



Highlights of [GAO-07-562T](#), a testimony before the Subcommittee on Disability Assistance and Memorial Affairs, Committee on Veterans' Affairs, House of Representatives

### Why GAO Did This Study

The Subcommittee on Disability Assistance and Memorial Affairs, House Veterans' Affairs Committee, asked GAO to discuss its recent work related to the Department of Veterans Affairs' (VA) disability claims and appeals processing.

GAO has reported and testified on this subject on numerous occasions. GAO's work has addressed VA's efforts to improve the timeliness of decisions on claims and appeals and VA's efforts to reduce backlogs.

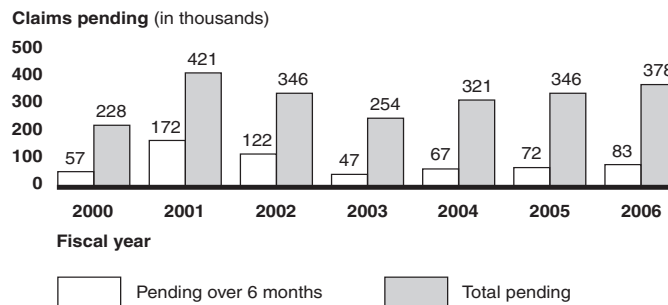
## VETERANS' DISABILITY BENEFITS

### Processing of Claims Continues to Present Challenges

#### What GAO Found

VA continues to face challenges in improving service delivery to veterans, specifically speeding up the process of adjudication and appeal, and reducing the existing backlog of claims. For example, as of the end of fiscal year 2006, rating-related compensation claims were pending an average of 127 days, 16 days more than at the end of fiscal year 2003. During the same period, the inventory of rating-related claims grew by almost half, in part because of increased filing of claims, including those filed by veterans of the Iraq and Afghanistan conflicts. Meanwhile, appeals resolution remains a lengthy process, taking an average of 657 days in fiscal year 2006. However, several factors may limit VA's ability to make and sustain significant improvements in its claims-processing performance, including the potential impacts of laws and court decisions, continued increases in the number and complexity of claims being filed, and difficulties in obtaining the evidence needed to decide claims in a timely manner, such as military service records. VA is taking steps to address these problems. For example, the President's fiscal year 2008 budget requests an increase of over 450 full-time equivalent employees to process compensation claims. VA is also working to improve appeals timeliness by reducing appeals remanded for further work.

**Rating-Related Claims Pending at End of Period, Fiscal Years 2000-2006**



Source: VA data.

While VA is taking actions to address its claims-processing challenges, opportunities for significant performance improvement may lie in more fundamental reform of VA's disability compensation program. This could include reexamining program design such as updating the disability criteria to reflect the current state of science, medicine, technology, and labor market conditions. It could also include examining the structure and division of labor among field offices.

[www.gao.gov/cgi-bin/getrpt?GAO-07-562T](http://www.gao.gov/cgi-bin/getrpt?GAO-07-562T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Daniel Bertoni at (202) 512-7215 or [bertonid@gao.gov](mailto:bertonid@gao.gov).