish predecessor only which represent dangling logic, or
- Logic on summary tasks rather than attached to detailed tasks (summary tasks are for organizing the schedule and should not drive the logic).
- Looked for activities with constraints which keep the schedule rigid (e.g., start no earlier than, finish no later than, etc.),

¹GAO, GAO Schedule Assessment Guide: Best Practices for Project Schedules GAO 16 89G (Washington, D.C.: Dec. 2015). Underlying these characteristics are 10 leading practices. These characteristics and leading practices were developed in 2012 based on our practices for creating a reliable cost estimate and in consultation with experts from the scheduling community.

- Determined if activities were resource loaded-which helps to cost out the schedule-and examine whether resources are over-allocated or not available when needed,
- Examined the schedule's critical path to determine whether or not it was reliable and logical,
- Examined schedule float and determined if it was reasonable, and
- Examined whether the schedule was baselined, its status cycle, and what deviations there were from the original plan. We also determined if there were any actual start or finish dates recorded in the future and whether there was any broken logic between planned tasks.

We also interviewed VA officials responsible for managing the schedule. We scored each scheduling leading practice on a five-point scale: "not met", "minimally met", "partially met", "substantially met" and "fully met." We determined the characteristic assessment rating by assigning each best practice rating a number and taking the average. Our resulting conclusions based on this assessment are as follows:

- **VA's project schedule minimally meets the best practice of capturing all activities.** The schedule does not have well-defined start and finish milestones and there is not a project work breakdown structure (WBS) or corresponding WBS dictionary to define the work for each WBS element. We were not able to independently verify contractor work or major handoffs and deliverables in the schedule. In addition, there were activities with duplicate names, which could make communication difficult between VA teams, particularly between team members who are responsible for updating and integrating multiple schedules.
- **VA's project schedule minimally meets the best practice of sequencing activities.** There are issues with missing dependencies, dangling activities, summary links, constraints and lags that affect the schedule meeting this best practice. Specifically, of the remaining activities, 55 percent have missing logic, over 12 percent are dangling, 42 percent have date constraints and 4 percent have leads assigned. When activities are not correctly linked, the program cannot use the integrated master schedule (IMS) to identify disconnects or hidden opportunities and cannot otherwise promote efficiency and accuracy or control the program by comparing actual to planned progress. When this happens, the schedule will not allow a sufficient understanding of the program as a whole, and users of the schedule may lack confidence in the dates and the critical path.
- **VA's project schedule minimally meets the best practice of assigning resources.** While the schedule contains 'Task Owner' assignments, the Task Owner information has no effect on the durations or forecasted start and finish dates of detailed activities. Information on resource needs and availability in each work period assists the program office in forecasting the likelihood that activities will be completed as scheduled. If the current schedule does not allow insight into the current or projected allocation of resources, then the risk of the program's slipping is significantly increased.
- **VA's project schedule minimally meets the best practice of verifying the schedule is traceable horizontally and vertically.** There was no evidence in the schedule of hand-offs within the schedule-that is givers and receivers are easily identifiable in the schedule. We were unable to determine the relationship between lower-lever activities in the project schedule and higher-level activities and milestones in the management briefs provided to us. Specifically, we could not map the activities in the briefs to activities in the schedule. This inconsistency also prevented the verification of dates between the project schedule and higher-level management documents, even with documents that were provided from the same month as the October schedule.

Products and outcomes were not easily traced through the sequencing of effort in the project schedule. In both cases the schedule did not respond appropriately to "shocks"; that is, greatly increasing the durations of some activities to increase the overall time required to complete the project did not affect the dates of key milestones. The duration increase of each activity did not affect the overall time line because the activity in question had a constraint that would not allow the project to appropriately extend.

- **VA's project schedule minimally meets the best practice of updating the schedule using progress and logic.** Date anomalies, such as planned dates in the past or actual dates in the future, were found. The schedule was not current as of the date delivered to GAO. While officials report that they update the schedule regularly, a schedule narrative document does not accompany the

schedule update that would detail changes to the current schedule and describe information such as the status of key milestone dates, changes in network logic, and a description of the current critical path(s).

- **VA's project schedule minimally meets the best practice of maintaining a baseline schedule.** Officials said that the baseline schedule is the basis for performance measurement. But while baseline start and baseline finish dates were provided in the initial schedule, its activities were too high level, obfuscating the calculation of detail variances in subsequent schedules. There is also no evidence of a schedule basis document, which would include a general overview of the purpose of the schedule, other key basis information such as an overview of assumptions, rationale for durations specific to the CMR schedule, and required software settings. There is also no evidence of performance measuring.

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GAO HIGHLIGHTS

VA DISABILITY BENEFITS

Planning Gaps Could Impede Readiness for Successful Appeals Implementation

What GAO Found

In a March 2018 report, GAO made four recommendations to address planning gaps in the Department of Veterans Affairs' (VA) November 2017 plan for changing its appeals process for disability compensation claims. Since then, VA has updated its appeals reform plan and taken steps to address aspects of these recommendations, but further steps could enhance its readiness for implementation:

- **Address all legally required elements.** VA's November 2017 plan did not address one and only partially addressed four of 22 elements required by the Veterans Appeals Improvement and Modernization Act of 2017 (Act); GAO recommended VA fully address all 22. As of November 2018, VA addressed one element related to projecting productivity and took steps to partially address the other four. VA is still missing information the agency needs to certify that it has the resources needed to successfully implement appeals reform.
- **Articulate plans for performance monitoring and assessment.** GAO recommended VA clearly articulate how it will monitor and assess the new appeals process relative to the legacy process, including, for example, specifying timeliness goals for the five new appeals options, and measures for decision accuracy in processing appeals. As of November 2018, VA officials stated their intention to use productivity, timeliness, accuracy, and veteran satisfaction metrics to assess the new versus the legacy appeals processes. However, VA has yet to specify a complete set of goals or measures for monitoring and assessing the relative efficacy of the new process or articulate detailed steps and timeframes for establishing them.
- **Augment master schedule.** GAO recommended VA augment its master schedule for appeals reform to reflect sound practices for guiding implementation of reform. Although VA's updated schedule reflected progress since VA's original 2017 plan, it still did not fully meet sound practices for project management. For example, the schedule does not appropriately define the work, activities, and resources necessary to accomplish appeals reform implementation. Without following sound practices, it is unclear whether the schedule poses risks to successful implementation of appeals reform.
- **Address risk fully.** GAO recommended that VA's plan more fully address risks in implementing a new appeals process by, for example, testing all appeals options prior to full implementation. As of November 2018, VA took many steps to address risks, although opportunities exist to better assess them. For example, although VA has used lessons learned from tests to update the implementation process, it has not fully tested all aspects nor has it developed mitigation strategies for all identified risks, such as veterans appealing to the Board at higher rates than expected. Until VA takes these remaining steps, it may not have sufficiently accounted for key risks in implementing the new process.

Why GAO Did This Study

VA's disability compensation program pays cash benefits to veterans with disabilities connected to their military service. In recent years, veterans who appealed VA decisions on their claims have waited an average of 3 years. The subset of appeals resolved by the Board of Veterans Appeals—a separate VA agency that provides a higher level of appeals review—took on average 7 years to resolve.

The Veterans Appeals Improvement and Modernization Act of 2017 makes changes to VA's current (legacy) process, giving veterans options to have their claims reviewed by VA or to appeal directly to the Board. The Act requires VA to submit to Congress and GAO a plan for implementing a new appeals process (which VA submitted in November 2017) and periodic progress reports (which VA submitted in February, May, August, and November 2018). The Act also includes a provision for GAO to assess VA's original plan.

In March 2018, GAO found that VA could help ensure successful implementation of appeals reform by addressing gaps in planning and made four recommendations, with which VA agreed. This testimony focuses on the steps VA has taken to address GAO's recommendations, what aspects remain unaddressed, and risks these gaps pose for implementation.

For this statement, GAO reviewed VA's updated plans, assessed VA's schedules against best practices, interviewed VA officials and reviewed information they provided about steps taken to implement GAO's recommendations.

Statement For The Record

PARALYZED VETERANS OF AMERICA (PVA)

STATEMENT OF STEVEN HENRY, ASSOCIATE LEGISLATIVE DIRECTOR

Chairman Roe, Ranking Member Walz, and members of the Committee, Paralyzed Veterans of America (PVA) would like to thank you for the opportunity to offer our views on whether VA is ready to fully implement the Veterans Appeals Improvement and Modernization Act (Public Law 115-55).

PVA employs a highly-trained force of over 70 National Service Officers (NSOs) across the Nation who develop veterans' claims for both member and non-member clients. These frontline employees spend a minimum of two years in specialized training. We maintain a National appeals office staffed by attorneys and legal interns who represent clients at the Board of Veterans' Appeals (Board). We also have attorneys who practice before the Board, the US Court of Appeals for Veterans Claims (CAVC), and the US Court of Appeals for the Federal Circuit. Of all the major veterans service organizations (VSOs), only PVA offers such continuity of representation from the filing of a claim through any needed appellate review.

Our most important attribute, though, is that our service officers and attorneys consistently advocate for catastrophically disabled veterans. Complex claims are typical, not the exception. As we attempt to bring greater efficiency to the claims and appeals system, our perspective is geared toward ensuring that the due process rights of the most vulnerable among us—those most dependent on benefits—are not watered down for the sake of expediency.

The Board is an administrative tribunal within the Department of Veterans Affairs (VA). VSOs play a crucial role in the appeals process by providing representation to veterans who are appealing their benefit claims before the Board. For this reason, access to veteran's records is imperative. Historically, the Board used the Veterans Appeals Control and Locator System (VACOLS), which VSOs had access to. Within VACOLS, a representative could locate the status of the veteran's appeal and other information critical to the veteran's case.

When VA started the process of implementing Appeals Modernization, it was determined that VACOLS would no longer be needed at the Board. Instead, a new program, Caseflow, would be developed and implemented. Unfortunately, the process for implementation has not been smooth, nor have VSOs received full access to every facet of the new program. In the December 12th hearing, VA was confident with their progress implementing Caseflow; however, VSOs still do not have access to vital information provided by eReader, eFolder express, and other IT programs, including the ability to download an entire file into PDF form from the Veterans Benefits Management System (VBMS). Although VA is making strides implementing its systems, they are neglecting to provide access for VSOs. VA is exhibiting a false sense of confidence, when in reality, they have made little progress ensuring these programs will be available to VSOs, which are critical when providing comprehensive representation.

In fiscal year (FY) 2018, the Board issued 85,288 decisions, a 62 percent increase over FY 17's total of 52,537. With the increase in decisions came an increase of overall grants. While this is good news, PVA is concerned about how VA, more specifically the Appeals Management Office (AMO), formerly known as the Appeals Management Center (AMC), is addressing the growing backlog of grant promulgations. At one time, veterans had to wait in excess of six months to receive retro payments due to the backlog of grant promulgations at the AMC. VA should be proactive in dedicating resources to address the sharp increase of Board decisions.

PVA's biggest concern with Appeals Modernization is VA's objective to provide decisions within 365 days, while still actively working on a large backlog of traditional appeals. The Board has communicated to VSOs that there will be a time limit of 60 days to complete and submit Informal Hearing Presentations (IHPs) on behalf of veterans who are appealing their benefit claims. PVA is concerned that by placing a time limit on IHPs, VSOs are being asked to divert more resources to new claims, rather than providing equal focus between traditional and new claims. Moreover, if a veteran has 90 days to submit more evidence, how can VA expect VSOs to submit an IHP before reviewing the veteran's complete record? When VA was asked what

the consequence of failing to submit an IHP within the mandated 60 days would be, VA's response was "we have no idea." Whether the time limit is 60, 90, or 120 days, VSOs are being held to a standard that has no basis, nor is it included in the proposed regulation changes. Further, VSOs are not given the tools, like full access to Caseflow, to help us meet these goals.

We all want Appeals Modernization to be successful, and we hope VA will provide the tools and information necessary to VSOs to ensure we can fully contribute to its success.

