

HOWARD PIERCE, CHIEF EXECUTIVE OFFICER, PKC CORPORATION

STATEMENT OF HOWARD PIERCE  
CHIEF EXECUTIVE OFFICER  
PKC CORPORATION

BEFORE THE SENATE COMMITTEE ON VETERANS' AFFAIRS

REGARDING IMPROVEMENTS IN VBA CLAIMS PROCESSING

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Chairman Akaka, and members of the Committee, I would like to thank you for inviting me to testify today on the important subject of ways to improve the VA's disability ratings process.

My name is Howard Pierce and I am the Chief Executive Officer of a software company called PKC.

PKC has worked exclusively in the field of medical decision support for almost twenty years. We have optimized our tools to illuminate and support the inherently grey and multi-faceted decisions required for clinical problem solving. Our 70 employees work in a remodeled woolen mill by the banks of the Winooski River in Burlington, Vermont. Day in and day out, for the last 20 years, they read medical literature and figure out how to separate medical facts from opinion and then how to construct sophisticated questionnaires to expose those facts. Our system is a proven technology, which has been licensed by the Department of Defense for almost a decade. In fact, our tools produce some of the baseline and deployment related data on service members that is eventually used by VBA raters. When approached by the VBA some time ago, we delivered a proof-of-concept implementation of the Post Traumatic Stress Disorder benefits rating rule set. This particular problem (PTSD) was selected by the VBA for its complexity, cost, and difficulty to rate, and I will show it to you briefly today.

The issues that confront the Veteran's Benefits Administration are complex and difficult, as recent studies and commissions have reported. Reengineering the claims process cuts across clinical, legal, bureaucratic, political, and social domains. Furthermore, refitting the VBA ship must be accomplished as the ship is sailing full speed during a time of war, when the needs of many new veterans are at their greatest.

Nevertheless, my company believes that there is a core component within the larger set of issues facing the VBA which must be reinvented regardless of whatever form the broader disability rating process reorganization takes.

The VA Schedule of Rating Disability is the core rule set that governs all of the decisions that are rendered by raters to our nation's veterans. It is a massive tome that represents 60 years of evolved public policy combining medicine, law, and regulation. It is the essence of what the VBA is expected to provide, on a consistent basis, to any of our veterans who claim disability. The Schedule provides the rater with the means to determine 1) if a medical problem is ratable 2)

if the problem was incurred during or as a result of military service, and 3) to what degree the problem should be compensable by the government.

Yet as we approach the end of the first decade of the 21st century, the only way to access the rules in the Schedule is by doing it the same way one would have in the 16th century; by reading the rules in a book. But this is no ordinary book. It is a massive conglomeration of rules that is thousands of pages long, so big that it has handles on it, covering the 13 body systems of the most complex machine ever, the human body, along with 60 years of evolved policy of how to proceed when that body is damaged in the service of the Nation.

Like the practice of medicine itself, the Schedule is so complicated that no human being can be expected to accurately negotiate its byzantine, sometimes conflicted, and ever changing rules in a timely and consistent manner.

Instead, the VBA should focus on automating the Schedule so that the raters can make sure that every veteran gets the same comprehensive, standardized problem workups and evidence review processes. When a veteran applies for compensation, a second year rater from the Baltimore regional office should be able to do as well as rater with 25 years' experience from the Portland office.

Properly designed computer software can provide that standardized consistency, while still retaining the flexibility so that raters can make the final decisions.

An automated VA Schedule would incorporate the following characteristics:

- It would be released from its current text-based format
- It would be inspected carefully for currency, accuracy, and conflicts
- It would incorporate the critical "best practices" that have been evolved by the VBA's most talented raters
- It would be restated as concepts, references, rules, and guidance options in a world-class decision support system
- It would be updated regularly to ensure changes in the rules are quickly and efficiently implemented

In addition, this new decision support system must assure the following process improvements:

- The individual veteran case-profiles it produces must be in a computable form and granular enough so the VBA can continuously study its database of cases looking for new lessons, anomalies, and evolving veteran disability profiles. This will allow both faster reaction to new and emerging realities and needs, as well as improved population level reporting to Congress and other stakeholders.
- The system must be far easier to learn and use than the current approach. It must assure faster training of raters, better quality assurance and less variation, and improved retention of experienced raters as the result of better job satisfaction.
- The system must be fundamentally designed to evolve and improve, with little or no impact on the daily workflow of the Raters.

- The system must be configured in such a way that the veterans themselves (and their representatives) can be safely utilized to input required historical data, thereby lightening the load on the rater.
- Every aspect of the decision logic must be available, auditable, and transparent to all parties and at any point in the process. This transparency aspect has the greatest potential to save money and assure fewer non-viable cases and legal appeals.

PKC's demonstration product was well received by every VBA official that reviewed it. However various larger information technology issues intervened and the prospect of building a fully automated version of the VA Schedule never became a reality. It appears that the VBA is again interested in companies like PKC who have the unique ability to manage this sort of non-black and white decision support challenge. Our concern however is that once again the larger process of selecting and managing a systems integrator will further delay the fundamental work effort necessary to begin to get to the hard job of automating the VA Schedule.

The task ahead is not easy, but it is imminently achievable. We at PKC would assert that the core effort of analyzing the VBA's disability rating business rules and their re-implementation within a state of the art decision support system should begin immediately as this will be the rate limiting step in improving the claims process to better serve our veterans and the taxpayers.