



Highlights of [GAO-05-47](#), a report to the Committee on Veteran's Affairs, U.S. Senate

Why GAO Did This Study

The Chairman and Ranking Minority Member, Senate Committee on Veterans' Affairs, asked GAO to assist the committee in its oversight of the Veterans Benefits Administration's (VBA) disability compensation and pension programs. This report examines (1) VBA's determination and justification of claims processing staffing levels, and the role of productivity in such determinations, and (2) VBA's projections of future claims workload and complexity.

What GAO Recommends

To assist the Congress in its oversight of VBA's compensation and pension claims processing operations, GAO recommends that the Secretary of Veterans Affairs direct the Under Secretary for Benefits to prepare several types of information and work with the appropriate congressional committees and subcommittees on how best to make it available for their use. This includes information on (1) the expected impact of specific initiatives and changes in incoming claims workload on requested staffing levels; (2) claims processing productivity, including how VBA plans to improve productivity; and (3) how claims complexity is expected to change and the impact of these changes on productivity and requested staffing levels.

VA concurred with GAO's recommendation.

www.gao.gov/cgi-bin/getrpt?GAO-05-47.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Cynthia A. Bascetta at (202) 512-7215 or bascettac@gao.gov.

VETERANS' BENEFITS

More Transparency Needed to Improve Oversight of VBA's Compensation and Pension Staffing Levels

What GAO Found

VBA's fiscal year 2005 budget justification did not clearly explain how the agency would achieve the productivity improvements needed to meet its compensation and pension claims processing performance goals with fewer employees. According to VBA officials, productivity improvements, workload changes, and employee attrition were considered in developing its fiscal year 2005 budget request. While some of these factors were identified in VBA's budget justification, they were not linked to the requested full-time equivalent (FTE) employment levels. Also, VBA's justification did not specifically address its claims processing productivity or how much VBA planned to improve productivity. Finally, VBA does not explain the impacts of VBA budgetary decisions on long-term productivity. VBA officials identified information technology improvements and training programs that could help improve productivity but have been delayed because VBA shifted funding from these initiatives to support higher staffing levels. This was done to help meet VBA's shorter-term goal to improve claims decision timeliness, in particular the Secretary of Veterans Affairs' goal to reduce decision time for rating-related claims to an average of 100 days. More transparent budget justifications would better inform congressional oversight of VBA by making it easier to evaluate whether the agency's budget requests reflect the resources, particularly staffing, needed to achieve expected performance.

VBA estimated the number of claims it expects to receive (receipts) in fiscal year 2005 based on historical workload trends, with adjustments for factors that could affect future receipts, notably the impact of legislation allowing some military retirees to concurrently receive Department of Veterans Affairs (VA) disability compensation and military retirement pay. The accuracy of VBA's projections of rating-related receipts for fiscal years 2000 through 2004 was mixed, varying from underprojecting by about 11 percent to overprojecting by about 19 percent. Actual receipts in fiscal year 2004 exceeded VBA's projections. Meanwhile, VBA did not project claims complexity in its fiscal year 2005 budget justification and did not explain how it expected claims complexity to affect its productivity and requested staffing levels. A claim's complexity can be affected by many factors, such as the number and types of disabilities claimed. VBA's budget justification could be improved if the agency explained how changes in complexity affect workload and staffing requirements.