

Goal: Getting Payments Right



VA
Compensation

Brief Program Description:

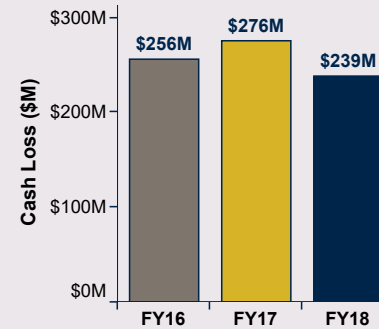
The Compensation program is used to provide compensation to Veterans who are at a minimum 10 percent disabled because of injuries or diseases that occurred or were aggravated during active military service

Change from Previous FY (\$M)

-\$37M



Cash Loss by FY (\$M)



Key Milestones		Status	ECD
1	Finalize cash loss estimation methodology	Completed	Nov-18
2	Identify cash loss amount for FY 2018	Completed	Nov-18
3	Identify true root causes of cash loss	Completed	Nov-18
4	Develop mitigation strategies to get the payment right the first time	Completed	Dec-18
5	Evaluate the ROI of the mitigation strategy	On-Track	Sep-19
6	Determine which strategies have the best ROI to prevent cash loss	On-Track	Dec-19

Quarterly Progress Goals			Status	Notes	ECD
1	Q4 2018	Consistency studies are a training tool to assess the knowledge level of a particular aspect of the claims process. The employee would take a pretest, and is required to get a 100 percent; otherwise, the employee would have to take training specific	On-Track	Notice of the consistency study date, title, and time will be provided to the ROs prior to the scheduled date of this study.	Sep-19
2	Q4 2018	There has been mandatory training for field employees in all 56 ROs on subject matter related to processing errors and temporary total evaluations, such as: Exam	On-Track	Notice of required training was sent out in a Compensation Service calendar communication on 10/3/2018. Received information on percent of RO employees who have taken related trainings thus far from training contractor, listed by training title	Sep-19

Recent Accomplishments			Date
1	Established the Individual Unemployment (IU) Annual Eligibility Review (AER) Project -- In September 2018, Compensation Service rolled out a new automated process that modifies the previous manual self-certification process to allow for an annual dat		Sep-18
2	Established use of a 'Potential Under/Overpayment' special issue used for priority routing rules on claims with potential under/overpayment. This is to monitor timeliness in completing actions for potential under/overpayments. A claims processor ad		Sep-18
3	Established a uniform administrative error paid/due calculator designed for mandated use by all ROs to ensure the proper calculation of overpayment amounts involving administrative errors greater than \$25,000.		Oct-18

FY18 Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$168M	Administrative or process errors made by: federal agency	Temporary total evaluations are not reduced at the prescribed time as prescribed at the time of the temporary award	To improve timely reduction of temporary total evaluations, a consistency study will be administered on this topic. The consistency study aims to assess field employee's current program knowledge regarding the most prevalent errors found in improper	These strategies will allow temporary total evaluations to be reduced in the proper timeframe, and thus reduce or eliminate improper payments. The goal is for no more than 5 percent of these temporary total evaluations to be pending over 125 days.
		Veterans were granted evaluation incorrectly, where there were not requirements present to justify the evaluation made. (i.e. no supporting medical opinion; pyramiding; or entitled to a lower evaluation due to a lack of sufficient exam evidence)	Continue to disseminate error trend guidance to field employees via quality calls covering procedural updates to reduce potential future evaluation errors	This error trend guidance is expected to reduce the errors, and thus reduce improper payments, where a VA medical opinion was needed, but was not solicited and as a result, it was premature to grant the benefit. Also, similar error trend guidance is
\$71M	Failure to verify: financial data	Veterans who received a disability separation payment upon release from the military subsequently received service-connected benefits based on that particular disability, but did not have that military separation payment withheld, as required by law.	Provide training to RO employees so they may have access to the "Ask Defense Finance and Accounting Service (DFAS)" website to verify separation pay amounts prior to award processing and update the M21-1 Training Program Manual to include information	Since RO employees will be required to view the actual separation amounts straight from the "Ask DFAS" portal, this will allow correct amounts to be used to withhold the separation pay amounts. This will reduce and eliminate improper payment due to