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STATEMENT OF BRADLEY G. MAYES DIRECTOR, BOSTON REGIONAL OFFICE VETERANS BENEFITS ADMINISTRATION (VBA) DEPARTMENT OF VETERANS AFFAIRS (VA) BEFORE THE COMMITTEE ON VETERANS' AFFAIRS UNITED STATES SENATE DECEMBER 12, 2011

Senator Brown and Members of the Committee, it is my pleasure to be here today to discuss VA's efforts in meeting the needs of Veterans residing in the Commonwealth of Massachusetts. Let me first state that I am grateful for the positive relationship we enjoy with you and your staff. I appreciated the opportunity to meet with Senator Brown personally this past year to discuss the Veterans of Massachusetts and how we can work in tandem to better serve them. I also want to acknowledge the hard work and dedication of your Senate staff. I know that the relationship between our offices has yielded positive

outcomes for our Veterans. Thank you for holding this important hearing focused on how we can most effectively provide benefits and services to those men and women who have earned them through their service to this great Nation.

Today, I will provide an overview of the benefits and services administered by the Boston VA Regional Office (VARO). I will also focus on claims processing activities and provide you with an update on steps underway to improve our

ability to provide timely and accurate entitlement determinations for

Massachusetts Veterans.

Benefits Provided at the Boston VARO

Employees of the Boston VARO are responsible for administering disability compensation and vocational rehabilitation and employment benefits and services in addition to providing outreach to Veterans, their dependents, and survivors in our community. In fiscal year (FY) 2010, the Boston VARO paid more than \$577 million to 53,000 Veterans receiving disability compensation.

Our Vocational Rehabilitation and Employment Division worked with 573 applicants for benefits; developed 211 individualized rehabilitation plans for Veterans with barriers to employment as a result of their service-connected disabilities; and successfully rehabilitated 80 Veterans through the attainment of suitable employment. Not only do these benefits assist Veterans and their family members, they also represent a significant economic benefit for the Commonwealth of Massachusetts.

During this past year, Boston Veterans Service Center (VSC) employees were responsible for 9,145 entitlement determinations requiring a VA rating decision. They conducted 8,392 personal interviews and participated in 45 outreach events and five homeless stand-downs. Regional office employees also participated in

14 Transition Assistance Program (TAP) and 15 Disabled TAP briefings in partnership with the Department of Labor. Our Homeless Veterans Coordinator, Maura Squire, completed 1,040 interviews during 150 outreach opportunities including regular visits to shelters and homeless missions within our community. Ms. Squire was recently awarded the Secretary's Award for Outstanding Achievement for her work to help end Veteran homelessness in the Boston area.

My office partnered with the Department of Defense to deploy an Integrated Disability Evaluation Program at Hanscom Air Force Base for those Servicemembers separating from the military as a result of disabilities incurred while on active duty. This program is leading to more timely and consistent decisions and provides for a seamless transition from active military service to Veteran status. In most cases, Veterans now have their VA entitlement determination, and benefits are started, by the time they separate from the military.

Improvements in Service Delivery

While much has been accomplished, much remains to be done. The fact is that demand from Massachusetts Veterans for claims decisions outpaced our

capacity. By the end of FY 2011, our inventory of claims requiring a rating decision had increased by 37 percent from 5,821 to 7,961. This compares to a nationwide increase in pending rating claims of 52 percent from 531,698 to

810,455 despite VA producing more than one million decisions for the second year in a row. This includes claims that were adjudicated this past year related to the Secretary's decision to add Ischemic Heart disease, Parkinson's disease and B-cell Leukemias to the list of diseases associated with exposure to Agent Orange, the defoliant used in Vietnam.

The Boston VARO rendered decisions for 442 Veterans who had previously filed claims for these three disabilities for which presumptions of service connection have now been established. This is significant since readjudication of previously denied Agent Orange claims under the orders issued by the U.S. District Court

for the Northern District of California in the case of Nehmer v. U.S. Department of Veterans Affairs requires a review of the entire claim history, making these some of the most difficult and complex claims we adjudicate. However, those

decisions made by employees of the Boston VARO resulted in net retroactive payments to Veterans in the Commonwealth of more than \$4.4 million. Nationwide, approximately 109,000 claims for the new presumptive disabilities were granted with \$2.91 billion in retroactive benefits paid out to Veterans through November 2011. We were successful in achieving the Secretary's mandate of ensuring these Veterans did not have to wait any longer for their benefits. However, this did impact our productivity on other claims last year both in Boston and across the Nation.

In order to achieve the Secretary's goal of eliminating the disability claims backlog by 2015 and process all disability compensation claims within 125 days, the Boston VARO must achieve a rate of output that exceeds demand. The timeliness of our decisions will improve as we increase our capacity and begin to outpace our incoming workload. This fundamental premise is behind the strategy we are employing in Boston to achieve the Secretary's goal. Specifically, we

hired 16 employees into entry-level positions in Boston's VSC with funding provided under the American Recovery and Reinvestment Act of 2009 hiring initiative. These employees are now making a significant contribution in meeting our evidence gathering requirements. Their contributions have provided the flexibility to realign existing resources that laid the foundation for increased

output during this year. These changes combined with a projected decrease in incoming workload in FY 2012 will help to increase our capacity to meet the needs of Massachusetts Veterans in the near-term.

While the additional resources are helping us in the short term, we are aggressively pursuing a major transformation of our service delivery, led by our new Under Secretary for Benefits, Allison A. Hickey. We are mindful of the anticipated increased demand over the next several years as our Armed Forces draw down. Our workload has also increased due to the success of our recent outreach efforts and the difficult economic conditions many in this country are now facing.

VBA is committed to achieving the Secretary's 2015 strategic goal of completing all ratingrelated compensation and pension claims within 125 days at a 98 percent accuracy level. VBA's Transformation Plan will achieve new efficiencies, greater effectiveness, improved quality and consistency, and a workplace that is recognized as an "employer of choice."

Our plan incorporates an integrated approach to people, process, and technology solutions, including a strong focus on a career-ready military transition program, national training standards, paperless rules-based systems, case management, and automated capability to process an increased number of claims and a

greater number of complex conditions per claim – all at a high quality level for our Veterans, their families, and survivors. Our implementation strategy includes effective communications and change management, detailed implementation

planning, and effective and measurable training, ensuring that new ideas are sustainable for the future.

A primary focus of our plan is managing our relationships with Service members and Veterans from the day they join the military service, into their transition to Veteran status and beyond. In

September 2011, through a collaborative partnership between VA and DoD, the one-millionth user registered for eBenefits, the "one-stop shop" that provides information about military and Veterans

benefits and serves as the client-services portal for lifelong engagement. Today, the eBenefits portal provides an on-line capability to check the status of a claim, an appeal, the history of VA payments, request and download personnel records, secure a certificate of eligibility for a VA home loan, and numerous other benefit actions.

VBA is also developing the Veterans Benefits Management System (VBMS), a holistic and integrated technology solution that in 2012 will begin delivering paperless processing capability to support our business process transformation. Combining a paperless processing system with improved business processes is key to providing Veterans with timely and high-quality decisions.

Improving our business processes and investing in our employees are being tested in a number of our offices to identify best practices and incorporate them into all regional offices to include Boston. Some of our key improvements include:

• An eight-week national Challenge training program for recently hired

claims processors, as well as refresher training for more experienced staff, that ensures intense, high-quality and standardized training of the VBA workforce;

• Simplified rating decisions and notification letters to more effectively communicate with Veterans and streamline the decision-making process;

• Systemic Technical Accuracy Review (STAR) trained local Quality Review Teams to conduct "in-progress" quality checks and regular end-of-month reviews;

• Cross-functional teams (case management) of cross-trained raters, co- located to increase knowledge transfer, speed, and accuracy;

• Specialized processing "lanes" based on claims complexity and priorities ("Express Lane" for less complex work; "Core Lane" for the majority of the workload; and "Special Operations Lane" to case manage special missions, such as former prisoners of war and military sexual trauma cases); and

• Intake Processing Centers for quick, accurate triage of claims.

Conclusion

VBA's transformation effort is aimed at meeting the Secretary's 2015 goal of ensuring that no Veteran waits more than 125 days for a decision and that the decision will be free of errors 98 percent of the time. We at the Boston VARO are excited about the prospects for the future and remain committed to making sure Veterans from the Commonwealth of Massachusetts are honored for their service through the delivery of timely and accurate benefits and services.

Senator, this concludes my testimony. I look forward to answering your questions.