

**STATEMENT OF  
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DEPARTMENT OF VETERANS AFFAIRS (VA)  
BEFORE THE UNITED STATES SENATE  
COMMITTEE ON VETERANS' AFFAIRS**

**PACT ACT IMPLEMENTATION**

**JULY 26, 2023**

Chairman Tester, Ranking Member Moran, and other Members of the Committee, thank you for the opportunity to appear before you today to discuss the Department of Veterans Affairs (VA) implementation of the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022 (the PACT Act, P.L. 117-168). The PACT Act, which was signed into law on August 10, 2022, marked the largest and most significant expansion of Veterans' care and benefits in decades, empowering VA to deliver additional care and benefits to millions of Veterans and their survivors. We are grateful for this opportunity and have been working diligently to implement the law in a way that is seamless, efficient, and timely for the Veterans and Survivors we serve—and most importantly, ensures that eligible Veterans and survivors can receive the care and benefits they deserve.

Thanks to the new authorities provided in the PACT Act, VA is providing more care, more benefits, and more services to more Veterans, family members, and Survivors than ever before. In fiscal year (FY) 2021, before passage of the PACT Act, the Veterans Benefits Administration (VBA) set an all-time record for compensation and pension rating disability claims production with more than 1.5 million claims completed. In FY 2022, VBA completed 1.7 million claims, beating the record by 12%. We are on track to break that record this fiscal year—completing nearly 16% more claims than last year so far. At the current rate of completions, VBA could complete more than 2 million claims in fiscal year 2023.

Delivering these benefits and services to Veterans, family members, and their Survivors would not be possible without our workforce. To help meet the increasing demands for VA benefits, we have aggressively sought to expand our workforce through hiring fairs and partnerships with organizations such as Handshake; expanded upon VA's relationships with Historically Black Colleges and Universities (HBCUs) and law schools for marketing; utilizing virtual information sessions for potential applicants, utilizing contacts with the Office of Personnel Management (OPM) to access distribution lists to help target larger applicant pools, partnerships with local Regional Offices to market to local communities and collaboration with Veteran and Military Spouse Talent Engagement Program's (VMSTEP). Though these efforts, VBA's total workforce is now over 30,000 strong, a 17% increase since the start of FY 2023, the largest workforce VBA has ever had and the highest growth rate in personnel in the past two decades.

To meet the needs of Veterans with Military Environmental Exposures (MEE) impacted by the PACT Act, hiring faster and more competitively is another top priority for the Veterans Health Administration (VHA). Thanks in large part to agency-wide implementation of the law, VHA's total workforce has grown by 18,739 employees in the first 9 months of FY 2023 — and is now up to 398,568 total employees. As of July 1, VHA's workforce has grown 4.9% this year, compared to 0.5% last year, the highest annual growth rate in over 15 years.

### ***PACT Act Implementation***

VA is implementing all aspects of the PACT Act enterprise-wide, with VBA, VHA, the National Cemetery Administration (NCA), and the entire Department working in lockstep to execute this historic law. Even before President Biden signed the PACT Act into law, VA began preparations for smooth implementation by actively hiring and training new employees and upgrading information technology systems.

Once signed into law, VBA took immediate action to ensure claims processors received the guidance and training needed to begin processing claims as soon as possible. Rather than waiting to publish formal regulations, which typically takes 18-24 months, VBA prepared and issued sub-regulatory guidance to its field personnel in December of 2022, so they could begin processing these claims as soon as possible. Additionally, as part of this effort, VBA updated training courses and developed an extensive Standard Operating Procedure (SOP) that includes all procedural guidance needed to process PACT Act claims. VBA has and will continue making all sub-regulatory guidance publicly available to maximize transparency during implementation.

In November 2022, VBA released updated forms to help claimants specifically address PACT Act-related claims. VA Form 21-526EZ, "*Application for Disability Compensation and Related Compensation Benefits*," included specific updates related to exposure information and the PACT Act. The updates streamlined the claims process by providing Veterans the necessary information to indicate whether they are claiming a condition related to a toxic exposure, the location of exposure, and dates of exposure. The VA Form 21-526EZ thereby fulfills VA's duty to notify claimants of evidence needed for explicit PACT Act claims. The VA Form 21-534EZ, "*Application for DIC, Survivors Pension, and/or Accrued Benefits*," includes an easy-to-use checkbox for applications wishing to request reevaluation of a previously denied Dependency and Indemnity Compensation claim.

Most recently, in April and June 2023, VHA amended relevant VHA Directives 1601A.01(2), "Registration and Enrollment" and 1601A.02(4), "Eligibility Determination," to include updates based on the PACT Act and other changes in law and provide guidance to assist VHA Enrollment and Eligibility staff in determining eligibility. Major changes consisted of updating eligibility definitions and providing instructions for determining priority group assignment and eligibility criteria. In support of changes to the Veteran Enrollment System, VHA held training sessions and updated Job Aids in support

of the PACT Act. To date, 5,757 VHA Enrollment and Eligibility field staff received PACT Act eligibility training via 14 training sessions.

VBA has also ensured that Veterans appealing claims decisions are entitled to review under the same tools, policies, procedures, and quality oversight. VBA's Office of Administrative Review (OAR) implemented training and procedural updates to ensure that decision reviews and appeals properly address conditions under the PACT Act. OAR and the Board of Veterans' Appeals (Board) regularly collaborate on PACT Act-related claims and issues to ensure timely and accurate decisions to Veterans, family members, and survivors. Since VBA began processing claims under the PACT Act on January 1, 2023, OAR has completed approximately 1,600 legacy appeals related decisions and approximately 18,000 Appeals Modernization Act decision reviews that involved one or more PACT related condition. This has resulted in an estimated \$41 million dollars in retroactive benefits being paid to Veterans and their families.

As VA continues PACT Act implementation, we remain fully committed to an immediate, deliberate, forward-leaning approach that tackles questions of environmental exposure. Title II of the PACT Act formalizes the presumptive decision-making process by which VA may streamline presumptions of service connection based on toxic exposure in a clear and transparent manner. Under the new authorities, VA will share and seek public input on our plans to formally evaluate a condition. The first Federal Register Notice in response to Title II will be released on July 26<sup>th</sup> for the scientific review to assess whether an association exists between acute and chronic leukemia and multiple myeloma and fine particulate matter from airborne hazards and open burn pits in Southwest Asia.

### ***Identifying and Responding to Emerging Challenges***

Though our effort to start processing all PACT Act related claims on January 1st was the right, Veteran-centric decision, it required us to do a tremendous amount of complicated work in a very short period of time. As a result, we are already applying many of the lessons learned to refine and improve our processes and outcomes moving forward.

For example, we received feedback from VBA field personnel about the need to streamline and revise the PACT Act training, about the complexity of applying the definition of a Toxic Exposure Risk Activity (TERA) given the current state of exposure tracking data maintained, and about the pressure experienced by our hardworking claims processors, who are doing their best to learn the nuances of this once-in-a-generation legislation while continuing to meet their production and quality standards. We're using that feedback to make improvements to our PACT training, as well as our VBA training more broadly. We have also developed a TERA memorandum tool, which guides employees to make uniform and consistent decisions regarding the application of TERA.

As we continue to implement the law, we remain committed to an immediate and deliberate forward leaning approach that tackles questions of environmental exposure, through more expansive research and a new, streamlined presumptive decision-making process.

VBA is actively engaged with all of its contract medical examination vendors to ensure additional network capacity to complete the increased volume of PACT Act-related examinations. From October 1, 2022, through June 30, 2023, 1,704,847 total medical examination scheduling requests (ESRs) have been completed by VBA. Of the total, 459,024 (or 26.9%) were related to PACT Act. To increase capacity, VBA has contracted with a fourth contract exam vendor, in the western region of the United States, servicing a population of Veterans in a unique geographic space that includes Alaska and Hawaii. The other three regions each have three contract exam vendors.

Title II of the PACT Act also presents VBA with the challenging, but extremely important task, of identifying all claims for disability compensation that were previously submitted, subsequently denied, and are now potentially eligible for a new decision based on new presumptive conditions and/or locations. VBA informs these claimants of their potential eligibility through an outreach letter that is accompanied by the form needed to apply. In addition, Survivors who had previously submitted a claim for Dependency and Indemnity Compensation (DIC), were subsequently denied, and are now potentially eligible for a new decision based on new presumptions are contacted via an outreach letter in the same method. These survivors may elect a reevaluation of their previously denied DIC claim, and if granted, may be entitled to retroactive compensation.

As of January 1, 2023, approximately 285,000 outreach letters have been sent to previously denied Survivors informing them of potential benefits and how to apply for DIC and the reevaluation of their claim. Additionally, the public comment period for VBA's proposed rulemaking related to the PACT Act, RIN 2900-AR76 *Reevaluation of Claims for Dependency and Indemnity Compensation*, closed on May 22, 2023. VBA received 3 total comments, including one substantive comment, and is currently drafting the final rulemaking which will codify this regulatory amendment regarding the reevaluation of previously denied claims for DIC, however interim procedures are in place to process applicable claims in conformance with PACT Act.

VA's aggressive outreach on PACT Act yielded impressive results. As of July 1, VA has received more than 764K claims since the August 10, 2022, passage of the PACT Act, and as of July 1, 2023, 45.9% of pending rating inventory claims have at least one PACT related contention. Since the beginning of the fiscal year through July 16, 2023, VBA has received 1,763,923 claims, compared to 1,317,905 claims during the same period in FY 2022 which is a 33.8% increase in our receipts. While VBA's historic hiring increases have shattered claims production records, the claims backlog has continued to grow, with 243,308 claims in backlog at the end of June. VBA projects the inventory peak between 934,000 and 1.29 million, between September 2023 and February 2024, with peak backlog between 450,000 and 730,000 between October 2023

and April 2024. VBA is currently 51% below backlog projections, but we are seeing accelerating growth of claims pending over 125 days.

In short, VBA continues to expect the backlog to increase into FY 2024 and return to a stable level of around 100,000 or less in 2025, dependent on hiring, retention, claim receipts, technology deployment schedule, and claims complexity. A critical enabler to meeting claims processing goals is continued scaling of C&P examination capacity. Along with new employee hiring to process incoming claims, parallel increases are needed to meet examination needs due to increased PACT receipts and the implementation of the TERA requirements. VBA has completed 44% more examinations in May 2023 than were completed in May 2022.

VBA actively engages the workforce through a variety of avenues to ensure they have the knowledge and resources needed to successfully implement the PACT Act. VBA has held open town hall meetings with VBA leaders on PACT Act as well as local town halls led by the Regional Office Directors. Field managers regularly engage with labor partners and claim processors to ensure the workforce is equipped with the necessary information to process PACT Act claims and resolve concerns. VBA is committed to providing claim processors with the necessary training, information, and tools to ensure the high-quality processing of PACT Act claims. Training events include computer-based training as well as live training events.

In addition, VBA created a PACT Act inquiry tool, which went live on January 3, 2023, and allows the field claims processors direct access to policy experts for questions. The PACT Act Inquiry tool provides the field a direct communication link to VBA Central Office for guidance and questions related to the PACT Act when their questions cannot be addressed locally. To date, over 300 questions have been received in the tool.

While VBA has had success implementing PACT Act requirements, it faces hurdles moving forward as the volume of requests for decision reviews continues to rise above historical levels. VBA is working to hire and train new employees to better align VBA's appeals processing workforce with the increased demand. Initial requests for decision reviews following the implementation of the PACT Act have reflected challenges for employees associated with applying PACT development to the legacy appeals records and developing disability compensation claims based on TERA.

### ***Research into the health effects of toxic exposure***

Title V of the PACT Act elevates the timely progress of exposure science through a whole-of-government approach. The effects of military toxic exposures on health outcomes have long been, and remain a concern for Servicemembers, Veterans, their families, and our Nation. VA is implementing focused research using novel proactive approaches across VHA, in partnership with other Federal agencies and through collaborations with other organizations such as the National Academy of Sciences,

Engineering, and Medicine, Academic partners and private industry. VHA Health Outcomes Military Exposures (HOME), performs ongoing surveillance, original research and longitudinal studies of Veteran cohorts regarding MEE.

Examples of Veteran cohorts currently being studied by HOME include both Gulf Wars, Karshi-Khanabad, Palomares, Enewetak, Qarmat Ali, Chemical Weapons Agents, United States Air Force (USAF) Fighter Pilots, Missileers, Vietnam Era, Khamisiyah, and Women Veterans, among others. Exposures actively under study include Agent Orange, Ionizing Radiation, Depleted Uranium, Jet Fuels and Per- and Polyfluoroalkyl Substances (PFAS), among others.

Under the provisions of the PACT Act, VHA also continues to move forward on a wide variety of research studies on cancer rates among Veterans, ranging from examining the health trends of Post 9/11 Veterans (Section 504), examination of cancer rates among Veterans (Section 505), health effects of waste related to Manhattan projects on certain Veterans (Section 506), toxic exposure and mental health outcomes (Sections 507) and health effects of jet fuels used by Armed Forces (section 510). These studies continue to support the VA's commitment to addressing the health effects of harmful MEE.

Additionally, in accordance with Section 501, an interagency Toxic Exposure Research Working Group (TERWG) was established. The TERWG currently consists of 35 representatives from 9 Federal departments and several agencies. The TERWG collaboratively identifies available resources and research activities across the Federal landscape to develop and execute a 5-year strategic plan for participating agencies to carry out collaborative research activities.

### ***Toxic Exposure Screenings***

VHA has taken aggressive steps to enhance the health care of Veterans. VHA began providing Toxic Exposure Screenings (TES) on November 8, 2022, within 90 days of enactment and has screened over 4 million Veterans since then. Of the Veterans screened, approximately 43% reported that they may have experienced one or more toxic exposures or had additional questions that required follow-up. Of these, based on the specific concerns reported, 96% have been provided necessary connections to benefits, registry and/or clinical assessment resources.

Veterans who screen positive for a toxic exposure also receive a letter from VBA with information on how to file for a PACT Act claim. Veterans have received more than 1.6 million connections for follow-up resources. Of the 1.6 million positive TES, VBA has sent 1.5 million letters to Veterans. We are engaging providers across all services and specialty care areas, empowering them to engage in TES.

## ***Workforce Improvements***

Several PACT Act provisions have directly contributed to VA workforce improvements, hiring, and retention. For example, since the passage of the PACT Act:

- VA has increased student loan repayments from 544 last year to 821 this year. VA has dramatically increased recruitment incentives from 2,101 last year to 5,815 this year.
- VA has increased special contribution awards, from 25,050 last year to 31,700 this year.
- The hiring authorities provided in the PACT Act has allowed VBA to hire more processors and support staff than ever before. As of July 21, 2023, VBA currently has more than 30,000 full time equivalent employees.

## ***Update on IT Systems Modernization, Under Section 701(b) of the PACT Act***

VBA is undergoing business modernization efforts designed to leverage technology by automating administrative tasks and workflows, known as Automated Decision Support (ADS) technology. Claims processing tasks supported by automation include data and records extraction from Veterans' electronic health records, verification of military service eligibility, expediting claims that can be decided based on the evidence of record, ordering examinations when required, and the intelligent indexing of the relevant adjudicative information.

Employees are key in identifying, implementing, and refining ADS efforts. Since the initial proof-of-concept launch in December 2021, VBA has received feedback from claims processors and internal checks, which has provided excellent lessons learned and has been used to further refine and improve automation functionality. Currently, initial automation efforts were deployed at eight VBA Regional Office (RO) prototype sites, which include New York, New York; Pittsburgh, Pennsylvania; St. Petersburg, Florida; New Orleans, Louisiana; Montgomery, Alabama; Detroit, Michigan, Des Moines, Iowa, and Boise, Idaho. Feedback from subject matter experts ensures the system meets the needs of all employees and drives the development of training tools and materials for further expansion.

Additionally, as of May 2023, VBA expanded to eight additional RO pilot sites where automation processes have been refined, based on feedback received from the prototype sites and functionality is deployed to assess readiness for national deployment. These locations include, Huntington, West Virginia; Little Rock, Arkansas; Wichita, Kansas; Denver, Colorado; Portland, Oregon; Los Angeles, California; Hartford, Connecticut; and Togus, Maine.

VA's Office of Information Technology (OIT) has made significant improvements to benefits IT systems since the passage of the PACT Act. In December 2022, OIT released Automated Issue Management (AIM) functionality that allows prioritizing claim types by issue, automating specific types, and quickly processing them without breaking up the overall claim. This directly benefits the Veteran by speeding up the processing of certain issues within the overall claim, rather than waiting for the entire claim to be processed.

Since January 2023, automation has reduced claim development touches by 30%, and overall claim touches by 23%. This technology streamlines the claim development, allowing claims to move through the adjudication process more efficiently. In June 2023, OIT deployed Smart Search technology, allowing claims processors to conduct intelligent searches of the entire Veteran's eFolder of documents, formerly a manual process. This capability increases employee efficiency by accelerating the ability to search for relevant information to expedite PACT Act claims processing. Over 260 million Veteran records are now available to claims processors through Smart Search, and about 1 million records are added each day, the normal daily number of documents uploaded to the Veteran document repository.

OIT has surged to meet VBA's demand to onboard new users and ensure its systems have high availability. OIT completed improvements to the Veterans Benefits Management System (VBMS) training environments enabling VBA to scale its new-hire trainings to eight times the prior capacity. In addition, OIT improved capacity and monitoring to reduce system downtimes for these environments, ensuring that VBA can train a continual stream of new employees supporting PACT claims processing.

OIT is steadily rolling out efforts to stabilize and create more robust systems and architecture. The Corporate Database (CRP), which houses all Veteran data, was recently upgraded to increase security and resiliency. OIT will continue modernizing current technologies and developing new technologies over the next 5 years, using funding appropriated by the PACT Act to automate and modernize IT capabilities for benefits delivery.

### ***Medical Leases***

VA appreciates the approval of FY 2023 major medical leases, the funding and other changes for leases which continue to allow VA to move forward with planned leases expanding access for Veteran care.

Of the 31 leases authorized by section 702 of the PACT Act, 24 Architect/Engineer contracts have been awarded (the remaining seven to be completed in-house) and 30 of 31 Broker Task Orders have been awarded. One lease solicitation has been posted by the General Services Administration (GSA) and 9 lease solicitations have been posted by VA's Office of Real Property. Furthermore, several initiatives have been identified as opportunities to leverage the authority granted in section 704 of the PACT



Act for Academic Affiliates. These initiatives are in the initial stages and require significant development over the next several months. As an example, VHA has initiated Memorandums of Understanding with the University of Pennsylvania and Stanford University to explore such opportunities that would expand our ability to provide health care services to Veterans.

The authority provided through amendments to titles 10 and 38 made in section 706 of the PACT Act strengthens our ability to work with DoD to construct and lease joint facilities. VA and DoD continue to develop the initial VA-DoD joint project list and establishing milestones and schedules, including aligned funding year(s), for each initial joint project. VHA supported the implementation of this authority and project plan by increasing hiring and creating a playbook for the implementation of the new leasing authorities. VHA continues to develop supporting policy to accomplish this implementation.

### ***Outreach and Communication Efforts***

VA's nationwide PACT Act Veteran outreach campaign is the largest coordinated outreach campaign in VA history. The campaign has one goal: ensuring that every eligible Veteran and survivor gets the PACT Act-related health care and benefits they have earned. VA has successfully raised awareness of the PACT Act nationwide and driven record numbers of applications for VA benefits. Highlights of the campaign to date include:

- **VA.gov/PACT**: Within one hour of the passage of the PACT Act into law, VA launched [VA.gov/PACT](https://www.va.gov/pact) – a one-stop-shop for Veterans and survivors to learn about and apply for PACT Act-related care and benefits. Since then, the website has garnered more than 13.4 million page views from 10 million unique visitors.
- **Earned Media**: VA is executing an aggressive national and local earned media campaign, seeking to inform Veterans and survivors about the PACT Act and encourage them to apply. Not counting the initial wave of articles about the passing of the PACT Act on August 10, 2022, these efforts helped generate 28,000+ news articles and 20,000+ broadcast items about the PACT Act (through July 15, 2023).
- **Paid Media**: VA is executing a nationwide, targeted advertising campaign across streaming video (Hulu, Roku, YouTube); print (Military Times, Military.com, USA Today); radio (satellite, traditional); podcasts; signage (including [Times Square](#) ads, DC Metro ads, airports, billboards, and more); sponsorships (such as Military and Armed Forces Bowls); digital advertising, including Search (Google and Bing), Twitter, Facebook, Instagram, Spotify, iHeartRadio, ESPN online, RallyPoint, and more.

- As of July 26, 2023, VA has spent more than \$7.5 million on PACT Act advertising, driving millions of visitors to VA.gov/PACT, and generating hundreds of millions of impressions. Through Public Service Announcement distribution along with vendor negotiations, VA has also achieved \$7.9 million in added value between October 2022 and May 2023, more than doubling the media value of PACT Act efforts. This campaign is focused on reaching all eligible Veterans and survivors, especially those who have not previously come to VA for benefits or care.
- Additionally, VA has engaged in Satellite Media Tours with 50 total stations (TV and radio), and an audience reach of over 21 million.
- **Events:** Since August 10, VA has hosted hundreds of PACT Act-related events across all 50 states, DC, and Puerto Rico with Veterans, their families, caregivers, survivors, and Veteran advocates. This includes a [PACT Act Week of Action in December](#), when VA hosted more than 120 events across the nation, and the ongoing “PACT Summer Vet Fest” featuring at least two events in each state plus Puerto Rico and Guam. At these events, Veterans apply for benefits, get screened for toxic exposures, enroll in VA health care, and learn more about what the PACT Act could mean for them and their families.
- **Print, digital, and video resources:** VA has developed a library of PACT Act flyers, videos, and fact sheets to help Veterans understand what this new law means for them. The [videos](#) have been viewed more than 4 million times across platforms, and the [resources](#) have been shared directly with Veterans, VA facilities, Veterans Service Organizations, and other partners nationwide. VA has also released [PACT Act flyers and information](#) in more than 10 languages, including Arabic, Chinese, French, Haitian Creole, Japanese, Korean, Polish, Portuguese, Russian, Spanish, Tagalog, and Vietnamese.
- **Direct mail:** VA has sent more than 300 million PACT Act-related e-mails to Veterans, their families, caregivers, and survivors, which were opened more than 94 million times.

VA’s senior leaders are highlighting the PACT Act across a wide-ranging series of events with Veterans, families, Survivors, VSOs, members of Congress, and others, including two satellite media tours which consisted of 50 total media interviews (37 television and 13 radio), resulting in more than 21.5 million impressions. The Under Secretaries for Benefits and Health also participated in a live town hall along with Michael Figlioli, Director of National Veterans Services at the Veterans of Foreign Wars, hosted by South Florida PBS to discuss PACT Act.

## **Conclusion**

As we move forward, VA will continue to gather as much science and evidence as possible to swiftly support Veterans facing serious illnesses related to MEE. When there is compelling scientifically sound and legally defensible information, VA will consider rulemaking related to service connection—allowing Veterans, family members, and their Survivors to receive any additional benefits, health care, and other services they have earned and deserve.

We want to express our appreciation for your continued support of Veterans, their families, caregivers, and survivors. VA thanks Congress for its tremendous work to pass this historic law and values our common goal of serving Veterans and survivors as well as those who have served this country. We also appreciate your staff's involvement with our quarterly PACT Act implementation offsite events and the Committee's side-by-side relationship during implementation of this historic law. In addition, we would like to acknowledge our VSO partners, and others in the Veteran community who work with us to provide the best care and services for Veterans and their families.

We look forward to continued engagement with you as we implement this law and strive to serve with excellence those who have served the Nation.