FROM MONTHS TO HOURS: THE FUTURE OF VA BENEFITS CLAIMS PROCESSING

JOINT HEARING

BEFORE THE

SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS

AND THE

SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION

OF THE

COMMITTEE ON VETERANS' AFFAIRS
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C O N T E N T S

TUESDAY, JUNE 6, 2023

Page

OPENING STATEMENTS

WITNESSES

APPENDIX

PREPARED STATEMENTS OF WITNESSES

STATEMENTS FOR THE RECORD

FROM MONTHS TO HOURS: THE FUTURE OF VA BENEFITS CLAIMS PROCESSING

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TUESDAY, JUNE 6, 2023

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON DISABILITY ASSISTANCE AND
MEMORIAL AFFAIRS,
SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C.

The subcommittees met, pursuant to notice, at 10 a.m., in room 360, Cannon House Office Building, Hon. Morgan Luttrell [chairman of the subcommittee on Disability Assistance and Memorial Affairs] presiding.

Present for Subcommittee on Disability Assistance & Memorial Affairs: Representatives Luttrell, Franklin, Ciscomani, Crane, Self, Pappas, Deluzio, McGarvey, and Ramirez.

Present for Subcommittee on Technology Modernization: Representatives Rosendale, Self, and Cherfilus-McCormick.

OPENING STATEMENT OF MORGAN LUTTRELL, CHAIRMAN, SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS

Mr. LUTTRELL. Good morning. I am a Navy man. We try to start on time normally at 5 minutes before, but that usually irritates everybody, so, we are going to start straight at 10. Thank you everyone for coming today. The Joint Subcommittee on Disability Assistance and Memorial Affairs and Subcommittee on Technology Modernization hearing will come to order. Thank you, Chairman Rosendale, Ranking Member Pappas, Ranking Member Cherfilus-McCormick, for holding this hearing with me today.

We are here today to discuss the Future of the Department of Veterans Affairs VA Benefits Claims Processing. Ten years ago, VA underwent its first claims modernization initiative when it transformed from a paper-based system to an electronic claims environment. VA accomplished this through the development of the Veterans Benefits Management System, or VBMS. This was an important step for the VA to dig them out of the last claims backlogs crisis.

Since VBMS was released, the private financial sector has continued to leverage the latest technology to provide the best experience for their customers and employees. Unfortunately, Veterans Benefits Administration (VBA) has struggled to keep pace with the private sector, resulting in unreliable and outdated systems. Consequently, VA cannot handle the influx of claims due to the The

Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act thus far. The VA estimates that the claims backlog could peak in 2024 at over 730,000 claims. This means veterans may have to wait months, if not years, for a decision. I know that the VA employees are doing their absolute best for our veterans and they are not satisfied with the level of our customer service. VA can always do better.

I was encouraged by the VA's 5-year—the VBA's Five-Year Modernization Plan that we are here to discuss today. As part of this plan, VA is piloting automation technology to help decrease the time the process of a claim from months to days and hopefully hours. I understand that the technology may not be able to meaningfully reduce the backlog until 2 years from now. However, some veterans do not have 2 years to wait for this technology.

Therefore, I would like to learn more about the steps VA is taking over the next 2 years to develop this technology and whether or not VA can be more aggressive in its timeline. I would also like to discuss how VA is prioritizing where to invest its modernization efforts. I hope the VA is thoroughly considering the pain points in the claims process and how technology can help reduce the time and expense to complete these tasks.

I also would like VA to provide the assurance that it is investing in state-of-the-art technology that is agile and able to modernize on a continual basis. Simply put, veterans and employees deserve the best IT available in the technology industry now and in the future. This is how VA prevents a backlog and how veterans get decisions in hours instead of months.

Thank you to all the witnesses for being here today and I look forward to your insight and feedback on this issue. With that, I yield to the ranking member for his opening statement.

OPENING STATEMENT OF CHRIS PAPPAS, RANKING MEMBER, SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS

Mr. PAPPAS. Well, thank you very much, Mr. Chairman, and thank you to our witnesses for being here today to help us understand how VA intends to modernize VBA's IT systems and improve the quality and timeliness of veterans disability claims.

Now, the PACT Act is easily the most consequential piece of veterans legislation in past generations, and it represents the most significant expansion of veterans healthcare benefits in decades. When Congress passed PACT, we recognized that it would dramatically increase the number of claims that VBA would have to manage. To date, veterans have filed almost 600,000 PACT Act claims, in addition to the 1.1 million non-PACT Act claims filed during the same period. The Department must invest heavily in its IT and human infrastructure to ensure that these claims are processed in a timely manner and that veterans do not wait years for their benefits.

Claims examiners have repeatedly complained to us that VBA's IT systems do not support the work that they do and frequently make their jobs even harder. We have heard that VBMS suffers from frequent system latency and downtimes, and that system crashes sometimes make them lose their work and have to start

over. That was even before the additional crunch of hundreds of thousands of PACT Act claims. This frustration is compounded by the fact that lost productivity due to unstable IT affects the employee's performance rating. VBA needs to evaluate how its IT systems and related policies could be negatively impacting its workforce. We can not afford to lose skilled claims examiners because of poor IT systems.

When PACT was being drafted, we recognized the importance of the IT systems. In Section 701 of the PACT Act, Congress mandated that VA develop a plan for the modernization of VBA's IT systems. The committee received the plan in March of this year, and while there are a lot of good ideas in it, I have questions about how they are going to fix the issues that we have raised by VBA personnel—that we hear raised by VBA personnel. Issues that predate PACT Act and yet continue to this day.

In fact, in 2015, the Government Accountability Office released a report on VBMS that indicated, in part, that VBA would benefit from a customer satisfaction survey of VBMS end users and incorporating that feedback into efforts to deploy the system. I would argue that it would also be beneficial for VBA to use a similar survey to guide any modernization efforts. Unfortunately, when I asked about such surveys during our May 16 hearing, it did not sound like either VBA or Office of Information and Technology (OIT) had been conducting them.

Nobody knows the disconnect between VBMS and the claims workflows like the claims examiners, and it would be in everyone's best interest if VA asked for their thoughts. I hope to hear from the witnesses today how VA intends to incorporate the feedback from frontline employees in its efforts to modernize IT systems and how they intend to use technology to address the growing backlog of benefits claims. With that, Mr. Chairman, I yield back.

Mr. LUTTRELL. Thank you, Mr. Ranking Member. The Chair now recognizes Chairman Rosendale for his opening statement.

OPENING STATEMENT OF MATTHEW M. ROSENDALE, SR., CHAIRMAN, SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION

Mr. ROSENDALE. I want to thank Chairman Luttrell, Ranking Member Pappas, and Ranking Member Cherfilus-McCormick, for organizing this hearing with me. Improving the disability compensation claims process is one of my top priorities. Millions of veterans around the country receive disability benefits from the VA. These benefits are not some sort of entitlement. They are compensation for the sacrifice of those who serve this great Nation and carry with them illnesses, wounds, and scars from their service. The Federal Government also owes them an effective process to apply for and obtain these benefits.

The Department of Veterans Affairs has a number of IT projects that frankly do not make sense even on paper. We have discussed them in our previous hearings. This effort is absolutely where we should be concentrating time and resources.

Veterans deserve rapid decisions through a transparent process. Unfortunately, they are struggling with 1950's era procedures and the hodgepodge of dysfunctional IT systems. The Veterans Benefits

Management System is barely 10 years old, but it needs substantial upgrades to keep pace with the VA's needs. The Board of Veterans Appeals is still attempting to put an end-to-end system in place. The VA started introducing some basic automation a few years ago. That is without question the right approach.

The only way to avoid another major claims backlog is to give employees advanced automation tools to eliminate menial tasks and boost productivity. However, the rudimentary automation VA has today is closer to the state-of-the-art of the 1990's rather than 2023. The automation still has a long way to go to make a meaningful impact. We need to close the gap very quickly in order to handle the title wave of claims stemming from the PACT Act and prevent another huge backlog.

This committee required a Five-year Benefits IT Modernization Plan in the PACT Act. This plan is meant to spell out exactly how the Department intends to spend the Toxic Exposure Fund dollars allocated to IT. We have seen the consequences of handing over billions of dollars with no strings attached before.

I am encouraged that the VA has submitted a serious, detailed plan that lays out the 97 upgrades or projects over the course of the next 5 years and estimates the cost of each one. I have no doubt that if the plan can be accomplished, the Veterans Benefits Administration would be in a much better place at the conclusion. Unfortunately, we need those modern systems and enhanced automation capabilities today because the disability compensation claims from the PACT Act are already starting to roll in. I appreciate our witnesses joining us today for this important and timely discussion about the VA's needs, and what to do to get this one right and make good on the promise made to the veterans in the PACT Act. Thank you, Mr. Chair. I yield back.

Mr. LUTTRELL. Thank you, Chairman Rosendale. The Chair now recognizes Ranking Member Cherfilus-McCormick——

OPENING STATEMENT OF SHEILA CHERFILUS-MCCORMICK, RANKING MEMBER, SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION

Ms. CHERFILUS-MCCORMICK. Thank you.

Mr. LUTTRELL [continuing]. for her opening statement.

Ms. CHERFILUS-MCCORMICK. Thank you, Mr. Chairman. With the passage of the PACT Act, Congress fulfilled its promise to veterans to honor their service and recognized toxic exposure as a cost of war. Included in the law is much needed funding for modernization of Veteran Benefits Management System. This is intended to benefit veterans and the VA employees alike. New funding is meant to streamline claims processing for benefits and improve antiquated systems that have been underfunded for decades.

The Technology Modernization Subcommittee has conducted extensive oversight of VA modernization and IT contracting. A common thread has been a fundamental lack of planning, budgeting, and adherence to contracting best practices by VA and its contracting centers. VA acquisition management has been on the Government Accountability Office's (GAO's) high-risk list since 2019. GAO has cataloged issues with competition for IT contracts. While VA's annual IT obligations have increased from 4.2 billion in 2017

to 6.5 billion in 2021, the number of companies receiving those awards has decreased.

We must ensure the VA does not make similar mistakes when modernizing VBMS. The cost to the government and more importantly the cost to our veterans are too high. VA must show a commitment to planning, budgeting, and execution of improvements that benefit veterans and the employees. As a result, I have co-sponsored Ranking Member Takano's IT Modernization Improvement Act. This will require VA to contract for independent verification and validation for these major IT programs to include the Veterans Benefits Management Systems.

As we have seen with other failed modernization initiatives, VA no longer gets the benefit of the doubt on contracting process. We need this bill to provide checks and balances on the acquisition process for modernizing VBMS. Veterans and employees should not have to suffer for a lack of successful modernization again.

While we work toward modernizing the IT system for veterans, I also want to highlight the impact that antiquated systems have had on the VA employees. Issues with interoperability, issues with reliability, and basic functionality have persisted for too long. We have an opportunity to provide a system that enables our employees to be more efficient and provide better service for our veterans. This means that the VA needs to listen to their employees when it comes to developing requirements for new systems. We have seen what a lack of prior work to standardize workflows across regional offices leads to. We need to hold the VA management accountable for creating a system that works for all employees and stops the silo of requirements development. With that, I look forward to hearing from our witnesses and I yield back, Mr. Chairman.

Mr. LUTTRELL. Thank you ma'am. Thank you. I will now introduce the witness panel. Our first witness from the Department of Veterans Affairs is Mr. Raymond Tellez, Acting Assistant Deputy Undersecretary for Automated Benefits Delivery with the Veterans Benefits Administration. He is accompanied by Mr. Robert Orifici, Director of the Benefits Memorial Service Portfolio for the Office of Information and Technology. We are also joined by Mr. David Bump, National Representative for the National Veterans Affairs Council and Second Vice president for the VBA at local 2157 for the American Federation of Government Employees. Thank you all for being here today. Mr. Tellez, you are now recognized for 5 minutes to deliver your opening statement.

STATEMENT OF RAYMOND TELLEZ

Mr. TELLEZ. Good morning, Chairman Luttrell, Chairman Rosendale, Ranking Member Pappas, Ranking Member Cherfilus-McCormick, and members of the subcommittee. We appreciate the opportunity to appear before you to discuss VA's plan for modernization of VBA's information technology systems. I am joined today by Robert Orifici, Benefits and Memorial Services Portfolio in VA's Office of Information & Technology. VBA and OIT have a long history of partnering to deploy technology solutions that improve claims processing to deliver benefits to those who have served our Nation with honor and courage.

Before 2012, the floors at the VA regional offices were buckling under the weight of paper claims folders and VA staff physically boxing and shipping claims folders from regional office to regional office. To address the situation, VA underwent a historic transformation, moving from a completely paper-based system to an electronic claims processing system.

The introduction of the Veterans Benefits Management System, or VBMS, along with VBA's digitization of millions of paper claims folders, was key to moving VA to an electronic processing environment.

Today's VBMS has changed significantly from the start of the digital journey. Every week, VBMS is updated with enhancements and optimizations to improve system resiliency, increase claims processors productivity, and modernize system components. As a result of VA's continued investment in VBMS, VBA's digitization of inbound paper mail and developing a paperless claims process, VA maximized telework capabilities during the COVID–19 pandemic to minimize employee impact while still maintaining service to veterans.

The inability to conduct in person medical examinations and access paper Federal records led to a temporary increase in the claims backlog. VBA has reduced the backlog by approximately 100,000 in Fiscal Year 2022, and we continue to make progress in 2023. Lessons from the global pandemic highlighted the need for increased digitization of relevant paper records and evidence, leveraging of data, and utilizing existing medical evidence to avoid ordering unnecessary exam.

In December 2021, VBA established a proof of concept for Automated Decision Support, or ADS. ADS leverages technology automating administrative tasks and workflows in the claims process by determining eligibility, gathering evidence, and auto ordering exam when necessary for consistent, accurate, and timely decisions. Based on the measured success of this site, the automation capabilities were expanded to additional medical conditions and eight regional offices.

On August 10, 2022, the passage of the PACT Act expanded VA care and benefits to millions of veterans and their survivors, resulting in a surge of claims as well as an increase in the number of employees using VA IT systems to process these claims. While VA has and will continue to hire more people to process claims, adding more personnel is only one facet of the solution. VA must equip our new and existing employees with the right tools to enhance productivity.

Today, 57 automation eligible diagnostic codes, including all 26 PACT Act presumptive conditions, have expanded to 16 regional offices. VBA is on track to expand automation to additional 103 diagnostic codes related to some of the most frequently claimed conditions, such as hearing loss, mental health, and musculoskeletal conditions. Additionally, VBA and OIT partnered to create VA's Five-Year Modernization Plan for IT benefit systems to improve claims processing efficiency and create more reliable and resilient systems where systems are regularly improved with the most up to date technology.

VA will evolve its approach to leveraging data to anticipate needs and proactively serve service members, veterans, and their families. IT modernization is an ongoing investment that will continue beyond the 5 years, allowing VA to shift its focus from veterans requesting help to VA providing a service. This includes simplifying the process of submitting claims and proactively notifying veterans when they are entitled to additional benefits and services.

The modernization of the VBA corporate data base and transition of IT systems to the Cloud directly supports VA's ability to respond to these challenges. Additional Cloud resources have been added to VBMS, allowing the system to handle the increased PACT Act claims and additional users. Many components of VBMS have been completely modernized to use modern tools and Cloud services, with efforts underway to modernize the remaining VBMS modules. This will allow VA to eliminate older inefficient legacy systems that fail to meet VA's current needs.

VA is confident that the modernization roadmap will provide a modernized enterprise and automated decision tools to ensure VBA systems remain current, reliable, and flexible to meet the critical needs of veterans. I want to express my appreciation of your continued support of service members, veterans, their families, caregivers, and survivors, and thank you for the opportunity to appear before the committee today, and I look forward to answering any questions that you may have.

[THE PREPARED STATEMENT OF RAYMOND TELLEZ APPEARS IN THE APPENDIX]

Mr. LUTTRELL. Thanks you, sir. The written statement of Mr. Tellez will be entered into the hearing record. Mr. Bump, you are now recognized for 5 minutes, sir.

STATEMENT OF DAVID BUMP

Mr. BUMP. Chairman Luttrell, Chairman Rosendale, Ranking Member Pappas, Ranking Member Cherfilus-McCormick, and members of the subcommittee, the American Federation of Government Employees and its National Veterans Affairs Council (NVAC) appreciate the opportunity to testify today. My name is David Bump and I am a national representative for the National VA Council and serve as a vice president for American Federation of Government Employees (AFGE) Local 2157 in Portland, Oregon. I have had the privilege of serving veterans in VBA for 21 years.

On behalf of the thousands of VBA employees AFGE represents, over 50 percent of whom are veterans themselves, it is a privilege to offer AFGE's views on the IT challenges facing VBA and suggestions to address those problems and better serve veterans. In regards to the VA's Five-Year Modernization Plan, AFGE supports the use of technology to better enable VBA's processors to improve their duties—I am sorry—to perform their duties and best serve veterans.

However, we are concerned about the negative effect on veterans of replacing human processors with technology. AFGE strongly supports the work done by lawmakers to protect VBA employees and to make sure that all claims have to be reviewed at some point during the process by human claims processors. It is important that our collective approach to the use of technology emphasize

that information technology supplement and not supplant the VBA's workforce.

The main point I want to address today is the Veterans Benefits Management System. While VBMS serves its purpose, there is certainly room for improvement from the perspective of the end user. The most serious problem that claims processors raise about VBMS is its reliability, or lack thereof. The system often crashes or requires rebooting, delaying claims processors from doing their required work. Claims processors justifiably fear when the system goes down that they may suffer consequences to their performance metrics through no fault of their own.

Another complaint about VBMS is its lack of interoperability with other systems. A clear example of this is provided by the Houston Regional Office is related to letters that claims processors send to veterans to inform them of their decisions. Many do not automatically populate information requiring multiple data entry points and can often lead to errors.

The process for getting a veteran service treatment record is also clear examples of problems with inoperability. The Portland Regional Office cited that VBMS will automatically pull up Service Treatment Records (STRs) from a veteran who served in a modern war from the Heath Artifact and Image Management Solution (HAIMS) system. However, for veterans who have served further in the past, VBMS makes a request for the data from the older Personnel Information Exchange Systems (PIES) system but does not record its own request. This leads to the employee having to make a manual entry in VBMS, but may also create duplicate requests in PIES, further wasting time.

The Cleveland Regional Office cited problems with the Joint Legacy Viewer (JLV). When using JLV to view a veteran's record, each document must be opened separately, saved, and then uploaded into VBMS. Additionally, if a processor attempts to upload too many documents at once, the system may not work and the employee must start over.

Another key criticism of the system for Rating Veterans Service Representatives (RVSRs) comes from the Pittsburgh office. RVSRs in this facility identified that Veterans Benefits Management System-Rating (VBMS-R) requires them to enter multiple levels of special monthly compensation on a veteran's claim. This requires multiple steps. VBMS will not create the narrative for both levels of Special Monthly Compensation (SMC) unless the employee uses the system this way. This can lead to errors and can create over or underpayments if not done correctly. Also, if SMC is awarded temporarily, RVSRs must manually end the SMC even though they initially entered an end date, because if they do not, the veteran will never stop being paid.

To improve VBMS, it would be better if claims processors could rate certain conditions at the same time and then be able to merge them based on higher evaluation rules. Fixing these problems would greatly reduce time spent on claims from workarounds, reduce erroneous decisions, and deliver a higher quality product to our Nation's veterans.

Another critical technology of the claims process is the National Work Queue. AFGE strongly supports the use of a special oper-

ations model for as many complex claims as the system will support. VBA does this currently for military sexual trauma, and Camp Lejeune water contamination claims, among others, and AFGE encourages their expanded use.

AFGE also encourages the VA to modify the National Work Queue so that cases remain with the same Regional Office (RO) for employee review. Every RO, despite uniform rules, has its own way of conducting specific tasks. Having employees who are more familiar with each RO's standard procedures will help process cases efficiently. Additionally, by better identifying which employee worked on a particular claim, better collaboration between employees can be achieved leading to time savings.

Last, NWQ should be reprogrammed to allow Veteran Service Representatives (VSRs) and RVSRs to always have access to all readily available claims. Despite the national claims backlog, it is a common refrain from employees that they do not have enough work assigned to meet their production standards. Although National Work Queue was designed in part to maximize VBA's claim processing capacity, it is counterproductive to deny employees access to all available claims when the technology to do so already exists. Claims processors should be focused on taking care of veterans instead of requesting work.

In conclusion, VBA must use employee feedback as it modernizes its IT systems to help veterans. AFGE and the NVAC stand ready to work with Congress and VBA to reach this goal. Thank you, and I look forward to answering your questions.

[THE PREPARED STATEMENT OF DAVID BUMP APPEARS IN THE APPENDIX]

Mr. LUTTRELL. Thank you, sir. The written statement of Mr. Bump will be entered into the hearing record. We will now move to questioning. I recognize myself for 5 minutes.

Mr. Bump, I hope you share your statement with the two gentlemen sitting to your right flank there. I am assuming both of you were listening. That is an extensive laundry list of issues that we need to be addressing. Is that going to be the case, Mr. Bump?

Mr. BUMP. Yes.

Mr. LUTTRELL. I am assuming that is not the first time we have heard that, correct?

Mr. TELLEZ. Those specific issues, I would say probably over time. I look forward to discussing with Mr. Bump his testimony. Talk through some of those, but we do get employee feedback often, yes.

Mr. LUTTRELL. One of the biggest feedbacks that I got traveling around visiting the regional facilities was that exact list, and it seems to be reoccurring. My point is, I keep hearing the same thing over and over again, and that is something we most certainly need to address moving forward.

This is for the panel, either one of you can answer this. My concern is that there will not be enough oversight for the implementation of this program and will end up being like the Electronic Health Record (EHR) system, 20 years outdated and billions of dollars over budget. Who of you or whom is responsible for the oversight of the implementation of this program?

Mr. ORIFICI. Sir, thank you for that question, Chairman. We have tiered governance that is set up to oversee this program.

Mr. LUTTRELL. No, I need a name.

Mr. ORIFICI. So——

Mr. LUTTRELL. Do not give me that tiered government thing because that means this is going to get lost in the bureaucracy.

Mr. ORIFICI. Yes. I am the lead of the 701(b) execution, Interpersonal Therapy (IPT) that is responsible for running this plan and making sure that we have updates there. Then we have the executive lead, George Waddington, who is my executive lead over this IPT overseeing the 701(b) Modernization Plan.

Mr. LUTTRELL. Okay. Once we start implementing this, you are who I am coming to if I need any questions answered?

Mr. ORIFICI. I am who you are coming to for any questions that you need.

Mr. LUTTRELL. Can you give me an idea moving forward with the amount of backlog that we have and then the timeframe of implementation of this program, in parallel, I am assuming, as our employees are working hard and diligently to make sure that this backlog is taken away, can you give me an assessment, because 2 years, it is quite a long time. As my colleague to my right stated, they are the ones that are suffering. Can you give me an estimation on when that backlog and how that backlog will be reduced once this program is online?

Mr. TELLEZ. Thank you, Chairman. I think we are expecting the backlog to grow a little bit through 2024 and then drop dramatically in 2025. A lot of that is dependent on the incremental releases as we adopt more technology, as we implement some of the features that are in the 701(b) plan. We do have some coming up that I think will be very impactful to employees. Part of it is the ADS, the Automated Data Support that I am driving for claims automation, which does a lot of the automation for tasks associated with the claims process. Our intent there is to use evidence of record, so ordering exams, service validation, and then being able to present to the employees the information they need to make the decision on those issues faster.

We are also looking at technology that takes the veteran's file and allows those claims processors to be able to search the file much faster. We call that Smart Search. We are expected to deploy that in summer. That will add some tremendous value, reduce that claims development time as employees are looking for the necessary records to determine whether they need to order exam or make a claim ready for decision for raters.

We have also got new technology we are testing now called Automated Data Ingestion (ADI). That is where we are taking veterans who have an exam, they see a provider, they get a disability benefits questionnaire filled out and completed and returned back to us. VBMS ingests the data, the computable data from that Disability Benefits Questionnaires (DBQ) and we put it into VBMS-R and we present it back to the employees, the rater, for them to validate and help them make that decision, that recommended decision for that.

That is some of the ways we are doing that. Two years I think is the timeframe that we are looking at because of the way that

we release the technology for automated decision support. We are factoring 2 years because of the sort of conservative approach that we are doing for automation. Change is hard. Our employees have been, through the last 10 years, some huge transformation. We are being very thoughtful as we——

Mr. LUTTRELL. To that point because my time is running short, sir. The one thing that I continually hear is training, training, training. Once this program, this platform, is implemented, are we training up for the initiation or are we initiating and then training? Because when we implemented the PACT Act, we put the cart before the horse, and we are suffering because of it right now.

Mr. TELLEZ. I would say we are happening in parallel. As new features are coming on board, we prepare the staff and we train them when it is deployed so they have the tools and the information necessary to do the work.

Mr. LUTTRELL. Okay, thank you. I now recognize the Ranking Member Pappas for your line of questioning.

Mr. PAPPAS. Thank you very much, Mr. Chairman. Mr. Tellez, if I could start with you. Committee staff recently visited both the Columbia, South Carolina and Chicago regional offices and heard uniformly from frontline employees that IT systems do not support their work. We heard about that directly today from Mr. Bump, and that substantiates long-standing complaints from across the country.

At our hearing on PACT Act implementation last month, I asked Under Secretary Jacobs about this issue and about how we can capture user satisfaction information through surveys of VBMS users. Secretary Jacobs was not aware of any and promised to get back to me. Can you comment on the evidence that such surveys are happening? Is there a reason that VA would not want to hear from end users about their experiences?

Mr. TELLEZ. Thank you, Congressman. I am not aware of any specific direct users, but we do often engage with frontline employees as we do new releases. We engage with them prior to release. We engage with them after the release to measure how effective was that particular release. One of the things that we are looking at since the hearing is a change management contract where we can adopt on the VBA side a survey, if you will, for a lot of things that we are deploying to measure the success of the efficiency of those tools that we are deploying.

Mr. PAPPAS. Short of sitting next to a frontline worker at a congressional hearing, how can you capture feedback in a way that is going to inform changes in an efficient manner?

Mr. TELLEZ. Thank you, sir. With automated decision support, we have 16 regional offices right now. We have dedicated weekly calls with the employees there to get their direct feedback on those specific automation tools. We have a tracker that employees are allowed to use or encouraged to use. As they are working claims and there is something that they want to report as a ticket or issue, they support it. We have weekly calls with them and we have weekly engagements. I would say regular touch points with the field frontline staff. We have optimization champions that we check in to see the areas that we can identify opportunities for optimizations inside.

Mr. PAPPAS. Well, I appreciate that information, but I think something more systemic that is also forward leaning and proactive would provide the Department the information it needs to really understand the full picture there.

Mr. Bump, if I could turn to you. Thanks for, you know, chronicling some of the pain points that you experience in your work. We are really grateful for the work that you do to support our veterans. I am wondering if you can comment on what avenues end users have of these systems to raise their concerns related to IT issues.

Mr. BUMP. Thank you, Congressman. The ways that we have to interact that Mr. Tellez described, they are all after the fact. What would help and I think help the process and of course then help employees serve veterans better, would be if we were in before these things were designed and before they were implemented as opposed to afterwards. A lot of the time when new systems are deployed, what VBA employees end up doing is beta testing software. That has been the case, I have been with VA for 21-plus years, and that was the case on day one. It is the case now. We need to be involved on the front end as opposed to the back end.

Mr. PAPPAS. Do you think there are ways that VBA and the unions specifically can work together?

Mr. BUMP. Oh, certainly. I think now that we finally have a confirmed under secretary, who I would like to thank him personally for attending our latest Labor Management Forum meeting. He listened and asked thoughtful questions on how not only unions, but the employees who we represent can better interact with VBA's management staff that puts these things together.

Mr. PAPPAS. Okay. Now, Mr. Tellez, one thing that Mr. Bump mentioned that we have heard from employees on is this issue of needing to reboot systems. They freeze up. There is significant downtime and instability in VBMS. Do you know what the cause of those issues might be? It could be a case-by-case issue but is there something more systemic that we should be concerned about?

Mr. TELLEZ. I think it is probably more on a case-by-case basis. We have had some issues, but I am not sure that I would say that there is a consistent trend for that to happen. I could certainly take that back and go through that. Rob.

Mr. ORIFICI. If I could add, we do track that. We do know by a case-by-case incident what causes that. Every time there is an outage or something like that, we do a root cause analysis. We do go in and we investigate what caused that incident, and we link it back to either a specific thing. It could be network. It could be something with the system itself, a defect or a change that had happened and did not work as expected. We do maintain that list for every outage and every incident, and we do an investigation to find out what happened and to prevent it from happening in the future.

Mr. PAPPAS. Okay. I yield back my time.

Mr. LUTTRELL. Thank you, ranking member. Chairman Rosendale, you are recognized, sir.

Mr. ROSENDALE. Thank you very much, Mr. Chair. Mr. Orifici, Mr. Tellez just referenced the Automated Data Ingestion System, which is an extension of the Google Chrome browser that pre-popu-

lates information for the claims raters into VBMS. This costs less than $2 million, and 400 employees are using it. Do you agree with Mr. Tellez that ADI is a success and that it should be continued?

Mr. ORIFICI. Sir, thank you for that question, Chairman. I think ADI has been a success in getting functionality to the users quickly. It has been a way of getting features into the hands to help them process claims faster and more efficiently. At the same time, it has given us great input into how we could provide those features into VBMS, which, as you know, takes more time and costs more money. This was a great way of being able to test this functionality and see whether it will work and to be able to bring that into the VBMS in the future as we move forward.

Mr. ROSENDALE. If it is a success, are you planning on continuing its use or are you planning on pulling the plug on that system?

Mr. ORIFICI. We plan on continuing the use until its features are built into VBMS. It is a browser extension, and so it is not meant to be as robust and long lasting as something that is built into the actual software.

Mr. ROSENDALE. What kind of timeframe do you think it is going to take for this to be phased out, shall we say?

Mr. ORIFICI. We have the first parts of this starting to phase into VBMS this summer. We are looking at rolling out through probably second Fiscal Year of second quarter of the Fiscal Year 2024.

Mr. ROSENDALE. Okay. What I am making sure that we do not run into is the exact same problem that we are experiencing with Oracle Cerner, EHR, Veterans Health Information Systems and Technology Architecture (Vista), where we have a system Vista, that is working. It is functioning. It is helping the facilities across the Nation, and yet we have spent billions of dollars for the Oracle Cerner system that is not functioning, okay? Even in the five facilities that it is currently at. Yet we have got billions of dollars going out the door to try and create that new system when we have one that is being utilized right now to deliver those services to those facilities, to the veterans.

What I do not want to see is this dual track investment or drain of resources when we have a system that is already working. We had IT people before us about a week and a half ago and said that the problem with VA is that they continue to try and consolidate these IT systems and make them larger and larger and larger. And they have proven that if they keep them smaller with the vendors, that they have been much more effective, okay? We are going to be tracking that to make sure that we do not continue to dump money into vendors to continue to make them big while we have a system that is currently functioning.

Mr. Orifici, I also want to get into as I look at this report on page 28 out of 106, where we look at the chart that shows how a claim is handled. One of the things that most of the people, I think, sitting at this dais and in this audience would recognize is these automated decision support systems, okay? When you call in and get a recording and you are supposed to start hitting numbers to find out where you are going to be directed to and that automated system is trying to resolve your problem, most of us get really frustrated, ok, dealing with that system.

What I am trying to figure out from you or even Mr. Bump, you might have an idea about this, what are the triggers or keywords that are being utilized to make sure that this thing gets rapidly transferred to a real person to deal with our veterans? What kind of time does that take to get them over to a real person?

Mr. ORIFICI. Sir, thank you for that question. I do not have an answer on hand for that. I will have to take that back for the record.

Mr. ROSENDALE. Mr. Bump, do you have any insight to that?

Mr. BUMP. The time it takes to get to a real person?

Mr. ROSENDALE. Mm-hmm.

Mr. BUMP. That I do not. Oftentimes the problem that we have in the call centers is the time limitations that the employees have to actually speak to a veteran or their spouse once they actually get to a person. The VA limit, the performance standards are set so that time is limited to, I believe it is roughly about 8 minutes.

Mr. ROSENDALE. How long they are——

Mr. BUMP. How long they——

Mr. ROSENDALE [continuing]. are allowed to speak to——

Mr. BUMP. How long the——

Mr. ROSENDALE [continuing]. one of the veterans calling in?

Mr. BUMP. Right.

Mr. ROSENDALE. Okay. This is going to go to my other line of questioning. I am going to give my time back. I am out. I have got a whole other round of questioning, sir, to get into this.

Mr. LUTTRELL. Thank you, Mr. Rosendale. The chair now recognizes Mrs. Cherfilus-McCormick for her line of questioning.

Ms. CHERFILUS-MCCORMICK. Thank you, Mr. Chair. Mr. Bump, one of the most striking statements made in your testimony is that its common refrain from VSRs and RVSRs that they do not have enough work assigned to them to meet their production standards and that they have no constant—and that they have to constantly request new work from their coaches. Considering the size of the backlog, this is quite concerning. Do you know if there are any technological or functional impediments to the National Work Queue that caused this problem? Do you have any suggestions on how we can solve and help employees serve veterans more effectively and efficiently?

Mr. BUMP. Thank you, Congresswoman, for that question. The National Work Queue, the way it works is it assigns work to a particular regional office based on an algorithm that calculates how many employees work in that office. What always seems to happen, though, is it does not assign enough work to the office to keep folks busy throughout the day. Once it gets that work to those offices, the individual supervisors assign work to the individual employee's work queue. They hold some of it back intentionally so that when folks run out of work, they can then go to their supervisor and get more work.

Further exacerbating that problem is when there is no more work left in the station's work queue. While VA tells its employees, do not wait until you are out of work, let me know as a supervisor, let me know when you have got one or two claims left in your work queue. Then that supposedly gives your supervisor time to find more work for you to do. If we could open up the National Work

Queue so that employees have full access to all the claims that are out there, you would not have to have all those steps where an employee gets assigned not enough work to meet their performance standard on a given day. Then they have to go back to their coach. Their coach has to find work. Meanwhile, that could result in the employee sitting idle for, you know, who knows how long.

Ms. CHERFILUS-MCCORMICK. Mr. Bump, would you mind giving the committee some perspective on the age of the IT system that make up VBMS?

Mr. BUMP. Well, as I believe it was Chairman Luttrell said, VBMS is at least 10 years old. The advances in computer processing and how the private sector does things, we are behind. One anecdote that I always think of when I am asked that question, or when I think about that question, is when I started with the VA nearly 22 years ago, in September, it will be 22 years, I was told that Benefits Delivery Network (BDN) was going to be going away. Well, here we are 22 years later, BDN is still there, and it informs I am not sure of the actual interactions it has, but it is still there for a reason, and it still interacts with VBMS. Not only do you have VBMS that is 10 years old, you have other legacy systems that are even older. VBMS itself, you know, for a system as old as it is, we are able to work in it, but we could be doing better.

Ms. CHERFILUS-MCCORMICK. How does the age affect your work product and productivity?

Mr. BUMP. Well, every time VBMS gets upgraded, there are workarounds that result. Those workarounds, not only do you have to remember what all of them are, but they add to the time that it takes to process a claim because you have to, in some cases, manipulate VBMS. As I mentioned with the example, with the RVSRs, you have to manipulate the system to get it to provide the right result, as opposed to it just providing the right result.

Ms. CHERFILUS-MCCORMICK. Do you feel that employees actually have a seat at the table as the VA plans to modernize?

Mr. BUMP. Not enough of one. As I mentioned earlier, we need a seat at the table as these things are being developed, not after they are developed. Then we just end up testing them and telling VBA what does not work.

Ms. CHERFILUS-MCCORMICK. My last question, in your time at the VA, do you feel that the acquisition and the procurement process—I will yield back and ask this later. Thank you.

Mr. LUTTRELL. Thank you, ma'am. Mr. Franklin, you recognized, sir?

Mr. FRANKLIN. Thank you, Mr. Chairman. Thank you to our panel for being here today. Mr. Bump, my line of questioning really is going to follow up on what you were just touching on about how antiquated VBMS is now and really how do we get to where we need to be? I appreciate you chronicling in your testimony the challenges that we are facing. I read all these and candidly, what dismays me is just seeing the level of problems we are having now and where I think we need to be and the fact that, yes, and just in looking at the vernacular that the VA is using, we are talking automation, decision support systems, these are things that the private sector figured out a generation ago. Now that is aspirational it seems like for us to try to get there.

From our folks from the VA, I would love to hear, we have got a freight train coming down the track. We are behind now, woefully behind, I think in where our technology ought to be. It is going to get worse. We are not doing right by our VA employees. Even worse, we are not doing right by our customers. Personally, from having been in the military, but also the private sector side, I think your customer should be the one defining what is acceptable. To me, I do not think 125 days should be defined as a backlog. To me, that is an absolute failure. If we give people a pat on the back for meeting, you know, because I got it in 124 days, shame on us.

How do we get to a point where when we have big data, Cloud computing, predictive modeling, data analytics, are we ever going to get there with VBMS? How do we fix these programs to where we are out there proactively, you know, helping our veterans? It ought to be, to me, we ought to have systems that would say a veteran comes off of active duty, goes into the VA system. We know based on where they have been, what they have done, what they have been exposed to, these are the types of things that they are probably going to face down the line. How do we get out there ahead of that and help them? Or are we going to be talking about automation 20 years from now when the rest of the world has passed us by? I would love to yield the 3 minutes I have to the two of you to tell me how we are going to do that better.

Mr. ORIFICI. Yes, sir, thank you for that question, Congressman. There are a lot of components that we are working on today that will start to enable those features. We have come from a background when VBMS first started that this was one giant application and so to touch any component you were reworking all of VBMS to make sure that was working.

The plan outlines how we are continuing the journey of breaking VBMS into smaller pieces. As we talked to, we could send that work off to other places or we can modernize smaller pieces and work with a more diverse group of providers in order to make sure those capabilities are modern and up to date.

As part of that work, we are also decommissioning a lot of our legacy systems that we have out there. We have components of VetsNet that we are modernizing into new modules within either part of VBMS or standalone modules by themselves that interact across the other work type modernization that we are doing. Which is making it simpler for employees as they do not have to switch between tools, but also enabling future work in which we can connect those big data to make sure all the systems can use that data that is available and that we could integrate with other service providers like VBA is doing on the automated decision support, so we could bring those new capabilities to bear.

Right now, it is very difficult to do that with some of the environment that is still outstanding from our legacy updates and so within 2 years, the plan is really getting us off those legacy components to enable that work. We are not really happy with how fast we are going but we appreciate the support that we have gotten around PACT Act and this is enabling us to accelerate a plan from 10 years down to 5. We are always looking for opportunities to accelerate that further and see what we could provide faster.

Mr. TELLEZ. Sir, I would just like to add on the VBA side for we are using a professional services contract provider to help us with the claims automation. They are bringing to bear the latest technology automation tools to help us as we are accelerating the claims processing time to get to a rater so they can make a decision faster for veterans.

Mr. FRANKLIN. Mr. Bump, what is your take on what you hear?

Mr. BUMP. Thank you, Congressman. VA has always been kind of slow with adapting to change and the common refrain, and this goes back to at the very least General Hickey, when she was the VBA under secretary. It is a big ship and it takes a long time to turn it around. I hope that we get it right, but I also hope that we keep in mind the people who are doing this work and that we train them on these new systems, and that we involve them in the design of the new systems. That is what I do not see enough of right now is the involvement in as we are designing these things. The people who use these systems are the ones who are probably best informed as to what they should contain and how they should work.

Mr. FRANKLIN. Thank you. I am over my time. Hope is not a plan of action, and that is why we look to the gentlemen to your right for that. Thank you Mr. Chairman, I yield back.

Mr. LUTTRELL. Thank you, Mr. Franklin. Mr. McGarvey, sir, you are recognized.

Mr. MCGARVEY. Thank you, Mr. Chairman. Mr. Orifici and Mr. Bump, at a hearing last month on the implementation of the PACT Act I raised concerns that were voiced by the local out of my region, AFGE Local 611, which represents the VBA regional office in my hometown of Louisville, Kentucky. As you all know, what we talked about that Rating Veteran Service Representatives, or RVSRs, do not get production credit when they defer a case as not ready to rate. There are multiple problems that go along with this because including the concern that an RVSR may not get the case back once more information is available on the claim.

To do right by our vets, we have got to make sure the people handling their claims are given all they need. I had a town hall last Friday in Louisville. I had several former Marines show up. They might argue that there is no such thing as a former Marine, but I had several Marines show up who are dealing with the issues of having been at Camp Lejeune. One guy was stationed there for 3–1/2 years. Incidentally, Louisville is where the Camp Lejeune claims are being handled. We have done a really good job resolving those claims. Is a resolution, though, that some of the claims are being denied when maybe they should not, and maybe they are being denied because they do not have the tools right now to further investigate claims and they come back as a denial.

You know, we are trying to make sure, especially with the Camp Lejeune claims, that honestly, the government that exposed them to these hazardous materials is more speedy and more efficient in helping them out. Mr. Orifici, a question for you given this background of what we know is going on since the PACT Act. Is the lack of RVSR production, credit for deferred claims, and the inability to get the case back once more work has been performed on the

claim a technological limitation of the National Work Queue? Or is it a management decision to handle claims this way?

Mr. ORIFICI. Yes, thank you for that question, Congressman. Right now, NWQ is able to route the work according to the rules, so that is not a technology issue.

Mr. MCGARVEY. What can we do then to help resolve these claims for the tens of thousands of Marines at Camp Lejeune?

Mr. TELLEZ. Sir, we will continue to process those in a priority manner as much as we can, but otherwise, I will have to take that question back for you and get you a response to that.

Mr. MCGARVEY. I appreciate that.

Mr. TELLEZ. You are welcome.

Mr. MCGARVEY. Mr. Bump, what other changes should the VBA implement to the National Work Queue to make it easier for claims processors to perform their duties and get the credit they have earned?

Mr. BUMP. Thank you, Congressman. In addition to what you mentioned about returning deferrals to the rater who originally looked at the claim, one suggestion, again, would be to open up the National Work Queue more so employees do not have to spend valuable time looking for work instead of serving veterans. If we would have a system where, you know, all of the work was available all of the time, instead of assigning work to a regional office and then manually assigning that work to individual processors, I think that would go a long way to speeding up the process.

Mr. MCGARVEY. What is keeping that from happening right now?

Mr. BUMP. Much like the deferral issue, I do not believe—these gentlemen can correct me if I am wrong—but I do not believe it is a technology issue. It is a management decision to utilize the National Work Queue in the way it is being utilized right now.

Mr. TELLEZ. Sir, I think what we have is a national distribution of work based on a lot of different factors per regional office. Then locally, they have the right to distribute the work as they see fit for the thing. I think one of the opportunities we have, sir, is this NWQ modernization that we have in the 701(b). NWQ was designed at a different time. Here we are today. We have an opportunity to look at how can that work be distributed much more in an agile fashion than maybe we do today. NWQ modernization is one of the efforts we have identified as a 701(b), a critical element to deploy as part of 701(b).

Mr. MCGARVEY. Thank you. In my remaining seconds, all I will say is this committee works well together to protect our veterans as we see right now. However, we can help you to speed this up because these men and women, in some cases, their literal lives depend on it. Thank you all very much.

Mr. LUTTRELL. Thank you, sir. Mr. Self, you are recognized.

Mr. SELF. Thank you, Mr. Chairman. As has been mentioned before, the PACT Act was obviously passed with no thought about the infrastructure needed to be in place to service it. Down the line, did you raise this issue prior to the passage of the PACT Act? Mr. Tellez first.

Mr. TELLEZ. The infrastructure system, I think we probably raised some concerns with overall. I think one of the ways we were

addressing that is using our professional managed services to automatically do some of those simple tasks so that we can get this——

Mr. SELF. I just asked, did you raise the issue, Mr. Tellez?

Mr. TELLEZ. I will have to go, I will have to get you a response to that, sir. I am not sure.

Mr. SELF. Okay.

Mr. ORIFICI. I know we had some feedback that we provided around this infrastructure's ability to support, but we also did start preemptively increasing some of the infrastructure in anticipation of the PACT Act being done. I think up to 18 months before passage, we did start on increasing some of the capacity of training environments, of ability of VBMS at scale.

Mr. SELF. Okay. Mr. Bump, how about the council?

Mr. BUMP. I am sorry?

Mr. SELF. About the council?

Mr. BUMP. Infrastructure to do our jobs is always a concern. My biggest concern with the PACT Act is training. If you think of, you know, employees as human infrastructure, we did not do a good job——

Mr. SELF. Okay.

Mr. BUMP [continuing]. with the training aspect.

Mr. SELF. Thank you. Mr. Tellez, you said that you were confident of the system in your testimony. When are you going to be confident of the system?

Mr. TELLEZ. Sir, I would say I am confident in the system now. I think the process that we have for deploying automated decision support tools has high quality. We do have user frontline employees involved in that process. We use the human set.

Mr. SELF. Mr. Tellez, what are the metrics that you use to say the system is getting better? I mean, I think all of us would question what are the metrics that you use? We have gone from 65,000 pre-pandemic to what today, over 400,000 by you all's testimony. It is going to peak at over a million when we get to the Terra and non-Terra. What are the metrics you use to tell us that the system is getting better? Is it numbers of days, the 125 days that we can take down to what? What are the metrics that you are going to use?

Mr. TELLEZ. I think the metrics that we use are the metrics that we report to this committee on the average days to complete, the average days pending. For automated decision support, we are still in preliminary stages. We hope as we deploy those nationwide, you will really see the true benefits of how automation can reduce the decisionmaking for veterans, and we can get those decisions and benefits earlier to veterans.

Mr. SELF. Last question. When will we get back down to 65,000 backlog?

Mr. TELLEZ. Sir, as we are projecting to have that backlog increase, our projection now is about 400,000, between 2024. We start seeing that backlog drop down in 2025 below 100,000.

Mr. SELF. Okay. Thank you. Mr. Chairman, I yield back.

Mr. LUTTRELL. Thanks, sir. Mr. Crane?

Mr. CRANE. Thank you all for coming today. Mr. Tellez, I am going to start with you. Right now, the VA is about 4 months behind and our wait time in processing claims are 125 days. By April

2024, it is projected that the VA's backlog will peak at about 730,000 PACT Act claims. Knowing this, what do you think the wait time is going to be come April 2024 when we have the peak of the PACT Act claims?

Mr. TELLEZ. Sir, we are projecting our backlog to be about 400,000 between now and 2024. I do not have the data with me on what we are projecting for what we think the wait times. I will have to get that back for you, sir.

Mr. CRANE. Okay, but you would say a substantial increase in wait time just based on the numbers now, and then the increase then?

Mr. TELLEZ. I think with the increase of the backlog to about 400,000 I think there will be some increased time. As we are deploying more and more automated decision support tools, adopting more technology, I hope to prevent that happening for more. That is on us.

Mr. CRANE. Okay. Mr. Tellez, you seemed a little upset when Mr. Bump spoke about the need for instructive feedback on the front end of the system design, not beta testing on the back end. I kept seeing you reach for your little talking button there. Can you go ahead and address that?

Mr. TELLEZ. Sure. Yes. Really what I would like to highlight for here so the employees are not absent in the process. When we come up with new ideas and things, we bring in subject matter experts and we bring employees from the field. We hold requirement sessions with employees along the way, sometimes several times. We invite employees for what we call user acceptance testing. Hey, we heard your requirements. Here is how it is in the system. Does it work? We get that direct feedback. Then before we deploy new functionality, we have users also test the system to make sure it works.

Mr. CRANE. Thank you. Thank you. Mr. Bump, what do you have to say to that, anything? Any feedback?

Mr. BUMP. Thank you, Congressman. There is simply not enough of it.

Mr. CRANE. Okay.

Mr. BUMP. That is what I would say. We select a small number of employees and have them test things out. Those employees are not often of the same experience level or of an appropriate experience level. There is just not enough of it.

Mr. CRANE. Do you think if that was done within the parameters of what you are suggesting, we would be having less problems now?

Mr. BUMP. I think we would because I think we would have less workarounds after the fact.

Mr. CRANE. You know, Mr. Bump, I found it pretty interesting when you made the comment, if we were to open up the National Work Queue, it would drive productivity and decrease the backlog. Mr. Tellez, what do you think about that suggestion?

Mr. TELLEZ. I think it is a great suggestion. As I mentioned, we are looking to modernize NWQ. I think we have a lot of opportunities to look at how work is distributed in a much more agile fashion. I do not have the answer for you today, sir, but I can commit that is part of the 701(b) plan. We are committed as an effort to

modernize the NWQ and figure what opportunities there are to make that process better.

Mr. CRANE. That does not seem like something that you would need to modernize. That seems more like a command decision. That does not seem like something that is technology or needs to be modernized, right? That just seems like something that the individual at the top actually needs to say, hey, we want to decrease the backlog we have here. Mr. Bump made a pretty good suggestion. Why do not we try that and see if it actually decreases the backlog?

Mr. TELLEZ. Sir, I will take that back for you and get you a response.

Mr. CRANE. Okay. Who is making that call? Mr. Tellez, who makes that call?

Mr. TELLEZ. Our fielder operations leadership.

Mr. CRANE. Who is the name? Give me the name.

Mr. TELLEZ. I believe it would be Willie Clark.

Mr. CRANE. Who?

Mr. TELLEZ. Willie Clark.

Mr. CRANE. Willie Clark.

Mr. TELLEZ. Deputy Under Secretary, sir.

Mr. CRANE. All right, Mr. Tellez, last question for you. What do you think the biggest difference is between how the VA operates and how the private healthcare system operates?

Mr. TELLEZ. I am sorry, sir, I do not have—I will have to get you a response to that. I do not work in the healthcare, so I am not sure I am able to answer that question.

Mr. CRANE. No problem. Mr. Bump, you want to take a shot at that one, the differences, private sector and VA?

Mr. BUMP. My experience with the private sector healthcare system, when I go for a test or see a doctor or something like that, the very same day, I can see and interact with not only my records, I should say I can interact with my records, but also my physician can see those same records. That is not always the case in VA.

Mr. CRANE. Yes. One of the big problems is and this is a problem that many of us on this committee have with the VA and its desire to basically have everything under its own roof and really try and halt, you know, veterans from going out in town and getting care is one of the biggest differences in the private sector, if you have a backlog or you are not performing well, you go out of business. In the VA, that is not the case. We just keep appropriating more money to you guys, and there is really never any accountability. That is one of the things that I want, you know, you guys to understand, is that is why so many of us want to see veterans be able to go out into the private sector and get care out in the private sector. Not dismissing the VA completely, because we know that there is a time and a place for VA healthcare. This is part of the problem. In the private sector, you do not have these type of problems, because if you consistently have these type of problems and are behind, like Mr. Bump has testified to today, you go out of business. Thank you. I yield back my time.

Mr. LUTTRELL. Thank you, Mr. Crane. Mr. Deluzio, you want me to move over? Take your time.

Mr. DELUZIO. Mr. Chairman, I am ready. I appreciate it.

Mr. LUTTRELL. Yes, sir, you are recognized.

Mr. DELUZIO. Okay. All right. Thank you. Good morning, everybody. I want to start Mr. Bump with you, sir. As you know, you know, I am proud to represent many VBA employees who work at the Pittsburgh VBA regional office represented by AFGE Local 1627, their President, Michelle Fisher. Reading your testimony, I was pleased to see some of the concerns coming out of the workers in that office raised, but frustrated to learn that claims processors, as you describe it, and as they have talked about, have to employ a bunch of workarounds to get veterans correct monthly compensation. Not to mention how error prone that usage of the VBA management system is.

Mr. Bump, my question is, could you explain for my colleagues and me how an innocent error could negatively impact a claims processor's performance, and what that impact might be for them.

Mr. BUMP. Thank you, Congressman. I am good friends with Michelle. We know each other well, have known each other for nearly a decade. If there is an error on a claim, it affects your performance standard, no matter what kind of an error it is. It could be something as simple as a portion of the veteran's service record not being correct in the system. All of these workarounds that we have to do to get the correct result for a veteran, they are all points in which an error can be made. The more times that you have to manipulate the system to do what it—to provide the result that it is supposed to provide, that is more opportunities for an error in either data entry or the system not capturing the data correctly.

You know, the employees who work for this agency they do their best. Again, more than half of the folks who work in VBA on the front line are veterans themselves. They are committed to getting things right for veterans and getting veterans the benefits that they deserve and that they have earned. I believe it was Chairman Luttrell who, or no, it was Chairman Rosendale who mentioned that these are not entitlements. These are benefits that are earned, and we need to make the system work better so we do not have to do things in the manner that Michelle described when she was asked about this.

Mr. DELUZIO. Well, and I should say the obvious piece, in addition to affecting performance, slows down decisions for veterans, as folks who are processing these claims have to spend more time to get it right to avoid errors that, again, will also negatively impact veterans who are waiting for decisions here.

Mr. BUMP. Definitely. The more steps we have to take that lengthens the time that it takes to process a claim.

Mr. DELUZIO. Well, about a minute and a half, and so, I realize this is a big question, but what do you think VBA needs to do to modernize here to make this work better for veterans, for the folks who are working, both?

Mr. BUMP. Well, there are things that system enhancements could do. Automation, I think, will help at some point. I do not believe we are anywhere close to where we need to be with that. There are management decisions as well, and one of them is opening up the National Work Queue, assuring that raters get a case back after they have to defer it.

Additionally, if we could change something so that a claim stays in the same office once it is started, because right now, you know, we have a system where I could work on a claim in Portland, do what I need to do, send it back up. Then the claim goes to Pittsburgh or Denver or St. Petersburg. Every time that an employee touches a claim, they have to go through it from the beginning, because if there is an error and they do not catch it, that is their error.

In order for employees to meet their performance metrics and feel good about the job they are doing and, you know, keeping their career, they have to almost rework a claim from the beginning every time they touch it to prevent getting an error.

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

Mr. LUTTRELL. Thanks, sir. Mr. Ciscomani, you recognized, sir.

Mr. CISCOMANI. Thank you, Chairman Luttrell and Chairman Rosendale for holding this important hearing. Thank you to the witnesses for coming in. The United States has seen how far technology has come and advanced technology will continue to make our constituents lives easier and our country better. However, Department of Veteran Affairs, along with many other government entities, are struggling to keep up with the modern times and the technology that provide in the private sector that companies can utilize there.

Back home in Tucson, I met with a local American Federation of Government Employees union in March and learned about the complexity in the claims process and the innovation being done in the private sector to help veterans within this claim process. I know that the dedicated men and women at the VA are working to help our veterans, but outdated technology and quite frankly, bureaucracy serve as roadblocks for those who put their lives on the line for this country.

Unfortunately, it seems that some businesses have built a business model based on bureaucratic incompetence. That was my takeaway from this meeting. As we are looking at the investment in Veteran Affairs, you may know this, I am also on the Appropriations Committee. My questions are very interested in the investment in VA here, making sure that our veterans have the right tools so that there is the right accountability on those resources as well.

Mr. Tellez, based on the Veteran Benefit Administration's Five-Year Modernization Plan, Department of VA is requesting 125 million to modernize the VA.gov platform. How will these changes to VA.gov improve the veteran facing aspects of the website and specifically the benefit claims?

On the same vein, here, requesting also 36–1/2 million for improving its National Call Center. I am very interested in seeing not only anecdotally how this will improve, but how will you keep track of this and what is the accountability that these funds will actually produce the results that you are intended for them to produce?

Mr. TELLEZ. Thank you, sir, for the question. The enhancements of the VA.gov portal are really important to veterans because it allows them to interact with us better. It allows them to do more work with VA, exchange information with VA, submit more claims

through the VA.gov portal, and more importantly, allows us to deliver more information to them as well, such as decision letter downloads, which we delivered last January.

We will continue, expand on that, expand on the ability for the veteran to choose their mode of communication, whether it be a text, email, or whatnot. From our perspective it has a better experience for the veteran. Automation is a factor in that too. I think when you think about automation from the veteran perspective and the employee perspective, it really just creates a better experience altogether when we can have those pieces. We measure that by the usage of the tool and then the success of the implementation of that measuring along the way. I can not speak to the National Call Center (NCC) directly, but I will have to get you a response to that for that.

Mr. CISCOMANI. Thank you. I would like a response to that. When we look at, as I mentioned at these investments that we want to make sure that our veterans are taken care of, we have pledged to uphold the line on the resources here to Veteran Affairs. We want to continue to make sure that these funds are being used for its intended purpose, but also that they produce the results that we need them to.

I have got another question that will probably change topics and take a little longer with the amount of time we have left. I just want to dig in a little deeper on this conversation. If you can just go again a little deeper on how the results would be measured and what would claim success with these resources? What would you say that is exactly the intended purpose, and that we can claim success, and how long do you think that would take us to get there?

Mr. TELLEZ. Thank you, sir. I think one way I would measure success is more claims submitted through VA.gov than paper. Right now, even though we are seeing an increase in veterans submitting claims through VA.gov, we still get a fair number of paper. I have to convert paper, I have to scan it, I have to digitize it, and that is not always a perfect thing. I would say one way we would measure success there is more veterans are using VA.gov.

I would also measure the success of the interactions with the number of veterans that use the site for those tools and resources, such as the number of decision letters that are downloaded and accessed each month. We have a number of those metrics to measure the success of that, making sure that veterans find trust in the system and that they are finding it useful and they will keep coming back to engage with VA that way as well.

Mr. CISCOMANI. Well, those are good, Mr. Tellez, and I agree with them. You know, one thing that I keep hearing is the wait time on these claims. Obviously, the paperless claims hopefully speed up that time and the wait time for our veterans keeps on reducing. That will be a measurement that I will be very interested in you pursuing and tracking so that we can make sure at the end of the day we can make all these changes from paper to electronic. If the process is not sped up and our veterans are waiting the same amount of time for whatever other reason, then I would not call that success. In my mind, success would mainly revolve around the

wait time that our veterans are waiting for these claims. I yield back. Thank you, Chair.

Mr. LUTTRELL. Thank you, sir. That concludes our first round. We are going to move directly into the second round. I recognize myself for 5 minutes. Mr. Tellez, you said, is it Under Secretary Clark is the manager of the PQS, or, I am sorry, the NWQ? Do you work directly? Do you answer to him? My concern is if we are onboarding this new platform that is supposed to assist claims and decrease a backlog, but it seems to me that the National Work Queue is one of the major problems in this chain of command, if you will. Then we have stations that do not have work because the National Work Queue does not deliver claims. Am I understanding that correctly from my colleague over here? She stated that earlier.

Mr. TELLEZ. I think that is what I heard. I have to get back to you on a response to that.

Mr. LUTTRELL. It seems to me that we need to address the National Work Queue because I think the backlog, from what you said, next year at 100,000 will be substantially higher. Now, if we are onboarding this new platform in parallel, I think it is still going to be problematic because packages are not being disseminated properly and then everyone's being penalized if they are not conducting proper oversight on each packet. Does that hold water to you?

Mr. TELLEZ. I am not aware that there is challenges with distribution of work to the regional offices. I will have to come back to you with a response on where there may be opportunities. I am not aware of any, sir.

Mr. LUTTRELL. Okay. Please do. Sir? I recognize a ranking member.

Mr. PAPPAS. Thank you, Mr. Chairman. I just want to follow up on one issue that I had raised in the first round. Mr. Bump, if I can direct this to you. I was asking about system disruptions, which you highlighted in your testimony, and wondering if you can just talk about how these issues might affect VBA personnel and around the issue of not being granted or potentially being granted relief for lost time due to these system disruptions.

Mr. BUMP. Well, thank you, Congressman. When VBA employees are not processing claims, they are not able to earn the appropriate number of work credits or transactions that they need to meet their performance standard. VBA, in the nearly 22 years that I have worked there, the same position has been held about what is called excluded time. It is granted by your supervisor. That said, VA has I will call it limited, sort of subversively limited. I do not mean that in a bad sense, the use of the word subversive.

What they do from the national level is if a particular station has too much what they perceive to be too much, or over a limit of excluded time that they grant, they have to answer for it. What that leads to is that leads to a very conservative approach when it comes to granting or not granting excluded time. Excluded time is meant to account for the time when VBA employees can not do their job because of system issues or, in some cases, extraordinarily complex claims. If we are not granted the appropriate amount of excluded time to cover the time that we have lost due to system

issues, the only negative effect to the employee is it is harder to meet your performance standard.

Mr. PAPPAS. There are times when that is the case, when you are not granted the relief because of an issue that is out of your hands with respect to the system.

Mr. BUMP. Definitely. Definitely that happens. Some offices are better than others, but it is, you know, it is something that each individual office controls. It is dependent on the leadership in that office as to what their philosophy on granting that time is. It is inconsistent.

Mr. PAPPAS. Thank you. Mr. Tellez, do you think that is fair, that employees could be adversely impacted in terms of reviews and credits based on a system issue that is out of their hands?

Mr. TELLEZ. Well, as you know, we are in a completely digital operating environment. When we have a system issue that happens occasionally from time to time, there is an impact to our productivity, and we have ways around addressing that. We offer training. There are other ways we can fill our time for employee stuff.

To your specific question of how it is happened at local regional offices versus national, I will have to get you back a response to that. I am not aware that there has been a disparity in how that is approved or disapproved.

Mr. PAPPAS. Okay. Well, we would like more information on that.

Mr. TELLEZ. Of course.

Mr. PAPPAS. I yield back my time.

Mr. LUTTRELL. Thank you, sir. Mr. Rosendale, you are recognized.

Mr. ROSENDALE. Thank you very much, Mr. Chair. I would like to make a reference to a movie I saw recently. It is called Ford v. Ferrari. In the course of the movie, in this one scene, Carol Shelby is sitting out in the lobby of Ford Corporation waiting to visit with Henry Ford II. He watches a file come in, and it goes through five sets of hands and then goes into the office, and someone hands it to Henry Ford II before he actually takes a look at it. It had been looked at by 20 other people before it even arrived on what they called, I think, the 9th floor.

It seems to me that this is the problem that we are having with this processing. Everything that Mr. Bump is describing and that the other two gentlemen are describing this information is going through a lot of hands. The way that I think it is evidenced is, again, look at the Benefits Delivery Information Technology Systems report that you all provided. If we look at page 13, it talks about the development of the plan taking 90 days, intake, 1 day rating, 5 days, authorization and award, 5 days, development, 90 days. If that file is being handed off to different people before it is even completed, as Mr. Bump referenced, or if there is someone sitting there that can not get that information in a timely manner, this is the crux of this entire problem that we are dealing with.

Mr. Tellez, Mr. Orifici, your plan says automation is the key to speeding up processing, and successful automation relies on access to all veterans' relevant data, better quality data that computers can read directly, improved infrastructure, and supportive policies. None of these conditions are in place today. Please tell me, how are

you going to implement these fixes and how will your process and the results be different as we go forward?

Mr. TELLEZ. Thank you for your question, Congressman. One of the things I would highlight here is our automated decision tool. As a result of the pandemic and our inability to access——

Mr. ROSENDALE. I am tired of hearing about the pandemic. I will be honest with you. I have got veterans that can not get their benefits right now because they are being required to use mask mandates, okay, in our veterans facilities. We do not even want to go down that trail.

Mr. TELLEZ. One of the principles of 701(b) is leveraging data. One of the things we are doing at claims intake when veterans file a claim is we are automating those steps that you just highlighted there. A claim comes in for PACT Act claims right now.

Mr. ROSENDALE. Intake, it does not seem to be a problem. We are looking at the development——

Mr. TELLEZ. Correct.

Mr. ROSENDALE [continuing]. of the claim.

Mr. TELLEZ. Correct. Correct. One of the things we are looking at is being able to obtain the medical evidence from our inter-agencies. From Veterans Health Administration (VHA), from Department of Defense (DoD), from Community Care, and we pull those records in. If we are able to rate that decision based on the evidence of claim, we will hand it to a rating, an RVSR in the house.

Mr. ROSENDALE. How are we going to improve that? Okay, I understand.

Mr. TELLEZ. Yes.

Mr. ROSENDALE. How are we going to improve this going forward to take this 90 days and narrow it down and somehow make sure that that claim is kept in one person's hands instead of being distributed in different locations?

Mr. ORIFICI. Yes, Thank you for that question, chairman. We have a lot of pieces that all come together to help address this. We had questions about the VA.gov portion at the very beginning. It starts with how we receive the claim from the veteran and making sure that we have all the relevant data. And then the connections to the various systems to make sure that we are pulling the service treatment record completely, whether that is a modern record or a legacy, more legacy record from an older theater of duty, and that we have all that data coming together. The plan outlines how we are putting those into interactive services that other providers like ADS can use to have all that ready——

Mr. ROSENDALE. What tools are lacking right now, okay, that we are not able to gather that information and get it into a claims processor or an underwriter's hand so that we can deliver the benefits to the veterans? What is lacking? What systems are failing? What do we need to do going forward?

Mr. ORIFICI. Right, so the first thing that we are really addressing is our corporate data base, which has all of our data around the benefits claims rating, historical data around it, and that is a monolithic data base that is not structured properly to enable the support that we have. One of our first key activities is updating this massive data base of veteran data in order to make it more

accessible and to have new technologies that could interoperate off of that new and modernized data platform.

Mr. ROSENDALE. Mr. Chair, I am down to 19 seconds, so I am going to yield back. I got deep water to go into yet.

Mr. LUTTRELL. Yes, sir. Thank you. Mrs. Cherfilus-McCormick, you are recognized.

Ms. CHERFILUS-MCCORMICK. Thank you, Mr. Chair. Mr. Bump, I want to pick up where we left off. In your time at the VA, do you feel that the acquisition of procurement IT systems have been done in a thoughtful manner?

Mr. BUMP. Thank you, Congresswoman. I truly believe that the VA has the best intent as to how it modernizes its systems. What I think might be lacking outside of what I have already testified to as to more employee involvement earlier in the process. What I see as a problem is in connection with all of that is that some of the people who are putting these things together from, you know, what platforms we use, to how they are designed, those are not folks who have done the work. Those are not frontline employees who have, you know, been trying to get benefits to veterans as quickly as possible as their job. There are obviously limits to how much that can be done.

I think we can do many things better with not only our IT systems, but, as Congressman Rosendale was mentioning, how we reduce the development time. One of the things that was going through my head as Mr. Tellez and Mr. Orifici were answering those questions, if we could get to a point where we did not have to request that information, where as soon as a veteran files a claim or more to the point, as soon as they are discharged that data was already there. Right now, we have to go and make requests to whether it is HAIMS or PIES or Defense Finance Accounting Service (DFAS) for personnel records. If we did not have to request those things, if it was automatically provided, that would reduce the development time and it would reduce the backlog because we would not be waiting for those records.

Now, some of those records you can get in less than a day, but many of them you can not. I think to answer the question about thoughtfulness, if we would think about those things instead of technical requirements, I think we would be a lot further into the process.

Ms. CHERFILUS-MCCORMICK. Thank you, Mr. Bump. My next question is for Mr. Tellez. VA has a long history of failed modernization attempts, everything from health records, to supply chain, to financial management. At the core of this issue is the lack of comprehensive thought and planning at the beginning of the acquisition program. Last Congress, our committee passed the IT Reform Act to begin to address the challenges with IT programs. This Congress, I have cosponsored a bill to require independent verification and validation of large program including VBMS. What process are you currently using to plan for and award contracts to address the new automation initiatives?

Mr. TELLEZ. Thank you Congresswoman. For automated decision support, we do have an independent verification validation vendor that validates the automation logic as it is in production. We do

use that as a validation and I think I will pass it to Mr. Orifici who can speak to you on the IT side of the house.

Mr. ORIFICI. Yes, ranking member, thank you for that question. We are also interested in Independent Verification and Validation (IV&V). This past March we awarded an IV&V contract which covers all the products within the band portfolio. We are working on making sure that we have IV coverage for all of our major projects, including VBMS.

Ms. CHERFILUS-MCCORMICK. How do you intend to measure success? Specifically, what kind of variables are you using to measure success?

Mr. ORIFICI. For the IV&V?

Ms. CHERFILUS-MCCORMICK. Mm-hmm.

Mr. ORIFICI. Yes, so, for the IV&V, it is product by product basis, but it looks at the requirements as they are delivered and the outcomes that are supposed to be delivered for that product. The IV&V contractor goes to their test suite to ensure that those requirements are being met and that those outcomes are also delivered by the system.

Ms. CHERFILUS-MCCORMICK. Now, do you have any specific measures that you are looking at?

Mr. ORIFICI. I would have to go back and bring those back to the record.

Ms. CHERFILUS-MCCORMICK. Thank you. Mr. Chairman, I yield back.

Mr. LUTTRELL. Thank you ma'am. Mr. Crane, you are recognized, sir.

Mr. CRANE. Thank you, Mr. Chairman. Mr. Bump was talking a second ago and he was talking about why claims are going from Portland to Pittsburgh and getting kind of farmed out. Why is that happening, Mr. Tellez? Why is not one processor being able to handle a claim all the way through?

Mr. TELLEZ. Thank you Congressman. It is my understanding that the claim typically stays with a regional office. There might be opportunities where for reasons that the capacity is at a different regional office. Otherwise, I have to get you a response to that.

Mr. CRANE. Mr. Bump, do you have any idea why that is happening?

Mr. BUMP. When the National Work Queue was originally designed and implemented, what the messaging around it was, was to have the next available person ready to take the next action. What was not thought about was how that works with employee performance standards and, you know, what it actually takes to do things that way. There are differences in the way regional offices operate and frankly train their employees, you simply can not trust what was done before. If we could change how we manage the National Work Queue to allow a claim to perhaps not stay, it would not necessarily have to stay with the same employee, but if it could stay within the same office, instead of having to, you would have more confidence in the work that was done before you, because you would be working with people who were trained the same way you were by the same people. You understand what the employee who went before you did and why they did it the way they did it.

Mr. CRANE. Does that make sense, Mr. Tellez?

Mr. TELLEZ. Again, I think it is really about capacity. I think the intent is to try to keep the claims at the local regional office for processing. Again, I think there are times when capacity says that we might have more capacity at a different regional office to do it. I think the training is pretty standardized across VBA, so I do not know that there would be significant nuances from regional office to regional office processing claims the same way. I would expect again, the intent is to keep it with the regional office unless there could be an opportunity to make a decision on that veteran at a different regional office faster.

Mr. CRANE. Mr. Bump, you were shaking your head as if you do not agree with the training being centralized.

Mr. BUMP. When an employee onboards at VBA, the VA made a conscious decision a few years ago to shorten the amount of time that the training is done centrally. It used to be where folks went off to what was called challenge training and you were there for challenge training itself was 10 weeks. You had 4 weeks of sort of learning the lingo, I will say, and then you had 6 weeks where you traveled and you were all trained together by national level trainers.

Now, what we have transitioned to is 4 weeks total of national training, and then you are sent back to your regional office where you are trained by regional office personnel. To say that it is standardized, perhaps the material, and the manuals, and things like that are standard, but the way you are taught to do things varies from office to office.

Mr. CRANE. Thank you. Last question, Mr. Bump. You said you have been working with the VA for close to 20 years, is that correct?

Mr. BUMP. Twenty-two years this September, sir.

Mr. CRANE. Twenty-two years. Has anybody explained to you why they do not open up the work queue so that the VA staff is more efficient and not sitting around as much?

Mr. BUMP. No. The answer to that question has never really been explained.

Mr. CRANE. Have you asked the question?

Mr. BUMP. It has come up. I serve on both the VBA Midterm Bargaining Committee as well as our National Labor Management Forum, and these are topics that are discussed there, so certainly. The answer is always some form of we want the system to work the way we designed it to work, instead of taking into account changes that affect how that works and the projected increase in the backlog.

If we are going to expect this increase and we are going to do things the same way we have been doing them for the last 10 years, I do not think we are going to get a different result.

Mr. CRANE. Thank you. I yield back.

Mr. LUTTRELL. Thank you, sir. Mr. Ciscomani, you recognized, sir.

Mr. CISCOMANI. Thank you, Chair. Just a quick question to piggyback off the last part of our conversation on the investments and how that is going to be improving in regards to these changes. I have a question about how this is going to benefit older veterans

as well. My district has over 70,000 veterans, which is one of the highest concentration of veterans in the country in any congressional district. Out of the over 70,000 veterans, many of them served in the Vietnam War with service records and medical records that date back decades.

I am pleased to see the VA using optical character recognition software to help find key words in the claims paperwork. I have also learned that the accuracy still needs a lot of improvement on that. We have seen live examples of that happening. Mr. Tellez, how are you planning on improving the optical character recognition so the automation can accurately scan all these old service and treatment records that my Vietnam veterans have now?

Mr. TELLEZ. Thank you, Congressman, for your question. Because we are using professional services, they are bringing the latest automation technology tools to bear. Part of it is a learning process, natural learning processing. It takes time to learn and do that. We see that accuracy improving and improving. It does get harder when you start getting into those older medical records with our handwriting. That is an industry challenge wide for handwriting. Again, we are using our vendor to implement that automation and to learn and improve the accuracy of that. Then I will turn it to Mr. Orifici here.

Mr. ORIFICI. If I may add, we are also implementing the Smart Search capability within VBMS. This is a service offering from Amazon as part of their Cloud services. It has Optical Character Recognition (OCR) and it maps it to where in the document occurs. It also does recognition across images. If it is not just type text or computer-generated text. It also has a high rate of recognizing handwriting. This is one of the improvements that we are rolling out this summer. A veteran claims processor can search across the e-folder and it has that ability to search both images and handwriting for increased accuracy.

Mr. CISCOMANI. Is this part of the same outsourced service that Mr. Tellez was talking about or is this internal?

Mr. ORIFICI. This is internal to VBMS and this will be fully exposed to other providers to utilize this data. It is not just going to be isolated to VBMS for its use. It will be available broadly to any service within the VA that wants to use it.

Mr. CISCOMANI. Regarding the service that we are hiring from the outside, Mr. Tellez, and we are I guess contracting the highest technology available, as you are describing, and learning process on that, again, I am all about the efficiency on this. In order to have efficiency, we got to have expectations and timelines. In your mind, again, you know, no system will ever be perfect. I understand that, but if there is improvement to make, how much improvement have we made? Are we instructing the service and company that is giving us these services, what we need from this and the challenges we are having with the older records as well?

Mr. TELLEZ. We do have a measurement for that. I will have to get you back where we are improving on that, sir.

Mr. CISCOMANI. Yes, please do. I want to see how much we have improved and what do we still have to go in terms of the metrics and the goals that you would set out on that and what kind of progress we are making toward that.

Mr. TELLEZ. Yes, sir.

Mr. CISCOMANI. Thank you. I yield back, Mr. Chair.

Mr. LUTTRELL. Thank you, sir. Mr. Rosendale?

Mr. ROSENDALE. Thank you, Mr. Chair. Mr. Bump, I really like your comments about keeping the follow-on location. Let us just say for a moment, let us just say that everyone was trained exactly the same. Do you still think it would be easier to talk to the person that is sitting next to you that has that file if it was transferred over, than trying to reach across the country to talk to someone?

Mr. BUMP. Definitely. It is not only easier to talk to your fellow coworkers in your office just because you are more familiar with them, but it is also, I mean, frankly, if you are in the office on the same day, you can actually just go and physically speak with them and have everything at the ready to do that.

Mr. ROSENDALE. Does not the actual act of transferring that file to another location take a certain amount of time?

Mr. BUMP. The work that the National Work Queue does to draw things back up into the Cloud and then disperse it, that takes a certain amount of time. I am not sure how often that is, but all of the information, so all of the "paperwork" that goes with the claim that is readily available to everybody at the same time. That said, you are not supposed to access a veteran's records unless you have a need to do so.

Mr. ROSENDALE. Exactly. Mr. Tellez, is there any part of that that you disagree with, do you not feel that it is a lot easier to talk to someone sitting next to you with the documents right there in front of you than trying to go across the country to bring them up to speed on all of the work that you have just completed?

Mr. TELLEZ. I think meaningful engagements with employees is always a positive outreach, for sure. I think we have built an environment where we can have the flexibility to move the claims around where we have capacity. I think that is one of the benefits of the NWQ is to allow us to do it. As I said, I think the intent is to keep the claim at the local regional office to work it but there may be times when we can disburse it.

Mr. ROSENDALE. Mr. Tellez, the intent of legislation many times that I have seen go through does not get implemented in that fashion once it gets translated by the bureaucrats that are working on it. I have got a question. Mr. Tellez, Mr. Orifici, there is a misconception that the VA's ability to access medical evidence and existing health records has anything to do with the replacing of the EHR. In reality, you are already using information from Vista, from the Department of Defense, and from private physicians to a limited extent. What is necessary to improve and expand that?

Mr. ORIFICI. Yes, sir, thank you for that question. We actually do have efforts underway to expand that right now. We have work that is going on with Health Data Repository (HDR) on the health side, which is pulling information directly into the claims to eliminate steps that claims processors have to do to pull health data from Capri into VBMS. There is continued work with our partners in DoD to bring over older service treatment records into our systems and have it right there in one tool without having to have the request that Mr. Bump has been referencing that are manual steps that need to be taken right now. There is always more work to do

as we work with our partners in VHA to pull that data from either VHA or the community care aspects to have that data readily available to VBMS and the claims processors.

Mr. ROSENDALE. Mr. Tellez and Mr. Orifici, you mentioned that you are attempting to expand the automation to 103 diagnostic codes representing 103 medical conditions. When will you be able to speed up and automate most claims for these conditions, not just a token number of simple claims?

Mr. TELLEZ. Thank you, Congressman, for your question. Our intention to automate or make eligible those diagnostic codes about 90 percent of what we call all rated claims issues. That is about 250 diagnostic codes. That is where the real bang for our buck is. We are expecting about an 18 to 24-month period to accomplish that, get that information, get that capability in the hands of users.

Beyond that, it is probably going to have to take a little bit of look at to see whether or not those are automation eligible, if we can automate that process, or do we have enough claims to invest the dollars to automate. I think there is a little bit of opportunity for us to look at those diagnostic codes beyond the 250 to determine whether or not it is feasible to do that.

Mr. ROSENDALE. Mr. Bump, how do you feel that your folks that you work with are going to be able to integrate these systems he is talking about?

Mr. BUMP. Thank you, Congressman. We are really in the infancy of all of this. I hope that at some point we get to the point where we have more of this information already there, the automated piece of it. As I mentioned in my opening statement, I hope that we are never at the point where we are relying solely on technology to process a claim that at least at some point or points, that an actual human has to touch it because there are things automation can not do, so.

Mr. ROSENDALE. I agree. I agree. Thank you so much, Mr. Chair, I yield back.

Mr. LUTTRELL. Thank you, sir. That concludes our second round of questioning. I recognize the Ranking Member Pappas for his closing remarks.

Mr. PAPPAS. Well, thank you, Mr. Chairman. Thank you to our panel for your comments today and for the work that you do for our veterans. Given the implementation of PACT Act and the impact that it is going to have on VBA claims, it is really crucial that IT systems support the work of the claims processors to ensure that veterans are going to receive their benefits in a timely manner.

Modernizing these systems must be a partnership between VBA, OIT, and end users. These folks have a wealth of knowledge and that was borne out by this hearing today about what is working and what is not working. With hundreds of thousands of claims awaiting adjudication and more coming in every day, I do not think we can ignore the voices of those who do this work each and every day. I hope that that can be front and center as we move toward greater modernization and find greater efficiency for our veterans. Thank you all for your contributions and your comments today and I yield back my time.

Mr. LUTTRELL. Thank you, Ranking Member Pappas. Thank you all again for coming before us today. I look forward to continuing to work with the Department and all our partners as we track the VBA's implementation of its Five-Year Modernization Plan. I believe the tools the VA is developing are critical for reducing the backlog, improving employee morale, and restoring veterans trust in VA.

Do know this, gentleman, we are very unified on this committee and our primary concern is our veterans. I think you saw that today. We are watching. With that, I ask unanimous consent that all members have 5 legislative days to revise and extend their remarks and include extraneous material. Without objection, so ordered. This hearing is adjourned.

[Whereupon, at 11:46 a.m., the subcommittees were adjourned.]

A P P E N D I X

PREPARED STATEMENT OF WITNESSES
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Prepared Statement of Raymond Tellez

Chairman Luttrell, Chairman Rosendale, Ranking Member Pappas, Ranking Member Cherfilus-McCormick, and Members of both Subcommittees, thank you for the opportunity to appear before you today to discuss the Department of Veterans Affairs (VA or Department) report entitled, "The Plan for Modernization of Veterans Benefits Administration Information Technology (IT) Systems," as required by P. L. 117–168, § 701(b) (known as the PACT Act). For decades, our dedicated team at the Veterans Benefits Administration (VBA) and the Office of Information Technology (OIT) has worked tirelessly to support those who have served our Nation with honor and courage. We have witnessed the evolving needs of Veterans and recognized the pressing need to modernize our systems and processes to better serve them.

Background

Before 2012, VA regional offices were buckling under the weight of paper claims folders, and multiple systems were used to process disability compensation claims. VA staff physically boxed and shipped Veterans' claims folders from office to office across the Nation, depending on available processing capacity. This archaic approach resulted in significant delays to Veterans receiving their earned benefits in a timely manner, as well as information security risks related to tracking and shipping errors. During 2012, VA underwent a historic transformation of the benefits claims process, moving from a completely paper-based system to one predicated on electronic claims processing.

The introduction of the Veterans Benefits Management System (VBMS), VA's claims processing system, along with the integration of the Veterans Claims Intake effort (where millions of paper claims folders were digitized for ingestion into VBMS), was foundational to moving VA from a paper-based process to an electronic processing environment. Over the years, VBMS has undergone multiple enhancements and optimizations to improve system resiliency, increase claims processors' productivity and modernize system components. Recently, VBMS was expanded to allow processing and control of VBA's fiduciary program, improved Draft Rating Approval eliminating the need to manually process second signature decision reviews, and in June 2023, VBA will deploy Smart Search technology, which allows claims processors to conduct intelligent searches of the entire Veteran's eFolder of documents, which was formerly a tedious manual process of searching multiple individual documents. While VA still receives paper claims, more Veterans are filing claims online through an online portal at VA.gov. Today, more than 1.1 million Veterans are active users of our digital benefits products on VA.gov, with user adoption continuing to increase, and over 50,000 claims being filed online each month.

As a result of VA's continued investment in VBMS, the establishment of the Evidence Intake Center (EIC) to digitize inbound paper mail for ingestion into VBMS, and developing a paperless claims process, VA maximized telework capabilities during the COVID–19 pandemic to minimize employee health and safety impacts while still maintaining service to Veterans. While VA successfully pivoted to remote work, while still serving Veterans, the inability to conduct in-person disability medical examinations and access paper Federal records led to a temporary increase to the disability compensation claims backlog. VA later reduced the claims backlog by approximately 100,000 in fiscal year 2022, but the lessons from the pandemic processing period highlighted the need for increased digitization of relevant paper records and supporting medical evidence.

Passage of the PACT Act

On August 10, 2022, the enactment of the PACT Act expanded VA care and benefits to millions of Veterans and their survivors. To effectively deliver the additional care and benefits, VA must continue modernizing and expanding its business processes and technology, as well as continue improving communications with Veterans

and other claimants. While VA has and will continue to hire more people to process claims, adding more personnel is only one facet of the solution. VA must equip our new and existing employees with tools to enhance productivity by increasing the accuracy and timeliness of the delivery of benefits for Veterans, families and survivors.

The report required by Section 701(b) in the PACT Act created a fresh opportunity to develop an enterprise-wide plan to deliver technology products that enable a journey-driven, proactive engagement with the Veteran and improve the way VA delivers benefits and services, leading to increased customer service, higher utilization, and better-quality outcomes for the Veteran. A key principle of 701(b) is embracing automated decision support tools.

VBA and the Office of Information Technology (OIT) partnered to create VA's Five-Year Modernization Plan of Benefits Delivery IT Systems to improve efficiency of claims processing and create more reliable and resilient systems. VA will evolve its approach to leveraging data to anticipate needs and more efficiently and proactively serve the Veteran. IT modernization is a continuous investment that will continue beyond 5 years; however, the 701(b)-modernization effort will realize benefits across five key pillars:

- Improved Veteran Experience;
- Increased Efficiency and Accuracy in Claims Processing;
- Improved System Architecture and Resiliency;
- Improved Data Infrastructure and Use of Data; and
- Improved Employee Experience and Efficiency.

This modernization plan will allow VA to move toward a seamless and personalized engagement model in support of Veterans and their beneficiaries, while shifting the focus from the Veteran requesting help to VA providing a service. This includes simplifying the process of submitting claims and proactively notifying Veterans when they are entitled to additional benefits and services. The impact of 701(b) IT modernization will be life-changing to Veterans and transform claims processing.

Enhancements to VBMS and other Claims Processing Systems

As anticipated, the passage of the PACT Act resulted in a surge of claims and an increase in the number of employees using VA IT systems to process these claims. Since the PACT Act was signed, Veterans and their survivors have filed more than 1.7 million claims, an increase of 30.2 percent over the same period last year. VA has already received more than 588,000 PACT Act-related claims since August 10, 2022. The modernization of the VBA Corporate Data base and transition of IT systems to the cloud directly supports VA's ability to respond to these challenges. Additional capacity has been added to VBMS allowing the system to handle the increased claims volume and additional users. Efforts are underway to move the remaining VBMS modules to the cloud to take advantage of these offerings.

In addition to VBMS, VA uses several other IT systems to facilitate the delivery of benefits. Many of these older systems were designed to solve different problems from those that VA faces today, for example, when many of these systems were created, VA was relying on paper claims folders and entering data into these antiquated systems. These legacy systems are inefficient and fail to fully meet VA's current needs, creating challenges for employees to deliver world-class customer service to Veterans. Many aging systems date back to the 1990's and are at end-of-life. Dependencies and integrations with these obsolete systems make it complex to automate and modernize. However, OIT and VBA continue to work together to move or modernize functionality from legacy systems into more modern systems. This approach allows VA to leverage modern interfaces and authoritative data sources to meet the business requirement in the short term, streamline processes by retiring these aging systems and avoid the long-term costs of integrating with legacy systems. For example, VA just completed migrating capabilities from VETSNET Award into VBMS. This allows the claims processors to complete all compensation awards actions within VBMS without switching back and forth between multiple systems.

Additional efforts completed through the VBA—OIT partnership to modernize VBA's claims processing systems include:

Production Optimization Continuous Improvement Model

In addition to investing in large modernization efforts, VBA and OIT commit resources to improve the VBMS system through the Production Optimization Continuous Improvement Model, which implements feedback and suggestions from claims processors. During fiscal year (FY) 2022, VA implemented 67 enhancement requests,

and in FY 2023 to date, VA has implemented 38 enhancement requests. These requests range from VBMS system defects found by claims processors to optimizations for improving the employee experience. The system enhancements eliminate time-consuming workarounds and improve the system accuracy for claims processors. Overall, VBA and OIT have improved the response to resolving system defects, with the majority being resolved in less than 30-days, minimizing delays for Veterans.

Draft Rating Approval

VA implemented Draft Rating Approval to support the average 700,000 rating decisions completed per year that require a second signature. All rating decisions require the signatures of two decision makers until the first signatory rating specialist has reached a level of proficiency to complete decisions under a single-signature authority. Additionally, specific types of rating issues, a few examples include Traumatic Brain Injury, Special Monthly Compensation and Military Sexual Trauma, always require a second signature due to the level of complexity of the decision. This improved productivity and accountability in the review process to ensure draft Rating Decisions were completed within the VBMS platform eliminating the need to download, manually sign, and reupload forms. This streamlined process is expected to save more than 75,800 hours annually equivalent to 36 full-time employees.

Automated Data Ingestion

VA and our industry partners collaborated on Automated Data Ingestion (ADI) functionality that automatically transcribes information received from medical exam vendors uploading Disability Benefits Questionnaires (DBQs) into the VBMS system used to calculate ratings. This technology assists Rating Veteran Service Representatives (RVSRs) by eliminating the need for manual data transcription. This helps to promote the consistency and standardization of decision-making. ADI is currently being operationalized at eight regional offices with all 26 PACT Act medical condition DBQs scheduled for release by the end of this fiscal year.

VBMS Demo Academy

In response to VBA's increased hiring of new employees, OIT upgraded the VBMS Demo Academy capacity to support eight-times the number of new hires and eliminated one week of preparation to reset testing environments between training sessions. The VBA training program supports Instructor-Led Web-Based Training (IWT), Virtual and In-Person (VIP) training and Warrior Training Advancement Course (WARTAC) training for newly hired claims processors. This training environment and platform provides VBA with the ability to walk new hires through a simulated and controlled environment for training in every phase of the claims process. The training supports the 6 to 12 weeks of training required for all claims processors. These improvements ensure VBA can train a continual stream of new employees supporting PACT Act claims processing.

Of note, national quality remains high. The systematic technical accuracy review (STAR) data for rating 12-month accuracy is currently 95.64 percent and has increased since Jan 2023.

The more current rating 3-month STAR accuracy is 97.33 percent. This is the highest 3-month accuracy since Jan 2022. The STAR non-rating 12-month accuracy has also remained steady and has been 92 percent or better since Sept 2022.

Individual compensation quality data for claims processors remains high.

- Veterans Service Representatives (VSRs) have a national quality FY 2023 to date of 95.09 percent (FY22 VSR quality was 94.82 percent).
- Rating Veterans Service Representatives (RVSRs) have a quality FY 2023 to date of 95.98 percent (FY22 RVSR quality was 95.85 percent).

System Automation

Automation offers VBA the ability to process claims more quickly, reduce the time claims processors spend on administrative tasks, and provide more consistent claims decisions. To provide oversight of the effectiveness of the automation process, VBA established the Deputy Under Secretary for Automated Benefits Delivery (DUSABD) in 2021. As part of VBA's People, Process, Technology framework, the Office of Automated Benefits Delivery (ABD) focuses on VBA's digital transformation strategy providing innovative solutions to leverage automation and maximize efficiencies.

Mail Automation

ABD has executed improvements in mail automation efficiency, now automating approximately 68 percent of initial claims intake processing activities for inbound

mail received at VBA's EIC. This enables VBA to focus employee efforts on more complex decision-making tasks. Since May 6, 2020, mail automation has established over 2.7 million claims representing over 7.6 million individual contentions.

Pension and Survivor Benefits Automation

VBA's Pension and Fiduciary Service aims to move toward an automated electronic claims submission process for all pension applications forms. These automated capabilities will streamline the process to gather the evidence needed to grant both Veterans and survivors pension, Dependency and Indemnity Compensation (DIC), burial and accrued benefits.

This initiative builds on VBA's proven track record for leveraging automation to provide survivor benefits. Currently, when VBA is notified of a Veteran passing and specific criteria are met, the system automatically pays the month of death benefit to the surviving spouse for Veterans, who are in receipt of disability benefits. Additionally, burial and DIC benefits may also be paid to the surviving spouse when the spouse's information is available in VBA systems, and the spouse meets the eligibility requirements. These payments are completed without the need for an application and are based on the evidence available at the time of the Veteran's death, as allowed by P. L. 114–315. Since implementation in 2014, VBA has paid out over 206,000 month of death and burial benefits claims automatically, without the need for an application.

Proactive Scanning

In FY 2022, VBA partnered with the National Personal Records Center (NPRC) to digitize all available Service member and Veteran records for use in determining a claimant's eligibility for VA benefits. VA digitized military records and claims folders for approximately 170,000 Veterans who may potentially file an initial claim for benefits under the PACT Act. Once digitized, these records are available to claims processors on the same day as the corresponding Veteran's claim is received. This reduces the administrative burden of collecting records and results in faster claims processing for Veterans, Service members, their family members, and survivors.

Automated Decision Support Tools

VBA is undergoing business modernization efforts designed to leverage technology by automating administrative tasks and workflows, known as Automated Decision Support (ADS). The ADS tools support claims processors to make faster and more equitable claims decisions by indexing relevant medical evidence and automatically ordering exams in certain situations. In December 2021, VBA established a prototype site at the Boise Regional Office to evaluate the proof of concept for automation. Based on the success of the process combined with the positive feedback from claims processors at this site, the automation capabilities were expanded to claims for increase for asthma (March 2022) and sleep apnea (April 2022). In September 2022, VA expanded the prototype site to three additional regional offices and in December 2022, VA expanded to four additional prototype sites for a total of eight (8) sites. In May 2023, VA added eight (8) pilot sites to validate the automation logic in preparation for national deployment.

VBA planned to continue adding three additional diagnostic codes per quarter; however, with the passage of the PACT Act, VBA shifted its focus to the diagnostic codes associated with this enactment. Under the direction of the DUSABD, 57 diagnostic codes are automation eligible, including all 26 PACT Act presumptive conditions.

Today, claims processing tasks, supported by technology to enable automation using artificial intelligence, Natural Language Processing, and Optical Character Recognition, enable automation with data and records extraction from Veterans' electronic health records, verification of military service eligibility, expediting claims that can be decided based on the evidence of record, ordering examinations when required, and the intelligent indexing of the relevant adjudicative information. Since December 2021, over 179,000 claims have utilized automation.

Verification of Military Service Eligibility

In the third quarter of FY 2022, VA obtained authoritative military service deployment data from the Defense Manpower Data Center (DMDC) that enabled VBA to proactively determine PACT Act eligibility for more than 3.5 million Veterans. This allows VBA to provide Veterans with faster decisions on their PACT Act claims by reducing instances where manual research is needed by claims processors to determine military service eligibility.

Automated Issue Management

In December 2022, VBA and OIT released Automated Issue Management (AIM) functionality, providing the ability to route claim types by issue and automate specific issues without breaking up the overall claim. This directly benefits Veterans as it lowers the barrier to evidence collation on certain issues within the overall claim, rather than waiting for all issues to be developed.

Smart Search Technology

In the third quarter of FY 2023, VBA and OIT will begin deploying Smart Search technology, which allows claims processors to conduct intelligent searches of the entire Veteran's eFolder of documents, which was formerly a tedious manual process of searching multiple individual documents, including images and handwritten documents. This capability increases employee efficiency by accelerating the ability to search for relevant information to expedite PACT Act claims processing.

Verify, Validate, Graduate (VVG) Plan

In 2022, VA recognized the need for a robust, repeatable process to assess the effectiveness of automation outputs with the goal to make data-driven decisions for nationwide deployment of automation functionality. VA subsequently established the Verify, Validate, Graduate (Prototype, Pilot, nationwide release) plan, ensuring all ADS tools pass a consistent validation assessment before they are advanced to nationwide release. In April 2023, VBA validated the automation logic first diagnostic codes to move from Prototype to Pilot phase and added eight new Pilot locations across the Nation. These Pilot Sites will test the automation logic and ensure it meets strict criteria before graduating to national release.

Early accomplishments include 57 diagnostic codes in production (54 are PACT Act specific) and compared to the traditional claims process for single issue claims, ADS claims have a 27.5 percent examination avoidance compared to 9.5 percent, reducing the burden on Veterans.

Future of Claims Processing

Throughout the remainder of calendar year 2023, VBA is on track to expand automation to an additional 103 diagnostic codes related to some of the most frequently claimed conditions, such as hearing loss, mental health, peripheral nerves, and musculoskeletal conditions, that represent over 700,000 annual claims. Over the next 18–24 months, VBA will continue to apply automation to conditions most frequently claimed by Veterans to enable continued execution of the vision to provide Veterans faster, more accurate, consistent, and equitable claim decisions than ever before.

Conclusion

VA's IT modernization vision is grounded in its unwavering dedication to Veterans, their families, caregivers, and survivors. The efforts outlined in VA's 5-Year Modernization Plan of Benefits Delivery IT Systems sets the foundation for a future of continual modernization, where systems are regularly improved with the most up-to-date technology. Automation can enable and empower VA employees to deliver world-class, proactive service to Veterans in ways that have never been possible before. Further, automation only succeeds if the underlying architecture and systems are modern, agile and resilient.

The outcomes envisioned in VA's IT modernization plan have the potential to change Veterans' lives. With event-driven processes, automated to deliver benefits with greater speed, VA can provide a seamless and personalized experience for Veterans.

VA is confident that the modernization roadmap described in this plan can be realized. The continued support and commitment of Congress is key to VA achieving this goal. We look forward to continued engagement with you as we implement this plan and strive to serve with excellence those who have served the Nation. Thank you for the opportunity to appear before the Committee today. I would be pleased to answer any questions that you or members of the Committee may have.

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Prepared Statement of David Bump

Chairman Luttrell, Chairman Rosendale, Ranking Member Pappas, Ranking Member Cherfilus-McCormick and Members of the Disability Assistance and Memorial Affairs and Technology Modernization Subcommittees:

The American Federation of Government Employees, AFL–CIO (AFGE) and its National Veterans Affairs Council (NVAC) appreciate the opportunity to testify at today's subcommittee hearing titled "From Months to Hours: The Future of VA Benefits Claim Processing." My name is David Bump, and I am a National Representa-

tive for the NVAC, and serve as the Second Vice President for VBA for AFGE Local 2157, in Portland, Oregon. I also serve as a member of the NVAC's Veterans Benefits Administration (VBA) Legislative Committee and the VBA Midterm Bargaining team. I have also had the privilege of serving veterans in the VBA for 21 years, including 10 as a VSR, and 11 as an Authorization Quality Review Specialist in the Milwaukee, Wisconsin, Regional Office, and now the Portland, Oregon, Regional Office.

On behalf of the 291,000 Department of Veterans Affairs (VA) employees AFGE represents, including thousands who are frontline workers at the VBA, over 50 percent of whom are veterans themselves, it is a privilege to offer AFGE's views on the IT challenges facing VBA today, and more importantly, offer suggestions that could improve the use technology at VBA, and enable claims processors to better serve veterans more efficiently and accurately.

VA's Five-Year Modernization Plan:

AFGE was proud to support the PACT Act which expanded eligibility to VA healthcare for millions of veterans. Section 701(b) of the PACT required the VA to submit to Congress "a plan for the modernization of the information technology systems of the Veterans Benefits Administration." AFGE supports the use of technology to better enable VBA's processors to perform their duties and best serve veterans. However, we are concerned about the negative effect on veterans of replacing human processors with technology. AFGE strongly supports the work done by lawmakers to protect VBA employees, and to make sure that all claims have to be reviewed at some point during the process by human claims processors. It is important that our approach to the use of technology emphasize that information technology supplement and not supplant the VBA's workforce.

Veterans Benefits Management System

The Veteran Benefits Management System (VBMS) is the core platform VBA Veteran Service Representatives (VSRs) and Rating Veteran Service Representatives (RVSRs) use to process veterans' claims. While VBMS generally serves its purpose, there is certainly room for improvement from the perspective of the end user.

Reliability

The most serious problem that claims processors raise about VBMS is its unreliability. The system often crashes or requires rebooting, delaying claims processors from doing their required work. Even when the system does not crash, complaints of general sluggishness also create unnecessary delays. While managers are supposed grant "excluded time" when the system is down to account for less time for employees to meet their performance metrics, this is not done universally or consistently. Claims processors fear when the system goes down that they may suffer negative consequences through no fault of their own.

Basic Functionality

When hearing from claims processors around country, two basic tools appear to be missing within VBMS. First, it is not easy to know what previous employees have looked at or worked on a claim; either a special note must be entered, or an employee must click on the information to see who worked on it. Giving employees using VBMS the ability to quickly see who worked on something previously, and then use VBMS to contact that employee with a simple question would save time, and let claims move through the claims process more efficiently.

Additionally, the user does not have the ability to sort or filter information to get a chronological view of a claim's history, other than what VBMS automatically provides. This basic function could help claims processors and save time.

Interoperability

Another common complaint about VBMS is its lack of interoperability with other systems claims processors must use every day. A clear example of this provided by the Houston, Texas, Regional Office is related to form letters that claims processors send to veterans to inform them of their decisions. Redesigned Automated Decision Letters do not automatically populate information in VBMS for all the withholdings that may affect a veteran's compensation, including severance pay, separation pay, or drill pay withholdings. Other letters that RVSRs send do not auto-populate within VBMS and must be completed in the Personal Computer Generated Letters (PCGL) system. Other employees raised the problems of integration for letters related to Individual Unemployability (IU) claims within VBMS. These are all examples where RVSRs have to manually update letters in VBMS and pull information that is more up-to-date in other systems, that should ideally be in VBMS. This takes

extra time that can be better spent performing work that require a claims processor's expertise and leads to unnecessary errors that negatively affect an employee's performance rating or a veteran's benefits.

The process for getting a veteran's Service Treatment Record (STR) is also a clear example of problems with interoperability. The Portland, Oregon Regional office cited that VBMS will automatically pull up STRs from a veteran who served in a modern war from the Health Artifact and Image Management Solution (HAIMS) system. However, for veterans who served further in the past, VBMS makes a request for the data from the older Personnel Information Exchange System (PIES) but does not record its own request. This leads to the employee having to make a manual request in VBMS on top of what they did, but may also create duplicate requests in PIES, further wasting time.

The Cleveland, Ohio Regional Office cited problems with the Joint Legacy Viewer (JLV) that were similar to problems experienced in Portland, Oregon. When using the JLV to view a veteran's records, each document must be opened separately, saved, and then uploaded into VBMS, with each document taking several minutes to upload. Additionally, if a claims process attempts to upload too many documents at once, the system may not work, and the employee must start over, wasting valuable time.

Unnecessary Repetition

Another key criticism of the system for RVSRs comes from the Pittsburgh, PA, Regional Office. RVSRs in this facility identified that VBMS-R (the portion of VBMS raters use) requires RVSRs to enter multiple levels of SMC (special monthly compensation) on a veteran's claim. To do this, RVSRs must instead use a workaround that enters the first level of SMC, then delete the coded conclusion (the number generated for payments), then enter the second SMC with the combined numbers. VBMS will not create the narrative for both levels of SMC unless employees use the system this way. This can lead to errors as well in incorrectly entering the SMC levels and can create over/under payments if done incorrectly. Also, if SMC is awarded temporarily, RVSRs must manually end the SMC even though the RVSR initially entered an end date, because if the RVSR does not go back in to "zero out" (coding to stop payment) then the veteran will never stop being paid. VBMS would be more efficient if the system allowed employees to create the narrative issue and the correct coding all in one entry instead of multiple entries.

VBMS also does not work well when considering conditions that cannot be evaluated separately, including several cardiac conditions, digestive issues, gastroesophageal reflux disease, irritable bowel syndrome, traumatic brain injury, post-traumatic stress disorder, asthma, and sleep apnea. VBMS sometimes allows claims processors to combine these symptoms at the end, but it does not always work, especially if one condition was already service-connected and the employee is attempting to add service connection to a new condition that cannot be evaluated separately. This can create performance errors, overpayments and extra work in correcting these errors.

To improve VBMS, it would be better if claims processors could rate certain conditions at the same time and then be able to merge them based on the higher evaluation rules. This would also save time by not having to use external evaluation builders and copy and pasting additional information within the system. There are specific diagnostic codes that cannot be evaluated separately, but if there were the functionality to add a co-morbid condition that must now be rated individually, it would greatly improve employee efficiency and reduce errors.

Fixing these examples within VBMS would greatly reduce time spent on claims affected by these workarounds, reduce erroneous decisions, and deliver a higher quality product to our nation's veterans.

The National Work Queue

Another critical component of the claims process that the subcommittees must examine is the National Work Queue (NWQ). AFGE agrees with the Inspector General's (IG) 2018 conclusion that VBA's decision to eliminate specialization of claims processing has had adetrimental impact on veterans whose claims are more complex and sensitive in nature. As the IG report explains, prior to the implementation of the NWQ:

> The Segmented Lanes model required VSRs and RVSRs on Special Operations teams to process all claims VBA designated as requiring special handling, which included MST-related claims. By implementing the NWQ, VBA no longer required Special Operations teams to review MST-related claims. Under the NWQ, VSRs and RVSRs are responsible for processing a wide variety of claims,

including MST-related claims. However, many VSRs and RVSRs do not have the experience or expertise to process MST-related claims.[1]

Because of the level of difficulty in processing these claims, AFGE strongly supports returning to a "Special Operations" model for as many complex claims as the system will support. AFGE supports the current use of these specialty lanes for Military Sexual Trauma (MST) and Camp Lejeune Water Contamination Claims among others and encourages their expanded use.

AFGE also encourages the VA to modify the NWQ so that cases remain within the same RO for VSR and RVSR review. Every RO, despite uniform production standards, has its own way of conducting specific tasks, and having VSRs and RVSRs who are more familiar with each RO's standard procedures will help process cases efficiently. Additionally, by better identifying which employee worked on a particular claim, better collaboration between VSRs and RVSRs can be achieved.

Last, the NWQ should reprogrammed to allow VSRs and RVSRs to always have access to all readily available claims. Despite the national claims backlog that existed prior to the COVID–19 pandemic and has grown with the passage of the PACT Act, it is a common refrain from VSRs and RVSRs that they do not have enough work assigned to meet their production standards and that they have to constantly request new work from their coaches. Although the NWQ was designed in part to maximize the VBA's claims processing capacity, it is counterproductive to deny employees access to all available claims when the technology to do so already exists. Workers should not have to request additional work to meet their standards but should instead be constantly engaged in efforts to reduce VBA's backlog.

Conclusion

I hope that my testimony today leads the subcommittees to conduct further oversight of VBA's IT challenges. The VBA should survey its employees as it modernizes IT systems and use employee feedback to promote improvements that will help veterans. AFGE and the NVAC stand ready to work with the House Veterans' Affairs Committee and VBA to reach this goal. Thank you, and I look forward to answering your questions.

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[1] VA OIG 17–05248–241 Page iii August 21, 2018

STATEMENT FOR THE RECORD
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Prepared Statement of Foundation for American Innovation

Introduction

Mr. Chairman, Ranking members, and members of the Subcommittees, thank you for the opportunity to submit this written statement in support of this hearing. My name is Reynold Schweickhardt. I am a non-resident senior fellow with the Foundation for American Innovation, a nonprofit think tank focused on innovation, governance, and national security. During my career, I have worked in the public and private sectors on technology policy, management, and modernization. I previously served as a senior technology advisor with the General Services Administration. Before that, I was a strategic advisor with the House Office of the Chief Administrative Officer and Director of Technology Policy for the Committee on House Administration. Earlier in my career, I worked as the chief technology officer and chief information officer in the U.S. Government Publishing Office and as an R&D project manager for Hewlett-Packard.

While I have extensive experience working on technology policy and advising senior governmental leaders on technology modernization, I do not have specific expertise on the Department of Veterans' Affairs's technology systems or health care information technology systems. Therefore, my comments are based on my review of the Department of Veterans Affairs's five-year technology modernization plan and on conversations with experts who have experience working on VA or similar federal IT systems. Moreover, I share the subcommittee's commitment to ensuring that the VA provides better service to the veterans who have patriotically served our country.

Modernizing the Department of Veterans Affairs to Improve Disability Services to Meet Growing Demand

The enactment of the PACT Act in 2022 will create a significant increase in new veteran disability claims, as well as reviews of previously declined claims by the VA. As a result, the Veterans Benefit Administration (VBA) will face a significant workload increase. Modernizing the VA's information technology systems—specifically, the VBA—will likely determine if veterans receive these benefits in a timely manner.

To do this, Congress and VA leaders should be asking several questions:

• To what extent will the VA's five-year plan improve outcomes for veterans in the next several years, or will the improvements manifest in later years after the surge in claims has been submitted to the VBA?

• What are the key projects, their dependencies, and maturity to provide material benefit in the short-to-medium term?

• What are the options to segment the anticipated workload, identify claims with a simpler requirement set, and process those more rapidly?

Short-Term Improvement

Identification of Cases with Required Information for Quick Resolutions

The Hypertension Automated Decision Support is the FY23 implementation that can affect claims processing speed, and the ongoing metrics should be reported to the Committee. Other conditions should also be added to this automation where the available data supports simplified review—for example, specific cancers and service locations creating a presumption of environmental exposure during military service.

Value of Robotic Process Automation

Robotic Process Automation (RPA) is a strategy to bridge two systems that have not been integrated. It is effectively an automated cut-and-paste methodology to reduce staff's time performing lower-level tasks. In the long term, the systems in question would be integrated to automate the transfer of data. The anticipated benefits

(45)

to VBA processing time will require an analysis of time spent performing these tasks manually.

An enterprise RPA platform, which is required for the scope and complexity of VBA, is initially implemented as a pilot with an initial transaction, and then rolled out enterprise-wide and expanded to additional use cases. Several agencies within the federal government, especially the General Services Administration, have a demonstrated track record of using RPA to rapidly improve processing. The former CFO of the General Services Administration set an aggressive goal of implementing one transaction a week and achieved an average of 2–3 per month. By January 2022, according to the Office of GSA's CFO, GSA had implemented 104 automations at an annual cost of $2.5 million, creating more than 350,000 hours of additional capacity annually. This approach also included business process reengineering (BPR) to simplify and align processes to avoid automated outdated processes.

Simpler, Faster Ways to Use Artificial Intelligence

The Social Security Administration is using AI to process complex claims, including disability benefit applications, more effectively. The AI tool sorts the claims into similar buckets, which are then assigned to a group of claims processors that are responsible for processing them. This allows staff to specialize in similar claims; by learning the nuances of applicable case law and processes, they can reduce both errors and time spent.[1] The AI tool improved workload management and did not automate decision making, nor did it predict the outcome of cases. This approach is simpler than task 5D "Limited Predictive Use of Data to Enable Outcomes." This approach could be implemented with minimal integration complexity, allowing for faster results and improved processing times at the VA.

Improved Search

Subcommittee staff shared an example of the current maturity of an Automation Aid to identify cases ready for adjudication. The goal was to identify notes with conditions that were presumptively grounds for benefits and present them to raters who would evaluate the specific claim. However, in the example, the search was extremely primitive, selecting cases with "rhinitis," for example, without evaluating "does not have rhinitis."

The plan has a task to address this deficiency, "Smart Search within Veterans eFolder [6–12 month]." However, it includes more than is necessary to improve the immediate user experience. Effectively using a modern search engine would improve the accuracy of the results. After initial implementation, the search engine could be tuned, including with machine learning, to improve accuracy over time.

Implementing Longer-Term Improvements

The overall plan could be implemented more effectively if the Veterans' Administration addressed these opportunities:

- Define and prioritize the infrastructure for a modern infrastructure. This reduces ongoing cost and complexity, improves reliability, and implements modules in the end-State to eliminate rework.

- Examine areas of duplication to implement a "build once, use many" strategy, which reduces implementation costs and increases software quality by focusing on a single implementation for a given task. This strategy is enabled by a modern infrastructure.

- Effectively adopt an agile methodology, which is not reflected in the plan today. An agile approach typically starts with a Minimum Viable Product (MVP) that meets the user's core needs. Through feedback and metrics, bug fixes and enhancements are created, tested, and released in a six-to-eight-week cycle, which repeats until further improvements are no longer a priority. Do not let the perfect be the enemy of the good.

BIP Capability Key to Modernization of Systems

A critical design goal described in the plan is achieving a modular architecture, in which different functions are maintained separately and loosely coupled via Application Programing Interfaces (APIs). A mature BIP is critical to this goal because

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[1] "SSA reported 12 percent reduction in case processing time and 7.5 percent reduction in returns from administrative appeal judges to attorneys." Engstrom, David Freeman, Daniel E. Ho, Catherine Sharkey, and Mariano-Florentino Cuèllar. 2020. *http://complaw.stanford.edu/readings/government__by__algorithm.pdf*; "Government by Algorithm: Artificial Intelligence in Federal Administrative Agencies." Administrative Conference of the United States."*https://law.stanford.edu/wp-content/uploads/2020/02/ACUS-AI-Report.pdf*.

it allows for such capabilities as including, adding, or replacing individual modules without rebuilding the entire system.

In a modern design, an updated module can be replaced while the system is running. A module could be replaced and reverted to the older version if necessary. In fact, BIP could allow for two modules that perform the same task. The updated module would be installed and initially given a small percentage of the workload (after having been properly tested) and evaluated for compliance with requirements. Gradually, it would replace the original version.

BIP also supports the principle of "build once, use many." For example, the plan appears to suggest there are different exam scheduling functions in the Veterans Benefits Management System (VBMS). A single module supporting the different requirements would be implemented and interconnected appropriately using the BIP. Therefore, the maturity and migration of functions to use the BIP should be closely watched as an implementation and risk-reduction metric.

Data Centers, Testing Infrastructure, and the Cloud

Supporting geographically dispersed data centers is a key principle of resiliency. A related challenge is testing new modules in the context of a complete system, introducing them to production, and reverting to the original versions if required. The complexity of supporting identical hardware stacks in two locations depends on the extent to which legacy hardware is still required. The desired end State is to have 100 percent cloud hardware to simplify management of identical hardware stacks. Cloud implementations also provide for rapid scaling to add capacity when needed and remove it when no longer needed.

The plan proposes two similar investments: two widely separated data centers (East and West) for normal operations and resiliency, and a separate Blue/Green testing/deployment infrastructure. According to the Blue/Green concept, one color is the live version, and the other is the test version, in which new functionality is introduced. The roles of the two systems are switched, and the new functionality is put into production. If there is an issue, the roles are reversed, and functionality reverts to the prior state.

Software testing has multiple levels, and the most complex is automated testing of the entire system from an end-user perspective. However, modular architecture involving software modules with tightly defined interfaces reduces the need for a separate system-wide testing infrastructure. The dual module configuration discussed above would allow for new modules to be put in the production environment and initially released to a small group of users for evaluation.

One reason that a full-sized testing environment was used in the past is that it could evaluate capacity and performance. In a cloud-based world, performance and capacity are managed by increasing the power or number of instances of a function that is constraining system capacity. A smaller but identical test environment can be created as needed in a cloud environment.

Being fully cloud-ready involves two aspects: First, all of the system functionality, management, and security is running on cloud instances of hardware. This transfers the responsibility for hardware reliability and availability to the cloud provider. Second, VBMS and related software has been decomposed into independent modules interconnected by APIs over the BIM. The modules would allow for multiple instances to run simultaneously, allowing for scaling up and down for performance and capacity reasons.

Conclusion

The Veterans Administration has submitted a detailed and well-thought-out plan. However, the challenge of rapidly implementing significant improvements with increased processing accuracy to serve veterans also requires cultural change.

When the system development process is long and subject to delays, the tendency is to add everything possible into the plan because it is the only opportunity for many years. Requirements can change or become obsolete, or the business side can develop its own workarounds during a multi-year development cycle, which reduces the value to the enterprise of the new software. In the worst-case scenario, the new release is obsolete upon arrival.

An agile development methodology also requires cultural change for both the IT and business sides to implement a new way of working together. It requires changes to the procurement process and requirements for effective implementation. In the short term, identifying specific areas where an agile approach can be implemented to improve the veteran experience sooner rather than later is essential. This will build human capacity and mature the Veterans Administration's internal capacity in this area.

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