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**Under Secretary for Benefits:
Dr. Paul R. Lawrence
Managing VBA Performance & Results: Q2 FY20
April 30, 2020**

[Show slide 1]

[Show RAY TELLEZ]

- Hello, everyone.
- I'm Ray Tellez of VBA, and I welcome you to the Managing VBA Performance and Results webcast for Quarter 2 of fiscal year 2020.
- Thank you for joining us.
- I'm pleased to introduce Dr. Paul Lawrence, our Undersecretary for Benefits.

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[Cue Slide 2]

- Thank you Ray.
- Hello everyone.
- Our world has changed since we last met.
- Through it all we have continued to deliver for Veterans.

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- I want to use the next 20 minutes or so to tell you what we have been doing by reporting on VBA's performance in the 2nd quarter of FY20.
- First, I'll give you an overview of VBA.
- Then I'll report on how each of our business lines performed and what this means for Veterans.
- I'll provide an update on special topics: Blue Water Navy, the Colmery Act, and Solid Start.
- And I'll let you know how we have been moving forward and accountable during this unusual time.

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- I'll share news about the Veterans Benefits Banking Program we launched last quarter, and
- I'll discuss how VBA has adapted in response to COVID-19.

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- I've asked 4 VBA senior leaders to talk about the special topics.
- Margarita Devlin will tell you about Solid Start, and our commitment to consistent, caring contact with new Veterans.
- Charmain Bogue will update you on the Colmery Act, and how we continue to fulfil our promises to student Veterans.
- Beth Murphy will discuss our processing of Blue Water Navy claims, and how we are fulfilling this promise to Vietnam Veterans

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- And Joe Gurney will let you know about developments in our new Veterans Benefits Banking Program, which offers Veterans a safer, more efficient delivery of benefits.
- Before we begin, let me remind you about VBA.

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- We are a nationwide organization, comprised of more than 25,000 employees—most of whom are Veterans.
- In Q2 we distributed more than \$31B in benefits.

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- We continue to act on my 3 priorities:
 1. Providing benefits to Veterans with excellent customer service;
 2. Fiscal stewardship; and
 3. Strong collaboration.
- These 3 priorities remain at the heart of everything we do.

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- Within VBA, we have 8 business lines that you see on the slide.
- Each business line is led by an accountable senior executive who is responsible for the results I will highlight shortly.

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- Before that, let me give you the bottom-line up front.
- VBA's performance in Q2 of FY20 was outstanding.

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- Each 1 of our 8 business lines exceeded their performance targets, delivering top-quality, efficient service to Veterans and families.
- Stated differently, just like we did last quarter, in Q2 we beat the performance targets we raised at the beginning of the fiscal year.
- That means, a record number of Veterans have been served this quarter.

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[Cue Slide 7]

- To the entire VBA team – Great job!
- Now, let's go through the business lines.

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- As you can see, Compensation exceeded its performance targets, processing more claims faster, and with a high level of quality.
- In fact, they beat their target by more than 20%!
- This March, they set a record for the highest number of completed disability rating claims in a single month.

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- But what does this mean for Veterans?

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- If you are a Veteran who has recently transitioned, getting benefits earlier can make the difference between covering essential expenses, like food, housing, and paying bills or falling behind.
- Thank you to our team for their continued hard work.
- Now, here's Beth Murphy to talk about processing Blue Water Navy claims.

[Show Beth Murphy]

[Cue Slide 8]

- On Jan. 1, 2020, VA began deciding claims for disability compensation under the Blue Water Navy Vietnam Veterans Act of 2019.
- As of end of March 2020, we received more than 50,000 Blue Water Navy claims from Veterans and Survivors.

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- VBA has already completed processing almost one third of these, generating more than \$305 million in retroactive benefit payments.
- As part of our work processing thousands of Blue Water Navy Claims, VBA conducts ongoing quality reviews as spot checks used to give feedback to our claims processors.
- We continue to scan and upload additional Coast Guard deck log information into the ship locator tool that we created in partnership with National Archives, Department of Defense and others.
- The ship locator tool uses data from deck logs to help VBA claims processors determine where Blue Water Navy Veterans served.
- I'm pleased to report the VBA team that created this innovative tool recently received a Gears of Government Award.
- VBA team members were Paul Shute from Compensation Service; Patrick Wilson from Office of Business Process Integration; and James Cunningham from Office of Performance Analysis and Integrity.

[Show Beth Murphy]

[Cue Slide 9]

- Congratulations to them; we appreciate their efforts in support of Vietnam Veterans.

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- If you're interested in learning more about our work on Blue Water Navy, visit benefits.va.gov and search Blue Water Navy
- And while I have you here, I'd like to share some important information about C&P Exams during the pandemic.
- As Dr. Lawrence has said, VBA continues to process claims during the COVID-19 crisis.

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- The safety and welfare of our Veterans remains our number one priority during this time, and we have adapted how we conduct examinations in support of disability claims.
- Our contract examination vendors understand the importance of protecting Veterans during the pandemic and as such are temporarily halting in-person examinations.
- All Contract Exam Vendors have been directed to suspend all in-person examinations.
- Instead, Veterans' disability examinations will be conducted virtually whenever possible.
- VBA has collaborated with VHA to expedite approval of additional telehealth devices to maximize the ability of vendors to conduct tele-video and tele-audio examinations.
- C&P examiners are also using Acceptable Clinical Evidence (or ACE) examinations, reviewing evidence in the e-folder and contacting the Veteran if necessary to get any other data or information points about the Veteran's claimed condition.
- As the virus continues to spread across the globe there are instances when vendors will be unable to complete some or all the examinations that are being requested.
- If a Veteran's current level of disability requires an in-person examination, VBA will hold that claim in abeyance until a physical examination can be conducted.

[Show Beth Murphy]

- Finally, we encourage Veterans to submit private treatment records or any other type of medical evidence in their possession to help VBA assess level of disability without an examination.
- If a Veteran does not have their private treatment records, VBA can help request and get them.

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- Now, let's turn to Appeals.
- The takeaway here is, Appeals Modernization continues to help Veterans resolve their claims quickly.

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- As you can see, we continue to drive down the number of legacy appeals and are on track to be done with them by July 4th
- I am confident that we are going to meet that deadline.
- Today, non-remand legacy appeals are at their lowest level since tracking began in 2006.
- For our 2 decision lanes—Supplemental claims and Higher-level review—we're completing our decisions faster than the targets.

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[Cue Slide 11]

- In Q2, we completed higher-level reviews 50% faster than our target.
- Congratulations to our team on this impressive achievement.
- Now, let's discuss Veterans Pension and Dependency Indemnity Compensation, or DIC.

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- It's a key part of VBA's mission to care for our Veterans in financial need through the Veterans Pension program, and
- for survivors of Veterans, whose cause of death was service-connected, through DIC.
- Veterans Pension served 232,000 beneficiaries last quarter, paying out more than \$772M.
- And we delivered more than \$1.9B in DIC benefits to 438,000 beneficiaries.
- In terms of pension we continued to exceed the number of claims completed, on average, 4 weeks faster than our target.

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- This means that Veterans and survivors spend less time waiting for the money they need.

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- Next, let's talk about Fiduciary.
- We are committed to protect the most vulnerable Veterans and their benefits from fraud and abuse.
- In Q2 we completed more than 26,000 field exams, exceeding our target by 8%.
- This is a really important part of what we do. Beneficiaries who need fiduciaries often have no one else to look out for their interests.

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- We take this responsibility seriously, often serving as their last line of defense.
- It's a special honor to support the more than 175,000 beneficiaries in the program.
- Let's talk about Insurance.

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- VA's life insurance program continues to deliver good news providing financial security to Veterans and families.
- In Q2, we provided more than \$1.2T in coverage to 5.6M people.
- As you can see, Insurance disbursed its claims quickly and accurately, beating targets.
- We've also greatly accelerated our pace to locate hard-to-find beneficiaries.

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[Cue Slide 14]

- Exceeding our insurance targets has special meaning.
- Delivering these insurance benefits is about completing our sacred promise to fulfil each Veteran's final wish.
- Let's turn to Education.

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- We are continuing to process education claims faster and with high quality.
- In Q2 we served more than 563,000 students and paid out more than \$3.5B.
- Next, Charmain Bogue will provide updates about the completion of the Colmery Act and new legislation to protect student Veterans during the pandemic.

[Show Charmain Bogue]

[Cue Slide 15]

- Good afternoon.
- We understand many students' education has been affected by COVID-19, and we are all working to adjust to these unprecedented times.

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- New legislation allows VA to continue to pay students' monthly housing allowance at the resident rate even if programs have converted to online training because of the pandemic.
- This new law covers terms that started on March 1 until December 21.
- We have provided a series of training webinars to educate schools regarding the new law.
- I want to thank the school leaders and administrators for their hard work and support over the last couple of weeks to help students.
- We continue to work with our Veterans Service Organization and National Education Association partners to get the word out.
- This spring, we began processing the new Monthly Housing Allowance in accordance with the Colmery Act.
- With this change, the housing allowance is based on the physical campus location where a student attends the majority of his or her classes.
- I am excited to report we are now accepting recertifications for impacted terms that started from August 1, 2018 to November 30, 2018.
- Our first priority is to expeditiously work with schools to ensure we make students whole.

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- Over the next couple of months, students will begin to receive additional funds for any money owed for those impacted terms.
- VA has already started to send out notifications to students and schools.
- When the recertification process is complete, we will have upheld our commitment to ensuring all GI Bill students receive their housing allowance in accordance with the law.
- I am very proud of our team's collaborative effort and unwavering dedication to serve GI Bill students, especially during these trying and difficult times.
- We continue to post updated information on our GI Bill website as well as our GI Bill Facebook page.
- Thank you to all our stakeholders—especially students—who continue to share our messaging to their networks through social media channels.

[Show Charmain]

- We understand there is still more work ahead of us, and we will continue to monitor any pending legislation and the impacts of COVID-19 for our GI Bill students.
- Our team continues to work hard for those who have served and we remain dedicated to the mission to provide GI Bill students with the education benefits they have earned with exceptional customer service.
- Thank You

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[Cue Slide 16]

- Thank you, Charmain.
- In terms of Vocational Rehabilitation and Employment we continue to provide positive outcomes for our Veterans.

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[Cue Slide 17]

- Long before COVID-19, VR&E had expanded tele-counseling, allowing Veterans to connect remotely with counselors.

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- This is especially helpful for service-disabled Veterans.
- Our early investment in tele-counseling means that we are now able to serve more Veterans remotely—and deliver support when and where they need it.
- Now, let's talk about Home Loan Guaranty.

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- We continue to issue Certificates of Eligibility faster than our targets, completing virtually all within 5 days.
- In fact, we completed the vast majority —87%--in just 1 day.
- In Q2, we guaranteed a record number of 280,000 home loans for more than \$82B.

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[Cue Slide 18]

- Simply stated, we are getting Veterans faster access to home loans.
- Let's move on to Transition and Economic Development, or TED.

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- TED administers several programs including the Transition Assistance Program (or TAP), which provides information on VA benefits and services.
- Interactions with transitioning Veterans, spouses, and caregivers that happen through TAP briefings are measured by "TAP Touches."
- For Q2, we had more than 90,000 TAP touches and surpassed our quality goal.
- We also continue to work on Solid Start.

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- You'll recall, this is the program that reaches out to new Veterans 3 times a year to support a more successful transition.

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- We've also implemented a new priority around Veterans needing mental health attention.
- Here is Principal Deputy Undersecretary Margarita Devlin to tell you more about Solid Start.

[Show Margarita Devlin]

[Cue Slide 19]

- Thank you, Dr. Lawrence.
- I'm glad to be here today to talk about Solid Start, which we launched in December, 2019.
- Solid Start is an innovative, proactive campaign, designed to support Veterans in the critical first year after their separation from the military.

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- It is no longer incumbent for the Veteran to know what the right question is or who to ask to get connected to VA. We have shifted that responsibility to VA.
- Here's how Solid Start works.
- Specially trained VA representatives are calling Veterans three times during the first year after separation from service.
- The calls are made at approximately 3 months, 6 months, and one year after separation.
- Each call is highly personal based on the needs of each Veteran.
- Solid Start callers can help Veterans on the spot with establishing claims and connecting to the entire portfolio of VA benefits.
- When necessary, they will make a warm hand-off to another service like VHA enrollment or same-day mental health appointments.
- If a Veteran is in crisis, Solid Start callers will warm-transfer them to the VA Crisis Line.
- And as mentioned before, there will be follow up calls at the remaining intervals.
- You may ask, why is VBA doing this? We have several reasons.
- Solid Start was inspired by Executive Order 13822, aimed at suicide prevention.

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[Show Margarita]

- But, most importantly, it was driven by what we have heard directly from Veterans
- Veterans told us that, at the time of separation, they are inundated with information and it is just too much to process and retain.
- They also told us that prior to separation from service, they have other more important issues on their minds, and they are not even sure yet what they might need from VA.
- Solid Start provides Veterans an opportunity to speak with a human and have a conversation that is tailored to their needs, without having to discuss information that is not relevant to them.
- This way Veterans do not have to navigate alone through what can be an overwhelming and complicated array of benefits.
- We want to start early to build life-long, trusted relationships with Veterans by providing early, proactive, consistent, and compassionate care.
- Although we only have a few months of data, our results so far have surpassed our expectations.
- Veterans have responded positively to our calls.
- We have achieved an acceptance rate of 52%, which far surpassed our expected rate of 15%.
- Also, we prioritize calls to Veterans who had a mental health appointment in the year before they separate, and for those Veterans the acceptance rate is even higher at 66%.
- We have reached more than 50,000 Veterans since we started.
- And, we are using the feedback from Veterans and the information they are seeking to continually help us improve the process.
- We are pleased at how agile this program is – for example, we have already been able to adapt to include COVID-19 related information in the calls including information on how to access health care, receive assistance with employment issues, and connect with financial information and resources.
- You can find more information about Solid Start on our website, benefits.va.gov.
- Thank you.

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[Cue Slide 20]

- Thank you, Margarita.
- We continue to hold ourselves accountable as good stewards of taxpayer dollars.
- We manage our budget, participate in hearings, and continue to meet with Veterans.

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- This quarter, in order to stay connected and responsive to Veterans during the pandemic, I've introduced 2 new ways to engage and inform:
- I began using LinkedIn Live every Friday at noon to give updates on VBA in less than 10 minutes.
- And we're conducting tele-townhalls to interact with as many Veterans as possible and answer their questions.

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- I'm proud that VBA has been agile during this time, and that we've kept our commitment to interact with as many Veterans as we can.
- Speaking of new things, in late December we introduced the Veterans Benefits Banking Program.
- Next, Joe Gurney will talk about how the program has grown.

[Show Joe Gurney]

[Cue Slide 21]

- Thank you, Dr. Lawrence.
- We are aware that some Veterans face hurdles to accessing and securing the money they receive from VBA.
- Many Veterans do not have a bank or credit union account where they can receive their benefits, so they resort to a pre-paid debit card or a paper check they receive through the mail.
- Pre-paid cards and checks open Veterans up to scams, fraud, theft and increased service fees.

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- And when there is a problem it can take more than 45 days to straighten out an issue.

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- We've found a way to get Veterans funds that is faster, safer and involves fewer fees.
- VBA has partnered with the Association of Military Banks of America, or AMBA, to create the Veterans Benefits Banking Program.
- Participating financial institutions are willing to work with any Veteran who needs an account.
- Veterans who are happy with the pre-paid debit card or checks can continue to get their benefits that way.
- If you already have a bank or credit union you're happy with, there's no need to change.
- But for those Veterans looking for a safer option in these uncertain times, the military-friendly financial institutions of the Veterans Benefits Banking Program offer 28 great options.
- They understand the needs of Veterans and their families.
- Through the Veterans Benefits Banking Program your benefits go directly to your account at a participating bank or credit union.
- All of these financial institutions offer full protection of your money through the Federal Deposit Insurance Corporation or the National Credit Union Administration.
- We launched VBBP in December of last year with a financial literacy campaign and just four banks onboard.
- As of the end of March, we have 9 banks and 19 credit unions participating.
- The Veterans Benefits Banking Program is making a difference in the lives of Veterans.

[Show Joe Gurney]

- I want to thank AMBA for partnering with us to bring better banking to more Veterans.

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- And I also want to thank the Defense Credit Union Council, banks and credit unions who have volunteered to help us offer this service to those who have served our country.
- For more information, go to our Veterans Benefits Banking web page on the screen.

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[Cue Slide 22]

- At VBA we rely on VA's IT team.
- I again want to thank VA Chief Information Officer Jim Gfrerer and his entire team for their strong partnership.

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- I'd like to offer a special thank you to the VBA Account Leaders.
- Brad and Rob understand the work we do and help us leverage technology so we can do that work better.
- We wouldn't be where we are today without all of their help.

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[Cue Slide 23]

- At the end of Q2, COVID-19 changed the way we work at VBA.
- In response, we closed our physical offices and leveraged telework to protect the health of our employees and Veterans.

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- But we are still working and you can always contact us through va.gov or call us at 1-800-827-1000.
- As you heard from Beth and Charmain, we are adjusting to address important issues like C&P exams and payments to student Veterans.
- Two other items of note: we are granting extensions—just let us know.
- We are temporarily suspending debt. Call us at 1-800-827-0648 if you have a question.

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- Again, call 1-800-827-1000 with your benefits questions.
- And if you or someone you know is in crisis, please call the crisis line at 1-800-273-8255.

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[Cue Slide 24]

- The point is: VBA is still here and ready to deliver seamless access and support Veterans and their families need during this time of uncertainty.
- Call, email or join any of our tele-townhalls to get the information and support you need.

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- To summarize, all VBA business lines delivered an outstanding performance in Q2.
- During this quarter we've done more, faster.
- We continue to fulfil our promises.
- We are completing the Colmery Act.
- We are honoring America's last promise to Vietnam Veterans with Blue Water Navy.
- We are innovating how we reach Veterans with Solid Start.
- And we are bringing real protection to Veterans and their benefits with the Veterans Benefits Banking Program.
- Our success is not an anomaly. This is the 4th consecutive quarter all VBA business lines have exceeded their targets.
- We are raising the bar on performance. And have raised our expectations on ourselves for how we support Veterans.

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- Let me tell you why this matters.

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- When we complete a record-number of claims or appeals or other items I just described, we are actually delivering on the commitment America made to Veterans for their service.
- And, we are delivering on 2 important directives.
- We are meeting VA Secretary Wilkie's call to provide Veterans with excellent customer service.
- And we are fulfilling President Lincoln's charge to us in his 2nd inaugural address, "To care for him who shall have borne the battle."
- This quarter at VBA has been different than we imagined at the start.
- But as these results demonstrate, our tenacity and commitment to serve our Veterans also means we are still on track to have our #BestYearEver.
- Thank you for joining me.
- Stay safe and healthy.

[Show Ray Tellez]

[Cue Slide 25]

- This completes the webcast on Managing VBA Performance and Results for Quarter 2 of Fiscal Year 2020.

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- Don't forget: we invite you to connect with VBA through our channels.
- A recording of today's presentation will be available at **benefits.va.gov/stakeholder**.
- For VA customer service, you may call: **1-800-827-1000**.
- To learn more about VA Benefits, visit: **benefits.va.gov**.

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- Please stay tuned for the After Show.
- This will be a short presentation on how VBA has remained open for business and how we continue to do more through COVID-19.

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[Show Ray Tellez]

- We'll let you know how we've adapted to stay connected with Veterans, and talk about the key information we've learned through tele-townhalls and Solid Start calls.
- Until next time.
- #BestYearEver