

**From:** [March, Joseph H.](#)  
**To:** [Public Relations Division](#)  
**Subject:** News Release: Following congressional testimony, VBA plans to change work-credit system  
**Date:** Monday, May 10, 2010 12:02:40 PM  
**Importance:** High

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## **Following congressional testimony, VBA plans to change work-credit system**

Washington (May 10, 2010) – Four days after The American Legion testified to Congress on problems with VA’s work-credit system for processing veterans’ disability claims, the Veterans Benefits Administration (VBA) announced it will take new steps to improve the quality and timeliness of work performed by its benefit claims staff.

Ian de Planque, The American Legion’s deputy director for operations and legislative action, told a House subcommittee on May 6 that VBA’s work-credit and management systems are still geared toward a “quantity over quality,” a mindset that contributes to initial errors in processing disability claims and adds to an already enormous claims backlog.

“We’ve heard many outrageous stories from veterans about how their disability claims appeals have languished months or even years within VBA’s processing system,” said American Legion National Commander Clarence Hill. “If those claims had been properly adjudicated in the first place – if enough time had been taken to make the right decision the first time around – they wouldn’t have been delayed and veterans would not have been denied their benefits.”

Referring to de Planque’s May 6 testimony before the House Veterans’ Affairs Subcommittee on Disability Assistance and Memorial Affairs, Hill said that VBA’s plan to improve the performance of its claims processors “has to begin with the quality component, just like (de Planque) said to the House subcommittee last week.

“If VBA doesn’t properly evaluate a claim the first time around, then The American Legion or some other veterans service organization has to submit an appeal on behalf of the veteran. That appeals process can take a long time, it adds to the claims backlog, and it stops veterans from getting benefit payments they’ve already earned from their service,” Hill said.

Last week, de Planque told the subcommittee, chaired by Rep. John Hall, D-N.Y., that VA has projected an accuracy rate of 87 percent for more than one million disability claims being processed this year – a figure deemed overly optimistic by its own Office of the Inspector General. So it is reasonable to assume that VBA will inaccurately process about 130,000 disability claims this year alone.

“Errors affect lives. It is essential that the removal of errors from the system be the highest priority of reform,” de Planque told the subcommittee on May 6. “Errors take years – not hours – to correct.”

“I hope the VBA has finally gotten the message from veterans groups that their work-credit system produces bad outcomes for veterans,” Hall said in a news release from the House Committee on Veterans’ Affairs. “The VBA needs to re-engineer from the ground up how it incentivizes employees to make absolutely sure claims are decided correctly the first time.”

Under current policy, according to de Planque, VBA claims processors must earn a fixed number of production credits per day; this creates an incentive to work quickly, but not necessarily accurately.

“A lot of these claims get decided prematurely – mistakes are made,” Hill said. “So while we do welcome the news that VBA wants to address this problem, we’re still waiting for details on how, exactly, they intend to do it. Will the changes produce meaningful results, or will they be cosmetic?”

Fixing the inaccuracy of VBA claims processing has become even more critical because the number of disability claims continues to increase. In 2009, VA received more than one million claims – a 14-percent jump from the number filed in 2008. Given the ongoing wars in Iraq and Afghanistan, as well as the aging of Vietnam-era veterans, the number of claims for compensation and pension benefits should go even higher.

“VBA has yet to officially publish the proposed changes for its work-credit system,” Hill said. “We are anxiously waiting to see the substance of those changes, and whether they are likely to make claims processors more accurate in their work – every mistake they make affects the quality of a veteran’s life.”