



US DEPARTMENT OF VETERANS AFFAIRS OFFICE OF INSPECTOR GENERAL

Office of Audits and Evaluations

VETERANS BENEFITS ADMINISTRATION

Implementation of a Military Sexual Trauma Operations Center Resulted in Minimal Change Despite Planned Intent to Improve Claims-Processing Accuracy

Review

24-01429-145

July 30, 2025

BE A
VOICE FOR
VETERANS

REPORT WRONGDOING
vaoig.gov/hotline | 800.488.8244

OUR MISSION

To serve veterans and the public by conducting meaningful independent oversight of the Department of Veterans Affairs.

CONNECT WITH US



Subscribe to receive updates on reports, press releases, congressional testimony, and more. Follow us at @VetAffairsOIG.

PRIVACY NOTICE

In addition to general privacy laws that govern release of medical information, disclosure of certain veteran health or other private information may be prohibited by various federal statutes including, but not limited to, 38 U.S.C. §§ 5701, 5705, and 7332, absent an exemption or other specified circumstances. As mandated by law, the OIG adheres to privacy and confidentiality laws and regulations protecting veteran health or other private information in this report.



Executive Summary

Military sexual trauma can have lasting effects on veterans, making it critical that their claims are handled by Veterans Benefits Administration (VBA) claims processors with expertise in these types of claims. However, VBA has had a history of challenges with correctly processing these claims and adequately centralizing the expertise of this work.

In a 2018 report, the VA Office of Inspector General (OIG) looked at VBA's processing of military sexual trauma claims and found that almost half of veterans' denied claims had been processed incorrectly. The OIG made six recommendations at the time, and VBA concurred with all. Two recommendations were to "focus processing of MST [military sexual trauma]-related claims to a specialized group" of claims processors and to "conduct special focused quality improvement reviews of denied MST-related claims and take corrective action as needed."¹ VBA's Compensation Service then recommended in fiscal year (FY) 2020 that the Office of Field Operations consider consolidating military sexual trauma claims processing to certain regional offices or a designated virtual team of claims processors. In May 2021, VBA began centralized processing of these claims at five regional offices.

In 2021, the OIG reported that VBA did not effectively implement the 2018 recommendations aimed at improving military sexual trauma claims processing. VBA concurred with all four recommendations in the 2021 report and noted that it would consolidate all processing of military sexual trauma claims to a single, remote operations center "that will enable VBA to further streamline operations and ensure tighter internal controls and accountability" for these claims decisions.²

In November 2021, before the remote operations center was fully functional and as centralization of military sexual trauma claims processing progressed, VBA expanded claims processing by adding three additional regional offices (for a total of eight). VBA finally established the remote Military Sexual Trauma Operations Center in May 2022, led by a director overseeing all these claims nationwide. Because the operations center was intended to improve processing of these sensitive and complex claims, the OIG launched this review to assess VBA's planning and implementation of the Military Sexual Trauma Operations Center and its overall governance structure for military sexual trauma claims processing.

¹ VA OIG, [*Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma*](#), Report No. 17-05248-241, August 21, 2018. VBA abbreviates military sexual trauma, and the OIG also abbreviated it in the 2018 report; however, the OIG did not abbreviate it in this report except where necessary in quotes and figures.

² VA OIG, [*Improvements Still Needed in Processing Military Sexual Trauma Claims*](#), Report No. 20-00041-163, August 5, 2021. Remote work is defined as a flexible work arrangement in which an employee is not expected to perform work at an agency worksite.

What the Review Found

The OIG found that VBA has a well-structured governance system for the Military Sexual Trauma Operations Center. However, challenges in planning and implementation led to shortcomings in staffing and quality.³ Since the Military Sexual Trauma Operations Center was established, it has struggled to hire and retain experienced claims processors. VBA also had issues recruiting claims processors with expertise in military sexual trauma claims. According to data provided by VBA, the operations center had a turnover rate of 22.6 percent from October 1, 2023, through June 24, 2024, significantly higher than the 7.5 percent turnover rate for claims processors at VA regional offices nationwide for the same period.⁴

To test the effectiveness of VBA's actions to address continuing deficiencies in military sexual trauma claims processing, the OIG team reviewed 35 claims completed by the operations center from October 1, 2023, through January 16, 2024 and estimated an overall error rate of about 51 percent, indicating that VBA continues to face challenges with accurately processing military sexual trauma claims.⁵ Although the operations center had implemented some quality assurance processes, improvements are still needed. In response to a 2018 OIG recommendation, the Compensation Service's quality assurance team initiated annual special-focused reviews to evaluate the accuracy of military sexual trauma claims that were denied service connection.⁶ In FY 2019, the accuracy of these claims was 85.2 percent; the FY 2024 review showed an accuracy of 75.3 percent. To address ongoing accuracy concerns, in January 2024, Compensation Service quality assurance staff began quarterly spot checks of military sexual trauma claims. These spot checks, separate from the special-focused reviews, continue to show that while the accuracy for grants and denials has increased, the accuracy for denials is still well below the goal of 96 percent.⁷ Errors included insufficient development, such as failing to obtain all records; insufficient medical opinions due to missed evidence; and failure to order a medical exam when necessary.

Meanwhile, the operations center's two-signature process is not sufficient to evaluate the competency of claims processors or the competency of designated reviewers. In their initial training, claims processors are required to complete a two-signature review process for military sexual trauma decisions. During the two-signature review process, the claims processor's decision is reviewed by a more experienced processor who acts as the "designated reviewer" and

³ See appendix A for more information on the scope and methodology and appendix B for details about the statistical analysis.

⁴ This report showed 74 employees lost from October 1, 2023, through June 24, 2024.

⁵ See appendix C for more information on the projections and margin of error.

⁶ A service-connected condition means an illness or injury that was caused by—or got worse because of—military service. 38 C.F.R. § 3.303 (2025); see also 38 U.S.C. § 1154 (this law establishes consideration of time, place, and circumstances of service).

⁷ The accuracy goal is from an internal VBA regional office director's dashboard that is not accessible to the public.

verifies the decision's accuracy.⁸ This two-signature process continues until the claims processor demonstrates an accuracy rate of 90 percent or higher based on a review of at least 10 consecutive claims. The OIG reviewed 74 claims where military sexual trauma was denied and the designated reviewer agreed with the decision; about 34 percent (25 of the 74 claims reviewed) contained an error despite the designated reviewer having agreed with the decision.⁹ Based on these error rates, the OIG team determined that the two-signature process for designated reviewers and claims processors in training has not been entirely sufficient.

The OIG also noted that the two-signature process involves reviewing 10 consecutive claims completed by a given claims processor, regardless of whether those 10 claims were granted or denied. The process is the same for a more experienced claims processor to qualify as a designated reviewer. Of the 726 military sexual trauma two-signature reviews that VBA completed from January through March 2024, only 132 of the claims (18 percent) were denials. Because claims processors grant claims more often than they deny them, reviewers received and therefore reviewed fewer denials than grants. This practice continues despite evidence shown in the OIG review and VBA quality assurance reviews that denied claims have a high error rate. VBA therefore can learn much more about a claims processor's ability by focusing on reviews of denied claims.

What the OIG Recommended

The OIG made three recommendations to the under secretary for benefits: (1) develop and implement a method to identify and report separate quality statistics for the Military Sexual Trauma Operations Center; (2) update the existing two-signature review process for claims processors and designated reviewers to include an increased focus on military sexual trauma denials; and (3) develop and implement a process to assess designated reviewers' competency in processing denied military sexual trauma claims and monitor effectiveness.¹⁰

VA Management Comments and OIG Response

VBA concurred with all three recommendations and provided responses indicating it would take the actions the OIG recommended. The acting principal deputy under secretary for benefits, performing the delegable duties of the under secretary for benefits, also provided general comments on this report, which the OIG addressed in its responses or clarified as indicated. The OIG will monitor VBA's progress and will close the recommendations when sufficient evidence

⁸ VBA refers to the two-signature review as a second-signature review.

⁹ The population of this review was 78; however, four cases were determined to be out of scope.

¹⁰ The recommendations addressed to the under secretary for benefits are directed to anyone in an acting status or performing the delegable duties of the position.

of improvement is available. The full text of VA's management comments appears in appendix D.

A handwritten signature in cursive script, reading "Larry M. Reinkemeyer".

LARRY M. REINKEMEYER
Assistant Inspector General
for Audits and Evaluations

Contents

Executive Summary	i
Abbreviations	vi
Introduction.....	1
Results and Recommendations	7
Finding: Implementation of VBA’s Military Sexual Trauma Operations Center Resulted in Minimal Change Despite Planned Intent to Improve Claims-Processing Accuracy	7
Recommendations 1–3	16
Appendix A: Scope and Methodology.....	18
Appendix B: Statistical Sampling Methodology	21
Appendix C: Projections and Margins of Error	23
Appendix D: VA Management Comments, Acting Principal Deputy Under Secretary for Benefits	25
OIG Contact and Staff Acknowledgments	28
Report Distribution	29

Abbreviations

FY	fiscal year
OIG	Office of Inspector General
VBA	Veterans Benefits Administration



Introduction

The Veterans Benefits Administration (VBA) is responsible for processing claims from veterans who experience mental health conditions and other disabilities due to military sexual trauma. Military sexual trauma is sexual assault, sexual harassment, or rape that occurs during military service.¹¹ It can have profound and long-lasting effects on the mental and physical well-being of affected veterans. Given the sensitive and complex nature of these cases, it is critical that military sexual trauma claims are handled in a fair, accurate, and compassionate manner by claims processors who have expertise in these types of claims.

In 2018 and in 2021, the VA Office of Inspector General (OIG) reviewed VBA's processing of military sexual trauma claims and reported deficiencies, which are discussed in detail in the next section.¹² VBA concurred with all recommendations in both reports. In its response to the 2021 report, VBA said it planned to consolidate processing of these sensitive claims at a Military Sexual Trauma Operations Center. In March 2022, VBA requested that the OIG close recommendation 2 from the 2021 report, which called on VBA to "develop, implement, and monitor a written plan to address continuing military sexual trauma claims-processing deficiencies identified by the review team, including reassessing previously decided claims when appropriate, and report the results to the OIG." In response, the OIG team reviewed a sample of military sexual trauma claims and determined that accuracy had not, in fact, improved.

Because the operations center was intended to improve processing of these claims, the OIG launched this review to assess VBA's planning and implementation of the operations center and its overall governance structure for processing military sexual trauma claims.

Prior OIG Reports and VBA Actions

In its 2018 report, the OIG analyzed VBA's processing of military sexual trauma claims, with a focus on claims that were denied. The OIG found that almost half of veterans' denied claims related to military sexual trauma were processed incorrectly. The OIG made six recommendations and called on VBA to focus "processing of MST [military sexual trauma]-related claims to a specialized group" of claims processors.¹³ The under secretary for benefits at the time noted in the response plan that "VBA will issue guidance to all VAROs (VA

¹¹ VA Manual 21-1, "General Information on Personal Trauma," updated December 18, 2024, sec. VIII.iv.1.E.1.a. VA categorizes military sexual trauma as a subset of personal trauma.

¹² VA OIG, [Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma](#), Report No. 17-05248-241, August 21, 2018; VA OIG, [Improvements Still Needed in Processing Military Sexual Trauma Claims](#), Report No. 20-00041-163, August 5, 2021.

¹³ VA OIG, [Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma](#). VBA abbreviates military sexual trauma, and the OIG also abbreviated it in the 2018 report; however, the OIG did not abbreviate it in this report except where necessary in quotes and figures.

regional offices) to designate a specialized group of MST-trained VSRs (Veterans Service Representatives) and RVSRs (Rating Veterans Service Representatives) that process MST-related claims.”¹⁴ The OIG also recommended that VBA “conduct special focused quality improvement reviews of denied MST-related claims and take corrective action as needed.” The under secretary for benefits noted in the response that “VBA will conduct a special focused review of denied MST-related claims.” In its special-focused review for fiscal year 2020, VBA’s Compensation Service recommended that the Office of Field Operations consider consolidating military sexual trauma claims processing to certain regional offices or a designated virtual team of claims processors. In May 2021, VBA centralized the processing of military sexual trauma claims to five regional offices. Previously, military sexual trauma claims were processed at all 56 regional offices nationwide.

In its 2021 report, the OIG followed up on the 2018 review and found that VBA had not effectively implemented the OIG’s recommendations aimed at improving military sexual trauma claims processing.¹⁵ VBA leaders did not adequately monitor compliance with the required military sexual trauma claims-processing procedures, resulting in continued deficiencies. Specifically, regarding the 2018 recommendation to focus military sexual trauma-related claims to a specialized group of claims processors, the OIG found in 2021 that these claims were not being consistently handled by the specialized group. The acting under secretary for benefits at the time concurred with the 2021 report’s four recommendations and reported in VBA’s response, “In the first quarter of FY [fiscal year] 2022, VBA will further consolidate (from the five regional offices) to one MST [military sexual trauma] Remote Operations Center that will enable VBA to further streamline operations and ensure tighter internal controls and accountability for MST claims decisions.” Through this effort, VBA established an “MST Triad” (the triad) in September 2021 to govern the military sexual trauma program—with one representative each from the Office of Field Operations, the Compensation Service, and the Outreach, Transition, and Economic Development Service.

Before the operations center came online and as military sexual trauma claims processing became more centralized, VBA identified a need to expand processing of these claims by adding three additional regional offices (for a total of eight) in November 2021.¹⁶ Eventually, in May 2022, VBA established the remote Military Sexual Trauma Operations Center, led by a director overseeing all military sexual trauma claims nationwide.¹⁷ According to a member of the

¹⁴ Veterans service representatives and rating veterans service representatives are referred to as claims processors throughout this report.

¹⁵ VA OIG, [*Improvements Still Needed in Processing Military Sexual Trauma Claims*](#).

¹⁶ The eight sites were Columbia, South Carolina; Nashville, Tennessee; Indianapolis, Indiana; Hartford, Connecticut; New York, New York; Muskogee, Oklahoma; Lincoln, Nebraska; and Portland, Oregon.

¹⁷ Remote work is a flexible work arrangement in which an employee is not expected to perform work at an agency worksite.

VBA's MST Triad, the operations center director also manages and oversees a regional office and its operations unrelated to military sexual trauma. The triad member also confirmed that initially, the director of the San Juan (Puerto Rico) Regional Office was assigned as director of the operations center and after this director's retirement, the role was assigned to the current director of the regional office in Montgomery, Alabama.

With the establishment of the operations center in May 2022, VBA began hiring and training staff nationwide. All operations center employees were to work remotely and were not assigned to physical regional offices. As of October 2023, with the exception of special mission cases, all military sexual trauma claims processing was redirected to the operations center, and the claims processors' involvement at the eight centralized offices was phased out, rendering the operations center fully operational.¹⁸ In April 2024, the Roanoke, Virginia, regional office—which was not part of the eight centralized offices mentioned previously—was added as a surge-supporting office to process these claims.¹⁹ Additionally, the operations center has received continued quality review support from the eight centralized offices.

Figure 1 presents a timeline of events from the initial OIG report in 2018 through the addition of the Roanoke surge site.

¹⁸ Special mission cases such as VBA employee claims, foreign claims (from veterans living overseas), or claims on appeal are required to be worked on by a specific regional office.

¹⁹ Surge support is temporary to provide the operations center with short-term resources to adequately reduce the backlog of military sexual trauma claims while improving the timeliness of claim completion.



Figure 1. Military Sexual Trauma Operations Center timeline.

Source: VA OIG analysis of events.

Triad Governance Structure

Governance over the military sexual trauma claims program is established through the triad, which provides executive oversight for internal processes to ensure program effectiveness, compliance, and oversight and ongoing monitoring of claims processing.

Office of Field Operations

The Office of Field Operations oversees the work at VBA's regional offices with responsibilities including

- making sure regional offices deliver benefits and services to veterans effectively and efficiently;
- guiding performance and workload management for VBA's regional offices;
- making sure VBA benefits and services are provided in a timely, objective manner with respect to speed, accuracy, and customer satisfaction; and
- making sure policies, initiatives, and applications are implemented consistently nationwide.²⁰

Compensation Service

The Compensation Service guides and supports the work of VBA's regional offices in delivering services to veterans. Its responsibilities include

- issuing and administering procedural guidance for initiatives and laws that govern VA benefits;
- developing, supporting, and monitoring the national training plan for claims processors—including developing, providing, and overseeing training;
- assessing national claims-processing accuracy; and
- controlling and overseeing the Systematic Technical Accuracy Review program and special-focused reviews.²¹

²⁰ VA, *Functional Organization Manual*, vol. 1, *Administrations* (version 7, 2021), <https://www.pathfinder.va.gov/assets/resources/about-va/2021-va-functional-organization-manual-volume-one-administrations.pdf>.

²¹ VA, *Functional Organization Manual*, vol. 1, *Administrations*; VA, *Special Focus Review Report*, (April 2023). The Compensation Service's quality assurance team conducts annual special-focused reviews to assess the accuracy of military sexual trauma claims that were denied service connection—that is, a determination based on evidence of a disability linked to a veteran's military service.

Office of Outreach, Transition, and Economic Development

The Office of Outreach, Transition, and Economic Development is dedicated to informing veterans, service members, survivors, and eligible beneficiaries about VA benefits and services; easing service members' transition from the military to civilian life; and collaborating with interagency partners, nongovernmental organizations, community partners, and veterans service organizations.²²

Figure 2 shows how the triad offices relate to each other within VBA.

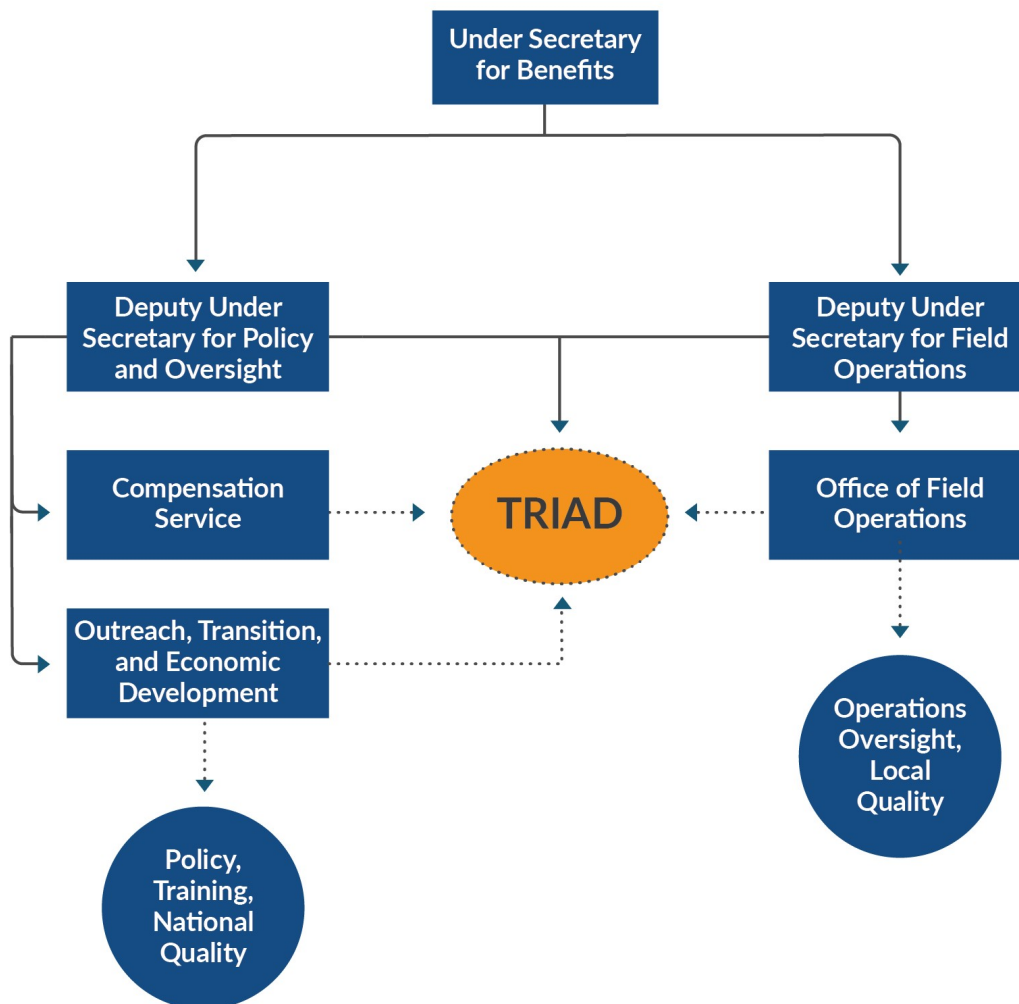


Figure 2. Organization of the military sexual trauma triad.

Source: VA OIG analysis of VBA, MST Playbook, September 2024.

Note: The dotted lines denote relationship to the triad, while the solid lines denote office hierarchy.

²² VA, *Functional Organization Manual*, vol. 1, *Administrations*.

Results and Recommendations

Finding: Implementation of VBA's Military Sexual Trauma Operations Center Resulted in Minimal Change Despite Planned Intent to Improve Claims-Processing Accuracy

The OIG found that VBA has a well-structured governance system for the Military Sexual Trauma Operations Center. However, challenges in planning and implementation led to shortcomings in staffing and quality. Staffing challenges included hiring and retaining employees. Also, though some quality control processes exist, the OIG found that improvements are still needed, specifically within the two-signature process. The lack of sufficient planning and implementation weakens the reliability of the claims process, potentially delaying or denying critical benefits to veterans whose claims are sensitive and complex in nature.

The finding is based on the following determinations:

- The operations center initially had trouble hiring and retaining experienced claims processors.
- The operations center implemented some quality assurance processes but has not met VBA's claims accuracy goal.
- The operations center's second-signature process is not sufficient to evaluate the competency of claims processors or designated reviewers.

What the OIG Did

The OIG team examined VBA's actions and decisions associated with planning and implementation of the operations center as well as VBA policies and procedures related to military sexual trauma claims processing.

The team reviewed a statistical sample of 35 claims from a population of 790 denied military sexual trauma claims that VBA staff had completed in the Military Sexual Trauma Operations Center from October 1, 2023, through January 16, 2024. The team also reviewed 74 claims from a population of 78 claims completed from January 1, 2024, through March 31, 2024, where the designated two-signature reviewer agreed with a claims processor's denial of a military sexual trauma claim.²³ The team also interviewed VBA leaders, operations center managers, and claims processors. See appendix A for more on the OIG's scope and methodology, and see appendixes B and C for information on sampling and projections.

²³ The population was 78, but four cases were determined to be out of scope.

The Operations Center Initially Had Trouble Hiring and Retaining Experienced Claims Processors

Given the sensitive and complex nature of military sexual trauma cases, the operations center emphasized employing claims processors with specialized expertise. The OIG team found that, during the operations center's planning, implementation, and subsequent period, VBA faced challenges in hiring and retaining claims processors with experience in military sexual trauma claims.

Hiring Experienced Claims Processors

In April 2022, the initial inventory of military sexual trauma claims was about 24,000 claims, and the center was allowed to hire 151 employees. By October 2023, when the entire military sexual trauma workload was redirected to the operations center, the inventory climbed to about 31,000 claims, and the employee allocation increased to 390. In April 2024, the Roanoke, Virginia, regional office was added as a surge-supporting office to help process claims. By July 2024, the inventory had further increased to about 39,000 claims, and the employee allocation grew to 571.²⁴ According to a member of VBA's MST Triad, the operations center did not forecast the appropriate level of staffing, which resulted in a need to reassess the total number of employees necessary. Additionally, leaders stated that the number of employees allocated to the operations center will remain flexible in the future and will be adjusted based on workload demands.

The initial hiring criteria for the operations center required claims processors to have prior experience or training in processing military sexual trauma claims.²⁵ According to VBA operations center leaders, the initial strategy was to hire claims processors with military sexual trauma claims experience who were already working in the same position and could immediately help reduce the backlog of military sexual trauma claims. Due to VBA's previous efforts to consolidate military sexual trauma claims processing to a specialized group, the applicant pool currently working military sexual trauma claims was limited. In August 2022, about 150 military sexual trauma claims processors were working at the eight centralized sites. A member of the MST Triad said that, from that group, only 12 claims processors applied during the initial hiring phase for the operations center, and all were hired. The remaining 139 employees hired had worked outside the eight centralized sites but had previous experience in military sexual trauma claims processing.

VBA leaders told the OIG team that working on military sexual trauma claims is challenging, and they did not want to force people to process those claims. Eventually, it became evident to

²⁴ Claims inventories are from an internal VBA dashboard not accessible to the public; the employee allocations are from a staffing report provided on October 15, 2024, by the Office of Field Operations. VA, *MST Playbook*, 2024.

²⁵ VA, *MST Remote Operations Center Guide*, FY 2022, p. 4.

VBA leaders, based on their review of the applicants, that experienced military sexual trauma claims processors were no longer applying. To meet hiring demands and to address the shrinking pool of applicants with this specialized experience, VBA revised the hiring criteria in April 2024 to include applicants *without* experience in military sexual trauma claims processing as well as applicants without any claims-processing experience.

Retaining Experienced Processors

The OIG team identified retention of operations center employees as an additional challenge. According to data provided by VBA, the operations center experienced a turnover rate of 22.6 percent from October 1, 2023, through June 24, 2024, which was significantly higher than the 7.5 percent turnover rate for claims processors at VA regional offices nationwide in the same period.

VBA leaders told the OIG that 74 employees left the operations center from October 2023 through June 24, 2024. Many of those employees left for promotions within VBA that were not available in the operations center.

Operations center leaders said that based on employee feedback and an analysis of attrition trends, the hiring and internal promotion strategy at the operations center was revised in April 2024. The change made it so more internal employees could have a better chance to qualify for promotions within the operations center. According to an operations center manager, since implementing this change, turnover has declined, and the operations center has successfully rehired 10–15 former employees.

As a result, the OIG is not making a related recommendation.

The Operations Center Implemented Some Quality Assurance Processes but Has Not Met VBA’s Claims Accuracy Goal

In March 2022, VBA requested that the OIG close recommendation 2 from the 2021 OIG report, which asked VBA to “develop, implement, and monitor a written plan to address continuing military sexual trauma claims–processing deficiencies identified by the review team, including reassessing previously decided claims when appropriate, and report the results to the OIG.” This recommendation was closed in April 2025, but the OIG found in this review that VBA continues to face challenges with accurately processing military sexual trauma claims.

To test the effectiveness of VBA’s actions to address continuing deficiencies in processing military sexual trauma claims, the OIG team reviewed 35 claims completed by the operations center from October 1, 2023, through January 16, 2024, and estimated an overall error rate of about 51 percent. Although VBA has implemented some quality assurance processes—notably special-focused reviews and quarterly spot checks, as discussed in the next sections—these processes have not resulted in acceptable accuracy rates for claims processing.

Special-Focused Reviews

In response to the 2018 OIG findings, the Compensation Service’s quality assurance team began annual special-focused reviews to evaluate the accuracy of military sexual trauma claims that were denied service connection—that is, a determination based on evidence of a disability linked to a veteran’s military service.²⁶ These reviews are meant to ensure that the claims were denied in compliance with VA policies and procedures. The reviews focus on areas of interest and identify inconsistencies to provide timely feedback and identify training needs.

VBA has an overall accuracy goal for claims quality of 96 percent, according to the VBA regional office director’s performance dashboard.²⁷ In FY 2019, the special-focused review found that the accuracy of military sexual trauma claims that were denied service connection was 85.2 percent. By FY 2023, accuracy had dropped to 71.7 percent. The FY 2024 review—the most current available to the OIG—shows an increase in accuracy to 75.3 percent. Figure 3 shows the annual accuracy rate from these reviews from FY 2019 through FY 2024.

²⁶ A service-connected condition means an illness or injury that was caused by—or got worse because of—military service. 38 C.F.R. § 3.303 (2025); see also 38 U.S.C. § 1154 (this law establishes consideration of time, place, and circumstances of service).

²⁷ The accuracy goal is from an internal VBA regional office director’s dashboard that is not accessible to the public.

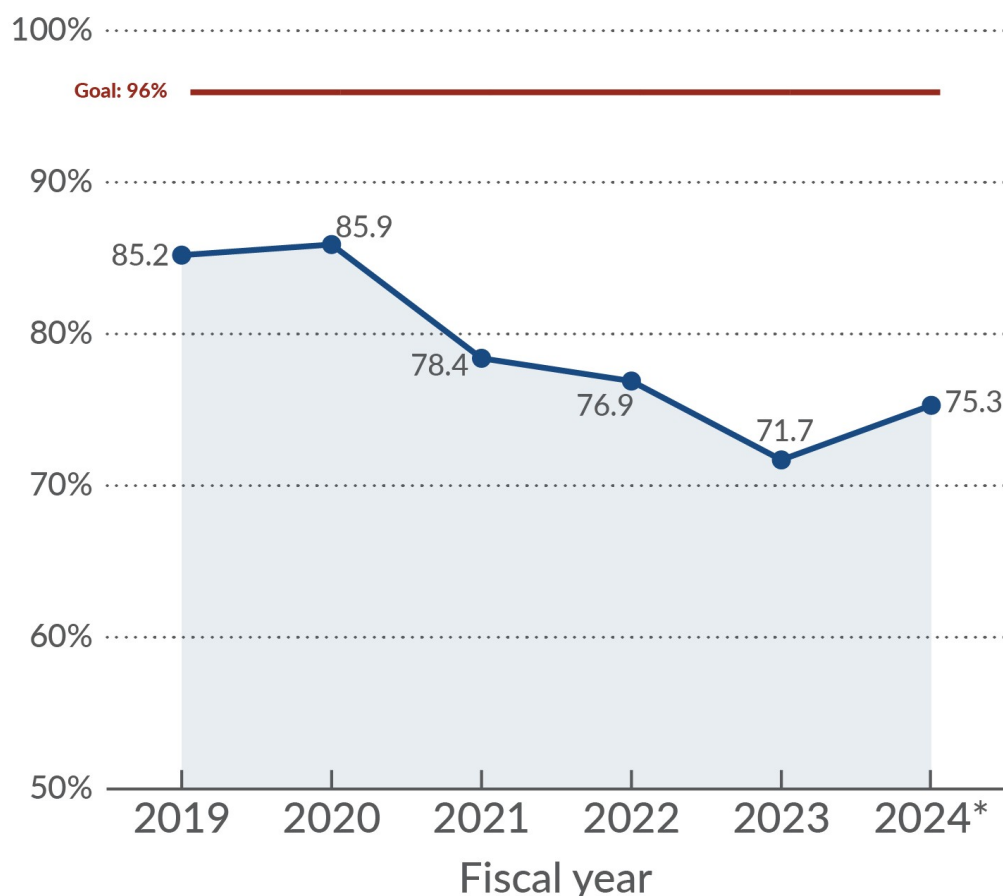


Figure 3. Accuracy rates for special-focused reviews, FYs 2019–2024.

Source: VBA, MST Special Focused Review, December 2024.

* The FY 2024 review was the first performed after the operations center came online in early October 2023.

Quarterly Spot Checks

In January 2024, the Compensation Service’s quality assurance team began quarterly spot checks of military sexual trauma claims. These spot checks, separate from the special-focused reviews, included a random sample of 30 claims, some of which were granted and some of which were denied. In FY 2024, the quality assurance team’s second quarter review found nine errors for an overall claim accuracy of 70 percent. This rate increased to 90 percent accuracy in the fourth quarter. However, as figure 4 on the next page shows, overall accuracy remains below VBA’s stated goal of 96 percent.

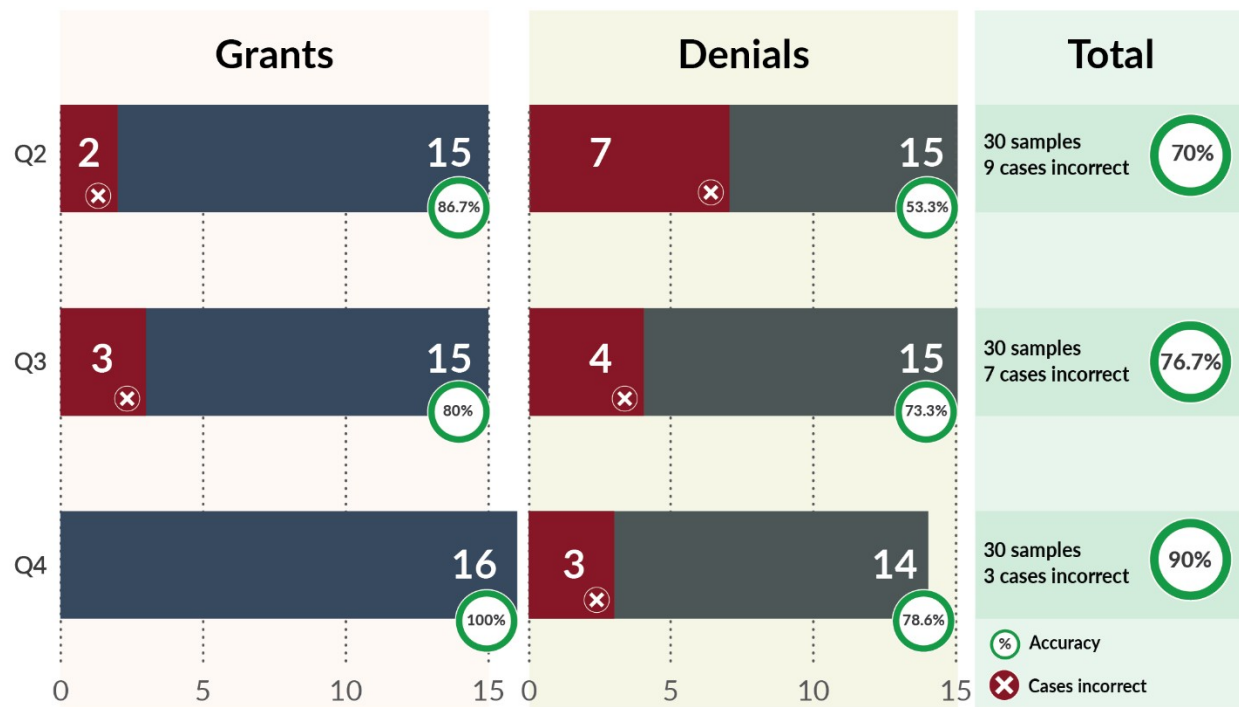


Figure 4. Quarterly spot-check accuracy for grants and denials, FY 2024.

Source: VBA, Compensation Service Military Sexual Trauma Spot Check Fiscal Year 2024, Quarter 4.

The Compensation Service’s special-focused reviews and quarterly spot checks all noted errors in denied claims. Some of these errors included insufficient development, such as failing to obtain all records; insufficient medical opinions due to missed evidence; and failure to order a medical exam when necessary.

Meanwhile, the OIG team found that the operations center lacks its own national quality statistics. Instead, national military sexual trauma quality data are included in the VA San Juan Regional Office’s monthly reports. In November 2024, an operations center leader stated that this approach makes it difficult to assess the center’s performance accurately and they were creating separate quality statistics, but this could take several months to complete. As of April 2025, this had not been accomplished, and national military sexual trauma claims quality data were still included in the San Juan Regional Office’s monthly reports—despite operations center leaders being assigned to the VA Montgomery Regional Office.

Recommendation one calls on VBA to develop and implement a method to identify and report separate quality statistics for the Military Sexual Trauma Operations Center.

The Operations Center's Second-Signature Process Is Not Sufficient to Evaluate Competency of Claims Processors or Designated Reviewers

All military sexual trauma claims processors receive specialized training. According to VBA's training curriculum, only claims processors who have successfully completed the required training may make decisions on military sexual trauma-related claims. Each decision must include the claims processor's digital signature, which certifies that they reviewed the claim and made the decision.²⁸

One training requirement for military sexual trauma claims decisions involves a two-signature process: one signature by the claims processor who made the decision and a second signature by a more experienced processor who acts as the "designated reviewer" who verifies the accuracy of the decision.²⁹ This two-signature process continues until a claims processor demonstrates an accuracy rate of 90 percent or higher based on a review of at least 10 consecutive claims. The claims reviewed include a mix of military sexual trauma claims grants, denials, or evaluations.³⁰ To become a designated reviewer, a claims processor must successfully complete the two-signature process with at least a 90 percent accuracy rate.

The operations center provided the OIG team a list of all military sexual trauma claims that went through the two-signature review process. The OIG reviewed all 74 claims that underwent the two-signature review process from January through March 2024, were denied, and where the designated reviewer agreed with the decision.³¹ The OIG team found that about 34 percent of these claims (25 of the 74 claims reviewed) contained an error despite the designated reviewer agreeing with the incorrect decision.

Examples 1 and 2 are drawn from these 25 claims where the OIG found errors.

Example 1

VBA received a claim on June 7, 2023, for posttraumatic stress disorder related to military sexual trauma. The veteran's VA medical records showed mental health treatment and a diagnosis of posttraumatic stress disorder. Additionally, military records showed potential indicators of sexual trauma during military service. On March 8, 2024, a claims processor denied the claim because of insufficient evidence to confirm the traumatic event occurred. A designated reviewer agreed.

²⁸ VA Manual 21-1, "Codesheet Section," updated December 18, 2024, topic V.iv.1.B in *Adjudication Procedures Manual*.

²⁹ VBA refers to the two-signature review as a second-signature review.

³⁰ An evaluation is a claim for an increase in a disability evaluation rating or rate of a benefit paid based on a change or worsening in condition or circumstance since the last decision VA issued for the benefit. 38 C.F.R. § 3.1 (2025).

³¹ See appendix B for discussion of two-signature claims not reviewed.

VBA procedures require a claims processor to request a medical exam if there is supporting evidence of a diagnosis of posttraumatic stress disorder and supporting evidence indicating the traumatic event occurred, as this veteran's VA medical records showed.³² The OIG determined that the denial was premature because VBA failed to get the required medical exam before denying the claim.

Example 2

VBA received a claim on January 24, 2023, for posttraumatic stress disorder related to military sexual trauma, along with a statement describing the traumatic event. The veteran's military records indicated a sexual trauma event had occurred and included evidence indicating the veteran had a psychiatric evaluation while serving in the military. On January 31, 2024, a claims processor denied posttraumatic stress disorder due to a lack of evidence of a traumatic event occurring during military service. A designated reviewer agreed with this decision.

The VA procedures manual states that when a claim is received, VA has a duty to obtain relevant records.³³ The OIG team determined that this denial of posttraumatic stress disorder was premature because VBA failed to request evidence of the psychiatric evaluation, which could have served as evidence of a traumatic event during service.

The operations center's two-signature process involves reviewing 10 consecutive claims completed by a given claims processor, regardless of whether the claims were granted or denied. The process is the same for claims processors to qualify as designated reviewers. Of the 726 military sexual trauma two-signature reviews that VBA completed from January through March 2024, only 132 (18 percent) were denials; because reviewers grant claims more often than they deny them, fewer denials than grants were reviewed.³⁴ The OIG team reviewed a judgmental sample of five claims processors' overall two-signature reviews to determine how many of the claims were denied. The results are presented in figure 5.

³² VA Manual 21-1, "Examinations and Medical Opinions for Posttraumatic Stress Disorder (PTSD) Claims," updated January 23, 2025, topic VIII.iv.1.C in *Adjudication Procedures Manual*.

³³ VA Manual 21-1, "Examinations and Medical Opinions for Posttraumatic Stress Disorder (PTSD) Claims."

³⁴ Of the 132 denials, the OIG reviewed 78 cases in which military sexual trauma was denied and the designated reviewer agreed with the decision; however, four of the 78 cases were found to be out of scope. The OIG team found that 25 of these cases contained an error, and VA agreed. The remaining 54 claims, which the OIG did not review, were those in which the second-signature reviewer found an error with the initial denial.

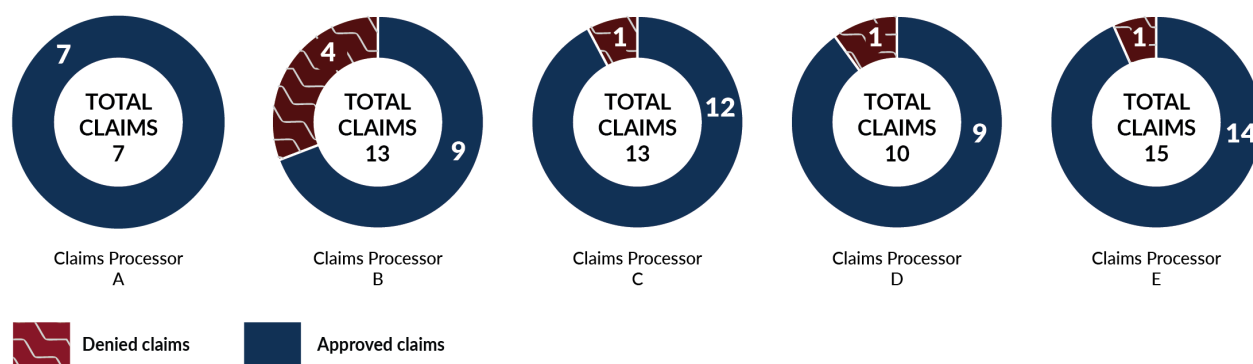


Figure 5. Results from a sample of claims processors' two-signature reviews.

Source: VA OIG analysis of operations center data, January through March 2024.

The OIG found that the two-signature process does not ensure that processors or reviewers are competent in handling claims denials—therefore, operations center leaders may not know the true competency of their claims processors or their designated reviewers.

Because the established procedures do not focus on denials within the two-signature process, claims processors have not demonstrated their ability to accurately complete these claims. The scope of VA's two-signature process should be changed to ensure that claims processors demonstrate adequate accuracy for both grants and denials. Based on the error rates the OIG found in its sample review, the team determined the two-signature process for designated reviewers and claims processors in training could be improved by adding a focus on denial decisions.

Recommendation two calls on VBA to update its existing two-signature review process for claims processors and designated reviewers to include an increased focus on denied military sexual trauma claims.

Recommendation three is for VBA to develop and implement a process to assess designated reviewers' competency on processing denied military sexual trauma claims and monitor effectiveness.

Conclusion

The OIG team found that although VBA intended to improve claims accuracy with the implementation of its Military Sexual Trauma Operations Center, initial challenges resulted in lower claims accuracy than planned. Further, the center's process for assessing competency among claims processors and designated reviewers needs improvement. By developing and implementing a method to identify and report separate quality statistics for the center, updating the existing review process for claims processors, and assessing reviewers' competency, VBA can better ensure veterans receive accurate decisions and benefits payments.

Recommendations 1–3

The OIG made the following recommendations to the under secretary for benefits:³⁵

1. Develop and implement a method to identify and report separate quality statistics for the Military Sexual Trauma Operations Center.
2. Update the existing two-signature review process for claims processors and designated reviewers to include an increased focus on military sexual trauma denials.
3. Develop and implement a process to assess designated reviewers' competency in processing denied military sexual trauma claims and monitor effectiveness.

VA Management Comments

The acting principal deputy under secretary for benefits, performing the delegable duties of the under secretary for benefits, concurred with all three recommendations and provided responses indicating VBA would take the actions the OIG recommended. The full text of the response is in appendix D.

The acting principal deputy under secretary also provided general comments, which the OIG addressed below. These comments are also included in appendix D.

OIG Response

The OIG will monitor VBA's progress and will close the recommendations when sufficient evidence of improvement is available.

VBA's general comments focused on concerns with certain language the OIG used in the report. VBA requested clarification to the sentence in the executive summary, "Since the Military Sexual Trauma Operations Center was established, it has struggled to hire and retain experienced claims processors." VBA recommended the following revision: "Since the Military Sexual Trauma (MST) Operations Center was established in 2022, due to the Honoring our Promise to Address Comprehensive Toxics Act of 2022 and successful MST-related outreach, VBA experienced a significant increase in the MST claim inventory. In 2024, VBA increased the MST Resource Allocation Model (RAM) by an additional 143 full-time employees (FTE). All FTE were hired by the end of fiscal year 2024. As an interim solution for staffing, VBA deployed surge support to supplement the MST Operations Center's resources and to improve timeliness and output for MST claims."

³⁵ The recommendations addressed to the under secretary for benefits are directed to anyone in an acting status or performing the delegable duties of the position.

In response, the OIG acknowledges that military sexual trauma claims increased, resulting in a need to increase VBA staffing; however, based on OIG interviews with leaders, the operations center did not forecast the appropriate level of staffing, resulting in a need to reassess the number of employees needed. The information contained in the suggested revision is in the report's finding, in the section titled, "The Operations Center Initially Had Trouble Hiring and Retaining Experienced Claims Processors."

VBA also expressed concern with the sentence, "The lack of sufficient planning and implementation weakens the reliability of the claims process, potentially delaying or denying critical benefits to veterans whose claims are sensitive and complex in nature." VBA recommended removing the sentence because, in its opinion, planning was not insufficient and the issues identified were the result of VBA actively promoting the military sexual claims program, yielding more claims than VBA expected; VBA noted that it responded by adjusting its staffing model to address the increase in claims.

The OIG maintains that insufficient planning and implementation can largely be attributed to VBA's ongoing challenges with hiring and retaining experienced claims processors. Initially, the staffing instability made it difficult to build and maintain a knowledgeable workforce capable of processing complex claims accurately and efficiently. VBA should have anticipated that active promotion of the program would increase claims; therefore, the OIG stands by its assessment that more comprehensive planning could have helped the operations center hire experienced claims processors to provide accurate and timely decisions.

Finally, VBA requested clarification for this passage: "The OIG team found that although VBA intended to improve claims accuracy with the implementation of its Military Sexual Trauma Operations Center, initial challenges with staffing resulted in lower claims accuracy than planned. Further, the center's process for assessing competency among claims processors and designated reviewers needs improvement." VBA recommended this revision: "The OIG team found that although VBA intended to improve claims accuracy with the implementation of the MST Operations Center, the Center's process for assessing competency among claims processors and designated reviewers needs improvement." In its comments on the report, VBA said that lack of enough staff to process claims directly relates to increased claims volume but does not correlate to lower claims accuracy.

The OIG did not make this requested change. The OIG found a combination of factors—not only low staffing numbers but also other staffing challenges (hiring and retaining experienced claims processors) and a lack of a robust process to assess employee competency—contributed collectively to the lower-than-expected claims accuracy at the operations center.

Appendix A: Scope and Methodology

Scope

The VA Office of Inspector General (OIG) team conducted its work from June 2024 through May 2025. As part of the OIG’s recommendation follow-up process, the team reviewed 35 claims processed at the Military Sexual Trauma Operations Center from October 1, 2023, through January 16, 2024, to determine whether the Veterans Benefits Administration (VBA) had improved how it processes these claims. The team also reviewed all military sexual trauma claims that went through the two-signature review process from January 2024 through March 2024. Additionally, the team reviewed 74 cases within the review scope where the military sexual trauma claim was denied and the designated reviewer agreed with the claims processor’s decision.

Methodology

To accomplish its objective, the team examined VBA’s actions and decisions associated with planning and implementation of the operations center as well as its governance structure. The team also examined VBA policies and procedures related to processing military sexual trauma claims. Additionally, the team conducted statistical analyses as described further in appendixes B and C and interviewed VBA leaders, operations center managers, and claims processors.

Internal Controls Component

The OIG team assessed VBA’s internal controls as well as the policies and procedures related to military sexual trauma claims processing that were significant to the review objective. This included an assessment of the five internal control components: control environment, risk assessment, control activities, information and communication, and monitoring.³⁶ In addition, the team reviewed the principles of internal controls related to the objective. The team identified two components and two principles as significant to the objective.³⁷ Related to the internal control weaknesses, the OIG identified the deficiencies described in table A.1.

³⁶ Government Accountability Office, *Standards for Internal Control in the Federal Government*, GAO-14-704G, September 2014.

³⁷ Because the review was limited to the internal control components and underlying principles identified, it may not have disclosed all internal control deficiencies that may have existed at the time of this review.

**Table A.1. OIG Analysis of Internal Control Components
and Principles Identified as Significant**

Component	Principle	Deficiency identified by this report
Control environment	4. Demonstrate commitment to competence	The operations center was not recruiting and hiring claims processors with experience processing military sexual trauma claims. The operations center had a 22.6 percent employee turnover rate from October 1, 2023, through June 24, 2024.
Control activities	10. Design control activities	The operations center did not forecast the appropriate level of staffing, which resulted in a need to reassess the total number of employees needed.

Source: VA OIG analysis of internal control components and principles. The principles listed are consistent with the Government Accountability Office's Standards for Internal Control in the Federal Government.

Data Reliability

The OIG team used computer-processed data from the following sources:

- VBA's Corporate Data Warehouse for military sexual trauma posttraumatic stress disorder claims denied and completed by the Military Sexual Operations Center from October 1, 2023, through January 16, 2024 (recommendation follow-up sample)
- A VBA-provided workbook of the two-signature reviews of military sexual trauma claims denied from October 2, 2023, through June 28, 2024 (two-signature review sample)³⁸

To test for reliability, the team determined whether any data were missing from key fields, included any calculation errors, or were outside the time frame requested. The team also assessed whether the data contained obvious duplication of records, alphabetic or numeric characters in incorrect fields, or illogical relationships among data elements. Furthermore, the team compared veterans' names, file numbers, dates of claims, and claim-closed dates as provided in the data received to the Veterans Benefits Management System records reviewed.

Testing of the datasets disclosed they were sufficiently reliable for the review objectives. Comparison of the data with information contained in the Veterans Benefits Management System records also did not disclose any problems with data reliability.

³⁸ VBA refers to the two-signature review as a second-signature review.

Government Standards

The OIG conducted this review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

Appendix B: Statistical Sampling Methodology

Approach

To accomplish the objectives, the VA Office of Inspector General (OIG) team reviewed two sets of claims detailed in appendix A. The team used statistical sampling, when applicable, to quantify the extent of records where VA employees prematurely denied claims for posttraumatic stress disorder based on military sexual trauma. The team used statistical sampling for the recommendation follow-up sample but not for the two-signature review.

Population

There were two separate review populations:

- The first review population was 790 claims for the recommendation follow-up sample of previously denied military sexual trauma claims completed from October 1, 2023, through January 16, 2024.
- The second review population was 78 claims for the two-signature review of claims completed from January 1, 2024, through March 31, 2024, in which the designated two-signature reviewer agreed with a claims processor's denial of a military sexual trauma claim.

Based on previous OIG reports about military sexual trauma claims and the history of claim reviews noted in this report, the OIG determined these claims have a high risk of error with potential unwarranted denial of veteran's benefits. The team used this review to determine the extent to which claims processors did not follow policies or procedures when deciding claims for military sexual trauma and the two-signature designated reviewer did not find these errors in their review.

The OIG determined that reviewing the following two-signature military sexual trauma claims completed within the review period of October 1, 2023, to March 31, 2024, was not warranted as they contained a very low estimated risk of error: granted claims in which the designated reviewer agreed with the decision, granted claims in which the designated reviewer disagreed with the decision, and denied claims in which the designated reviewer disagreed with the decision. This is based on the understanding that grants provide benefits to veterans and have a much lower risk of error. In addition, if an error was found in the review process, there would be low probability that the OIG team would disagree with the designated reviewer's assessment of that error.

Sampling Design

For the recommendation follow-up sample, the team selected a statistical sample of 35 records from the population of records of previously denied military sexual trauma claims completed from October 1, 2023, through January 16, 2024. The population was not stratified.

Weights

Samples were weighted to represent the population from which they were drawn, and the weights were used in the estimate calculations. For example, the team calculated the error rate estimates by first summing the sampling weights for all sample records that contained the given error, then dividing that value by the sum of the weights for all sample records.

Appendix C: Projections and Margins of Error

The projection is an estimate of the population value based on the sample. The associated margin of error and confidence interval show the precision of the estimate. If the OIG repeated this audit with multiple sets of samples, the confidence intervals would differ for each sample but would include the true population value about 90 percent of the time.

The OIG statistician employed statistical analysis software to calculate estimates, margins of error, and confidence intervals that account for the complexity of the sample design.

The sample size was determined after reviewing the expected precision of the projections based on the sample size, potential error rate, and logistic concerns of the sample review. While precision improves with larger samples, the rate of improvement decreases significantly as more records are added to the sample review.

Figure C.1 shows the effect of progressively larger sample sizes on the margin of error.

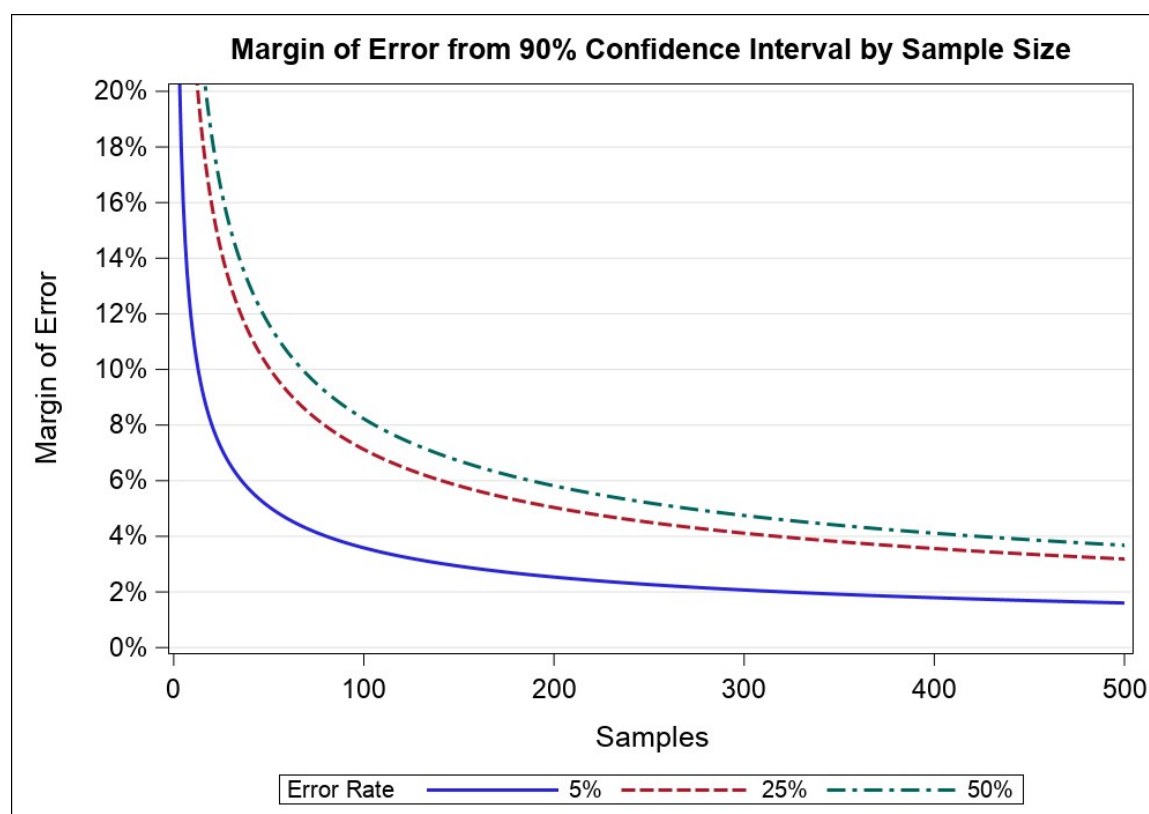


Figure C.1. Effect of sample size on margin of error.

Source: VA OIG statistician's analysis.

Table C.1 shows the statistical projections used in this report.

**Table C.1. Statistical Projection for Inaccurate Denials,
with a 90 Percent Confidence Interval**

Estimate name	Sample size	Sample count	Estimated error rate (percentage)	Margin of error	Lower limit	Upper limit
Inaccurate denials	35	18	51.4	14.9	36.4	66.2

Source: VA OIG statistician's analysis.

Appendix D: VA Management Comments, Acting Principal Deputy Under Secretary for Benefits

Department of Veterans Affairs Memorandum

Date: June 23, 2025

From: Under Secretary for Benefits (20)

Subj: Office of Inspector General (OIG) Draft Report – Implementation of Military Sexual Trauma Operations Center Resulted in Minimal Change Despite Planned Intent to Improve Claims-Processing Accuracy [Project No. 2024-01429-AE-0057] — [VIEWS 13007830]

To: Assistant Inspector General for Audits and Evaluations (52)

1. Thank you for the opportunity to review and comment on the OIG draft report: Implementation of Military Sexual Trauma Operations Center Resulted in Minimal Change Despite Planned Intent to Improve Claims-Processing Accuracy [Project No. 2024-01429-AE-0057]. The Veterans Benefits Administration (VBA) provides the attached response to the draft report.

<i>The OIG removed point of contact information prior to publication.</i>

[Original signed by]

J. Margarita Devlin

Acting Principal Deputy Under Secretary for Benefits

Performing the Delegable Duties of the Under Secretary for Benefits

Attachment

VETERANS BENEFITS ADMINISTRATION (VBA)

Comments

**OIG Draft Report – Implementation of Military Sexual Trauma Operations Center Resulted in
Minimal Change Despite Planned Intent to Improve Claims-Processing Accuracy**

(2024-01429-AE-0057)

VBA concurs with the Office of Inspector General (OIG) findings and provides the following technical comments:

Page ii, first paragraph, third sentence:

“Since the Military Sexual Trauma Operations Center was established, it has struggled to hire and retain experienced claims processors.”

VBA Comment: VBA requests clarifications to this sentence as it is misleading to readers who are unaware of the historical context of the establishment of the Military Sexual Trauma (MST) Operations Center. VBA recommends the following revision:

“Since the Military Sexual Trauma (MST) Operations Center was established in 2022, due to the [Honoring our Promise to Address Comprehensive Toxics Act of 2022](#) and successful MST-related outreach, VBA experienced a significant increase in the MST claim inventory. In 2024, VBA increased the MST Resource Allocation Model (RAM) by an additional 143 full-time employees (FTE). All FTE were hired by the end of fiscal year 2024. As an interim solution for staffing, VBA deployed surge support to supplement the MST Operations Center’s resources and to improve timeliness and output for MST claims.”

Page 7, first paragraph, last sentence:

“The lack of sufficient planning and implementation weaken the reliability of the claims process, potentially delaying or denying critical benefits to veterans whose claims are sensitive and complex in nature.”

VBA Comment: VBA recommends removal of this sentence as it is misleading to the reader. Planning was not insufficient; rather, active outreach and promotion of the MST Program resulted in more MST claims than VBA planned. VBA responded by increasing the RAM to address the growing claims inventory.

Page 15, last paragraph:

“The OIG team found that although VBA intended to improve claims accuracy with the implementation of its Military Sexual Trauma Operations Center, initial challenges with staffing resulted in lower claims accuracy than planned. Further, the center’s process for assessing competency among claims processors and designated reviewers needs improvement.”

VBA Comment: VBA requests clarification as low staffing does not equate to lower claims accuracy. Low staffing directly correlates to increased inventory due to not having enough personnel handling the claims. VBA recommends the following revision:

“The OIG team found that although VBA intended to improve claims accuracy with the implementation of the MST Operations Center, the Center’s process for assessing competency among claims processors and designated reviewers needs improvement.”

The following comments are submitted in response to the recommendations in the OIG draft report:

Recommendation 1: Develop and implement a method to identify and report separate quality statistics for the military sexual trauma operations center.

VBA Response: Concur. VBA will develop and implement a method to identify and report separate quality statistics for the MST Operations Center.

Target Completion Date: December 31, 2025

Recommendation 2: Update the existing two-signature review process for claims processors and designated reviewers to include an increased focus on military sexual trauma denials.

VBA Response: Concur. VBA will update the existing two-signature review process for claims processors and designated reviewers to include an increased focus on MST denials.

Target Completion Date: October 1, 2025

Recommendation 3: Develop and implement a process to assess designated reviewers' competency in processing denied military sexual trauma claims and monitor effectiveness.

VBA Response: Concur. VBA will develop and implement a process to assess designated reviewers' competency in processing denied MST claims and monitor effectiveness.

Target Completion Date: October 1, 2025

<p><i>For accessibility, the original format of this appendix has been modified to comply with Section 508 of the Rehabilitation Act of 1973, as amended.</i></p>

OIG Contact and Staff Acknowledgments

Contact	For more information about this report, please contact the Office of Inspector General at (202) 461-4720.
----------------	---

Review Team	Lance Vanderhoof, Director Spencer Anderson Kaitlin Archuleta Casey Crump Stephanie Hubbard Gregory Nelson Geoffrey Sauer Charles Thompson Pauline Valdez Schmitt Megan Wood
--------------------	---

Other Contributors	Kendal Ferguson Rachelle Wang-Cendejas Bill Warhop Rashiya Washington
---------------------------	--

Report Distribution

VA Distribution

Office of the Secretary
Veterans Benefits Administration
Veterans Health Administration
National Cemetery Administration
Assistant Secretaries
Office of General Counsel
Office of Acquisition, Logistics, and Construction
Board of Veterans' Appeals

Non-VA Distribution

House Committee on Veterans' Affairs
House Appropriations Subcommittee on Military Construction, Veterans Affairs,
and Related Agencies
House Committee on Oversight and Government Reform
Senate Committee on Veterans' Affairs
Senate Appropriations Subcommittee on Military Construction, Veterans Affairs,
and Related Agencies
Senate Committee on Homeland Security and Governmental Affairs
National Veterans Service Organizations
Government Accountability Office
Office of Management and Budget

OIG reports are available at www.vaoig.gov.