

# Goal: Getting Payments Right



**VA**  
Pension

**Brief Program Description:**

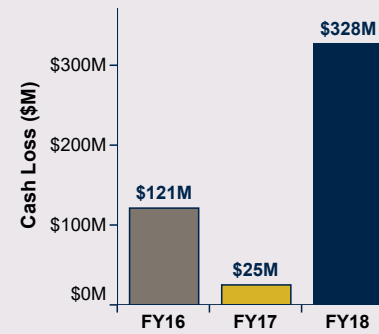
The Pension program helps Veterans and their families cope with financial challenges by providing supplemental income through Veterans Pension and Survivors Pension benefit program.

**Change from Previous FY (\$M)**

**\$304M**



**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	Dec-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	Update current SSA Death Match utilizing the Death Master File to include award dependents of Veterans and survivors/beneficiaries. Initiative would help ensure timely award adjustments based on death of dependents on VA running awards.	On-Track	Pension and Fiduciary Service drafted business requirements, however, review shows additional factors need to be considered before IT review.	Aug-19
2	Q4 2018	Upfront expansion to all Pension end products to allow display of FTI received from the Internal Revenue Service and SSA. Use of information would provide for more accurate processing of claim decisions.	On-Track	Review of updated IRS tax codes and Application Change Request (ACR) completed by Pension and Fiduciary Service. ACR forwarded to Hines to update the Corporate tables for release into production.	Feb-19

Recent Accomplishments		Date
1	Migration from outdated Systematic Technical Accuracy Review database to Quality Management System to provide consistency and standardization in the performance of individual and national quality reviews, which result in correct claims processing a	Oct-18
2	VA released regulation AO73-Net Worth, Asset Transfer and Income Exclusions for Needs-Based Benefits Regulation that establishes a bright line net worth limit to promote consistency and uniformity in pension benefits decisions; and, establishment of	Oct-18
3	Pension and Fiduciary Service completed the Targeted Program Reviews related to dependency, Medicaid adjustments and burial benefits. Final reports reflect findings to include correctness in claims processing and payment error deficiencies. Recommen	Nov-18

FY18 Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$241M	Failure to verify: financial data	Income changes not reported timely by beneficiaries	Extend Federal Tax Information functionality to claims for special monthly pension, dependency, and medical adjustments. Perform a Social Security Administration Income Match on a consistent basis to identify the date that beneficiaries begin to rec	The strategy of performing 28 bi-weekly claims reviews will indicate if total income calculations and medical expense deductions were originally correctly calculated for the Veterans and Survivors Pension payments
\$34M	Other reason	Employee missed development actions, miscalculated benefit amounts or provided incorrect claim decision.	Conduct quality monthly reviews to determine training trends for Pension Management Center and provide feedback regarding specific errors discovered. Identify claims processing deficiencies, analyze trends, and develop or update the necessary traini	The end results of updates to the manuals, guidance, policies, procedures, regulations, etc. will be re-emphasized as part of a training effort and serve as a reference for claim processors to prevent errors in processing payments, and thereby reduci
\$26M	Administrative or process errors made by: federal agency	Employees did not complete proper claim development and consider correct expenses before making final decision to award benefits.	National Training Curriculum updated to reflect processes in alignment with current policies and procedures. Mandated and refresher training provided to ensure proper claims processing.	The approach of requiring annual trainings and providing manual references, policies, and procedures will ensure proper guidance given to the employees and thereby reducing the processing of incorrectly calculated awards.