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Statement from VA Secretary Robert A. McDonald On the Need to Reform the Veterans' Appeals Process

Last week I presented to the Senate Veterans Affairs' Committee the way forward for the important transformation of the Department of Veterans Affairs—what we call MyVA. We aim to improve our care and services to all Veterans. In order to do that, I made clear that we would need Congress' help in legislating a fair, streamlined, and comprehensive process for new appeals, as well as providing much needed resources to address the current pending inventory of appeals. I look forward to working with all stakeholders to design an appeals process that better serves Veterans.

VA will need legislation and resourcing to put in place a simplified appeals process that enables the Department to resolve the majority of our appeals in a reasonable timeframe for Veterans.

The appeals process we currently have set in law is failing Veterans—and taxpayers. Decades worth of law and policy layered upon each other have become cumbersome and clunky. Most importantly, it is now so antiquated that it no longer serves Veterans well as many find it confusing and are frustrated by the endless process and the associated length of time it can take to get an answer.

In 2012, VA made the commitment to end the disability claims backlog. It took too long for Veterans to receive a decision on their claim. Our commitment has resulted in transformational change. The disability claims backlog has been driven down to fewer than 82,000, from a peak of 611,000 in March 2013. At the same time, we have fully transitioned to a paperless, electronic processing system, eliminating 5,000 tons of paper a year. Last year, we decided 1.4 million disability compensation and pension claims for Veterans and survivors – the highest in VA history for a single year and that comes on the heels on two previous record-breaking years of productivity.

As VA has become more efficient in claims processing, the volume of appeals has increased proportionately. While it remains true that 11-12 percent of Veterans who receive a disability rating file for an appeal, more processed claims means more appeals. This is VA's next challenge.

The current pending inventory of appeals stands at more than 440,000 and is estimated to grow rapidly. Right now, Veterans who file an appeal wait an average of three years for appeals to be resolved by the Veterans Benefits Administration (VBA), and an average of five years for appeals that reach the Board of Veterans Appeals' (Board), with thousands lasting much longer. That's unacceptable.

We are applying lessons learned from the transformative change that allowed us to reduce the disability claims backlog. Like our work with the claims processing, the appeals process will need changes in people, process and technology. Upgraded technology will make changes to our mail system and paper records, and incorporate some efficiencies in the way appeals are managed and processed. Retraining and increased staff will be necessary. But they will not be enough. We must also look critically at the many steps in the current complex appeals process used by VA and by Veterans and their advocates to design a process that better serves Veterans.

A new appeals process would provide Veterans with the timely and fair appeals decisions they deserve, and adequate resourcing that permits the VBA and the Board to address the growing inventory of appeals.

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