MyVA Transformation

Make Veterans want to be our customer

Objectives

Improving the Veteran Experience
Improving the Employee Experience
Improving Internal Support Services
Establishing a Culture of Continuous Improvement
Enhancing Strategic Partnerships
Overview

• Trainee and Dollars Paid FY 2011 - 2015
• Claims Processing Highlights
• Long Term Solution Updates
• Education Call Center
• Compliance Activity
• Compliance and Liaison Activity
• Compliance Survey Update – Flight Schools
• GI Bill® Comparison Tool
• GI Bill® Feedback System
• Veteran Outcome Measures
• PL 113-146 – Veterans Access, Choice and Accountability Act of 2014
  o Section 701
  o Section 702
• Sunset of REAP
• Mitigating Circumstances
• Enforcement Challenges
• Legislation Introduced in the 114th Congress
<table>
<thead>
<tr>
<th>Benefit</th>
<th>Education Programs</th>
<th>FY 11 Trainees Dollars Paid</th>
<th>FY 12 Trainees Dollars Paid</th>
<th>FY 13 Trainees Dollars Paid</th>
<th>FY 14 Trainees Dollars Paid</th>
<th>FY 15 Trainees Dollars Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 30</td>
<td>Montgomery GI Bill (MGIB)-AD</td>
<td>185,220 / $1.4B</td>
<td>118,549 / $932M</td>
<td>99,755 / $775M</td>
<td>77,389 / $512M</td>
<td>61,403 / $455.7M</td>
</tr>
<tr>
<td>Chapter 32</td>
<td>Veterans Educational Assistance Program (VEAP)</td>
<td>112 / $1.3M</td>
<td>76 / $682K</td>
<td>29 / $496K</td>
<td>8 / $359K</td>
<td>4 / $35K</td>
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<tr>
<td>*Chapter 33</td>
<td>Post-9/11 GI Bill</td>
<td>555,329 / $7.7B</td>
<td>646,302 / $8.5B</td>
<td>754,229 / $10.2B</td>
<td>790,408 / $10.8B</td>
<td>790,507 / $11.2B</td>
</tr>
<tr>
<td>Chapter 35</td>
<td>Survivors’ and Dependents’ Educational Assistance Program (DEA)</td>
<td>90,657 / $463M</td>
<td>87,707 / $455M</td>
<td>89,160 / $483M</td>
<td>90,789 / $514M</td>
<td>91,755 / $493.2M</td>
</tr>
<tr>
<td>Chapter 1606</td>
<td>Montgomery GI Bill Selected Reserve (MGIB-SR)</td>
<td>65,216 / $201M</td>
<td>60,393 / $157M</td>
<td>62,656 / $156M</td>
<td>63,745/ $150M</td>
<td>63,030 / $141.1M</td>
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<tr>
<td>Chapter 1607</td>
<td>Reserve Educational Assistance Program (REAP)</td>
<td>27,302 / $95M</td>
<td>19,774 / $77M</td>
<td>17,297 / $70M</td>
<td>13,784/ $56M</td>
<td>9,965 / $40.5M</td>
</tr>
<tr>
<td></td>
<td>Veterans Retraining Assistance Program (VRAP)</td>
<td>N/A</td>
<td>12,251 / $6.1M</td>
<td>67,918 / $428M</td>
<td>52,288 / $413M</td>
<td>N/A</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>923,836 / $9.8B</td>
<td>945,052 / $10.1B</td>
<td>1,091,044 / $12.1B</td>
<td>1,088,411 / $12.4B</td>
<td>1,016,664 / $12.3B</td>
</tr>
</tbody>
</table>

Note: Dollars may not add due to rounding

As of February 9, 2016, VA issued $60.4 billion in Post-9/11 GI Bill benefit payments to 1,546,594 individuals since program inception (August 2009).
# Claims Processing Highlights

<table>
<thead>
<tr>
<th>Claims Inventory</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FYTD through January 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claims Processed</td>
<td>4.5M</td>
<td>4.3M</td>
<td>4.2M</td>
<td>1.4M</td>
</tr>
<tr>
<td>Original Claims Timeliness (Average Days to Complete)</td>
<td>26.2</td>
<td>16.7</td>
<td>18.4</td>
<td>18.3</td>
</tr>
<tr>
<td>Supplemental Claims Timeliness (Average Days to Complete)</td>
<td>9.7</td>
<td>5.9</td>
<td>7.0</td>
<td>7.4</td>
</tr>
<tr>
<td>Payment Accuracy</td>
<td>98.7%</td>
<td>98.7%</td>
<td>99.4%</td>
<td>99.1%</td>
</tr>
</tbody>
</table>

## Claims Processed

<table>
<thead>
<tr>
<th></th>
<th>Original</th>
<th>Supplemental</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2015</td>
<td>24,089</td>
<td>310,812</td>
</tr>
<tr>
<td>January 2016</td>
<td>25,383</td>
<td>357,524</td>
</tr>
</tbody>
</table>

*Data represents all EDU claims*
<table>
<thead>
<tr>
<th>Automation Summary</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FYTD 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Claims Automated</td>
<td>2,325,037</td>
<td>2,573,279</td>
<td>2,554,493</td>
<td>555,277</td>
</tr>
<tr>
<td>Total Claims Fully Automated</td>
<td>1,236,210</td>
<td>1,524,570</td>
<td>1,562,828</td>
<td>314,924</td>
</tr>
<tr>
<td>Total Claims Partially Automated</td>
<td>1,088,827</td>
<td>1,048,709</td>
<td>991,665</td>
<td>240,353</td>
</tr>
<tr>
<td>*Total Claims Manually Processed</td>
<td>471,736</td>
<td>458,052</td>
<td>446,089</td>
<td>89,451</td>
</tr>
<tr>
<td>% Claims Fully Automated</td>
<td>44.2%</td>
<td>50.3%</td>
<td>52.1%</td>
<td>48.8%</td>
</tr>
<tr>
<td>% Claims Partially Automated</td>
<td>38.9%</td>
<td>34.6%</td>
<td>33%</td>
<td>37.3%</td>
</tr>
</tbody>
</table>

*Excludes paper claims
Education Call Center (ECC)

- My VA – Call Center Initiative

- New ECC Software (Unified Desktop) Implemented

- ECC Successes
  - Answered 769,000 calls so far in FY16
  - 46 new hires in FY16
  - Moving toward the goal of providing with one-call resolution

- J.D. Power Independent Customer Service Agreement
  - J. D. Power scores for ECC are consistently among the highest of all VA’s Call Centers
  - Overall satisfaction score for December 2015 – 852
    - Exceeds government benchmark of 721
    - Exceeds service industry benchmark of 815
Compliance Activity

Survey Data through FY15

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>VA Completed</td>
<td>2,352</td>
</tr>
<tr>
<td>SAA Completed</td>
<td>2,983</td>
</tr>
<tr>
<td>Total Surveys Completed</td>
<td>5,335</td>
</tr>
</tbody>
</table>

FY16 guidance includes:

- Continue to use SECVA's authority to waive the requirement for an annual compliance survey based on an institution's demonstrated record of compliance
- Emphasize for-profit and non-accredited schools
- Revisit public institutions of higher learning with flight programs
- Visit all newly approved institutions
Compliance and Liaison Activity

• Reassigned 30 FTE from Operations for compliance work
• ELRs and ECSSs participated in a National Training Conference from September 22-24, 2015, with special emphasis on the following goals at all four RPOs:
  o Providing more consistent information to schools
  o Promoting consistency in compliance surveys
• A revised School Certifying Official (SCO) Handbook was published on September 18, 2015.
  o Revised prior credit policy – SCOs should not withhold certification if a transcript cannot be obtained
  o Does not remove the requirement to evaluate prior credit
  o Clarified the policy for repeating courses
  o Added information on Executive Order 13607, Principles of Excellence, CareerScope®, GI Bill® Feedback System, GI Bill® Comparison Tool, and GI Bill® Trademark Terms of Use
VA conducted surveys at 108 institutions of higher learning (IHLs) with contracted flight programs between April 6, 2015, and May 11, 2015. Some of our initial findings are as follows:

- 60 schools had no adverse findings.
- 10 schools had programs that were in violation of the 85/15% requirements. The programs in question will remain suspended for the enrollment of new students until they are in compliance with 85/15% requirements.
- 8 schools were identified to have been providing inaccurate certification regarding the actual begin and/or end dates of the flight training being taken as part of the degree program.
- 40 schools were certifying flight hours to VA for payment in excess of the number of hours required for successful completion of the course, and/or the schools had no clear designation for the number of flight hours required.
- 3 schools were contracting with a flight facility that was not approved/approvable for payment of VA benefits.
- Different flight equipment is being used for different students in the conduct of the same program of education at a different and usually higher cost.
Advisory dated September 1, 2015, on specification of required hours.
  - IHLs must have documented in their catalog, or approval package, the required number of training hours that a student must complete in order to fulfill the course’s educational objectives and all mandatory fees (e.g., cost-per-hour of training) that an enrolled student will be charged for the training.
  - Each IHL was required to amend its program approval documentation or catalogs to reflect the above requirements within 60 days of the date of issuance of the Compliance and Liaison Advisory.

Advisory dated December 4, 2015, on approvability of programs with private pilot training.
  - Programs at institutions that contract for flight training services through a stand-alone (vocational) flight facility are not approvable
  - Schools must bring flight training “in-house” or revise program curriculum to remove private pilot training by August 1, 2016.

Webinars were held on September 17 and December 14 to articulate the guidance and the legal and regulatory foundations for this guidance.
Comparison Tool was launched on February 4, 2014, in response to Executive Order 13607 to implement and promote “Principles of Excellence.” As of February 9, it had over 2,239,437 unique page views to over 1 million users.

Recently added functionality:
On November 11, 2015, VA released a complete redesign of the Comparison Tool featuring:

- School profile page
- Student outcome measures
- Enhanced search and print functionality
- Mobile/tablet compatibility
- Caution flag for schools:
  - Settlement with U.S. Government - EDMC
  - Heightened cash monitoring
  - Accreditation probation
  - DoD probation for military tuition assistance
  - FTC suit - DeVry Institute
  - Department of Education notice of intent - DeVry Institute
Future releases will include:

- Enhanced Data Service
- More Caution Flag Information
- School Certifying Official Contact Information
- Detailed Accreditation Information
- Major/Program type
- Feedback rating
- Risk Index

https://www.vets.gov/gi-bill-comparison-tool
GI Bill® Feedback System

• On January 30, 2014, VA launched the Feedback System to intake student complaints concerning non-compliant POE schools.

• Total complaints as of January 31, 2016: 5,383.
  Of these:
  – POE complaints: 3,629 (67%)
    • Pending: 50 (1%)
    • Active: 363 (10%)
    • Closed: 3,216 (89%)
  – Non-POE complaints: 1,754 (33%)

• Risk-based reviews conducted as of January 31, 2016: 79
  – 8 withdrawals

• GI Bill Feedback System Observations:
  – Communication – Issues between school staff and students
  – Financial issues – Timeliness of certification submission
  – Transfer of credits – General lack of understanding by students
  – Refund issues – Administration with multiple types of financial aid (Title IV & VA)
**GI Bill® Feedback System (con’t)**

### Monthly Trend by Issue

<table>
<thead>
<tr>
<th>Issue</th>
<th>Jan-16</th>
<th>Dec-15</th>
<th>Nov-15</th>
<th>Oct-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post Graduation Job Opportunities</td>
<td>2%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Release of Transcripts</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer of Credits</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Loans</td>
<td>4%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change of Program</td>
<td>4%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade Policy</td>
<td>4%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accreditation</td>
<td>5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recruiting/Marketing Practices</td>
<td>6%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refund Issues</td>
<td>8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of Education</td>
<td>11%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>23%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Issues (Tuition/Fee)</td>
<td>27%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Issues (e.g. Tuition/Fee Charges)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Complaints by Issue (Jan. 2016)

- Post-Graduation Job Opportunities: 400
- Release of Transcripts: 289
- Transfer of Credits: 526
- Student Loans: 662
- Change of Program: 375
- Grade Policy: 355
- Accreditation: 553
- Recruiting/Marketing Practices: 666
- Refund Issues: 576
- Quality of Education: 1056
- Other: 1003
- Financial Issues (e.g. Tuition/Fee Charges): 1971
Veteran Outcome Measures

**Executive Order 13607**
- VA is required to develop and publish outcome measures, which will support Veterans, Servicemembers, and their family members in making the most informed educational decisions.
- VA, ED, and DoD have been working in collaboration over the past three years to develop, define, and publish outcome measures that will provide information on available educational programs.

**Outcome measures progress:**
- November 25, 2014 – Missive to schools and other key stakeholders
- December 3, 2014 – School Certifying Official webinar
- December 23-24, 2014 – VA sent the data to the schools
- September 14, 2015 – VA extracted updated dataset to publish
- September 29, 2015 - Outcome measures published on the GI Bill Website

**Outcome measures published by VA:**
- Retention Rate
- Persistence Rate
- Transfer-Out Rate
- Graduation Rate
- Certificate Completion Rate

Section 701 - Extends eligibility for Post-9/11 GI Bill benefits under Fry Scholarship to the spouses of active duty Servicemembers who died in the line of duty

Section 701 – Progress

October 20, 2014 – Section 701 eligibility expansion was announced via VA press release

October 22, 2014 – Deputy Under Secretary for Economic Opportunity sent e-mail announcing this expanded benefit; began promoting via social media; posted fact sheet to GI Bill website and Choice Act website

October 23, 2014 – VA Form 22-5490 (Dependents’ Application for VA Education Benefits) published on VA’s internet site

November 3, 2014 – RPOs began accepting applications

November 5, 2014 – Mailed over 6,800 letters to potential beneficiaries

February 5, 2016 – RPOs have received 1,822 applications, with 944 certificates of eligibility to spouses issued and 878 disallowances.
Section 702 Progress

- Currently, all 50 states, the District of Columbia, and 5 territories/commonwealths (AS, GU, MP, PR, VI) are fully compliant with section 702.
Section 702 Funding

- Education Service will utilize $8M in reprogrammed funding for system updates to:
  - Implement legislative requirements directed by the Choice Act (e.g. allow VA to disapprove institutions that charge Veterans out-of-state rate)
  - Improve security and systems integration to enhance the user’s experience, provide flexibility and capability to report and capture program-level information
  - Improve business analytics and reporting capabilities to understand various drivers of performance, their relationship to future outcomes, and improve decision-making for key stakeholders

- Systems impacted include:
  - Benefits Delivery Network (BDN)
  - Electronic Certification Automated Processing (ECAP)
  - Long Term Solution (LTS)
  - Veterans Online Certification of Enrollment System (VA-ONCE)
  - Veterans Online Application Direct Connect System (VONAPP-VDC)
  - Web-Enabled Approval Management System (WEAMS)
Section 702 Funding

- VACAA Transition
  - VACAA project management contractors: have been awarded and are currently on-boarding.
  - Conducted training on WEAMS and VA-ONCE systems for the new VACAA contractors.
The NDAA for 2016 ended REAP on November 25, 2015, for new school enrollments. Due to Congressional mandate, VA can only grant REAP eligibility to those enrolled in school on November 24, 2015, or during their school’s last term, quarter, or semester ending prior to that date.

This change affects beneficiaries differently:

- **Current REAP beneficiaries** -- Veterans who were attending an educational institution on November 24, 2015, or during the last semester, quarter, or term ending prior to that date, are eligible to continue to receive REAP benefits until November 25, 2019.

- **REAP beneficiaries not attending school** -- Veterans who applied for REAP but were not attending an educational institution on November 24, 2015, or during the last semester, quarter, or term ending prior to that date are no longer eligible to receive REAP benefits.
  
  Many of these Veterans may be eligible to receive benefits under the Post-9/11 GI Bill.

- **New REAP applicants** -- Veterans who have not enrolled in school and applied for REAP benefits prior to November 25, 2015, are no longer eligible for REAP benefits. However, in most cases, those Veterans will be eligible for the Post-9/11 GI Bill.

VA notified those affected Veterans who have previously applied for VA benefits of this change and their potential eligibility for other VA educational assistance programs.

- There are approximately 6,500 beneficiaries with service dates on or after August 1, 2011, who did not have any prior service. Same-period service rules apply to anyone with services dates on or after August 11, 2011, which may impact eligibility for another education program.
- 3,500 beneficiaries were enrolled in school on November 24, 2015.

There is a provision in NDAA that prohibits an individual from receiving unemployment insurance while receiving Post-9/11 education assistance. Department of Labor has the lead on implementation.
Mitigating Circumstances

- Mitigating circumstances are unanticipated or unavoidable events beyond a beneficiary’s control that lead to the withdrawal from, or failure to complete, one or more classes with non-punitive grades.

- If a student drops a course or withdraws from school after the drop/add period and receives a non-punitive grade, VA may reduce benefits effective the first day of the term unless the student provides evidence of “mitigating circumstances”:
  - Situations beyond the student's control that prevent the student from continuing in school or that cause the student to reduce credits.
  - Examples: Death in his or her immediate family, personal health reasons, unforeseen change in work obligation.

- If a student drops hours and does not provide acceptable mitigating circumstances, instead of reducing last day of attendance, VA will reduce/terminate beginning of the term.
Mitigating Circumstances (con’t)

• Please help us help students understand that when a student drops/terminates, he or she may receive a request for mitigating circumstances from VA
  – If not received/accepted, the overpayment will be much more substantial than if submitted

• The most effective way for students to provide mitigating circumstances is to submit them to their School Certifying Official, along with notification of the dropped course(s)

• Report the drop and note the mitigating circumstances in “Standard Remarks” via VA-ONCE, enabling VA to review the mitigating circumstances and reduce/terminate the benefits in one action
  – Long Term Solution Release 6.5.0 - Now includes functionality allowing for the proper processing of mitigating circumstances
  – Implemented November 2015
Enforcement Challenges

- For-Profit Task Force
  - Forum for federal agency communication and coordination
  - Congressional Interest

- University of Phoenix – DoD Action

- Education Management Corporation (EDMC) DOJ settlement

- DeVry Institute – FTC Suit
H.R. 3016, the “Veterans Employment, Education, and Healthcare Improvement Act”:

- Bill passed by the House on February 9, 2016
- Modifies benefits transferred to family member under the Post 9/11 GI Bill
- Clarifies eligibility for the Marine Gunnery Sergeant John David Fry Scholarship
- Recodifies and improves benefit election process
- Caps certain flight training and other programs of education
- Codifies SAA role in determining “deemed approved”
- Amends compliance survey criteria
- Requires VA to provide info on Veteran entitlement to schools
- Centralized reporting of enrollments by certain groups, districts, and consortiums
Legislation Introduced in the 114th Congress (con’t)

- Clarifies definition of covered individual from Choice Act
- Modifies characterization of certain service for Reservists so time spent receiving medical care is creditable
- Restores expired authority for certain work study activities
<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of beneficiaries enrolled in school before November 25, 2015</td>
<td>111,858</td>
</tr>
<tr>
<td>Number of beneficiaries who received a certificate of eligibility on or before November 24, 2015</td>
<td>142,321</td>
</tr>
<tr>
<td>Number of beneficiaries who were not enrolled in school on November 24, 2015, but have not exhausted their REAP benefits</td>
<td>30,463</td>
</tr>
<tr>
<td>Number of beneficiaries enrolled on November 24, 2015</td>
<td>3,578</td>
</tr>
<tr>
<td>Number of beneficiaries with service dates prior to August 1, 2011</td>
<td>124,669</td>
</tr>
<tr>
<td>Number of beneficiaries with service dates on or after August 1, 2011, and did not have any prior service</td>
<td>6,580</td>
</tr>
</tbody>
</table>