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Disabled Veterans in Southern California Must Wait Months for VA Assistance

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DISABLED VETERANS IN SOUTHERN CALIFORNIA MUST WAIT MONTHS FOR VA ASSISTANCE

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EXECUTIVE SUMMARY

The VA is having severe problems providing injured veterans with benefits in a timely fashion. In October 2004, VA reported that over 300,000 veterans were currently waiting for disability assessments to determine if they would receive benefits for injuries they received in combat. Many of these veterans must wait months in order to obtain benefits.

At the request of Rep. Henry A. Waxman, this report analyzes waiting times for the processing of disability claims for veterans in Southern California. It finds that almost 10,000 disabled veterans in Southern California are waiting for resolution of their disability claims and that the average veteran in the region must wait over six months before receiving VA benefits. These long waiting times delay millions of dollars worth of benefits for disabled veterans in Southern California.

Potential VA budget cuts could make this problem even worse, particularly as veterans return from operations in Iraq and Afghanistan. Almost 10,000 veterans of the wars in Afghanistan and Iraq are presently waiting for disability assessments, with thousands more expected to file claims in future years. But the President's proposed budget would cut hundreds of VA staff that handle benefits claims, and veterans groups have indicated that funding levels proposed by Congress would have "a devastating impact on the VA's ability to deliver timely services."

BACKGROUND

VA's Disability Benefits Program

The disability compensation program of the Department of Veterans Affairs pays monthly benefits to veterans who suffer from injuries or illness due to their military service. Presently, the VA pays approximately \$18 billion annually in disability benefits to approximately 2.4 million disabled veterans.¹

¹ Department of Veterans Affairs, *Disability/Degree of Impairment and Type of Major Disability by Period of Service, September 30, 2002 (2004)* (online at <http://www.va.gov/vetdata/ProgramStatics/index.htm>).

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In California, there are approximately 2.3 million veterans.² Almost one in ten of these veterans — 215,000 — receive disability benefits from VA.³ Overall, VA pays \$1.65 billion in benefits to disabled veterans in California each year.⁴ The average disabled veteran in California receives compensation of \$639 per month, or \$7,672 annually.⁵

When applying for disability benefits, veterans receive a disability rating of between 0% and 100%, indicating the extent of their disability. Disability benefits are based upon this disability rating. Benefits range from a low of approximately \$106 per month for a veteran with a disability rating of 10% to a high of approximately \$2,239 per month for a veteran who is 100% disabled.⁶

In recent years, the VA has been criticized because of long delays in processing disability claims. Although 70% of all disability claims are ultimately approved, veterans must often wait months for the VA to review and approve their applications.⁷ According to the Government Accountability Office, the VA:

continues to experience problems processing veterans' disability compensation and pension claims. These include large backlogs of claims and lengthy processing times. . . . [E]xcessive claims inventories have resulted in long waits for veterans to receive decisions on their claims and appeals.⁸

In response to these concerns, the VA established an agency goal for FY 2004 of processing all ratings-related disability claims within 105 days.⁹ Yet despite the length of this goal, the VA is not meeting its own target. The VA reports that

² Department of Veterans Affairs, Veterans Benefits Administration, *Annual Benefits Report, Fiscal Year 2003* (June 2004) (online at www.vba.va.gov/bln/dmo/reports/fy2003/2003_abr_rev.pdf).

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ Department of Veterans Affairs, *Disability Compensation: 2004 Rates* (Dec. 2003) (online at www1.va.gov/OPA/fact/04combrates.html).

⁷ Department of Veterans Affairs, *supra* note 2.

⁸ GAO, *Veterans Benefits: Despite Recent Improvements, Meeting Claims Processing Goals Will Be Challenging* (Apr. 26, 2002) (GAO-02-645T).

⁹ VA, *FY 2003-2008 Strategic Plan* (2003) (online at www.va.gov/opp/sps/default.htm).

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nationwide, there are 325,000 disability cases pending, with veterans waiting an average of 153 days for resolution of their claim. In one of every five cases, veterans have to wait over six months for a resolution.

VA Funding and Its Impact on Waiting Times

The long waiting times for disability assessments are already having a significant impact on veterans of the wars in Iraq and Afghanistan. An estimated 166,000 veterans of these two wars have left the services, and over 26,000 of these veterans, 16%, have applied for disability benefits from VA. More than one in three — 9,750 veterans — are currently on waiting lists and have yet to receive assessments.¹⁰

These problems could become even worse in future years. The President's budget for FY2005, which began on October 1, 2004, called for cutting over 500 positions from the Veterans Benefits Administration, the VA office that handles disability assessments.¹¹ While Congress has yet to finalize this budget, the proposals currently under discussion would still leave VA well short of meeting the needs of veterans. On September 20, 2004, the leaders of the VFW, Disabled American Veterans, the Paralyzed Veterans of America, and AMVETS wrote that the budget levels under discussion "will have a devastating impact on the VA's ability to deliver timely services."¹²

Noting that in future years the demand for benefits is likely to increase significantly due to veterans returning from Iraq, a spokesman for the Disabled American Veterans concluded that, "[t]he system is already strained, and it's going to get strained even worse. It's not a rosy picture at all, and they can't possibly hope to say they're going to provide timely benefits to the new folks if they can't provide timely care to people already in the system."¹³

METHODOLOGY

Veterans with disabilities submit their claims to one of 57 regional VA offices. On a weekly basis, these offices report their progress on claims to the VA. The data that is reported weekly includes the number of outstanding disability claims

¹⁰ *Influx of Wounded Strains VA*, Washington Post (Oct. 3, 2004).

¹¹ Department of Veterans Affairs, *FY2005 Budget Submission*, Volume 1 of 4 (Feb. 2004).

¹² Letter from AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and VFW, to Member of the House and Senate (Sept. 20, 2004).

¹³ David Autry, Disabled American Veterans, quoted in Washington Post, *supra* note 10.

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and the number of claims that have taken over 180 days to review.¹⁴ The regional VA offices also report the average waiting time for ruling on disability claims, though this data typically lags the weekly data by several months.¹⁵

At the request of Rep. Waxman, the Special Investigations Division obtained both the weekly data and the data on average waiting times at the VA regional office in Los Angeles, which serves disabled veterans throughout Southern California. This data was analyzed to assess how long veterans in Southern California must wait to receive resolution of their disability claims.

FINDINGS

Waiting Times for Evaluation of VA Disability Claims in Southern California

At the regional VA center in Los Angeles, there were 9,880 veterans with pending VA disability claims as of October 2, 2004. Almost one in four of these veterans, 2,257 (23%), have been waiting six months or longer for resolution of their claim.

The most recent data on average waiting times for Southern California veterans was reported by the VA center in Los Angeles in July 2004. According to this data, the average veteran currently on the waiting list has been waiting for 133 days. Most can anticipate waiting even longer before their claims are finally processed. Veterans whose disability claims were finally processed in July 2004 had waited an average of 205 days before their claim was completed. These waiting times are significantly longer than the national average. Nationally, the VA reports that the average waiting time for completed claims in July was 153 days. The average waiting times in Southern California were over 50 days longer.¹⁶

Comparison of Average Waiting Times to VA Goal

The VA has established a goal of reducing average waiting times for resolution of VA disability cases to 105 days. The VA is far from meeting this goal in Southern California. In fact, the average waiting time of 205 days experienced by

¹⁴ Department of Veterans Affairs, Veterans Benefit Administration, *Office of Performance Analysis and Integrity, Monday Morning Workload Reports* (2004) (online at www.vba.va.gov/bln/201/reports/mmrindex.htm).

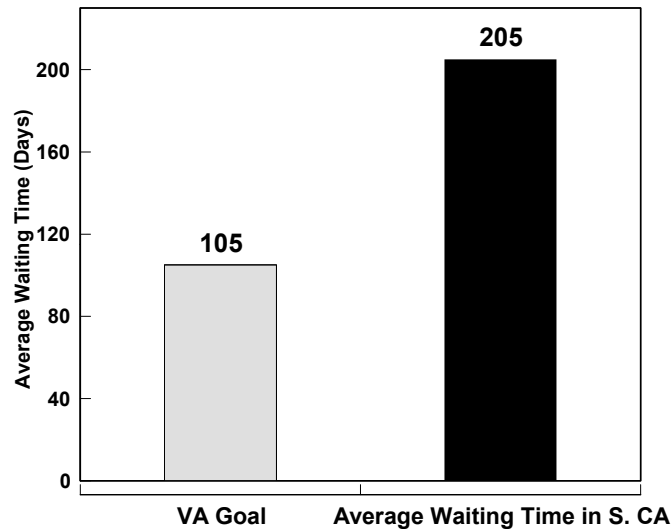
¹⁵ Department of Veterans Affairs, *C&P Average Days to Complete A Ratings Related Action* (Aug. 2004).

¹⁶ *Id.*

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disabled veterans in Southern California is almost twice as long as the VA goal (Figure 1).

Figure 1: Veterans in Iowa Must Wait Months for Resolution of Disability Claims



Waiting Time Trends

The number of Southern California veterans waiting for resolution of disability claims, and the number waiting six months or more, both appear to be increasing. In October 2003, there were 7,213 veterans waiting for resolution of their claim, and 1,106 of these veterans (15%), had been waiting over six months. By October 2004, the waiting list had increased to 9,880 veterans, and over twice as many veterans, 2,257 (23%), had been waiting six months or longer.

Long Waiting Times Can Have Substantial Financial Impacts

The long waiting times for disabled veterans in Southern California can have substantial financial impacts. In Southern California, the average disability payment is \$639 per month. Although veterans who ultimately receive disability benefits will receive payments for the time spent on waiting lists, the months living without benefits can cause financial hardships. For the average disabled veteran in Southern California, the delay will result in delayed benefits of approximately \$4,300. The longest delays can have even larger consequences. If a veteran who is 100% disabled has to wait six months or more to receive benefits, the value of the delayed benefits would at least \$13,400.

An estimated 70% of the 9,880 veterans with pending disability claims in

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Southern California will ultimately receive benefits and they will wait an average of almost seven months for these benefits. The total value of the delayed benefits for Southern California veterans with disabilities will be approximately \$30 million.

CONCLUSION

The VA has had longstanding problems evaluating veterans' disability claims in a timely fashion. These problems have had a significant impact in Southern California. Veterans in Southern California are waiting an average of over six months for their disability claims to be evaluated. These long waiting times, which appear to be increasing, delay the payment of millions of dollars in disability payments. Budget proposals currently under consideration in Congress would make these delays even worse.