



DEPARTMENT OF VETERANS AFFAIRS
OFFICE OF INSPECTOR GENERAL

Office of Audits and Evaluations

VETERANS BENEFITS ADMINISTRATION

Enhanced Strategy Needed
to Reduce Disability Exam
Inventory Due to the
Pandemic and Errors
Related to Canceled Exams

REVIEW

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Executive Summary

The COVID-19 pandemic has affected how the Veterans Benefits Administration (VBA) fulfills its mission of “providing benefits and services to Veterans, their families, and survivors in a responsive, timely, and compassionate manner in recognition of their service to the Nation.”¹ Due to the pandemic, VBA discontinued all in-person disability exams on April 3, 2020. The exams allow VBA to determine the severity of veterans’ service-related illnesses or injuries, which in turn determines the monthly benefits VBA pays disabled veterans. To continue providing some exams, VBA relied on telemental health and reviews of acceptable clinical evidence (ACE).² ACE exams are based on a review of medical records and history without an in-person clinical exam or testing but may include a telephone or video interview.

The VA Office of Inspector General (OIG) conducted this review to assess

1. how VBA scheduled and conducted exams during the COVID-19 pandemic to limit veterans’ exposure, minimize claims-processing delays, and ensure claims are not prematurely denied due to missed or canceled in-person exams; and
2. VBA’s strategy for addressing the inventory of disability exams delayed due to the COVID-19 pandemic.

What the Review Found

The OIG found VBA took decisive action in response to the COVID-19 pandemic, as illustrated in figure 1. On April 2, 2020, the Veterans Health Administration (VHA) notified VBA to transfer exams conducted by VHA examiners to VBA disability exam contractors to the greatest extent possible. This shift was necessary to allow VHA facilities to prioritize essential and critically needed healthcare services during the pandemic. VBA then modified procedures and redirected requests to the disability exam contractors it had used prior to the pandemic as part of its normal operations. On April 3, 2020, the Compensation Service Contract Exam Program Office notified contractors to halt all in-person exams to limit veterans’ exposure to the virus.

VBA also notified veterans of changes to the exam process. In addition to spreading the word through VA websites, social media, and veterans service organizations, VBA gave its call center personnel answers to frequently asked questions regarding the new procedures. Veterans with previously scheduled in-person exams were offered telehealth or ACE exams if authorized.³

¹ VA 2019 Functional Organizational Manual, December 21, 2018.

² Telehealth exams generally can be done in lieu of an in-person exam using digital information and communication technologies, such as computers and mobile devices, to deliver healthcare services remotely.

³ For VBA purposes, telehealth exams are known as tele-Compensation and Pension Exams. These are examinations of a disability for a functional impairment determination, not for treatment.

Canceled Disability Benefit Exams During Pandemic

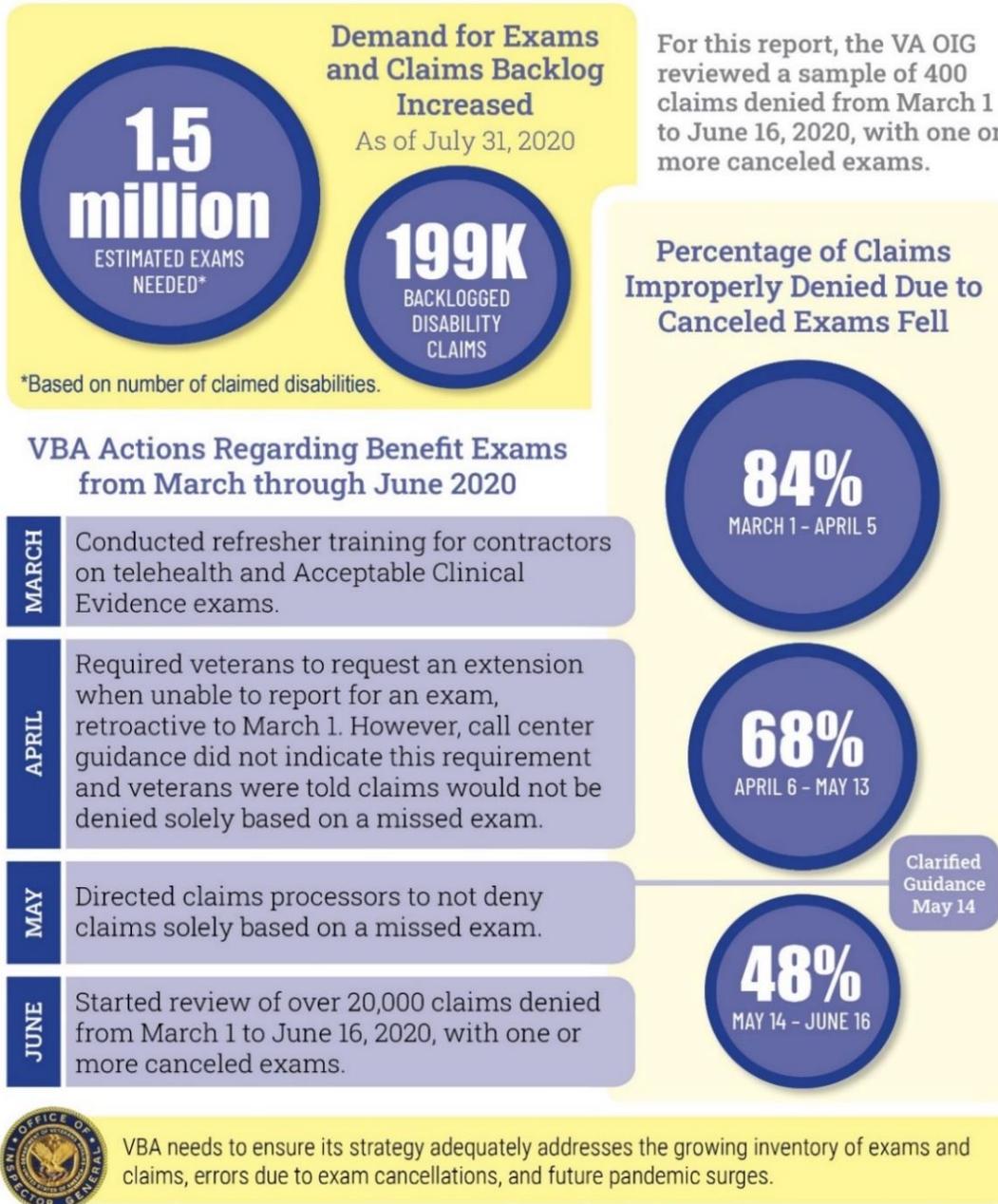


Figure 1. Canceled disability benefits exams during the pandemic.

Source: VA OIG analysis.

If those options were not possible or acceptable, VBA gave veterans the opportunity to wait for in-person exams and assured them no final action, including a denial, would be taken on their claims until in-person exams could be completed.⁴

In March 2020, VBA provided refresher training to contractors conducting telehealth and ACE exams. Additional training on ACE and telehealth exams was provided in April 2020.

Contractors were also informed that, except for mental health exams, all claimed disabilities should first be reviewed for ACE suitability. Further, exam requests that did not qualify for the ACE process were to be screened to determine if they could be completed through telehealth.

While promoting its use, VBA recognized the limitations of telehealth. To conduct telehealth exams, examiners rely on disability benefits questionnaires, disease- and condition-specific forms that document the precise medical evidence needed to support disability benefits claims. VHA issued guidance on 29 questionnaires suitable for telehealth, covering conditions such as sleep apnea and headaches. Further, many telehealth exams covered by questionnaires require certain types of medical equipment or a telepresenter, a person at the veteran's location who can assist with taking vital signs or troubleshooting technological issues.⁵ VBA officials told the OIG that telepresenters were required for all telehealth exams (excluding telemental health).⁶ VBA officials could not confirm whether telepresenters attended telehealth exams that VBA records show were completed by contractors. Although telehealth and ACE exams were used to offset discontinued in-person exams, the number of pending exams grew.

On April 6, 2020, VBA issued guidance informing all regional offices that the COVID-19 pandemic was considered an acceptable cause for VA to grant a veteran's request for a time limit extension or reschedule an exam if the veteran failed to report.⁷ This guidance was retroactive to March 1, 2020, based on the presidential proclamation declaring COVID-19 a national emergency effective that date.

On April 24, 2020, VBA furnished call center personnel with guidance on what responses they should provide callers regarding exam cancellations. (There is no evidence this information was provided to all regional offices.) The guidance directed call center personnel to inform veterans with previously scheduled in-person exams who were unable or unwilling to have telephone or virtual exams that no final action would be taken on their claims until in-person exams could be

⁴ Office of Field Operations, National Call Center, "Novel Coronavirus (COVID-19) General Information," Call Center Script, April 24, 2020.

⁵ Office of Disability and Medical Assessment, "Telehealth for Compensation and Pension (C&P) Examinations Fact Sheet," DMA-20-002, March 25, 2020. The telepresenter should have an awareness of a complete, comprehensive disability evaluation exam, including the clinical chart and associated peripherals, and have the ability to address any unexpected technical issues which may arise during a telehealth encounter.

⁶ Office of Disability and Medical Assessment, "Telehealth for Compensation and Pension (C&P) Examinations Fact Sheet."

⁷ VBA, Policy Letter 20-02, "Novel Coronavirus (COVID-19) Claims and Appeals Processing Guidance," April 6, 2020.

completed. In addition, the guidance instructed personnel to inform veterans that during the pandemic VA would not deny a claim solely for failure to report for an exam. This guidance did not address whether the veteran needed to request an extension.⁸ On May 14, 2020, in response to frequently asked questions, VBA clarified its April 6, 2020, policy letter by directing claims processors to assume any failure to report for an exam is due to the pandemic, whether or not the veteran provides a reason for not reporting for the exam. The guidance further said not to deny the claim based on failure to report for an exam.⁹

After congressional members and the media reported veterans' claims were being denied based on canceled exams, on June 19, 2020, VBA initiated an internal review. It identified approximately 20,000 denied claims from March 1 through June 16, 2020, with one or more canceled exams requiring a review to determine if these claims were prematurely or improperly denied based on canceled exams. At the time of the OIG review, VBA's internal review was ongoing. A VBA exam cancellation review memorandum sent to regional offices dated June 19, 2020, reiterates that claims should not be denied based on veterans' failure to report for exams. The memorandum further states that these claims will require additional review to ensure procedures were properly followed and directs staff to request exams if a review of the claims indicates that a denial was made inappropriately.¹⁰

The OIG team reviewed a statistical sample of 400 of the approximately 20,000 denied claims with one or more canceled exams identified by VBA as needing further review to determine if proper procedures were followed.¹¹ The OIG team based the following estimates on its sample of 400 of the claims flagged by VBA:

- From March 1 through April 5, 2020 (prior to VBA guidance to regional offices requiring veterans to request an extension if they failed to report for an exam), 6,400 of 7,700 claims (84 percent) were prematurely or improperly denied based on a canceled exam.
- From April 6 through May 13, 2020 (prior to clear guidance on exam cancellations), 3,700 of 5,500 claims (68 percent) were prematurely or improperly denied based on a canceled exam.

⁸ Office of Field Operations, National Call Center, COVID-19 Call Center Script.

⁹ VBA, Policy Letter 20-02.

¹⁰ VA, Memorandum, "Examination Cancellation Review," June 19, 2020.

¹¹ Of the approximately 20,000 claims identified by VBA as needing further review, the OIG determined approximately 4,500 were out of scope for this review (e.g., exams were scheduled in 2019, requested in error, or otherwise completed or resolved). Therefore, the total population for the review was approximately 15,500.

- From May 14 through June 16, 2020 (clear guidance provided on May 14), 1,100 of 2,400 claims (48 percent) were prematurely or improperly denied based on a canceled exam.

At the time of the OIG review, VBA was in the process of conducting a concurrent but independent internal review of claims with one or more canceled exams. The OIG team concluded that the quality of decisions was affected by the initial guidance's retroactive effective date and potential confusion related to guidance provided between April 6 and June 19, 2020. The OIG based this conclusion on the team's review of issued guidance, interviews, and the results of the sample review.

VA released a plan in May 2020, *Charting the Course: Maintaining Continuous Services to Veterans and Resuming Normal, Pre-COVID-19 Operations*, outlining VA's strategy for reopening. Later that month, VBA released a supplement to this document which outlined information the Compensation Service was directed to provide to contract examiners. Additionally, this document addressed considerations and procedures for managing the exam workload of claims processors and contract examiners. Also, in May 2020, the under secretary for benefits announced the establishment of a new Program Integration Office, focused on exam management operations and oversight.

VBA appeared to recognize the early errors being made and in response clarified and repeated guidance and established additional controls. As of July 31, 2020, VBA reported an exam inventory of 346,221 exam requests and about 1.5 million distinct claimed disabilities associated with these pending exam requests.¹² The OIG found that while the exam inventory has increased, the percentage of errors appears to have decreased with clear guidance.

Still, VBA must further develop, implement, and test its strategy to reduce the growing inventory of pending exams, while handling incoming exam requests. The plan must incorporate lessons from COVID-19 to ensure continuation of exam processing and prepare for future pandemic surges and other national emergencies. A detailed and tested strategy that draws on all its partners and resources will help VBA reduce the risk of further delaying veterans' claims or denying them the benefits they are due.

¹² In discussions with VBA, the OIG discerned the estimated number of individual exams needed could be most accurately determined from the underlying claimed disabilities, referred to as contentions. The August 2020 *VBMS User Guide* (page 261) defines contentions as conditions or diagnoses a veteran contends are the cause of a current disability and may qualify for benefits if directly related to military service. A single disability benefits claim can include more than one contention. In some cases, an in-person exam may not be needed if adequate clinical evidence is provided, but multiple exams may also be required. For example, a claim for traumatic brain injury or a common form of diabetes (mellitus) may require multiple exams that could drive the number of pending exams even higher.

What the OIG Recommended

The OIG recommended the under secretary for benefits further develop, implement, and test its strategy to reduce the exam inventory through in-person, telehealth, and ACE exams, as safety and circumstances permit. Further, VBA is called on to develop and implement a plan to increase the use of telehealth exams. VBA should also ensure contractors follow the Office of Disability and Medical Assessment telehealth guidance on exams to determine whether a telepresenter or specific medical equipment is required.

Management Comments

The under secretary for benefits concurred or concurred in principle with the recommendations and provided acceptable action plans for both recommendations. The OIG will close recommendation 2 when VBA provides evidence showing contract examiners are being adequately monitored to ensure they are following the Office of Disability and Medical Assessment telehealth guidance on exams. The OIG will monitor VBA's progress and follow up on implementation of the recommendations until all proposed actions are completed.



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Contents

..... 1

Executive Summary i

Abbreviations viii

Introduction..... 1

Results and Recommendations5

 Finding: VBA Responded Decisively to COVID-19 but Needs an Enhanced Strategy to
 Reduce the Inventory of Canceled Disability Exams and Potential Claims
 Errors and for Future Emergencies5

 Recommendations 1–2.....15

Appendix A: Scope and Methodology.....17

Appendix B: Statistical Sampling Methodology20

Appendix C: Management Comments.....24

OIG Contact and Staff Acknowledgments26

Report Distribution27

Abbreviations

ACE	acceptable clinical evidence
COVID-19	coronavirus disease 2019
OIG	Office of Inspector General
VBA	Veterans Benefits Administration
VHA	Veterans Health Administration



Introduction

Due to the pandemic, the Veterans Benefits Administration (VBA) discontinued all in-person disability exams on April 3, 2020. These exams help determine the severity of veterans' service-related illnesses or injuries. The results inform decisions on the amount of monthly disability benefits that eligible veterans receive. To continue providing some exams, VBA relied on telehealth and reviews of acceptable clinical evidence (ACE).¹³ ACE exams are based on a review of medical records and history without an in-person exam or testing but may include a telephone or video interview.

The VA Office of Inspector General (OIG) initiated this review to assess how VBA has been

- scheduling and conducting exams during the COVID-19 pandemic to limit veterans' exposure, minimize claims-processing delays, and ensure claims are not prematurely denied due to missed or canceled in-person exams; and
- addressing the inventory of exams delayed due to the pandemic.

Veterans Benefits Administration

VBA's mission is "to provide benefits and services to Veterans, their families, and survivors in a responsive, timely, and compassionate manner in recognition of their service to the Nation."¹⁴ The VBA compensation program provides tax-free monthly benefits to veterans as compensation for disabilities caused by military service.¹⁵ Medical exams can be critical in supporting veterans' claims for benefits and represent a significant investment by VBA. VBA has contracted to provide billions of dollars' worth of services—scheduling, conducting, and documenting exams for veterans—to obtain a medical diagnosis and determine the severity of each claimed disability.

The Disability Exam Process

The disability claim process starts with the veteran filing a claim. If the claim requires an exam, a VBA claims processor requests one from a Veterans Health Administration (VHA) examiner or contractor based on examiner capacity and availability.¹⁶ In 2016, VA established the Medical Disability Examination Program to enhance its ability to deliver prompt processing of disability

¹³ Telehealth exams generally can be done in lieu of an in-person exam using digital information and communication technologies, such as computers and mobile devices, to deliver healthcare services remotely.

¹⁴ VA 2019 Functional Organizational Manual, December 21, 2018.

¹⁵ "VA disability compensation," VA website, accessed May 14, 2020, <https://www.va.gov/disability/>.

¹⁶ The Veterans Benefits Improvement Act of 1996, Pub. L. No. 104-275 (1996). The act authorized VA to use non-VA medical sources to complete disability exams to increase its capacity and improve timeliness. This was later amended by Pub. L. No. 113-235, § 241 (2014), which gave VA the authority to expand the use of contract exams.

benefits claims and improve disability exams for veterans. VHA or the contractor schedules, conducts, and notifies VBA of the results of the exam. This process is set out in figure 2.

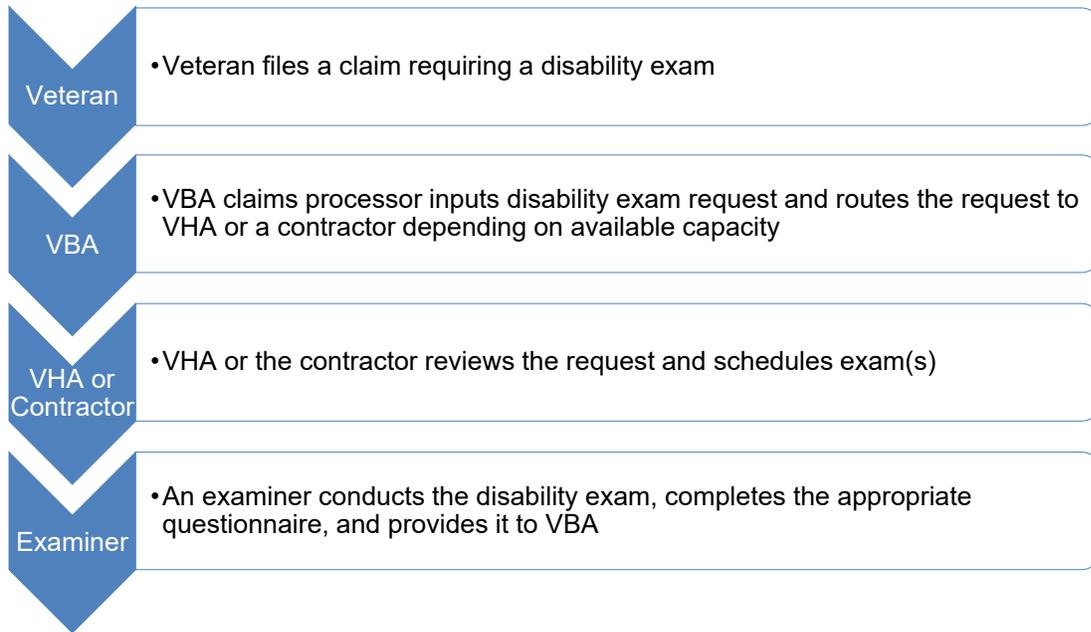


Figure 2. Summary of VBA's disability exam process.

Source: VA OIG analysis of documents related to VBA's disability exam process.

In July 2011, VBA mandated the use of disability benefits questionnaires for exams. The disease- and condition-specific questionnaires were developed to streamline exams in support of veterans' claims for disability benefits. The questionnaires document the precise medical evidence needed by VBA to decide claims. Examiners are to complete the form and answer and document only the questions posed there. An exam request may cover more than one claimed disability and require multiple questionnaires.

Types of Exams

Exams may be done in-person or remotely through telehealth or ACE.

In-Person Exams

In-person (face-to-face) clinical exams are conducted to screen all body systems and either document normal findings or identify disabilities that are found or suspected. Some exams routinely performed by specialists—such as hearing, vision, and dental exams—also require in-person contact. Before COVID-19, the majority of exams were conducted in person. However, examiners (subject to some limitations) had the option to complete disability benefits questionnaires through telehealth or an ACE review.

Telehealth Exams

Telehealth exams generally can be done in lieu of an in-person exam to assess veterans under the same standards used for in-person exams.¹⁷ Telehealth is the use of digital information and communication technologies, such as computers and mobile devices, to access healthcare services remotely. VHA and VBA requirements for performing a telehealth exam may include certain types of medical equipment and a telepresenter. A telepresenter could be a telehealth technician, a nursing staff member, an allied health professional, a clinician, or an examiner available at the veteran's location to assist with taking vital signs or troubleshooting technological issues.¹⁸ Per VBA procedure, telehealth exams can be used as evidence to decide veterans' disability claims if completed by a VHA or VBA-contracted examiner.¹⁹

While promoting its use, VBA recognized the limitations of telehealth. In March 2020, VBA provided information that all four telemental health exams and 29 of 77 disability benefits questionnaires for diseases and conditions were reported as suitable for telehealth.²⁰ Telemental health exams require the use of videoconferencing equipment so the examiner can observe nonverbal cues, but a telepresenter is not required.²¹ The deputy executive director of the Medical Disability Examination and Budget Office said that a telepresenter is not required due to veteran privacy. However, exams requiring direct interaction—for example, range of motion testing—cannot be completed via telehealth.

Acceptable Clinical Evidence

ACE exams are based on a review of medical records and history without an in-person clinical exam or testing. Examiners review the evidence and complete the necessary disability benefits questionnaire. Examiners may also conduct a telephone or video interview with the veteran. According to VBA, ACE exams are not acceptable for general medical exams, traumatic brain

¹⁷ For VBA purposes, telehealth exams are known as tele-Compensation and Pension exams. These are examinations of a disability for a functional impairment determination, not for treatment.

¹⁸ Office of Disability and Medical Assessment, "Telehealth for Compensation and Pension (C&P) Examinations Fact Sheet," DMA 20-002, March 25, 2020. The telepresenter should have an awareness of a complete, comprehensive disability evaluation exam, including the clinical chart and associated peripherals, and have the ability to address any unexpected technical issues that arise during a telehealth encounter.

¹⁹ VA Manual 21-1, part 3, sub. iv, chap. 3, sec. d, topic 2(c), "Telehealth and Telemental Health Examinations," February 19, 2019.

²⁰ Office of Disability and Medical Assessment, "Telehealth for Compensation and Pension (C&P) Examinations Fact Sheet." In September 2013, VBA and VHA signed a memorandum of agreement expanding the use of telehealth technology for exams to document physical disabilities. This agreement listed 16 disability benefits questionnaires approved for use in telehealth exams.

²¹ VBA and VHA previously signed a memorandum of agreement in May 2011 recognizing telemental health exams as valid evidence to help decide a veteran's claim.

injury exams, or “mental disorder” exams. Further, ACE exams cannot be done when necessary medical records are not available for the examiner to review.

Results and Recommendations

Finding: VBA Responded Decisively to COVID-19 but Needs an Enhanced Strategy to Reduce the Inventory of Canceled Disability Exams and Potential Claims Errors and for Future Emergencies

VBA took critical action to limit veterans' exposure to COVID-19. On April 2, 2020, VBA transferred exams to contractors, and the following day discontinued in-person exams and began emphasizing telemental health and ACE exams. It notified veterans of changes to the exam process through various means, including websites, social media, and veterans service organizations. VBA had also provided contractor training weeks earlier (in March) on the use of telehealth and ACE reviews to continue exams to the extent possible. It followed with refresher training for claims processors on identifying medical records sufficient for making decisions without exams. Nonetheless, telehealth and ACE exams had limitations. For example, numerous telehealth exams require telepresenters to be with the veterans during the exams. As a result of these limitations and VBA's decision to discontinue in-person exams, the number of pending exams grew.

On April 6, 2020, VBA issued guidance that the COVID-19 pandemic was considered an acceptable cause for veterans failing to report for an exam. It instructed regional office staff to reschedule the exam.²² This guidance was retroactive to March 1, 2020, based on the presidential proclamation declaring COVID-19 a national emergency effective on that date. On April 24, 2020, VBA assured veterans no final action, including denials of their claims, would be taken when an in-person exam was needed.²³

On May 14, 2020, VBA distributed to regional offices and published frequently asked questions. Designed to supplement the April 6 policy letter, the frequently asked questions directed claims processors to assume that any failure to report for an exam is due to the pandemic, whether or not the veteran provides a reason for not reporting for the exam. The guidance explicitly directed claims processors to not deny the claim based on failure to report for an exam.²⁴

On June 19, 2020, VBA identified approximately 20,000 denied claims with one or more canceled exams with a decision dated from March 1 through June 16, 2020, and initiated an internal review to determine if these claims were prematurely or improperly denied. At the time

²² VBA, Policy Letter 20-02, "Novel Coronavirus (COVID-19) Claims and Appeals Processing Guidance," April 6, 2020.

²³ Office of Field Operations, National Call Center, "Novel Coronavirus (COVID-19) General Information," Call Center Script, April 24, 2020.

²⁴ VBA, Policy Letter 20-02.

of the OIG's review, the VBA internal review was ongoing. On June 25, 2020, the OIG team began reviewing a statistical sample of these claims, on which it based the following estimates:²⁵

- From March 1 through April 5, 2020 (prior to VBA guidance to regional offices requiring veterans to request an extension if they failed to report for an exam), 6,400 of 7,700 claims (84 percent) were prematurely or improperly denied based on a canceled exam.
- From April 6 through May 13, 2020 (prior to clear guidance on exam cancellations), 3,700 of 5,500 claims (68 percent) were prematurely or improperly denied based on a canceled exam.
- From May 14 through June 16, 2020 (clear guidance provided on May 14), 1,100 of 2,400 claims (48 percent) were prematurely or improperly denied based on a canceled exam.

In May 2020, VA released its plan for resuming normal operations. *Charting the Course: Maintaining Continuous Services to Veterans and Resuming Normal, Pre-COVID-19 Operations* provided limited information on exams. It stated VBA would work with its contractors to formulate a plan to resume in-person exams. Also in May, VA established the Program Integration Office to oversee disability exams. It was designed to provide new leadership and oversight as VBA has taken on more responsibilities for conducting exams so that VHA can focus on its healthcare mission and additional demands related to COVID-19.

A press release dated May 28, 2020, announced in-person exams would be restarting in 20 locations, at both VHA and contract exam facilities. VA has since expanded these in-person exams to other locations based on local COVID-19 risk assessments.²⁶ While some in-person exams have resumed, as of July 31, 2020, VBA reported an inventory consisting of 346,221 pending exam requests. Exam requests can contain one or more claimed disabilities. For example, a single exam request could include a claim for hearing loss, headaches, and a

²⁵ Of the approximately 20,000 claims identified by VBA as needing further review, the OIG determined approximately 4,500 were out of scope for this review (e.g., exams were scheduled in 2019, requested in error, or otherwise completed or resolved). Therefore, the total population for the review was approximately 15,500.

²⁶ "VA claim (C&P) exam resumption," VBA online resource for updated exam information, accessed August 20, 2020, <https://www.benefits.va.gov/COMPENSATION/claimexam.asp>.

back condition, each requiring a separate exam. The 346,221 exam requests contained about 1.5 million distinct claimed disabilities likely to require an exam.²⁷

The OIG found that while the exam inventory has increased, based on the review of a sample of denied claims with a canceled exam, the percentage of errors appears to have decreased after clear guidance was issued by VBA. The OIG recognizes VBA's important efforts to continue exam processing during the pandemic.

As in-person exams resume, VBA needs to continue to address how to deal with the accumulation of pending exams while also managing new exam requests and rectifying potential claims errors related to exam cancellations to avoid further delaying eligible veterans' benefits.

What the OIG Did

To address the objectives of this review, the OIG examined VBA's actions and decisions associated with the exam program in response to the COVID-19 pandemic. The team reviewed VBA summary data on exam requests before and during the COVID-19 pandemic, as well as VA policies, procedures, and training materials associated with COVID-19 and the exam program. The team worked with OIG statisticians to compile a sample of 400 of the approximately 20,000 claims denied between March 1 and June 16, 2020, with one or more canceled exams identified by VBA as needing review to determine if proper procedures were followed. Interviews with VBA central office managers and staff associated with the exam program provided additional information and context.

The following sections of this report detail the team's determinations and observations of VBA actions that support the OIG findings and recommendations relating to these areas:

- Discontinued in-person exams
- Exam inventory growth
- Telemental health and ACE exam use
- Telepresenter requirement limitations
- Claim denials prematurely or improperly based on no-show or canceled exams
- Plan for addressing exam inventory when resuming in-person exam operations

²⁷ In discussions with VBA, the OIG discerned the estimated number of individual exams needed could be most accurately determined from the underlying claimed disabilities, referred to as contentions. VBA's August 2020 *VBMS User Guide* (page 261) defines contentions as conditions or diagnoses that a veteran contends are the cause of a current disability and may qualify for benefits if directly related to military service. A single disability benefits claim can include more than one contention. In some cases, an in-person exam may not be needed if adequate clinical evidence is provided, but multiple exams may also be required. For example, a claim for traumatic brain injury or a common form of diabetes (mellitus) may require multiple exams that could drive the number of pending exams even higher.

VBA Discontinued In-Person Exams to Protect Veterans

As the virus spread, public health bodies reacted. The World Health Organization declared a global public health emergency on January 30, 2020, and on February 20, 2020, VHA expanded its plans to use telehealth services. During March, VBA provided refresher training to examiners. On April 2, 2020, VHA notified VBA to move exams to VBA-contracted resources to the greatest extent possible so that VHA facilities could prioritize essential and critically needed healthcare services during the pandemic.

Based on VHA's notice, VBA then modified procedures and redirected requests to the disability exam contractors it had used prior to the pandemic as part of its normal operations. VBA directed contractors the following day to halt all in-person exams to limit veterans' exposure to COVID-19. VBA also notified contractors to begin using either telehealth or ACE exams if authorized. According to the chief of the VBA Medical Disability Examination staff, before this notification on April 3, contract examiners were operating in accordance with their localities' stay-at-home orders.

VA apprised veterans of the changes. It posted information on its website alerting veterans service organizations to the updated exam procedures and advising veterans to update their mailing addresses, phone numbers, and email addresses for exam scheduling purposes.

The OIG team determined that VHA and VBA responded to the COVID-19 pandemic by making needed changes to the exam process. The executive director of the Compensation Service confirmed changes to VBA exams have closely followed VHA practices.²⁸ As a result, the OIG made no recommendation regarding the actions VBA took to stop in-person exams, which were intended to limit veterans' exposure to the virus.

Protective Measures Contributed to VBA's Exam Inventory Growth

VBA procedure states an exam is necessary when there is insufficient medical evidence to decide a claim.²⁹ Because some exams require in-person contact, they could not be completed using the telehealth or ACE methods.

VBA's inability to complete exams requiring in-person contact resulted in a burgeoning inventory of pending exams. As the inventory of pending exams grew, so did VBA's backlog of disability claims, which VBA defines as claims pending greater than 125 days. A disability claim may include more than one disability; therefore, multiple exams may be needed. Consider the example of a veteran who submits a claim for two issues: hearing loss and traumatic brain injury. The claims processor submits one exam request containing two disability benefits

²⁸ The Compensation Service oversees the delivery of disability compensation benefits to veterans.

²⁹ VA Manual 21-1, part 1, chap. 1, sec. c, topic 3(c), "Reviewing Evidence Before Determining an Examination Is Necessary," March 24, 2020.

questionnaires—one for hearing loss and one for traumatic brain injury. Because the questionnaires must be completed by two different examiners, two separate exams must be done.

Figure 3 shows the pending exam requests and disabilities associated with these requests as of the end of each month for January 1 through July 31, 2020.

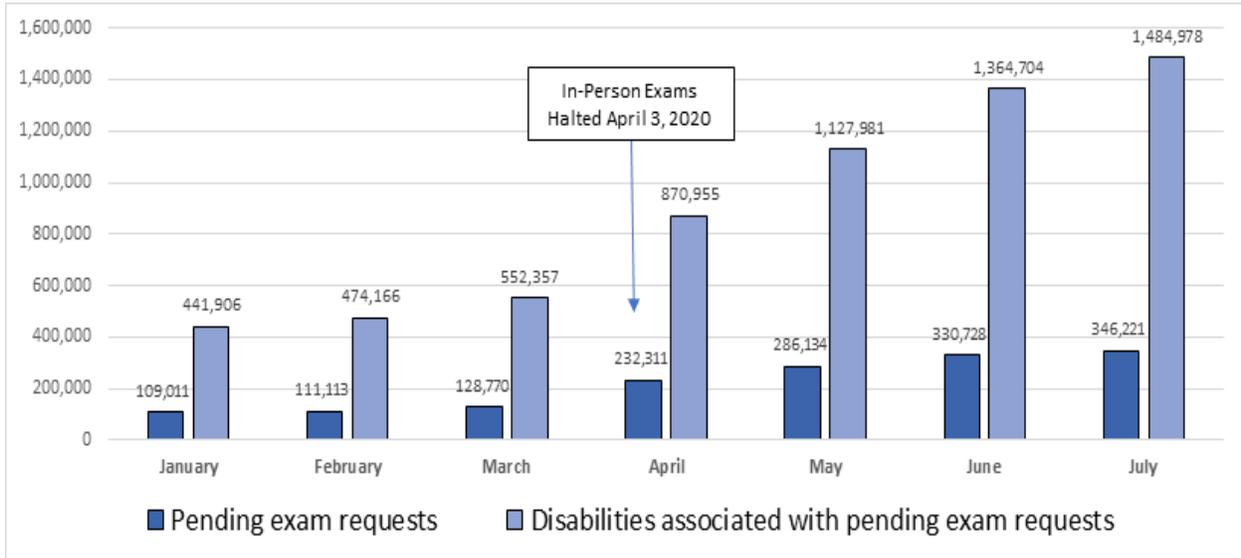


Figure 3. Exam inventory.

Source: Data obtained from VBA on August 26, 2020.

On May 5, 2020, when asked how VBA planned to address the exams inventory, the deputy executive director of the Medical Disability Examination and Budget Office said VBA was looking to its existing contractors to reduce the inventory. The executive director of the Compensation Service also said VBA did not plan to hire more contractors, noting existing contractors were authorized to use additional subcontractors to increase capacity. However, the chief of the Medical Disability Examination Operations Staff expressed concern regarding the readiness of all contractors to resume operations when restrictions were lifted. The concern was that, given the contractors’ workload, expecting them to assume sole responsibility for reducing the inventory might not be realistic.

On May 28, 2020, VBA released a document outlining information that the Compensation Service was directed to provide to contract examiners. This document addressed considerations and procedures for resuming in-person exams, such as establishing exam priorities and timelines, as well as managing the exam workload of claims processors and contract examiners.

Figure 3 shows that as of July 31, 2020, the exam request inventory was 346,221 and about 1.5 million claimed disabilities were associated with the pending exam requests. Additionally, the backlog of disability claims (claims pending greater than 125 days) was 198,770 at the end of July.

As stated earlier, the OIG recognizes VBA's important efforts to continue exam processing during the pandemic. As in-person exams resume, VBA needs to further address how to deal with the accumulation of pending exams while also managing new exam requests and rectifying potential claims errors related to exam cancellations to avoid further delaying eligible veterans' benefits.

Recommendation 1 emphasizes the need for VBA to further develop, implement, and test its strategy to reduce the exam inventory using in-person, telehealth, and ACE exams as safety and circumstances permit.

VBA Prepared for Increased Use of Telemental Health and ACE Exams

Since telehealth and ACE exams were already being used in a limited capacity, VBA turned to those approaches to address exams during the COVID-19 pandemic. To veterans with previously scheduled in-person exams, contractors offered a telehealth or ACE exam. If those options were not possible or acceptable, VBA gave veterans the opportunity to wait for an in-person exam and assured them no final action, including denial of their claims, would be taken until an in-person exam could be completed.

VBA began with increased training in March and April to encourage the appropriate use of telemental health and ACE exams. Of particular note, VBA mandated refresher training for claims processors in April 2020 on identifying medical records sufficient for making a decision without an exam or that would allow an ACE exam. Contractors were informed that, except for mental health exams, all claimed disabilities should first be reviewed for ACE suitability. Further, exam requests not suitable for ACE were to be screened to determine if they could be completed through telehealth.

VBA's Use of Telehealth Was Limited by the Need for a Telepresenter for Some Exams

VHA's March 25, 2020, guidance did not specifically indicate a requirement for a telepresenter or potential equipment for 16 of the 29 conditions covered by telehealth questionnaires, such as sleep apnea and headaches.³⁰ A fact sheet in VBA's procedures manual states telehealth exams for physical disabilities may require a telepresenter if deemed essential to complete disability benefits questionnaires.³¹ VBA's April training for contractors communicated that during the COVID-19 pandemic no in-person exams were allowed, so if the requested exams require a telepresenter, they would need to be put on hold by the contractor until in-person exams resume.

³⁰ Office of Disability and Medical Assessment, "Telehealth for Compensation and Pension (C&P) Examinations Fact Sheet."

³¹ Office of Disability and Medical Assessment, "Telehealth for Compensation and Pension (C&P) Examinations Fact Sheet."

VBA officials told the OIG team during interviews that telepresenters were required for all telehealth exams other than telemental health and stated telehealth and ACE exams were performed when appropriate. The deputy executive director of the Medical Disability Examination and Budget Office stated that contract examiners conducted only telemental health exams. A medical officer with the Compensation Service Medical Disability Examination staff explained that only telemental health exams were being completed because contractors were unable to send a telepresenter to assist the veteran in the exam process. However, VBA exam completion information indicates other telehealth exams were completed by contractors. VBA officials stated they could not confirm whether a telepresenter was available for those exams despite being required.

The deputy executive director of the Medical Disability Examination and Budget Office stated the barrier to conducting telehealth exams is a telepresenter needing to be in attendance for some disability benefits questionnaire exams approved by VHA. She acknowledged that if telepresenters were not required, more exams could be completed. The OIG concluded that VBA should explore ways to increase the use of telehealth exams, especially during a pandemic.

Recommendation 2 calls on VBA to develop and implement a plan to increase the use of telehealth exams. VBA should also ensure contractors follow the Office of Disability and Medical Assessment telehealth guidance on exams to determine whether a telepresenter or specific medical equipment is required.

VBA Prematurely or Improperly Denied Claims Based on Canceled Exams

In April, VBA began informing veterans through VA websites, fact sheets, and call centers that no final action, including denial of their claims, would be taken when an in-person exam was needed.³² However, there is no evidence the call center information was provided to all regional offices, nor did the call centers' prescribed language address a requirement for veterans to request an extension if they were unable to attend an exam.³³ Additionally, clear guidance was not issued until May 14, 2020, directing claims processors to assume that any failure to report for an exam is due to the pandemic, whether or not the veteran provides a reason for not reporting for the exam. The guidance further said to not deny the claim based on failure to report for an exam.³⁴

³² "Coronavirus FAQs, What Veterans need to know," VA website, accessed May 5, 2020, <https://www.va.gov/coronavirus-veteran-frequently-asked-questions>; VBA, Policy Letter 20-02; Office of Field Operations National Call Center, COVID-19 Call Center Script.

³³ Office of Field Operations, National Call Center, COVID-19 Call Center Script.

³⁴ VBA, Policy Letter 20-02.

During an interview with the OIG on June 25, 2020, a supervisory program analyst from the Office of Field Operations stated VBA had been informed by congressional members and media that claims were being denied based on canceled exams. As a result, on June 19, 2020, VBA initiated an internal review of claims decided from March 1 through June 16, 2020, to determine if they were prematurely or improperly denied based on canceled exams. VBA's exam cancellation review memorandum dated June 19, 2020, reiterates claims should not be denied based on failure to report for an exam. VBA acknowledged that it had identified approximately 20,000 denied claims with one or more canceled exams, potentially indicating premature or improper denial based on failure to report (or no-show) to an exam. These claims required additional review to ensure that procedures were properly followed. Until all examining facilities have resumed normal operations, VBA planned to follow its guidance and continue reviewing claims with one or more denied disabilities that had an exam cancellation to ensure proper procedures are followed.³⁵ If a review of the claim indicates that a denial was made inappropriately based on a canceled exam, the memo directs staff to request all necessary exams or confirm that previously requested exams remained in an open status pending exam completion.³⁶

While VBA continued its review, the OIG team examined a statistical sample of 400 of the approximately 20,000 denied claims VBA had flagged for potential problems. The OIG team found claims were denied prematurely or improperly, based on notifications in VBA electronic records showing the veteran did not report for an exam, or the exam was canceled at the veteran's or VA's request. However, the OIG team estimated that the number of claims prematurely or improperly denied based on a canceled exam appeared to decrease after clear guidance was issued. The following were the errors estimated from the sample of denials:

- From March 1 through April 5, 2020 (prior to VBA guidance to regional offices requiring veterans to request an extension if they failed to report for an exam), 6,400 of 7,700 claims (84 percent) were prematurely or improperly denied based on a canceled exam.
- From April 6 through May 13, 2020 (prior to clear guidance on exam cancellations), 3,700 of 5,500 claims (68 percent) were prematurely or improperly denied based on a canceled exam.
- From May 14 through June 16, 2020 (clear guidance provided on May 14), 1,100 of 2,400 claims (48 percent) were prematurely or improperly denied based on a canceled exam.

³⁵ VBA guidance states VA regional offices should be ensuring proper controls and tracking claims with canceled exams.

³⁶ VA, Memorandum, "Examination Cancellation Review," June 19, 2020.

VBA officials speculated on the reasons for the errors. The chief of advanced analytics stated that quality might be lower than expected due to lags in clear directives regarding cancellations related to COVID. A supervisory program analyst with the Office of Field Operations stated guidance issued April 6, 2020, was applied retroactively, and subsequent guidance might have caused confusion.

Based on a review of issued guidance, interviews, and the results of the sample review, the OIG team concurred that the quality of decisions was affected by the retroactive effective date of the initial guidance and confusion surrounding subsequent guidance provided between April 6 and June 19, 2020. The OIG lauds the efforts VBA took conducting an internal review of claims with one or more canceled exams as a critical step in ensuring accurate claims processing.

Examples 1 and 2 provide details on claims identified as needing review. These claims were improperly or prematurely denied because the veterans requested exams be rescheduled during the pandemic, and the claims' denials were based on failure to report—even though VBA informed veterans that no final action would be taken on their claims, including a denial, when an in-person exam was needed.³⁷

Example 1

A veteran filed a claim for an increased evaluation (a claim for benefits based on a worsened condition) in February 2020. The veteran was scheduled for an exam on April 22, 2020. The notification from the contractor to VBA dated May 12, 2020, showed the exam was canceled at the veteran's request. The rating decision dated May 13, 2020, denied the disability claim on the basis that the veteran failed to report for the exam. This denial was premature or improper based on the call center guidance dated April 24, 2020, informing veterans that if a scheduled exam was not possible or agreeable, no denial would be made to allow for an in-person exam to be completed.

Example 2

A veteran filed a claim for disability benefits on February 26, 2020. On March 13, 2020, the claims processor requested an exam. Then on March 16, 2020, the veteran contacted the contractor that scheduled the appointment for March 25, 2020, indicating he was unwilling to travel the distance required. This March exam was not canceled in the exam management system until April 19, 2020. The rating decision dated May 19, 2020, denied the claim on the basis that the veteran failed to report for an exam and indicated no good cause was provided. This denial was premature or improper based on the

³⁷ Office of Field Operations, National Call Center, COVID-19 Call Center Script.

May 14, 2020, guidance to regional offices and the April 6, 2020, policy letter directing “to assume any failure to report for an exam, whether or not the veteran provides a reason, is due to the pandemic, and that claims should not be denied based on failure to report for an exam.”

Based on the results of the OIG review, continued oversight of premature or improperly denied claims is needed to ensure appropriate action has been taken. At the time of the OIG review, VBA was conducting a concurrent but independent internal review of these claims. Therefore, the OIG made no additional recommendations.

VBA Needs to Further Develop and Test Its Strategy to Address the Inventory of Exams

On May 7, 2020, VA released *Charting the Course: Maintaining Continuous Services to Veterans and Resuming Normal, Pre-COVID-19 Operations*. This document outlines VA’s plan to resume normal, pre-COVID-19 operations in three phases, in accordance with the White House National Guidelines, *Opening Up America Again*. The VA document states that since the start of the pandemic, VA has increased the use of telehealth and ACE exams. The document further states that VBA will work with contract examiners to formulate a plan to resume in-person exams during the first phase.

For its part, VBA has taken some actions to manage exams and developed a strategy for resuming in-person exams. First, the under secretary for benefits announced on May 18, 2020, the establishment of a new Program Integration Office focused on the Medical Disability Examination Program.³⁸ The under secretary said the new office would bring additional leadership and oversight to exam management operations and identify ways to improve the overall process. Second, the deputy executive director of the Medical Disability Examination and Budget Office said that one VA medical center in each Veterans Integrated Service Network had been tasked with completing telehealth and ACE exams.³⁹ This tasking involves some 160 VHA medical examiners. Third, a press release on May 28, 2020, announced in-person exams would be restarting in 20 locations, at both VHA and contract exam facilities. These facilities make up approximately 14 percent of the national exam capacity. VA has since expanded these in-person exams to other locations based on local COVID-19 risk assessments.⁴⁰

On that same date, VBA released an annex to *Charting the Course*, which constitutes VBA’s strategy for resuming in-person exams. It requires the Compensation Service to take five actions:

³⁸ Compensation Service email, May 19, 2020.

³⁹ VHA is organized into 18 regional networks called Veterans Integrated Service Networks that manage and oversee medical facilities in their specified geographic areas.

⁴⁰ “VA claim (C&P) exam resumption.”

1. Establish priorities and a timeline for rescheduling in-person exams.
2. Verify that contractors schedule exams according to the policy letter.
3. Check weekly that contractors have enough examiners to maximize capacity and are maintaining surge capacity.
4. Track claims to ensure exams disrupted or on hold due to the pandemic are being processed efficiently; reassign these claims if needed.
5. Create and maintain an online resource indicating the current status for in-person exams in each state.

VBA has provided some clear directives in its strategy to address exams that have been disrupted or put on hold as a result of the pandemic. VBA needs to further develop, implement, and test this strategy to ensure the continuation of exam processing during pandemics and reduce the exam inventory using in-person, telehealth, and ACE exams as safety and circumstances permit.

Conclusion

This pandemic has challenged how VBA fulfills its mission. The OIG recognizes VBA's important efforts to continue processing exams by using telemental health and ACE exams following the cessation of in-person exams to reduce the risk of veterans' exposure to COVID-19.

Because of the limitations associated with broad telehealth implementation, there has been an increase in the exam inventory that VBA must address until all examining facilities have resumed normal operations. VBA assured veterans that no final action would be taken on their claims when an in-person exam was needed. That includes the denial of claims. The OIG team found claims were prematurely or improperly denied based on a canceled exam. However, VBA also recognized these problems during the course of this review and has taken critical steps by reviewing denials to identify errors that affect veterans' disability benefits.

The OIG has determined that VBA must further develop and test its strategy to reduce the growing inventory and incoming exam requests. The plan must incorporate lessons from COVID-19 to ensure continuation of exam processing and prepare for future pandemic surges and other national emergencies. A detailed and tested strategy that draws on all of its partners and resources will help VBA reduce the risk of further delaying claims or denying veterans the benefits they are due.

Recommendations 1–2

The OIG made two recommendations to the under secretary for benefits:

1. Further develop, implement, and test its strategy to reduce the exam inventory using in-person, telehealth, and acceptable clinical evidence exams as safety and circumstances permit.
2. Develop and implement a plan to increase the use of telehealth exams. VBA should also ensure contractors follow the Office of Disability and Medical Assessment telehealth guidance for exams that determine whether a telepresenter or specific medical equipment is required.

Management Comments

To address recommendation 1, the under secretary for benefits said VBA will use “in-person, tele-C&P (using telehealth technology) and acceptable clinical evidence modalities in a safe and logistically feasible manner” to reduce the exam inventory by the end of fiscal year 2021. To address recommendation 2, VBA will ensure contract examiners follow the guidance contained in the Office of Disability and Medical Assessment’s “Telehealth for Compensation and Pension (C&P) Examinations Fact Sheet,” dated March 25, 2020. The under secretary for benefits requested recommendation 2 be closed as implemented. VBA comments appear in full in appendix C.

OIG Response

The under secretary for benefits concurred or concurred in principle (noting that the type of exam is dependent on clinical determinations) with the recommendations and provided acceptable action plans for both. The OIG will close recommendation 2 when VBA provides evidence showing contract examiners are being adequately monitored to ensure they are following the Office of Disability and Medical Assessment telehealth guidance on exams. The OIG will monitor VBA’s progress and follow up on implementation of the recommendations until all proposed actions are completed.

Appendix A: Scope and Methodology

Scope

The OIG team conducted its analysis from May through August 2020 to assess how VBA has been scheduling and completing exams that limit veterans' exposure to COVID-19. The team evaluated VBA's policies and procedures to understand what guidance personnel have been given related to the exam process. To assess how VBA has been addressing the backlog (inventory) of exams, the team downloaded data on August 4, 2020, from the VBA Office of Performance Analysis and Integrity's Exam Management Dashboard on the number of pending exam requests, and pending disability benefits questionnaire requests for January 1 through July 31, 2020.

Methodology

To accomplish the review objectives, the OIG team identified and reviewed applicable laws, regulations, policies, procedures, and guidelines related to exam operations. The team interviewed managers and staff with VBA's central office and obtained information related to work processes and procedures associated with exams and strategies for handling the backlog.

The team discussed pending exam request numbers from the sources mentioned above with the chief of data warehouse operations, Office of Performance Analysis and Integrity.

The OIG team also downloaded data on August 4, 2020, from VBA's Monday Morning Workload Report, which is produced by VBA's Office of Performance Analysis and Integrity, to determine the number of pending claims over 125 days old.⁴¹

In coordination with VA OIG statisticians, the team reviewed a statistical random sample of 400 of the approximately 20,000 denied claims with one or more canceled exams identified by VBA as needing further review for March 1 through June 16, 2020. The OIG team reviewed VBA's actions and decisions associated with the exam program in response to the COVID-19 pandemic; VBA summary data on exam requests before and during the COVID-19 pandemic; and VA policies, procedures, and training materials associated with COVID-19 and the exam program.

The OIG team discussed the objectives with VBA officials and included their comments where appropriate. In discussions with VBA the OIG discerned the estimated number of individual exams needed could be most accurately determined from the underlying claimed disabilities, referred to as contentions.

⁴¹ VBA defines the backlog number as claims that normally require a rating decision and have been pending for more than 125 days since receipt.

Fraud Assessment

The OIG team assessed the risk that fraud, violations of legal and regulatory requirements, and abuse could occur during this review. The OIG team exercised due diligence in staying alert to any fraud indicators by

- soliciting the OIG's Office of Investigations for indicators, and
- reviewing proposals to ensure they met selection requirements.

The OIG did not identify any instances of fraud or potential fraud during this review.

Data Reliability

The OIG team reviewed computer-processed data from the VBA Office of Performance Analysis and Integrity's Exam Management System Dashboard and VBA's Monday Morning Workload Report, which is produced by the Compensation Service in VBA's Office of Performance Analysis and Integrity.

There was no testing of data on the backlog as the information obtained was used to establish VBA's pending exam inventory.

To test the reliability of claims data reviewed, the team determined whether any of the 400 claims were missing data from key fields 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 data provided in the VBA Office of Performance Analysis and Integrity report, such as claim ID numbers, end product codes, end product closed dates, and date of rating decision against information contained in the Veterans Benefits Management System electronic claims folders.

Testing of the claims data disclosed that they were sufficiently reliable for the review objective. Comparison of the data with information contained in the veterans' electronic claims folders reviewed did not disclose any problems with data reliability.

VBA provided a data report of the number of pending exam requests (inventory) and number of disabilities associated with the pending exam requests. While no detailed testing was done, the OIG determined the data to be sufficiently reliable for the purpose of this review and report. This conclusion was based on detailed discussions with VBA, including demonstrations from VBA of the Oracle Business Intelligence Enterprise Edition system. The number of exam requests and number of pending disabilities associated with exam requests included in the OIG report was the data provided by VBA, which through the aforementioned steps the team determined to be reliable.

Government Standards

The OIG performed this work in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation* for competency, independence, professional judgment, timeliness, records management, quality, and fraud.

Appendix B: Statistical Sampling Methodology

Approach

To accomplish the objective, the OIG team reviewed a statistical sample of claims for the period March 1 through June 16, 2020 (the review period). The OIG team used statistical sampling to quantify the extent of cases in which denied claims due to canceled exams were prematurely or improperly denied.

Population

The review population, which was identified and provided by VBA, contains 20,044 denied claims due to a canceled exam during the review period.

Sampling Design

The OIG team selected a statistical sample of 400 claims from the population. This included a stratified random sample of 200 cases from two strata:

- Stratum 1 contained 8,787 records for March 1 through April 5, 2020. These records included denials for claims prior to the issuance of the guidance.
- Stratum 2 contained 11,257 records for April 6 through June 16, 2020. These records included denials for claims after the guidance was issued.

The OIG team sampled each stratum to determine whether the denied claims were properly or prematurely denied based on VBA issued guidance. Stratum number 2 sample was split up into two groups for analysis.

Weights

The OIG team calculated estimates in this report using weighted sample data. Samples were weighted to represent the population from which they were drawn. The OIG team uses the weights to compute estimates. For example, the OIG team calculated the error rate point estimates by summing the sampling weights for all sample records that contained the error, then dividing that value by the sum of the weights for all sample records.

Projections and Margins of Error

The point estimate (i.e., estimated error) is an estimate of the population parameter obtained by sampling. The margin of error and confidence interval associated with each point estimate is a measure of the precision of the point estimate that accounts for the sampling methodology used. If the OIG team repeated this review with multiple samples, the confidence intervals would differ for each sample but would include the true population value 90 percent of the time.

The OIG statistician employed statistical analysis software to calculate the weighted population estimates and associated sampling errors. This software uses replication approximation methodology to calculate margins of error and confidence intervals that correctly 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 logistical concerns of sample review. While precision improves with larger samples, the rate of improvement does not significantly change as more records are added to the sample review.

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

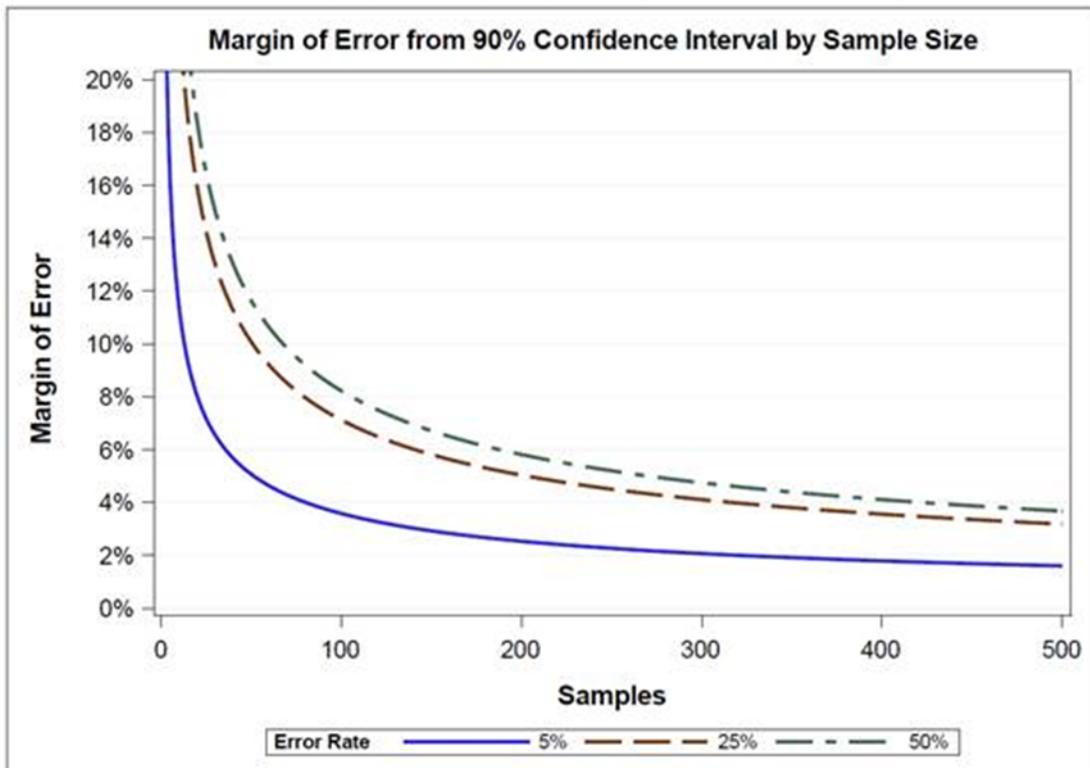


Figure B.1. Effect of sample size on margin of error.

Source: VA OIG statistician's analysis.

Projections

Tables B.1 through B.4 detail the analysis and projected results.

**Table B.1. Claims Denied by VBA from March 1 through April 5, 2020
(Prior to VBA Guidance Regarding Request for Extension)**

Result	Count from sample	Projection	Margin of error based on 90 percent confidence interval	90 percent confidence interval lower limit	90 percent confidence interval upper limit
Claim was prematurely or improperly denied based on a canceled exam	168	6,446 (84%)	424	6,023	6,870
Claim was not prematurely or improperly denied based on a canceled exam	32	1,228 (16%)	333	895	1,560
Total	200	7,674 (100%)	319	7,355	7,993

Source: VA OIG statistical analysis performed in consultation with the Office of Audits and Evaluations statistician.

**Table B.2. Claims Denied by VBA from April 6 through May 13, 2020
(VBA Guidance Regarding Force Majeure/COVID-19*)**

Result	Count from sample	Projection	Margin of error based on 90 percent confidence interval	90 percent confidence interval lower limit	90 percent confidence interval upper limit
Claim was prematurely or improperly denied based on a canceled exam	94	3,687 (68%)	515	3,172	4,202
Claim was not prematurely or improperly denied based on a canceled exam	45	1,765 (32%)	399	1,366	2,164
Total	139	5,452 (100%)	548	4,904	6,000

Source: VA OIG statistical analysis performed in consultation with the Office of Audits and Evaluations statistician.

* VBA Guidelines for Utilizing Force Majeure Process During Outbreaks of Contagious Diseases, "Unforeseen Events," May 8, 2020.

**Table B.3. Claims Denied by VBA from May 14 through June 16, 2020
(VBA Guidance Regarding Claims Denied for Failure to Report for Exam)**

Result	Count from sample	Projection	Margin of error based on 90 percent confidence interval	90 percent confidence interval lower limit	90 percent confidence interval upper limit
Claim was prematurely or improperly denied based on a canceled exam	29	1,138 (48%)	331	807	1,468
Claim was not prematurely or improperly denied based on a canceled exam	32	1,255 (53%)	345	910	1,600
Total	61	2,393 (100%)	449	1,944	2,841

Source: VA OIG statistical analysis performed in consultation with the Office of Audits and Evaluations statistician.

Table B.4. Statistical Comparison of Error Rates Before and After May 13, 2020

Date range	Date range	Difference of means	Standard error	Degrees of freedom	t value	P-value	90 percent confidence interval lower limit	90 percent confidence interval upper limit
March 1 to April 5	April 6 to May 13	16%	5%	514	3.44	0.0006	9%	24%
March 1 to April 5	May 14 to June 16	36%	7%	514	5.22	<0.0001	25%	48%
April 6 to May 13	May 14 to June 16	20%	8%	514	2.64	0.0086	8%	33%

Source: VA OIG statistical analysis performed in consultation with the Office of Audits and Evaluations' statistician.

Notes: P-value less than 0.1 indicates statistically significant difference; these results mean we are 90 percent confident that there is a statistically significant difference between the error rates of the two time frames. All comparisons show statistical differences at the 90 percent confidence level.

Appendix C: Management Comments

**Department of
Veterans Affairs**

MEMORANDUM

Date: October 19, 2020

From: Under Secretary for Benefits (20)

Subj: OIG Draft Report – Enhanced Strategy Needed to Reduce Disability Exam Inventory due to the Pandemic and Errors Related to Canceled Exams [Project No. 2020-02826-DN-0349] – VIEWS 03378969

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

Attached is VBA's response to the OIG Draft Report: Enhanced Strategy Needed to Reduce Disability Exam Inventory due to the Pandemic and Errors Related to Canceled Exams.

The OIG removed point of contact information prior to publication.

(Original signed by)

Paul R. Lawrence, Ph.D.

Attachment

Veterans Benefits Administration (VBA)

Comments on OIG Draft Report

Enhanced Strategy Needed to Reduce Disability Exam Inventory due to the Pandemic and Errors Related to Canceled Exams

VBA concurs with the findings in OIG's draft report and provides the following comments in response to the recommendations:

Recommendation 1: The OIG recommended that the under secretary for benefits further develop, implement and test its strategy to reduce the exam inventory using in-person, telehealth, and acceptable clinical evidence exams, as safety and circumstances permit.

VBA Response: Concur. VBA is currently executing the strategy outlined in its May 28, 2020, annex to "Charting the Course: Maintaining Continuous Services to Veterans and Resuming Normal, Pre COVID-19 Operations," as provided to OIG. VBA is utilizing in-person, tele-C&P (using telehealth technology) and acceptable clinical evidence modalities in a safe and logistically feasible manner to reduce the exam inventory by the end of fiscal year 2021.

Target Completion Date: September 30, 2021

Recommendation 2: The OIG recommended that the under secretary for benefits develop and implement a plan to increase the use of telehealth exams. VBA should also ensure contractors follow the Office of Disability and Medical Assessment telehealth guidance for exams that determine whether a telepresenter or specific medical equipment is required.

VBA Response: Concur in principle. While VBA has made every effort to expand the use of alternative examination modalities during the pandemic, such as Tele-C&P, it is important to note that the types of exams suitable for Tele-C&P is not an exclusive list but is based on the exam types that require the least amount of hands-on interaction. The determination for whether a Tele-C&P examination is appropriate is a clinical determination and based on the evidence of record as well as whether there would be a requirement of a telepresenter to facilitate clinician interaction. The facts of an individual case may prove to be suitable for a Tele-C&P exam even if the exam type is not included in the list of exam types contained in the Office of Disability and Medical Assessment (DMA) Fact Sheet 20-002, Telehealth For Compensation And Pension (C&P) Examinations, dated March 25, 2020. VBA will ensure contract examiners follow the guidance contained in this fact sheet and will also allow Tele-C&P examinations not listed in the fact sheet to be completed based on the facts of an individual case. VBA requests closure of this recommendation based upon previous actions taken.

*For accessibility, the original format of this appendix has been modified
to comply with Section 508 of the Rehabilitation Act of 1973, as amended.*

OIG Contact and Staff Acknowledgments

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