

Goal: Getting Payments Right

Program or Activity
Compensation

Reporting Period
Q4 2019

Change from Previous FY (\$M)

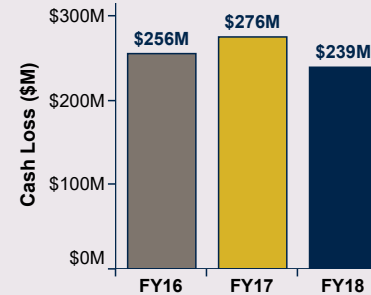
-\$37M



Brief Program Description:

The Compensation program is used to provide compensation to Veterans disabled because of injuries or diseases that occurred or were aggravated during active military service.

Cash Loss by FY (\$M)



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	Dec-18
5 Evaluate the ROI of the mitigation strategy	On-Track	Sep-21
6 Determine which strategies have the best ROI to prevent cash loss	On-Track	Sep-21

Quarterly Progress Goals	Status	Notes	ECD
1 Q4 2019 Mandatory training for field employees in all 56 Regional Offices on subject matter related to processing errors and temporary total evaluation.	Completed	99% of Regional Office employees completed the mandated training.	Sep-19
2 Q4 2019 Consistency studies are a training tool to assess the knowledge level of the claims process. This consistency study will assist in mitigating untimely reductions of temporary total evaluations.	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 on December 17th 2019.	Dec-19

Recent Accomplishments	Date
1 Drill pay and active duty processing was provided via quality call as a training vehicle to ensure correct claims processing to minimize procedural errors.	Jul-19
2 99% of employees, at the Regional Offices, completed all mandated training related to processing errors and temporary total evaluations.	Sep-19

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.	A consistency study will be administered to improve timely reduction of temporary total evaluations, to assess field employee's knowledge of improper payments. The results will be used to train regional office employees in high error areas	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 will reduce errors associated with premature grants of benefits involving evaluations where the same symptomatology was used for multiple disabilities, which is disallowed per regulation.
\$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 Regional Office (RO) employees so they may have access to the website to verify separation pay amounts prior to award processing and update the Program Manual to include information on the procedure to use this portal.	Regional Office employees will be required to view the actual separation amounts straight from the portal, allowing for correct amounts to be used to withhold the separation pay amounts, reducing duplicate payments.

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