Department of Veterans Affairs

Memorandum

Date: APR 3 0 2014

From: Secretary (00) 4/30/2014

Subj: Fiscal Year 2014 First Quarter Report on High-Dollar Overpayments (VAIQ# 7432957)

To: Inspector General (50)

1. Executive Order 13520, "Reducing Improper Payments," dated November 20, 2009, requires the head of each agency to submit a quarterly report to the Agency's Inspector General (IG) and the Council of Inspectors General on Integrity and Efficiency on any high-dollar overpayments identified and to make this report available to the public.

2. In accordance with the Office of Management and Budget (OMB) Circular A-123, Appendix C, Part III, the Veterans Health Administration (VHA), Veterans Benefits Administration (VBA), National Cemetery Administration (NCA), and Central Office (VACO Staff Offices) examined their programs for the issuance of high-dollar overpayment transactions, which meet OMB's definition of improper payments. Attached is the Department of Veterans Affairs (VA) consolidated report on identified high-dollar overpayments for the first quarter of fiscal year 2014.

3. The attached report lists, by program, whether the payments were made to an entity or individual; the recipients' location; the root causes of the overpayments, categorized according to OMB's three error types (administrative and documentation errors, authentication and medical necessity errors, and verification errors); any actions VA has taken or plans to take to recover overpayments; and any actions to help prevent improper payments from occurring in the future.

4. A total of 239 high-dollar overpayments were identified. The following is a summary of the programs with $500,000 or more high-dollar overpayments in the first quarter of fiscal year 2014:

- **VHA – Communications, Utilities, and Other Rent:** Nine high-dollar overpayments were identified ($1.8 million out of $326 million in total payments); all were due to administrative and documentation errors.

- **VHA – State Home Per Diem Grants:** Three high-dollar overpayments were identified ($1.1 million out of $235 million in total payments); all were due to administrative and documentation errors.

- **Non-VA Care Fee:** Twenty-seven high-dollar overpayments were identified ($2 million out of $881 million in total payments); 26 were due to administrative and documentation errors, and 1 was due to a verification error.

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- **VHA – Other Services:** Twenty-one high-dollar overpayments were identified ($1.1 million out of $847 million in total payments); 17 were due to administrative and documentation errors, and 4 were due to verification errors.

- **VBA – Compensation (including Dependency and Indemnity Compensation):** From a population of 10,175 overpayments, a random sample of 385 payments was reviewed to determine if any were high-dollar overpayments. The sample disclosed 65 high-dollar overpayments totaling $1.2 million, which projects to $30 million out of $16 billion in total payments. Only the sampling results are included in this report. Of the 65 improper payments found, 15 were due to administrative and documentation errors, 7 were due to authentication and medical necessity errors, and 43 were due to verification errors.

- **VBA – Pension:** From a population of 7,050 overpayments, a random sample of 385 payments was reviewed to determine if any were high-dollar overpayments. The sample disclosed 30 high-dollar overpayments totaling $0.6 million, which projects to $10 million out of $1.3 billion in total payments. Only the sampling results are included in this report. All 30 improper payments found were due to verification errors.

- **VACO Staff Offices:** Thirteen high-dollar overpayments were identified ($0.8 million out of $1.2 billion in total payments); all 13 were due to administrative and documentation errors.

- **Other:** In the other 12 programs, 71 high-dollar overpayments were identified ($1.2 million out of $6.2 billion in total payments); 52 were due to administrative and documentation errors, and 19 were due to verification errors.

5. If you have any questions, please have a member of your staff contact Ms. Laurie Park, Acting Deputy Assistant Secretary for Finance, at (202) 461- 6180.

Eric K. Shinseki

Attachment

Executive Order 13520 – Reducing Improper Payments
Fiscal Year (FY) 2014 First Quarter High-Dollar Overpayments Report

The President signed Executive Order 13520, "Reducing Improper Payments" on November 20, 2009. On March 22, 2010, the Office of Management and Budget (OMB) issued government-wide guidance on the implementation of the Executive Order. The guidance is under Part III, Appendix C of OMB Circular A-123. This guidance requires agencies with programs susceptible to significant improper payments to submit to the agency's Inspector General and the Council of Inspectors General on Integrity and Efficiency, and make available to the public, a quarterly report on any high-dollar overpayments identified by the agency.

In accordance with OMB Circular A-123, Appendix C, Part III, the Department of Veterans Affairs (VA) has reviewed applicable programs to identify the issuance of any high-dollar overpayments in the first quarter of fiscal year (FY) 2014. The OMB guidelines define a high-dollar improper payment as any payment in excess of 50 percent of the correct amount of the intended payment under the following circumstances:

1. Where the total payment to an individual exceeds $5,000 as a single payment or in cumulative payments for the quarter; or
2. Where a payment to an entity exceeds $25,000 as a single payment or cumulative payments for the quarter.

The OMB guidelines require that agencies submit, on a quarterly basis, a report to:

1. List all high-dollar overpayments identified by the agency during the quarter;
2. Describe whether each high-dollar overpayment was made to an entity or individual, and the city or county, and state where that entity or individual was located;
3. List the program responsible for each high-dollar overpayment error;
4. Describe any actions the agency has taken or plans to take to recover high-dollar overpayments; and
5. Describe any actions the agency will take to prevent overpayments from occurring in the future.

In addition to OMB's guidelines, our report includes two additional categories: the status and root cause of the overpayment. The root cause information of each of the high-dollar overpayments is being reported according to OMB's three error types.

The error types are:

1. Administrative and Documentation errors which are caused by the absence of supporting Documentation to validate the payment, or inputting, classifying, or processing errors made by another other than the recipient of the payment (i.e. the payee or a third-party).

2. Authentication and Medical Necessity errors which are caused by the payee's inability to authenticate eligibility criteria through third-party databases or other resources because nothing else exists, or the beneficiary was provided a service that was not medically necessary given the patient's condition.

3. Verification errors which are caused by the payee's failure to verify recipient information (i.e., earnings, income, assets, or work status) even though third-party databases or other resources do exist, the payee's inability to verify recipient information (i.e., earnings, income, assets, or work status) because there are legal or other restrictions that deny access to verify against third-party databases or other resources that do exist, or beneficiaries fail to report correct information to the payee.

Veterans Health Administration – VHA

1. Beneficiary Travel

VHA identified 10 high-dollar overpayments made by Beneficiary Travel during the first quarter of FY 2014. These overpayments consisted of both singular and cumulative overpayments caused by Administrative and Documentation errors, and Verification errors.

- 4 overpayments (40%) totaling $172,992 are Administrative and Documentations errors where a duplicate payment was issued, the incorrect amount was paid, or there was a data entry error.
- 6 overpayments (60%) totaling $44,487 are Verification errors where an ineligible recipient was paid or VHA failed to verify beneficiary information prior to payment.

Total Beneficiary Travel Payments made this quarter: $187,250,743
Total High-Dollar Overpayments identified this quarter: $217,479
Percentage of High-Dollar Overpayments: 0.12%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$80,829.00	Entity	Montgomery	AL	Incorrect Amount	Administrative and Documentation	See Notes Below Table	Collection in Progress	See Notes Below Table
$79,000.00	Entity	Montgomery	AL	Data Entry Errors	Administrative and Documentation		Collection in Progress	
$8,945.55	Individual	Hattiesburg	MS	Failure to Verify Beneficiary Information	Verification		Collection in Progress	
$8,844.92	Individual	Jackson	TN	Ineligible Recipient	Verification		Collection in Progress	
$8,007.97	Individual	Inkster	MI	Failure to Verify Beneficiary Information	Verification		Collection in Full	
$7,847.67	Individual	Breaux Bridge	LA	Incorrect Amount	Administrative and Documentation		Collection in Progress	
$7,835.20	Individual	Bonne Terre	MO	Ineligible Recipient	Verification		Collection in Progress	
$5,764.16	Individual	Ferndale	MI	Failure to Verify Beneficiary Information	Verification		Collection in Progress	
$5,315.70	Individual	Cornersburg	OH	Duplicate Payment	Administrative and Documentation		Collection in Progress	
$5,089.23	Individual	Wichita	KS	Ineligible Good or Service	Verification		Collection in Progress	

Notes

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or the Treasury Offset Program (TOP).
2. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans. Examples include:
   a. Identifying fraudulent claims quicker using the Beneficiary Travel Payment and Reconciliation tool.

b. Reviewing claims prior to payment for accuracy.
c. Checking database for duplicate entries by social security number, address, and travel date.
d. Reinforcing travel eligibility.

2. Caregiver Stipend

VHA identified three high-dollar overpayments made by Caregiver Stipend during the first quarter of FY 2014. These overpayments consisted of singular overpayments caused by Administrative and Documentation errors.

- 3 overpayments (100%) totaling $75,650 are Administrative and Documentations errors where the incorrect amount was paid.

Total Caregiver Stipend Payments made this quarter: $62,437,924
Total High-Dollar Overpayments identified this quarter: $75,650
Percentage of High-Dollar Overpayments: 0.12%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$39,067.14	Individual	Columbia	SC	Incorrect Amount	Administrative and Documentation	See Notes Below Table	Collection in Progress	See Notes Below Table
$20,097.00	Individual	Lillington	NC	Incorrect Amount	Administrative and Documentation		Collection in Progress	
$16,486.20	Individual	Statesville	NC	Incorrect Amount	Administrative and Documentation		Collection in Progress	

Notes:
1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans.

3. Communications, Utilities, and Other Rent

VHA identified nine high-dollar overpayments made by Communications, Utilities, and Other Rent during the first quarter of FY 2014. These overpayments consisted of both singular and cumulative overpayments caused by Administrative and Documentation errors.

- 9 overpayments (100%) totaling $1,775,158 are Administrative and Documentation errors where the incorrect amount was paid, wrong vendors were paid, or payment was made for goods or services not yet received.

Total Communications, Utilities, and Other Rent Payments made this quarter: $326,491,532
Total High-Dollar Overpayments identified this quarter: $1,775,158
Percentage of High-Dollar Overpayments: 0.54%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$640,000.00	Entity	Washington	DC	Wrong Vendor Paid	Administrative and Documentation	See Notes Below Table	Collection in Full	See Notes Below Table
$317,471.66	Entity	Homewood	AL	Goods or Services Not Yet Received	Administrative and Documentation		Collection in Progress	

$250,000.00	Entity	Eagan	MN	Wrong Vendor Paid	Administrative and Documentation		Collection in Full	
$228,319.00	Entity	San Mateo	CA	Wrong Vendor Paid	Administrative and Documentation		Collection in Progress	
$180,000.00	Entity	Minneapolis	MN	Incorrect Amount	Administrative and Documentation		Collection in Progress	
$63,367.74	Entity	Syracuse	NY	Incorrect Amount	Administrative and Documentation		Collection in Full	
$52,501.76	Entity	Ft. Worth	TX	Incorrect Amount	Administrative and Documentation		Collection in Full	
$26,305.08	Entity	St. Augustine	FL	Incorrect Amount	Administrative and Documentation		Collection in Progress	
$17,192.49	Entity	Bozeman	MT	Incorrect Amount	Administrative and Documentation		Collection in Progress	

Notes:

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans. Examples include:
   a. Providing additional training to accountants responsible for payments.
   b. Verifying amounts paid prior to disbursement.
   c. Ensuring all recurring payments is paid according to contract.

4. Equipment

VHA identified two high-dollar overpayments made by Equipment during the first quarter of FY 2014. These overpayments consisted of singular overpayments caused by Administrative and Documentation errors.

- 2 overpayments (100%) totaling $75,332 are Administrative and Documentation errors where the wrong vendor was paid.

Total Equipment Payments made this quarter: $582,885,841
Total High-Dollar Overpayments identified this quarter: $75,332
Percentage of High-Dollar Overpayments: 0.01%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$39,438.05	Entity	Minneapolis	MN	Wrong Vendor Paid	Administrative and Documentation	See Notes Below Table	Collection in Progress	See Notes Below Table
$35,894.18	Entity	Northborough	MA	Wrong Vendor Paid	Administrative and Documentation		Collection in Progress	

Notes:

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans.

5. Grants - State Home Per Diem

VHA identified three high-dollar overpayments made by State Home Per Diem Grants during the first quarter of FY 2014. These overpayments consisted of both singular and cumulative overpayments caused by Administrative and Documentation errors.

- 3 overpayments (100%) totaling $1,050,500 are Administrative and Documentation errors caused by issuing duplicate payments, and applying incorrect payment methodologies.

Total State Home Per Diem Grants Payments made this quarter: $235,358,059
Total High-Dollar Overpayments identified this quarter: $1,050,500
Percentage of High-Dollar Overpayments: 0.45%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$724,062.98	Entity	Atlanta	GA	Duplicate Payment	Administrative and Documentation	See Notes Below Table	Collection in Progress	See Notes Below Table
$262,833.10	Entity	Fayetteville	AR	Incorrect Application of the Payment Methodologies	Administrative and Documentation		Collection in Progress	
$63,604.20	Entity	Sacramento	CA	Duplicate Payment	Administrative and Documentation		Collection in Progress	

Notes:
1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans. Examples include:
   a. Exercising more caution when certifying State Home invoices.
   b. Verifying correct billing rates are utilized before issuance of payment.
   c. Correcting payment methodologies.

6. Medical and Prosthetic Research

VHA identified one high-dollar overpayment made by Medical and Prosthetic Research during the first quarter of FY 2014. This overpayment consisted of a cumulative overpayment caused by an Administrative and Documentation error.

- 1 overpayment (100%) totaling $61,718 is an Administrative and Documentation error caused by paying the wrong vendor.

Total Medical and Prosthetic Research Payments made this quarter: $161,471,740
Total High-Dollar Overpayments identified this quarter: $61,718
Percentage of High-Dollar Overpayments: 0.04%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$61,718.24	Entity	Pittsburgh	PA	Wrong Vendor Paid	Administrative and Documentation	See Notes Below Table	Collection in Progress	See Notes Below Table

Notes:
1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans.

7. Purchased Long-Term Services and Supports

VHA identified seven high-dollar overpayments made Purchased Long-Term Services and Supports during the first quarter of FY 2014. These overpayments consisted of singular and cumulative overpayments caused by Administrative and Documentation errors, and Verification errors.

- 6 overpayments (86%) totaling $179,003 are Administrative and Documentation errors caused by issuing duplicate payments, paying the incorrect amount, or paying the wrong vendor.
- 1 overpayment (14%) totaling $52,845 is a Verification error caused by issuing payment for an ineligible good or service.

Total Purchased Long-Term Services and Supports Payments made this quarter: $338,951,734
Total High-Dollar Overpayments identified this quarter: $231,848
Percentage of High-Dollar Overpayments: 0.07%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$52,845.03	Entity	Chesapeake	VA	Ineligible Good or Service	Verification	See Notes Below Table.	Collection in Progress	See Notes Below Table
$36,600.00	Entity	Phoenix	AZ	Incorrect Amount	Administrative and Documentation		Collection in Full	
$33,325.46	Entity	Sharon	NH	Incorrect Amount	Administrative and Documentation		Collection in Full	
$28,398.16	Entity	Boise	ID	Wrong Vendor Paid	Administrative and Documentation		Collection in Full	
$28,256.05	Entity	Pottstown	PA	Incorrect Amount	Administrative and Documentation		Collection in Full	
$27,382.13	Entity	Columbus	OH	Wrong Vendor Paid	Administrative and Documentation		Collection in Full	
$25,041.32	Entity	Danvers	MA	Duplicate Payment	Administrative and Documentation		Collection in Full	

Notes:

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans. Examples include:
   a. Training staff to identify duplicate/erroneous bills from vendors and to utilize tools provided in the Fee Basis Claims System to identify inconsistencies in billing.
   b. Identifying duplicate billing to ensure accurate payments are made.
   c. Providing additional training on selecting correct vendor.

8. Non-VA Civilian Health and Medical Program of the VA (CHAMPVA)

VHA identified six high-dollar overpayments made by CHAMPVA during the first quarter of FY 2014. The overpayments consisted of singular and cumulative overpayments caused by Administrative and Documentation errors, and Verification errors.

- 3 overpayments (50%) totaling $101,347 are Verification errors caused by paying ineligible recipients.
- 3 overpayments (50%) totaling $82,044 are Administrative and Documentation errors caused by data entry errors.

Total CHAMPVA Payments made this quarter: $248,078,779
Total High-Dollar Overpayments identified this quarter: $183,391
Percentage of High-Dollar Overpayments: 0.07%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$75,470.93	Entity	Los Angeles	CA	Ineligible Recipient	Verification	See Notes Below Table	Collection in Progress	See Notes Below Table
$31,772.11	Entity	Waterbury	CT	Data Entry Errors	Administrative and Documentation		Collection in Progress	
$26,090.38	Entity	Chicago	IL	Data Entry Errors	Administrative and Documentation		Collection in Progress	
$24,181.50	Individual	Houston	TX	Data Entry Errors	Administrative and Documentation		Collection in Progress	
$20,035.26	Individual	Mobile	AL	Ineligible Recipient	Verification		Collection in Progress	
$5,840.86	Individual	Denver	CO	Ineligible Recipient	Verification		Collection in Progress	

Notes:

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA is working with Chief Business Office to prevent re-occurrence of improper payments by tracking implementation and completion of corrective action plans. Examples include:
   a. Conducting 100 percent prepayment review for CHAMPVA claims.
   b. Completing two percent review for procedural accuracy over the CHAMPVA pre-payment claims processing.
   c. Conducting CHAMPVA Proper Payment Audit.
   d. Providing group and individual sustainment training.
   e. Conducting eligibility data matches with Center for Medicare and Medicaid, Defense Enrollment Eligibility Reporting System, and Social Security Administration.

9. Non-VA Medical Care

VHA identified 27 high-dollar overpayments made by Non-VA Medical Care during the first quarter of FY 2014. These overpayments consisted of both singular and cumulative payments caused by Administrative and Documentation errors, and Verification errors.

- 26 overpayments (96%) totaling $2,003,545 are Administrative and Documentation errors where duplicate payments were issued, the amount paid was incorrect, the wrong vendor was paid, or the incorrect payment methodologies were used.
- 1 overpayment (4%) totaling $39,104 is a Verification error caused by issuing payment to an ineligible good or service.

Total Non-VA Medical Care Payments made this quarter: $880,814,234
Total High-Dollar Overpayments identified this quarter: $2,042,649
Percentage of High-Dollar Overpayments: 0.23%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$705,211.29	Entity	Marysville	CA	Incorrect Application of the Payment Methodologies	Administrative and Documentation	See Notes Below Table	Collection in Progress	See Notes Below Table

$244,377.79	Entity	Louisville	KY	Duplicate Payment	Administrative and Documentation		Collection in Progress	
$101,101.79	Entity	Los Angeles	CA	Duplicate Payment	Administrative and Documentation		Collection in Full	
$81,923.42	Entity	Atlanta	GA	Incorrect Amount	Administrative and Documentation		Collection in Full	
$77,156.39	Entity	Chattanooga	TN	Wrong Vendor Paid	Administrative and Documentation		Collection in Progress	
$63,608.15	Entity	Wynne	AR	Incorrect Application of the Payment Methodologies	Administrative and Documentation		Collection in Progress	
$62,512.25	Entity	Burlington	VT	Wrong Vendor Paid	Administrative and Documentation		Collection in Progress	
$55,692.25	Entity	Waco	TX	Data Entry Errors	Administrative and Documentation		Collection in Progress	
$50,437.56	Entity	Pittsburg	PA	Wrong Vendor Paid	Administrative and Documentation		Collection in Progress	
$47,272.73	Entity	Orlando	FL	Incorrect Amount	Administrative and Documentation		Collection in Full	
$43,867.71	Entity	Pittsburgh	PA	Incorrect Amount	Administrative and Documentation		Collection in Full	
$42,203.58	Entity	Neptune	NJ	Duplicate Payment	Administrative and Documentation		Collection in Full	
$41,455.75	Entity	Monticello	MN	Incorrect Amount	Administrative and Documentation		Collection in Full	
$39,104.35	Entity	Charlotte	NC	Ineligible Good or Service	Verification		Collection in Full	
$38,511.91	Entity	Waco	TX	Data Entry Errors	Administrative and Documentation		Collection in Progress	
$37,892.81	Entity	Atlanta	GA	Incorrect Amount	Administrative and Documentation		Collection in Full	
$37,792.93	Entity	Durham	NC	Incorrect Amount	Administrative and Documentation		Collection in Progress	
$34,607.15	Entity	Columbia	MO	Incorrect Application of the Payment Methodologies	Administrative and Documentation		Collection in Full	
$32,538.25	Entity	Johnson City	TN	Incorrect Application of the Payment Methodologies	Administrative and Documentation		Collection in Full	
$32,341.27	Entity	Saginaw	MI	Duplicate Payment	Administrative and Documentation		Collection in Full	
$32,073.84	Entity	Dallas	TX	Incorrect Amount	Administrative and Documentation		Collection in Full	
$31,088.82	Entity	Atlanta	GA	Incorrect Amount	Administrative and Documentation		Collection in Full	
$26,018.30	Entity	Eau Claire	MN	Incorrect Application of the Payment Methodologies	Administrative and Documentation		Collection in Progress	

$25,900.20	Entity	Austin	TX	Data Entry Errors	Administrative and Documentation		Collection in Progress	
$20,853.08	Entity	Albany	NY	Incorrect Amount	Administrative and Documentation		Collection in Full	
$20,230.65	Individual	Uniondale	NY	Incorrect Amount	Administrative and Documentation		Collection in Full	
$16,875.00	Entity	Atlanta	GA	Duplicate Payment	Administrative and Documentation		Collection in Progress	

Notes:

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA will provide education and training to clerks on payment methodologies to ensure proper claim processing and utilize Snap Web to identify potential duplicate payments.
3. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans. Examples include:
   a. Providing additional training and guidance by supervisor to billing clerks.
   b. Provide additional training on all aspect of eligibility when payments relates to other health insurance.
   c. Provide additional training and reiteration of internal controls to prevent overpayments.
   d. Reviewing payments for accuracy prior to processing.
   e. Verifying contract rates prior to disbursing payment.
   f. Educating vendors on proper billing procedures.

10. Other Services

VHA identified 21 high-dollar overpayments made by Other Services during the first quarter of FY 2014. These overpayments consisted of both singular and cumulative payments caused by Administrative and Documentation errors, and Verification errors.

- 17 overpayments (81%) totaling $976,639 are Administrative and Documentation errors where duplicate payments were issued, the incorrect amount or the wrong vendor was paid, data entries errors were made, or there was lack of documentation to validate payment.
- 4 overpayments (19%) totaling $82,867 are Verification errors caused by issuing payment to ineligible recipients.

Total Other Services Payments made this quarter: $847,056,820
Total High-Dollar Overpayments identified this quarter: $1,059,506
Percentage of High-Dollar Overpayments: 0.13%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$133,015.20	Entity	Albuquerque	NM	Incorrect Amount	Administrative and Documentation	See Notes Below Table	Collection in Progress	See Notes Below Table
$131,327.31	Entity	Rancho Cordova	CA	Incorrect Amount	Administrative and Documentation		Collection in Progress	
$108,251.45	Entity	Rockville	MD	Incorrect Amount	Administrative and Documentation		Collection in Progress	
$99,108.02	Entity	Birmingham	AL	Incorrect Amount	Administrative and Documentation		Collection in Full	
$81,036.64	Entity	Memphis	TN	Wrong Vendor Paid	Administrative and Documentation		Collection in Progress	
$72,476.81	Entity	Belmont	MA	Duplicate Payment	Administrative and Documentation		Collection in Full	

$67,170.00	Entity	Elk Grove	CA	Wrong Vendor Paid	Administrative and Documentation		Collection in Progress	
$58,229.95	Entity	Petersburg	WV	Duplicate Payment	Administrative and Documentation		Collection in Full	
$45,542.00	Individual	Las Vegas	NV	Ineligible Recipient	Verification		Collection in Full	
$37,973.04	Entity	Knoxville	TN	Wrong Vendor Paid	Administrative and Documentation		Collection in Progress	
$32,375.56	Entity	Parsippany	NJ	Duplicate Payment	Administrative and Documentation		Collection in Progress	
$31,201.00	Entity	Decatur	GA	Duplicate Payment	Administrative and Documentation		Collection in Progress	
$31,025.12	Entity	Washington	DC	Duplicate Payment	Administrative and Documentation		Collection in Progress	
$28,500.00	Entity	Boston	MA	Duplicate Payment	Administrative and Documentation		Collection in Progress	
$27,492.00	Entity	Amarillo	TX	Data Entry Errors	Administrative and Documentation		Collection in Full	
$20,145.00	Individual	Sharon	VT	Ineligible Recipient	Verification		Collection in Progress	
$15,400.00	Individual	Warren	OH	Wrong Vendor Paid	Administrative and Documentation		Collection in Progress	
$13,857.03	Individual	Amarillo	TX	Incorrect Amount	Administrative and Documentation		Collection in Full	
$11,705.35	Individual	Wausau	WI	Ineligible Recipient	Verification		Collection in Progress	
$8,200.00	Individual	Phoenix	AZ	Lack of Documentation	Administrative and Documentation		Collection in Progress	
$5,475.00	Individual	Fargo	ND	Ineligible Recipient	Verification		Collection in Progress	

Notes:

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans. Examples include:
   a. Verifying invoice before Contracting Officer Representative certifies for payment.
   b. Educating vendor on submitting only one invoice per month through the proper OB-10 payment system.

11. Supplies and Materials

VHA identified two high-dollar overpayments made by Supplies and Materials during the first quarter of FY 2014. These overpayments consisted of singular payments and were caused by Administrative and Documentation errors.

- 2 overpayments (100%) totaling $13,379 are Administrative and Documentation errors where the wrong vendor was paid or the amount paid was incorrect.

Total Supplies and Materials Payments made this quarter: $559,642,287
Total High-Dollar Overpayments identified this quarter: $13,379
Percentage of High-Dollar Overpayments: 0.002%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$8,320.14	Individual	Rutland	VT	Wrong Vendor Paid	Administrative and Documentation	See Notes Below Table	Collection in Progress	See Notes Below Table
$5,059.24	Individual	Amarillo	TX	Incorrect Amount	Administrative and Documentation		Collection in Full	

Notes:

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans. Examples include:
   a. Providing employee education emails to ensure correct amounts are verified before disbursement.

12. Transportation of Persons and Things

VHA identified one high-dollar overpayment made by Transportation of Persons and Things during the first quarter of FY 2014. This overpayment consisted of a singular payment and was caused by an Administrative and Documentation error.

- 1 overpayment (100%) totaling $5,814 is an Administrative and Documentation error where a duplicate payment was issued.

Total Transportation of Persons and Things Payments made this quarter: $33,750,006
Total High-Dollar Overpayments identified this quarter: $5,814
Percentage of High-Dollar Overpayments: 0.02%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$5,814.24	Individual	Silverdale	WA	Duplicate Payment	Administrative and Documentation	See Notes Below Table	Collection in Full	See Notes Below Table

Notes:

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or TOP.
2. VHA is working with individual medical centers to prevent re-occurrence of improper payments by tracking implementation and completion of facility corrective action plans.

Veterans Benefits Administration (VBA)

13. Compensation Program

VBA identified 10,175 compensation overpayments in the first quarter of FY 2014 and reviewed a stratified and statistically valid random sample of 385 such overpayments. The review revealed that 65 (17%) were compensation high-dollar overpayments, and 320 (83%) were compensation payments that did not meet the high-dollar overpayment criteria. Based on these results, VBA projected that 1,730 overpayments originally identified were high-dollar compensation overpayments, and an estimated 8,445 were payments that did not meet the high-dollar overpayment criteria. These results are based on estimates at a 95 percent confidence level with a ± 5% interval.

The Compensation Service identified 65 high-dollar compensation overpayments; 15 are due to Administrative and Documentation Errors, 7 are due to Authentication and Medical Necessity Errors, and 43 are due to Verification Errors.

- 15 overpayments (21%) totaling $248,139 are due to Administrative and Documentation Errors caused by processing errors, an adjustment of military retirement or separation, or month of death payment to the surviving spouse and insufficient evidence of record to determine how the overpayment was created.
- 7 overpayments (10%) totaling $241,956 are due to Authentication and Medical Necessity Errors caused by changes in countable income or a change in unreimbursed medical expenses used to reduce that income for VA purposes.
- 43 overpayments (67%) totaling $689,936 are Verification Errors caused by the delayed notification of the death of a Veteran or beneficiary, the delayed notification of a Veteran returning to active duty, notification by third parties of dependency changes, adjustments for incarceration or fugitive felon status, or by apportionment.

Total Compensation Obligated Payments made this quarter: $15,672,193,608.72
Projected High-Dollar Overpayments for this quarter: $29,728,011.91
Percentage of High-Dollar Overpayments to Compensation payments: 0.19%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$79,980.00	Individual	Ft. Lauderdale	FL	Income Change	Authentication and Medical Necessity	See Notes Below Table	In Collection Status	See Notes Below Table
$79,213.20	Individual	Bastrop	TX	Incarcerated Beneficiary	Verification		In Collection Status	
$76,031.00	Individual	North Kansas City	MO	Death of Beneficiary	Verification		In Collection Status	
$68,499.00	Individual	Lincoln	NE	Other	Administrative and Documentation		In Collection Status	
$65,799.00	Individual	Vestal	NY	Incarcerated Beneficiary	Verification		In Collection Status	
$51,613.00	Individual	Moncks Corner	SC	Other	Administrative and Documentation		In Collection Status	
$50,521.00	Individual	Crestone	CO	Income Change	Authentication and Medical Necessity		In Collection Status	
$46,599.00	Individual	Birmingham	AL	Income Change	Authentication and Medical Necessity		In Collection Status	
$34,315.00	Individual	Tampa	FL	Income Change	Authentication and Medical Necessity		In Collection Status	
$33,232.63	Individual	Perth Amboy	NJ	Returned to Active Duty	Verification		In Collection Status	
$27,725.00	Individual	Moon Township	PA	Death of Beneficiary	Verification		In Collection Status	
$26,577.93	Individual	Waco	TX	Incarcerated Beneficiary	Verification		Paid In Full	
$26,153.47	Individual	Walton	NY	Incarcerated Beneficiary	Verification		In Collection Status	

$21,990.00	Individual	Atlanta	GA	Other	Administrative and Documentation		In Collection Status	
$20,652.00	Individual	Sunnyside	WA	Other	Administrative and Documentation		Paid In Full	
$19,898.67	Individual	Virginia Beach	VA	Returned to Active Duty	Verification		In Collection Status	
$19,845.67	Individual	Dunnellon	FL	Incarcerated Beneficiary	Verification		In Collection Status	
$18,805.40	Individual	Valrico	FL	Returned to Active Duty	Verification		In Collection Status	
$16,926.00	Individual	Cameron	MO	Incarcerated Beneficiary	Verification		In Collection Status	
$16,603.00	Individual	Vilonia	AR	Returned to Active Duty	Verification		In Collection Status	
$16,432.00	Individual	Glen Allen	VA	Death of Beneficiary	Verification		Paid In Full	
$14,366.00	Individual	Bristow	VA	Death of Beneficiary	Verification		Paid In Full	
$14,152.67	Individual	Charlton	NY	Returned to Active Duty	Verification		In Collection Status	
$12,799.00	Individual	Manning	SC	Income Change	Authentication and Medical Necessity		In Collection Status	
$12,332.52	Individual	Ft. Atkinson	WI	Returned to Active Duty	Verification		In Collection Status	
$12,138.00	Individual	Hemet	CA	Military Retired Pay	Administrative and Documentation		In Collection Status	
$12,114.00	Individual	Louann	AR	Other	Administrative and Documentation		In Collection Status	
$11,892.00	Individual	Centerville	MA	Death of Beneficiary	Verification		Paid In Full	
$11,802.00	Individual	Nanticoke	PA	Income Change	Authentication and Medical Necessity		In Collection Status	
$11,313.00	Individual	Dallas	TX	Death of Beneficiary	Verification		In Collection Status	
$11,313.00	Individual	Las Vegas	NV	Death of Beneficiary	Verification		In Collection Status	
$10,935.00	Individual	Schenectady	NY	Death of Beneficiary	Verification		In Collection Status	
$10,311.00	Individual	Huntington Beach	CA	Death of Beneficiary	Verification		Paid In Full	
$9,875.17	Individual	Williamsburg	NM	Returned to Active Duty	Verification		Paid In Full	
$9,815.57	Individual	San Diego	CA	Other	Administrative and Documentation		In Collection Status	
$9,374.53	Individual	Lakewood	CA	Returned to Active Duty	Verification		In Collection Status	
$8,799.00	Individual	Medical Lake	WA	Death of Beneficiary	Verification		In Collection Status	

$8,216.00	Individual	Wesley Chapel	FL	Month of Death	Administrative and Documentation		In Collection Status	
$7,884.00	Individual	Houston	TX	Death of Beneficiary	Verification		In Collection Status	
$7,570.00	Individual	Detroit	MI	Death of Beneficiary	Verification		In Collection Status	
$7,365.00	Individual	Citrus Hts.	CA	Death of Beneficiary	Verification		In Collection Status	
$7,270.40	Individual	Ft. Hood	TX	Returned to Active Duty	Verification		In Collection Status	
$7,183.00	Individual	Sacramento	CA	Month of Death	Administrative and Documentation		Paid In Full	
$7,183.00	Individual	Oklahoma City	OK	Month of Death	Administrative and Documentation		In Collection Status	
$7,183.00	Individual	Sacramento	CA	Month of Death	Administrative and Documentation		Paid In Full	
$7,008.00	Individual	Chester Heights	PA	Death of Beneficiary	Verification		Paid In Full	
$7,008.00	Individual	Dothan	AL	Death of Beneficiary	Verification		In Collection Status	
$7,008.00	Individual	Cookeville	TN	Death of Beneficiary	Verification		In Collection Status	
$6,818.00	Individual	Flushing	MI	Death of Beneficiary	Verification		In Collection Status	
$6,720.23	Individual	Ft. Worth	TX	Returned to Active Duty	Verification		In Collection Status	
$6,618.00	Individual	Buchanan	GA	Death of Beneficiary	Verification		Paid In Full	
$6,087.00	Individual	Los Angeles	CA	Death of Beneficiary	Verification		In Collection Status	
$6,075.00	Individual	Turlock	CA	Death of Beneficiary	Verification		In Collection Status	
$6,075.00	Individual	Tallula	CA	Other	Administrative and Documentation		Paid In Full	
$5,940.00	Individual	Roanoke Rapids	NC	Apportionment	Authentication and Medical Necessity		In Collection Status	
$5,892.00	Individual	Houston	TX	Death of Beneficiary	Verification		In Collection Status	
$5,832.00	Individual	Chilhowie	VA	Death of Beneficiary	Verification		Paid In Full	
$5,742.00	Individual	Tallahassee	FL	Death of Beneficiary	Verification		In Collection Status	
$5,632.00	Individual	Mount Olive	IL	Death of Beneficiary	Verification		In Collection Status	
$5,330.00	Individual	Tampa	FL	Military Retired Pay	Administrative and Documentation		In Collection Status	
$5,297.33	Individual	Louisville	KY	Returned to Active Duty	Verification		In Collection Status	
$5,130.00	Individual	Merced	CA	Death of Beneficiary	Verification		Paid In Full	

$5,074.00	Individual	New Smyrna Beach	FL	Month of Death	Administrative and Documentation		Paid In Full	
$5,074.00	Individual	Dodgeville	WI	Month of Death	Administrative and Documentation		Paid In Full	
$5,072.40	Individual	Wharton	NJ	Returned to Active Duty	Verification		In Collection Status	

Notes:

1. Overpayments are routinely recovered from future benefits awarded. If not recovered, further actions are then taken by the VA Debt Management Center, including referral to the Treasury Offset Program, as appropriate.
2. VBA manages timeliness of completing action on issues involving potential overpayments by using special controls such as the workload End Product 690.
3. Field personnel monitor exception reports and take corrective action when system-generated messages indicate there are potential overpayments. Claims processors are directed to initiate action within 30 days of receiving these notices.
4. VBA requires field personnel take immediate action to resolve claims involving due process once their associated controls mature. This reduces the amount of potential overpayments created through delayed processing.
5. Some VA overpayments are inherent based on the requirements of 38 CFR § 3.103, Procedural Due Process and Appellate Rights, that do not allow VA to take adverse action regarding the payment of benefits without providing the beneficiary 60-days advance notice, although the beneficiary may request that VA take the adverse action immediately. This "due process" period extends an overpayment period by two additional months. One exception to extending due process occurs when VA is notified of a beneficiary's death.

14. Pension and Fiduciary Service

VBA uses analytical procedures to improve the statistical validity of the high-dollar overpayment review. This procedure requires a review of a stratified random sample of the total number of overpayments. There were 7,050 projected pension overpayments identified in the first quarter of FY 2014.

A random sample of 385 pension overpayments was reviewed. The review revealed that 30 (8%) were pension high-dollar overpayments, and 355 (92%) were pension payments that did not meet the high-dollar overpayment criteria. Based on these results, we projected that 564 overpayments originally identified were high-dollar pension overpayments, and an estimated 6,486 were payments that did not meet the high-dollar overpayment criteria. These results are based on estimates at a 95 percent confidence level with a ± 5 percent interval.

Pension and Fiduciary Service identified 30 high-dollar pension overpayments due to Verification Errors.

- 30 overpayments (100%) totaling $574,246.59 are Verification Errors caused by delayed notification of the beneficiary's death, dependency changes, and retroactive adjustments for incarceration or fugitive felon status.

Total Pension Obligations made this quarter: $1,328,051,984.58
Projected High-Dollar Overpayments for this quarter: $10,118,194.00
Percentage of High-Dollar Overpayments to Pension: 0.76%

Amount of Overpayment	Entity or Individual	City	State	Cause of Overpayment	OMB Error Type	Action/Plan to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$106,166.00	Individual	Fresno	CA	Dependency Issue	Verification	See Notes Below Table	Paid in Full	See Notes Below Table
$68,074.85	Individual	Spanaway	WA	Dependency Issue	Verification		In Collection Status	
$56,658.17	Individual	Reading	PA	Incarceration	Verification		In Collection Status	

$46,857.00	Individual	Des Moines	IA	Dependency Issue	Verification		In Collection Status	
$40,483.87	Individual	Henderson	NC	Incarceration	Verification		In Collection Status	
$23,687.00	Individual	Colorado Springs	CO	Dependency Issue	Verification		In Collection Status	
$23,442.70	Individual	Plainfield	NJ	Incarceration	Verification		In Collection Status	
$21,611.00	Individual	Kenosha	WI	Dependency Issue	Verification		In Collection Status	
$16,540.00	Individual	Frackville	PA	Incarceration	Verification		In Collection Status	
$16,525.00	Individual	Dallas	TX	Dependency Issue	Verification		In Collection Status	
$12,124.00	Individual	Tucson	AZ	Death of Beneficiary	Verification		In Collection Status	
$11,245.00	Individual	Memphis	TN	Incarceration	Verification		In Collection Status	
$10,302.00	Individual	Mesa	AZ	Death of Beneficiary	Verification		Paid In Full	
$10,017.00	Individual	Bel Aire	KS	Death of Beneficiary	Verification		In Collection Status	
$8,928.00	Individual	San Francisco	CA	Death of Beneficiary	Verification		In Collection Status	
$8,904.00	Individual	Draper	UT	Death of Beneficiary	Verification		In Collection Status	
$8,387.00	Individual	Clute	TX	Death of Beneficiary	Verification		In Collection Status	
$8,304.00	Individual	Lacey	WA	Death of Beneficiary	Verification		In Collection Status	
$7,868.00	Individual	Calabasas	CA	Death of Beneficiary	Verification		In Collection Status	
$7,266.00	Individual	Decatur	GA	Incarceration	Verification		In Collection Status	
$7,266.00	Individual	Murfreesboro	TN	Incarceration	Verification		In Collection Status	
$7,109.00	Individual	Largo	FL	Death of Beneficiary	Verification		In Collection Status	
$6,678.00	Individual	Salina	KS	Death of Beneficiary	Verification		In Collection Status	
$6,264.00	Individual	Port St Lucie	FL	Death of Beneficiary	Verification		In Collection Status	
$6,162.00	Individual	McDonough	GA	Dependency Issue	Verification		In Collection Status	
$5,717.00	Individual	Santa Fe	NM	Death of Beneficiary	Verification		In Collection Status	
$5,565.00	Individual	Denton	TX	Death of Beneficiary	Verification		Paid In Full	

$5,565.00	Individual	New York	NY	Death of Beneficiary	Verification		In Collection Status	
$5,334.00	Individual	Parowan	UT	Death of Beneficiary	Verification		In Collection Status	
$5,196.00	Individual	Orange Park	FL	Death of Beneficiary	Verification		In Collection Status	

Notes:

1. Overpayments are routinely recovered from future benefits awarded. If not received, further actions are then taken by the VA Debt Management Center, including referral to the Treasury Offset Program as appropriate.
2. Develop specific guidance on pension benefit adjustments.
3. Provide guidance under M21-1MR, Part I, Chapter 2.B.7.a, which requires field personnel to resolve claims involving due process when the associated controls mature.
4. Continue to provide feedback to field employees, through PMC conference calls. VBA is establishing performance measures to address timeliness of processing maintenance workload.
5. Share the findings from this review with the field, so they can implement local reviews and address local high-dollar overpayment issues.
6. Include matching program training in the mandatory topics for the FY 2014 National Pension Training Curriculum.

15. Education Program

VBA uses analytical procedures to improve the statistical validity of the high dollar overpayment review. This procedure requires a review of a stratified random sample of the total number of overpayments. There were 2,097 Education overpayments identified in the 1st quarter of FY 2014 with a total value of $78,691.451.78.

A random sample of 251 overpayments was reviewed. The review revealed that 10.0 percent (25) were Education high dollar overpayments and 90.0 percent were Education payments that did not meet the high dollar overpayment criteria. Based on these results, we projected that 2,097 of 20,971 overpayments originally identified were high dollar Education overpayments and an estimated 18,874 were payments that did not meet the high dollar overpayment criteria. These results are based on estimates at a 95 percent confidence level with a ± 5 percent confidence interval.

Education Service identified 25 high-dollar Education overpayments, of which all 25 were Administrative and Documentation errors. Extrapolating from the sample review results, an estimated total of $9,027,366.66 in high dollar overpayments were made in the first quarter.

- 25 overpayments (100%) totaling $106,492.58 were due to Administrative and Documentation Errors caused by VA issuing duplicate payments and/or data input errors or incorrect reporting of tuition and fees by schools.

Total Education Obligated Payments made this quarter was: $3,350,224,181.87
Projected High-Dollar Overpayments for this quarter is: $9,027,366.66
Percentage of High-Dollar Overpayments to Education payments is: 0.27%

Amount of Overpayment	Entity or Individual	City	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$12,375.00	Entity	Alpine	CA	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation	See Notes Below Table	Paid In Full	See Notes Below Table
$10,022.90	Entity	Shelbyville	IN	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	

$9,650.00	Entity	Hopkins	SC	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$8,564.00	Entity	South Gate	CA	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		Paid In Full	
$7,209.50	Entity	Lindenhurst	NY	VA Data Input Error	Administrative and Documentation		In Collection Status	
$5,500.00	Entity	Chicago	IL	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$4,531.20	Entity	Pendleton	SC	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$4,500.00	Entity	Daphne	AL	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$4,093.84	Entity	Fayetteville	NC	VA Data Input Error	Administrative and Documentation		Paid In Full	
$3,459.53	Entity	Edwardsville	IL	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$3,200.00	Entity	Hudson	FL	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$3,070.20	Individual	Manassas	VA	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$3,057.14	Entity	Scotch Plains	NJ	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		Paid In Full	
$3,006.12	Individual	Valdosta	GA	VA Data Input Error	Administrative and Documentation		In Collection Status	
$3,000.00	Entity	Los Angeles	CA	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$2,700.00	Entity	California City	CA	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$2,499.12	Individual	Richmond	VA	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$2,310.93	Individual	Charleston	MS	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$2,199.00	Entity	Syracuse	NY	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		Paid In Full	

$2,111.11	Entity	Davison	MI	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$2,110.12	Entity	Norwalk	CA	VA Data Input Error	Administrative and Documentation		Paid In Full	
$1,996.65	Entity	Homestead	FL	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		Paid In Full	
$1,791.65	Entity	Middleburg	FL	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$1,783.57	Individual	Hilliard	OH	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		In Collection Status	
$1,751.00	Entity	Angie	LA	Incorrect Reporting of Tuition/Fees by School	Administrative and Documentation		Paid In Full	

Notes:

1. Overpayments are routinely recovered from future benefits awarded. If not received, further actions are then taken by the VA Debt Management Center, including referral to the Treasury Offset Program as appropriate.
2. VA continues to take a two-step approach; one, focus on training our employees; and two, field improvements in electronic processing systems to aid in decreasing human errors.
3. Each Regional Processing Office and the Central Office have established required training that employees must attend.
4. Supervisory officials also monitor individual employee performance and provide additional training as necessary.
5. Fielding improvements in electronic processing systems continues to be a challenge for VA due to the transition of LTS to sustainment and possible future statutory changes in the Post-9/11 GI Bill.
6. VA published a nationwide School Certifying Official Handbook, which establishes common requirements and detailed instructions for School Certifying Officials to prepare and submit enrollment and attendance information to VA. In addition, recent statutory changes authorized State Approving Agencies to conduct school Compliance Surveys. This will increase VA presence on campuses and enable additional assessment of school official compliance and increase VA opportunities to provide focused training for school officials.

16. Insurance Program

Insurance Service identified four high-dollar (administrative/documentation) overpayments totaling $30,314.33. All were caused by Administrative and Documentation errors.

- 4 overpayments (100%) totaling $30,314.33 are Administrative Documentation errors caused when the death claim award shares were distributed incorrectly, incorrect beneficiary, and insurance policy matured as an endowment and was paid to the insured after the death of the insured.

Total Insurance Obligated Payments made this quarter was: $296,985,481.02.
Total High-Dollar Overpayments identified this quarter: $30,314.33
Percentage of High-Dollar Overpayments to Insurance Service payments is: 0.01%.

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$10,142.22	Individual	Tucson	AZ	Incorrect beneficiary shares paid	Administrative and Documentation	See Notes Below Table	Collected in Full	See Notes Below Table
$9,983.30	Individual	Silver Pring	MD	Incorrect beneficiary paid	Administrative and Documentation		Collected in Full	

$5,177.00	Individual	Lawrenceville	GA	On 11-1-13, the insurance policy matured as an endowment and the proceeds were sent to the insured. The insured died on 10-27-13.	Administrative and Documentation		Collected in Full	
$5,011.81	Individual	Kennewick	WA	Incorrect beneficiary shares paid	Administrative and Documentation		Collected in Full	

Notes:
1. Account receivables have been established and further action will be taken by VA DMC.
2. Other actions to prevent reoccurrence include improving documentation and providing training.

17. Vocational Rehabilitation & Employment (VR&E) Program

VBA identified nine (13%) high-dollar overpayments made by VR&E Service during the first quarter of FY 2014. These overpayments were caused by Verification errors.

- 9 overpayments (100%) totaling$59,658.48 are Verification errors as a result of the Veteran withdrawing from classes and the Vocational Rehabilitation Counselor not receiving timely notification from the school or Veteran, VA Certifying Official certifying the Veteran under CH31 and CH33, and dependency change.

Total VR&E Obligated Payments made this quarter was: $279,254,899.91
High-Dollar Overpayments for this quarter is: $59,658.48
Percentage of High-Dollar Overpayments to VR&E payments is: 0.02%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$8,194.77	Individual	Lucama	NC	Veteran stopped attending school and failed to notify VA.	Verification	See Note Below Table	Collection in Progress	See Notes Below Table
$8,134.40	Individual	Topsham	ME	Veteran received benefits under incorrect programs resulting in a payment.	Verification		Collection in Progress	
$7,610.40	Individual	New Bedford	MA	Veteran stopped attending school and failed to notify VA.	Verification		Collection in Progress	
$7,509.00	Individual	Hanahan	SC	Veteran stopped attending school and failed to notify VA.	Verification		Collection in Progress	
$6,527.57	Individual	Denver	CO	Veteran received benefits under incorrect programs resulting in payment.	Verification		Collection in progress	

$5,641.39	Individual	McDonough	GA	Veteran received benefits under incorrect programs resulting in payment.	Verification		Collection in progress	
$5,457.90	Individual	Zimmerman	MN	Veteran stopped attending school and failed to notify VA.	Verification		Collection in Progress	
$5,431.45	Individual	Blairsville	GA	Overpayment was created as a result of a dependency change.	Verification		Collection in Progress	
$5,151.60	Individual	Catonsville	MD	Veteran stopped attending school and failed to notify VA.	Verification		Collection in Progress	

Notes:

1. The VA DMC is responsible for Collection of overpayments.
2. Veteran has been informed to provide the VA Certifying Official with timely enrollment changes.
3. Veteran was reminded that he is not allowed to participate in both benefit programs at the same time.
4. Veteran counseled again on notifying VRC and VA Certifying Official when changes are made to schedule.
5. Veteran notified and reminded of reporting requirements for training changes.
6. VRC and entire staff have been reminded of the illegality of dual receipt of benefits. Staff reminded to use SHARE frequently for verification purposes, and encouraged to coordinate early with RPOs.
7. VRC was reminded to monitor SHARE for duplication of benefits. Veteran was reminded of the inability to participate in both programs simultaneously.
8. Training was provided to the VRC to code the change as Collect All in BDN. Veteran reminded of the need to provide timely updates to his VRC on dependency changes.

National Cemetery Administration (NCA)

18. Burial Services

NCA identified one high-dollar overpayments during the first quarter of FY 2014 in Burial payments.

- 1 overpayment (100%) totaling $90,440.00 due to Administrative and Documentation errors caused by issuing duplicate payments. The vendor submitted invoice twice and it was subsequently certified and paid twice.

Total Payments made this quarter: $97,183,081.84
Total High-Dollar Overpayments identified this quarter: $90,440.00
Percentage of Overpayments: 0.09%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$90,440.00	Entity	Pittsburg	PA	Duplicate Payment	Administrative and Documentation	See Notes Below Table	Collection in Progress	See Notes Below Table

Notes:

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or the Treasury Offset Program (TOP).
2. NCA has established internal controls and database for tracking invoices by orders to assure no further duplicates move forward.

19. VACO Staff Offices

VACO Staff Offices identified 13 high-dollar overpayments made during the first quarter of 2014. These overpayments consisted of single overpayments. All overpayments were caused by Administrative and Documentation errors.

- 13 overpayments (100%) totaling $750,215.45 were Administrative and Documentation errors caused by duplicate payments.

Total VACO Staff Offices Payments made this quarter was: $1,166,328,094.49
Total High-Dollar Overpayments for this quarter is: $750,215.45
Percentage of High-Dollar Overpayments to VR&E payments is: 0.06%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plan to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
$309,354.13	Entity	Fairfax	VA	Duplicate	Administrative and Documentation	Recovered	Collection in full	See Notes Below Table
$282,319.10	Entity	Mclean	VA	Duplicate	Administrative and Documentation		Collection in full	
$84,548.67	Entity	Fairfax	VA	Duplicate	Administrative and Documentation		Collection in full	
$17,032.35	Entity	Rockville	MD	Overpayment	Administrative and Documentation		Collection in full	
$12,623.79	Entity	Rockville	MD	Overpayment	Administrative and Documentation		Collection in full	
$11,599.55	Entity	Rockville	MD	Overpayment	Administrative and Documentation		Collection in full	
$10,197.18	Entity	Rockville	MD	Overpayment	Administrative and Documentation		Collection in full	
$6,092.47	Entity	Rockville	MD	Overpayment	Administrative and Documentation		Collection in full	
$6,032.85	Entity	Rockville	MD	Overpayment	Administrative and Documentation		Collection in full	
$5,381.08	Entity	Rockville	MD	Overpayment	Administrative and Documentation		Collection in full	
$2,022.03	Entity	Rockville	MD	Overpayment	Administrative and Documentation		Collection in full	
$1,533.44	Entity	Rockville	MD	Overpayment	Administrative and Documentation		Collection in full	
$1,478.81	Entity	Rockville	MD	Overpayment	Administrative and Documentation		Collection in full	

Notes:

1. Bills of collection have been established for all overpayments and will be collected back through VA's debt collection procedures to include internal offset or the Treasury Offset Program (TOP).
2. VACO Staff Offices will match and reconcile vendor information to original obligations prior to approval of payment. VACO Staff Offices will work with field offices to perform reconciliations.