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**Under Secretary for Benefits: Dr. Paul R. Lawrence
Managing VBA Performance & Results: Q1 FY20
January 30, 2020**

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[Show RAY TELLEZ]

- Good afternoon, everyone.
- I'm Ray Tellez of VBA, and I welcome you to the Managing VBA Performance and Results webcast for Quarter 1 of fiscal year 2020.
- Thank you for joining us as we begin a New Year.
- Along with Dr. Paul Lawrence, we will be joined today by Charmain Bogue, Executive Director of VBA's Education Service, and Beth Murphy, Executive Director of VBA's Compensation Service.

[Show TELLEZ AND USB]

- Now it is my pleasure to introduce our Under Secretary for Benefits, Dr. Paul Lawrence.

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- Thanks, Ray. Hello everybody.
- I'm pleased to be here again to report on VBA's performance in the first quarter of FY20.
- Time is valuable, so let's get started.

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- You'll recall that VBA had a strong end to FY19.
- We did so well that we raised performance targets for 6 of our 8 business lines for FY20.
- And we challenged ourselves to have our #BestYearEver.
- Over the next 20 minutes or so, I'll report on how we are doing with these new goals

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- And highlight important activities from the past few months. I'll:

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- Review how each VBA business line performed and what that means for Veterans.
- Update you on the promises we made at the end of FY19.
- And let you know how we're progressing to make FY20 VBA's #BestYearEver.
- Before we begin, let me remind you about the reach and priorities of VBA.

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- We are a nationwide organization, comprised of more than 25,000 employees—most of whom are Veterans.
- In Q1 we distributed more than \$30B in benefits.
- We continue to act on my 3 priorities:
 1. Providing benefits to Veterans with excellent customer service;
 2. Fiscal stewardship; and
 3. Strong collaboration.

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- Everything we do relates back to these 3 priorities.

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- Within VBA, we have 8 business lines that you see on the chart.
- I'll highlight performance data for each business line for the past quarter.

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- As I mentioned, FY19 was a great year for VBA.

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- Our teams exceeded the targets we set and accelerated performance across the organization.
- As you can see on the chart, we raised these targets, challenging ourselves to do more, faster.

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- Before I go into the specifics of how each business line performed, let me give you the bottom-line up front.

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- In the 1st quarter of FY20, every 1 of VBA's 8 business lines met or exceeded their new targets.
- Because of this, I call our performance in the 1st quarter of FY20 outstanding.

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- Now, let's go through the business lines and touch on highlights.

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- As you can see, Compensation exceeded targets for Q1.
- We processed more claims faster, and with a high level of quality.
- In addition to our usual claims, we started processing Blue Water Navy claims.
- Beth Murphy will talk more about Blue Water Navy later in the broadcast.
- And I want to draw your attention to something else.
- We have achieved a record-low claims backlog—or claims that have been pending more than 125 days.
- In November, the backlog was 64,783.
- As a reminder, in March of 2013 the backlog peaked at 611,000.

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- The point is: Veterans are getting decisions faster, and spending less time waiting.
- Now, let's talk about Appeals.

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- As you can see, we continue to drive down legacy appeals.
- That's fantastic, but the even bigger news is the overall success of Appeals Modernization.
- The new Appeals process allows Veterans 3 decision-lanes to choose from.
- 2 of these—the Supplemental and Higher-Level review lanes—are administered by VBA.
- The target to complete these claims is 125 days—and we're beating that target.

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[Cue Slide 9]

- This means that if you use either of these 2 decision lanes, you are getting your claim resolved quickly and faster than the target.
- In short, Appeals Modernization is working, bringing Veterans decisions faster.

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- Now, let's discuss Veterans Pension and Dependency Indemnity Compensation, or DIC.
- We place a special emphasis on caring 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.
- This year we are reporting these 2 programs together because of the impact they have on our Veterans and survivors at critical times in their lives.
- Veterans Pension served 237,000 beneficiaries last quarter, paying out more than \$785M.
- And we delivered more than \$1.9B in DIC benefits to 437,000 beneficiaries.

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- We did this work faster than our targets.
- I'm proud of our team's great effort and what it means for those we serve.
- Next, let's talk about Fiduciary.

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- This program protects vulnerable Veterans and their benefits from fraud and abuse.
- There are more than 177,000 beneficiaries in the program.
- This quarter we completed nearly 25,000 field exams to the homes of our most vulnerable beneficiaries, exceeding our target.

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- Protecting benefits for this group remains a key priority for VBA.
- Next, let's talk about Insurance.

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- VA's life insurance program was developed to provide financial security, given the extraordinary risks involved in military service.
- In Q1, we provided more than \$1.2T in coverage to 5.7M people.
- As you can see, Insurance beat its targets, disbursing claims quickly and accurately.
- Now I'd like to draw your attention to a challenge the Insurance team undertook in Q1 to locate as many hard-to-find beneficiaries as possible.
- Their goal was to find 383 of these beneficiaries in Q1 of FY20.

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- I'm glad to report they rose to the challenge and managed to far exceed this target.
- With more than 1,400 beneficiaries found, they almost met their target for all of FY20 in the first quarter.
- Congratulations to the Insurance team—great job.
- Let's turn our focus to Education.

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- In Q1 Education served more than 577,000 students, paying out more than \$3.1B.

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- As you can see, Education beat targets for both timeliness and accuracy.

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- The bottom line here is that student Veterans are getting their education claims faster than before—and with excellent quality.
- Of course, there's much more to say about Education.
- In a few minutes, Charmain Bogue will talk about the completion of the Colmery Act and what that means for student Veterans.
- Let's turn our attention to Vocational Rehabilitation & Employment.

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- VR&E supports Veterans who have received a service disability rating by connecting them with programs for employment, independent living, and education.
- In the 1st quarter of FY20, more Veterans used VR&E services.
- And more Veterans experienced positive outcomes.
- That means more service-disabled Veterans are able to achieve their career and education goals and work towards financial wellbeing.

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- I'm proud we are continuing this positive trend.
- Now, let's talk about Home Loan Guaranty.

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- In Q1, we guaranteed nearly 260,000 home loans for more than \$76B.
- The team beat the target to complete Certificates of Eligibility within 5 days.
- And you'll recall that in Q4 of FY19 we set a new target, challenging them to complete 75% of these certificates in just 1 day.
- As you can see, they beat this target.

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[Cue Slide 15]

- The bottom line here is that Veterans have faster access to home loans.
- We also helped more than 22,000 Veterans avoid foreclosure.
- And we continued to provide specially adapted housing grants.
- Thank you to our team for this excellent performance.
- Your work helps Veterans achieve home ownership, a key part of the American Dream.
- 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 Q1 of FY20, we had more than 90,000 TAP touches.
- And our customer satisfaction rating was 96%--better than our target.
- TAP is an important part of VA's effort to improve the military to civilian transition journey, but it's only 1 part of the work TED does.
- On December 2, TED launched Solid Start, a new program that fundamentally changes the way VA interacts with Veterans in transition.

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- Highly trained Solid Start counselors are now reaching out to Veterans by phone 3 times during the critical first year of separation from the military.

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- During these phone calls, counselors can connect Veterans with VA benefits and partner resources and ensure they are aware of free mental health resources.
- If you get a call from Solid Start, ask any question you like, and the highly trained counselor on the other end of the line can help.
- We'll talk more about Solid Start in the next quarterly webcast.
- We had outstanding results in Q1 of FY20, with all business lines meeting or exceeding targets.
- But before moving on, I want to take a moment to again thank VA Chief Information Officer Jim Gfrerer and his entire team for their continued partnership in VBA's performance improvement.

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- As we raise targets to improve service to Veterans, we rely on Mr. Gfrerer and his team to help us improve our technology systems, processes and measures.
- They continue to be great collaborators, and we wouldn't be where we are today without their help.

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- In Q1 we continued to fulfill Secretary Wilkie's commitment to increase our outreach to Veterans.

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- As I just mentioned, Solid Start is an important part of that outreach.
- In addition, VBA completed nearly 2,500 outreach events. Of those, more than 500 were targeted to homeless Veterans.
- I also went to VSO posts, and conducted roundtables with Veterans, Service members and families across the country.

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- For those of you who want to keep track, follow me on social media.

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- In terms of the budget, we continue to be able stewards, and spend the money we are provided carefully.
- And we participated in hearings and other oversight activities throughout the quarter, continuing our commitment to accountability and transparency.

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- At the end of FY19 I made 2 promises for the first quarter of FY20.
- I promised that we would complete the Colmery Act and begin adjudicating Blue Water Navy claims.

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- I'm proud to report that we fulfilled both of these promises.
- Charmain Bogue will discuss Colmery Act completion next.
- And then Beth Murphy will talk about our Blue Water Navy implementation.

[Show Ray Tellez]

- Thank you, Dr. Lawrence.
- I'm pleased to introduce Executive Director of Education Service, Charmain Bogue.

[Show Charmain Bogue]

[Cue Slide 19]

- Hello, I'm glad to be here to talk with you today.
- When we announced the reset of the Colmery Act in November of 2018, we immediately got to work to ensure we could meet the deadline.

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- We clarified accountability and program support.
- We teamed with OIT in a yearlong effort to streamline technology delivery.
- As you know, we met our promise to deliver on December 1, 2019.

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- Within the first week we corrected over 850,000 records to begin the process of paying GI Bill students in accordance with the Colmery Act.

[Show Charmain Bogue]

- I'm proud of the work we did to deliver on this promise to our GI Bill students.
- This work and the Colmery Act's impact also includes:

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- Awarding more than 950 STEM scholarships since August of last year.
- Delivering over 7,000 Certificates of Eligibility in less than a year to Veterans eligible for VET TEC.
- Increasing education benefits to the 100% level for more than 2,300 Purple Heart Veterans.
- Restoring over 17,000 months of GI Bill entitlement to those students affected by school closures.

[Show Charmain Bogue]

- This was made possible because of the hard work of the 2,000 dedicated women and men working in our regional processing offices in Buffalo, St. Louis, and Muskogee who support our GI Bill students each and every day.
- I also want to acknowledge our state approving agencies who are the gatekeepers in approving education programs and who work with us to ensure that we provide effective oversight of over 400,000 GI Bill education programs across the nation.
- And to the over 30,000 school certifying officials who are on the frontline helping our GI Bill students navigate the benefit process to attain their educational goals... I say Thank You!
- Please join us at next quarter's webcast where we will have more to discuss about our journey over the last year on our national school tour and the "true-up—" coming this spring.

[Show Ray Tellez]

- Thank you, Charmain.
- As you may know, the Blue Water Navy Vietnam Veterans Act was signed into law by President Trump on June 25, 2019, with an effective date of January 1, 2020.

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- Secretary Wilkie exercised his authority under the law to issue a stay on completing these claims to give VA time to prepare, and we promised to begin adjudicating claims on January 1, 2020.
- Now, Executive Director of Compensation Service Beth Murphy will talk about Blue Water Navy.
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[Show Beth Murphy]

[Cue slide 20]

- Thanks, Ray.
- Across VA, we got to work to prepare to serve Vietnam Veterans who have waited so long for these benefits.
- In order to more quickly determine Veterans' locations in the Republic of Vietnam theater, we partnered with the National Archives .
- They gave us access to deck logs of vessels to scan and digitize.
- This amounts to 26,000 boxes of deck logs, consisting of about 28 million images.

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- We trained all field personnel on the new law.
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- We also gave additional training to experienced claims specialists who are designated to process and adjudicate Blue Water Navy claims.
- They hit the ground running.
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- On December 31, 2019—which was January 1, 2020, at our Manila Regional Office in the Philippines—we completed our first awards.
- To date, we have received more than 23,000 claims from Veterans and more than 1,600 survivor claims.
- We encourage you to file your claim today. You can search VA.gov for Blue Water Navy.

[Show Beth Murphy]

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- I want to take a moment to give a shout out and a big Thank You to the hundreds of VBA employees who worked so hard over the past months to make sure we are able to provide Blue Water Navy Vietnam Veterans with these benefits.

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[Cue Slide 21]

- Thank you, Beth.
- I want to take a moment to close the loop on this topic with our Vietnam Veterans.

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- While this webcast is about performance and we look at the numbers to evaluate our success, we know that behind every number is a transitioning Service member, Veteran or a family member.
- These are just a few of the faces of Veterans we are reaching out to about Blue Water Navy.
- I know there are Veterans who have waited a long time for this law.
- We understand your frustration.

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[Cue Slide 22]

- We promise to get claims done for Blue Water Navy Veterans as quickly as possible.
- I want you to know that VBA is here, and we're all in on Blue Water Navy.
- We will honor you by fulfilling America's last promise to you for your service.
- In the coming months I will be doing LinkedIn live events with VSOs to make sure that Veterans are aware of both Blue Water Navy benefits and all the benefits and services VBA provides.
- One last, but very important item.

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- I want to highlight the new Veterans Benefits Banking Program.

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- This is an easier, more efficient way to receive your VA benefits through world-class American financial institutions.
- Veterans can get a free checking account through any of the participating banks and have their VA benefits directly deposited.
- This program offers easy access to your benefits, greater security, and helps prevent fraud.
- If you're not satisfied with how you receive your benefits, I urge you to call the number on the slide or visit the website.

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- Before I summarize our performance for this quarter, let me call attention to the progress VBA made over the past year.

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- Compared to Q1 of FY19, we completed more claims in fewer days.
- We conducted more field exams.
- We processed original Education applications much faster.
- And we had more positive outcomes in VR&E.

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[Cue Slide 24]

- When you look at what we've accomplished this quarter in comparison to where we were a year ago, our improvement is clear and significant.
- So, to summarize, our teams' performance in Q1 of FY20 was outstanding.

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- We fulfilled the promises we made on-time.
- And our momentum continues.

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- Everything is moving in the right direction, and we are on track to have our #BestYearEver.

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- But why are we doing this? And what does it all mean?
- The better, faster, more innovative and efficient we are, the better we serve Veterans and their families.
- When we have an outstanding quarter like this one we are meeting our promise to provide Veterans with the benefits they've earned in a manner that honors their service.
- And that's my number 1 priority.
- Thank you for joining me. I look forward to Q2 of our #BestYearEver.

[Show Ray Tellez]

[Cue Slide 25]

- This completes the webcast on Managing VBA Performance and Results for Quarter 1 of Fiscal Year 2020.
- Don't forget: we invite you to connect with VBA through our channels.

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- 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**.

[OTS GUESTS]

- Thank you for being here.

[Show Ray Tellez]

[Cue Slide 26]

- We are glad you were able to join us, and we look forward to the next time, when we'll continue to report on our #BestYearEver.

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