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Adopted
August 10, 2011

Amended
January 9, 2012

2012 POSITION PAPER Delivery of Benefit Services

1. **OBJECTIVE:** Improve the delivery of benefit services to Virginia Veterans by (i) recommending a change to the Code-mandated ratio of claims agents to Veterans; (ii) identifying the resources needed to meet the new Code requirements; (iii) proposing how the additional claims agents would be used; and (iv) identifying other shortfalls in benefit services delivery.
2. **BACKGROUND:**
 - Veterans are entitled to disability compensation from the federal government for injuries or illnesses resulting from military service. To obtain this compensation, Veterans must file claims with the U.S. Department of Veterans Affairs (USDVA).
 - Filing a claim is a long, complex process – most Veterans seek assistance to file a claim.
 - To assist Virginia Veterans, the Virginia Department of Veterans Services (DVS) operates 20 Benefits Field Offices that provide free assistance to Virginia Veterans in developing and filing claims for compensation and pension benefits with the USDVA.
 - §2.2-2002.1 of the Code of Virginia sets a ratio of one DVS claims agent for every 26,212 veterans residing in the Commonwealth.
 - There were 823,000 Virginia Veterans as of September 30, 2010.
 - The number of claims filed by DVS on behalf of Virginia Veterans continues to grow, and DVS claims agents are struggling to keep up with this growing demand.
 - In FY05, DVS filed 18,550 claims;
 - In FY10, that number grew to 26,431 – a 42% increase.
 - Virginia receives a considerable return on investment for helping Virginia Veterans. In FY10, DVS filed 26,431 claims on behalf of Virginia Veterans, resulting in an estimated \$122 million in new disability compensation payments.
 - Veterans whose claims are approved by the USDVA are assigned a service-connected disability rating. In addition to monthly payments, it enables access USDVA health care.
 - DVS Benefit Field Offices are staffed by claims agents, who provide direct, one-on-one assistance to veterans in developing and filing claims with the USDVA.
 - DVS does not have the financial resources to add additional staff to meet rising demand.
 - Most DVS offices are “one-deep” – only one claims agent is assigned.
 - When the claims agent is on vacation or is sick, the office is effectively closed. The closest DVS claims agent may be in an office 50 miles away.
 - Employees in their first year of State service can take up to 26 days of

vacation and sick leave a year. This means that a benefit field office with only one claims agent assigned could be closed as much as 10.5% of the time.

- This increases to 12% of the time for a claims agent with five years of experience, and 14% for a claims agent who has been with the Commonwealth for 10 years.

3. **DISCUSSION:**

- The solution is to change the Code-mandated ratio of claims agents to Veterans from 1:26,212 to 1:23,000 and to provide the resources to fill the additional positions required.
 - The new ratio would require DVS to hire four additional claims agents, at an estimated cost of \$275,000 per year.
- The four additional claims agents will help DVS improve services to Virginia Veterans and increase the number of claims filed by:
 - Ensuring that at least some of the “one-deep” offices remain open for service when the assigned claims agent is sick or on vacation;
 - Increasing outreach to homeless and incarcerated veterans;
 - Expanding outreach to Veterans Service Organizations; and
 - Providing services at itinerant service locations.
- Two of the new claims agent positions will be dedicated to working with the Department of Medical Assistance Services (DMAS) on a pilot project to identify Virginia veterans receiving Medicaid benefits, and to try to assist them in applying for disability compensation and health care benefits through the U.S. Department of Veterans Affairs.

4. **RECOMMENDATIONS:** That the General Assembly support the funding and positions included in the Governor McDonnell’s introduced budget; and that the General Assembly support the legislation, proposed by the Governor and patroned by Delegate Cox, M.K. (HB1121) and Senator Reeves (SB254), to change the ratio of DVS claims agents to Veterans to one claims agent for every 23,000 Veterans.