

## Goal: Getting Payments Right

Program or Activity  
Pension

Reporting Period  
Q3 2020

Change from Previous FY (\$M)

-\$81M

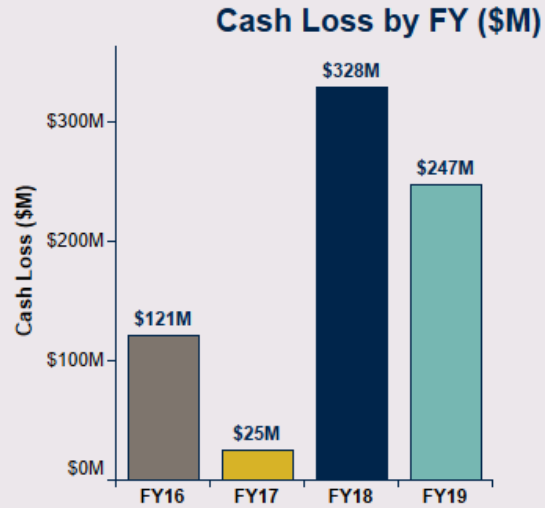


VA  
Pension

### 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.

Key Milestones		Status	ECD
1	Develop mitigation strategies to get the payment right the first time	Completed	Nov-18
2	Evaluate the ROI of the mitigation strategy	On-Track	Dec-21
3	Determine which strategies have the best ROI to prevent cash loss	On-Track	Dec-21
4	Implement new mitigation strategies to prevent cash loss	Completed	Jan-20
5	Analyze results of implementing new strategies	On-Track	Dec-21



Quarterly Progress Goals			Status	Notes	ECD
1	Q3 2020	Participating in a work group with Office of Financial Management to manually review social security income match for claimants over the age of 62 who do not currently report SSA income.	On-Track	Project plan has been developed and conducted sample on volume to gauge level of effort.	Aug-20
2	Q3 2020	With the Automation of Special Monthly Pension there will be a reduction in improper payments related to income changes not reported timely by beneficiaries.	On-Track	Collaboration efforts are underway for development of requirements for automation and vision for project completion. Goal is for program to be 90 percent automated by end of fiscal year.	Sep-20

Recent Accomplishments					Date
1	Fiscal Year To Date, 21 duplicate/double-paid award records were found, and sent to the field for correction.				Jan-20
2	P&F Service completed 60 updates to the procedures manual to help reduce the occurrences of processing errors, by adding additional procedures and updated existing procedures that simplified specific procedures where processing errors were occurring.				Jan-20
3	P&F Service and the Office of Business Process Integration (OBPI) developed requirements and deployed the automation of Dependency Indemnity Compensation (DIC) claims at the ready for decision (RFD) stage, and Service Connected (S/C) Burial claims.				Apr-20

Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$173M	Failure to verify: financial data	Income changes not reported timely by beneficiaries.	Extend Federal Tax Information (FTI) functionality to claims for special monthly pension, dependency, and medical adjustments within automation. Perform Social Security Administration (SSA) Income Match for new beneficiaries from age 62 to 66.	By automating functionality there will be a reduction in improper payments related to income changes not reported timely by beneficiaries.
\$16M	Program design or structural issues	Cost of Living Adjustments not automatically updated during batch processing.	Pension and Fiduciary Service (P&F) conducts detailed Cost of Living Adjustment (COLA) testing and review of automation before the COLA is applied to all award payments to ensure the update goes through properly.	End products are automatically created when errors in the COLA process are found to be individually remedied, leading to a reduction of improper payments.
\$6M	Administrative or process errors made by: federal agency	Ensure claim processors make accurate decision using applicable laws, policies and procedures	Conduct Special Focus Reviews (SFRs) to prevent ongoing improper payments and provide timely training and procedural updates. Review running awards to determine if recipient received newly unreported income.	By conducting these reviews there will be an increase in the quality and accuracy of claims processed, resulting in a reduction of improper payments.

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