

# IMPROVING DELIVERY OF DISABILITY COMPENSATION BENEFITS FOR VETERANS

FACT SHEET | MAY 2013

The Department of Veterans Affairs (VA) honors the sons and daughters of America who gave their fullest measure to protect our freedom. VA's Veterans Benefits Administration (VBA) is currently undergoing the largest transformation in its history to eliminate the backlog of disability compensation claims, and transform the way benefits and services are delivered to Veterans, their families, and survivors. At this time, too many Veterans wait too long to receive benefits they have earned and deserve. This has never been acceptable to VA or to the dedicated employees of VBA -- 52% of whom are Veterans themselves. VA greatly appreciates the investments in claims processing improvements provided by the President and Congress over the past 4 years.

VA is aggressively implementing its plan to eliminate the backlog - a set of actions targeted at reorganizing and retraining its people, streamlining its processes, and deploying technology designed to achieve VA's goal of processing all claims within 125 days with 98 percent accuracy in 2015. In January 2013, VA provided its *Strategic Plan to Eliminate the Disability Claims Backlog* to Congress (see link on page 2). As of May 24, 2013, 51 of VA's 56 regional offices have the new paperless system claims processing system, the Veterans Benefits Management System (VBMS), with the remainder scheduled to receive VBMS before the end of 2013.

Below are some key statistics and facts:

## Compensation Benefits Paid by VA

- Fiscal year 2012 – \$53.8 billion in benefits to 3.8 million Veterans and survivors
- Fiscal year 2011 – \$49.2 billion to 3.6 million Veterans and survivors

## Claims Inventory (as of May 25, 2013)

- Total claims inventory: 831,000; Claims backlog: 550,000 (claims pending more than 125 days).
  - Comparison to April 25: Total claims inventory: 848,000; Claims backlog: 589,000
- Nearly 2/3 (61%) of the claims in the inventory are from Veterans and survivors for whom VA has already completed at least one claim.

## Demand/Production

- VA completed more than 1 million claims each year for the last three years
  - Highest totals in VA history
- VA received over 3.5 million claims over that same time period
  - Claimed medical disabilities (issues) processed: 2009—2.7 million; 2012—over 4 million
    - 48% increase – each issue must be researched, adjudicated, and rated

## Breakout of inventory by era (as of April 30, 2013)

- Vietnam-era Veterans
  - 36% of the total inventory; 37% of the backlog
- Iraq and Afghanistan conflicts
  - 19% of the total inventory; 21% of the backlog
- Gulf War-era Veterans
  - 24% of the total inventory; 23% backlog
- Korean War and World War II
  - 7% of total inventory & backlog
- Peacetime
  - 11% of inventory & backlog



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### **Claims in the inventory by type (as of April 30, 2013)**

- Original - Veterans claiming disability compensation the first time
- Supplemental - Veterans seeking to increase existing benefits/filing for new disability(ies)
- Current Inventory: 61% supplemental; 39% original
- Supplemental Claims
  - 77% of Veterans filing supplemental claims already receive VA benefits
    - 13% receive benefits at 100% level; receive \$2,800, or more, per month
    - 34% receive benefits at 70% level or higher; receive up to \$1,200 per month
  - 42% of supplemental claims are from Vietnam-era Veterans – the largest cohort
  - 18% of supplemental claims are from Iraq and Afghanistan Veterans
- Nearly half of Veterans in the inventory are already receiving monetary compensation from VA

### **With a new initiative launched on April 19, VA is expediting compensation claims decisions for Veterans who have waited one year or more**

- VA has reduced the backlog of the oldest claims by 70,000 in 6 weeks.
- Through May 28, 2013, VA completed over 32,000 more claims than they did at the same point last year.

### **Fully Developed Claims**

The fastest way for Veterans to receive a claims decision is to file a “fully developed claim (FDC).” To file an FDC, a Veteran or his/her designated representative should submit to VA all available supporting evidence, like private medical treatment records; identify any relevant records held by federal agencies; and certify he or she has no more evidence to submit. This is the information VA needs to make a determination on a disability claim. For more information, please visit: <http://www.benefits.va.gov/fdc/>.

### **Prioritization of Claims**

VA continues to prioritize specific categories of claims, including: 1) claims of seriously wounded, ill, and injured Servicemembers separating through the Integrated Disability Evaluation System (IDES) 2) Medal of Honor recipients 3) former Prisoners of War 4) the homeless, 5) terminally ill 6) those experiencing extreme financial hardship and 7) and FDCs.

### **Healthcare Eligibility**

Veterans of recent conflicts are eligible for 5 years of healthcare from VA - regardless of the status of any disability claim submitted. More information: [http://www.va.gov/healthbenefits/apply/returning\\_servicemembers.asp](http://www.va.gov/healthbenefits/apply/returning_servicemembers.asp)

**Strategic Plan to Eliminate the Disability Claims Backlog (Sent to Congress January 2013)** [http://benefits.va.gov/transformation/docs/va\\_strategic\\_plan\\_to\\_eliminate\\_the\\_compensation\\_claims\\_backlog.pdf](http://benefits.va.gov/transformation/docs/va_strategic_plan_to_eliminate_the_compensation_claims_backlog.pdf)

### **Recent Announcements Related to Eliminating the Backlog**

April 19, 2013. VA to Expedite Claims Decisions for Veterans Who Have Waited a Year or More  
<http://www.va.gov/opa/pressrel/pressrelease.cfm?id=2436>; Fact Sheet: <http://www.va.gov/opa/pressrel/pressrelease.cfm?id=2437>

May 15, 2013. VA Mandates Overtime to Increase Production of Compensation Claims Decisions  
<http://www.va.gov/opa/pressrel/pressrelease.cfm?id=2444>

May 21, 2013. VA and Veterans Service Organizations Announce Claims Initiative to Reduce Claims Backlog  
<http://www.va.gov/opa/pressrel/pressrelease.cfm?id=2446>