

Payment Integrity Scorecard

Program or Activity
Pension

Reporting Period
Q2 2026

FY 2025 Overpayment Amount (\$M)*

\$272

*Estimate based a sampling time frame starting 10/2023 and ending 9/2024

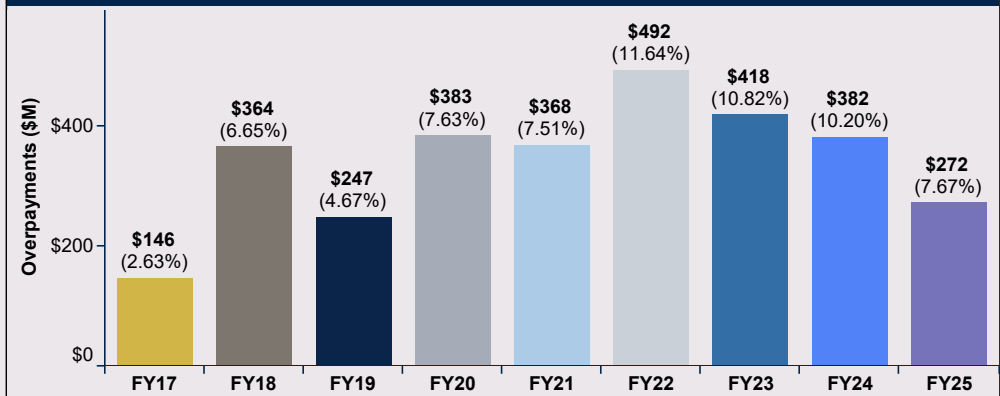


VA
Pension

Brief Program Description & summary of overpayment causes and barriers to prevention:

The Pension program helps eligible Veterans and their survivors cope with financial challenges by providing supplemental income through Veterans and Survivors Pension Benefits. A change in benefit payment occurs when a required adjustment is made due to a status change (e.g., change in income, net worth, medical expenses, dependency, etc.); which caused a projected \$272.29 million in monetary loss in FY 2025. A known barrier is relying on beneficiaries to notify the VA when they experience life or financial changes since these factors may impact continued eligibility. When appropriate, the VA pursues debt collection by offsetting benefit payments for the full amount of the debt or by approved repayment installments.

**Historical Payment Rate and Amount (\$M)
(Overpayment as Percentage of Total Outlays)**



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

During Q2, VA conducted a Social Security Administration (SSA) match with a discrepancy in SSA income over \$5.00. VA identified variances between SSA income a beneficiary is receiving versus the amount reported by the beneficiary. VA reviewed the variances, identified the largest potential overpayments, sent claims for claims processor review and corrective action, and established any debts, if appropriate, after statutory requirements for due process. VA conducted a review of Federal Tax Information (FTI) on initial applications requesting pension benefits (approximately 11,372 claims). This audit identified variances between income reported to the Internal Revenue Service (IRS) versus amounts reported to VA on applications. Claims identified with variances were sent to claims processors to resolve and prevent overpayments. VA also conducted National Quality Review (NQR) audits (41 claims monthly) using a standardized checklist, which identified potential overpayments. In Q3, VA will continue conducting the quarterly SSA data match and review FTI on initial applications for variances. NQR audits will review 36 claims monthly, and VA will perform a site visit along with special audits to ensure policies and procedures are properly applied in making accurate pension decisions to prevent future improper payments.

Accomplishments in Reducing Overpayment

Date

1	Training was delivered to the Pension Management Centers (PMCs) during the March 2026 Pension Quality Call. Current testing results on errors from FY 2026 testing and established corrective actions were shared to ensure program compliance and prevent improper payments.	Mar-26
2	VA reviewed 41 claims monthly in Q2 while conducting NQR audits using the consolidated pension checklist, to validate the proper policy and procedures were followed. See Note 1. Potential overpayments were sent to claims processors to resolve and prevent future overpayments.	Mar-26
3	In Q2, VA updated the SSA match to target additional claims by reducing the SSA income discrepancy to \$5.00. VA batch established claims that were sent for claims processor review to resolve discrepancies and prevent future overpayments.	Mar-26

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Program or Activity Pension	Reporting Period Q2 2026
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Goals towards Reducing Overpayments	Status	ECD	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1 VA will conduct monthly NQR audits across the three processing locations. Claims will be reviewed based on a standardized checklist which includes identification of potential overpayments. VA plans to audit/review 36 claims monthly in Q3, FY 2026. See Note 1.	On-Track	Jun-26	1 Recovery Activity	During Q3, FY 2026, VA will conduct monthly NQR audits across three processing locations. Claims are reviewed based on the consolidated pension checklist which includes identification of potential overpayments. VA will audit/review 36 claims monthly. See Note..	During Q2, FY 2026, VA conducted a NQR audit of 41 claims monthly. Claims with potential overpayments were sent to claims processors to resolve and prevent future overpayments.
			2 Recovery Activity	During Q3, FY 2026, VA will conduct a site visit with the St. Paul PMC. Results and feedback from focused review audits of targeted program areas within claims processing will be discussed to ensure program compliance and payment accuracy.	During Q2, FY 2026, VA provided training during the Pension Quality Call that focused on current FY 2026 Payment Integrity Information Act of 2019 (PIIA) testing results of pension payments and corrective actions ensure program compliance and prevent future overpayments.
2 During Q3, FY 2026, VA will conduct a special focus review to audit claims for compliance with policy in payment, income and expense accuracy by the claims processors. Claims with errors will be corrected and debts established for applicable overpayments. See Note 2.	On-Track	Jun-26	3 Recovery Activity	VA will continue to recover overpayments identified during special projects and the testing of payments required by the Payment Integrity Information Act of 2019 (PIIA). These activities include establishing debts if applicable. See Note 2.	VA continues to take action to recover overpayments identified during special projects and the testing of payments required by PIIA. These activities include establishing applicable debts which are referred for collection. See Note 2.

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$272M	Overpayments that occurred because of a Failure to Access Data/Information Needed.	Claims processors did not apply policies and procedures to pension claims timely which resulted in inaccurate pension rate decisions, which caused VA to overpay beneficiaries.	Training - teaching a particular skill or type of behavior; refreshing on the proper processing methods.	VA performs staff training to ensure policies and procedures are properly applied in making accurate pension rate decisions to prevent future improper payments. Training will focus on human and unreported SSA errors identified during FY 2025 payment integrity testing.
			Audit - process for assuring an organization's objectives of operational effectiveness, efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.	VA conducts random reviews of claims processors' work to ensure policies and procedures are properly applied in making accurate pension rate decisions to prevent future improper payments. If applicable, corrective action includes establishing debts for overpayments.
		The Pension program is an income-based program. Beneficiaries did not report changes to SSA income to VA timely, which caused VA to overpay beneficiaries.	Automation - automatically controlled operation, process, or system.	VA conducts quarterly matches with SSA to identify variances between SSA income received versus amounts reported by beneficiaries to VA. Variances are indicators of potential overpayments. VA reviews differences to identify and prevent future overpayments.

The Pension program is a needs-based benefit, providing financial assistance to those who meet legislative requirements. Award payments are made based on an initial determination in response to a claim received and are not adjusted unless there is an indication of a change, such as changes to income, medical expenses, or net worth. The program continues to prioritize and implement strategies that reduce improper payments, while balancing the need to ensure Veterans and their survivors have access to financial assistance. The program made improvements to its corrective action plan that increased its ability to reduce improper payments. The Pension program reduced the error rate from 13.85% in FY 2024 to 9.99% in FY 2025, bringing the program under the 10% compliance threshold established by PIIA. The program expects to continue positive impact of these actions on its FY 2026 error rate. Note 1: NQR audits include Dependency and Indemnity Compensation, Burial, and the Pension program to which claims are allocated quarterly for auditing. The program implemented a consolidated Pension STAR checklist during FY 2025 for improved error identification within all program elements. Note 2: Once a debt is established by a claims processor, VA pursues collection of debts through lump-sum offset, or VA works with the beneficiary to establish payment plans, as agreed upon.