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Inside This Issue

2 HOME LOAN MODIFICATIONS ARE NOW EASIER

4 NEW PROCESS TO IMPROVE CLAIMS QUALITY

5 500 VETERANS RECEIVE JOB OFFERS AT VA CAREER FAIR

VBA PILOTS TRANSFORMATION PLAN

After more than seven months of in-depth study, planning and testing, the Veterans Benefits Administration is piloting the full integration of our VBA transformation plan for processing Veterans' claims at the Fort Harrison and Wichita Regional Offices (RO). The Milwaukee RO is scheduled to begin full integration later this month.

"Full integration at these three ROs is the first step in our three-year effort to achieve our goal of processing all disability claims within 125 days and at 98 percent quality in 2015," said Under Secretary for Benefits Allison A. Hickey. "We've evaluated, tested and measured these initiatives extensively and have confirmed their effectiveness in pilot programs."

During the implementation pilots, VBA will leverage its new local Change Management Agents and Implementation Center Program Management Office to track and measure the integrated effects of the plan to reduce the backlog and provide Veterans with timely and accurate claims decisions. Some of the initiatives include:

People: changing how we're organized and trained to do the work.

Intake Processing Center – enables quick, accurate claims triage

Segmented Lanes – improves speed, accuracy and consistency of claims decisions by organizing claims processing work into distinct categories based on complexity and the time required to process

Cross-functional Teams – reduces rework time, increases staffing flexibility by enabling a case-management approach to claims

Challenge Training – trains employees on claims processing through a standardized curriculum

Processes: making improvements that increase quality and timeliness

Simplified Notification Letter – standardizes and streamlines the Veteran's decision notification

Quality Review Teams – improves claims quality through in-process assessments through performed by specially trained (STAR) personnel

Disability Benefits Questionnaires - changes the way medical evidence is collected, gives Veterans the option of having their private physician complete a form that provides the medical information necessary to process their claim.

Technology: building new systems that transition VBA to a paperless, automated, rules-based, multi-channel access environment

Veterans Benefits Management System (VBMS) – standardizes disability compensation claims processing through a Web-based paperless system

Veterans Relationship Management (VRM) – improves telephone service and online web access, including electronic claims submission through eBenefits as it comes online this summer.

VBA expects to expand its Transformation implementation to more regional offices throughout the year.

VA HISTORIC HOME LOAN SETTLEMENT

The Department of Veterans Affairs announced its participation in the largest state-federal legal settlement in history that deals with problems within the mortgage industry.

"Through this historic settlement, VA has ensured that Veterans, Servicemembers, and National Guard and Reserve members will continue to receive every possible opportunity to retain their homes," said Secretary of Veterans Affairs Eric K. Shinseki.

VA joined with the Department of Justice, a coalition of state attorneys general and other federal agencies in the settlement.

The nation's five largest mortgage servicers have agreed to this landmark $25 billion settlement that addresses past mortgage loan servicing and foreclosure abuses, provides substantial financial relief to borrowers, and establishes significant new homeowner protections in the future.

In addition to cash payments to avoid litigation, the banks also agree to undertake other activities, such as principal forgiveness, interest-rate-reduction refinancing, and forbearance during unemployment.

The settlement also enhances protections available under the Servicemembers Civil Relief Act and provides additional assistance when Servicemembers are forced to sell their home at a loss due to reassignment to another location.

"VA will continue its oversight of lenders and servicers to ensure that Veterans and Servicemembers are able to enjoy the benefits of VA's home loan program, including access to no-downpayment loans and assistance in retaining their homes should they encounter payment difficulties," added Under Secretary for Benefits Allison A. Hickey.

VA has always provided assistance to Veterans and Servicemembers who experience trouble paying their mortgage, whether they have a VA loan or not. Depending on the situation, VA's loan specialists can intervene on a Veteran's behalf to help pursue home-retention options such as repayment plans, forbearances and loan modifications.

VA helped over 72,000 (83 percent) Veterans who were in default on their VA guaranteed loan avoid foreclosure in FY 2011, a 10 percent increase from FY 2010. This assistance resulted in a 30 percent reduction in foreclosures over the same year.

VA's foreclosure rate for the last 14 quarters and serious delinquency rate for the last 11 quarters have been the lowest of all measured loan types, according to a survey by the Mortgage Bankers Association. ★★★★

To get help, Veterans and Servicemembers – even those without a VA guaranteed loan – may call a national toll-free number, 1-877-827-3702 to speak with VA loan specialists who will provide information about the process of obtaining a VA-guaranteed home loan, or assistance in retaining their home loan or avoiding foreclosure.

Information about the VA Home Loan Guaranty program is also available online at http://www.benefits.va.gov/homeloans. *To see videos of Veterans who reached out to VA and were able to keep their homes or avoid foreclosure, please visit* www.benefits.va.gov/homeloans/alt-foreclosure.asp. ★★★★

CHALLENGE TRAINING IMPROVES CLAIMS PROCESS

The Veterans Benefits Administration (VBA) claims processing training program is aptly named "Challenge," because becoming proficient in processing claims is a long and arduous process. A recent overhaul of the training program has delivered impressive results, increasing not only the amount of work completed by new claims processors, but improving their quality as well. VBA introduced a new curriculum in July 2011 for both VSRs and RVSRs to get new employees fully trained more quickly.

"Challenge graduates are immediately able to process single-issue and less complicated claims at high quality levels," said Tom Murphy, Director of Compensation Service, Veterans Benefits Administration. "We incorporated practical applications with live cases in a classroom environment, lowered student-to-instructor ratios to provide closer mentoring in the classroom and now have immediate feedback for students through quality reviews."

In the past, or in legacy training programs, new Veteran Services Representatives (VSRs) and Rating Veteran Services Representatives (RVSRs) received initial training at their home regional office (RO), followed by a three-week course at the VBA Academy in Baltimore. Training continued when they returned to their home RO. At the end of six months, the new RVSR trainees were required to complete 1 case a day, with an accuracy rate of 70 percent.

New RVSRs now attend an eight-week training program. Students attend classroom instruction during the first four weeks of training. In the fifth week of training, they begin to work live cases under the supervision of their instructors and other subject matter experts. Subject matter experts review each case a student completes and upon completion, provide immediate feedback to the student.

"The eight weeks away from home was difficult, but it provided the time you needed to really learn the process," said Steven Cogburn, an RVSR at the Columbia RO. "The emphasis on working live cases really helped. I felt well prepared when I returned to my RO."

The VSR training curriculum, now a four-week training program, provides each student with the skills necessary to complete the development phase of the claims process. Like the RVSR curriculum, VSR training includes intensive classroom instruction augmented with practical application working on real claims. Each claim worked is reviewed by subject matter experts, who provide immediate feedback to trainees on their performance.

"The trainers were very helpful," said Gabrielle Govan-Scott, a VSR with the Columbia RO. "The class was small enough to get the individual attention needed and have your questions answered."

Practical application assignments included working cases representative of both the beginning and end of the claims process.

"Working the live cases helped bring things together, it made the concepts easy to grasp," said Ms. Govan-Scott. "The feedback was helpful."

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To date, two groups of VSRs/RVSRs have completed the new Challenge training, and Mr. Murphy said the initial results are promising. By the completion of the first class, the RVSR students averaged 1.29 cases per day and their accuracy rate was 90 percent. The second group of RSVR students performed even better, with an average of 1.33 cases per day and 98 percent accuracy.

"We expect to see potential with this class and subsequent Challenge classes," Mr. Murphy said. "We periodically evaluate our graduates' performance and continue local training. We are committed to ensuring our claims processors receive the best training possible." ★★★★

VBA IMPLEMENTS NEW PROCESS TO IMPROVE CLAIMS QUALITY

VBA recently implemented an improved quality review process that will result in more accurate claims decisions and better overall service to Veterans, their families and survivors.

"VBA understands that quality must coincide with production if we are to achieve VA Secretary Shinseki's strategic goal in 2015 that all claims are processed within 125 days at 98 percent quality," said Under Secretary for Benefits Allison A. Hickey.

"This new process – Quality Review Teams -- bridges gaps between local and national quality metrics and fosters consistency between regional offices," she said.

Quality Review Teams (QRT), that are Systematic Technical Accuracy Review (STAR) trained, will review Veteran's claims files while they are in the development and rating stages to provide immediate feedback to employees and catch adjudicative errors before they are finalized.

"These in-process reviews positively reinforce the changes we want to see on our most common errors by giving mulligans to our employees," said Jason McClellan, Director of the Muskogee Regional Office. "The mulligans allow employees to learn the correct way while it's still fresh in their minds. Most importantly, our Veterans benefit from this because their claims move to the next stage error-free."

Regional offices participated in standardized QRT training in February. VBA will continue to conduct monthly performance-based reviews of each employee's work and STAR validation reviews of files as part of the QRT program. ★★★★

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VBA CREATES DESIGN TEAM TO EVALUATE APPEALS PROCESS

In an effort to address concerns over the backlog and appeals process, the Veterans Benefits Administration (VBA) established a Design Team to review the current appeals process and significantly reduce the average processing time of an initial appeal decision.

"Design Teams are VBA's new method to develop, test, and evaluate process improvement changes before we nationally implement new programs," said Under Secretary for Benefits Allison A. Hickey. "The Appeals Design Team's recommendations are aimed at improving timeliness in each segment of the appeals process and making it more Veteran-centric and consistent."

The Appeals Design Team is the third team of its kind for VBA. The first two teams recommended simplified rating notification letters; rules-based calculators to help rating Veteran service representatives check their accuracy; a streamlined exam process, and homeless Veteran claim processing improvements, among others.

Those recommendations are in various stages of national implementation and are expected to increase VBA's production by 15 to 20 percent and increase quality by potentially more than 4 percent.

Following the design of the first two teams, the Appeals Design Team received feedback from Veterans, employees, Veteran Service Organizations, and Labor Forum. It formed several recommendations based on that feedback, which it will test at the Houston Regional Office (RO) pilot site starting March 1.

"The recommendations are all designed to identify and reduce inefficiencies in appeals processing," said Ron Burke, Director of the Appeals Management Center and Appeals Design Team Lead. "There has been and continues to be a heavy focus on quality and up-front Decision Review Officer (DRO) involvement."

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VETERANS CAREER FAIR IS A SUCCESS

The Department of Veterans Affairs hosted a major career fair January 18 in Washington, D.C. that focused on Veteran employment with 500 Veterans receiving job offers. In response to President Barack Obama's call to action to increase employment among young Veterans, VA organized a hiring event with representatives from both private and public sector organization. Approximately 6,400 employment opportunities were made available to the 4,100 Veterans who attended from the Washington, D.C. area and neighboring states.

"America needs to put the skills, dedication and resourcefulness of our Veterans into the workforce to help rebuild an economy that lasts," said Secretary of Veterans Affairs Eric K. Shinseki. "America's Veterans need to know that, across the federal, private and non-profit sectors, hiring managers are ready to put them to work." This message was well received throughout the event as 2,600 interviews were held, resulting in the 500 job offers.

The Veterans Benefits Administration (VBA) played a key role in the event by interviewing Veterans for positions at VBA , verifying Veterans' status and providing DD-214s.

VBA enrolled 700 Veterans into eBenefits. Through enrollment, these Veterans now have access to 41 self-service features, including online claim submission, status of claims and appeals, and home loan certificates of eligibility.

"We were very busy at the eBenefits table," said Frank Bryceland, a program analyst with VBA's Benefits Assistance Service. "Veterans who established a free premium eBenefits account were able to speed up the job search process today and in the future because they can download their Civil Service Preference letters and DD-214s whenever they need it. It's just a lot more convenient."

The career fair served as a great vehicle for VA to showcase its new VA for Vets program http://vaforvets.va.gov/Pages/default.aspx. VA for Vets facilitates the reintegration, retention and hiring of Veteran employees at the Department of Veterans Affairs (VA). This web-based program offers military to civilian employment transitional tools needed to assist Veterans seeking employment at

VA. Career development services, coaching and reintegration support for military service members are available through webinars and videos.

Although this career fair was limited geographically, it was an important first step in expanding job opportunities to our Veterans. This event has set the example for other organizations to host similar events throughout the country. Specifically, VBA was able to leverage this opportunity to provide Veterans with more than just employment opportunities but also to inform them about their VA benefits, including Vocational Rehabilitation and Employment, Loan Guaranty and Education programs. ★★★★

To get a free premium eBenefits account, Veterans have to call 800-827-1000 and choose option 7, or visit their nearest regional office. But soon Veterans and Servicemembers will have an easier way to obtain their free premium account.

VBA has worked with the Department of Defense (DOD) to release a remote proofing process that will make the need for in-person-proofing a thing of the past.

"Many Veterans might find it difficult to get to a regional office to obtain their free Premium eBenefits account through in-person-proofing," said Robert Reynolds, Director of VBA's Benefits Assistance Service. "The remote proofing process will provide quick and easy premium access to their VA and DOD records and the ability to get real-time information on their earned benefits."

A registration wizard will manage the remote proofing process. The wizard will ask three questions to verify person's identity. When the questions are correctly answered within the allotted time, a free premium account is created. Once created, personal information from both VA and DOD systems can be accessed.

Veterans and Servicemembers will be able to access the new remote proofing process on eBenefits at http://www.ebenefits.va.gov. ★★★★