

**EXAMINING TRAINING REQUIREMENTS  
OF VETERANS BENEFITS ADMINISTRATION  
CLAIMS PROCESSING PERSONNEL**

---

---

**HEARING**  
BEFORE THE  
SUBCOMMITTEE ON DISABILITY ASSISTANCE AND  
MEMORIAL AFFAIRS  
OF THE  
COMMITTEE ON VETERANS' AFFAIRS  
U.S. HOUSE OF REPRESENTATIVES  
ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

SEPTEMBER 16, 2010

**Serial No. 111-98**

Printed for the use of the Committee on Veterans' Affairs



U.S. GOVERNMENT PRINTING OFFICE

61-756

WASHINGTON : 2011

---

For sale by the Superintendent of Documents, U.S. Government Printing Office  
Internet: [bookstore.gpo.gov](http://bookstore.gpo.gov) Phone: toll free (866) 512-1800; DC area (202) 512-1800  
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

## COMMITTEE ON VETERANS' AFFAIRS

BOB FILNER, California, *Chairman*

CORRINE BROWN, Florida	STEVE BUYER, Indiana, <i>Ranking</i>
VIC SNYDER, Arkansas	CLIFF STEARNS, Florida
MICHAEL H. MICHAUD, Maine	JERRY MORAN, Kansas
STEPHANIE HERSETH SANDLIN, South Dakota	HENRY E. BROWN, JR., South Carolina
HARRY E. MITCHELL, Arizona	JEFF MILLER, Florida
JOHN J. HALL, New York	JOHN BOOZMAN, Arkansas
DEBORAH L. HALVORSON, Illinois	BRIAN P. BILBRAY, California
THOMAS S.P. PERRIELLO, Virginia	DOUG LAMBORN, Colorado
HARRY TEAGUE, New Mexico	GUS M. BILIRAKIS, Florida
CIRO D. RODRIGUEZ, Texas	VERN BUCHANAN, Florida
JOE DONNELLY, Indiana	DAVID P. ROE, Tennessee
JERRY McNERNEY, California	
ZACHARY T. SPACE, Ohio	
TIMOTHY J. WALZ, Minnesota	
JOHN H. ADLER, New Jersey	
ANN KIRKPATRICK, Arizona	
GLENN C. NYE, Virginia	

MALCOM A. SHORTER, *Staff Director*

---

## SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS

JOHN J. HALL, New York, *Chairman*

DEBORAH L. HALVORSON, Illinois	DOUG LAMBORN, Colorado, <i>Ranking</i>
JOE DONNELLY, Indiana	JEFF MILLER, Florida
CIRO D. RODRIGUEZ, Texas	BRIAN P. BILBRAY, California
ANN KIRKPATRICK, Arizona	

Pursuant to clause 2(e)(4) of Rule XI of the Rules of the House, public hearing records of the Committee on Veterans' Affairs are also published in electronic form. **The printed hearing record remains the official version.** Because electronic submissions are used to prepare both printed and electronic versions of the hearing record, the process of converting between various electronic formats may introduce unintentional errors or omissions. Such occurrences are inherent in the current publication process and should diminish as the process is further refined.

# CONTENTS

September 16, 2010

	Page
Examining Training Requirements of Veterans Benefits Administration Claims Processing Personnel .....	1
OPENING STATEMENTS	
Chairman John J. Hall .....	1
Prepared statement of Chairman Hall .....	33
Hon. Doug Lamborn, Ranking Republican Member .....	3
Prepared statement of Congressman Lamborn .....	34
WITNESSES	
U.S. Government Accountability Office, Daniel Bertoni, Director, Education, Workforce, and Income Security .....	4
Prepared statement of Mr. Bertoni .....	35
U.S. Department of Veterans Affairs, Michael Cardarelli, Acting Deputy Under Secretary for Benefits, Veterans Benefits Administration .....	24
Prepared statement of Mr. Cardarelli .....	56
SUBMISSION FOR THE RECORD	
American Federation of Government Employees (AFL–CIO), Jimmy F. Sims, Jr., Shop Steward, Local 1738, and AFGE National Veterans Affairs Coun- cil, and Rating Veterans Service Representative, Winston-Salem, NC, Re- gional Office, Veterans Benefits Administration .....	9
Prepared statement of Mr. Sims .....	40
American Legion, Ian C. de Planque, Deputy Director, Veterans Affairs and Rehabilitation Commission .....	16
Prepared statement of Mr. de Planque .....	54
Disabled American Veterans, Jeffrey C. Hall, Assistant National Legislative Director .....	11
Prepared statement of Mr. Hall .....	42
Institute for Defense Analyses (IDA), David E. Hunter, Ph.D., Assistant Di- rector, Cost Analysis and Research Division .....	14
Prepared statement of Dr. Hunter .....	50
National Veterans Legal Services Program, Meg Bartley, Esq., Senior Staff Attorney .....	13
Prepared statement of Ms. Bartley .....	48
SUBMISSION FOR THE RECORD	
Federal Bar Association, Carol Wild Scott, Chairman, Veterans Law Section, statement .....	59
MATERIAL SUBMITTED FOR THE RECORD	
Post-Hearing Questions and Responses for the Record:	
Hon. John J. Hall, Chairman, Subcommittee on Disability Assistance and Memorial Affairs, Committee on Veterans' Affairs, to Daniel Bertoni, Director, Education, Workforce, and Income Security Issues, U.S. Government Accountability Office, letter dated October 6, 2010, and response letter dated October 28, 2010 .....	62
Hon. John J. Hall, Chairman, Subcommittee on Disability Assistance and Memorial Affairs, Committee on Veterans' Affairs, to Jimmy Sims, Jr., AFGE Local 1738 Shop Steward, American Federation of Government Employees, letter dated October 6, 2010, and AFGE responses .....	63

	Page
Post-Hearing Questions and Responses for the Record—Continued	
Hon. John J. Hall, Chairman, Subcommittee on Disability Assistance and Memorial Affairs, Committee on Veterans' Affairs, to David E. Hunter, Ph.D., Assistant Director, Cost Analysis and Research Division, Institute for Defense Analyses, letter dated October 6, 2010, and Dr. Hunter's responses, dated November 5, 2010 .....	68
Hon. John J. Hall, Chairman, Subcommittee on Disability Assistance and Memorial Affairs, Committee on Veterans' Affairs, to Michael Cardarelli, Acting Deputy Under Secretary for Benefits, Veterans Benefits Administration, U.S. Department of Veterans Affairs, letter dated October 6, 2010, and VA responses .....	71

**EXAMINING TRAINING REQUIREMENTS  
OF VETERANS BENEFITS ADMINISTRATION  
CLAIMS PROCESSING PERSONNEL**

THURSDAY, SEPTEMBER 16, 2010

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON VETERANS' AFFAIRS,  
SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL  
AFFAIRS,  
*Washington, DC.*

The Subcommittee met, pursuant to notice, at 10:05 a.m., in Room 334, Cannon House Office Building, Hon. John Hall [Chairman of the Subcommittee] presiding.

Present: Representatives Hall, Donnelly, and Lamborn.

Mr. HALL OF NEW YORK. Good morning, ladies and gentlemen. Would everyone please rise for the Pledge of Allegiance.

[Pledge was taken.]

**OPENING STATEMENT OF CHAIRMAN HALL**

Mr. HALL OF NEW YORK. Thank you. I am very grateful that you have been able to join us today for our hearing entitled, "Examining Training Requirements of Veterans Benefits Administration Claims Processing Personnel."

I think it is indisputable that quality training for Veterans Benefit Administration (VBA) claims personnel is critical for the U.S. Department of Veterans Affairs (VA) to reach its goal of processing all claims within 125 days at a 98 percent accuracy rate and in reaching its overarching goal of eliminating the backlog by 2015.

As of 2009, VBA received more than one million compensation and pension (C&P) related claims annually. Over 200,000 of these claims take longer than 4 months for VBA staff to fully process, meaning that they are part of the backlog. Further, it is estimated that approximately 20 percent of the claims processed by VBA, as many as 200,000 are erroneous.

Also, according to information provided by the Board of Veterans' Appeals in its annual report, 37 percent of all appeals that it receives are returned to the VBA due to avoidable errors. It should also be noted that the backlog itself continues to grow.

In response, since 2007, Congress has appropriated more than \$750 million for VA to hire more than 10,000 new VBA claims processors on an expedited hiring timetable. Recognizing that the backlog is not just a "people" issue and that brute force alone will not bring about transformation, Congress also passed the Veterans Benefits Improvement Act of 2008, Public Law 110-389, which in-

cluded sweeping provisions to overhaul the claims processing system including efforts to improve the training of VBA claims personnel.

Recently, VA expanded the training requirements for claims processing personnel. This is especially significant since 50 percent of the VA staff is considered new—that is with 2 years or less of experience.

Today veteran service representatives (VSRs) and ratings veteran service representatives (RVSRs) are required to complete 85 hours of instruction annually, a 5-hour increase over previous levels.

VA has also reimplemented and revamped its certification testing program. I look forward to hearing more about that today.

Congress also directed the U.S. Government Accountability Office (GAO) to examine VA's training program for claims processing personnel. GAO answered the call with two reports, one in 2008 and one in 2010, which both assessed VBA's training requirements and practices.

From these reports, we found that VBA claims processors may be hindered from completing their training requirements in order to meet their work production goals.

We also learned that VBA's training may not be sufficient to equip VBA claims processors with the skills needed to help them perform their duties.

Moreover, the GAO indicates that significant improvements might be achieved by the VBA if it were to better monitor the claims process, particularly during the claims developmental stage, and employ appropriate training management and other tools to provide timely correction of staff processing errors.

The Institute for Defense Analyses (IDA), based on its research, has also issued findings relating to VBA's claims processing related training, particularly as it pertains to variances in the ratings between different regional offices (ROs).

I look forward to hearing from both the GAO and IDA on their findings.

Our job in our oversight capacity here in Congress includes helping the VA to find solutions to these challenges that stand in the way of veterans receiving the benefits they are due.

Today's hearing is designed to achieve this end by shining greater light on the efficacy of the training and certification of VBA claims processing personnel.

I look forward to the testimony of the veterans services organizations and other stakeholders, many of whom for years have offered recommendations for improving the training of VBA claims processors, but with little avail.

Finally, I look forward to hearing feedback from the Acting Deputy Under Secretary of Benefits on the critiques and recommendations from the earlier witnesses and to get an action plan for implementing and equipping VBA claims processing personnel with the skills needed for the VA to "break the back of the backlog."

Again, I reiterate that I strongly believe VBA's focus should be on getting the claim right the first time, on quality, not predominantly on production. I am disappointed that the VA's recorded performance on training has not improved significantly and I ex-

pect to hear specifics from VA on how it will be significantly more effective in this area in the future.

Veterans understand the necessity of proper training as they have placed their lives in harm's way dependent upon the training they and their brothers and sisters in arms received, so they understand the importance of the training the processors receive who decide their claims when they are veterans.

Our mission today is to ensure that the VBA provides meaningful and appropriate training and devotes the resources that claims processing personnel need to perform their duties, so that our veterans, their families, and survivors receive the 21st Century world-class service they deserve.

[The prepared statement of Chairman Hall appears on p. 33.]

Mr. HALL OF NEW YORK. And I would now yield to Ranking Member Doug Lamborn for his opening statement.

#### **OPENING STATEMENT OF HON. DOUG LAMBORN**

Mr. LAMBORN. Thank you, Mr. Chairman. Thank you, Mr. Chairman.

Mr. HALL OF NEW YORK. You are welcome.

Mr. LAMBORN. And welcome everyone to this hearing on Veterans Benefits Administration training programs.

A quality training program is the key to any successful organization, particularly one like VBA that must adhere to a complex set of laws, regulations, and precedent decisions by the U.S. Court of Appeals for Veterans Claims.

While these requirements pose a daunting challenge for trainers, I want to emphasize my strong desire to ensure that a comprehensive and substantive training program is employed at all levels of VBA. And I know that this perspective is shared by the Chairman, Representative Hall.

Over the past several years, Republican Members have recommended substantial increases for training in our views and estimates. We realize the importance proper training and feedback have in production of quality rating decisions that are fair and equitable to our veterans.

Throughout my tenure on this Committee, we have discussed a number of problems within VBA that my colleagues on both sides of the aisle and I recognize could be addressed through better training.

VA training must be connected to its vision and mission and VA managers need to be assured that if employees are pulled off the floor for training, that it will result in long-term benefits. There must be clear support from the top down in order to conduct adequate training and acquire the expected outcomes.

I look forward to hearing from our witnesses today. And I thank you all for your participation.

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

[The prepared statement of Congressman Lamborn appears on p. 34.]

Mr. HALL OF NEW YORK. Thank you, Mr. Lamborn.

I would ask you all to please turn off your cell phones, and remind all panelists that your complete written statements have been made a part of the hearing record. Please limit your remarks

so that we may have sufficient time to follow-up with questions once everyone has had the opportunity to provide their testimony.

Our first panel features Daniel Bertoni, Director of Education, Workforce and Income Security with the Government Accountability Office.

Mr. Bertoni, if you would join us at the witness table, please. You have 5 minutes, but your written statement is in the record, so feel free to improvise. You are now recognized for 5 minutes.

**STATEMENT OF DANIEL BERTONI, DIRECTOR, EDUCATION, WORKFORCE, AND INCOME SECURITY, U.S. GOVERNMENT ACCOUNTABILITY OFFICE**

Mr. BERTONI. Am I on? Mr. Chairman, Members of the Subcommittee, good morning. I am pleased to discuss training for Veterans Benefits Administration disability claims processors.

For years, the claims process has been a subject of concern due to long waits for decisions, large numbers of pending claims, and problems with the accuracy and consistency of decisions.

To help VBA manage increasing workloads, Congress has provided additional funding over the last several years which enabled the Agency to hire thousands of new staff. However, more staff alone will not guarantee success. A robust training program is needed to help new claims processors become fully proficient and seasoned staff to maintain their knowledge and skills over time.

In 2008, we noted that VBA's centralized training program for new staff appeared well designed, but offered several recommendations for further enhancing management of the program in which the Agency concurred and has taken several actions.

In April 2010, we again reported on VBA's management and oversight of its training, but in regard to more experienced staff.

My remarks today will focus on experienced claims processors' views regarding training and VBA's efforts to monitor and assess that training.

In summary, experienced staff had concerns about the amount of required training and their ability to meet those requirements. Our survey showed that 60 percent found it difficult to obtain 80 hours of annual training given their workloads. About 50 percent of the supervisors thought that only some or a few needed that amount to do their jobs effectively.

Experienced staff also had mixed views on the training received on specific topics with an estimated 47 and 42 percent respectively noting that training was less than sufficient for appeals and remands and special monthly compensation.

On the other hand, one-third reported receiving more than enough training in records management, rating claims, and calculating payments.

Experienced staff in general found certain training modes more helpful than others with nearly all noting that on-the-job training best suited their needs. Only 20 percent viewed VBA's training performance support system, other online videos, or satellite training as very helpful.

Moreover, an estimated 39 percent of respondents felt that the training they received in the last 12 months was delivered too late.



In regard to program management and oversight, we found that the Agency delegated considerable authority for training staff to its 57 regional offices and could do more to monitor and assess training.

For example, VBA did not use its Web-based Learning Management System (LMS) to monitor the regions, the specific types of training completed by individual staff in the regions, and could not ensure they received all required training.

In fact, our survey analysis showed that 24 percent of staff who should have received mandatory training on spinal, neck, and joint injuries never did.

In its comments to our report, VBA noted that it has begun to electronically track the percentage of staff at each office that are meeting annual training requirements.

We also reported that the Agency lacked controls to ensure regional offices consistently define and record training. For example, some offices allowed staff to count the time spent reading Fast Letters as training while other offices did not. At a minimum, this raised serious concerns about the consistency and reliability of regional data.

And per our recommendation, the Agency is now developing criteria as to what activities should and should not count toward the completion of annual training.

And, finally, we reported that VBA had not systematically assessed the appropriateness and consistency of regional office training or collected feedback from experienced staff on the training delivered.

We recommended that VA develop a strategy to assess the content, mode, and timing of such training. The Agency has developed such a strategy for national core technical training and is exploring the feasibility of applying it to non-core and locally developed regional training.

In conclusion, veterans who have been injured in service to their country deserve timely, accurate, and consistent disability decisions. And claims processors play a vital role in responding to their needs. It is good news that the Agency has a number of initiatives either planned or underway to strengthen its training program and enhance service delivery.

However, going forward, we will continue to monitor and assess its progress toward addressing our recommendations and ensuring that both new and experienced staff are properly supported in their efforts to serve the veteran community.

Mr. Chairman, this concludes my statement. I am happy to answer any questions that you or other Members of the Subcommittee may have. Thank you.

[The prepared statement of Mr. Bertoni appears on p. 35.]

Mr. HALL OF NEW YORK. Thank you, Mr. Bertoni.

I will just recognize myself for a few questions and then the Ranking Member.

In its 2008 report entitled, "Increased Focus on Evaluation and Accountability Would Enhance Training and Performance Management for Claims Processors," the GAO found that individual VBA personnel staff members faced no consequences for failing to meet required training specifications.

In your recent study, did you determine whether this issue has been remedied or is there still a problem with accountability?

Mr. BERTONI. I do not believe there has been a specific policy change or at least at the time of our review, there was not a specific policy change in terms of accountability.

At the tail end of our review in January of 2010, there was a Fast Letter issued that talked about the requirement that staff must now enter the fact that they have taken training into the LMS. There would be an electronic query to supervisors if that did not occur and some reference to either counseling or reprimanding or perhaps adjusting the individual's workload to make that training happen. But I do not know whether there is any linkage to, say, performance rating or anything else.

Mr. HALL OF NEW YORK. Comparing both the 2008 report with your most recent 2010 report, it appears that the quantity of training continues to pose a challenge for seasoned VBA claims staff. According to both studies, claims processors reported that the demands of their work production requirements often prevent them from receiving mandatory training.

What has been the VA's response to this ongoing issue and what measures, if any, do you recommend to remedy this problem?

Mr. BERTONI. I think up until very recently, the response has been we established this 80-hour requirement. We believe it is appropriate and we will continue to go that way.

But more recently, I believe there has been some outreach and analysis to field staff and management to get a sense of whether this is appropriate and whether it is doable under current workloads.

And there have been some adjustments not in terms of the ceiling but in terms of the curriculum. I think now they are more training to the intermediate and targeting journey levels. And I think that will go a long way towards making training more relevant and processors being able to find training that is relevant to their position.

I think there is an acknowledgment also that the workload can distract from one's ability to do training. And I did see a reference that now seasoned claims processors who teach or are instructors can now apply up to 20 hours of that instructional time to their Central Processing Unit requirements.

So I think short of changing the bar or lowering the bar, there has been substantive examination of the content. And I think that might alleviate some of the pressure in terms of their ability to make that 80-hour requirement.

Mr. HALL OF NEW YORK. Thank you, sir.

It seems that VBA fails to tie the training requirements to its organizational goals for claims processing accuracy and timeliness or even transformation efforts.

Can you provide us with any insight on how VA can close this disconnect, that is to correlate training with more accurate and quality claims processing outcomes?

Mr. BERTONI. I think in the 2008 report, we actually did say that at least on paper in terms of design they were in accordance with what we call generally accepted practices in design of training programs in that there are goals for timeliness, accuracy, and consist-

ency. And the training that is administered does get at those issues.

What we were concerned about was how they were doing the training, was it appropriate, and how was it being evaluated so that they could make adjustments to the training to make it the best it could be and VA could more better target what they are doing in training towards ultimate end goals.

And, yes, it appears that claims quality has gone down over the last couple years. And we are concerned about that also.

Mr. HALL OF NEW YORK. Regarding the quantity of training, your 2010 report contained an interesting survey in which experienced claims processors felt that they received too little training on some topics and too much on others. A full 46 percent felt that they experienced problems completing the training.

What has been the VA's reaction to the survey? Do you know of any steps that have been taken to address this issue?

Mr. BERTONI. I do not know what they are doing specifically with the survey results. But one thing that did stand out to me was the statistic on appeals and remands. We appear to see a real need amongst staff that they want more appeals and remands training and also on the other side, we saw that they did not feel the appeals and remands training was as effective as it could be in helping them do their job.

And then you look at problematic areas in the claims process that we do find a lot of issues with remanded cases. So I think that it would behoove the Agency to really look at that data and to look to what adjustments they might want to make in their training to address the issues around appeals and remands.

Mr. HALL OF NEW YORK. Thank you, Mr. Bertoni. I have more questions, which I will submit in writing to you.

And now I will recognize Ranking Member Lamborn.

Mr. LAMBORN. Thank you, Mr. Chairman.

And thanks for being here, Mr. Bertoni.

Do you believe that 85 hours of training is an adequate requirement for all employees or should this be reduced or perhaps increased?

Mr. BERTONI. Again, I do not know and we have asked on numerous occasions for the criteria or justification as to how the Agency arrived at that, whether there was any other benefit processing baseline that we could look to. We did not find that.

So we really do not know the basis. I do know that in both of our reviews there is the concern about the ability to reach that bar. And, again, I think part of it comes down to what is being offered and whether it is relevant and substantive.

I think for new claims processors, they will make that. The training in the first couple years is very intense. It is after you leave that environment of the challenge program where, I do not want to say folks forget about you, but I think the emphasis in the past has been, well, they are fine, you know, they will just get by on refresher training.

I do not think that is the appropriate way to look at this. I think you really need to look at a vigorous and invigorated training program going forward for seasoned staff and it would benefit the Agency to do so.

Mr. LAMBORN. Okay. Thank you.

And I know I might be overlapping some with previous questions and answers, but my last question is this. Could you tell us what you think the VA can do to ensure that the correct staff members are rewarded for exceptional performance and also how we can assure that proper feedback is given to the staff from their managers?

Mr. BERTONI. I am glad you revisited that section of the 2008 report. I was not quite sure if I was going to get questions on that? But I can weigh in on that.

In 2008, we looked at the performance appraisal and management system. And in our view, we were concerned that although there were numerous categories to place people in various performance buckets, it appeared that as designed, the formula that was used, did not allow appropriate differentiation in performance.

And because of the formula, you could have someone—they would rate folks on, I believe, critical and noncritical elements. And someone who scores outstanding in all critical elements would, of course, get an outstanding rating. However, if an individual rated less than outstanding in one of the critical elements, say that person got a fully successful, that would be enough to drop that person into the third category which would be fully successful, bypassing the next category of exceptional.

So in this case, you would have a very high performer dropping into a bucket with some folks who perhaps were at the very bottom end of fully successful performance but would be rated the same.

So we felt there was room for the Agency to look at their performance evaluation system, and determine whether they could better differentiate between our highest performers.

Mr. LAMBORN. Okay.

Mr. BERTONI. And, again, that backs into training. If you know where your remedial needs are, you can design and target your training to staffs' individual needs. And perhaps 85 hours is not enough or is too much for some staff, but perhaps some staff will need more. So it is a way to target your training resources to people who need your help.

Mr. LAMBORN. Thanks for your answers and for being here today. I yield back.

Mr. HALL OF NEW YORK. Thank you, Mr. Lamborn.

Mr. Bertoni, just another question or two. Did GAO explore the quality or adequacy of the training that the VBA instructors receive? Does VBA have a formalized program for training the trainers and are RO instructors required to complete it?

Mr. BERTONI. We did not look at the train the trainer program per se. We looked generally at their program. Just in general, train the trainer programs make good sense. And also if you give trainers an incentive to step up by allowing them to apply what they are doing to their annual training hours, I think everybody benefits. The Agency benefits from knowledge transfer.

These supposedly are your best people. They are knowledgeable. You have a vast number of new staff in the Agency who could benefit from that. And the Agency will benefit, I think, from good train the trainer programs. The individual benefits, of course, because as

you train, you get better. You sharpen your skills and you also pick up a few credit hours towards your national requirement.

We found it interesting that in our survey in 2010 that many experienced staff really viewed on-the-job training as the preferred mode. The question I have is, was that the default choice? If they could not turn internally to the established curriculum, were they turning towards peers and other on-the-job tools to get what they need? I think that is a question that VBA has to really think about.

Mr. HALL OF NEW YORK. Well, thank you very much for your work and your testimony and for being here today, Mr. Bertoni, and you are now excused.

Mr. BERTONI. Thank you.

Mr. HALL OF NEW YORK. Have a good day, sir.

I will call our next panel, please, which includes Jimmy Sims, Jr., the RVSR and AFGE Local 1738 Steward, VBA Regional Office, Winston-Salem, North Carolina, American Federation of Government Employees (AFGE).

Jeffrey C. Hall from New York, Assistant National Legislative Director, Disabled American Veterans (DAV), welcome, sir.

Meg Bartley, Senior Staff Attorney, National Veterans Legal Services Program (NVLSP); Dr. David Hunter, Assistant Director, Cost Analysis and Research Division for the Institute for Defense Analyses; and Ian C. de Planque, Deputy Director of the National Veterans Affairs and Rehabilitation Commission of the American Legion.

We are expecting votes to be called at any time. So what we will do is we will try to get as much testimony as we can before we have to recess for votes across the street. And then we will come back and have questions.

Mr. Sims, your statement has been entered into the record. You are now recognized for 5 minutes.

**STATEMENTS OF JIMMY F. SIMS, JR., RATING VETERANS SERVICE REPRESENTATIVE, WINSTON-SALEM, NC, REGIONAL OFFICE, VETERANS BENEFITS ADMINISTRATION, AND SHOP STEWARD, LOCAL 1738, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES (AFL-CIO), AND AFGE NATIONAL VETERANS AFFAIRS COUNCIL; JEFFREY C. HALL, ASSISTANT NATIONAL LEGISLATIVE DIRECTOR, DISABLED AMERICAN VETERANS; MEG BARTLEY, ESQ., SENIOR STAFF ATTORNEY, NATIONAL VETERANS LEGAL SERVICES PROGRAM; DAVID E. HUNTER, PH.D., ASSISTANT DIRECTOR, COST ANALYSIS AND RESEARCH DIVISION, INSTITUTE FOR DEFENSE ANALYSES; AND IAN C. DE PLANQUE, DEPUTY DIRECTOR, VETERANS AFFAIRS AND REHABILITATION COMMISSION, AMERICAN LEGION**

**STATEMENT OF JIMMY F. SIMS, JR.**

Mr. SIMS. Thank you.

I thank Chairman Hall, Ranking Member Lamborn. I would like to thank you for allowing me the opportunity to testify on behalf of the American Federation of Government Employees and the National VA Council.

Training has a direct impact on the VBA's ability to process claims accurately and timely. Improving VBA's training program is of utmost importance given the increased number of new claims processors and projected increase over the next year.

I would like to say at the outset that after many years of excluding the input of AFGE members on training and testing programs, we are beginning to see a change toward a more collaborative effort.

I recently began working on a site team headed by the VBA's Employee Development and Training Director, Terence Meehan, which was commissioned to review the implementation and compliance with phase three challenge training. Hopefully this joint teamwork will not stop with challenge training and will also look at the training programs for senior employees.

Why is VBA's mandatory annual training program deficient? First, too much of the training is self-directed. Employees are provided documents on the computer and expected to review, interpret, and apply this information with no assistance from subject matter experts.

While computer-based training is an effective tool for providing training for a large audience, the computer-based training should not be the primary method of training. There must be more formal classroom training.

Second, VBA is facing a lack of qualified trainers. Many of the employees placed in a training role have not had the benefit of formal instructor training.

In my office, simply being promoted to a decision review officer or a super senior VSR automatically qualifies you as a trainer and you are thrust into the instructor role right away.

There is no program in place to validate the retention of the newly learned material. Currently, VBA only tracks the quantity of training versus the quality of training.

In addition, some topics identified in the mandatory training such as how to write a clear and concise rating decision are remedial training which is better focused on employees within the first year of training. This training time would be better spent on more complex concepts such as evaluating blast injuries or debilitating diseases.

AFGE has also received reports by employees at other regional offices of management's pressure to spend much less time than officially allotted on training modules in an attempt to increase productivity.

VBA allows regional offices to specify topics for 20 hours of the mandatory training. This practice has evolved into issues being identified during regular team meetings and management directing employees to take training time for these meetings.

The GAO reported an average of 46 percent of employees indicated they would experience difficulty in completing this training. I would dare say this percentage is greatly under-reported based on experiences in my regional office.

Overall, employees report that the 85-hour requirement is hard to achieve when faced with the dilemma of adequately completing the training or meeting management's production requirements.

The timing of training is also a problem. In my regional office, we have experienced delays in delivery of the training. We are still awaiting training directed by VBA on ischemic heart disease, which is a presumptive disability associated with the Agent Orange exposure.

VA must begin to invest the time and energy necessary to meet the training needs of the employees. Otherwise, the Agency is doomed to fail in our mission.

AFGE urges Congress to take the following actions:

Establish a team of subject matter experts to include hands-on senior claims processors, AFGE, and veteran service officers to annually review the training programs and make recommendations for improvement; establish an effective monitoring system for tracking compliance with training to eliminate the incentives of managers who require employees to shortcut the training to meet production; develop clear guidelines on what should and should not be credited toward training requirements; to establish consistency across the regional offices; and, finally, VBA must start utilizing the national Systematic Technical Accuracy Review (STAR) quality review program to shape training around the areas where employees are making the most errors.

Thank you for this opportunity to testify and I stand ready to answer any questions you may have.

[The prepared statement of Mr. Sims appears on p. 40.]

Mr. HALL OF NEW YORK. Thank you, Mr. Sims.

I am now going to call on the DAV witness, Jeffrey Hall, who was the National Service Officer Supervisor in the New York office for the last 6 years and has recently moved to DC.

We are not related, but it is my pleasure to recognize you for 5 minutes of testimony.

#### **STATEMENT OF JEFFREY C. HALL**

Mr. JEFFREY HALL. Thank you, Mr. Chairman. Good morning to you and Ranking Member Lamborn.

It is indeed a pleasure to appear before this Subcommittee to discuss the training program and requirements for VBA claims processors and why training is so important in reforming the benefits claims process.

Mr. Chairman, while the growing backlog of pending claims receives all the headlines, the backlog is actually not the problem. It is just one symptom of a much larger problem, a broken claims process.

Rather than focusing only on breaking the back of the backlog of claims, VA must work to build a new claims process that is centered around the idea of getting it right the first time, which will require uncompromising emphasis on quality, accuracy, consistency, and training.

Similar to VBA, DAV has an extensive training program for our National Service Officers (NSOs). And I would like to offer some insight as to the training that we provide versus that of VBA.

VBA's training for new employees involves periods of orientation and classroom instruction followed by on-the-job training and increasing caseloads until they receive a full caseload which is approximately 2 years from their hire date.

DAV's training program for new NSOs has a similar structure and format. However, we emphasize academic foundation by requiring college-level courses in anatomy and physiology, medical terminology, and legal research and writing.

In addition to mandatory testing throughout their initial training, NSOs must pass a comprehensive Web-based examination for the entire 16-month training period.

Beyond VBA's initial training, experienced VSRs and RVSRs are required to complete 85 hours of training annually. By comparison, DAV's structure and continued training program is required of all NSOs and managers.

Training is separated into two separate 16-month training periods with monthly testing and aggregate testing at the conclusion of each period. All NSOs and managers are responsible for successfully completing the training and testing. Training and testing are ongoing and repeated every 3 years for the duration of their careers.

Upon successful completion of the entire training curriculum for the first time, NSOs earn 12 college credits from the American Council on Education. This is a major incentive to NSOs and one VBA may want to consider for its own employees.

We are not suggesting that VBA match DAV's training program nor adopt our curriculum verbatim. However, we do feel that it is not possible for VBA claims processors to maximize their potential or proficiency level without substantially increasing the amount of training beyond the 85 hours currently required.

Even with this minimal training requirement, as we have heard, GAO found that only one regional office actually met their training requirement in 2009. And at nine regional offices, less than 50 percent of VSRs and RVSRs met their training goals.

GAO also reported that 46 percent of experienced claims processors found it difficult to meet their annual training requirement due to their increasing workload demands.

Mr. Chairman, from my personal experience over the past 17 years, VBA employees are motivated to learn. They want to do a good job for veterans, but they are disillusioned by more pressure being placed on meeting production goals than that of quality, accuracy, and training.

VBA employees need regular training schedules and managers must allow time for training. Also successful completion of the training must be an absolute requirement for every regional office while being a shared responsibility of every employee and manager.

Just as VBA managers must provide employees with the time for training, employees must faithfully complete that training. Neither should be able or feel pressured to simply check the box when it comes to training.

It is our understanding that VBA is administering some type of certification examination for employees. However, the examination being used seems to be for grade level increases only and not for aptitude purposes.

A VSR must pass a certification examination to move, for example, to the highest level. However, if they fail the examination, they can still remain at their current grade level albeit with no requirement to retake the exam or learn the material.



An experienced VBA employee recently told me that the only requirement for annual training is to simply attend, but there is no tool such as testing to measure whether or not the training is understood or the information being retained. In fact, when he expressed his opinion about the need for testing, he was actually ridiculed and he left the training feeling that it was a waste of his time and merely fulfilling a requirement.

Regular testing, Mr. Chairman, should be a mandatory for all VBA employees to include and must include coaches, Decision Review Officers (DROs), and managers. Testing measures for efficiency and knowledge and can identify subject matters or competencies requiring additional training. Equally important, testing can also aid in evaluating the effectiveness of training programs and ascertain weaknesses in the claims process.

Mr. Chairman, in closing, for the VA to truly reform the claims process, it must make an earnest effort and invest the time and resources towards getting it right the first time. And training is an essential and core component of any reform.

This concludes my testimony. I will be happy to answer any questions.

[The prepared statement of Mr. Hall appears on p. 42.]

Mr. HALL OF NEW YORK. Thank you, Mr. Hall, and thank you for your service to our veterans, especially those in New York and in the Hudson Valley.

Ms. Bartley, you are recognized for 5 minutes.

#### **STATEMENT OF MEG BARTLEY, ESQ.**

Ms. BARTLEY. Chairman Hall and Ranking Member Lamborn and Members of the Subcommittee, I am honored to provide this testimony on behalf of National Veterans Legal Services Program.

I and others at NVLSP read the GAO report on training of claims processors. It would be duplicative at this time to review the findings and recommendations, but the report was very revealing.

In this testimony, I wanted to step back for a minute from the details of the report and look broadly at what we see happening at the VA ROs through some other lenses. These lenses include talking to current VA employees at American Legion quality reviews, talking with former VA employees, reviewing files for cases on appeal to the Board, and reviewing files for cases that are on appeal at the Veterans Court.

And based on those lenses, I wanted to just make a few points, recommendations, and observations.

First it seems that many VA errors seem to be caused by the perceived need to adjudicate claims quickly and not necessarily by a lack of knowledge on the part of the VSRs and RVSRs. The need to hurry and always hurry is a strong contributing factor at the very least to work not being properly done.

The work is not brain surgery but neither is it, you know, a one plus one equals two. There are complexities involved and it takes a lot of time to do these claims. When employees do not have that time, sometimes it is not a matter of how much they know, they're not going to be doing a good job if they do not have the time.

In our perspective, training is important, but time to do the job well from the start is very important also. And the VA's emphasis

on production at all costs can hinder any kind of training that has occurred.

The second point is that VA needs to, and I am just reiterating what others have said here, needs to identify major error patterns and work on them. There are common errors that are repeated so often that they deserve to be the subject of intense focus by the VA in training.

Some of the errors I have listed in my testimony and I will just repeat a few here. Not providing a VA exam or medical opinion where one was required or warranted under current law, this could easily be a reason for one-quarter to one-third of all remands, cases that keep going around the hamster wheel of the VA, the Board, and the court.

So VA needs to identify these major error patterns and work on them. It wastes tax dollars trying to fix these cases at higher appeal levels. And those errors have to be strongly and actively targeted preferably with interactive training where trainers use actual files and scenarios to train on this issue.

One other point is that immediate supervisors of VSRs and RVSRs should have technical experience. I know this was addressed in the Veterans Benefits Improvement Act of 2008 requiring certification of employees or managers, but feedback we received from VA ROs tells us this is still a problem.

If the manager does not have technical experience, that really deteriorates the whole notion of training and of quality. If you cannot ask your boss to answer your substantive question about your work, there is something wrong.

Under-use of DROs as a training tool is also a problem for some ROs. Let me say that some DROs do not appear to be real highly skilled sometimes in decisions that I read, but nevertheless one of the main reasons for the DRO program to begin with was not only to lessen the appeal numbers but also to use DROs as a tool to target issues that were being done wrong by the RVSRs and to target poorly trained employees. And the DRO knowledge base is not being used from feedback that we get from employees at this time.

And, finally, the training attitude of some managers has to change. The GAO report said that 50 percent thought training of 80 hours really was not necessary. This attitude should change. The manager is seeing only the little picture of their regional office, but that mentality really does hinder the VA in doing a quality job.

Mr. Chairman, this completes my statement.

[The prepared statement of Ms. Bartley appears on p. 48.]

Mr. HALL OF NEW YORK. Thank you, Ms. Bartley.

Let us see. Mr. Hunter, you are now recognized for 5 minutes.

#### **STATEMENT OF DAVID E. HUNTER, PH.D.**

Mr. HUNTER. First, good morning. Mr. Chairman and Members of the Subcommittee, I am pleased to come before you today to discuss IDA's assessment of claims adjudication personnel requirements, a study we performed for VBA in 2009.

In November of 2008, as a result of the Veterans Benefits Improvement Act of 2008, the VA asked IDA to conduct an assessment of the current personnel requirements of the VBA. Given the topic of today's hearing, it is important to note that the focus of our

study was personnel requirements for VBA claims adjudication positions.

IDA was not asked to analyze the adequacy of training requirements nor did it do so. We did not make any recommendations regarding training.

We did find that requirements for training are an important factor in determining the VBA claims processing capacity, however, as the balance of my testimony will discuss.

The results of our study in entirety have been documented in IDA Paper P4471. Our analysis shows that for the rating bundle, VBA claims processing capacity is currently limited by the number of rating veteran service representatives or RVSRs.

Our model of the VBA claims processing capacity took into account, among other factors, the number and experience levels of claims adjudication personnel, particularly RVSRs.

Newly hired RVSRs are not as effective as fully trained RVSRs. They spend a significant portion of their time in the classroom and engaged in on-the-job training and they are generally less proficient in the performance of their tasks.

We calculated effectiveness levels for less than fully trained RVSRs based on the typical production goals used at the regional offices. It takes 2 years for an RVSR to become 100 percent effective. For less experienced RVSRs, we assume that for the first 6 months of employment they did not contribute to claims production and they become incrementally more effective from 6 months to 2 years.

We note in our report that VBA added over 600 RVSRs from the beginning of fiscal year 2008 to April 2009, the last month for which we had actual employment levels.

Due to the increasing productivity of these RVSRs as they gain experience over time, we estimated that production would grow by 29 percent from September 2009 levels without any additional hiring.

There is a direct relationship between the number of adjudication personnel and the number of completed claims. Increases in completed claims do not necessarily translate into a decline in the pending inventory, however, because the pending inventory is influenced by both completed and received claims.

In fiscal year 2008, completed rating claims exceeded received rating claims for the first time since fiscal year 2003. The result was the number of pending rating claims which had been increasing during the preceding several years decreased slightly in fiscal year 2008.

Unfortunately, this trend in pending claims did not continue. Our study accurately forecasted that completed claims would increase further in fiscal year 2009 and 2010 as the RVSRs that were hired in 2007 and 2008 became fully effective. Claims received, however, increased even more rapidly and, hence, pending claims increased even while VBA capacity increased.

The number of received claims is difficult to predict. It can change drastically from year to year due to changes in both statute and in veterans' propensity to file claims. Any substantive changes from historically observed behavior will naturally have direct effects on the requirements for VBA claims adjudication personnel.

Mr. Chairman, Members of the Subcommittee, that concludes my remarks and I would be happy to answer any questions that you have.

[The prepared statement of Dr. Hunter appears on p. 50.]

Mr. HALL OF NEW YORK. Thank you, Dr. Hunter.

Mr. de Planque, welcome, and you have the floor for 5 minutes.

#### STATEMENT OF IAN C. DE PLANQUE

Mr. DE PLANQUE. Good morning, Mr. Chairman and Ranking Member Lamborn. I would like to thank you on behalf of the American Legion for the opportunity to talk about training today.

This is a particularly opportune time to examine the training process at VA owing largely to recent attention to VBA operations and the growing backlog. There has been a boom in VA hiring unseen in recent history.

With these growing numbers come greater challenges to VA. Nearly half of the workforce processing claims has less than 3 years of experience. While this infusion of new energy and resources has great potential to help VA manage their caseload that includes over a million new filings every year, it will be wasted if these employees cannot be properly trained and brought up to speed to handle claims accurately and with the timeliness to meet Secretary Shinseki's stated goals of 98 percent accuracy and no claim pending longer than 125 days.

In order to examine this, we want to look at three areas, consistency, focus, and measurement of the training process.

The consistency issue has been highlighted by American Legion visits, quality review visits. Over the last decade or so, we have conducted between 40 and 50 of these quality review visits in conjunction with NVLSP. They consist of a mix of examination of recently adjudicated cases as well as in-depth interviews with the staff of VA.

What we have noted overwhelmingly is inconsistency from regional office to regional office. Mr. Bertoni from the GAO recently mentioned Fast Letters. In some offices, the reading of a Fast Letter is counted as training. In other offices, it is not counted as training.

With most of the employees that we have discussed, a Fast Letter from VA, a directive on how VA employees should be operating, is circulated as an e-mail and they are told to read it and if they have any questions, go to a supervisor.

That is not efficiently getting the training out to the people. Regardless of the intention of Central Office, if they cannot consistently enforce their training plan at the individual regional offices, it will be ineffective.

In terms of focus, VA has a wealth of data that is out there that can tell them where they need to focus their training. We have mentioned these STAR reviews, internal quality reviews, the DROs reviewing cases, the Board of Veterans' Appeals reviewing cases and sending back their regular remands.

We have just heard that the Board sends 37 percent of the cases back as remands for avoidable errors. Those avoidable errors should be captured and reinforced with employees so that they are avoided in the future.

The American Legion has recommended in the past, and continues to recommend, that STAR reviews, DRO decisions, remands from the Board of Veterans' Appeals, remands from the Veterans Court be captured and used as a focusing mechanism for future training for VA employees.

Finally, I would like to look at the measurement section of how VA measures the training. It does not matter if we are talking about 45 hours of training, 85 hours of training, or 105 hours. If it is not effective training, it does not matter how many hours they are doing.

We have just heard again from Mr. Sims of the AFGC mentioning that training is tracked as a measure of quantity, not quality. Where have we heard this before? This is a consistent mantra within the VA. Whether they are doing four claims a day without regard to whether you are doing them correctly or whether you are meeting your 85 hours a year of training, you are simply checking a box. You are not looking to see that you are doing the job correctly.

And so that aspect of the training needs to be addressed and it is difficult to say whether 85 hours is enough if you do not know if it is the right kind of training. The kind of training should be targeted, it should be consistently applied to all of the employees, and there needs to be a better metric to measure that training.

This concludes my statement and I would be happy to answer any questions that you may have.

[The prepared statement of Mr. de Planque appears on p. 54.]

Mr. HALL OF NEW YORK. Thank you, Mr. de Planque.

Thank you all for your testimony.

I will start by asking Mr. Sims, should experienced raters who perform well in their performance ratings be allowed to take less training and should VBA require more training for those who score poorly on performance evaluations?

Mr. SIMS. Chairman Hall, the aspect of senior rating specialists who perform well receiving less training, I do not believe that is an adequate way to approach training. Training is necessary at all phases of our work because of the nature of the work and the rapid changes that take place both in legislation and in medical technology. It directly affects how we do our job.

The targeting training for those who are performing poorly is something that needs to be looked at. Saying that 85 hours across the board is adequate for all personnel is not an adequate way to look at training. Training needs to be focused on the needs of the employee.

There are employees that may require a greater amount of training to be focused because of their performance whereas some employees may not need the same type of training, but continual training is necessary in our position.

Mr. HALL OF NEW YORK. Is there a way that VBA could better tailor the training to produce better outcomes for employees and for veterans given the disparity between how quickly certain people learn or employees learn their training and they take the material in and get it and are ready to go back to—it would seem some people are ready to go to work using that new information quicker

than others. And I am just curious if you think VBA should be trying to tailor its training requirements depending on the outcome.

Mr. SIMS. Well, the VBA is in one form tailoring the training in the fact that there are specific topics that are identified for intermediate level and journey level. The problem is that the training topics that are identified are set. And, unfortunately, there is not enough focus on the areas where improvement is necessary.

We have a quality review program in place both locally and nationally, but, unfortunately, the trends identified by those reviews are not being targeted as the necessary training during that period of time.

Even at our regional office, it was recommended that the local quality reviews be looked at over the past 12 months to identify specific trends and our local training be targeted on those specific topics. And, unfortunately, that was met with resistance.

And I believe that's also taking place on the national level because of the additional work it may require to be able to identify those specific trends and develop that training specifically to address those needs.

Mr. HALL OF NEW YORK. Mr. Hall, could you please elaborate on the point in your testimony about the VA's failure to implement certification testing for decision review officers and supervisory personnel as is required in Public Law 110-389.

Mr. JEFFREY HALL. Actually, it was based off conversations with VBA employees as an example indicating that certification examinations, while it might be the intent of Public Law 110-389, may not be what is actually being done in their estimation because those certification examinations, in fact, are being used at different regional offices for grade level increases as an example and not really to test the proficiency from the 85 hours of training that they received through the year.

In their estimation, also in speaking with them, and really from a personal experience level as a manager that had to take training, deliver training, and develop training for all of my employees, managers should never be exempt from a training program. You cannot expect them to learn the material on their own accord because of the complexities and nature of this business. It is way too difficult.

But if you have managers that are exempt or not involved to include decision review officers, if they are not part of the training program and a testing or a certification examination, then to me it is a failed experiment at the beginning.

Mr. HALL OF NEW YORK. Given DAV's vast experience with training its service officers, do you have any recommendations for improving the challenge program and VA's overall training, I am referring specifically to your point in your testimony about the error trend analysis, and aggregating and analyzing STAR and Inter-Rater Reliability (IRR) data?

Mr. JEFFREY HALL. All of those reviews are absolutely important. If they do not collectively compile the data results from each one of those sources, they just have a fragmented database that they are drawing from.

As far as the challenge training, I am not really clear on the specifics of what they undergo point for point in the challenge training. I do talk to the VBA employees as an example and many of

them, some of which actually went through DAV's training program. It will provide a comparison for me and say that they are well advanced beyond what is being done at the challenge training. Some also feel that when they reach that level of challenge training that it might be well above where they feel that they are ready.

As far as the data analysis portion of the question, I can tell you whether it is the IRR or the STAR or coaches' reviews, one thing that I have yet to see, at least in my personal experiences, where one of the best sources of seeing how well they are doing is a service organization.

We are a wealth of experience and expertise and we will tell them exactly where the decision has gone wrong, the quality of the decision, and things like that. Yet, they won't ask for it. They simply wait for an appeal or a notice of disagreement, something of that magnitude.

Mr. HALL OF NEW YORK. Thank you.

Ms. Bartley, NVLSP has testified repeatedly that the over-emphasis on production by VBA often leads its claims processing personnel to commit avoidable errors, which stem from the work credit requirements.

Could you elaborate on your example in your testimony about diabetes' secondary conditions, which constitute a large portion of VA's current inventory and if work credits are not assigned, how might VA count employee production and do you think the training should be more vigorous and standardized before production is counted?

Ms. BARTLEY. Yes. We have frequently, and I know that other service organizations have frequently, made the point that an emphasis on or overemphasis on production leads to avoidable errors.

Well, what we see in quality reviews is that some things that seem to be obvious are not caught by the rater. And as I said in my testimony, you could attribute this to a lack of knowledge or a lack of skill or you could on the other hand attribute it to perhaps they were being rushed and they were in a hurry and they knew that they had to get so many cases done per week or per day and that that was the reason it was not caught. And in many cases, it might be a combination of both factors.

For something that seems fairly obvious, VA has trained repeatedly on what the secondary conditions are for diabetes. Right as soon as the condition diabetes came presumptive, they issued a training letter that listed all of the secondary types of issues that they would be facing, retinitis, neuropathy, et cetera.

And so the fact that some of these are missed leads us to believe that these are missed with some frequency as shown by our quality reviews that are conducted for the American Legion. The fact that these are missed really kind of puts you in a quandary. And the fact that they have trained on it pretty steadily makes us think that at least one factor here is indeed the employees need to get their work done quickly, as I said.

As to what can be done about it or how VA could count work differently, it is bothersome that for however many claims the veteran has filed, the VA would only get one work credit for doing that particular work for that veteran. And I think that changing that, I am not an expert in, you know, counting or managing a large organiza-

tion, but it does seem that that is the key factor here is the inability to take sufficient credit for work done.

Mr. HALL OF NEW YORK. Thank you.

I have run over time, so I am going to recognize Mr. Lamborn for his questions.

Mr. LAMBORN. Thank you.

And I have a question for Mr. Hall, not the Chairman, and then a question or two for anyone on the panel.

Mr. Hall, how would you suggest that the VA create a level of accountability in the VBA's training program since you implied that you could find little or no evidence of any existing accountability?

Mr. JEFFREY HALL. As far as VA's accountability, I mean, it is a very difficult subject or topic because I understand with AFGE and a lot of components that go into that. What we are suggesting is a simple fact in DAV, we have the highest level of accountability from the senior to the newest employee.

We follow that individual throughout their training and, again, because we require our own managers who are delivering the training, we hold them to the same accountability level. Whether VA can actually achieve that same thing because with our accountability we have things like performance reviews which may affect salary increases and things like up to and possibly including, possible termination of employment if they are simply not being compliant or not meeting the training requirements and things of that nature. Whether VA can do that or not is really not for me to answer, I believe, but I can tell you that I think the accountability simply is if you are going to have testing and training for an employee, managers must be held accountable to the same situation.

Mr. LAMBORN. Okay. Thank you.

Now, for anyone else or you or anyone on this distinguished panel, how well does the VA utilize feedback to ascertain whether its training is effective and how might such a measurement mechanism be instituted if it is not already in place? Anyone care to take a stab at that?

Mr. SIMS. Well, Ranking Member Lamborn, currently the training that we receive in the field, each training program through the learning management system has a survey that is attached to it. That is how we certify whether or not we have completed the training is we go in and complete the survey attached to it.

The surveys identify whether or not the training, we felt it was beneficial, whether we had problems completing the training, whether there were specific issues that needed to be addressed through the training that were not. There is a block where we can put in suggestions that we have.

As to whether or not that information is being utilized, that is a question that would be better posed to the VBA counsel, our panel that is going to be here. We know we provide the suggestions, but whether or not they are accepted, that is something that is above us.

Mr. DE PLANQUE. One other thing I would like to note in terms of a feedback mechanism, and both Mr. Sims and myself touched on this and we have pointed this out a number of times, there is a mechanism that is already in there.



If you look at the STAR reviews, if you look at internal reviews, if you look at what the Board is remanding for or what the court is remanding for, they are your common errors. They are the things that you know that you need to work on. If you are a third grader taking a math test and you miss all the questions on fractions, you have to go back home and study fractions so you do not fail that on the next test.

Mr. LAMBORN. I remember that well.

Mr. DE PLANQUE. Yeah. That mechanism is already there. And like I said, I know it was brought up there. This should be used. It is a no-brainer. It is an easy mechanism that is already there that can be captured and put into that training that will help get rid of what the Board has been calling avoidable errors.

Mr. LAMBORN. Thank you.

For the sake of time, I will move on to the last question. Once again, any one of you feel free to respond.

Does the VA track remand decisions for the purpose of training development so that future remands of that type are avoided?

Mr. JEFFREY HALL. In my opinion, they do not. They track it simply for productivity or number sake, statistics, not for remedial training, something that, you know, if we had 17 percent of our cases remanded back at this level, not in my personal experience have I seen or had the discussion with any senior VBA employee at any of those local regional offices that would tell you, oh, yeah, we have a 17 percent remand rate and we are training hard on those subjects. It is simply we have a remand rate and we need to get these cases back up there.

Mr. SIMS. And I can attest from my experience as a rating specialist at our regional office, the only time I see anything of a remand is when it is sent to me to deal with. There is no discussion on the topics that come back on remand. There is no identification of the trends in the remand and there is no training that is done on the nature of the remands. It just does not take place.

Ms. BARTLEY. And I just wanted to point out that with the Appeals Management Center coming into existence several years ago that we have heard complaints that, of course, the regional offices are not getting the benefit of getting all of those cases back and seeing actually what they did wrong the first time.

Mr. DE PLANQUE. We think there could actually be an excellent tool. If you are working in a regional office and you get told you had 48 cases remanded this month because of improper Veterans Claims Assistance Act (VCAA) letters, that is a tool that tells you we need to have some more training on VCAA letters. So it is a great tool. To the best of our knowledge, we are not hearing that it is being utilized.

Mr. LAMBORN. Okay. Once again, I want to thank you. I know the Chairman agrees. You have been very good with the information you provided. We appreciate it. And thank you for being here. And I yield back.

Mr. HALL OF NEW YORK. Thank you, Mr. Lamborn.

I just have a couple more questions first of all for Dr. Hunter. You have noted that there are no nationwide rules for training factors. Do you believe that implementing such nationwide regula-

tions would enhance accuracy and timeliness of adjudicating claims?

Mr. HUNTER. No. I would think that would not be helpful. What we noticed is that these actually vary from individual to individual. What we used in our study were averages.

So RVSRs typically take 2 years. There was no hard and fast rule. So it varies not only from region to region but from individual to individual within a regional office. So having a standard for less than fully trained people to have one or two weighted cases that they would have to do would likely not be helpful for the goals you suggest.

Mr. HALL OF NEW YORK. You also note in your 2009 report that the ideal methodology for predicting personnel requirements would be to simulate the processing stages for each incoming claim and use statistical distributions to estimate the time required at each stage, but that this data does not exist.

Why is that the case and what would be necessary to acquire this information?

Mr. HUNTER. That is a really interesting question. One of the problems you have at looking at the pending inventory of claims are some are ready to rate and be done if there was available RVSR hours. Others are not. They are somewhere in the process either waiting for a medical exam or something else that cannot be completed at that time.

So it is impossible to tell from the available data what the limit is on the number of claims that are actually awaiting a rating decision versus how many are stuck in the process due to other parts of the requirements.

Knowing that and being able to track a claim through, you would be able to figure out what the actual personnel requirements were and what the actual minimum inventory you could get and be able to suggest improvements to the process.

I think to implement that, you would have to do a data collection effort. I do not think that data exists, so you have to go through and actually track claims through the process to see what fraction of them are waiting for various additional evidence or doctors' exams before they can be declared ready to rate.

Mr. HALL OF NEW YORK. Based on your studies including the IDA study on regional office variances from 2007, do you have any recommendations on how VA might improve the quality and accuracy of its production?

Mr. HUNTER. Well, IDA is also working on an independent assessment, the quality assurance program that is due next year that will touch on that as well. But I can talk back to our 2007 study a little bit.

What we talked about was the accuracy would be improved and the consistencies particularly if training was done the same from when people started and then all periodic and recurring training across all ROs.

Right now our experience was that it was being done differently for raters of different experience and also differently at each of the individual ROs, which was leading to potential inconsistencies in rating decisions.

Mr. HALL OF NEW YORK. Mr. de Planque, you stated that it is essential to develop real benchmarks to illustrate whether deficiencies in knowledge and expertise in the workforce are being addressed.

Could you explain what type of benchmarks you would suggest that would accurately address this issue?

Mr. DE PLANQUE. Well, I think the most obvious and glaring benchmark that is out there is accuracy rate. When you see the accuracy rate starting to go up, when you see it start to approach that 98 percent goal, then you know that they are training effectively. You know that you are eliminating the previous errors and mistakes. I think that is a very obvious one.

I think also we heard Mr. Hall from our panel discuss testing as a feedback mechanism and understanding that you have achieved the goal of training on that.

When we mentioned the example earlier of the Fast Letter just being put out there, ask any questions if you have it, if you have some kind of simple testing mechanism and not something that is there to instill fear in employees about, oh, I have a test and I am very upset, but a simple mechanism that tells you did I learn the material, was this presented to me in a way that I understand it. You need to have that mechanism from the employees, and testing is one way to get it, that says I understand what you are telling me, I understand what is being presented to me. So the testing and also looking at the accuracy rate, looking at it rising and not dropping as it has been lately.

Mr. HALL OF NEW YORK. Well, thank you very much, sir.

Thank you to all of our panelists, for your very helpful testimony. And we have more questions that we might submit in writing to you, but for now for the sake of time and knowing that there are votes coming down the road, we will thank you and excuse this panel and move on. So thank you all so much for the work you are doing.

Let us call Michael Cardarelli, the Acting Deputy Under Secretary for Benefits of the Veterans Benefits Administration, U.S. Department of Veterans Affairs as our third panel.

He is joined by Diana M. Rubens, Associate Deputy Under Secretary for Field Operations, the VBA, and Terence Meehan, the Director of Employee Development and Training, the VBA, and Danny Pummill of the VA, Deputy Director for Policy and Procedures, Compensation and Pension Service (C&P) of the Veterans Benefits Administration.

Welcome, and your full written statement is already made a part of the record, as you know, so, Mr. Cardarelli, you have the floor for 5 minutes.

**STATEMENT OF MICHAEL CARDARELLI, ACTING DEPUTY UNDER SECRETARY FOR BENEFITS, VETERANS BENEFITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; ACCOMPANIED BY DIANA M. RUBENS, ASSOCIATE DEPUTY UNDER SECRETARY FOR FIELD OPERATIONS, VETERANS BENEFITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; TERENCE MEEHAN, DIRECTOR OF EMPLOYEE DEVELOPMENT AND TRAINING, VETERANS BENEFITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; AND DANNY PUMMILL, DEPUTY DIRECTOR FOR POLICY AND PROCEDURES, COMPENSATION AND PENSION SERVICE, VETERANS BENEFITS ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS**

Mr. CARDARELLI. Thank you, Mr. Chairman.

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity today to appear before the Subcommittee to discuss employee training within VBA.

I am pleased to be accompanied by Diana Rubens, Associate Deputy Under Secretary for Field Operations; Terence Meehan, Director of Employee Development and Training; and Danny Pummill, Deputy Director for Policy and Procedures for C&P Service.

As you know, Secretary Shinseki set the goal of eliminating the disability claims backlog by 2015 so no veteran has to wait more than 125 days for a high-quality decision that meets a 98 percent accuracy level. This important goal is at the center of our work as we collaborate across VA to improve the delivery of benefits to our Nation's veterans.

VBA has been aggressively hiring claims processing staff across the Nation since fiscal year 2007 and continues to hire through fiscal year 2010. However, hiring more employees is not a sufficient solution.

The need to better serve our veterans requires bold and comprehensive business changes to transform VBA into a high performing, 21st Century organization that provides the best services available to our Nation's veterans and their families.

We are attacking the claims process and backlog through a focused multi-prong approach. At its core, our approach relies on changing our culture, reengineering current business processes, and developing our infrastructure with technology that supports a paperless claims environment.

Through VA, we are rededicating ourselves to the mission of being advocates for our veterans. One of VBA's strategies to improve and expand training available for our employees, we focus on high quality timely and relevant training for both new and experienced personnel.

VBA has developed and implemented a standardized training curriculum, the challenge training program, for new claims processing employees. The challenge program is a national technical training curriculum that provides new employees with the skills they need to function effectively in their positions as veteran service representatives or rating veteran service representatives.

Since fiscal year 2007, VBA has trained more than 7,200 new VSRs and RVSRs including more than 2,000 in fiscal year 2010.

The challenge program is delivered in three phases. Phase one is completion of knowledge-based prerequisite training at home station using lectures, demonstrations of computer applications, and team learning.

Phase two is centralized classroom training. Newly hired VSRs and RVSRs attended 2½ weeks of resident training. Centralized training provides hands-on training with computer applications and advances the new employees through progressively more challenging practice claims.

Phase three is completed at home stations lending lectures, discussions, and Training and Performance Support System (TPSS) training with experiential learning. Trainees work actual veterans' cases under the guidance of experienced personnel. Instructors in the third phase are experienced VSRs or RVSRs with current knowledge of regulations and procedures.

VBA institutes continuous improvements to its training program for experienced personnel. Beginning in fiscal year 2010, VBA designed national curricula to enhance quality in claims processing through standardized training.

Topics in the national curricula were selected to address national quality issues as determined through VBA's Systematic Technical Accuracy Review or the STAR program.

In fiscal year 2010, VSRs and RVSRs are required to complete a total of 85 hours of training including 40 hours from the appropriate mandatory national technical curriculum, 20 hours of electives from a national technical curriculum of additional topics, and 25 hours of station determined topics that include courses required of all VA employees.

By August 31st, 73 percent of all VSRs and RVSRs had exceeded the mandatory 85 hours of training and 80 percent were on track to complete the requirement by the end of fiscal year 2010.

In fiscal year 2011, VBA is making additional improvements in the training for experienced VSRs and RVSRs. The change will give supervisors more latitude to tailor the annual training of employees to better meet the emerging needs of individual employees, their managers, and the RO in this transformational environment.

VBA has improved its training oversight methods to increase accountability. Managers at all levels are held accountable for ensuring training requirements are met. The VA learning management system provides a transparent view of each employee's training achievements to managers and supervisors from the team through the headquarters level.

In 2008, VBA created the position of training manager for each RO. The training manager is responsible for local training reviews as well as analyzing performance indicators to determine local training needs and implementing the training necessary to meet these needs.

In response to a GAO recommendation, VBA developed and implemented a strategy for systematically assessing the content, mode, and timing of training for experienced claims processors. Training of claims processors has continuously improved in VBA through ongoing evaluation of the training program itself. VBA is also collecting and reviewing feedback from staff to determine if

the 85-hour training requirement is appropriate for experienced VSRs and RVSRs.

In conclusion, since the Subcommittee's last hearing on VBA training in 2008, VBA has improved instruction provided to new claims processors, enhanced the relevancy and standardization of training for experienced claims processors, and expanded both oversight and evaluation of training programs.

VBA will continue its efforts to improve training and ensure high quality decisions for our veterans in a timely manner.

Mr. Chairman, this concludes my testimony. I will be happy to respond to any questions that you or other Members of the Subcommittee may have. Thank you.

[The prepared statement of Mr. Cardarelli appears on p. 56.]

Mr. HALL OF NEW YORK. Thank you, sir.

I appreciate the effort that is being made by the Agency to solve these problems that is kind of like a moving target as we deal with the aging population of veterans from Vietnam, Korea, World War II, and more recent veterans including those returning from our current conflicts at the same time.

Congress is trying to do a responsible job of oversight and give you the tools and the funding that the Agency and VBA and the Veterans Health Administration need and also asking for reports when we all know you are really, really busy without coming here and reporting to us.

But thank you for being here and testifying and your repeated and helpful testimony.

I am trying to get a full picture of the VBA personnel and capacity. How many claims processing personnel does VBA currently have and what is the number breakdown of the positions and responsibility? For instance, the number of VSRs, RVSRs, and DROs.

Mr. CARDARELLI. Yes, sir. Overall, we have approximately 14,300.

Diana, if you want to go into specifics.

Ms. RUBENS. Thank you.

Yes. The breakdown that we actually saw in Dr. Hunter's testimony has increased. One of the key things I think particularly, is that he reflected about 2,500 RVSRs. By the end of this calendar year, it will be about 3,000.

We continue to evaluate the needs. Our RVSRs are our key decision maker as it comes to those rating claims, particularly, and so we will continue to evaluate whether that number needs to increase further as we go through fiscal year 2011.

For our VSRs, we are in the 9,000 range. For our DROs, we are at about 425 as of mid-summer and looking to increase that, recognizing that they are our most skilled technicians, particularly as we look at the need for succession planning.

We have been working very hard to make sure we are increasing that number to prepare for the attrition we expect to come in the next few years.

Mr. HALL OF NEW YORK. Is there a quantitative empirical relationship between VBA training requirements and national claims processing goals such as on quality and accuracy and what is the correlation between VBA training requirements and VBA's national

goals of 125 days, 98 percent accuracy, and 2015 for breaking the backlog?

Mr. CARDARELLI. Yes, sir. There is a correlation. As you aptly stated in your opening statement, our goal, one of the things we strive to do is get the claim right the first time. The two are intimately entwined.

As far as our training, the better trained that our personnel are will enhance our timeliness and certainly enhance our quality of what they actually do. Therefore, the two are tied together, and they supplement each other.

Obviously we place a premium on our training in regards to the 80 hours that we have; 40 hours that are dictated at a national level, another 20 hours are from a menu of items that comes from our national level, and then the final 25 hours allow each RO to focus exclusively on those issues.

So we have a blend. What we are trying to do obviously is set our employees up for success the first time, so that as they review a case, they review it correctly and in a timely manner.

Mr. HALL OF NEW YORK. I have noticed during my tenure as Chairman of this Subcommittee that VA sends out a number of Fast Letters to the field. It actually notes that training has still not occurred on rating eye disabilities for a schedule change issued in February of 2009.

Given the number of eye injuries of our returning service-members, I find this mystifying and disturbing.

How is training provided for recent changes in the law, regulations, and statute? Is there regular training provided on Fast Letters?

Mr. CARDARELLI. Sir, our training and curriculum are evolving. They change based upon the type of things that we are seeing, the type of changes that are required, and where we think emphasis needs to be.

We have 85 hours of training, but we constantly review that and determine the right number of hours and the right number of topics.

There was talk in earlier panels about the types of errors seen, and we are focused on those. It is a constant review that we do. There is a review that is done by the individuals as they go through the training. They have a chance to provide feedback such as: was the training helpful, worthwhile, what other areas do you need to look at.

We are trying to have standardization through all 57 ROs as much as possible, but we want to allow individual ROs to address particular issues and be flexible enough so that as changes come about in the law and procedure we have a chance to put that training into our curricula.

Mr. HALL OF NEW YORK. Thank you, sir.

Reviewing the materials that were sent over by VBA outlining the content of the training modules, I came away with concerns. I am not a training expert myself, but it seems that there is not a lot of variety or breadth in the training topics offered. I can see where more experienced personnel might find it less than helpful.

In compliance with GAO's written recommendation, recent recommendation, has VBA developed and implemented a written

strategy for systematically assessing the content, mode, and timing of training experienced claims processors in the regional offices and are there improvements planned or already made? When indicated, how are these modules selected?

Mr. CARDARELLI. Yes. In fact, we are working on a strategy now. One of our focuses is to be able to do our basics correctly. Sometimes that requires repetition. There is always room for improvement. We know that. So we want to keep our basic training doctrine consistent.

We have tried to involve the area directors and the RO directors to ask: what is the feedback, what are the areas that we are missing, what are the areas that we need to hit on that we are not, in fact, hitting on.

You mentioned earlier that we are in a changing environment. We are dealing with World War II era veterans and Korea War veterans, but we are also dealing with the most recent veterans from Afghanistan and Iraq. The types of claims we are seeing are different. We need to make sure that we can handle the other claims but also look at new situations as our environment changes.

We have taken an effort here at the headquarters level to make sure that we have standardized training, that we are looking at all the different training modules that we have, and that they are the appropriate ones in the appropriate place at the appropriate time.

As I said earlier, it is evolving. It is something that will change year to year. For example, in fiscal year 2011 we brought people from the field in at all different levels to look at the training, to look at the 40 hours, the 20 hours, and the 25 hours, and ask, is this the right mix of things to make us ultimately successful.

I cannot overemphasize, and I came from an environment where training is critical to what we did, is that the better trained that our employees are in doing different types of work, we will set them up for future success and allow them to be more effective as they do their job.

Mr. HALL OF NEW YORK. When this training strategy is complete, could you supply a copy to the Committee, please?

Mr. CARDARELLI. Yes, sir.

[The VA subsequently provided the following information:]

VBA's written strategy for systematically assessing the content, mode, and timing of training experienced claims processors follow:

VBA implemented an evaluation process to gather feedback from experienced claims processors regarding the usefulness, relevance, and quality of training they receive. VBA fielded an on-line evaluation tool in February 2010 to collect evaluations submitted by C&P claims processors on the usefulness, relevance, and quality of national training received in field offices. With 25,614 anonymous responses since March 2010:

91 percent of respondents considered training at least moderately useful;  
 91 percent of respondents considered training relevant to their jobs;  
 88 percent of respondents are confident they can apply the training to their jobs; and  
 91 percent of respondents considered worthwhile the requirement they complete the training.

In FY 2010, C&P Service also examined this issue and determined that at a minimum, half of the required annual training hours would be dedicated to addressing national quality trends. Upon review of local quality data and discussions with regional office personnel, VBA increased the hours dedicated to training on quality issues to a minimum of 60 hours for FY 2011. Forty hours of



this training are identified by specific required topics and assigned training curriculum based on national quality trends and emerging issues. Each regional office selects an additional 20 hours of training based on local quality trends from curriculum available on the C&P training Web site.

We are working to incorporate survey instruments into our Learning Management System. This will allow supervisors to monitor individual compliance with the completion of the survey. This process is nearing completion and should be rolled out by the second quarter FY 2011.

Training needs will continue to be reviewed periodically and revised as necessary. Currently, the appropriateness of the Core Technical Training Requirement courses is discussed at both the annual Veterans Service Center Managers (VSCMs) Conference and the annual Training Managers Conference. Monthly calls are held with all VSCMs and local Training Managers concerning changes in training policy.

Mr. HALL OF NEW YORK. Thank you very much.

Many of the previous witnesses testified about premature decision-making, particularly as it refers to underevaluation of mental conditions and inferred conditions. They also discussed VA's failure to aggregate and analyze data collected from STAR and inter-rater reliability reviews to spot error trends. The VA Office of Inspector General (OIG) has indicated a similar finding in its findings in its regional office reports.

How does VA identify major patterns of errors and generate interactive trainings to end these patterns?

Mr. CARDARELLI. Sir, actually, it is a decision process. It is an ongoing process that is constantly changing. It is constantly evolving, constantly occurring. What we want to do is evaluate the information we are getting there from STAR and the individual ROs, roll up categories of errors, categorize them as much as possible, although some you may not be able to categorize, and then start looking at the 80 hours of training. We will address these issues, find the appropriate mix of training, and adjust that based upon the types of errors we are seeing.

It is a constant process, and we need to be vigilant here at the leadership level to make sure this occurs every year. Every year we are looking at the errors from the previous year, and we can better adjust our training schedule, requirements, and topics to address those issues.

Mr. HALL OF NEW YORK. Do you know what the average tenure of a VSR or RVSR is with the Agency?

Mr. CARDARELLI. I do not know, sir. We can get that to you.  
[The VA subsequently provided the following information:]

**Tenure for VBA C&P & Education Service Employees in the 996 Series**

<b>Tenure</b>	<b>Compensation &amp; Pension Service # and % of 0996 workforce</b>	<b>Education Service # and % of 0996 workforce</b>
less than 1 year	868 or 8%	178 or 14%
1-4 years	3,658 or 34%	586 or 45%
5-9 years	2,376 or 22%	191 or 15%
10-14 years	1,266 or 12%	109 or 8%
15-19 years	848 or 8%	86 or 7%
20-24 years	823 or 8%	91 or 7%
25-29 years	442 or 4%	35 or 2%
30+ years	494 or 4%	35 or 2%
	Total 10,775	Total 1,311

Total # of 0996 positions, VBA Wide = 12,086

Mr. HALL OF NEW YORK. I am just curious if there is a burnout factor, if we are bringing in new people and training them, but also losing people who we might be able to hold onto if their training and/or production pressure was mitigated somehow.

Mr. CARDARELLI. Yes, sir. Interesting point. I am sure that, as in any organization, people doing the same job over and over get very good at that job, but potentially get burned out and less effective.

That is why we emphasize training at all levels, not only for the newcomers, but for experienced RVSRs and VSRs. We keep them fresh, motivated, and aware of the change in environment because the way you did something 5 years ago may not be the same way you do something today or, in the future.

As you are well aware, the VA is evolving. We are looking at different ways of doing things and trying to get smarter, more effective, and more efficient. Part of that requires people to step away from the way they have been doing business at all levels, at the new employee level, at mid-level management, at senior management level.

There is a tendency to rely on what you did in the past to be successful in the future, but that is not always the case. Sometimes we have to look behind to say, what are we missing. That is where our training becomes critical. There is a training component here even, for our RO directors. We have two conferences a year where we bring them all together and put out from a strategic level, what we are trying to do overall, where we are trying to take VA and VBA.

We recently had one in Louisville where we focused exclusively on transformation. It was a chance to step back and say, okay, look, do not worry about your day-to-day issues, you're in a box right now. That is a concern because we are actually doing business, but let us step back and project 5 years in the future, where do we want to be and how are we're going to get there.

But there is also time set aside in both conferences where the area directors have a chance to get their RO directors together and basically say, okay, this is what is going on in the eastern region, and this is what we need to focus on.

So you can see it is a constant training environment from the most senior levels all the way down to the new employee.

Mr. HALL OF NEW YORK. Will the Veterans Benefit Management System (VBMS) be capable of identifying error trends and providing timely training correction? If so, how so? And is the development of VBMS on track?

Mr. CARDARELLI. Sir, it is on track. We have a deliverable in November. Fifteen November is the deliverable of the first pilot. We expect to begin training on VBMS in May of 2012.

The initial plan is to train up to 300 cohorts from all the ROs. They would then train each RO as we started to roll it out.

Our intent is that with VBMS we would be able to roll up different types of errors at the different locations so that we can look at that data and then apportion our training resources to actually address those.

Mr. HALL OF NEW YORK. Thank you.

Just a couple more questions and then I have to run across the street and cast some votes.

But given that the VA OIG found that the accuracy of brokered claims is nearly 20 percent lower than national accuracy, does VBA plan to offer additional training on brokered claims or streamline the type of claims that may be brokered? Is VA collecting empirical data on brokered claims as suggested by GAO and other stakeholders? And if so, how does this tie in with any needed corrective measures?

Ms. RUBENS. Mr. Chairman, if I could address that. Yes, it was very beneficial when our STAR folks began to look at particularly the resource centers to evaluate exactly what the quality errors were. That allowed us then to begin training specifically to those within those resource centers to ensure that those quality issues were addressed.

We will be using those resource centers and actually have invested a great deal of brokering this year. I am sorry, not brokering. We have invested a great deal of training in those resource centers this year because they will be helping us work the new Agent Orange presumptives that will fall under the purview of the *Nehmer* decision.

So we are very focused on ensuring that any work that is brokered is getting that same attention and that those folks doing that work are getting that same and particularly focused training as errors have been identified at the national level in those individual offices.

Mr. HALL OF NEW YORK. Thank you, Ms. Rubens.

Lastly, are you aware of when a permanent Under Secretary for Benefits will be appointed? Where is the VA in that process?

Mr. CARDARELLI. Sir, I am not aware of that. I know there were names that were sent to the White House and we are just waiting for final decision.

Mr. HALL OF NEW YORK. Okay. Well, thank you very much.

We do have some more questions that we will submit in writing, but I have a minute and a half to go vote.

So thank you for the work you are doing for our veterans. Thank you for testifying today.

Thanks to all our panelists.

I would like to remind Members they have 5 legislative days to revise and extend their remarks. I will tell them that when I see them across the street.

On behalf of the Subcommittee, I thank you all for participating in this hearing. We greatly value your insight.

This hearing stands adjourned.

[Whereupon, at 11:39 a.m., the Subcommittee was adjourned.]

## A P P E N D I X

### Prepared Statement Hon. John J. Hall, Chairman, Subcommittee on Disability Assistance and Memorial Affairs

Good Morning Ladies and Gentleman. Would everyone please rise for the Pledge of Allegiance? Flags are located at the front and back of the room.

I am grateful that you have been able to join us for today's hearing entitled, "*Examining Training Requirements of Veterans Benefits Administration Claims Processing Personnel*."

I think it is indisputable that the quality of the training that VBA claims processing personnel receives is critical for the Department of Veterans Affairs' (VA) reaching its goal of processing all claims within 125 days at 98 percent accuracy and in reaching its overarching goal of eliminating the backlog by 2015. As of 2009, VBA received more than 1 million compensation and pension related claims annually. Over 200,000 of these claims take longer than four months for VBA staff to fully process, meaning that they are a part of the backlog. Further, it is estimated that approximately 20 percent of the claims processed by VBA, as many as 200,000, are erroneous. Also, according to information provided by the Board of Veterans' Appeals in its annual report, 37 percent of all appeals that it receives are returned to the VBA due to avoidable errors. It should also be noted that the backlog itself continues to grow exponentially.

Since 2007, Congress has appropriated more than \$750 million to VA to hire over 10,000 new VBA claims processors on an expedited hiring timetable. Recognizing that the backlog is not just a "people" issue and that brute force alone will not bring about transformation, Congress passed the Veterans' Benefits Improvement Act of 2008 (P.L. 110-389), which included sweeping provisions to overhaul the claims processing system including efforts to improve the training of VBA claims personnel. Recently VA expanded the training requirements for each of its claims processors. Today, Veterans Service Representatives (VSRs) and Ratings Veterans Service Representatives (RVSRs) are required to complete 85 hours of instruction annually, a five-hour increase over previous levels. VA has also re-implemented and revamped its certification testing program and I look forward to hearing more about that today.

Congress also directed the Government Accountability Office (GAO) to examine VA's training program for claims processing personnel. GAO answered the call with two reports, one in 2008 and one in 2010 that assess VBA's training requirements and practices. From these reports, we found that VBA claims processors may be hindered from completing their training requirements in order to meet work production goals. We also learned that VBA's training may not be sufficient to equip VBA claims processors with the skills needed to help them perform their duties. Moreover, the GAO indicates that significant improvements might be achieved by VBA if it would monitor the claims process, particularly during the claims developmental stages, and employ appropriate training, management, and other tools to more timely correct staff processing errors.

The Institute for Defense Analyses (IDA), based on its research has also issued findings related to VBA's claims processing related training, particularly as it pertains to rating variances between ROs. I look forward to hearing from both the GAO and the IDA on their findings.

The job of Congress in our oversight capacity is to help VA find solutions to the challenges that stand in the way of veterans receiving the benefits they are due. Today's hearing is designed to achieve this end by shining greater light on the efficacy of VA's training and certification of VBA claims processing personnel. I look forward to the testimony of Veterans Service Organizations (VSOs) and other stakeholders, many of whom for years have offered recommendations for improving the training of VBA claims processors.

Finally, I look forward to hearing feedback from the Acting Deputy Under Secretary for Benefits on the critiques and recommendations from the earlier witnesses,

and to get an action plan for equipping VBA claims processing personnel with the skills needed for VA to “break the back of the backlog”.

As we all know, our Nation provides its military the very best training and other resources needed to achieve its mission. Veterans understand the necessity of proper training—as they have placed their lives in harm’s way depending upon the training they and their brothers and sisters-at-arms received. Our mission today is to ensure that VBA provides meaningful and appropriate training and resources that claims processing personnel need to perform their duty so that our veterans, their families, and survivors receive the 21st Century, world-class service they deserve.

Thank you, I now yield to Ranking Member Lamborn for his opening statement.

---

**Prepared Statement Hon. Doug Lamborn,  
Ranking Republican Member, Subcommittee on  
Disability Assistance and Memorial Affairs**

Thank you Mr. Chairman.

And welcome everyone, to this hearing on Veterans Business Administration training programs.

A quality training program is the key to any successful organization, particularly one like VBA that must adhere to such a complex set of laws, regulations, and precedent decisions by the U.S. Court of Appeals for Veterans Claims.

In addition to the aforementioned legal knowledge, a significant portion of VBA employees must also have a fair understanding of medical terminology and basic anatomy and physiology.

While these requirements pose a daunting challenge for trainers, I want to emphasize my strong desire to ensure that a comprehensive and substantive training program is employed at all levels of VBA.

Over the past several years, Republican members have recommended substantial increases for training in our views and estimates.

We realize the importance proper training and feedback has in production of quality rating decisions that are fair and equitable to our veterans.

Throughout my tenure on this Committee, we have discussed a number of problems within VBA that my colleagues on both sides of the aisle and I recognize could be addressed through better training.

I believe that the VA’s greatest challenge, the claims backlog, is largely attributable to hasty decisions made without proper regard for accuracy.

While the recent expansion of its workforce will certainly have a positive impact, VA must ensure that newly hired claims workers receive training that is commensurate with their responsibilities.

It is equally important that the results of the training are evaluated.

Without feedback, VA may never know whether or not the training is accomplishing its goal.

Any viable training program should be able to identify deficiencies and demonstrate the intended and actual outcome of its curriculum.

VA training must be connected to its vision and mission, and VA managers need to be assured that if employees are pulled off the floor for training that it will result in long-term benefits.

I’m sure that with a growing number of pending claims, there is a certain level of trepidation among managers that production will decline and they will fall further behind if they have to conduct training.

There must be clear support, from the top down, in order to conduct adequate training and acquire the expected outcomes.

I look forward to hearing from our witnesses today, and I thank you all for your participation

Thank you, I yield back.

---

**Prepared Statement of Daniel Bertoni, Director, Education, Workforce,  
and Income Security, U.S. Government Accountability Office**

**VETERANS' BENEFITS: Training for Experienced  
Disability Claims Processors**

**GAO Highlights**

**Why GAO Did This Study**

GAO was asked to present its views on the training requirements and procedures for VA personnel responsible for processing compensation and pension claims. This statement is based primarily upon an April 2010 GAO report on VA's training for experienced disability claims processors (GAO-10-445) and includes information on actions VBA says it has taken in response to our recommendations. This statement focuses on (1) experienced disability claims processors' views regarding training, and (2) VBA's efforts to monitor and assess training for experienced disability claims processors.

**What GAO Recommends**

In its April report, GAO recommended that VBA (1) adopt procedures for routinely monitoring and ensuring compliance with annual training requirements, including more fully using its Web-based learning management system to ensure training requirements are met, (2) develop clear written guidance on the types of activities all regional offices should and should not count toward completion of annual training requirements, and (3) develop and implement a written strategy for systematically assessing the appropriateness of the training regional offices provide to experienced claims processors. VA concurred with these recommendations and has taken some actions in response.

**What GAO Found**

Experienced claims processors had concerns about the amount of training they were required to complete and their ability to meet that requirement. In addition, they had mixed views on the amount of training received on specific topics, the way in which training was delivered and the timing of training. GAO's survey results indicated that 60 percent of experienced claims processors found it difficult to meet the 80 hour annual training requirement given their workload. In addition, based on its survey, GAO estimates that 45 percent of supervisors of experienced Rating Veterans Service Representatives (RVSR) and 53 percent of supervisors of experienced Veterans Service Representatives (VSR) thought that only some or few, if any, of the experienced staff they supervise need 80 hours of training annually to perform their job duties effectively.

Many experienced staff also thought they received too little training on some topics and too much on others. For example, 47 percent thought they received less training than needed in how to develop appeals and remands and 34 percent thought they received more than enough training on records management. Finally, opinions varied on how helpful the various modes of training were. Nearly all claims processors, in general, considered on-the-job experience to be the method of training best suited to their needs. An estimated 39 percent of all experienced claims processors, in general, felt that the training they received was delivered too late, suggesting that regional offices may not always deliver the training needed by experienced claims processors in a timely manner.

According to *Standards for Internal Control in the Federal Government*, Federal agencies must have control mechanisms in place to help ensure that all employees receive appropriate and consistent training. Under its current annual training requirements, VBA delegates considerable responsibility for training experienced claims processors to each of its 57 regional offices. In particular, regional offices are responsible for ensuring that claims processors complete annual training requirements. Each office also determines what topics are covered for half of the required training hours, what material to provide on each of these topics, and how and when the training should occur. Regional offices also have considerable discretion in determining what activities qualify as training. However, at the time of GAO's review, VBA lacked controls to ensure that regional offices deliver required training and record completed training in a consistent manner, and did little to assess the appropriateness or consistency of all training for experienced claims processors. During the course of our review and in response to our recommendations, VBA has taken steps to improve its monitoring and assessment of training. VBA reports that they

are developing guidance on what activities qualify as training, have begun to require staff to complete course evaluations for some training and are exploring the feasibility of requiring evaluations for all training.

---

Mr. Chairman and Members of the Subcommittee:

I am pleased to have the opportunity to comment on training for Veterans Benefits Administration (VBA) disability claims processors. In fiscal year 2009, the Department of Veterans Affairs (VA) paid about \$44 billion to about 4 million veterans and their survivors through its disability compensation and pension programs. For years, the claims process has been the subject of concern and attention by VA, the Congress, and veterans service organizations due, in large part, to long waits for decisions, large numbers of pending claims, and problems with the consistency of decisions. To help VBA manage its increasing workload and replace the growing number of experienced claims processors who are retiring, the Congress provided funding which enabled VBA to hire several thousand new staff from fiscal year 2005 through fiscal year 2010. However, more staff alone will not guarantee effective disability claims processing. To ensure that decisions in disability compensation and pension cases are accurate, consistent, and timely, training must enable claims processors to become fully proficient and maintain their knowledge and skills.

In 2008 we reported that VBA's centralized training for new claims processors appeared well designed but that some claims processors had raised concerns about implementation.<sup>1</sup> VBA has since evaluated its training for new claims processors and made changes based upon that evaluation. In April 2010, we again reported on VBA's training as mandated in the Veterans' Benefits Improvement Act of 2008.<sup>2</sup> We recommended improved monitoring of annual training requirements, standardized recording of training taken, and a review of course content and timing for experienced claims processors. My remarks today will focus on (1) experienced disability claims processors' views regarding training, and (2) VBA's efforts to monitor and assess their training. This statement is drawn primarily from our April 2010 report, where we obtained information on the training, experience, and views of a nationally representative sample of claims processing staff. We also interviewed VBA headquarters officials and managers and training coordinators in four regional offices—Little Rock, Arkansas; Denver, Colorado; St. Petersburg, Florida; and White River Junction, Vermont. Our work 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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

### Background

To process claims accurately, consistently, and in a timely manner, Veterans Service Representatives (VSR) and Rating Veterans Service Representatives (RVSR) must perform a complex set of tasks. When a claim is received, a VSR reviews it and assists the veteran in gathering the evidence, or documentation, needed to support it. The RVSR then evaluates the evidence to determine whether the claimant's medical condition(s) constitutes a disability, and assigns a disability percentage rating which determines the amount of benefits the veteran is eligible to receive. Finally a VSR calculates the amount of monthly benefit payments. VSRs and RVSRs also perform follow-up reviews if, for example, there is evidence a claimant's medical condition has changed, or a court determines that a claim was incorrectly denied.

To ensure that VSRs and RVSRs develop and maintain the knowledge and skills needed to process disability claims accurately, consistently, and in a timely manner, VBA has established annual training requirements and developed a structured training program, called "Challenge,"<sup>3</sup> for newly-hired or promoted claims processors.<sup>3</sup> Beginning in fiscal year 2010, claims processors must receive 80 hours of

<sup>1</sup> See GAO, *Veterans' Benefits: Increased Focus on Evaluation and Accountability Would Enhance Training and Performance Management for Claims Processors*, GAO-08-561 (Washington, D.C.: May 27, 2008).

<sup>2</sup> See GAO, *Veterans' Disability Benefits: Expanded Oversight Would Improve Training for Experienced Claims Processors*, GAO-10-445 (Washington, D.C.: April 30, 2010).

<sup>3</sup> Challenge consists of a uniform curriculum that is implemented in three phases: initial orientation training provided at a participant's regional office, centralized classroom instruction typically delivered at VBA's Training Academy in Baltimore, Md., and comprehensive on-the-job and classroom training that new claims processors receive at their regional offices.



training annually in topics directly related to processing disability claims.<sup>4</sup> VBA requires that 40 of those hours be in topics designated by VBA, 20 cover topics selected by each regional office from a list of core technical training requirements (CTTR), and 20 cover topics determined by each regional office.<sup>5</sup>

In addition to its “Challenge” program and annual training requirements, VBA issues “Fast Letters,” or memoranda on policy changes, conducts telephone conferences, and develops ad hoc required training on emerging issues to help ensure that disability claims processors have the information they need to do their job. VBA issued 100 Fast Letters in calendar years 2008 and 2009, on topics ranging from cost-of-living adjustments in disability benefits to rating the effects of traumatic brain injury (TBI). Monthly or quarterly telephone conferences with regional offices concentrate on claims processing issues identified through VBA’s quality reviews or on new management priorities or initiatives that may affect how claims processors do their jobs. VBA officials also told us the agency periodically requires training on emerging topics such as rating post-traumatic stress disorder (PTSD) and spinal, neck, and joint injuries.

### **Experienced Claims Processors Had Concerns With Various Aspects of the Training They Received**

Experienced staff responding to our survey expressed concerns with the amount of training they were required to take and their ability to meet those requirements. Based on the results of our survey of claims processors, many believed that 80 training hours each year were too many, particularly for experienced staff.<sup>6</sup> An estimated 45 percent of supervisors of experienced RVSRs and 53 percent of supervisors of experienced VSRs thought that only some or few, if any, of the experienced staff they supervise need 80 hours of training. Most of the regional office officials we interviewed also said 80 hours are too many for at least some experienced staff and one regional official told us it would make sense to vary the required number of hours based on the training needs of individual claims processors.<sup>7</sup> In 2008 we recommended that VBA collect and review feedback from staff to determine if the 80-hour training requirement was appropriate for all VSRs and RVSRs. VBA has not yet implemented this recommendation.

Our survey results also indicated that it was challenging for many experienced claims processors, in general, to meet the 80-hour annual training requirement, given their workload. Sixty percent found it somewhat or very difficult to meet the requirement. Moreover, 61 percent of experienced RVSRs’ supervisors and 76 percent of experienced VSRs’ supervisors thought it was somewhat or very difficult for experienced staff to complete 80 hours of training each year.

While many experienced claims processors thought that 80 hours of training per year was too much and difficult to complete, they had mixed views on the amount of training they received on specific topics. For example, an estimated 47 percent thought they received less than sufficient training in developing appeals and remands, and 42 percent thought they received less than needed in how to rate claims involving special monthly compensation. On the other hand, in each case, about one-third thought they received more than enough training in records management, rating disability compensation claims, and calculating payment amounts based on disability ratings.

Experienced claims processors’ views on the helpfulness of various training modes and the timing of training also varied. Training for disability claims processors can be delivered in a number of ways: formal classroom training, online instruction, and video or satellite conferences. Claims processors can access online training courses through VBA’s Training Performance Support System (TPSS), and learning resources such as VBA training materials, published guidance, and technical information are available to them on VBA’s internal Web site. Regional offices also provide claims processors with individual coaching and mentoring, and may hold weekly meetings for claims processing teams.

Based on our survey results, experienced claims processors, in general, found certain training modes and learning resources more helpful than others. Nearly all

<sup>4</sup>The 80-hour annual training requirement is for RVSRs and VSRs who have completed the Challenge training program and/or have been in their position for six months.

<sup>5</sup>At the time of our survey VBA did not designate the 40 hours of required training.

<sup>6</sup>Unless otherwise indicated, the margin of error for estimates based on this survey cited in this report are within plus or minus 15 percentage points at the 95 percent confidence level.

<sup>7</sup>An 80-hour annual training requirement may be appropriate for some, in particular new staff. An estimated 70 percent (ranging from 52 to 84 percent at a 95 percent confidence level) of all supervisors of new RVSRs and 62 percent of supervisors of new VSRs thought that all or almost all of the new staff they supervise needed 80 hours of training.

thought that on-the-job experience, to a great or very great extent, helped them learn what they needed to know to perform their jobs. However, only about 20 percent indicated TPSS and other online training, and video or satellite training had, to a great or very great extent, helped them become familiar with even the basic information needed to handle claims.

Survey results also indicated that regional offices do not always deliver necessary training in a timely manner. An estimated 39 percent of all experienced claims processors felt that the formal training, in general, they received in the last 12 months was delivered too late to help them effectively perform their job duties. For example, although the regulation governing ratings decisions on the effects of traumatic brain injury (TBI) was changed in October 2008,<sup>8</sup> one RVSR wrote in a comment to the survey that, “TBI training is not projected to come out until [2010.]”<sup>9</sup> Another wrote that introductory leadership training was not received until two years after a promotion to a supervisory position.

### **VBA Did Little To Systematically Monitor or Assess Training for Experienced Claims Processors but Has Begun To Take Steps To Do So**

VBA headquarters does not ensure that experienced claims processors receive all required training. It is important for Federal agencies to have mechanisms in place to ensure their employees actually receive required training and we have reported in the past that tracking the actual receipt of required training calls for reliable data from a comprehensive learning management system.<sup>10</sup> While each regional office is responsible for recording completed training hours for each claims processor in VA’s Web-based Learning Management System (LMS), VBA officials told us that VBA headquarters did not use it to centrally monitor the specific types of training individual claims processors have completed. Based on our survey results, we found some claims processors did not receive training they should have. An estimated 24 percent of all RVSRs with more than one year of experience, who should have received mandatory training on rating spinal, neck, and joint injuries, never did.<sup>11</sup> To improve VBA headquarters’ ability to systematically monitor regional office compliance with its annual training requirements, we recommended that it adopt procedures to routinely do so, including more fully utilizing its LMS to ensure that claims processors received required CTTR and ad hoc training on emerging issues. In their comments to our report, VBA noted that it had begun to use LMS to determine what percentage of claims processors at each office were meeting annual training requirements. However, it is not clear if they are tracking whether staff receive required CTTR training or ad hoc training on emerging issues such as the training on rating spinal, neck, and joint injuries.

In addition, we found that VBA lacked controls to ensure that regional offices record completed training in a consistent manner. Each regional office has considerable discretion in determining what activities qualify as training and we noted that they were not all defining training consistently. For example, some regions counted the time claims processors spent reading “Fast Letters” as training while others did not. This raises questions about the reliability of the data that regional offices enter into the LMS. We recommended that VBA develop clear written guidance on the types of activities all regional offices should and should not count toward completion of annual training requirements. According to VBA, the agency is developing such criteria and expects to complete this process by September 30, 2010.

VBA also has not systematically assessed the appropriateness or consistency of training regional offices provide to experienced claims processors. In prior work, we have noted that Federal agencies should have mechanisms in place to ensure that training for employees is appropriate and consistent.<sup>12</sup> However, we found that VBA did little to determine if all regional offices provide training to experienced claims processors that (1) covers topics relevant to what they do; (2) helps them do their job; (3) is delivered in the most useful and efficient way; and (4) is provided when needed.

<sup>8</sup> 73 Fed. Reg. 54,693 (September 23, 2008).

<sup>9</sup> A presentation on TBI was available on VBA’s Intranet site.

<sup>10</sup> See GAO, Human Capital: A Guide for Assessing Strategic Training and Development Efforts in the Federal Government, GAO-04-546G (Washington, D.C.: March 2004).

<sup>11</sup> This training, delivered in September 2008, was undertaken to clarify requirements resulting from *DeLuca v. Brown*, 8 Vet. App. 202 (1995), in which the court held that under Federal regulations defining joint and spine impairment severity in terms of limits on range of motion, VA claims adjudicators must consider whether range of motion is further limited by factors such as pain and fatigue during “flare-ups” or following repetitive use of the impaired joint or spine.

<sup>12</sup> See GAO-04-546G.

In the past, VBA has evaluated some mandatory training to improve the consistency of ratings, assessed training for newly-hired claims processors, and solicited feedback from staff on TPSS. VBA officials told us that teams from VBA headquarters also periodically visit regional offices to monitor their compliance with VBA policies and procedures. Since July 2009, such visits have included a training specialist responsible for reviewing some aspects of training in the regional office, such as training records and materials, and whether new claims processors have completed the last phase of Challenge Training at their regional office. Although examining some aspects of training for claims processors during these visits may provide VBA with some information on the appropriateness and consistency of training, each office is only visited about once every three years.

Finally, VBA has not yet systematically collected feedback from experienced claims processors on training received at the regional offices even though feedback from training participants, supervisors, instructors and other stakeholders can provide agencies with valuable information to assess the appropriateness and consistency of their training. VBA recently developed a training evaluation tool that all VSRs and RVSRs are required to complete, but only for CTTR courses. As a result, we recommended that VBA develop and implement a written strategy to systematically assess the appropriateness (content, mode and timing) of all training for experienced claims processors. Such a strategy should include a standardized approach for obtaining feedback from experienced claims processors and regional office managers and training coordinators. VBA says it is assessing the feasibility of requiring staff to complete an evaluation tool for all training and expects to complete this assessment by September 30, 2010.

### **Concluding Observations**

Veterans who have been injured in service to their country deserve accurate and timely disability determinations. VBA claims processors perform a vital role in helping the nation respond to the needs of these veterans. Through its training program for claims processors, VBA can ensure that they develop and maintain the skills required to do their job efficiently and well. However, VBA could do more to monitor the training received by experienced claims processors. VBA cannot be sure all staff are receiving the type of training the agency believes is essential for success on the job. Furthermore, there are questions about the reliability of the training data regional offices record in VA's LMS. VBA has indicated that they are developing criteria to define the types of activities that should and should not count toward meeting training requirements. However, it is yet to be seen if this will result in consistent reporting of what counts as training by regional offices.

Furthermore, according to our survey, both experienced claims processors and their supervisors had a number of concerns regarding the training that experienced claims processors receive. Thus, it is important that VBA continue to explore options to assess the appropriateness of the training provided to staff.

Mr. Chairman, this concludes my prepared statement. I would be pleased to respond to any questions that you or other Members of the Subcommittee may have. Thank you.

### **GAO Contact and Staff Acknowledgments**

For further information about this testimony, please contact Daniel Bertoni at (202) 512-7215 or [bertonid@gao.gov](mailto:bertonid@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this testimony. In addition to the contact named above, key contributors to this statement include Clarita Mrena, Martin Scire, Regina Santucci and Susan Aschoff.

### **Related GAO Products**

*Veterans' Disability Benefits: Expanded Oversight Would Improve Training for Experienced Claims Processors.* GAO-10-445. Washington, D.C.: April 30, 2010.

*Veterans' Disability Benefits: Further Evaluation of Ongoing Initiatives Could Help Identify Effective Approaches for Improving Claims Processing.* GAO-10-213. Washington, D.C.: January 29, 2010.

*Veterans' Disability Benefits: Preliminary Findings on Claims Processing Trends and Improvement Efforts.* GAO-09-910T. Washington, D.C.: July 29, 2009.

*Veterans' Benefits: Increased Focus on Evaluation and Accountability Would Enhance Training and Performance Management for Claims Processors.* GAO-08-561. Washington, D.C.: May 27, 2008.

*Veterans' Benefits: Improvements Needed in VA's Training and Performance Management Systems.* GAO-08-1126T. Washington, D.C.: September 18, 2008.

*Veterans' Disability Benefits: Claims Processing Challenges Persist, while VA Continues to Take Steps to Address Them.* GAO-08-473T. Washington, D.C.: February 14, 2008.

*Veterans' Benefits: VA Needs Plan for Assessing Consistency of Decisions.* GAO-05-99. Washington, D.C.: November 19, 2004.

*Human Capital: A Guide for Assessing Strategic Training and Development Efforts in the Federal Government.* GAO-04-546G. Washington, D.C.: March 2004.

*Veterans' Benefits: Improvements Needed in the Reporting and Use of Data on the Accuracy of Disability Claims Decisions.* GAO-03-1045. Washington, D.C.: September 30, 2003.

*Veterans' Benefits: Training for Claims Processors Needs Evaluation.* GAO-01-601. Washington, D.C.: May 31, 2001.

---

**Prepared Statement of Jimmy F. Sims, Jr., Rating Veterans Service Representative, Winston-Salem, NC, Regional Office, Veterans Benefits Administration, and Shop Steward, Local 1738, American Federation of Government Employees (AFL-CIO), and AFGE National Veterans Affairs Council**

Dear Chairman and Members of the Subcommittee:

Thank you for the opportunity to testify on behalf of AFGE and the National VA Council regarding VBA training requirements for claims processing personnel. Training is an issue of paramount importance which has a direct impact on the VBA's ability to meet its operational goals and mission. Effective training is an essential component of any VBA effort to increase the timeliness, accuracy and consistency of claims processing. Ultimately, a weak training program for claims processing personnel is a disservice to veterans whose claims are determined with greater delay and less accuracy.

Based on my experiences as a Rating Specialist and Shop Steward, and a participant in several joint labor management committees, I concur with GAO's findings in its April 2010 report of multiple deficiencies in VBA's mandatory training program for experienced claims processors. As discussed below, new employee training also suffers from shortcuts and quality gaps.

*I. Training for Experienced Claims Processors*

Consistent with GAO's findings, the mandatory annual training program at the Winston-Salem Regional Office (RO) is deficient in terms of the amount of training provided, content of the curriculum and timeliness.

**Amount of Training Provided:**

Currently, it is very difficult for employees to receive their full 85 hours of mandatory training, given the constant production pressures they face. VBA mandates 85 hours of annual training for all claims processing employees who have completed Challenge Training. Of these 85 hours of mandatory training, 40 hours are devoted to Core Technical Training Requirement (CTTR) topics selected by VBA (covering 72 topics for Veterans Service Representatives (VSR) and 47 topics for Rating Specialists (RVSRs)) and 20 hours for topics selected by the Regional office (RO) from the CTTR topics. The remaining 25 hours are topics which the individual ROs elect to train on as well as ancillary administrative requirements such as cyber security and ethics. In some cases, training may also be provided at Team Meetings to cover issues that have been identified during a Veteran Service Center Manager conference call.

**Curriculum Content:**

The GAO survey found that an average of 46 percent of employees experienced difficulties in completing this training. Based on my experience, I would dare say this percentage is actually greater and was merely under reported. Specifically when asked, a majority of employees at my office report concerns on achieving the mandatory training requirements when faced with increased workload and production.

The current CTTR training which is mandated for Claims processors is often times too remedial, specifically it focuses on issues such as common law marriage for VSRs and building a glossary for RVSRs. The majority of this CTTR training is conducted via self directed written materials with no interaction with Subject Matter Experts (SME). The employee merely completes the review of the informa-

tion and certifies through the Learning Management System (LMS) that the training was completed. When faced with the dilemma of completing the training or completing work to meet production requirements, employees feel compelled to complete the additional production.

The RO based mandatory training program also fails to target specific complex issues which are necessary for claims processors to ensure accuracy of the work being produced. While continued training is necessary to ensure the effectiveness of the workforce, the need for training quality surpasses the quantity of training. The majority of the issues I was tasked with this year were items which were more appropriately identified for employees within the first two years of employment such as how to write a clear and concise rating decision and review of local quality findings, but omitting more complex issues such as evaluating demyelinating diseases and residuals of blast injuries.

**Too little classroom training:**

Online training should not fully replace classroom training. Currently, the majority of Core Technical Training Requirements training is provided via self directed computer based materials with no interaction with Subject Matter Experts. This requires the claims processor to review, interpret and understand the material alone. Validation of this training is also completed through LMS self-certification.

Another troubling training shortcut is the use of emails to explain complex new concepts, in lieu of more detailed, effective instruction. AFGE members have reported that they have been asked to learn new concepts via email with only a fraction of the excluded time actually needed to effectively learn and accurately apply these training materials.

**Quality of Instruction:**

This quality of training issue is further impacted by the limited formal training provided to instructors. GAO found that only one in four claims processors who participated in training had received formal instructor training. This is true at the VARO Winston-Salem, as merely being promoted to the Decision Review Officer or Super Senior VSR position automatically requires performance as instructors.

Given the growing problem of inexperienced instructors to provide training to claims processing personnel, it is all the more urgent that instructors receive sufficient instructor development. Unfortunately, at my RO, there is no Instructor training for employees who are thrust into this position.

**Timeliness of training:**

Timing of training is not adequate to meet the demands of the work performed. In some cases training has been delayed for months to years following significant changes, and in some cases, no training was received. This puts the claims processors, and veterans, at a substantial disadvantage. With the changes in the presumptive disabilities associated with Agent Orange exposure, VBA directed ischemic heart disease training. To date, this training has not occurred at my RO.

Another example pertains to the change in the schedule for rating eye disabilities. That schedule was issued on February 13, 2009 but to date, no formal training has been conducted at my RO.

*II. New Employee Training*

Since 2005, VBA has increased staffing by over 4,000 new individuals to assist with the claims process. This enormous influx of new employees makes it all the more critical that VBA improve both its new employee training and ongoing training programs.

New employees participate in VBA's Challenge Training, which consists of three phases. Phase 1 is based at the RO; for RVSRs the focus is on introducing the employee to aspects of claims processes and for VSRs, on the basics of the claims process and the programs utilized. Phase 2 is centralized classroom training which focuses more on the essential aspects of performing the assigned tasks.

Phase 3 is more topic focused and conducted at the individual employee's station. Phase 3 involves working with live claims with half of the day focused on training and the other half focused on production. The bulk of new employee training is conducted during Phase 3 at the individual's station based on centralized curriculum identified by VBA. (I am currently participating in a VBA Training Site Visit Team commissioned by the Undersecretary for Benefits that is focusing on implementation of and compliance with Phase 3 training; the work of this group is still in the early stages.)

One of the most significant flaws in the Challenge Training program is the absence of any system to effectively monitor the completion of the two RO-based portions of the training (Phases 1 and 3). Prior to participation in Centralized Phase 2, employees are required to complete and certify that they have received specific training, but many participants are not able to do so. Similarly, when they return from centralized training, they are often unable to certify completion of Phase 3 training.

As long as managers are under pressure to meet production quotas at all costs, they will rush new employees who have not been adequately trained into production. AFGE has received reports of new employees processing cases independently only six weeks after returning from Phase 2 classroom training. Managers exacerbate this by providing new employees with a limited range of easier cases, depriving them of valuable experience over the long run.

AFGE members also report problems with the curriculum in Phase 2. First, time is wasted teaching them concepts that they already learned in Phase 1. Second, the curriculum includes live cases that are out of date, and therefore, have been decided incorrectly, yet they are still used for new employee instruction.

Phase 3 training is designed to be instructor lead, and topic specific. The problem lies within the certification and validation of completion of the training. Too often, when new employees return to the RO for Phase 3 training, they get too little supervision or face to face training. Instead, they are left on their own to review complex materials. More generally, over the years, VBA has significantly reduced the amount of classroom training conducted at the ROs.

It is also troubling that often the cases processed by new employees are not reviewed on a timely basis. AFGE members from other ROs report that senior employees are regularly taken off production to conduct these reviews and because of competing pressures, many new employees have to wait three to four months to find out if they are making accurate determinations.

### *Conclusion*

If the VA is to become a model 21st century agency, then this must begin at the base level with the training provided to the employees. The Agency must alter the mindset, and begin to focus on the quality of training, versus the quantity of training. Unless the agency is willing to invest the time and energy to meet the needs of the employees, the agency is doomed to fail in meeting our mission. AFGE offers the following recommendations to the Subcommittee:

- Establish performance measures and incentives to ensure that managers avoid training shortcut in order to boost production. I cannot recall a single instance of any VBA manager who has ever been disciplined, demoted, or formally reprimanded for failing to adequately train an employee.
- Commission a group of Subject Matter Experts, including front line employees, veterans' groups and other stakeholders, to review all current training programs and provide recommendations for improvement. (The team recently commissioned by the VBA Undersecretary is only reviewing Phase 3 of the Challenge training program).
- Develop a standardized plan to annually review and update training topics to better reflect the trends in claims processing.
- Establish an effective monitoring system for tracking compliance with training. The current LMS certification program is faulty as self certification does not validate completion.
- Develop clear guidelines on what should and should not be credited toward training requirements. Frequently, during team meetings at my RO, one issue is identified from a recent Office of Field Operations or Veteran Service Center Manager call and at the completion of the meeting, the supervisor requires that the meeting be listed as training.

Thank you.

---

**Prepared Statement of Jeffrey C. Hall, Assistant  
National Legislative Director, Disabled American Veterans**

Mr. Chairman and Members of the Subcommittee:  
On behalf of the 1.2 million members of the Disabled American Veterans (DAV), I am honored to appear before you today to discuss the effectiveness of the Depart-

ment of Veterans Affairs (VA) training program for Veterans Benefits Administration (VBA) employees who process disability claims.

In line with our congressional charter, DAV's mission to "advance the interests, and work for the betterment, of all wounded, injured, and disabled American veterans" is as vital today as it has been throughout our 90 year history. In line with our core values of "Service, Quality, Integrity and Leadership," I am pleased to offer DAV's views regarding VBA's training program and its role in helping to reform the benefits claims process.

Although this is my first time testifying before Congress, it is not the first time that DAV has testified on the state of the VA benefits claims processing system. As my colleagues have stated countless times, but it bears repeating, the backlog of pending claims is not actually the problem; it is only a symptom of the larger problem: a broken veterans benefits claims processing system resulting in too many veterans waiting too long for decisions on claims for benefits that are too often decided incorrectly.

Unfortunately, the tremendous attention paid to the backlog and the understandable tendency to focus only on the number of claims pending—many estimates put it over 1 million in total—has led to an over-emphasis on production to the detriment of quality and accuracy. However, simply finding ways to increase production will result in more claims being decided wrongly, which only leads to notices of disagreement, appeals, remands and more appeals, further clogging up the system and exacerbating the existing problems.

The only sensible and long term way to reform this system is to rebuild it in a way that focuses principally on getting claims done right the first time. This will require VBA to invest sufficient time and resources to build a new modern, paperless claims processing system. Although this path could potentially result in longer processing times during the transition and implementation of the new claims system, with proper training and quality control, processing times will shorten, error rates will drop, and the backlog will slowly but steadily decline and eventually disappear. We urge this Subcommittee to keep the pressure on VBA to stay true to this path and remain focused on quality and accuracy, not just the backlog.

Mr. Chairman, over the past year, VBA has been moving in this direction, launching dozens of new initiatives and pilot programs that could help to modernize the claims process. The most important of these is the Veterans Benefits Management System (VBMS), the new IT system that will serve as the backbone of the VA claims process. VBA recently announced that the first pilot of the VBMS will take place at the Providence, Rhode Island Regional Office beginning this November.

While we applaud the continuing progress of this essential IT system, and are pleased to see the first pilot is now scheduled, we continue to be disappointed that no veterans service organization (VSO) experts, nor any service officers from DAV or other VSOs, have been involved in the development of this system. Since more than half of all claims are represented by VSO service officers, we collectively offer a wealth of expertise that is essential to finding long term solutions, and we continue to stand ready to work with VBA in the further development of this system.

VBA also has more than four dozen other pilots and initiatives ongoing at various regional offices around the country. To fully benefit from all this experimentation, VBA must develop and implement an effective plan to analyze the results so that they can synthesize the best practices into a new claims process. Most importantly, VBA must resist the temptation to focus on those initiatives that provide only short term production increases, rather than enhance accuracy and quality, which must be one of the cornerstones of a 21st century claims process.

One of the other cornerstones is proper training of employees and managers involved in the processing of veterans claims for benefits. Having just come from the field after 17 years of working for DAV as a National Service Officer (NSO) and Supervisor in Louisville, Kentucky, Chicago, Illinois and New York City, I have seen firsthand many of the challenges facing VBA. I have been able to observe VBA's employees, learn about their training programs and hear from them what they believe works and what does not.

Having also had the benefit of DAV's extensive and life-long training programs, I'd like to provide an overview of DAV's on-the-job training program for new NSOs, and especially the Structured and Continued Training (SCT) program that all NSO's must continue throughout their careers at DAV. In our view, no other organization places more emphasis on training and its vital role in quality and accountability than DAV. While VBA and DAV necessarily have different training programs designed to meet similar but distinct needs, we believe there are lessons that could be applied from the DAV training program which could strengthen VBA's training program, and ultimately the claims process.

The training program in VBA is basically a three-stage system, which requires new Veterans Service Representatives (VSRs) and Rating Veterans Service Representatives (RVSRs) to complete orientation training at their respective VA Regional Office (VARO). Next, they participate in a two- to three-week centralized or “Challenge” training course at VA’s training academy in Baltimore, Maryland, which provides a basic introduction to job responsibilities. When they return to their respective VARO, new VSRs and RVSRs spend several more months in training, which includes completing a required curriculum by way of online learning known as the Training and Performance Support System (TPSS), as well as on-the-job training and/or instructor-led classroom training. It is our understanding there are currently eleven training modules in the TPSS, each consisting of multiple sections, and each with some testing requirements. Subjects range from very general orientation to more in-depth subjects such as how to utilize VBAs computer-based programs, medical terminology, how to review and interpret medical evidence, as well as understanding and applying the law and regulations when evaluating evidence and rendering decisions.

The assignment of supervised, individual case review is introduced later in the training program. While this initial training for new VSRs and RVSRs provides a sound core of knowledge, there seems to be imbalanced emphasis placed on production over training. DAV NSOs have been told by many VBA employees that meeting production goals is the primary focus, whereas training and quality is secondary. So, while we feel VBA’s training program for new employees is sound, and while production is certainly important, productivity must not interfere with the training of new employees who are still learning their job.

Once these individuals have successfully completed their initial training, they begin their on-the-job-training (OJT) phase, in which they will be moved into productive roles in developing and rating cases with supervision. They will continue this OJT phase with mentoring and supervision, slowly increasing the number and complexity of cases until they are assigned a full case load approximately two years from their hire date.

From that point forward, they will have the same training requirements as all other experienced VSRs and RVSRs, which requires all employees to complete 80 hours of training annually, along with an additional 5 hours on VA’s online Learning Management System (LMS) for cyber security and ethics. VBA’s training is broken down to 40 hours of standardized training on VBA selected subjects and 40 hours of training on subjects selected by the VARO from the Core Technical Training Requirements (CTTR) and other subjects of their choosing.

In 2008, Congress approved Public Law 110-389, the “Veterans’ Benefits Improvement Act of 2008”, which required VBA to develop and implement a certification examination for claims processors and managers. Now codified, 38 U.S.C. §7732A states:

*(a) DEVELOPMENT OF CERTIFICATION EXAMINATION.—(1) The Secretary shall provide for an examination of appropriate employees and managers of the Veterans Benefits Administration who are responsible for processing claims for compensation and pension benefits under the laws administered by the Secretary.*

*(2) In developing the examination required by paragraph (1), the Secretary shall—*

*(A) consult with appropriate individuals or entities, including examination development experts, interested stakeholders, and employee representatives; and*

*(B) consider the data gathered and produced under section 7731(c)(3) of this title.*

*(b) EMPLOYEE AND MANAGER REQUIREMENT.—The Secretary shall require appropriate employees and managers of the Veterans Benefits Administration who are responsible for processing claims for compensation and pension benefits under the laws administered by the Secretary to take the examination provided under subsection (a).*

However, almost two years later, there are still gaps in the implementation of this section. While tests have been developed and piloted for VSRs and RVSRs, additional tests need to be developed and deployed for Decision Review Officers (DROs) and supervisory personnel. None of these certification tests are mandatory, nor are they done on a continuing basis. It is our understanding that only when employees seek to move up to the highest GS-level for their position are they required to take and pass a one-time certification test. If they take but fail the test, they can simply remain in their current position and GS level. Moreover, VBA has no remedial training programs for employees that fail certification tests, nor are they required



to re-take the test to show that they have mastered the skills and knowledge required to do their job.

The Government Accountability Office (GAO) recently conducted a study (GAO-10-445, April 2010) to determine the appropriateness of training for experienced claims processors and the adequacy of VBA's monitoring and assessment of such training. Of particular interest are the GAO findings that experienced claims processors' had concerns with the training received; specifically the hours, amount, helpfulness, methods and timing of training. Likewise, as the GAO report points out, there is very little done by VBA to ensure the required training is completed or to assess the adequacy and consistency of the training, nor is the VA's LMS being utilized to the fullest extent to properly ascertain the total number of VSRs and RVSRs who have met the annual training requirement. In fact, data received indicated a dismal outcome of only one (1) VARO meeting the annual training requirement and nine (9) other VARO's with less than half meeting the annual training requirement. It is simply unacceptable to have only one VARO meeting the simple requirement of ensuring that all employees complete 80 hours of training. VBA must place greater emphasis on training by implementing stricter monitoring mechanisms for all VAROs and ensure that they are held accountable for failure to meet this minimal standard.

Mr. Chairman, when DAV speaks about training, we do not do so just as an interested stakeholder, but because DAV takes pride in the fact that we have the foremost training program and the largest National Service Officer program, representing almost 25 percent of all claims before VA. In 88 offices throughout the United States and in Puerto Rico, DAV employs a corps of approximately 250 NSOs who provide free representation to veterans and their families with claims for benefits from the VA, the Department of Defense and other government agencies. Last year alone, DAV NSOs worked tirelessly on behalf of nearly a quarter million veterans and their families in their claims before the VA, obtaining nearly \$4.5 billion in new and retroactive benefits.

DAV NSOs function as attorneys-in-fact, assisting veterans and their families in filing claims for VA disability compensation and pension; vocational rehabilitation and employment; education; home loan guaranty; life insurance; death benefits; health care and much more. Outside of the office, DAV NSOs provide free services, such as information seminars, counseling and community outreach. NSOs also represent veterans and active duty military personnel before Discharge Review Boards, Boards for Correction of Military Records, Physical Evaluation Boards and other official panels.

The expertise required for the outstanding assistance provided by NSOs involves extensive training. It begins with a rigorous 16-month on-the-job training program, which provides the foundation for new trainees. Trainees are instructed by tenured supervisory NSOs with subject matter expertise. Throughout their training, progress and knowledge retention of the NSO is closely monitored through web-based testing and monthly evaluations. In addition to the training received in the office, NSO trainees must successfully complete academic instruction in Anatomy & Physiology, Medical Terminology, Composition and/or Legal Research & Writing, and Public Speaking, from an accredited college or university. The National Service staff at the National Service and Legislative Headquarters, administers and monitors the program, as well as the instructor's behavior and the progress of each NSO trainee.

Due to the intensity of the training in the first four months, NSOs trainees are ready for an individual caseload in their fifth month and must pass a comprehensive web-based examination every four months on the topics covered from that given period; an all-inclusive web-based examination for the entire training period is administered at the conclusion of the 16th month.

Beyond their initial training, all NSOs participate in a comprehensive SCT program designed to keep them up-to-date on changes to the laws and regulations affecting veterans' benefits. NSOs are required to pre-test and successfully complete 32 monthly training modules with post-testing on each.

DAV training—which includes all NSOs, Supervisors and Area Supervisors—is separated into two books, one for Adjudication and Appeals, and the other for the Schedule for Rating Disabilities. Each book contains 16 modules and NSOs are required to complete the workbook research, questions, and case studies each month. Training utilizes multi-media resources and is administered through an instructor-led classroom environment and individual workbooks.

At the end of each month, NSOs must successfully pass web-based testing in order to move forward in training. At the end of the 16 months a comprehensive 160 question web-based test must be passed in order to move forward to the second 16-month training period, which is delivered in the same manner as the first 16-

month period. Once an individual successfully completes the entire 32 months of training, not only have NSOs gained a wealth of knowledge and become more proficient in their duties, they earn 12 college credits provided through the American Council on Education (ACE), which provides additional incentive for successful completion. DAV is the only veterans service organization to have a training program certified for college credit by ACE.

DAV's SCT is ongoing and it will continue throughout an individual's career at DAV. When an NSO completes the entire SCT program a new training cycle begins again, but with changes, updates and new information provided by DAV's national training staff. For example, an experienced NSO with 15 years of service will have completed the SCT training four times.

DAV's SCT program is effective because it provides in-depth review of laws, regulations, VA M-21 and similar manuals, VA Fast Letters, Board of Veterans' Appeals practices, as well as opinions of the VA Office of the General Council and holdings from the U.S. Court of Appeals for Veterans Claims. Moreover, the DAV SCT program delves deeply into the VA Schedule for Rating Disabilities (VASRD) by providing a meticulous breakdown of each anatomical system and correlating diagnostic codes and ratings. When dealing with the complexities of the VASRD, the SCTs accompanying CD-ROM collection, Special Monthly Compensation "slide rule" and case studies prove to be extremely useful throughout the NSOs career. In fact, there are many outside DAV who have benefited from our SCT program; this includes other VSOs and VA employees, as well as DoD Physical Evaluation Board members, who have utilized our SCT materials to enhance their knowledge.

#### ***DAV Recommendations for VBA's Continuing Training Program***

##### **Training Should Be Conducted at Regularly Scheduled Intervals in a Structured Format**

VBA's failure to meet the hourly training requirements for its employees can be corrected by requiring greater structure to the training program with regularly scheduled training. Adequate time for training must be allowed in order for the employee to gain the maximum benefit of the training and improve their overall knowledge and skill. In order to accomplish this, VBA managers must ensure scheduled time for training is in place and that employees attend training. VBA's annual training should be structured and scheduled with consistency so employees can plan and prepare for training.

Although training time for employees is excluded from the calculation of their workload requirements and performance standards, it is clear that the pressure to produce creates disincentives for fully completing training. In GAO's survey for their report on training, 60 percent of experienced claims processors found it "difficult" to meet their annual training requirement due to their workload. VBA must find new ways to separate out time and space for employees to assist them in meeting their training requirements.

##### **VBA Should Significantly Increase the Total Annual Hour Requirement for Continuing Training for All Employees**

Given the complexities and duties of VSRs and RVSRs, more extensive training is necessary in order to gain the appropriate level of knowledge and skill to perform those duties with quality and accuracy. DAV's SCT training program is continuously ongoing and provides a constant learning environment for NSOs. Although NSOs are trained on virtually the same subjects as VSRs and RVSRs, NSOs are required to successfully complete 32 months of training about every three years, or approximately 400 hours a year, nearly five times the amount of training provided to VA claims processors. DAV also provides additional training on new and emerging issues that is outside the curriculum of the SCT training program, whereas VBA counts it as part of the 80-hour requirement. Annual training should not include emerging topics; this type of training should be provided separately and should vary each year depending on the number and complexity of the new and emerging issues.

We are not suggesting VBA match hour-for-hour DAV's training program, nor adopt the content verbatim. However, it is not possible for a claims processor to achieve the required proficiency level without significantly increasing the amount and intensity of training currently provided by VBA.

##### **All VBA Employees, Coaches and Managers Must Undergo Regular Testing to Measure Job Skills and Knowledge, as Well as the Effectiveness of the Training**

Mandatory, regular and continuing testing programs for all VBA employees, supervisors and managers would serve several related purposes:

- It could be used to measure the proficiency and knowledge required for promotion or be used as a factor in determining other incentives.
- It could be used to identify subject matters or competencies that need required additional training of the test-taker.
- It could help evaluate the effectiveness of the training programs; and
- It could help identify weaknesses in the claims process that may require systemic improvements.

VSRs and RVSRs are currently required to complete 80 hours of annual training, but there is no testing to measure whether the material was understood or is being retained. Attendance is the main instrument used to verify if training is being completed, and even in that minimal measure VBA is failing miserably.

VBA has begun administering certification examinations for some employees; however, the examination is primarily being used for grade level increases, not for proficiency purposes. For example, if a VSR desires to elevate their grade level from a 10 to 11, they must pass a certification examination; however, they may opt out of the examination and remain at their current level. Conversely, if that same VSR fails the certification examination, there is no penalty and they may remain in their current position. A VBA employee also told DAV that a VSR “work around” to avoid taking a certification examination for a grade level increase would be for a VSR to apply for an RVSR position; if selected, the individual could be elevated from a grade level 10 to grade level 11 without the requirement of a certification examination.

By comparison, DAV NSOs engaged in the SCT program are trained and tested each month, concluding with a comprehensive 160 question web-based test at the end of the SCT program. Likewise, NSO supervisors have the flexibility to implement additional testing, which is often the case depending on the complexity of the SCT material, or with emerging topics, such as a particular CAVC case or VA Fast Letter.

DAV takes our commitment to disabled veterans, their families and survivors very seriously; and in order to provide competent, proficient representation, training is vital. Our goal is to deliver the most relevant material and information to an individual, monitor their progress through testing, and hold managers and NSOs accountable for completing the training, while increasing their competency and proficiency to perform their duties. We believe there is absolutely no way for VBA to accurately assess its training or measure an individual’s knowledge, understanding or retention of the training material without regular testing. It is important, however, that all testing and certification be applied equally to both employees and to the people who supervise and manage them.

**VBA Must Aggregate the Results of All Employee Testing, Coaches Reviews, Quality Assurance and Quality Control Programs and Regularly Analyze This Data to Develop New Training Curriculum and Claims Process Improvements**

Training and quality control are interrelated and should be part of a continuous improvement program, both for employees and for the claims process itself. Quality control programs should identify areas and subjects that require new or additional training for VBA’s employees; better training programs for employees and managers should improve the overall quality of VBA’s work.

VBA has mountains of data about the quality and accuracy of work performed under the current system that comes from the Systematic Technical Accuracy Review (STAR) program, “coaches” reviews of employees, Inter-Rater Reliability (IRR) reviews and employee certification testing. However, there is currently no process or system that is capable of aggregating or analyzing this data to spot error trends or breakdowns in the claims process that need improvement or additional training of employees or managers. The new VBMS system should include the capability to aggregate and analyze the data from the results of all employee and manager training, testing, IRR, STAR and Coaches reviews. Such analysis can then be used to modify training programs and the claims process itself to reduce errors.

**Training Must Be a Shared Responsibility of Both VBA Employees and Managers, and VBA Must Provide Accountability and Incentives for Successfully Completing Training**

Successful completion of training must be an absolute requirement for every VARO and must be a shared responsibility of both employees and management. Managers must be held responsible for ensuring that training is offered and completed by all of their employees. However it is also the responsibility, as well as part of the performance standard, for employees to complete their training requirements.

Managers must provide employees with the time to take training and employees must fully and faithfully complete their training as offered. Neither should be able or pressured to just “check the box” when it comes to training.

Training is essential to the professional development of an individual and tied directly to the quality of work they produce, as well as the quantity they can accurately produce. In fact, a senior VA official recently told DAV that new employees who just completed training were receiving some of the highest marks for quality and accuracy. One explanation is that new employees are more accountable for the quality of their work because they are more closely reviewed, have recently been trained and are up-to-date on the latest information.

Mr. Chairman, DAV believes wholeheartedly in the vital role of training and the primacy of quality over quantity. We believe the only way that VBA can make any tangible and lasting gains towards decreasing the backlog will be by producing better quality decisions the first time. As we have said over and over again, the claims backlog is not the problem; rather it is a symptom of a much larger problem: the failure to accurately process claims. One of the keys to solving this problem is training. VBA must undergo a cultural change that focuses on the accountability of managers and employees to ensure the training is being accomplished on time and with consistency.

At DAV, accountability for training and quality is present at every level and tied directly to performance reviews and monetary increases of employees as well as supervisors and managers. VA must infuse the same level of accountability within its VAROs, and they will be most successful if they adopt a “carrot and stick” approach which can be done both through performance standards (“the stick”) and by linking training requirements to advancement, bonuses and awards (“the carrot”). This simple change could be a catalyst to producing better quality decisions for veterans and their families. We urge VBA to be firm in holding managers and employees to a much higher level of accountability in ensuring that training requirements are being met.

Mr. Chairman, that concludes my testimony and I would be happy to respond to any questions the Committee may have.

---

**Prepared Statement of Meg Bartley, Esq., Senior  
Staff Attorney, National Veterans Legal Services Program**

Chairman Hall, Ranking Member Buyer, and Members of the Subcommittee, I am honored to provide this testimony on behalf of the National Veterans Legal Services Program (NVLSP).

NVLSP is a nonprofit veterans service organization founded in 1980 that has been assisting veterans and their advocates for thirty years. We publish numerous advocacy materials, recruit and train volunteer attorneys, train service officers from such veterans service organizations as The American Legion and Military Order of the Purple Heart in veterans benefits law, and conduct quality reviews of the VA regional offices on behalf of The American Legion. NVLSP also represents veterans and their families on claims for veterans benefits before VA, the U.S. Court of Appeals for Veterans Claims (CAVC), and other Federal courts.

Our testimony is primarily based on reviews of over a thousand VA regional office decisions during our work with The American Legion (Legion), for whom we conduct quality reviews of VA regional offices. We have also spoken with current and former VA employees, including a former senior VA manager who is now working as a service officer, and with other veterans service officers. We also speak from the benefit of having reviewed hundreds of VA claims files in connection with our representation of veterans and their survivors at the Board and the Court.

We acknowledge that there are many generally equally effective ways to train VA adjudicators. Our intent is not to micromanage the Veterans Benefits Administration (VBA) but to provide the subcommittee with information and ideas concerning the training of VA’s Claims Processing personnel, so that those responsible for making decisions on benefit claims learn to take appropriate actions to develop claims and make legally correct and fair decisions, resolving all reasonable doubt in favor of the veteran or claimant as required by law.

Our suggestions as to training are as follows:

- First, many VA errors may be caused by the perceived need to adjudicate quickly and not by lack of knowledge on the part of raters. Investing taxpayer money in better VA training programs may be a waste if VA management continues to overemphasize production over quality.

- Second, well-trained first-line supervisors are needed throughout the system. When immediate supervisors don't have sufficient technical experience and cannot answer the questions of those they supervise, the quality of decisions declines.
- Third, the VA should make better use of decision review officers' (DRO) experience to identify widespread problems and poorly-trained employees.
- Fourth, the VBA must develop and use a package of trainings targeted to end the VA's most common error patterns. There should be proactive interaction between management and staff regarding these error patterns that are repeated over and over in case after case.
- Fifth, the VA must change the anti-training attitude of some VA managers.
- Finally, training modules should be retrofitted and tailored to the experience level of the trainee.

### **1. Many VA Errors May Not Be Caused by a Lack of Effective Training But by VA Management's Overemphasis on Production**

We acknowledge that the VA is faced with a very difficult task. Obviously, good training is essential if the VA wishes to produce a quality product. However, our experience is that many VA errors seem to be caused by the perceived need to adjudicate claims quickly and not by an actual lack of knowledge. For example, one common VA error is that conditions that appear to be secondary to service-connected type 2 diabetes are often not caught and rated. It is difficult to believe that most VA raters do not know that diabetes can cause these common secondary conditions. It is the opinion of NVLSP that because the extra work that is required to generate a decision on secondary service connection might not receive work credit, secondary service connection issues remain unadjudicated.

### **2. Immediate Supervisors Should Have Technical Expertise**

Immediate supervisors should have sufficient technical experience to answer the questions of employees they supervise. For example, a rater who inquires whether a VA examination is required in a particular case should be able to rely on the knowledge and guidance of their supervisor as to whether a VA exam is warranted. The supervisor should be able to answer that question. If not, the rater may begin to believe that technical expertise is unimportant, to cut corners, and to make his or her decisions without adequate knowledge and direct supervision.

### **3. Use DROs To Identify Problem Areas and Poorly-Trained Employees**

There were originally two reasons for the DRO program. First, the program was designed to give veterans de novo review and hopefully reduce the number of appeals. Second, DROs were to identify problem areas among decision makers and to identify poorly-trained employees. This second reason for the DRO program could be a very effective training tool. However, in the experience of NVLSP, in some ROs the DRO knowledge base is not being used consistent with this original objective. When a DRO decides upon de novo review to grant the benefit, the DRO should be required or encouraged to use their special skills and knowledge to explain their thought process to the rater so that this type of error does not recur. These errors can be discussed in trainings so that raters learn from DROs and DRO decisions and begin to gain the knowledge base that sets DROs apart from and ahead of other VA decision-makers.

### **4. Identify Major Error Patterns and Generate Interactive Trainings To End These Error Patterns**

There should be strong and focused interaction between management and staff regarding error patterns that are repeated over and over in case after case. The VBA must develop and use a package of trainings targeted to put an end to common error patterns. This is absolutely crucial—these errors “muck up” the VA adjudication system for years on end, often require multiple appeals and multiple remands, waste thousands of tax dollars, and frustrate many deserving veterans up until the day of their death.

As the members of this subcommittee are aware, many veterans die with their claims for VA benefits not finally decided. In many cases, this occurs because the VA has failed to stem a tide of relatively simple development errors. It has failed to properly identify these errors and properly train employees to vigilantly guard against these errors. For example, the VBA's Office of Performance Analysis and Integrity releases data compiled from VACOLS regarding the reasons for remand of claims from the BVA to the ROs or the AMC. Figures from the first quarter of FY 2010 show that about 3,200 claims were remanded because of problems with a VA medical examination or opinion; over 2,300 claims were remanded because the ROs

failed to obtain all VA medical records relevant to the appealed case; and over 1,100 claims were remanded because a VA examination was not provided where warranted. These cases all involve a premature decision—"premature" meaning "occurring before a state of readiness or maturity has arrived." As noted earlier, this problem with "premature" VA decisions may be partially caused by VA management's overemphasis on production numbers—but whatever the cause, VA employees should be trained to recognize and combat these errors.

In addition to the above errors, some of the major errors identified by Legion quality review teams and review of files on appeal include the failure to consider conditions secondary to type 2 diabetes mellitus, the under-evaluation of mental disabilities, and the failure to consider claims that should have been inferred. Testimony from other veterans service organizations point out many methods that VBA can use to compile a comprehensive list of common errors. As noted earlier, some of these common errors may be caused by the VA's emphasis on production and work credit over quality. Some may be caused by the rater's or DROs' lack of understanding of legal requirements. In particular, we find the large number of claims involving the under-evaluation of mental disabilities striking and suggest that any list of common errors include the under-evaluation of mental conditions.

#### **5. Change the Anti-Training Attitude of Some Managers**

Some VA managers see training requirements as just one more impediment to meeting production numbers. These managers are not anti-training so much as they are pro-production. Their perception is that it is preferable to meet production goals than to take training requirements seriously. Unfortunately, the attitude of such managers could defeat even the most ambitious, perfect, and comprehensive program of education and training. The cure for this problem attitude has little to do with improving training. Instead, the VA management must change its overemphasis on work credit and production and give equal emphasis to quality, full development of evidence, and resolving all reasonable doubt in favor of the veteran or claimant as required by law.

#### **6. Tailor Trainings to the Experience Level of the Trainees**

A Government Accountability Office Report first released in April 2010 and revised in September 2010 recommended that the VA "develop and implement a written strategy for routinely assessing the appropriateness of the training regional offices provide to experienced claims processors." In its comments, the VA generally concurred with GAO's conclusions and concurred with all of GAO's recommendations. It goes without saying that trainees should receive training that is commensurate to their level of experience, and we encourage the subcommittee to ensure strong oversight of this area.

We are particularly concerned that the more experienced claims processors continue to receive training at a level appropriate to their expert knowledge, skills and abilities. With nearly one-half of the VA workforce having less than three years of experience, providing high-level training to experts might easily fall by the wayside. Those with considerable expertise are perhaps the most valuable VA employees because due to this expertise many veterans enjoy the benefit of quick and correct decisions on their benefit claims. To prevent these more experienced claims processors from gaining even greater knowledge would be shameful. To allow them to stagnate or lose their edge due to deficiencies in the training system would also be shameful. Therefore, we encourage the subcommittee to ensure supervision and oversight in this area.

I appreciate the opportunity to provide the Subcommittee with this testimony and stand ready to answer any questions the members may have. Thank you.

---

**Prepared Statement of David E. Hunter, Ph.D.,  
Assistant Director, Cost Analysis and Research Division,  
Institute for Defense Analyses (IDA)**

Mr. Chairman and Members of the Subcommittee, I am pleased to come before you today to discuss IDA's Assessment of Claims Adjudication Personnel Requirements, a study we performed for the Veterans Benefits Administration (VBA) in 2009.

In November 2008, as a result of the Veterans Benefits Improvement Act of 2008, the VA asked IDA to conduct an assessment of the current personnel requirements of the VBA. The study is described in Section 104.b.2 of the Act as follows:

An assessment of the current personnel requirements of the Veterans Benefits Administration, including an assessment of the adequacy of the number of personnel assigned to each regional office of the Administration for each type of claim adjudication position.

Given the topic of today's hearing, it is important to note that the focus of our study was personnel requirements for VBA claims adjudication positions. IDA was not asked to analyze the adequacy of training requirements, nor did it do so. We did not make any recommendations regarding training. We did find that requirements for training are an important factor in determining the VBA claims processing capacity, however, as the balance of my testimony will discuss.

My testimony today will describe the relevant results of the study, with particular attention to the effect of the training requirements on the VBA claims processing capacity. The results of our study, in entirety, have been documented in IDA paper P-4471.

Our study considers the inventory of pending claims in the rating bundle. (The "rating bundle" is composed of all disability compensation and pension claims, and other claims that involve a rating decision.) The future pending inventory will primarily be driven by two top-level considerations:

- The VBA's claims processing capacity; and
- The number of new claims received each year.

Of these, the number of claims adjudication personnel will affect only the VBA's capacity to process claims.

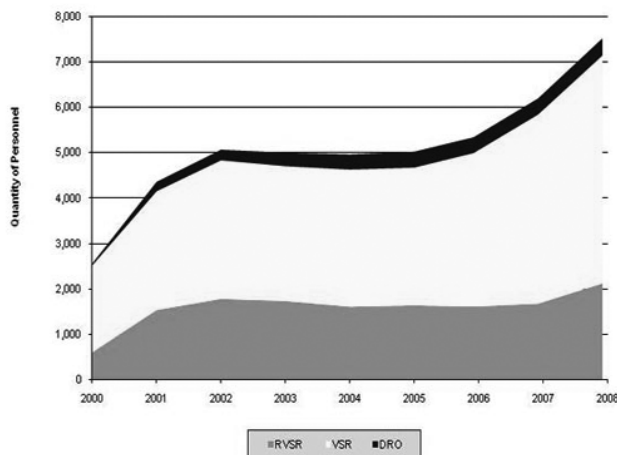
The three types of employees directly involved in claims adjudication are:

- Veterans Service Representatives (VSR),
- Rating Veterans Service Representatives (RVSR), and
- Decision Review Officers (DRO).

VSRs assemble the documentation submitted in support of claims in the rating bundle and process claims that do not require a rating decision; RVSRs evaluate and issue decisions on rating claims; and DROs process veterans' appeals of VBA decisions, among other responsibilities.

Figure 1 shows levels of VBA claims adjudication personnel by type from FY 2000 to FY 2008. As the chart indicates, VBA personnel levels have grown since FY 2006, after remaining essentially flat from the end of FY 2002 to FY 2006.

**Figure 1. VBA Claims Adjudication Personnel by Type, FY 2000–FY 2008**



The graph shows that VSR levels started to increase at the end of FY 2005, while RVSR levels started to increase during FY 2007. DRO levels increased only slightly over this time period.

Claims in the rating bundle typically require actions from both VSRs and RVSRs. DROs are primarily responsible for appeals. Our analysis shows that there are sufficient VSR resources available, and that, for the rating bundle, VBA claims processing capacity currently is and for the next several years will be limited by the number of RVSRs.

We developed a model of the VBA's claims processing capacity. We took into account, among other factors, the number and experience level of claims adjudication personnel, particularly RVSRs.

Newly hired RVSRs are not as effective as fully trained RVSRs. They spend a significant portion of their time in the classroom and engaged in on-the-job training, and they are generally less proficient in the performance of their tasks. Based on typical production goals used at the regional offices, we calculated effectiveness levels for less than fully trained RVSRs. Nationally, the minimum daily quota for fully effective RVSRs is 3.5 weighted claims, although some regional offices have set higher production quotas. (A "weighted claim" is a metric created by the VA to account for varying difficulty levels among claims.)

Table 1 shows our estimates for employee effectiveness by experience level. We used these values to calculate the number of fully trained equivalent personnel, which we called *Effective RVSRs*.

**Table 1. RVSR Training Factors**

<b>RVSR Experience</b>	<b>Production Goal</b>	<b>Equivalent Effectiveness</b>
0–6 months	0.0/3.5	0%
7–12 months	1.0/3.5	29%
1–2 years	2.2/3.5	63%
2+ years	3.5/3.5	100%

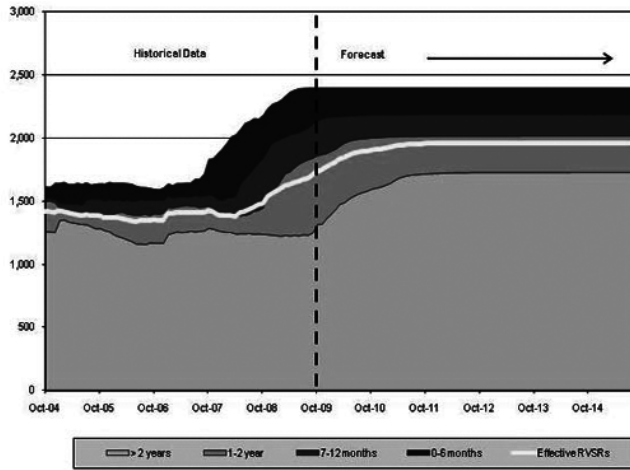
The results provided in our report were based on actual VBA employment figures through April 2009 and used the VBA FY 2009 hiring plan for May 2009 through September 2009. We note that the VBA added over 600 RVSRs from the beginning of FY 2008 through April 2009, the last month for which we had actual employment levels.

Our study forecasts future levels of fully trained equivalent personnel under various hiring policies. The case presented in Figure 2 is a no-growth case, with future hiring limited to replacing attrition starting in October 2009.

As this figure shows, even with no additional growth in the total number of employees after September 2009, the number of Effective RVSRs continues to grow in the near term due to the increasing productivity of the recently hired personnel as they gain experience over time. We estimated that the number of Effective RVSRs would grow by 29 percent from September 2009 levels without any additional hiring.



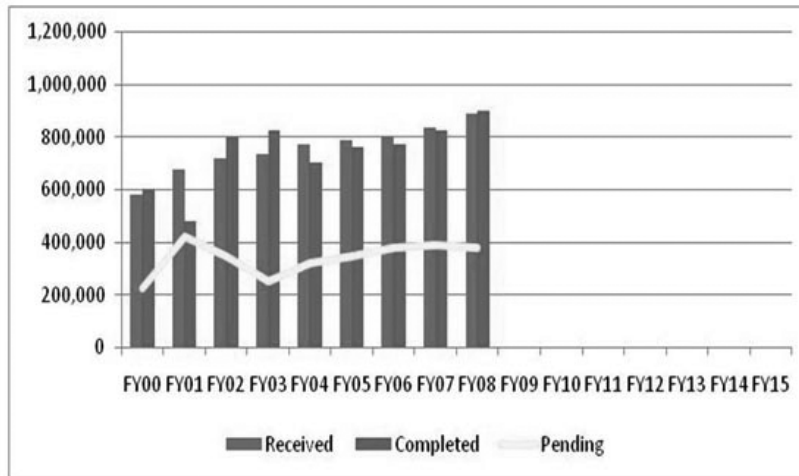
**Figure 2. Total and Effective RVSRs**



There is a direct relationship between the number of adjudication personnel and the number of completed claims. Increases in completed claims do not necessarily translate into a decline in the pending inventory, however, because pending inventory is influenced by both completed *and* received claims. This point is not just of hypothetical importance.

Figure 3 presents historical data on received, completed, and pending claims. In FY 2008, completed rating claims exceeded received rating claims for the first time since FY 2003. The result was that the number of pending rating claims, which had increased during the preceding several years, decreased slightly in FY 2008.

**Figure 3. Received, Completed, and Pending Rating Claims, FY 2000–FY 2008**



Unfortunately, this trend in pending claims did not continue. Our study accurately forecasted that completed claims would increase further in FY 2009 and FY

2010 as the RVSRs hired in FY 2007 and FY 2008 became fully effective. Claims received, however, increased even more rapidly, and hence pending claims increased even while VBA capacity increased.

The number of received claims is difficult to predict and can change drastically from year to year due to changes both in statute and in veterans' propensity to file claims. Any substantive changes from historically observed behavior will naturally have direct effects on the requirements for VBA claims adjudication personnel.

Mr. Chairman and Members of the Subcommittee, that concludes my remarks. I would be happy to answer any questions.

---

**Prepared Statement of Ian C. de Planque, Deputy Director,  
Veterans Affairs and Rehabilitation Commission, American Legion**

Mr. Chairman and Members of the Subcommittee:

I appreciate this opportunity to express the views of the 2.5 million members of The American Legion on the current state of training at the Veterans Benefits Administration (VBA) of the Department of Veterans Affairs (VA). Training is one of the most important aspects of any plan for improvement in the VA at this time, especially in light of the fact that nearly half the VA workforce has less than three years of experience on the job. If VA is to achieve Secretary Shinseki's stated goal of "no claims pending longer than 125 days and an accuracy rate of 98%" then training is going to be one of the most important tools to achieve that promise. If accuracy is to increase, and The American Legion strongly believes that this component is essential to any reform of VA, then the training must improve to bolster the workforce that has grown so dramatically in recent years.

The American Legion has examined this problem through direct, firsthand action in the Regional Offices (ROs), as a component of our Quality Review visits of those Regional Offices. Furthermore, the studies of the Government Accountability Office (GAO) in August of this year, and others, have provided further insight that identifies some of the problems faced by VA's training system as currently implemented.

In our Quality Review visits, as in our System Worth Saving visits of the health care system, The American Legion has encountered one of the greatest problems facing VA today—inconsistency. Simply put, regardless of the intentions of Central Office, how programs are implemented varies widely from region to region. Each individual RO functions more like a semi-autonomous fiefdom, and little consistency is apparent among the ROs as a whole.

This need for better oversight was confirmed not only by our in-person site visits, but also in the findings of a GAO report entitled "Veterans' Disability Benefits: Expanded Oversight Would Improve Training for Experienced Claims Processors" published just last month. That testimony paints a picture of a "one size fits all" training program that fails to meet the needs of more experienced processors. If a reason were to be assigned to why the program is not meeting the needs for this group of claims processors, The American Legion would suggest that these needs are actually being met in offices where training is a priority, and seriously addressed by those responsible to make the training work. In other offices, where the training is planned by individuals seeking merely to "check a box," then the training suffers and is poorly tailored to the needs of the employees. Again, this all stems from inconsistent implementation within ROs that vary in quality far too much from region to region.

Training is seldom viewed as a priority. All too often it falls far behind the driving goal behind the majority of VA operations—the endless march towards reaching production requirements. VA is so driven by the need to churn out numbers by a dysfunctional work credit system, that the time needed for training is simply not available. When faced with the choices of not meeting production numbers and not adequately meeting the training hour requirements, time and time again we see that the individual offices choose to ensure that production numbers do not drop. The vast majority of VA employees interviewed by The American Legion over the past decade in Quality Review visits have continually reinforced the frustration that meeting production numbers is the single greatest factor in determining how they are able to do their jobs.

Clearly, if VA is to adequately bring online their new and inexperienced workforce in a manner that will enable them to process claims without common errors, then training to eliminate those errors must be an essential component of that plan. These simple, procedural errors keep claims bouncing around the system through the appeals and remand process; they must change this attitude to reflect a commitment to appropriate and targeted training. Furthermore, they must ensure that re-

ardless of how strongly this new commitment is expressed by Central Office, that implementation is enforced in the Regional Offices. VA must strive to improve consistency and oversight to make sure that their aims are being implemented equally from coast to coast.

GAO indicated that claims processors may not be getting the training they need, even when they do receive training. Common complaints included too little training on some topics, too much on other topics. Specific topics such as Special Monthly Compensation (SMC) where not enough training was received and Records Management as a topic on which they received far too much training were identified. The American Legion has found in our Quality Review visits that often times the training is repetitive, dealing with the same topics year in and year out, with little helpful additions. Simply put, the training they are receiving does not match the target areas that are actually needed. But how is VA to identify what areas are really needed by their employees.

The American Legion has previously testified that there is a mechanism already existing and waiting to be harnessed to just this end. Annually, VA conducts their internal STAR review to identify accuracy issues with individual work and identify problems that need to be addressed by employees when they process claims incorrectly. Furthermore, every day the Board of Veterans Appeals (BVA), the Court of Appeals for Veterans Claims (CAVC) and the Appeals Management Center (AMC) return hundreds of cases to lower jurisdictions after identifying errors in the lower level of processing. This could even be said for Decision Review Officer (DRO) examination of appeals, a process wherein the most experienced claims workers in the ROs may review a veteran's claim when that veteran elects to appeal the decision made on the original claim. These decisions are made by better trained and more experienced personnel, and can be a great tool in identifying common errors.

VA could collect the aggregate data from STAR review, remands, and overturned decisions of the higher authorities, compile them into analytical reports, identifying common errors and trends would become apparent; training programs could be implemented specifically targeting the areas of greatest need.

For example, American Legion sampling of cases in Quality Review visits indicates VA is having a problem rating mental health claims consistently. This could be identified and turned into a training program to increase consistency in these ratings. If VA is churning out improper exams, or exams that inadequately address the proper provisions for repetitive movement or other factors, then remedial training on these exams would be necessary.

This could even be targeted to the regional level. Consistency across regions does not have to mean the exact same training in each office. However, each office has a robust plan that is targeting their individual deficiencies and working to raise their accuracy rate. There is a gold mine of data on the common errors available, and VA would be foolish to ignore this valuable research tool to develop their training plans on both a national and regional level.

Finally, it would be premature to discuss whether or not the current 80–85 hours of required training is meeting the needs of the employees, when it is being inconsistently implemented among the regional offices. You cannot determine if 80, or 85, or 45 hours is the “right” amount of training until you can determine that it is consistently implemented as the right kind of training.

This falls victim to the same fallacy that drives VA's production goals. By evaluating success or failure solely on the ability to meet a numerical benchmark, you fail to evaluate whether the quality component is being met. VA needs a better mechanism. Simply punching a card for 80 hours of the same, lackluster and undirected training no better serves the veterans of America than processing 4 claims a day with little regard to whether or not they are done properly. Again, the *quality* of the training must be of equal import to the *quantity* of training.

It is essential to develop real benchmarks that illustrate not only where VA is complying with the minimum number of hours of training required, but also that this training is addressing the deficiencies in knowledge and expertise so that it raises the skill level of the workforce.

In summation, VA must implement a training program that is universally consistent regardless of region, is targeted to areas of need identified by common errors denoted in collected data from VA's various internal mechanism for identifying mistakes and inaccuracy, and finally evaluates the worth of the training not with mere numerical benchmarks, but also accurately assesses and affirms that the overall knowledge base of the employees is growing and that they are becoming more proficient and adept at their jobs.

As previously stated, this is one of the most inexperienced workforces that VA has ever fielded. Congress has admirably provided VA with the resources to grow their workforce to meet the needs of a caseload volume that exceeds a million new cases

a year. Patience must exist to some extent as new employees come up to speed. However, these new employees, nearly a full half of VA's workforce, could not underline the need for effective and robust training more clearly.

VA is building the core of their 21st Century operational structure in this workforce and through other infrastructure means such as their computer technology. The time to address these training issues is now, at the ground floor level, not years down the road when the aggregate effects of years of lackluster training and poorly targeted and implemented plans have done their damage.

The American Legion stands ready to answer any questions of this Subcommittee and thanks you again for this opportunity to provide testimony on behalf of our members.

---

**Prepared Statement of Michael Cardarelli,  
Acting Deputy Under Secretary for Benefits, Veterans  
Benefits Administration, U.S. Department of Veterans Affairs**

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity today to appear before the Subcommittee to discuss employee training within the Veterans Benefits Administration (VBA). I am pleased to be accompanied by Diana Rubens, Associate Deputy Under Secretary for Field Operations; Terence Meehan, Director of Employee Development and Training; and Danny Pummill, Deputy Director for Policy and Procedures for the Compensation and Pension (C&P) Service.

**Breaking the Back of the Backlog**

As you know, Secretary Shinseki set the goal of eliminating the disability claims backlog by 2015 so no Veteran has to wait more than 125 days for a high quality decision that meets a 98 percent accuracy level. This important goal is at the center of our work as we collaborate across the Department of Veterans Affairs (VA) to improve the delivery of benefits for our Nation's Veterans. We define the "claims backlog" as claims that have been pending in our inventory longer than the 125-day goal. VA currently has approximately 530,000 pending disability claims, 37 percent of which have been pending longer than 125 days and are therefore considered to be part of VA's claims backlog. We are currently at 83.5 percent rating quality which is below our fiscal year (FY) 2010 target of 90 percent.

VBA has been aggressively hiring claims processing staff across the Nation since FY 2007, and continues to hire through FY 2010. However, hiring more employees is not a sufficient solution. The need to better serve our Veterans requires bold and comprehensive business changes to transform VBA into a high-performing 21st Century organization that provides the best services available to our Nation's Veterans and their families. VBA's transformation strategy leverages the power of 21st Century technologies applied to redesigned business processes. We are examining our current processes to be more streamlined and Veteran-focused. We are also applying technology improvements to the new streamlined processes so that the overall service we provide is more efficient and timely. We are using the knowledge, energy, and expertise of our employees, other administrations in VA, Veterans Service Organizations, Congress and the private and public sectors to bring to bear ideas to accomplish this claims process transformation.

One of VBA's strategies is to improve and expand training available to our employees. We focus on high-quality, timely, and relevant training for both new and experienced personnel. To that end, VBA has deployed training tools and centralized training programs to improve standardization of training across all regional offices (ROs). My testimony will address training of new and experienced employees who process Veterans' claims. I will describe the training programs as well as the methods of training evaluation and oversight VBA is using to ensure employees are continuously prepared to accomplish their mission.

**New Employee Training**

VBA has developed and implemented a standardized training curriculum, the Challenge training program, for new claims-processing employees. The Challenge program is a national technical training curriculum that provides new Veterans Service Center employees with the skills they need to function effectively in their positions as Veterans Service Representatives (VSRs) or Rating Veterans Service Representatives (RVSRs). Since FY 2007, VBA has trained more than 7,200 new VSRs and RVSRs, including more than 2,000 in FY 2010.

The Challenge program is delivered in three phases. Phase 1 is completion of knowledge-based prerequisite training at home stations using lectures, demonstrations of computer applications, and team-learning through VBA's Training and Performance Support Systems (TPSS). Post-tests built into TPSS confirm that students have learned the material.

Phase 2 is centralized classroom training. Newly hired VSRs and RVSRs attend two-and-a-half weeks of resident training. These courses are offered at the Veterans Benefits Academy in Baltimore, Maryland, and selected VA regional offices when the volume of newly hired VSRs and RVSRs exceeds the centralized training capacity. All training sites use standardized curricula. Area offices recommend trained instructors to VBA Headquarters where selections and instructional assignments are made. The quality of the training is enhanced by using no greater than an 8:1 student-to-instructor ratio. Centralized training provides hands-on training with computer applications and advances the new employees through progressively more challenging practice claims. All new employees handle sample claims just as they will when they return to their home stations.

Phase 3 is completed at home stations, blending lectures, discussions, and TPSS training with experiential learning. Trainees work actual Veterans' cases under the guidance of experienced personnel. Instructors in the first two phases are subject matter experts who have completed either an instructor development course designed to provide platform-delivery skills or a TPSS Training Coordinator course taught to effectively use team learning with standardized lesson materials. Instructors in the third phase are experienced VSRs or RVSRs with current knowledge of regulations and procedures. Many of the Phase 3 instructors have also received formal instructor training.

From FY 2008 through FY 2010, 1,642 VBA employees have attended a VBA-sponsored instructor course. Our goal remains to provide every field employee identified as a potential instructor an opportunity to receive instruction on design and delivery of training.

### **Experienced Employee Training**

In response to Government Accountability Office (GAO) recommendations and internal evaluations, VBA instituted continuous improvements to its program for training of experienced personnel. Beginning in FY 2010, VBA designed national curricula to enhance quality in claims processing through standardized training. Topics in the national curricula were selected to address national quality issues as determined through VBA's Systematic Technical Accuracy Review (STAR) program.

The national curricula were used by ROs to deliver required training for VBA employees based upon experience level. The intermediate curriculum was used for employees with 6 to 24 months of experience, and the advanced curriculum was used for employees with more than 24 months of experience. Lesson materials supporting the national curricula were published by the C&P Service to increase standardization of training across all ROs.

In FY 2010, VSRs and RVSRs are required to complete a total of 85 hours of training, including 40 hours from the appropriate mandatory national technical curriculum (intermediate or advanced), 20 hours of electives from a national technical curriculum of additional topics, and 25 hours of station-determined topics that included courses required of all VA employees. By August 31, 73 percent of all VSRs and RVSRs had exceeded the mandatory 85 hours of training, and 80 percent were on track to complete the requirement by the end of FY 2010.

In FY 2011, VBA is making additional improvements in the training for experienced VSRs and RVSRs. The change will give supervisors more latitude to tailor the annual training of employees to better meet the emerging needs of individual employees, their managers, and the RO in this transformational environment. In FY 2011, experienced Veterans VSRs and RVSRs will be required to complete 85 hours of training from multiple curricula.

All VSRs and RVSRs will complete VA-mandated courses on an annual or biennial basis to promote diversity and emphasize information security awareness. They will be required to complete 40 hours from a C&P Service technically-oriented curriculum that addresses national quality concerns and regulation changes. They will also complete an additional 40 hours from a combination of curricula depending upon the needs of the RO and the developmental needs of individual employees.

For employees who require greater technical growth, some or all of the 40 hours may be chosen from the C&P curriculum of technically oriented "elective" courses. Employees who have mastered their trade, exhibit high production and quality, and have expressed both the potential and interest in personal growth may be ready for development in skills that prepare them for higher levels of responsibility. For em-

ployees with non-technical needs, such as critical thinking and effective writing, courses will also be available through VA's new "ADVANCE" Program. The purpose of this program is to invest in employee development, workforce engagement, and talent management. This program will support the learning needs of a transformational organization and includes courses such as critical thinking, effective team operations, oral and written communications, and managing change at the individual and group levels.

### **Training Oversight**

VBA has improved its training oversight methods to increase accountability. Managers at all levels are held accountable for ensuring training requirements are met. The VA Learning Management System (LMS) provides a transparent view of each employee's training achievements to managers and supervisors from the team through the Headquarters level. Using LMS, the Headquarters generates periodic reports to indicate whether ROs are progressing satisfactorily to meet published training requirements for VSRs and RVSRs. The reports are shared within Headquarters and with RO leaders.

In 2008, VBA created the staff position of Training Manager for each RO. The Training Manager is responsible for local training reviews, as well as analyzing performance indicators to determine local training needs and implementing the training necessary to meet those needs. In each year since the positions were established, VBA has provided multiple venues for collaboration of Training Managers with Headquarters personnel and other Training Managers. The keystone is an annual workshop for training and collaboration that is reinforced with monthly telephonic meetings and on-line collaboration using social networking tools.

### **Training Evaluation**

In response to a GAO recommendation, VBA developed and implemented a strategy for systematically assessing the content, mode, and timing of training for experienced claims processors. Training of claims processors is continuously improved in VBA through ongoing evaluation of the training program itself.

During Challenge Phase 2 (centralized) training, Challenge students provide anonymous evaluations, using a web-based tool, of each lesson and the performance of their instructors, as well as the training facilities and support. Evaluation feedback is reviewed daily by the C&P Service training staff to facilitate rapid corrective actions if participants or instructors need improvements.

Upon their return to home stations for Challenge Phase 3, employees provide weekly evaluation of their continuing training. Employee feedback is reviewed weekly by Headquarters personnel for potential intervention if training is not proceeding successfully. Additionally, VBA initiated a Challenge Phase 3 site-visit program to gather feedback from participants and their managers about how that phase of Challenge is being implemented.

VBA is also collecting and reviewing feedback from staff to determine if the 85-hour training requirement is appropriate for experienced VSRs and RVSRs. Similar to the feedback mechanism used with employees in Challenge training, VBA is using a web-based evaluation tool to gather feedback from experienced claims personnel regarding their training. In more than 22,000 responses from experienced personnel since initiating the evaluation in March 2010, VBA has collected feedback on the usefulness, relevance, and quality of the training received in their ROs using the national lesson materials. Headquarters personnel who authored the training materials and RO managers have direct access to the feedback and can quickly update lesson materials and publish the changes.

VBA's formal training system, TPSS, has an integral feedback mechanism to encourage users to recommend improvements, changes, and corrections to lesson materials. Recommendations are screened routinely and prioritized for incorporation into the life cycle project management plans, with the goal of keeping all materials complete and accurate.

### **Conclusion**

Since the Subcommittee's last hearing on VBA training in 2008, VBA has substantially and continuously improved the entry-level instruction provided to our new claims processors. VBA has also taken many positive actions to enhance the relevancy and standardization of training for experienced claims processors. VBA expanded its training oversight and implemented an evaluation program to increase quality and consistency and support a continuing dedication to improving training.

VBA has made continuous efforts to improve training and ensure high quality decisions for our Veterans in a timely manner.

Mr. Chairman, this concludes my testimony. I will be happy to respond to any questions that you or other Members of the Subcommittee may have.

---

**Statement of Carol Wild Scott, Chairman,  
Veterans Law Section, Federal Bar Association**

Congressman Filner, Congressman Buyer and Members of the Committee:

Thank you for the opportunity to present this statement on behalf of the Veterans Law Section on behalf of the Federal Bar Association. The Federal Bar Association is the foremost national association of private sector and government lawyers engaged in the practice of law before the Federal courts and Federal agencies. Sixteen thousand members belong to the Federal Bar Association. The Veterans Law Section ("VLS") is comprised of lawyers who are associated with all aspects of veterans and military law. The comments herein are exclusively those of the Veterans Law Section and do not necessarily reflect the views or official position of the entire Association.

The growing backlog of veterans' disability claims pending before the Department of Veterans Affairs and the U.S. Court of Appeals for Veteran Claims has been the subject of numerous written submissions, testimony and commentaries. The Claims Summit in March and a further hearing before the House Committee on Veterans' Affairs in June all addressed the same issues—what is wrong with the claims process and how can it be fixed? Several facts are inescapable. The backlog is out of control, symptomatic of a process out of control. The operative term is "control." There is as much need for vertical accountability in the area of training as in administration of the Veterans Benefits Administration.

***The problems***

The statistics from the Board and the CAVC give a strong indication that there are and will continue to be serious training issues in both the rating and appeals process. CAVC routinely remands 70–80 percent of the cases coming before it. Another 5 percent are reversed and then remanded. The Court agrees with the Board only 20–25 percent of the time, according to Judge Kasold's testimony of May 2009. Even if one attributes a portion of the remands to philosophical differences between the Board and the Court, a 70–80 percent remand rate is strongly indicative of a significant level of error in the proceedings below. In a system in which the Board has claimed an accuracy rate of in excess of 90 percent, there is clearly a disconnect. Similarly, the Board, in FY 2009 either remanded or allowed 61 percent of the 48,800 appeals in which they made decisions, thus finding that the Regional Office decision was correct in only 39 percent of the cases.

This level of error is strongly suggestive of serious training deficiencies from the Benefits Academy to the continuing education which every rating employee is required to receive annually. Training issues were addressed in the April, 2010 GAO study, "Veterans Disability Benefits, Expanded Oversight Would Improve Training for Experienced Claims Processors." GAO determined that the VBA delegates a considerable amount of control to the individual Regional Offices, while providing a fairly standardized curriculum for about half of the required eighty hours of annual training. They found that a majority of the experienced personnel (over two years experience) had difficulty meeting the eighty hours of required training with their workload requirements.

Because of the uniform level of subject matter addressed in the training, many of the rating personnel either felt that they did not need it or the training did not meet their specific needs. Two examples were identified by personnel as inadequate: case management and special monthly compensation. Clearly "one size fits all" does not fit within the context of continuing education, which is what the requirement of yearly training is intended to be. Rating employees have expressed the need for additional education in the rating for TBI. Decisions from the Court and the Board demonstrate a significant error rate with PTSD and toxic exposures. The conclusion was that the training component of VBA lacked controls to ensure the content and quality of the eighty hours of instruction required annually and thus did not meet the standards cited. In the area of training as well as in administration, it is essential to have a vertical chain of command with accountability for the quality of instruction, content and availability of information to every rating employee.

In a sense, a well-trained cadre is a happier cadre. There are very few in the VBA who do not do the best job they can to ensure that the veteran is allocated appropriate compensation for the harm suffered. There have been numerous complaints reflected in IG reports and Congressional testimony to the effect that poor training and lack of experience on the part of supervisory and executive personnel has affected morale in the workplace. Education and testing for leadership skills to develop a well trained, qualified cadre of supervisory and executive personnel is essential to the maintenance of the high standards required across the board. Inadequate training has apparently led to the early dismissal of some of the new hires, thus reducing the number of new rating personnel when the real problem was lack of adequate training.

### ***Some suggested solutions***

VLS recommends that vertical accountability be established with a directorate of training within the Office of the Secretary, as a separate entity. Within this entity should be located the Academy and under the Academy a vertically organized network of adult education specialists with expertise in education, medical issues and regulatory process. The Director of the Academy should be directly accountable to the Secretary.

VLS encourages VBA to re-examine the curriculum and the qualifications of the instructors at the Academy, with the result that specific protocols be in place for appointment as an instructor. We also urge that advances in adult education methodology and recruitment of experts and consultants external to VA be utilized. The statistics indicate that the instructional and training entities have become cocooned, such that too often errors are repeated through instruction. The Academy should be the focal point and resource for all instruction agency-wide.

VLS encourages education and testing for leadership skills to develop a well trained, qualified cadre of supervisory and executive personnel, which would have a significant, positive effect on employee morale. Supervisory personnel lacking knowledge of "what they do" has been noted in earlier hearings and reports as sources of low morale in the workplace. Supervisory personnel should receive continuing education in regulatory and case law developments as do the rating personnel along with leadership and administrative skills. The institution of results-oriented performance protocols rather than the "work credit" system should apply equally to supervisory and executive personnel and rating personnel. The quality of the decisions in the Regional Office should be the measure of performance.

VLS recommends that should the POD modality be adopted (and continues to recommend that this be the case) that it include a full-time training coordinator situated in each Regional Office reporting directly to the Director of Training. The primary duty would be monitoring on-site, the training needs and requirements, setting a curriculum consistent with those universal to the agency, and ensuring that instruction and Q&A are available consistently to the individual employee. Additionally, on-site proficiency testing is then available for VSRs ready for promotion to RVSRs and RVSRs aspiring to the position of DRO. (The exam certifying the DRO should equate with the Agent's exam and re-certification should be required bi-annually to ensure currency with case law and regulatory changes.) Uniformity in the programs across all the ROs is critical, with standardized performance objectives and outcomes. Innovations in the field of adult education and the use of outside consultants as advisors in the development and evaluation of educational and training programs should also be utilized.

VLS recommends that training programs be thoroughly evaluated for accuracy and thoroughness by resources both internal and external to VA. A complex array of disabilities affect the veteran population residual from Vietnam, the Gulf War, and OIF/OEF. Rating employees have expressed the need for instruction in TBIs, and a significant error rate has been found with PTSD and herbicide exposure. VBA must ensure that the medical instruction blocs meet the needs of the demographics of the veteran population. The medical issues of exposure to toxins from Vietnam, the Gulf War and the burn pits in Iraq along with the sequelae of TBI and multiple amputations must be included as these affect multiple body systems and may lie latent for years before becoming symptomatic (such as hepatitis C). Medical training is critical, as it is necessary to orient lay personnel to the vastly complex array of medical issues inherent in the average claim for compensation arising from conflicts of the last three decades.

VLS recognizes the complex issues presented by rapid acquisition of new personnel and the necessity of providing adequate, but concentrated training to these employees. The Agency can ill afford to discharge new hires as the result of inadequate training. The utilization of every resource both in and outside of VA is re-



quired, thus VLS strongly recommends the establishment of training protocols that also utilize resources and expertise external to VA with instructors selected through a certification process and recruited from the Veterans Law Bar as "Visiting Professors." Similarly, recruitment of "Visiting Professors" from entities experienced in educating laity in medical issues, protocols and processes should be implemented. Efforts such as these ensure dissemination of information which is accurately consistent with current case law, regulatory developments and appropriate medical knowledge.

We thank the Committee for the opportunity to share the foregoing views and recommendations. We must all take whatever actions are necessary to make as whole as we can, without regard for ethnicity, the men and women who have put their lives on the line in order that we may have the luxury of this discussion. We owe them not only treatment of wounds seen and unseen but as much restoration of their quality of life as is humanly possible. With now over a million pending claims, it matters not who represents whom, or on whose shoulders the blame properly lies. Only through thorough and accurate education as well as closely monitored implementation of the material learned will the quality of claims process improve. Until the quality of performance attains the level that precludes innumerable remands the backlog will persist. Increasing the quality of education and training and rewarding adequately the performance that implements it is the challenge VA now faces. The views expressed herein are solely those of the Veterans Law Section and not necessarily those of the entire Association.

Respectfully submitted.

**MATERIAL SUBMITTED FOR THE RECORD**

Committee on Veterans' Affairs  
Subcommittee on Disability Assistance and Memorial Affairs  
Washington, DC.  
*October 6, 2010*

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

Dear Mr. Bertoni:

Thank you for testifying at the House Committee on Veterans' Affairs' Subcommittee on Disability Assistance and Memorial Affairs' oversight hearing on, "Examining the Training Requirements of Veterans Benefits Administration Claims Processing Personnel," held on September 16, 2010. I would greatly appreciate if you would provide answers to the enclosed follow-up hearing questions by Tuesday, November 9, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full committee and subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your responses to Cecilia Thomas by fax at (202) 226-4691. If you have any questions, please call (202) 225-9164.  
Sincerely,

John J. Hall  
*Chairman*

---

U.S. Government Accountability Office  
Washington, DC.  
*October 28, 2010*

The Honorable John J. Hall  
Chairman  
Subcommittee on Disability Assistance and Memorial Affairs  
Committee on Veterans' Affairs  
U.S. House of Representatives  
Washington, DC 20515

The enclosed information responds to the post-hearing questions in your letter of October 6, 2010, concerning testimony before the Subcommittee on September 16, 2010, on the Veterans Benefit Administration's (VBA) training for disability claims processors. If you have any questions or would like to discuss this information, please contact me at (202) 512-7215.

Sincerely yours,

Daniel Bertoni, *Director*  
*Education, Workforce, and Income Security Issues*

Enclosure

This enclosure details Chairman Hall's questions and our response, which supplement information in our testimony before your Committee, Veterans' Benefits: Training for Experienced Claims Processors (GAO-10-1029T, Washington, D.C. September 16, 2010).

---

**Questions for the Record, Honorable John J. Hall, Chairman,  
Subcommittee on Disability Assistance and  
Memorial Affairs, Committee on Veterans' Affairs,  
U.S. House of Representatives**

**Question 1:** Has the Government Accountability Office (GAO) conducted any evaluations or assessments of the Veterans Benefit Administration (VBA) certification testing program?

**Response:** The Government Accountability Office has not conducted any evaluations or assessments of the VBA's certification testing program. However, as part of our ongoing review of the VBA's Decision Review Officer (DRO) program we will be obtaining the opinions of VBA regional office managers and DROs about the effectiveness of the recently implemented DRO certification exam in assessing Decision Review Officers' ability to do their jobs.

**Question 1(a):** If so, please elaborate on this program and whether your assessment showed any connection between test results and the quantity or quality of training.

**Response:** Our review of the DRO program is in process. The final report will contain the results of the limited assessment of the DRO certification exam included in this review.

**Question 1(b):** If GAO has not studied this issue, has it considered doing so in the future?

**Response:** Currently, we have no other plans to study the VBA's certification testing program. We are available, at your convenience, to discuss additional work GAO could do in this area.

---

Committee on Veterans' Affairs  
Subcommittee on Disability Assistance and Memorial Affairs  
Washington, DC  
October 6, 2010

Jimmy Sims, Jr.  
AFGE Local 1738 Steward  
c/o John Gage  
American Federation of Government Employees  
80 F Street, NW  
Washington, DC 20001

Dear Mr. Sims:

Thank you for testifying at the House Committee on Veterans' Affairs' Subcommittee on Disability Assistance and Memorial Affairs' oversight hearing on, "Examining the Training Requirements of Veterans Benefits Administration Claims Processing Personnel," held on September 16, 2010. I would greatly appreciate if you would provide answers to the enclosed follow-up hearing questions by Tuesday, November 9, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full committee and subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your responses to Cecilia Thomas by fax at (202) 226-4691. If you have any questions, please call (202) 225-9164.  
Sincerely,

John J. Hall  
Chairman

---

QUESTIONS FROM THE COMMITTEE ON VETERANS' AFFAIRS  
DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS SUBCOMMITTEE  
HEARING

“Examining the Training Requirements of Veterans  
Benefits Administration Claims Processing Personnel”

SEPTEMBER 16, 2010

**Question 1:** AFGE has testified repeatedly that the over-emphasis on production deadlines by the Veterans Benefit Administration (VBA) often hinders claims processors from completing training requirements and ultimately leads to avoidable claims processing errors. What recommendations does AFGE have for incentivizing prompt yet quality performance by VBA claims processors?

**Response:** VBA's current focus on production capacity drives the claims process. Employees are driven to produce numbers versus producing quality. Current VBA Director's Performance Standards drive this process in the field. These standards are focused on increasing the number of claims produced which in turn reduces the Average Days Pending (ADP), Average Days to Completion (ADC) and Average Awaiting Development Time (ADT). These cycle times are not focused on the quality of the work performed, but the quantity of the work performed.

While the overwhelming statements from the claimants are “I just want a decision” it is incumbent on the VBA to ensure that the decision rendered is accurate. By continuing to focus all metrics on the amount of work produced, there is an increasing gap between the amount of cases produced and the quality of these cases.

***VBA must begin to change the focus of the production standards from the amount of work produced, to the correctness of the work produced. Incentive awards need to be focused on meeting and maintaining a metric of quality versus meeting and exceeding a production number.***

**Question 1(a):** If VBA's work credit system is not working, what other approach would AFGE recommend for motivating VBA staff to meet production goals?

**Response:** In the Center for Naval Analysis study conducted pursuant to Section 226 of Public Law 110-389, it was recommended that a study be conducted to determine the time required to perform each action at a specific level of quality (Time-Motion study). This study would require the incorporation of the differing levels of experience to determine the amounts of time required to achieve the specified level of quality.

The current work credit system does not adequately account for the effect of experience on quality and productivity. The current work credit system is a cookie cutter approach based on anticipated Journeyman level experience. VBA has been transitioning to a work credit system which allows crediting for the claims process only when specific milestones are met. This system does not take into consideration the full level of work required during the life cycle of a claim, nor does it provide consideration for the quality of work associated with the experience level of the claims processor. This manner of crediting work only drives employees to take shortcuts in the process, reducing the quality of the work performed, in order to achieve the milestones whereby credit for work may be taken.

In order to adequately address this need to motivate employees to meet production goals while achieving specific quality levels, there needs to be an adequate consideration of the time required in the process.

***A scientific evaluation of the claims process, such as the time-motion study recommended by CNA, is essential to development of an effective motivating system to meet the needs of the Agency while meeting those of our claimants.***

**Question 1(b):** Should VBA reward staff for completing required training or meeting work quality benchmarks?

**Response:** VBA's current award system places greater emphasis on increasing productivity. Many stations provide bonuses only for employees whose productivity exceeds the required production standards by a percentage from 20 to 50 percent, while only requiring achievement of the minimum quality standard.

The ability for increasing productivity while maintaining a specific level of quality should be commended. However, increases in quality and productivity should generate greater rewards.

The Fiscal Year 2010 national quality target for VBA claims processing was set at 90 percent. The end of year quality for Rating was measured at 83.8 percent. Quality for development of claims is not measured independently. Authorization of the awards was measured at 96.1 percent which exceeded the 90 percent target.

Prior VBA production standards did not consider training as an element for evaluating performance. The VBA production standards for the Veterans Service Representatives (VSR) which were implemented in FY 10 include Training as a Critical Element thereby tying the completion of training to a satisfactory performance level. Proposals for changes to the performance standards for Rating Veterans Service Representatives (RVSR) and Decision Review Officers (DRO) have included Training as a critical element. While this creates a mandate to complete training in order to be rated fully successful, there is no incentive to go beyond the required training of 85 hours. At the same time, there continues to be a serious problem with the quality of training, because of an overreliance on online training instead of classroom training, and the lack of experience and expertise of trainers.

As experience and quality are closely related to training, it would be to the Agency's benefit to develop incentives for increased quality and completion of additional training.

**Question 1(c):** Should VBA provide its staff with adequate time to complete required training and ensure that the training is both timely and targeted to their needs before enforcing strict claims processing production quotas?

**Response:** In order to effectively measure an employee's performance, there must be certainty that employees have received the training required to accomplish the task set before them. In the current VBA performance standard structure, employees are immediately held to a production standard upon completion of a minimum training program. This immediate requirement of production standards results in a decrease in the time spent on learning and retaining the information necessary to accurately and efficiently complete the claims process.

As VBA has reported in prior testimonies, it takes an average of two years to adequately learn the tasks associated with the positions in the claims process.

***A moratorium on production standards during this two year period would increase the knowledge and experience level of all claims processors as it would allow for increased focus on obtaining quality work versus quantity of work.***

Continued training beyond the initial two year training period should be focused on meeting the needs of the claims processors. The current continued training (Core Technical Training Requirements) is a one-size-fits all system. Knowledge and experience are individualized aspects; training should likewise be individualized to address the gaps in this knowledge base. While training programs may never be able to address all types of claims encountered by claims processors during their tenure, training programs should be better tailored to encompass a greater range of issues.

***Upon completion of the 2 year training program, a more individualized training program should be developed in consultation with the immediate supervisor and the quality review specialist reviewing the work of the claims processor.***

This individualized training program would then be re-evaluated at the end of each year to better focus on the areas of improvement needed to be made.

**Question 2:** Are VBA claims processors and their managers penalized if training requirements are not met? Are both rewarded for meeting annual training requirements?

**Response:** Under the current performance standard system in place for VSRs, the assignment of a fully successful evaluation is predicated upon completion of all assigned training. The performance standard system for RVSRs and DROs does not include training completion as a critical element. As such, there is currently no incentive in place for employees other than VSRs to complete training requirements.

Unfortunately, AFGE is not afforded information on the reward and punishment programs which VBA has instituted for management officials. Therefore, we are unable to comment on the repercussions of failure of management or their assigned employees to meet mandatory training requirements.

***The performance standard system for RVSRs and DROs should include training completion as a critical element.***

**Question 3:** What are your specific assessments of VBA's classroom versus online training and do you believe there is a proper mix of each one in order to ensure high quality delivery of training?

**Response:** As a Journeyman Rating Veteran Service Representative, I have participated in the training in a classroom and online setting. The current classroom training programs are adversely impacted by VBA's lack of qualified and trained instructors. In the field stations, employees are selected for training, not based on past ability or experience, but by their relationship with management. There is a

significant disparity in the quality of the classroom training provided by station, as well as by which individual is conducting the training.

Online training programs are centrally created, thus ensuring the level of quality of the information presented. However, the shift toward more online training means that employees are left on their own to review and interpret a significant portion of the curriculum. There is currently no measurement in place to determine if the information presented is understood or retained. The structure of the management staff eliminated the need to be a Subject Matter Expert over the area of supervision. Thus employees with questions have no supervisor to whom they can turn. Employees are left to either form their own interpretation or to seek out assistance from other employees thus impacting their ability to meet mandatory production requirements.

***The current training delivery process needs to be revamped so that the quality of training takes priority over expedience.***

**Question 3(a):** What is AFGE's assessment of the Training Performance Support System (TPSS)?

**Response:** TPSS is again a centrally designed computer based training program which requires individual employees to review and in many cases interpret and apply information presented on their own. While this training system has a built in system of testing the understanding and retention of information, the utilization of this system is inadequate. VBA has data which reports the failure of stations to comply with the requirements associated with TPSS during the initial training of new employees.

***Management should more closely monitor utilization of the TPSS training program.***

**Question 4:** How often are VBA claims processors briefed or provided feedback on the quality of their work?

**Response:** As a Journeyman RVSR I am only provided feedback on cases in which there is an error of omission or commission. RVSRs are continually provided feedback during the initial stages of training leading up to the release to single signature authority. Following this release to single signature authority, feedback is provided only in cases containing an error or minimally during performance meetings with supervisors.

**Question 4(a):** Are VBA claims processors required to complete additional training based upon poor work quality according to the Systematic Technical Accuracy Review (STAR) quality ratings?

**Response:** The current VBA claims processor training at VARO Winston Salem is not tailored to effectively utilize findings of the STAR process. Training at this facility is a "one size fits all" approach which does not take into consideration the knowledge gaps of employees. When AFGE recommended that quality data for the past 12 month period be reviewed for determination of trends and/or gaps in training, management's response was that this would be too time consuming.

VBA's STAR review program is designed to be a training tool which can identify the training needs of individuals as well as stations.

***Data generated by the STAR review program should be used to identify training needs of individual employees and stations.***

**Question 4(b):** Does AFGE think that the quality of VBA claims processing could be improved by dedicating more resources to retaining experienced claims personnel?

**Response:** The current rate of attrition of VBA is a direct outcome of ineffective training programs as well as the ever increasing performance standards and complexity of the work required.

***Experienced claims processing personnel are necessary if VBA intends to reach the projected goals of "No claim over 125 days old" and "98 percent quality."***

Experience lends itself to speed and quality of work produced. Senior managers at VARO Winston Salem have been heard making the statement: "Any employee can be replaced, if they unable to do the job assigned get rid of them and get someone in here that will work." Unfortunately, this attitude permeates management at VARO Winston Salem, and it causes employees to face the realization that management does not see them as a vital resource. That attitude by management results in a decrease in morale and a desire to do only that which is required to maintain employment, thereby, resulting in lesser performance of the station as a whole and decrease in service to the claimants. As the VARO Winston Salem is in the forefront

of National initiatives, this predicament affects more than the veterans and dependents of North Carolina. Until management begins to change this perception of the employees, there will continue to be large numbers of senior employees who elect to leave the VA for employment opportunities with other agencies and the private sector.

**Management should change its perception of front line employees. The Agency may also wish to consider retention bonuses for high performing employees with greater than five years of experience within their field.**

**Question 5:** The Committee understands that VBA was slated to end its contract with Human Resources Research Organization (HumRRO) on September 22, 2010. What are AFGE's thoughts on VBA's certification and testing program?

**Response:** The current VBA certification testing program does not accurately reflect the ability of employees to perform the daily functions required by their positions. Under the Claims Processing Improvement staffing model, VSRs were specialized and worked only in one aspect of the claims process. The certification testing for VSRs is designed to take into consideration all phases of the claims process. Testing VSRs on job functions that have not been part of their work requirements inaccurately reflects the knowledge and experience of the employee.

The current Certification examinations evaluate only the Journeyman VSR; RVSR testing evaluates the level of knowledge at completion of training as well as at the Journeyman level.

**The approach of evaluating the level of knowledge at completion of training should be implemented for both VSR and RVSR.**

**Question 5(a):** Do deficiencies in training impact the results of these tests?

**Response:** As stated, the current certification testing does not accurately reflect an employee's knowledge and experience in the performance of the claims process. This directly reflects deficiencies in the claims processor training program currently utilized by VBA. More specifically, much of the certification examination focuses on the employee's ability to look up information in the reference material versus the employee's understanding of the material being tested. As is evident by the low pass rates of claims processors, employees are not receiving adequate training to be able to meet the expectations of management.

While AFGE does not support the concept of training employees to merely pass an examination, we do support the training of employees in such a fashion that the ability to pass the examination would be inherent in the completion of this training. Management must review the past certification testing and identify the areas of lowest performance, and tailor the training to address these deficiencies.

**Question 5(b):** Have the certification process deficiencies been corrected? Please elaborate.

**Response:** The deficiencies of the certification program have not been properly identified by management. Based on past performance of the employees, management has returned to the question banks and reformulated questions. By this, management has been tailoring the questions to meet the knowledge base of the employees versus tailoring the training to address the deficiencies of the employee's knowledge.

**Question 5(c):** Is the VBA complying with certification requirements as mandated in P.L. 110-389?

**Response:** Section 225 established the requirement for VBA to provide for examination of employees and managers responsible for processing VA compensation and pension benefit claims. This also directed the Comptroller General to evaluate these training programs and provide reports to Congress.

These examination processes have continued to be delayed in implementation. There have been pilot testing of certification examination of managers and Decision Review Officers, but implementation of a standard testing has not been made.

Certification of the training of RVSRs has been implemented and is mandatory for newly hired RVSRs. However, certification of Journeyman RVSRs is only minimally being performed with no requirement of these employees to certify.

VSR certification examination is linked directly to promotion to the GS-11 level and is not performing the function of validating training. There is no certification test required upon completion of the initial training program as with RVSRs.

Decision Review Officers certification examination is not utilized in the validation of the employees' ability to perform the functions of this position. As with the VSR certification examination, employees should certify prior to promotion to the DRO position.

As management continues to stress actions of management which are provided for under 5 U.S.C. 7106(a) are outside of the Union's right to know. Management has stressed that examination of management is outside of their obligation to negotiate. As such, AFGE has limited information on the certification program implemented for management. AFGE is only aware of a pilot having been performed, but the implementation of a standard certification program is not known.

Based on the limitations of the information provided in association with the certification requirements, it would have to be determined that VBA has failed in the requirements to meet the statutory requirements as implemented by PL 110-389.

**Question 6:** What steps should VA take to improve its overall training and testing program for VBA claims processors, managers, and trainers?

**Response:** First, VBA must ensure that employees utilized in the training programs have been adequately trained for providing training. As was reported in the GAO report, only 1 in 4 trainers have received formal training.

Second, VBA must begin to utilize the data available through the STAR system to tailor training to address the deficiencies in knowledge base of the employees.

Third, VBA must tailor the certification examinations to accurately measure knowledge and experience, and utilize the results of past examinations to tailor training to address the deficiencies as identified through the results of the examinations.

Fourth, VBA must ensure that certification examinations are properly administered during the life cycle of the claims processors. By this, it is imperative that VBA certify the training of the employees at completion of the initial training of the personnel, and again at the Journeyman level. VBA must also ensure the certification of DROs prior to promotion to this position.

Fifth, VBA must comply with the statutory requirement for management certification. Management's current view is that it does not have to comply with this requirement. More specifically, management refuses to provide AFGE with results from management certification exams. This attitude directly impacts the employees who serve under them. AFGE needs these test results to ensure that all employees are receiving adequate supervision. Employees who serve under certified managers have the benefit of knowing their supervisors have proven their knowledge and ability to perform the requirements of the claims process. This affords employees greater comfort when dealing with their managers on issues that arise during the claims process.

Finally, VBA must begin to increase the involvement of AFGE in the development and implementation of the training programs in the initial training phase as well as the continued training of claims processing personnel. Until Management and Labor begin to collaboratively address issues as directed by E.O. 13522—Creating Labor-Management Forums to Improve Delivery of Government Services, the training program will continue to flounder in mediocrity and fail to effectively address the needs of the Agency and employees.

---

Committee on Veterans' Affairs  
Subcommittee on Disability Assistance and Memorial Affairs  
Washington, DC  
October 6, 2010

David E. Hunter, Ph.D.  
Assistant Director, Cost Analysis and Research Division  
Institute for Defense Analyses  
4850 Mark Center Drive  
Alexandria, VA, 22311

Dear Mr. Hunter:

Thank you for testifying at the House Committee on Veterans' Affairs' Subcommittee on Disability Assistance and Memorial Affairs' oversight hearing on, "Examining the Training Requirements of Veterans Benefits Administration Claims Processing Personnel," held on September 16, 2010. I would greatly appreciate if you would provide answers to the enclosed follow-up hearing questions by Tuesday, November 9, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full committee and subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter



size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your responses to Cecilia Thomas by fax at (202) 226-4691. If you have any questions, please call (202) 225-9164. Sincerely,

John J. Hall  
Chairman

November 5, 2010

**INSTITUTE FOR DEFENSE ANALYSES (IDA) RESPONSES TO  
QUESTIONS FROM THE COMMITTEE ON VETERANS' AFFAIRS  
DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS  
SUBCOMMITTEE HEARING:**

**“Examining the Training Requirements of Veterans Benefits Administration Claims Processing Personnel” held on September 16, 2010**

**Question 1:** In your testimony, you noted that there are no nationwide rules for training factors. Do you believe that implementing such nationwide regulations would enhance accuracy and timeliness of adjudicated claims? Please elaborate.

**Response:** Our study did not address the effect of training protocols on accuracy or timeliness of claims adjudication. The training factors referred to in our report are a modeling tool used to estimate the relative effectiveness of employees with different levels of experience. We do not believe that accuracy or timeliness of claims adjudication would be enhanced by instituting nationwide training factors.

In our study, we note that in order to accurately forecast the productivity of a particular staffing level, we must account for the experience levels of the employees. Newly hired employees are not as effective as fully trained employees. They spend a significant portion of their time in classroom and on-the-job training, and are generally less proficient in the performance of their tasks.

The metric we called training factors was developed to estimate the relative claims processing effectiveness for different levels of trainees. Rating Veteran Service Representatives (RVSRs) with at least 2 years of experience are considered in our model to be fully trained and fully effective and are assigned a training factor of 100 percent. Less experienced RVSRs are assigned a training factor less than 100 percent. In our model, RVSRs with less than 6 months experience are assigned a training factor of 0 percent, those with 6–12 months experience are assigned a training factor of 29 percent; and those with 1–2 years experience are assigned a training factor of 63 percent.

These training factors represent our estimate of the relative claims production capabilities of each group of employees. They are averages derived from typical production goals used at regional offices for trainees. The actual production goals for individual trainees are at the discretion of regional office management and are largely based on demonstrated performance. Regulating training factors nationwide would not be an effective tool to improve either the accuracy or timeliness of adjudication claims.

**Question 2:** Based on what has actually happened in terms of growth in the Veterans Benefits Administration's (VBA) inventory and in its significant increase in hiring since your 2009 study, do you have any new forecasts on VBA's production capacity?

**Response:** The IDA Assessment of Claims Adjudication Personnel Requirements for the Veterans Benefits Administration was completed in September 2009. We have not been asked, nor have we performed any additional forecasts since the completion of the study.

It is important to note that there is a lag between the time VA hires new raters and the time when they become fully effective. We found the lag to be about two years. Thus, the effect on capacity of raters hired in FY10 will not be fully felt until FY12.

It also should be noted that these projections of increases in rating capacity are based on the assumption that the RVSRs are fully utilized for claims processing. This assumption, though true during the time of our study, may not continue to hold in the future. In particular, RVSRs may not be fully utilized if there are insufficient claims ready to rate. This could be due to a number of factors, such as claims

awaiting doctors' exams or service records, or a deficiency in the number of Veteran Service Representatives (VSR) available to prepare claims for rating. If this becomes the case, additional RVSRs will not translate into increases in claims processing.

As noted in our report, a better methodology for predicting claims processing personnel requirements (and the resulting production capacity) is to model the flow of claims through the claims adjudication process in a discrete event simulation model. Such a model would simulate each of the processing stages (triage, VSR processing, waiting for evidence, RVSR processing, promulgation, etc.) for individual claims and use statistical distributions to estimate the time required at each stage by claim type. To perform such an analysis, the data required to develop the statistical distributions would have to be collected over time. Such a data collection effort was not possible in the time frame provided for this study.

The simulation approach would provide additional insight into the process that the current modeling does not allow. For example, bottlenecks in the claims production process could be easily identified, allowing Department of Veterans Affairs (VA) leadership's improvement efforts to be focused on the areas most likely to improve the system. Additionally, the effect of potential solutions could be tested and evaluated in the model prior to real world implementation. These are just a few of the advantages that simulation, with the appropriate input data, can offer the VBA.

**Question 3:** Based on your studies, including the Institute for Defense Analyses study on Regional Office variances from 2007, do you have any recommendations that you can offer on how VA might improve the quality and accuracy of its production?

**Response:** Specific recommendations for improving quality and accuracy of production were not made in any of our previous studies. We are currently conducting a 3-year independent assessment of the VA's Quality Assurance Program, in response to Section 224.c.1-2 of the *Veterans Benefits Improvement Act of 2008 (PL 110-389)*. The final report from this study is due to Congress in October 2011.

**Question 4:** In your studies, what deficiencies did you find in the Department of Veterans Affairs' (VA) claims processing paradigm, the Claims Processing Initiative (CPI) model, that would best improve accuracy, consistency, and help VA to get the claim right the first time?

**Response:** IDA has not been asked to perform any studies that directly analyze the CPI model. Therefore, we are not in a position to comment on any deficiencies in the CPI model.

**Question 5:** You stated that Decision Review Officers (DROs) are considered fully effective at the start of their terms. However, your 2009 study projected that the efficiency of DROs are not expected to grow in the near future. Based upon this assessment, do you recommend that VBA offer DROs additional specialized training to help them become more efficient?

**Response:** DROs are senior personnel usually hired from the pool of experienced RVSRs. In our study, we assumed that, unlike VSRs and RVSRs, DROs are not required to undergo a lengthy training process. We consider all DROs to be equally effective—a DRO with 1 year of DRO experience is considered as effective as a DRO with 15 years experience. For this reason, we do not consider DRO experience levels when projecting their claims production capacity.

Our projection of DRO capacity showed no increases in the future due to our modeling assumption of no future growth in the number of DROs. Rather than specialized training, to increase the DRO claims processing capacity, we concluded that an increase in the total number of DROs is required.



Committee on Veterans' Affairs  
 Subcommittee on Disability Assistance and Memorial Affairs  
 Washington, DC.  
 October 6, 2010

Michael Cardarelli  
 Acting Deputy Under Secretary of Benefits  
 Veterans Benefits Administration  
 U.S. Department of Veterans Affairs  
 810 Vermont Avenue, NW  
 Washington, DC 20420

Dear Mr. Cardarelli:

Thank you for testifying at the House Committee on Veterans' Affairs' Subcommittee on Disability Assistance and Memorial Affairs' oversight hearing on, "Examining the Training Requirements of Veterans Benefits Administration Claims Processing Personnel," held on September 16, 2010. I would greatly appreciate if you would provide answers to the enclosed follow-up hearing questions by Tuesday, November 9, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full committee and subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your responses to Cecilia Thomas by fax at (202) 226-4691. If you have any questions, please call (202) 225-9164.

Sincerely,

John J. Hall  
 Chairman

---

**Questions for the Record, The Honorable John J. Hall, Subcommittee on Disability Assistance and Memorial Affairs, House Committee on Veterans' Affairs, "Hearing on Examining the Training Requirements of Veterans Benefits Administration Claims Processing Personnel," September 16, 2010**

**Question 1:** I understand that the Veterans Benefit Administration (VBA) employs approximately 14,000 claims processors, how many claims processing managers and trainers are on VBA's staff?

**Response:** VBA currently has 732 claims processing managers. From FY 2008 through FY 2010, 1,642 VBA employees have attended a VBA-sponsored instructor course. Our goal remains to provide every field employee identified as a potential instructor an opportunity to receive instruction on design and delivery of training.

**Question 1(a):** What is the manager to claims processor ratio nationally?

**Response:** There is one claims processing manager for approximately every 19 claims processors.

**Question 1(b):** List the descriptions of all claims processing staff members and the total number of employees designated in each position (e.g., number of VSRs, RVSRs, and Decision Review Officers (DROs)).

**Response:** As of November 5, 2010, VBA had 7,748 Veterans service representatives (VSRs), 2,734 rating Veterans service representatives (RVSRs), and 536 decision review officers (DROs). VSRs develop for evidence and process compensation awards. RVSRs determine whether a claimed disability is service connected and, if so, what amount of compensation is appropriate based on rating schedule regulations. DROs review and attempt to resolve appealed decisions.

**Question 2:** The Committee staff has reviewed the training requirements for VBA claims processors. Does VBA have similar training requirements for its claims processing managers and supervisors? Please detail the training program for VBA claims processing managers and supervisors.

**Response:** VBA has a standardized National Training Curriculum for its claims processing managers and its supervisors. Additionally, we are currently utilizing the FY 2009 Veterans Benefits Administration Core Technical Training Requirements (CTTR) for VBA Managers and Supervisors. Regional office directors and assistant

directors have an 80-hour annual training requirement, while training managers and support services division chiefs have an annual requirement of 40 hours. The division chief, assistant division chiefs, coaches and assistant coaches have a 16-hour annual training requirement. Stations are not limited to the minimum required number of hours and can always provide any additional training they feel is pertinent for enhanced job performance. For the purpose of the National Training Requirement, both new and experienced supervisors must select topics from the VBA National Training Curriculum list to complete their minimum requirements.

**Question 3:** What is the training regimen for VBA trainers? How are they selected and is there a dedicated cadre of training personnel?

**Response:** The training regimen for VBA trainers includes at least one of four VBA-funded venues for employees selected to be trainers:

1. Up to 180 employees annually attend VBA's one-week Instructor Development Course at the Veterans Benefits Academy in Baltimore, Maryland, where they learn characteristics of adult learners, principles of training development, and presentation skills. Each course participant presents three lessons as practical application and has an opportunity to receive constructive feedback from the course instructors and other class participants. The feedback includes a videotape of their presentations to reinforce feedback. The Instructor Development Course is used to prepare employees as instructors for Challenge Centralized Training, which is entry-level training to teach VSRs and RVSRs the basic skills of their jobs.
2. Up to 300 employees annually attend VBA's Basic Instructor Clinics delivered at their regional offices. Basic Instructor Clinics provide an eight-hour block of instruction focused on creating learning objectives, techniques for interaction, and training evaluation and presenting training content. Basic Instructor Clinics are used to prepare employees to deliver instructor-led training within the regional offices to both new and experienced employees.
3. Up to 120 employees annually attend VBA's Training and Performance Support System (TPSS) Training Coordinators Course. In this ten-day course, participants learn how to guide new employees in the use of VBA's TPSS using cooperative learning with teams of new employees. The Training Coordinators Course is used to provide each regional office with employees who are familiar with the TPSS training materials, how to effectively employ cooperative learning with small teams, and how to record students' successful practical applications in the learning management system.
4. In addition to the instructor courses, trainers selected to deliver claims processor training to new employees as part of Challenge Centralized Training also receive curriculum-specific instructor standardization training so they understand how to effectively use the training materials and practice cases developed for centralized training.

Regional office directors select VBA trainers and nominate them for courses listed above. Trainers are selected based upon expertise in their jobs and willingness to teach others. Employees who learn instructional skills through one of VBA's courses often use those skills to present classes to experienced personnel within the regional offices.

VBA does not have a dedicated cadre of instructors for teaching claims processors. VBA uses employees who are engaged daily in the business of processing Veterans' claims and are current in practices and procedures. VBA uses the dedicated staff of the Compensation and Pension (C&P) Service to provide Challenge instructor standardization training, and to oversee Challenge classroom instruction. VBA also has a full-time staff to operate its major training facility at the Veterans Benefits Academy.

**Question 3(a):** How many employees are VBA trainers generally required to train?

**Response:** The number of employees that VBA trainers are generally required to train varies based on the method of instruction and the type of student population.

Instructors of new claims processors in Challenge Centralized Training typically teach at a ratio of seven students to each instructor. Using this student-to-instructor ratio, teams of three to six instructors are assigned to classes of eighteen to forty students. With multiple instructors, students have easy access to expert assistance and quick review of their performance in classroom exercises.

Training of new employees using TPSS is normally performed in teams of three students with a TPSS Training Coordinator as the instructor/facilitator. Depending

upon other job tasking and the number of new employees enrolled in TPSS. Training Coordinators may guide multiple teams simultaneously through TPSS lessons.

Training of experienced personnel occurs in both small and large groups depending upon the topic, the population being trained, and the method of instruction selected by the regional office. Consequently, a single instructor may lecture 20–30 employees simultaneously or may instruct a group of less than ten employees when high levels of interactivity are necessary, such as teaching the use of computer applications or teaching with practical applications to reinforce learning.

**Question 4:** Is there a quantitative/empirical relationship between VBA training requirements and national claims processing goals, such as on quality and accuracy? Please elaborate.

**Response:** VBA does not have data on quantitative or empirical comparisons between training requirements and specific results pertaining to national goals for quality and accuracy. VBA considers various elements when determining training requirements, and quality is our primary objective in these decisions. Data from the previous fiscal year on national quality drives the topics to be considered when identifying training requirements. Information derived from reviewing quality data for regional offices and discussions with training managers are also taken into consideration. The primary focus is to ensure the correct training is being administered from both the national perspective as well as what is applicable for each individual office.

In conjunction with reviewing quality data, compliance with mandated training is reviewed utilizing Learning Management System (LMS) Learning History reports. During the past year, evaluation tools were established to obtain feedback from the regional office employees. These evaluations are being reviewed to identify any potential training trends that may be hampering effective instruction and subsequent claims processing quality.

VBA strives to recruit and select candidates for claims processor positions that meet the experience, knowledge, skill, and ability requirements necessary to successfully perform in these positions. VBA makes every effort to provide employees with the opportunity to develop and demonstrate their proficiency. VBA's comprehensive national training plan is designed to continually build upon previous knowledge and provide new training for legislative changes and improvements in our business processes. The combination of recurring training and technological improvements will result in a streamlined process that is more efficient, timely, and accurate.

**Question 4(a):** What is the correlation between the VBA training requirements and VBA's national goals of processing claims within 125 days with 98 percent accuracy and breaking the back of the backlog by 2015?

**Response:** Ongoing training improvements and Systematic Technical Accuracy Review (STAR) will help VBA reach Secretary Shinseki's goals of eliminating the disability claims backlog by 2015 and of processing disability claims so no Veteran has to wait more than 125 days for a quality claims decision (98 percent accuracy rate).

VBA is taking steps to improve training for claims processing staff through a comprehensive national training program. This training program includes pre-requisite, centralized, and home-station training phases. The integration of a national training program has resulted in standardized training modules for all phases of claims processing. Additionally, VBA created training modules for recurring training for journey-level claim processors. This national training program will allow VBA to increase both accuracy and production as employees continue to increase their individual knowledge and proficiency.

The primary mission of C&P's STAR program is to address quality issues. The C&P Training Staff analyzes error trends and incorporates them in the Core Technical Training Requirements (CTTR) mandatory topics for regional offices.

**Question 5:** Are VBA claims processors, and their managers, penalized if annual training requirements are not met? How are these training requirements enforced? Conversely, are there any incentives for completion?

**Response:** VBA's managers are responsible for ensuring that the minimum requirement of 85 hours per year is met by claims processors. Training requirements were recently written into VSR Performance Plans, and VBA plans to incorporate training requirements into other claims-processor performance plans.

VBA has improved its training oversight methods to increase accountability. Managers at all levels are held accountable for their subordinates' training requirements. If employees do not meet the requirement of 85 hours per year, it is reflected in both the managers' and employees' performance evaluations. In 2008, VBA cre-

ated the position of Training Manager for each regional office. The Training Manager uses LMS to track training and ensure each regional office is compliant with requirements. Training Managers work with regional office management to supervise the completion of training. While there are currently no national incentives in place to motivate employees to complete training requirements, completion of the mandatory training is required for each claims processor. Failure to complete required training is reflected in both the manager's and the employee's year-end performance.

For employees who seek to increase their knowledge and develop additional non-technical skills, courses are now available through the VA's new "ADVANCE" program. This program supports the development of employees in areas such as critical thinking, effective team operations, written communications, and change management.

**Question 6:** Many of the hearing witnesses testified about premature decision-making, particularly the under-evaluation of mental conditions and inferred conditions, contributing to VBA's high claims processing error rate. They also discussed VA's failure to identify error trends by aggregating and analyzing data collected from Systematic Technical Accuracy Review (STAR) and Inter-Rater Reliability Reviews. The VA Office of Inspector General (OIG) has indicated similar findings in its Regional Office Reports. As such, what steps is VBA taking to address these critiques by identifying major error patterns and generating interactive trainings to end these error patterns?

**Response:** VBA identifies major error patterns through a rigorous quality assurance program managed by the C&P STAR staff in collaboration with the C&P Training Staff. Analysis of STAR error trends led to the inclusion of mandatory training topics in the CTTR for the regional offices for FY 2011. The C&P Service Training Staff uses the results from these types of studies and a monthly analysis of error patterns identified by national accuracy reviews to generate interactive training lessons for claims processors.

For example, in October 2009, a new training lesson was created on the topic of establishing service connection for Posttraumatic Stress Disorder and Other Mental Disorders. Additionally, a new training lesson on Inferred Issues was posted to the C&P Service Training intranet site in December 2009. These courses are mandatory lessons that must be completed as part of the CTTR hours for RVSRs.

**Question 7:** Several hearing witnesses have testified about how the VBA's over-emphasis on production deadlines, manifested in work-credit performance requirements, often hinders claims processors from completing training requirements and ultimately leads to avoidable claims processing errors. How does VA plan to address this concern?

**Response:** Employee training is a top priority for VBA. Each year, VBA sets a requirement for training hours to be completed with relevant training materials specific to that employee's job. Regional office directors are held accountable if their employees do not reach the annual content and hour requirements. Failure to complete required training is reflected in year-end performance appraisals for both the regional office management staff and the employees.

**Question 7(a):** Is the VBA exploring additional mechanisms for incentivizing prompt yet quality performance by VBA claims processors?

**Response:** VBA is constantly striving to improve our quality and timeliness to better serve our Veterans. In addition to work standards that mandate an employee to perform at set levels of both quality and production, VBA has several award programs at a National level to recognize employees providing outstanding service within their regional offices. Some of the awards VBA currently provides are: Special Contribution Awards, On-the-Spot Awards, and Quality Step Increases (QSI). Regional offices currently provide Special Contribution Awards to employees who have contributed to the goals and mission of the regional office above the standard level required by their position. On-the-Spot awards are given to recognize exceptional courtesy and responsiveness that results in high quality service to Veterans. A QSI is an increase in an employee's basic rate of pay, which can be provided to an employee in recognition of excellence in performance during the last appraisal year.

A recent example of a new mechanism created to inspire prompt and quality work is the "Who's Who" list, which recognizes VSRs and RVSRs that obtain an outstanding level of both quality and production. This incentive program will both motivate employees that are not meeting their current goals as well as reward employees that are providing outstanding service to Veterans.

**Question 8:** VA currently has over 30 claims processing related pilots underway. Is VBA seeking to harness best practices from these pilots by offering its claims processing staff training based upon the lessons learned from these studies?

**Response:** VBA is capturing the best practices gleaned from our claims processing initiatives. Many of VBA's claims processing initiatives are still in the pilot phase; however, based on their initial success, VBA nationally implemented five of these initiatives. For nationally implemented initiatives, we provided comprehensive training to our claims processing staff based on the lessons learned during each initiative's pilot phase. We conducted the training using a variety of methods, including live meetings, teleconferences, and written instruction.

As we continue with our pilots, we recognize the importance of capturing critical techniques and processes for inclusion in our training program. VBA leadership and regional office management continue to ensure all personnel have sufficient knowledge of performance expectations stemming from each initiative; associated training, tools, and resources; and proper oversight to ensure successful transformation. VBA's training curriculum is continuously updated to incorporate legislative and regulatory changes as well as new initiatives and technological advances. We currently require at least 85 hours of refresher training annually for experienced employees. Ongoing training is essential to maintain a high performing workforce.

**Question 8(a):** While I am excited by the innovative thinking, I am concerned about whether these pilots are leading to improvements in quality and consistency of the claims process. What is VA's strategic plan for utilizing the lessons from these studies to improve training, if any?

**Response:** VBA's Strategic Plan for FY 2010–2014 states that, "VA will recruit, hire, *train*, develop, and retain a diverse VA workforce to meet current and future needs and challenges." VBA invests a tremendous amount of resources to ensure its employees are well trained and able to provide the best service possible to Veterans. Part of our strategic planning for the initiatives is the requirement to capture the critical lessons learned during the pilot phase to help improve VBA's training programs. It is especially critical to capture the lessons learned for pilots identified for national implementation; VBA ensures the initial lessons are captured in subsequent training for the field.

Prior to the national deployment of these pilots, we completed a comprehensive training program to ensure our claims processing staff fully understood the new process or capability being fielded and the value it added to their work. This training incorporated the lessons learned from the pilot phase. For example, in coordination with VHA, we recently fielded three Disability Benefits Questionnaires. Working collaboratively with the Veterans Health Administration (VHA), we developed a comprehensive training plan, to include a short video, and over a period of several weeks, presented the training to both VHA and VBA staff. This is just one example of the importance we place on training our staff to ensure we meet the Secretary's quality goal for 2015.

**Question 9:** What efforts are being undertaken by VBA to determine the types of activities all regional offices should and should not count toward completion of annual training requirements?

**Response:** A Fast Letter addressing training requirements for FY 2011 is expected to be released to the field by December 1, 2010. VBA has mandated that 85 hours will be dedicated to training each VSR/RVSR. Forty of these hours have topics and specific training material identified which will address new guidance to the field and national quality issues. This block of training is referred to as mandated training. The remaining 45 hours are split, with 20 hours of electives from a national technical curriculum of additional topics addressing the station's quality and 25 hours of station-determined topics that included courses required of all VA employees. For technical training to count toward the employee's annual requirements, the training must have utilized lesson material available on the C&P training Web site and must be documented in LMS.

**Question 10:** When will the VBA's Veterans Benefits Management System (VBMS) be fully and formally launched?

**Question 10(a):** Upon its launch, will VBMS be capable of identifying error trends and providing timely notice to managers of need for corrective training correction, and if so, how? Is the development of VBMS on track?

**Response:** The development of VBMS is on track, and we will have a monitoring process in place to be able to identify trends and provide feedback to managers.

In FY 2010, the VBMS initiative began with development of the Virtual Regional Office (VRO). The VRO concept involved subject matter experts (SMEs) working with a vendor to develop business requirements and detailed specifications. The vendor used the input from SMEs to create a graphical user interface, which became a means of validating the requirements as well as building the front-end interface for the business user.

VA will deploy the first iteration of VBMS software for testing at a site, the Providence Regional Office, in November 2010. Claims processors at the Pilot I site will use the new software to validate and harden the business requirements, as well as to generate new business requirements for future software releases. Pilot 1 will utilize a new electronic claims repository and scanning solution, as well as new claims processing software, which will integrate with existing core business applications (VETSNET) that support claims processing.

VBMS will be released incrementally through three pilots prior to nationwide deployment of full system capabilities. This iterative approach will allow claims processors to provide real-time input into the development of the application, as well as improved business processes. The use of Agile development will enable VBA to respond rapidly to new requirements, such as those captured from nationwide initiatives. VBMS will help VA eliminate many errors caused today as a result of the dependence on paper moving through the claims process. Additionally, VBMS, once fully developed, will provide managers the information needed to identify trends and areas where additional focus, business process improvement, and training may be needed to improve service delivery to Veterans.

**Question 11:** What training is provided to the VBA's fiduciary division personnel? Is it structured like the VBA's Training and Performance Support System (TPSS), how is it different, how is it the same? What is being done to integrate this business function in VBA performance and accountability metrics?

**Response:** National training for the fiduciary program was developed and implemented beginning in March 2010. This training is comprehensive and provides 36 hours of on-site instruction to all positions within the fiduciary activity staff. Thus far, on-site training by Headquarters' staff has been conducted at 13 regional offices and the fiduciary hub. A TPSS module currently exists for the position of field examiner, and a TPSS module is being developed for the legal instrument examiner position, with implementation anticipated in FY 2011.

VBA's fiduciary program has also enhanced its internal Web site to include training materials. National teleconferences are held monthly to provide training and disseminate information on areas requiring attention as identified by program staff.

The C&P Fiduciary Staff conducted a Fiduciary Manager's Training Conference in June 2010 to provide in-depth training on workload management, misuse of funds, accounting follow-up, field examinations, surety bonds, and other fiduciary topics. A similar conference is scheduled for April 2011 to address these and other topics with the field examiners.

**Question 12:** The Committee understands that VBA was slated to end its contract with Human Resources Research Organization (HumRRO) on September 22, 2010. Did this contract end, and if so, what has been the impact of this change? What services did HumRRO offer?

**Response:** The contract with HumRRO ended, and a new contract commenced with Camber Corporation on September 27, 2010. An initial meeting was held on October 6, 2010 with VBA management, VBA contracting staff, and Camber's team assigned to work on this contract.

The only significant impact from changing contractors is the time limit in administering the first Skills Certification Test. The contractor is allowed 180 days to deliver the first task, administration of the RVSR Skills Certification Test. C&P has stressed to Camber that the RVSR Skills Certification Test is a priority due to the requirements of administering the four Skills Certification Tests by the end of FY 2011.

**Question 12(a):** Has VA fully undertaken the certification requirements as outlined in P.L. 110-389? Please elaborate.

**Response:** VA continues to follow the requirements outlined in PL 110-389, by administering tests for each position handling a Veteran's claim. Currently, we have skills certifications for VSRs, Pension Management Center VSRs, basic RVSRs, journey RVSRs, DROs and coaches. We have also informed Camber of the possibilities for additional skills certification tests for other positions, which may come about during the contract period, September 27, 2010 through September 26, 2015.



**Question 13:** How do the VBA training requirements affect the certification testing outcomes for VSRs and RVSRs? Do they help with success/failure rates? Are there any correlations? When will VA implement testing of DROs and claims processing supervisory staff?

**Response:** VBA training increases success rates on skills certification tests because it provides the required skills, knowledge, and abilities for each participant to successfully pass his or her certification test. A Skills Certification Readiness Guide is available on the training Web site, which references such as regulations, directives, and job aids to review in preparation. Under the newly awarded contract, Camber will prepare an on-line preparatory tool, which will provide access to information about certification testing and an application that facilitates preparation by permitting practice with items similar to those on the test. This Web site will be accessible within VBA.

The Skills Certification Operational Test for supervisory VSRs (coach level) and DROs has been completed. Testing was held on January 13, 2010 for coaches and June 16, 2010 for DROs. Both tests are considered fully implemented, and VBA plans to offer each test twice a year.

**Question 14:** The VA OIG has noted in many of its Regional Office (RO) Inspection Reports, most recently in the Nashville Inspection Report, that VA should have a more objective, systematic, and disciplined approach to rotating personnel under the CPI model. The VBA's current CPI implementation plan indicates that VBA personnel should be rotated to handle peak workloads (i.e., where experienced VSRs will rotate from specialized teams to another) at least once every 2 years. As such, what is VBA doing to ensure that this rotation occurs in all ROs so that VBA personnel can maintain and improve their skills for optimal claims processing competency?

**Response:** The Claims Processing Initiative (CPI) model is directed by VBA manual M21-1MR, Part III, subpart i chapter 1. All regional offices follow this model unless a deviation is approved as outlined in VBA Letter 20-04-29. Overall, control and timely claims processing are considered first before rotation of VSRs. Local management has discretion on actual rotational schedules. The procedures governing the VSR Certification Test encourages rotation and cross training of employees. Regional offices also incorporate local special missions and emerging national concerns when determining employee rotations. VBA is continually reviewing workload-management processes to identify best practices and determine if adjustments to the CPI model will result in increased quality and productivity.

**Question 15:** The Institute for Defense Analyses (IDA) notes in its 2009 Report (P-4471) that VBA developed a Capacity Model in 1998-1999 to determine the VBA's claims production capacity. Would you elaborate on the inputs in this model and how it determines employee effectiveness? Has it changed or been updated since 1998/99 (e.g., experience vs. equivalent effectiveness)?

**Response:** The Capacity Model was developed in 1998 and 1999. The model compared expected man-hours with estimated available man-hours, and if the latter exceeded the former, there was enough capacity to cover the work. It assumed all fully trained employees were available to work 1,502 hours per fiscal year and incorporated time for standard leave, administrative absences, training, and development. RVSRs and VSRs were considered fully trained after two years and one year of employment, respectively.

Since the initial tasking in September 1998, the model has changed. It initially forecasted the number of Veterans submitting and resubmitting disability compensation claims over six future fiscal years. The updates to the model forecasted claims received, completed, and pending over a seven-year time period. With a July 2005 update, the name of the model changed to Workload Forecasting Model and added the capability to display yearly forecasts as well as monthly levels. The last follow-on task to the VBA Workload Forecasting Model by IDA was delivered in June 2007. It added features to print from the application, calculate full-time FTE needed to complete a user-specified number of claims, forecast for average days pending and average days to complete, determine employee effectiveness, and explore new performance metrics for VBA.

**Question 16:** What guidance does VBA offer its claims processing supervisors to ensure that ROs record training activities consistently in the VA Learning Management System (LMS) so that LMS-collected data is reliable?

**Response:** To ensure that regional offices record training activities consistently in the LMS, VBA guidance to supervisors in FY 2011 specifies hourly training re-

quirements for claims processors and lists of topics to be trained within the hourly training requirements. The guidance includes the LMS item numbers for recording training completions and directs the use of standardized training materials published by C&P Service.

**Question 17:** The Government Accountability Office (GAO) indicated in its testimony that VBA claims processing training quality has declined over the past 2 years. How did VBA determine the number of hours required for its claims processing personnel? Has VBA assessed the adequacy, appropriateness, and efficiency of this requirement? If so, what were the results?

**Response:** VBA has established total training hour requirements based on historical experience. Training needs are reviewed periodically and revised as necessary. While VBA has not specifically assessed whether 85 hours (the actual requirement) is the optimum amount of training time, recent evaluations by field office personnel indicate the training that claims processors are now receiving is useful, relevant, and worthwhile.

GAO recommended VBA implement an evaluation process to gather feedback from experienced claims processors regarding the usefulness, relevance, and quality of training they receive. VBA fielded an on-line evaluation tool in February 2010 to collect evaluations submitted by C&P claims processors on the usefulness, relevance, and quality of national training received in field offices.

With 25,614 anonymous responses since March 2010:

- 91 percent of respondents considered training at least moderately useful
- 91 percent of respondents considered training relevant to their jobs
- 88 percent of respondents are confident they can apply the training to their jobs
- 91 percent of respondents considered worthwhile the requirement that they complete the training

Beginning in FY 2011, regional offices must dedicate a minimum of 60 hours of the required annual training hours to addressing national quality error trends. Forty hours of this training are identified by specific required topics and assigned training curriculum based on national quality trends and emerging issues. Each regional office selects an additional 20 hours of training based on local quality trends from curriculum available on the C&P training Web site.

In FY 2010, C&P Service addressed this issue by determining that at a minimum, half of the required annual training hours would be dedicated to addressing national quality trends. Upon review of local quality data and discussions with regional office personnel, VBA increased the hours dedicated to training on quality issues to a minimum of 60 hours for FY 2011. Forty hours of this training are identified by specific required topics and assigned training curriculum based on national quality trends and emerging issues. Each regional office selects an additional 20 hours of training based on local quality trends from curriculum available on the C&P training Web site.

**Question 18:** GAO surveys indicated a real need amongst staff for more effective training on appeals and remands. What is the VBA doing to meet this need?

**Response:** C&P Service's Training Staff is implementing a new curriculum for appeals and remands. This curriculum is being developed in collaboration with members of the Board of Veterans' Appeals and will provide a range of technical lessons that can be utilized by any member of the appeals team. A sample of regional offices was contacted to accomplish a needs assessment, and the C&P Training Staff is creating an appeals curriculum based on their feedback. As lesson material is completed, it will be accessible for all regional offices on the C&P Training Web site.

The C&P Training Staff also formed a subcommittee to provide recommendations on courses to be reformatted in our Training and Performance Support System and Electronic Performance Support System learning tools. The staff decided that certain lessons may need to be offered in more than one format, such as self-instructed and in person. A standard evaluation form is being developed, and C&P Staff will consolidate the responses and communicate the results to the regional offices. These results, in conjunction with national quality errors, will have an impact on our selection of the appeals topics as well as any needed technical updates to the material.

**Question 19:** Do Fast Letters count as training in all 57 ROs? How does VA get the latest information to all of its VBA field offices?

**Response:** During FY 2010, training on fast letters counted if the training was recorded with sign-in sheets. During FY 2011, fast letters that have associated fa-

cilitated training sessions will be released with an assigned LMS number. These fast letters are reflected as acceptable training on the C&P Training Web site under the mandatory training curriculum. Determination of which fast letters count towards training will be based on meeting the requirements defined by the soon-to-be-released Standard Operating Procedure for VBA National C&P Curriculum.

In addition to fast letters, VBA shares information with regional offices through other venues such as weekly conference calls with Regional Office Directors and management staff, monthly Training Manager and Training Coordinator calls, and Veteran Service Center Manager calls.

