

VETERAN SERVICES DIVISION

Little Hoover Commission Hearing

Written Testimony

Keith Boylan, Deputy Secretary

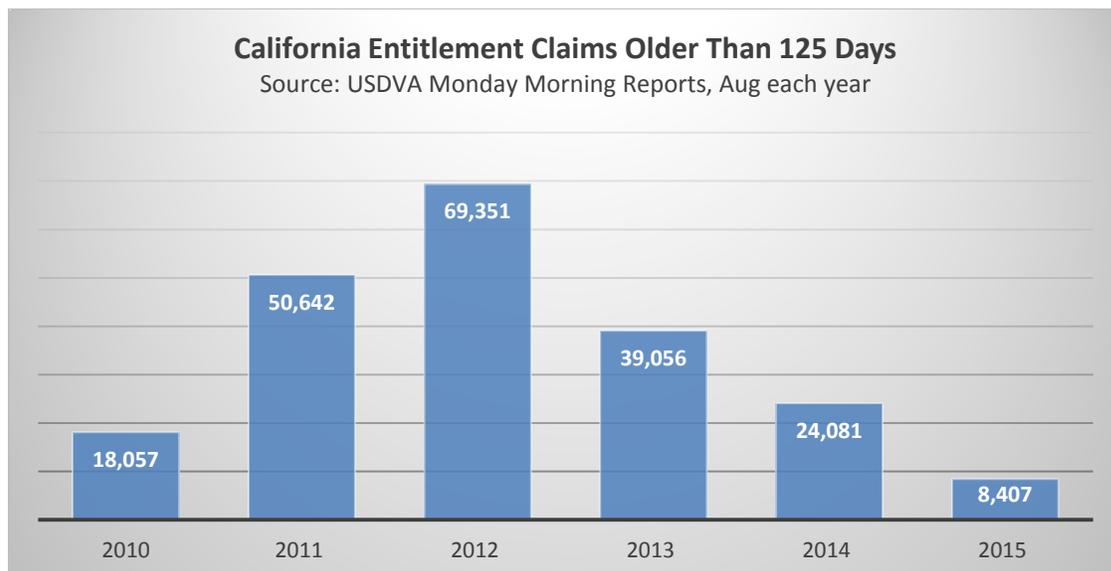
October 22, 2015

1. Joint Claims Initiative with the U.S. Department of Veterans Affairs

The Budget Act of 2013 established the Joint Claims Initiative (Strike Teams), a three-year program to assist California veterans and their families receive their benefits more quickly and help reduce the backlog of claims that have kept some veterans waiting for nearly two years. The team members are located and managed at each of the three CalVet District Offices, which are co-located at the USDVA Regional Offices in San Diego, Los Angeles, and Oakland. In June 2015, the Legislature took an action in conference committee to make the Strike Team positions permanent. Governor Brown approved making the positions permanent when he signed the Budget Act of 2015.

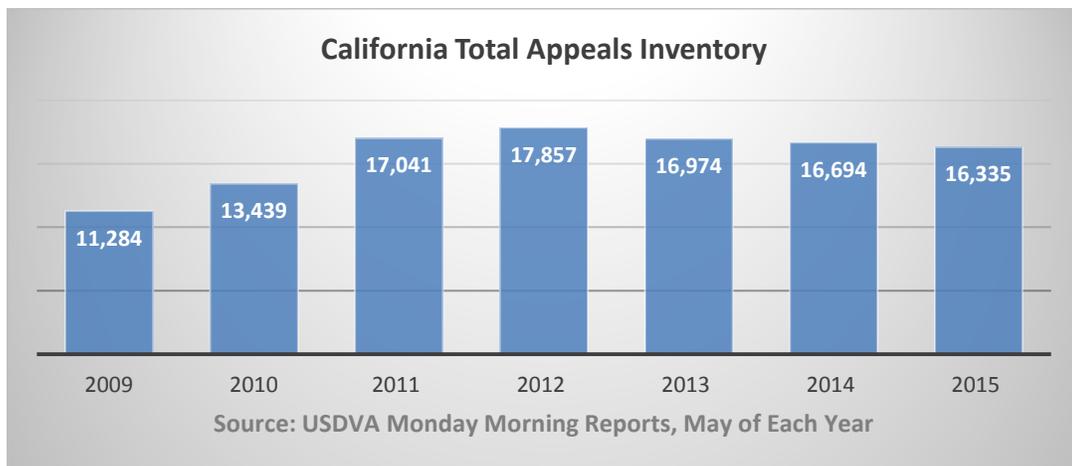
In July 2013, the **average number of days to completion** that California veterans were waiting for new entitlement claims were 590 days in Oakland, 616 in Los Angeles, and 348 in San Diego. Two years later, as of August 28, 2015, the average days pending for new entitlement claims in the fully developed claims program is down to 117 in Oakland, 141 days in Los Angeles, and 121 in San Diego.

As of September 17, 2015 CalVet teams have reviewed a total of 66,990 claims since the program's inception in September 2013. These claims have resulted in \$86,861,419 in lump sum payments (meaning retroactive payments based on the time the claim was submitted) and monthly award payments totaling \$11,732,312. Annualized, that is \$140,787,750 in payments going to California veterans every year for the rest of their lives.

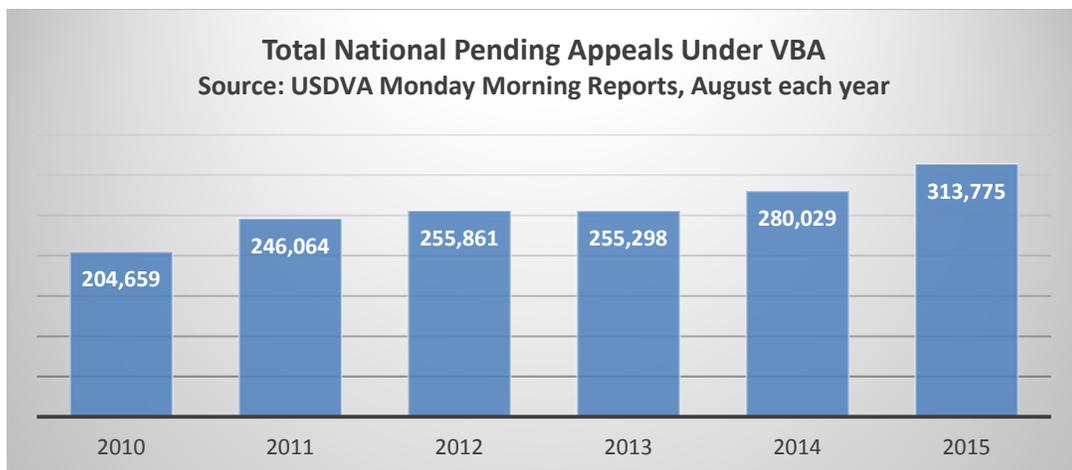


Ongoing Workload for Joint Claims Initiative

1. Due to a \$3M increase in subvention funding to County Veterans Service Offices (CVSO), the **volume of incoming CalVet entitlement claims** for compensation from CVSOs has dramatically increased 71.6 percent from fiscal year 2013-14 to fiscal year 2014-15 (34,443 claims in fiscal year 2013-14 and 59,105 claims in fiscal year 2014-15)¹. The District Office staff workload increases due to their review of CVSO claims prior to submission to the USDVA as well as rating decisions prior to promulgation.
2. The CalVet District Office staff provide **training** in many forms to the CVSOs to ensure the claims filed are complete and accurate: CalVet-sanctioned training conferences, California Veterans Service Representative Academy to accredit CVSO staff, Continuing Education Units, and continuous training and feedback on an individual CVSO basis.
3. The number of **appeals** is expected to increase due to the USDVA expediting the process of the backlogged claims in recent years, which has resulted in a large and stagnant number of appeals—veterans are waiting as long as 15 years, but on average 4-8 years, for decision on appeals. The need to properly review rating decisions to prevent claims from entering the appellate process will remain a permanent requirement.



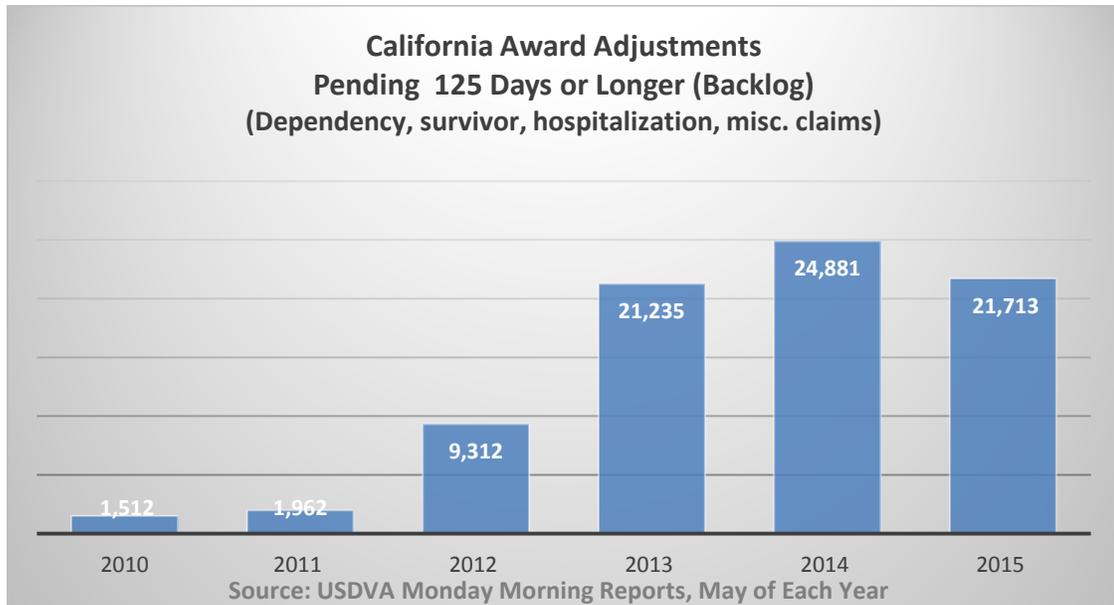
From August 2010 to August 2015: USDVA's appealed claims have grown nationally from 204,659 to 313,775, an increase of 35 percent.²



¹ Source: Data from VetPro claims case management system for all CalVet claims.

² USDVA Monday Morning Reports

- Award adjustments are requests including dependent status changes, survivor benefits, and hospitalization which may entitle the veteran to additional compensation. Wait times are over three years in Oakland and Los Angeles. The USDVA's award adjustment claims have grown from 1,512 to 21,713, an increase of 1,336 percent. This is another area the funded additional staff can assist the USDVA to decrease wait times for veterans.



2. The creation of a reliable and electronic database of California veterans.

CalVet is incredibly proud of its development and implementation of the myCalVet portal which now serves as our public facing website. The website offers veterans, family members, and stakeholders the ability to create a personalized profile that truly delivers an individualized information delivery opportunity. Based on the profile information provided by the user, myCalVet delivers targeted information that fits those data points in a variety of areas including, but not limited to: Health, Housing, Education, Employment, Advocacy, and Claims assistance.

The new CalVet website was released in March 2014, and received an award from the Center for Digital Government in October 2014. myCalVet was recognized in the State Government Category and was awarded for "Driving Digital Government". A report produced by the Senate Advisory Commission on Cost Control published on May 2, 2014 showed CalVet currently has more than 640,000 veterans contact information in its database. This is an 800% increase from 2012 and is the result of numerous efforts, including that of the myCalVet launch. In addition to our efforts to connect veterans with the services and benefits available through their service, CalVet partners with other state and federal agencies to assist veterans in accessing any and all potential benefits available. In 2014, CalVet partnered with the State Controller's Office to identify veterans or their heirs that may be

entitled to unclaimed property. After cross-referencing the SCO database with CalVet's, CalVet identified more than 95,000 veterans who were entitled to unclaimed property with a value of more than \$36 million. CalVet then reached out to these veterans with instructions on how to reclaim that property.

CalVet recognizes the opportunity to reach veterans throughout the state using the myCalVet portal and has continued to develop this tool over the past year. CalVet continues to build out the service provider database within the system, as well as continually updating and adding benefits and service information to ensure this outreach tool is as robust as possible.

myCalVet has gained 32,000 registered users since March of 2014. Additionally it is important to note that since coming online, myCalVet has been accessed by over 1M users, resulting in more than 6M pages viewed. The average session duration is almost 4 minutes which demonstrates that users not only visit the site, but spend a considerable amount of time accessing its information which is a notable period of time by industry standards.

Ideally, all veterans in the state will become registered users of the myCalVet portal, but until that occurs CalVet will continue to gather demographic information and conduct needs assessments through a variety of channels in which we are currently engaged, while continuing to connect veterans and their families with services and benefits through ongoing strategies and partnerships. CalVet entered into a partnership with the Department of Motor Vehicles which provides on average current contact information for 60,000 veterans each year. CalVet then reaches out to these veterans by providing a summary of benefits and services available along with an insert they can remit identifying areas of interest where they would like additional information. Over the past three years, CalVet has reached nearly 10% of the veteran population in the state through this effort alone. In November 2015, the veteran designation on California Driver's License will go into effect which will significantly enhance the number of veterans contacted and connected to their benefits through this partnership.

In addition to the data collected and used to target services, CalVet also has access to the Defense Personnel Records Information Retrieval System (DPRIS). CalVet is able to access vital military records in real time in order to assist veterans with obtaining their benefits. CalVet has also initiated the process to obtain Form DD-214s electronically from the Defense Manpower Data Center, and expects to have access as soon as October 2015.

3. Outcomes and performance measures of county veterans service offices outreach to veterans, particularly after the Legislature provided additional funding for these offices over the past two years.

The State Budget Acts of 2013 and 2014 provided CalVet with an additional \$3M in support of CVSO efforts and the Budget Act of 2015 included the \$3M ongoing. In FY 13/14 and 14/15, the additional \$3M in additional funding was distributed to the CVSOs through the

established subvention formula. The additional funds have enabled CVSOs in 40 counties to add personnel to their offices. In FY 13/14, CVSOs filed 186,000 claims for various monetary and non-monetary benefits, which was a 14% increase from FY 12/13, and drew down \$546,860,350 in federal funding (including both lump sum and annualized monthly awards). **In FY 14/15, CVSOs filed 200,766 claims for various monetary and non-monetary benefits (an increase of 7% from FY 13/14) and drew down \$666,655,539 in federal benefits (including both lump sum and annualized monthly awards). This is a 33% increase in federal award dollars from FY 12/13 to FY 14/15,** which in turn relieves the burden of care from state and county systems while providing veterans the long-awaited financial support and health care access.

CalVet has fully implemented a veterans claims case management system named VetPro. All 57 counties with County Veteran Service Offices and the three Veteran Services Division District Offices have converted to VetPro. VetPro gives CalVet the ability to expand its supervision of the claim activity down to the individual veteran representative filing the claim. This allows CalVet to properly audit workload units for subvention funding, influence the quality of the claims, and track outreach activities. In addition, this automated process will allow both CalVet and the counties to implement new changes from the USDVA systematically, which will reduce the training and lag time in getting these changes to the field.

By October 31, 2015, CalVet will be submitting proposed regulations to require CVSOs to report outreach metrics through VetPro. Once the regulations are established, CVSO outreach metrics will be tracked through the statewide claims case management system, VetPro.