Goal: Getting Payments Right
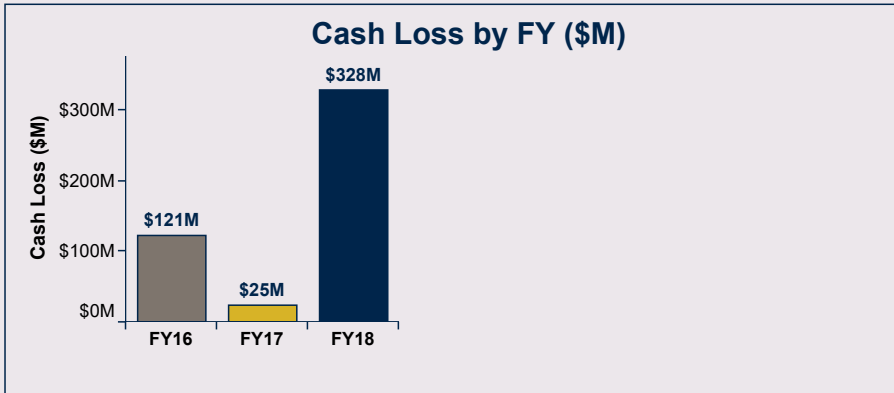
Change from Previous FY ($M)	$304M ↑

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.

Cash Loss by FY ($M)

- FY16: $121M
- FY17: $25M
- FY18: $328M

Key Milestones		Status	ECD
1	Finalize estimated cash loss estimation methodology	Completed	Nov-18
2	Identify estimated 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	Nov-18
5	Evaluate the ROI of the mitigation strategy	On-Track	Dec-21
6	Determine which strategies have the best ROI to prevent cash loss	On-Track	Dec-21

Quarterly Progress Goals

			Status	Notes	ECD
1	Q2 2019	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	Q2 2019	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	Pension & Fiduciary Service determined process will be rolled out in phases with pilot to begin June 2019, with final phase expected to be completed in June 2020.	Jun-20

Recent Accomplishments

		Date
1	Completed the Targeted Program Reviews related to dependency, Medicaid adjustments and burial benefits. Final reports findings include recommendations for improvements when errors are found.	Feb-19
2	VA released guidance establishing a bright line net worth limit, with look back and penalty periods for pre-application transfer(s) of assets, to ensure VA only pays Veterans and survivors with genuine need.	Feb-19

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 (FTI) functionality to additional claims. Perform Social Security Administration (SSA) Income Match to identify date beneficiaries begin to receive SSA income. Expand use of SSA Death Master File for use on dependents.	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. Identify claims processing deficiencies, analyze trends, and develop training. Provide electronic manual guidance, to policies, regulations, and procedures.	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.
$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.

Cash Loss - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.