

Department of Veterans Affairs (VA) Executive Order 13520 – Reducing Improper Payments FY 2011 Third 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 its 2010 Performance and Accountability Report, VA reported four programs under the Veterans Benefits Administration (VBA), and two programs under the Veterans Health Administration (VHA) that meet the Improper Payments Elimination and Recovery Act of 2010 (IPERA) thresholds for susceptibility to significant improper payments. These programs are Compensation, Pension, Education, Insurance, Non-VA Care Fee, and Non-VA Care Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA).

In accordance with OMB Circular A-123, Appendix C, Part III, VBA and VHA reviewed the six programs that were susceptible to significant improper payments. 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 in 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/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.

The report is divided into five parts (Compensation and Pension Programs are combined in part 1) for each program area and the high-dollar overpayments are identified from the highest to lowest overpayments within each program area. In addition to OMB's guidelines, our report includes two additional categories: the cause of overpayment and the status of overpayment. The status of an overpayment will be "collection in progress," or "collection in full." Collection in Progress is defined as actions taken by VA to recover from future benefit awards or payments, referral to the Treasury Offset Program, or request to return money that was paid after the death of a beneficiary through reclamation procedures. Veterans also have dispute and waiver request rights during the collection processes.

1. Compensation and Pension Programs

Beginning in the third quarter of FY 2011, analytical procedures were adjusted to improve the statistical validity of the high dollar overpayment review. The new procedure requires a review of a stratified random sample of the total number of Compensation and Pension overpayments. There were 11,168 overpayments identified in the third quarter of FY 2011. A random sample of 385 Compensation and Pension overpayments was reviewed. The review revealed that 106 (28%) payments were Compensation overpayments, 128 (33%) payments were Pension overpayments, and 151 (39%) payments were death of beneficiary payments that did not meet the high dollar overpayment criteria because the total payments to each individual were less than \$5,000. Based on these sampling results, we projected that 3,127 of 11,168 overpayments originally identified were high dollar Compensation overpayments, 3,685 were high dollar Pension overpayments, and 4,356 were payments to deceased beneficiaries each with less than \$5,000 total payments. These results are based on estimates at a 95% confidence level with a $\pm 2.5\%$ interval. These findings cannot be

compared to previous quarters due to the new analytical procedures in place. Previous reviews focused on a subset of all overpayments where the new procedure includes all overpayments.

1a. Compensation Program

The Compensation and Pension Service identified 106 high-dollar compensation overpayments.

Forty-eight overpayments (45 percent) were caused by changes in dependency. Changes in dependency were not reported during the previous quarters as most of these involve prior quarter adjustments that result in accounts receivables.

Twenty-eight overpayments (26 percent) were created due to the death of the beneficiary. Entitlement to benefits ceases effective the first day of the month in which death occurs. These overpayments are caused when a beneficiary dies too late in a month to stop the release of the payment for the month of death, or when VA is not timely notified of the death of a beneficiary.

Ten overpayments (9 percent) were identified, but there was insufficient information available electronically to determine the period covered by the overpayment and/or the propriety or cause of the overpayment.

Seven overpayments (7 percent) were caused when Veterans returned to Active Duty status. The Department of Defense runs a quarterly match of the active duty and VA disability files to identify persons who are receiving active duty pay and VA disability benefits concurrently. Once notified of active duty status, VA must provide due process notice to the beneficiary before any adjustment may occur.

Seven overpayments (7 percent) were caused by retroactive adjustments due to incarceration or fugitive felon status. Notification of incarceration is a function of agreements made with states, the Bureau of Prisons, and other law enforcement agencies. Once notified of a beneficiary's incarceration, VA must provide due process notice to the beneficiary before any adjustment may occur. Law enforcement agencies notify VA when a beneficiary has been identified as a fugitive felon. Once notified, VA must provide due process notice to the beneficiary before any adjustment may occur.

Six overpayments listed below attributed to 6 percent of the compensation records identified as high dollar overpayments.

- Three overpayments due to apportionment adjustments
- One overpayment due to hospitalization at VA expense requiring an adjustment
- One overpayment due to military retired pay adjustments
- One overpayment due to an administrative error involving a Veteran returning to active duty

Some VA overpayments are inherent based on the requirements of 38 CFR § 3.103, Procedural Due Process and Appellate Rights, which does not allow VA to take adverse action regarding the payment of benefits without providing the beneficiary 60 days advance notice, unless the beneficiary requests that VA take the adverse action immediately. This "due process" period extends an overpayment period by two additional months. The only exception to providing procedural due process is when VA is notified of a beneficiary's death. Following are some examples.

When a beneficiary dies during the latter days of a month, a recurring benefit payment is often made before VA is notified that the death occurred. While VA has a death match program with the Social Security Administration (SSA), the match is received once a month from SSA, and usually after a benefit payment has been released. The number of overpayments following death has been reduced as a result of VA's Veterans Service Network, a "real time" processing technology.

While the Defense Finance and Accounting Service (DFAS) notifies VA of Veterans who return to active duty, VA must provide a 60-day "due process" period prior to discontinuing benefits, thereby extending the overpayment by two months.

Beneficiaries who are incarcerated or are fugitive felons are subject to a reduction or termination of benefits. Through matching programs, such as the fugitive felon program, the Bureau of Prisons, and other law enforcement agencies, VA receives information regarding incarcerated and fugitive felon beneficiaries after the beneficiary has been incarcerated or deemed a fugitive felon. By law, VA must provide a 60-day “due process” period prior to reducing or terminating benefits. As such, overpayments in these cases most frequently cannot be avoided.

Total Compensation Payments made this quarter: \$12,514,066,215.56
 Random sample total of High-Dollar Overpayments identified in this quarter: \$1,163,531.25
 Percent of random sample Overpayments: 0.0093

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 299,441.33	Individual	Seattle	WA	Fugitive Felon	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.	Collection in Progress	See combined note after the Pension program table
\$ 92,734.00	Individual	Philadelphia	PA	Unknown		Collection in Progress	
\$ 30,396.00	Individual	Agawam	MA	Administrative Decision		Collection in Full	
\$ 30,004.00	Individual	Ringgold	GA	Death of Beneficiary		Collection in Progress	
\$ 28,120.00	Individual	Lafayette	LA	Death of Beneficiary		Collection in Full	
\$ 26,872.00	Individual	Temple Hills	MD	Dependency Issue		Collection in Full	
\$ 26,587.00	Individual	Lake Butler	FL	Unknown		Collection in Progress	
\$ 22,095.00	Individual	Ronkonkoma	NY	Dependency Issue		Collection in Progress	
\$ 18,043.67	Individual	Johnston	SC	Returned to Active Duty		Collection in Progress	
\$ 17,670.00	Individual	Houston	TX	Dependency Issue		Collection in Progress	
\$ 16,635.00	Individual	Cocoa	FL	Death of Beneficiary		Collection in Progress	
\$ 15,402.00	Individual	Walpole	MA	Dependency Issue		Collection in Progress	
\$ 15,307.00	Individual	Tacoma	WA	Returned to Active Duty		Collection in Progress	
\$ 14,939.00	Individual	Dudley	MA	Death of Beneficiary		Collection in Progress	
\$ 14,326.67	Individual	Brookhaven	PA	Fugitive Felon		Collection in Progress	
\$ 13,848.00	Individual	San Jose	Costa Rica	Death of Beneficiary		Collection in Progress	
\$ 12,903.73	Individual	Raeford	NC	Fugitive Felon		Collection in Progress	
\$ 12,240.00	Individual	Philippines	N/A	Death of Beneficiary		Collection in Progress	
\$ 11,896.00	Individual	Santa Ana	CA	Dependency Issue		Collection in Progress	
\$ 11,744.00	Individual	McAlester	OK	Dependency Issue		Collection in Progress	
\$ 10,386.00	Individual	Irvington	NJ	Death of Beneficiary		Collection in Progress	
\$ 10,221.00	Individual	Bakersfield	CA	Dependency Issue		Collection in Progress	
\$ 10,080.00	Individual	New Albany	IN	Death of Beneficiary		Collection in Progress	
\$ 9,800.00	Individual	Augusta	GA	Death of Beneficiary		Collection in Progress	
\$ 9,600.00	Individual	Egg Harbor	NJ	Apportionments		Collection in Progress	
\$ 9,287.00	Individual	Ocala	FL	Dependency Issue		Collection in Progress	
\$ 8,907.03	Individual	Biddeford	ME	Incarcerated Beneficiary		Collection in Progress	
\$ 8,552.00	Individual	Alexandria	VA	Dependency Issue		Collection in Progress	
\$ 8,507.00	Individual	Colorado Springs	CO	Dependency Issue		Collection in Progress	

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 8,165.00	Individual	Fort Wayne	IN	Death of Beneficiary	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.	Collection in Progress	See combined note after the Pension program table
\$ 8,145.00	Individual	Columbia	SC	Dependency Issue		Collection in Progress	
\$ 8,019.00	Individual	Rancho StaMarg	CA	Unknown		Collection in Progress	
\$ 8,000.00	Individual	Marietta	PA	Dependency Issue		Collection in Progress	
\$ 7,830.00	Individual	Farmers Branch	TX	Death of Beneficiary		Collection in Progress	
\$ 7,800.00	Individual	Tucson	AZ	Unknown		Collection in Progress	
\$ 7,650.00	Individual	Lacey	WA	Death of Beneficiary		Collection in Full	
\$ 7,298.00	Individual	Rockford	IL	Death of Beneficiary		Collection in Full	
\$ 6,924.00	Individual	Archer	FL	Death of Beneficiary		Collection in Progress	
\$ 6,832.33	Individual	Richmond	VA	Fugitive Felon		Collection in Progress	
\$ 6,819.00	Individual	Niagara Falls	NY	Death of Beneficiary		Collection in Progress	
\$ 6,818.00	Individual	New Hampton	NY	Returned to Active Duty		Collection in Progress	
\$ 6,380.00	Individual	Lawrenceville	GA	Death of Beneficiary		Collection in Full	
\$ 6,346.00	Individual	Tacoma	WA	Hospitalized at VA Expense		Collection in Full	
\$ 6,336.00	Individual	Ipswich	MA	Death of Beneficiary		Collection in Progress	
\$ 6,286.00	Individual	Puyallup	WA	Death of Beneficiary		Collection in Full	
\$ 6,274.13	Individual	Atlantic Beach	FL	Incarcerated Beneficiary		Collection in Progress	
\$ 6,188.00	Individual	Dinuba	CA	Death of Beneficiary		Collection in Progress	
\$ 6,159.00	Individual	Wilson	NC	Dependency Issue		Collection in Progress	
\$ 6,078.67	Individual	Powhatan	VA	Incarcerated Beneficiary		Collection in Progress	
\$ 6,057.00	Individual	Nashville	TN	Dependency Issue		Collection in Progress	
\$ 6,006.00	Individual	Temple	TX	Dependency Issue		Collection in Progress	
\$ 5,838.00	Individual	Corpus Christi	TX	Death of Beneficiary		Collection in Full	
\$ 5,646.00	Individual	McCool	MS	Death of Beneficiary		Collection in Full	
\$ 5,646.00	Individual	Birmingham	AL	Death of Beneficiary		Collection in Full	
\$ 5,646.00	Individual	Burglengenfeld	Germany	Dependency Issue		Collection in Progress	
\$ 5,571.27	Individual	Sanbornton	NH	Returned to Active Duty		Collection in Progress	
\$ 5,538.00	Individual	Dixfield	ME	Death of Beneficiary		Collection in Progress	
\$ 5,496.00	Individual	Iva	SC	Death of Beneficiary		Collection in Progress	
\$ 5,455.00	Individual	Ibarra	Ecuador	Dependency Issue		Collection in Progress	
\$ 5,346.00	Individual	Placerville	CA	Death of Beneficiary		Collection in Progress	
\$ 5,068.00	Individual	Altamonte Springs	FL	Death of Beneficiary		Collection in Full	
\$ 5,058.00	Individual	Turlock	CA	Death of Beneficiary		Collection in Full	
\$ 5,058.00	Individual	Raritan	NJ	Death of Beneficiary		Collection in Full	
\$ 4,815.00	Individual	Pittsburg	PA	Apportionments		Collection in Full	
\$ 4,436.00	Individual	Mountain PK	OR	Dependency Issue		Collection in Progress	
\$ 4,408.00	Individual	Crosby	TX	Dependency Issue		Collection in Progress	
\$ 4,400.00	Individual	Winston Salem	NC	Dependency Issue		Collection in Full	

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 4,357.80	Individual	Austin	TX	Returned to Active Duty	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.	Collection in Progress	See combined note after the Pension program table
\$ 4,334.00	Individual	Albany	GA	Dependency Issue		Collection in Progress	
\$ 4,308.93	Individual	Mesa	AZ	Dependency Issue		Collection in Full	
\$ 4,300.00	Individual	Aberdeen	MD	Dependency Issue		Collection in Full	
\$ 4,291.00	Individual	Alpena	MI	Dependency Issue		Collection in Progress	
\$ 4,001.00	Individual	Goldsboro	NC	Dependency Issue		Collection in Progress	
\$ 3,868.00	Individual	Amherst	OH	Dependency Issue		Collection in Progress	
\$ 3,843.43	Individual	Wichita Falls	TX	Dependency Issue		Collection in Progress	
\$ 3,722.33	Individual	Douglasville	GA	Dependency Issue		Collection in Full	
\$ 3,570.00	Individual	Morrisdale	PA	Dependency Issue		Collection in Progress	
\$ 3,524.00	Individual	Clermont	FL	Dependency Issue		Collection in Full	
\$ 3,414.00	Individual	Bayamon	PR	Dependency Issue		Collection in Full	
\$ 3,363.00	Individual	Old Hickory	TN	Dependency Issue		Collection in Progress	
\$ 3,143.00	Individual	San Bernardino	CA	Unknown		Collection in Full	
\$ 2,880.00	Individual	Fort Worth	TX	Dependency Issue		Collection in Progress	
\$ 2,860.00	Individual	New Windsor	MD	Dependency Issue		Collection in Full	
\$ 2,850.00	Individual	Lakewood	CO	Dependency Issue		Collection in Full	
\$ 2,844.00	Individual	Austin	TX	Dependency Issue		Collection in Progress	
\$ 2,673.00	Individual	Russell Springs	KY	Dependency Issue		Collection in Full	
\$ 2,673.00	Individual	Thomaston	Me	Unknown		Collection in Full	
\$ 2,673.00	Individual	Clinton	IN	Unknown		Collection in Progress	
\$ 2,640.00	Individual	Woodbury	NJ	Dependency Issue		Collection in Progress	
\$ 2,560.00	Individual	San Francisco	CA	Unknown		Collection in Progress	
\$ 2,327.00	Individual	Lake City	FL	Dependency Issue		Collection in Progress	
\$ 2,305.00	Individual	Syracuse	NY	Dependency Issue		Collection in Progress	
\$ 2,240.00	Individual	Dunedin	FL	Unknown		Collection in Progress	
\$ 2,180.80	Individual	Louisville	KY	Returned to Active Duty		Collection in Progress	
\$ 2,145.00	Individual	Trenton	FL	Dependency Issue		Collection in Progress	
\$ 2,100.00	Individual	Augusta	FA	Apportionments		Collection in Progress	
\$ 2,054.00	Individual	Arcade	NY	Dependency Issue		Collection in Progress	
\$ 2,053.00	Individual	Sanford	FL	Military Retired Pay		Collection in Progress	
\$ 2,052.00	Individual	Benson	NC	Dependency Issue		Collection in Progress	
\$ 2,040.00	Individual	Columbus	GA	Dependency Issue		Collection in Progress	
\$ 2,025.00	Individual	Rome	GA	Dependency Issue		Collection in Progress	
\$ 1,952.30	Individual	Neenah	WI	Returned to Active Duty	Collection in Progress		
\$ 1,950.00	Individual	Scottsdale	AZ	Dependency Issue	Collection in Progress		
\$ 1,682.83	Individual	Buford	GA	Dependency Issue	Collection in Progress		
\$ 1,680.00	Individual	Greenville	NC	Dependency Issue	Collection in Progress		
\$ 1,670.00	Individual	Riverview	FL	Unknown	Collection in Full		

1b. Pension Program

Compensation and Pension Service identified 128 high-dollar pension overpayments.

One hundred and nine overpayments (85 percent) were created due to a change in countable income.

Five overpayments (4 percent) were created due to changes in dependency.

Four overpayments (3 percent) were created due to death of the beneficiary.

The overpayments listed below attributed to 4 percent of the pension records identified as high dollar overpayments:

Two overpayments were due to fugitive felon status.

Two overpayments were due to administrative errors caused by insufficient service.

One overpayment was due to hospitalization at VA expense requiring an adjustment.

Five overpayments (4 percent) were unknown overpayments created where there was insufficient information available electronically to determine the period covered by the overpayment and/or the propriety or cause of the overpayment.

Beneficiaries that are in receipt of pension before end of the month of August and who are not exempt from reporting their income under Public Law 103-271, will receive Eligibility Verification Review (EVR) forms in January of the following year. These forms will be used to report income for the prior calendar year, and claimants will have 60 days to return this information. If the information received within this time frame is insufficient, an additional 60 days will be given to submit the required information.

Increases in countable income may result in high dollar overpayments when there are not enough medical expenses to reduce the countable income. VA receives information on a regular basis from several Federal agencies and compares it to information used to determine the status of VA beneficiaries. The matches identify cases where there are apparent contradictions between information contained in VA records and information furnished by other Federal agencies that affect entitlement. Some matching data, such as that received from the SSA and the Internal Revenue Service (IRS), is usually received after the increase in countable income has already occurred. The EVR process and the data matching agreements with other Federal agencies ensure that necessary adjustments in countable income are appropriately processed when notification is received showing a change in countable income.

Total Pension Payments made this quarter: \$1,097,384,647.46

Random sample total of High-Dollar Overpayments identified in this quarter: \$1,455,188.43

Percent of random sample Overpayments: 0.1326

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 87,047.50	Individual	Pensacola	FL	Income Change	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.	Collection in Progress	See combined note after the Pension program table
\$ 55,707.00	Individual	Peoria	IL	Income Change		Collection in Full	
\$ 52,463.00	Individual	Bronx	NY	Administrative Decision		Collection in Full	
\$ 48,837.00	Individual	Chicago	IL	Income Change		Collection in Progress	
\$ 46,312.00	Individual	Kent	WA	Income Change		Collection in Progress	
\$ 40,013.00	Individual	Houston	TX	Unknown		Collection in Progress	
\$ 38,730.00	Individual	Glenarden	MD	Administrative Decision		Collection in Full	
\$ 34,079.00	Individual	Niagara Falls	NY	Fugitive Felon		Collection in Progress	
\$ 29,918.00	Individual	Dallas	TX	Income Change		Collection in Progress	
\$ 28,512.00	Individual	Ardmore	PA	Income Change		Collection in Progress	
\$ 28,145.00	Individual	Peru	IN	Income Change		Collection in Progress	
\$ 27,307.00	Individual	Rayne	LA	Income Change		Collection in Progress	
\$ 26,767.00	Individual	Irmo	SC	Income Change		Collection in Progress	
\$ 26,731.00	Individual	Springfield	MA	Income Change		Collection in Progress	
\$ 26,335.00	Individual	Myrtle Creek	OR	Income Change		Collection in Progress	
\$ 25,891.00	Individual	Virginia Beach	VA	Income Change		Collection in Progress	
\$ 25,337.00	Individual	Hermosa Beach	CA	Death of Beneficiary		Collection in Progress	
\$ 25,184.00	Individual	Birmingham	AL	Income Change		Collection in Progress	
\$ 22,512.00	Individual	Columbus	OH	Income Change		Collection in Progress	
\$ 21,721.00	Individual	Detroit	MI	Income Change		Collection in Progress	
\$ 21,568.00	Individual	Williamsburg	PA	Income Change		Collection in Progress	
\$ 21,429.00	Individual	Damascus	AR	Income Change		Collection in Progress	
\$ 19,490.00	Individual	Austin	TX	Income Change		Collection in Progress	
\$ 19,416.00	Individual	Claremore	OK	Income Change		Collection in Progress	
\$ 18,084.00	Individual	Alanson	MI	Income Change		Collection in Full	
\$ 17,178.00	Individual	Shreveport	LA	Income Change		Collection in Progress	
\$ 16,848.00	Individual	Stony Brook	NY	Income Change		Collection in Progress	
\$ 16,811.00	Individual	Montgomery	AL	Income Change		Collection in Progress	
\$ 16,783.00	Individual	Manlius	NY	Income Change		Collection in Progress	
\$ 16,625.00	Individual	Pinson	AL	Income Change		Collection in Full	
\$ 16,219.67	Individual	St. Cloud	FL	Fugitive Felon		Collection in Progress	
\$ 15,454.00	Individual	San Diego	CA	Income Change		Collection in Progress	
\$ 14,652.00	Individual	Hobart	IN	Income Change		Collection in Full	
\$ 13,840.00	Individual	Haughton	LA	Income Change		Collection in Progress	
\$ 13,746.00	Individual	Dixons Mills	AL	Income Change		Collection in Progress	
\$ 12,786.00	Individual	Anteth	UT	Income Change		Collection in Progress	
\$ 12,558.00	Individual	Deland	FL	Income Change	Collection in Progress		
\$ 12,130.00	Individual	Greensboro	AL	Income Change	Collection in Full		
\$ 11,985.00	Individual	Markham	IL	Income Change	Collection in Progress		
\$ 11,820.00	Individual	Savage	MN	Income Change	Collection in Full		

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 11,814.00	Individual	Dixons Mills	AL	Income Change	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.	Collection in Progress	See combined note after the Pension program table
\$ 11,108.00	Individual	Tuscumbia	AL	Income Change		Collection in Progress	
\$ 11,076.00	Individual	Lakeside	OR	Income Change		Collection in Progress	
\$ 10,776.00	Individual	Huntsville	AL	Dependency Issue		Collection in Progress	
\$ 10,373.00	Individual	Grand Bay	AL	Income Change		Collection in Progress	
\$ 9,850.00	Individual	Aberdeen	WA	Income Change		Collection in Progress	
\$ 9,250.00	Individual	Midfield	AL	Income Change		Collection in Progress	
\$ 8,469.00	Individual	Eldon	MO	Income Change		Collection in Progress	
\$ 8,196.00	Individual	Santa Rosa	CA	Income Change		Collection in Progress	
\$ 8,040.00	Individual	Oxford	NC	Income Change		Collection in Progress	
\$ 7,332.00	Individual	Cullman	AL	Income Change		Collection in Progress	
\$ 7,212.00	Individual	Neoga	IL	Income Change		Collection in Progress	
\$ 7,114.00	Individual	Asheville	NC	Income Change		Collection in Progress	
\$ 7,089.00	Individual	Red Boiling Springs	TN	Income Change		Collection in Progress	
\$ 7,014.00	Individual	Monroe	NC	Income Change		Collection in Progress	
\$ 6,999.00	Individual	Humboldt	TN	Income Change		Collection in Progress	
\$ 6,960.00	Individual	Ishpeming	MI	Income Change		Collection in Progress	
\$ 6,739.00	Individual	Daphne	AL	Income Change		Collection in Progress	
\$ 6,670.00	Individual	Birmingham	AL	Income Change		Collection in Progress	
\$ 6,576.00	Individual	Irvine	CA	Death of Beneficiary		Collection in Full	
\$ 6,473.00	Individual	Speedway	IN	Income Change		Collection in Progress	
\$ 6,440.00	Individual	Chesnee	SC	Income Change		Collection in Progress	
\$ 6,391.00	Individual	Birmingham	AL	Income Change		Collection in Progress	
\$ 6,336.00	Individual	Lexington	KY	Death of Beneficiary		Collection in Full	
\$ 6,185.00	Individual	West Hills	CA	Income Change		Collection in Progress	
\$ 6,043.00	Individual	West Lafayette	IN	Income Change		Collection in Progress	
\$ 6,012.00	Individual	Bella Vista	AR	Income Change		Collection in Progress	
\$ 5,811.00	Individual	Socorro	NM	Income Change		Collection in Progress	
\$ 5,810.13	Individual	Wadsworth	OH	Income Change		Collection in Progress	
\$ 5,794.00	Individual	Detroit	MI	Income Change		Collection in Progress	
\$ 5,650.00	Individual	Lebanon	OR	Income Change		Collection in Progress	
\$ 5,609.00	Individual	Erie	PA	Income Change		Collection in Progress	
\$ 5,280.00	Individual	Boston	MA	Death of Beneficiary		Collection in Full	
\$ 5,088.33	Individual	Puyallup	WAS	Dependency Issue		Collection in Progress	
\$ 5,084.00	Individual	Fort Payne	AL	Income Change		Collection in Progress	
\$ 4,627.00	Individual	Viola	AR	Income Change		Collection in Full	
\$ 4,583.40	Individual	Paris	TN	Hospitalized at VA Expense		Collection in Progress	
\$ 4,554.00	Individual	Big Sandy	TX	Income Change		Collection in Progress	
\$ 4,488.00	Individual	Millbrook	AL	Income Change	Collection in Progress		

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 4,440.00	Individual	Milwaukee	WI	Income Change	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.	Collection in Progress	See combined note after the Pension program table
\$ 4,432.50	Individual	Xenia	OH	Income Change		Collection in Progress	
\$ 4,340.00	Individual	Council Bluffs	IA	Income Change		Collection in Progress	
\$ 4,270.00	Individual	Lacey	WA	Dependency Issue		Collection in Progress	
\$ 4,239.00	Individual	Linden	AL	Income Change		Collection in Progress	
\$ 4,224.00	Individual	St. Louis	MO	Income Change		Collection in Progress	
\$ 4,160.00	Individual	Sanger	TX	Income Change		Collection in Progress	
\$ 4,115.00	Individual	St. Marys	OH	Income Change		Collection in Progress	
\$ 4,027.00	Individual	Boaz	AL	Income Change		Collection in Progress	
\$ 3,830.00	Individual	Bells	TX	Income Change		Collection in Progress	
\$ 3,728.00	Individual	Jefferson	SC	Income Change		Collection in Progress	
\$ 3,648.00	Individual	Waterford	MI	Income Change		Collection in Progress	
\$ 3,640.00	Individual	Rockville	MD	Income Change		Collection in Progress	
\$ 3,567.00	Individual	Biddeford	ME	Income Change		Collection in Progress	
\$ 3,516.00	Individual	New Haven	CT	Income Change		Collection in Progress	
\$ 3,480.00	Individual	Glens Fork	KY	Income Change		Collection in Progress	
\$ 3,305.00	Individual	Douglas	GA	Income Change		Collection in Progress	
\$ 3,268.00	Individual	King	WI	Income Change		Collection in Progress	
\$ 3,170.00	Individual	Greensboro	AL	Income Change		Collection in Progress	
\$ 3,159.00	Individual	Port Lavaca	TX	Income Change		Collection in Progress	
\$ 2,912.00	Individual	Bartlett	IL	Unknown		Collection in Full	
\$ 2,836.00	Individual	Lilesville	NC	Income Change		Collection in Progress	
\$ 2,816.00	Individual	Tehachapi	CA	Income Change		Collection in Progress	
\$ 2,784.00	Individual	Rochester	NY	Income Change		Collection in Progress	
\$ 2,642.00	Individual	Beresford	SD	Income Change		Collection in Progress	
\$ 2,568.00	Individual	Brinkley	AR	Income Change		Collection in Progress	
\$ 2,546.00	Individual	Ellsworth	ME	Income Change		Collection in Progress	
\$ 2,538.00	Individual	Ironton	MO	Income Change		Collection in Progress	
\$ 2,532.00	Individual	Las Vegas	NV	Dependency Issue		Collection in Full	
\$ 2,520.00	Individual	Plymouth	MA	Unknown		Collection in Progress	
\$ 2,499.00	Individual	Haines City	FL	Income Change		Collection in Progress	
\$ 2,496.00	Individual	Pomona	CA	Income Change		Collection in Progress	
\$ 2,469.00	Individual	Lewiston	ID	Income Change		Collection in Progress	
\$ 2,462.00	Individual	Dixmoor	IL	Income Change		Collection in Progress	
\$ 2,304.00	Individual	San Francisco	CA	Income Change		Collection in Progress	
\$ 2,295.00	Individual	Warren	OH	Income Change		Collection in Progress	
\$ 2,213.00	Individual	Yuba City	CA	Income Change	Collection in Full		
\$ 2,190.00	Individual	Tierra Verde	FL	Unknown	Collection in Progress		
\$ 2,112.00	Individual	Wayzata	MN	Income Change	Collection in Full		
\$ 2,109.00	Individual	Leighton	AL	Unknown	Collection in Progress		

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 2,082.50	Individual	Ranchos De Taos	NM	Income Change	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.	Collection in Progress	See combined note after the Pension program table
\$ 2,070.00	Individual	Branson	MO	Income Change		Collection in Progress	
\$ 1,940.00	Individual	Carrollton	GA	Income Change		Collection in Progress	
\$ 1,924.00	Individual	Orlando	FL	Dependency Issue		Collection in Progress	
\$ 1,872.00	Individual	Lexington	NC	Income Change		Collection in Progress	
\$ 1,860.00	Individual	Northport	AL	Income Change		Collection in Full	
\$ 1,762.40	Individual	Racine	WI	Income Change		Collection in Progress	
\$ 1,709.00	Individual	Sheffield	AL	Income Change		Collection in Progress	
\$ 1,680.00	Individual	Logan	OH	Income Change		Collection in Progress	

Note:

Field offices are reminded of the following:

Guidance provided in FL 08-05, Controls to Minimize Compensation Benefit Overpayments, requires claims processors to establish an EP 690 in addition to the control EP. The purpose of this EP 690 is to help monitor timeliness in completing action on pending issues with potential overpayments.

FL 08-09, Prioritization and Processing of System-Generated Messages (Writeouts) includes current procedures for monitoring notice of exception reports. To facilitate monitoring for timeliness in completing action on potential underpayments or overpayments, claims processors are instructed to establish and maintain an additional EP 693 until all actions are complete.

Reminder that guidance under M21-1MR, Part Individual, Chapter 2.B.7.a, was provided to field stations during the VSCM conference call conducted on October 21, 2010. During this call, claims processors were reminded to take immediate action to resolve claims involving due process when their associated controls mature.

To provide quarterly feedback to the field on the findings from the review of overpayments through the VSCM Bulletin.

To include matching program training as a mandatory topic for the FY 2012 National Training Curriculum.

2. Education Program

Beginning in the third quarter of FY 2011, analytical procedures were adjusted to improve the statistical validity of the high dollar overpayment review. The new procedure requires a review of a stratified random sample of the total number of Education overpayments. Conclusions and estimates are at a 95percent confidence level with a ± 2.5 percent interval.

There were 5,228 Education overpayments identified in the third quarter of FY 2011. Of the 5,228 Education overpayments, 55.6percent were to entities and 44.4percent were to individuals. A random sample of 268 Education overpayments was reviewed. The review revealed that 16 (5.97percent) overpayments were due to VA error, 25 (9.33percent) overpayments were due to school errors, and the remaining 227(85percent) payments were not overpayments. Rather the remaining 85percent were proper payments when disbursed and became overpayments later based on students' changing enrollment status. Based on these sampling results, we projected that 312 of the 5,228 overpayments originally identified were due to VA error, 488 overpayments were due to school error, and 4,428 were proper payments when disbursed and became overpayments later based on students' changing enrollment status. These findings cannot be compared to previous quarters due to the new analytical procedures in place. Previous reviews focused on a subset of all overpayments where the new procedure includes all overpayments.

Total Education Payments made this quarter: \$2,971,419,553.97

Random sample total of High-Dollar Overpayments identified in this quarter: \$943,027.98

Percent of random sample Overpayments: 0.0317

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 18,495.00	Individual	San Antonio	TX	School Error	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.	Collection in Progress	See Note Below Table
\$ 17,230.50	Entity	Liverpool	NY	School Error		Collection in Progress	
\$ 15,376.51	Individual	Alameda	CA	Proper Payment When Disbursed		Collection in Full	
\$ 11,265.00	Entity	Colonial Heights	VA	School Error		Collection in Progress	
\$ 10,578.50	Entity	Tacoma	WA	VA Error		Collection in Progress	
\$ 10,275.00	Entity	Jonesboro	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 10,131.02	Entity	Garden Grove	CA	Proper Payment When Disbursed		Collection in Progress	
\$ 8,908.92	Individual	Fayetteville	NC	VA Error		Collection in Progress	
\$ 8,531.25	Entity	Columbia	SC	Proper Payment When Disbursed		Collection in Full	
\$ 8,262.00	Entity	Charleston	SC	Proper Payment When Disbursed		Collection in Progress	
\$ 8,151.74	Individual	Colorado Springs	CO	Proper Payment When Disbursed		Collection in Progress	
\$ 7,862.50	Individual	San Antonio	TX	Proper Payment When Disbursed		Collection in Progress	
\$ 7,455.50	Entity	Novato	CA	Proper Payment When Disbursed		Collection in Progress	
\$ 7,440.00	Entity	Fort Eustis	VA	Proper Payment When Disbursed		Collection in Full	
\$ 7,381.50	Entity	Charlotte	NC	Proper Payment When Disbursed		Collection in Full	
\$ 7,330.00	Entity	Chester	PA	Proper Payment When Disbursed		Collection in Full	
\$ 7,155.00	Entity	College Station	TX	School Error		Collection in Full	
\$ 6,708.87	Entity	Fayetteville	NC	Proper Payment When Disbursed		Collection in Progress	
\$ 6,639.84	Individual	W Palm Beach	FL	School Error		Collection in Progress	
\$ 6,462.72	Individual	Wallingford	CT	VA Error		Collection in Progress	
\$ 6,449.00	Entity	Sanford	NC	School Error	Collection in Progress		
\$ 6,370.60	Individual	Hialeah	FL	Proper Payment When Disbursed	Collection in Full		
\$ 6,249.10	Individual	Doylestown	PA	Proper Payment When Disbursed	Collection in Progress		

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 5,916.00	Entity	Conyers	GA	Proper Payment When Disbursed	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.	Collection in Full	See Note Below Table
\$ 5,916.00	Entity	Killeen	TX	Proper Payment When Disbursed		Collection in Progress	
\$ 5,825.00	Entity	Richlands	NC	Proper Payment When Disbursed		Collection in Progress	
\$ 5,698.86	Entity	Saskatchewan	Canada	School Error		Collection in Full	
\$ 5,653.20	Individual	Los Angeles	CA	Proper Payment When Disbursed		Collection in Progress	
\$ 5,561.40	Individual	Leesville	LA	Proper Payment When Disbursed		Collection in Full	
\$ 5,522.87	Individual	Gales Ferry	CT	Proper Payment When Disbursed		Collection in Full	
\$ 5,508.00	Individual	Brooklyn	NY	Proper Payment When Disbursed		Collection in Progress	
\$ 5,485.20	Entity	Jacksonville	NC	Proper Payment When Disbursed		Collection in Full	
\$ 5,456.00	Entity	Colchester	CT	VA Error		Collection in Progress	
\$ 5,414.00	Entity	Beach	FL	Proper Payment When Disbursed		Collection in Full	
\$ 5,395.30	Entity	Ocean City	MD	School Error		Collection in Progress	
\$ 5,315.60	Individual	Montross	VA	Proper Payment When Disbursed		Collection in Progress	
\$ 5,310.00	Entity	Woodstock	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 5,222.86	Entity	Jackman	ME	Proper Payment When Disbursed		Collection in Full	
\$ 5,212.00	Entity	Harbor City	CA	Proper Payment When Disbursed		Collection in Full	
\$ 5,152.14	Individual	Myrtle Beach	SC	Proper Payment When Disbursed		Collection in Full	
\$ 5,149.85	Individual	Jacksonville	NC	Proper Payment When Disbursed		Collection in Progress	
\$ 5,108.50	Individual	Coral Springs	FL	Proper Payment When Disbursed		Collection in Progress	
\$ 5,095.00	Entity	Columbia	SC	Proper Payment When Disbursed		Collection in Full	
\$ 5,052.00	Entity	North Tonawanda	NY	School Error		Collection in Progress	
\$ 4,939.50	Entity	Morrisville	NC	School Error		Collection in Progress	
\$ 4,875.00	Entity	New Rochelle	NY	Proper Payment When Disbursed		Collection in Full	
\$ 4,871.20	Entity	Middletown	RI	Proper Payment When Disbursed		Collection in Full	
\$ 4,849.85	Entity	Land O Lakes	FL	VA Error		Collection in Progress	
\$ 4,838.88	Individual	Tallahassee	FL	Proper Payment When Disbursed		Collection in Progress	
\$ 4,773.00	Individual	Mechanicsville	VA	Proper Payment When Disbursed		Collection in Full	
\$ 4,768.60	Entity	Cameron	TX	Proper Payment When Disbursed		Collection in Progress	
\$ 4,754.40	Entity	Hemingway	SC	Proper Payment When Disbursed		Collection in Progress	
\$ 4,700.00	Entity	Blakeslee	PA	Proper Payment When Disbursed		Collection in Full	
\$ 4,697.54	Entity	Woodlawn	TN	Proper Payment When Disbursed		Collection in Progress	
\$ 4,648.75	Entity	San Diego	CA	Proper Payment When Disbursed		Collection in Progress	
\$ 4,636.17	Entity	Fort Lauderdale	FL	Proper Payment When Disbursed		Collection in Progress	
\$ 4,583.50	Individual	San Diego	CA	Proper Payment When Disbursed	Collection in Progress		
\$ 4,577.80	Individual	Kissimmee	FL	Proper Payment When Disbursed	Collection in Progress		
\$ 4,538.34	Entity	Orlando	FL	Proper Payment When Disbursed	Collection in Full		
\$ 4,455.00	Individual	Schenectady	NY	Proper Payment When Disbursed	Collection in Progress		
\$ 4,422.60	Individual	Camden	DE	Proper Payment When Disbursed	Collection in Progress		
\$ 4,400.00	Entity	Phoenix	AZ	Proper Payment When Disbursed	Collection in Full		
\$ 4,393.19	Entity	Bridgeport	NY	VA Error	Collection in Progress		

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 4,316.00	Entity	Brooklyn	NY	VA Error	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.	Collection in Full	See Note Below Table
\$ 4,250.00	Entity	Cincinnati	OH	Proper Payment When Disbursed		Collection in Full	
\$ 4,236.90	Individual	Jacksonville	NC	Proper Payment When Disbursed		Collection in Progress	
\$ 4,218.24	Entity	Morrisville	PA	VA Error		Collection in Progress	
\$ 4,200.00	Entity	Jeannette	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 4,190.90	Entity	Wisconsin Rapids	WI	VA Error		Collection in Progress	
\$ 4,070.77	Entity	Edgewood	MD	Proper Payment When Disbursed		Collection in Progress	
\$ 4,068.48	Entity	Daytona Beach	FL	Proper Payment When Disbursed		Collection in Progress	
\$ 4,044.65	Individual	Camarillo	CA	Proper Payment When Disbursed		Collection in Full	
\$ 4,040.33	Individual	Winston Salem	NC	Proper Payment When Disbursed		Collection in Progress	
\$ 3,997.50	Individual	Johnston	RI	Proper Payment When Disbursed		Collection in Progress	
\$ 3,940.00	Individual	Las Vegas	NV	Proper Payment When Disbursed		Collection in Progress	
\$ 3,898.44	Individual	Millmont	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,886.90	Individual	Farmingville	NY	Proper Payment When Disbursed		Collection in Progress	
\$ 3,852.00	Individual	Gaston	SC	Proper Payment When Disbursed		Collection in Progress	
\$ 3,851.40	Individual	Fairfield	CT	Proper Payment When Disbursed		Collection in Progress	
\$ 3,770.00	Entity	York	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,687.90	Individual	Largo	MD	Proper Payment When Disbursed		Collection in Progress	
\$ 3,667.20	Entity	Decatur	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,660.07	Individual	Atlanta	GA	Proper Payment When Disbursed		Collection in Full	
\$ 3,625.77	Entity	El Paso	TX	Proper Payment When Disbursed		Collection in Progress	
\$ 3,615.80	Individual	Montgomery	AL	Proper Payment When Disbursed		Collection in Progress	
\$ 3,614.16	Individual	Charlotte	NC	Proper Payment When Disbursed		Collection in Progress	
\$ 3,572.00	Entity	College Point	NY	School Error		Collection in Progress	
\$ 3,571.20	Entity	Springfield	MA	School Error		Collection in Full	
\$ 3,564.18	Individual	Paauilo	HI	Proper Payment When Disbursed		Collection in Progress	
\$ 3,552.50	Individual	Covina	CA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,498.21	Individual	Bellport	NY	Proper Payment When Disbursed		Collection in Progress	
\$ 3,486.56	Individual	Columbus	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,468.96	Individual	New Britain	CT	Proper Payment When Disbursed		Collection in Progress	
\$ 3,456.00	Entity	Spartanburg	SC	Proper Payment When Disbursed		Collection in Full	
\$ 3,453.76	Entity	Galion	OH	Proper Payment When Disbursed		Collection in Progress	
\$ 3,450.00	Entity	Louisville	KY	Proper Payment When Disbursed	Collection in Full		
\$ 3,450.00	Individual	Virginia Beach	VA	Proper Payment When Disbursed	Collection in Progress		
\$ 3,436.13	Entity	Middletown	NY	Proper Payment When Disbursed	Collection in Progress		
\$ 3,428.17	Entity	Elmira	NY	Proper Payment When Disbursed	Collection in Full		
\$ 3,426.50	Entity	Irmo	SC	Proper Payment When Disbursed	Collection in Progress		
\$ 3,367.00	Individual	Palmerton	PA	Proper Payment When Disbursed	Collection in Progress		
\$ 3,346.80	Individual	Altamonte Springs	FL	Proper Payment When Disbursed	Collection in Full		
\$ 3,330.00	Entity	Shalimar	FL	Proper Payment When Disbursed	Collection in Progress		

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 3,291.20	Individual	Lompoc	CA	Proper Payment When Disbursed	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.	Collection in Progress	See Note Below Table
\$ 3,255.75	Entity	Falls Church	VA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,255.75	Entity	Broadlands	VA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,255.75	Entity	Fredericksburg	VA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,225.98	Entity	Newark	NJ	Proper Payment When Disbursed		Collection in Full	
\$ 3,225.69	Entity	Waynesburg	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,199.88	Entity	Lafayette	IN	Proper Payment When Disbursed		Collection in Progress	
\$ 3,152.00	Individual	Oxford	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,084.84	Individual	Bloomington	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,082.50	Entity	Waldorf	MD	Proper Payment When Disbursed		Collection in Progress	
\$ 3,039.44	Individual	Columbia	SC	Proper Payment When Disbursed		Collection in Full	
\$ 3,039.26	Entity	Lemont Furnace	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,029.40	Individual	Chester	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,029.18	Entity	Prescott	WI	Proper Payment When Disbursed		Collection in Full	
\$ 3,026.40	Individual	Sacramento	CA	Proper Payment When Disbursed		Collection in Progress	
\$ 3,010.40	Individual	Grand Prairie	TX	VA Error		Collection in Full	
\$ 3,000.00	Entity	Fife	WA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,998.10	Entity	Conyers	GA	Proper Payment When Disbursed		Collection in Full	
\$ 2,985.41	Entity	Coventry	RI	Proper Payment When Disbursed		Collection in Progress	
\$ 2,968.27	Entity	Battle Creek	MI	Proper Payment When Disbursed		Collection in Full	
\$ 2,931.91	Entity	Mountain View	CA	Proper Payment When Disbursed		Collection in Full	
\$ 2,923.30	Individual	Fort Hood	TX	Proper Payment When Disbursed		Collection in Full	
\$ 2,910.00	Entity	Myrtle Beach	SC	Proper Payment When Disbursed		Collection in Full	
\$ 2,905.48	Entity	Sicklerville	NJ	Proper Payment When Disbursed		Collection in Progress	
\$ 2,899.53	Individual	Marietta	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,889.07	Entity	Smyrna	GA	Proper Payment When Disbursed		Collection in Full	
\$ 2,880.40	Individual	Boston	MA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,873.75	Entity	Norfolk	VA	Proper Payment When Disbursed		Collection in Full	
\$ 2,851.14	Individual	Killeen	TX	Proper Payment When Disbursed		Collection in Progress	
\$ 2,822.00	Entity	North Pole	AK	Proper Payment When Disbursed		Collection in Progress	
\$ 2,799.70	Entity	Virginia Beach	VA	Proper Payment When Disbursed		Collection in Full	
\$ 2,790.00	Entity	Spokane	WA	School Error		Collection in Progress	
\$ 2,783.00	Entity	Warminster	PA	Proper Payment When Disbursed		Collection in Full	
\$ 2,779.00	Entity	Sumter	SC	School Error		Collection in Full	
\$ 2,775.63	Entity	Reston	VA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,761.00	Entity	Milford	CT	School Error		Collection in Progress	
\$ 2,760.00	Entity	San Antonio	TX	Proper Payment When Disbursed		Collection in Full	
\$ 2,739.20	Individual	Columbia	SC	Proper Payment When Disbursed		Collection in Progress	
\$ 2,738.40	Entity	Suffolk	VA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,732.63	Individual	Granite Falls	NC	Proper Payment When Disbursed		Collection in Progress	

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 2,728.80	Individual	Kingston	MA	Proper Payment When Disbursed	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.	Collection in Progress	See Note Below Table
\$ 2,726.46	Individual	Brooklyn	NY	Proper Payment When Disbursed		Collection in Full	
\$ 2,726.46	Individual	North Baldwin	NY	Proper Payment When Disbursed		Collection in Progress	
\$ 2,717.40	Individual	Hyattsville	MD	Proper Payment When Disbursed		Collection in Full	
\$ 2,612.00	Entity	Gainesville	VA	Proper Payment When Disbursed		Collection in Full	
\$ 2,589.29	Entity	Erie	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,580.00	Individual	Mt. Pleasant	SC	Proper Payment When Disbursed		Collection in Progress	
\$ 2,570.00	Entity	Odenton	MD	Proper Payment When Disbursed		Collection in Progress	
\$ 2,558.40	Individual	Wichita	KS	Proper Payment When Disbursed		Collection in Progress	
\$ 2,547.50	Entity	Elgin	SC	Proper Payment When Disbursed		Collection in Full	
\$ 2,547.00	Entity	Effingham	SC	School Error		Collection in Full	
\$ 2,545.20	Entity	Fredericksburg	VA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,544.00	Entity	Miami Springs	FL	Proper Payment When Disbursed		Collection in Progress	
\$ 2,525.00	Entity	Ladson	SC	Proper Payment When Disbursed		Collection in Progress	
\$ 2,486.73	Entity	Fayetteville	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,471.31	Individual	Killeen	TX	Proper Payment When Disbursed		Collection in Progress	
\$ 2,468.32	Entity	Beaverton	OR	Proper Payment When Disbursed		Collection in Progress	
\$ 2,457.27	Individual	Pembroke Pines	FL	Proper Payment When Disbursed		Collection in Full	
\$ 2,442.59	Individual	Rockton	MA	Proper Payment When Disbursed		Collection in Full	
\$ 2,431.32	Entity	Virginia Beach	VA	Proper Payment When Disbursed		Collection in Full	
\$ 2,430.00	Entity	Fountain	CO	Proper Payment When Disbursed		Collection in Progress	
\$ 2,423.87	Individual	Leesburg	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,414.20	Individual	Fort Pierce	FL	Proper Payment When Disbursed		Collection in Progress	
\$ 2,400.00	Entity	Lawrenceburg	IN	Proper Payment When Disbursed		Collection in Progress	
\$ 2,400.00	Entity	University Place	WA	Proper Payment When Disbursed		Collection in Full	
\$ 2,394.70	Individual	Vista	CA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,388.37	Entity	Virginia Beach	VA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,376.67	Individual	Melbourne	FL	School Error		Collection in Progress	
\$ 2,364.12	Individual	Smyrna	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,363.00	Individual	Baltimore	OH	Proper Payment When Disbursed		Collection in Progress	
\$ 2,360.40	Individual	Willingboro	NJ	Proper Payment When Disbursed		Collection in Progress	
\$ 2,340.24	Individual	Atlanta	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,326.00	Entity	Juneau	AK	Proper Payment When Disbursed		Collection in Full	
\$ 2,325.00	Entity	College Park	GA	School Error	Collection in Full		
\$ 2,320.00	Entity	Bel Air	MD	Proper Payment When Disbursed	Collection in Progress		
\$ 2,320.00	Individual	Sun City	CA	Proper Payment When Disbursed	Collection in Progress		
\$ 2,300.00	Entity	Glennville	GA	Proper Payment When Disbursed	Collection in Full		
\$ 2,292.48	Individual	Stockbridge	GA	Proper Payment When Disbursed	Collection in Progress		
\$ 2,257.83	Individual	Rushville	NY	Proper Payment When Disbursed	Collection in Progress		
\$ 2,257.50	Entity	Chesapeake	VA	Proper Payment When Disbursed	Collection in Progress		

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 2,250.00	Entity	Raphine	VA	Proper Payment When Disbursed	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.	Collection in Progress	See Note Below Table
\$ 2,249.91	Entity	Colorado Springs	CO	Proper Payment When Disbursed		Collection in Full	
\$ 2,215.20	Individual	Lewis Center	OH	Proper Payment When Disbursed		Collection in Progress	
\$ 2,203.00	Entity	Bremerton	WA	School Error		Collection in Full	
\$ 2,186.53	Individual	Crestview	FL	Proper Payment When Disbursed		Collection in Full	
\$ 2,183.87	Entity	Mason	OH	Proper Payment When Disbursed		Collection in Progress	
\$ 2,165.81	Individual	Suffolk	VA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,160.00	Entity	Brooklyn	NY	Proper Payment When Disbursed		Collection in Full	
\$ 2,135.00	Entity	Hebron	MD	Proper Payment When Disbursed		Collection in Progress	
\$ 2,131.98	Entity	Mesa	AZ	Proper Payment When Disbursed		Collection in Progress	
\$ 2,131.71	Entity	Philadelphia	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,127.60	Individual	Columbia	SC	Proper Payment When Disbursed		Collection in Progress	
\$ 2,115.56	Entity	Hummelstown	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,115.23	Individual	El Paso	TX	VA Error		Collection in Progress	
\$ 2,114.49	Entity	Laurel	MD	School Error		Collection in Progress	
\$ 2,103.35	Individual	Killeen	TX	Proper Payment When Disbursed		Collection in Progress	
\$ 2,102.50	Individual	Garden Grove	CA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,100.00	Entity	Seaside	CA	School Error		Collection in Progress	
\$ 2,098.49	Individual	Fayetteville	NC	Proper Payment When Disbursed		Collection in Progress	
\$ 2,097.29	Entity	Roswell	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,089.60	Entity	Greenwood	SC	Proper Payment When Disbursed		Collection in Full	
\$ 2,083.34	Individual	Waldorf	MD	Proper Payment When Disbursed		Collection in Full	
\$ 2,065.22	Individual	Laplace	LA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,050.00	Entity	Summerville	SC	VA Error		Collection in Progress	
\$ 2,044.34	Individual	Fort Washington	MD	Proper Payment When Disbursed		Collection in Progress	
\$ 2,038.61	Individual	Middleton	WI	Proper Payment When Disbursed		Collection in Progress	
\$ 2,037.64	Entity	Richmond Hill	NY	Proper Payment When Disbursed		Collection in Progress	
\$ 2,018.04	Individual	Fort Belvoir	VA	Proper Payment When Disbursed		Collection in Progress	
\$ 2,005.00	Entity	Trumbull	CT	Proper Payment When Disbursed		Collection in Full	
\$ 1,996.40	Individual	Santee	CA	Proper Payment When Disbursed		Collection in Progress	
\$ 1,989.00	Individual	Baltimore	MD	Proper Payment When Disbursed		Collection in Progress	
\$ 1,983.30	Individual	Hialeah Gardens	FL	Proper Payment When Disbursed		Collection in Progress	
\$ 1,976.40	Entity	Reedsville	PA	Proper Payment When Disbursed		Collection in Full	
\$ 1,957.50	Individual	Woodland Hills	CA	Proper Payment When Disbursed	Collection in Progress		
\$ 1,941.00	Individual	Olney	MD	Proper Payment When Disbursed	Collection in Full		
\$ 1,940.40	Entity	Chicago	IL	Proper Payment When Disbursed	Collection in Progress		
\$ 1,940.00	Entity	Centerville	OH	Proper Payment When Disbursed	Collection in Progress		
\$ 1,939.36	Individual	Rio Grande	PR	Proper Payment When Disbursed	Collection in Progress		
\$ 1,937.42	Entity	Hopkins	SC	Proper Payment When Disbursed	Collection in Progress		
\$ 1,934.00	Individual	Chillicothe	OH	Proper Payment When Disbursed	Collection in Progress		

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 1,931.70	Individual	Bremerton	WA	Proper Payment When Disbursed	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.	Collection in Progress	See Note Below Table
\$ 1,924.00	Entity	Wheaton	MD	School Error		Collection in Progress	
\$ 1,914.14	Individual	Four Oaks	NC	Proper Payment When Disbursed		Collection in Full	
\$ 1,895.60	Entity	Albuquerque	NM	Proper Payment When Disbursed		Collection in Progress	
\$ 1,890.60	Individual	New Cumberland	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 1,887.00	Entity	Arlington	VA	Proper Payment When Disbursed		Collection in Full	
\$ 1,884.40	Individual	Lake Elsinore	CA	VA Error		Collection in Full	
\$ 1,877.57	Individual	Cranberry Twp	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 1,871.05	Entity	Phoenix	AZ	Proper Payment When Disbursed		Collection in Progress	
\$ 1,863.27	Individual	Princeton	WV	Proper Payment When Disbursed		Collection in Progress	
\$ 1,856.04	Entity	Austell	GA	VA Error		Collection in Progress	
\$ 1,854.00	Entity	Jersey City	NJ	School Error		Collection in Full	
\$ 1,836.00	Individual	Amesbury	MA	Proper Payment When Disbursed		Collection in Progress	
\$ 1,825.93	Entity	Harwick	PA	Proper Payment When Disbursed		Collection in Progress	
\$ 1,817.20	Individual	Gross Point Park	MI	Proper Payment When Disbursed		Collection in Progress	
\$ 1,810.00	Entity	Columbia	SC	Proper Payment When Disbursed		Collection in Full	
\$ 1,804.85	Entity	Collinsville	IL	Proper Payment When Disbursed		Collection in Full	
\$ 1,800.00	Entity	Long Island City	NY	VA Error		Collection in Progress	
\$ 1,788.00	Entity	Spartanburg	SC	Proper Payment When Disbursed		Collection in Progress	
\$ 1,787.35	Individual	Spencer	OK	Proper Payment When Disbursed		Collection in Progress	
\$ 1,786.00	Individual	Greenlawn	NY	Proper Payment When Disbursed		Collection in Progress	
\$ 1,780.80	Individual	Fort Riley	KS	Proper Payment When Disbursed		Collection in Progress	
\$ 1,764.32	Entity	Fayetteville	NC	Proper Payment When Disbursed		Collection in Progress	
\$ 1,764.00	Entity	Milford	ME	Proper Payment When Disbursed		Collection in Progress	
\$ 1,746.85	Individual	Brunswick	GA	Proper Payment When Disbursed		Collection in Progress	
\$ 1,743.07	Individual	San Diego	CA	Proper Payment When Disbursed		Collection in Progress	
\$ 1,739.73	Individual	Zeeland	MI	Proper Payment When Disbursed		Collection in Progress	
\$ 1,739.00	Individual	San Antonio	TX	Proper Payment When Disbursed		Collection in Progress	
\$ 1,736.70	Individual	Farmingdale	NY	Proper Payment When Disbursed		Collection in Progress	
\$ 1,734.97	Individual	Dillon	SC	VA Error		Collection in Progress	
\$ 1,722.75	Entity	Brandy Station	VA	Proper Payment When Disbursed		Collection in Full	
\$ 1,721.90	Entity	Norman	OK	School Error		Collection in Full	
\$ 1,711.20	Individual	Albany	OR	Proper Payment When Disbursed		Collection in Progress	
\$ 1,710.00	Entity	Richmond Hill	NY	Proper Payment When Disbursed	Collection in Full		
\$ 1,705.27	Entity	Newtonville	MA	Proper Payment When Disbursed	Collection in Progress		
\$ 1,705.20	Individual	Stirling	NJ	Proper Payment When Disbursed	Collection in Progress		
\$ 1,698.30	Individual	Bronx	NY	Proper Payment When Disbursed	Collection in Progress		
\$ 1,694.00	Individual	Norfolk	VA	Proper Payment When Disbursed	Collection in Progress		
\$ 1,693.00	Entity	Manassas	VA	Proper Payment When Disbursed	Collection in Full		
\$ 1,687.80	Entity	Newton	NJ	Proper Payment When Disbursed	Collection in Full		

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$ 1,684.80	Individual	Cincinnati	OH	Proper Payment When Disbursed	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.	Collection in Progress	See Note Below Table
\$ 1,680.00	Entity	Fort Campbell	KY	Proper Payment When Disbursed		Collection in Full	
\$ 1,674.71	Entity	Lauderdale Lakes	FL	Proper Payment When Disbursed		Collection in Progress	
\$ 1,669.00	Entity	Charleston	SC	Proper Payment When Disbursed		Collection in Progress	
\$ 1,667.50	Entity	Tampa	FL	School Error		Collection in Full	

Note:

To reduce the number of payments later adjusted due to students changing enrollment status, VA provides cautionary information in print publications and electronic media, and also includes this information in letters to students each time they are awarded benefits.

The main causes of VA error were issuing duplicate payments, data input errors, and lack of coordination with the U.S. Department of Defense to validate Veteran information. This contrasts to second quarter Fiscal Year 2011 where the most common VA errors were recording incorrect attendance dates, failure to process a document in the file, incorrect interval payment, and award not being certified. Common errors identified are a result of human error. To decrease the potential for human error, VA has taken a two-step approach; one, focus on training our employees; and two, field improvements in electronic processing systems to aid in decreasing human errors. Each Regional Processing Office and the Central Office have established required training that employees must attend. Supervisory officials also monitor individual employee performance and provide additional training as necessary. Fielding improvements in electronic processing systems has been a challenge for VA due to recent and possible future statutory changes in the Post-9/11 GI Bill. The recent changes have required VA to redirect its information technology resources from enhancing current systems to developing changes to current systems to implement the recent changes. Barring future changes in statutory requirements, VA expects to implement additional changes in FY2012 which are expected to decrease human errors.

The main cause of school error was incorrect reporting of tuition and fees. In June 2010, 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. VA expects these standardized requirements will decrease school official errors over time. 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.

3. Insurance Program

The Insurance Program's Internal Control Staff (ICS) identified five high-dollar overpayments.

ICS augments the program's traditional management controls, such as, internal system edits, supervision, performance reviews, and quality control reviews. They monitor, review, and approve all manual insurance disbursements and certain other controlled transactions. It is the duty of ICS to perform accurate reviews to verify the correctness and propriety of all critical insurance actions. The five overpayments are as follows:

1. The first policy beneficiary form was imaged and dated after the second policy beneficiary form. Insured named a new beneficiary on the second policy to receive all of the insurance proceeds. Insurance award was incorrectly paid on May 11, 2011, to the wrong beneficiary.
2. An Insurance matured endowment award check cashed in 2007 by an individual who was not the insured.
3. There are two Veterans with the same name, and one Veteran's address was changed incorrectly in 1980. All dividends, refunds and cash surrender were paid on February 2, 2010, to the wrong Veteran.
4. One daughter named as beneficiary but a note added to the beneficiary form indicated that all children of the insured should share equally. One daughter claims award on March 15, 2011, without acknowledging two other siblings. Account Receivable was established for the two other shares.
5. Award paid in 2006 to a wrong beneficiary because of a beneficiary designation completed by an incompetent Veteran. An administrative decision reversed the award.

Total Insurance Payments made this quarter: \$422,509,157.00

Total High-Dollar Overpayments identified in this quarter: \$62,483.60

Percent of Overpayments: 0.0148

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$30,000.00	Individual	Warrenville	SC	See Details Above	See Note 1. Below Table	Collection in Progress	See Note 2. Below Table
\$10,613.60	Individual	Dallas	TX			Collection in Progress	
\$9,226.15	Individual	Elizabethtown	PA			Collection in Progress	
\$6,666.66	Individual	Greenville	NC			Collection in Progress	
\$5,977.19	Individual	Mohegan Lake	NY			Collection in Progress	

Note:

1. An accounts receivable is established for the overpayments and is transferred to VBA's Finance division for collection, either through direct contact with the recipient of the funds or through the offset program with the Department of the Treasury. Finance is also empowered to refer large debts to our District Counsel for legal action and recovery. During FY 2010, Finance recovered approximately eighty-five percent of the overpayments.
2. Insurance will continue to work towards reducing improper payments through its in-house training for all Insurance Specialists and the Internal Control Staff. It should be noted that during the third quarter, the total dollar amount of improper payments was \$67,717.40, .016percent of all disbursements made during the third quarter. These numbers are relatively insignificant. This low figure is primarily due to the quality of the work performed by the Insurance Specialists and the controls established by the Insurance Service Internal Control Staff.

4. Non-VA Care Fee Program

VHA identified 122 Non-VA Care Fee high-dollar overpayments totaling \$6,808,448 through the expanded efforts of the VHA Chief Business Office (CBO), the Veterans Integrated Service Networks (VISNs), the Department of Veterans Affairs (VA) Management Quality Assurance Service (MQAS), and the VA Financial Services Center (FSC). High-dollar overpayments consisted of both single and cumulative payments. Of the overpayments, 84 totaling \$4,377,635 were caused by a system error that created duplicate internal control numbers and resulted in duplicate payments that were difficult for facilities to detect. Also, this is the reason that in this quarter the number of overpayments for the Non-VA care Fee program is significantly higher than the last quarter. The system error has been fully identified and final system correction will be completed in March 2012. Ten overpayments totaling \$618,224 were caused by data entry errors. Nine overpayments totaling \$604,599 were caused by incorrect application of the payment methodology. The remaining 19 overpayments totaling \$1,207,990 included a combination of the above causes in addition to: duplicate payments; payments made to an ineligible recipient; vendor billing errors; and other system errors.

The CBO Purchased Care Program Office worked closely with each VISN to identify high-dollar overpayments during the 3rd quarter of 2011. VISN overpayments were consolidated nationally to ensure the appropriate capture of all high-dollar overpayments. Facilities used numerous techniques to identify overpayments. Those techniques included, but are not limited to, reviewing internal reports and bills of collections and conducting self audits and reviews. CBO internal reports included (1) monthly outlier reports, (2) monthly inpatient outlier reports, and (3) post payment duplicate reports. MQAS identified overpayments during its purchased care audits at facilities. FSC also identified overpayments during its reviews. The VA Office of Inspector General, who identified high-dollar overpayments in prior quarters, reported no high-dollar overpayments this quarter.

Total Fee Payments made this quarter: \$1,099,966,297

Total High-Dollar Overpayments identified in this quarter¹: \$6,808,448

Percentage of Overpayments²: 0.6190

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$220,640.49	Entity	Las Vegas	NV	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in progress	See Note Below Table
\$215,586.32	Entity	Bethlehem	PA	1) Data entry error 2) Incorrect application of payment methodology	Refund received	Collection in Full	
\$179,124.53	Entity	Truth or Consequences	NM	Data entry error	Bill of collection initiated	Collection in Progress	
\$169,961.91	Entity	New Haven	CT	Incorrect application of payment methodology	Bill of collection initiated	Collection in Progress	
\$155,277.58	Entity	Lexington	KY	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$154,248.00	Entity	Atlanta	GA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$145,764.07	Entity	Pasadena	CA	Incorrect application of payment methodology	Bill of collection initiated	Collection in Progress	
\$141,439.19	Entity	Spokane	WA	System error	Efforts are underway to utilize a national	Collection in Progress	

¹ High-dollar overpayments identified in the Non-VA Care Fee Program were initially processed during the period, FY 2005 through FY 2011.

² The "Percentage of Overpayments" compares high-dollar overpayments processed in prior quarters with the total payments processed in the third quarter of FY 2011.

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
					contractor to collect these overpayments		See Note Below Table
\$130,492.71	Entity	Kent	WA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$116,164.31	Entity	Lexington	KY	Duplicate payment	Refund received	Collection in Full	
\$110,500.00	Entity	Chicago	IL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$107,736.32	Entity	Tucson	AZ	Payment made to wrong vendor	Bill of collection initiated	Collection in Progress	
\$103,883.40	Entity	Johnson City	TN	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$101,062.09	Entity	Temple	TX	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$100,904.71	Entity	Los Angeles	CA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$99,880.00	Entity	Ann Arbor	MI	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$97,208.79	Entity	Wichita	KS	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$93,867.45	Entity	Lubbock	TX	1) Payment made to wrong vendor 2) Ineligible recipient	Bill of collection initiated	Collection in Progress	
\$90,219.18	Entity	Deland	FL	Claim paid in error	Refund received	Collection in Full	
\$88,403.42	Entity	Houston	TX	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$87,841.16	Entity	Terre Haute	IN	Incorrect application of payment methodology	Bill of collection initiated	Collection in Progress	
\$86,303.35	Entity	Orlando	FL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$84,480.48	Entity	St. Petersburg	FL	Data entry error	Bill of collection initiated	Collection in Progress	
\$82,190.57	Entity	Omaha	NE	Data entry error	Bill of collection initiated	Collection in Progress	
\$78,455.35	Entity	Bullhead City	AZ	1) Incorrect application of payment methodology 2) Veteran had other insurance but did not properly disclose	Refund received	Collection in Full	
\$73,147.37	Entity	Shoreline	WA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$72,938.21	Entity	St. Louis	MO	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	See Note Below Table
\$70,777.61	Entity	Baltimore	MD	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$70,690.82	Entity	Long Beach/Los Angeles	CA	Failure to verify other health insurance	Bill of collection initiated	Collection in Progress	
\$66,942.87	Entity	Dallas	TX	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$66,098.19	Entity	Omaha	NE	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$64,204.81	Entity	Atlanta	GA	Duplicate payment	Refund received	Collection in Full	
\$64,173.77	Entity	Atlanta	GA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$63,948.77	Entity	Mobile	AL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$62,145.29	Entity	Clearwater	FL	Data entry error	Bill of collection initiated	Collection in Progress	
\$61,558.68	Entity	Carbondale	IL	Duplicate payment	Refund received	Collection in Full	
\$61,250.66	Entity	Philadelphia	PA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$59,065.90	Entity	Fort Myers	FL	Data entry error	Bill of collection initiated	Collection in Progress	
\$58,893.36	Entity	Huntington, Cabell	WV	Payment made to wrong vendor	Bill of collection initiated	Collection in Progress	
\$56,116.48	Entity	Bremerton	WA	Data entry error	Bill of collection initiated	Collection in Progress	
\$54,558.40	Entity	Alexandria	VA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$54,140.00	Entity	Las Vegas	NV	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$52,646.88	Entity	Atlanta	GA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$52,094.19	Entity	Lakewood	CO	Incorrect application of payment methodology	Refund received	Collection in Full	
\$50,336.05	Entity	Tampa	FL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$49,311.20	Entity	Los Angeles	CA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$48,311.92	Entity	Dallas	TX	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$45,897.65	Entity	Atlanta	GA	System error	Efforts are underway to utilize a national	Collection in Progress	

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
					contractor to collect these overpayments		
\$45,752.38	Entity	Los Angeles	CA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	See Note Below Table
\$45,601.71	Entity	Orlando	FL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$45,430.00	Entity	Cleveland	OH	Incorrect application of payment methodology	Bill of collection initiated	Collection in Progress	
\$44,840.44	Entity	Grand Prairie	TX	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$44,671.79	Entity	Memphis	TN	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$43,710.00	Entity	Rochester	NY	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$43,365.86	Entity	Wakefield	MA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$43,305.27	Entity	Port Orchard	WA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$43,214.13	Entity	Pahrump	NV	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$42,986.15	Entity	Atlanta	GA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$42,756.92	Entity	Denver	CO	Veteran had other insurance but did not properly disclose	Refund received	Collection in Full	
\$42,220.04	Entity	Chicago	IL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$41,847.78	Entity	Pensacola	FL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$40,281.12	Entity	Iowa City	IA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$39,777.75	Entity	Philadelphia	PA	System error	Refund received	Collection in Full	
\$39,228.73	Entity	University Place	WA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$39,225.24	Entity	San Francisco	CA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$38,783.45	Entity	Atlanta	GA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$38,250.00	Entity	Chicago	IL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$37,580.00	Entity	Cincinnati	OH	System error	Efforts are underway to utilize a national	Collection in Progress	

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
					contractor to collect these overpayments		
\$37,029.74	Entity	Bloomington	MN	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	See Note Below Table
\$36,435.76	Entity	Cherry Hill	NJ	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$36,129.42	Entity	New Brunswick	NJ	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$35,711.61	Entity	Glen Burnie	MD	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$35,222.38	Entity	Las Vegas	NV	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$34,741.00	Entity	Delray Beach	FL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$34,281.15	Entity	Pittsburgh	PA	Incorrect application of payment methodology	Bill of collection initiated	Collection in Progress	
\$33,741.06	Entity	Chicago	IL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$33,637.73	Entity	Las Vegas	NV	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$33,476.12	Entity	Pittsburgh	PA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$33,423.10	Entity	Westchester	IL	Incorrect application of payment methodology	Refund received	Collection in Full	
\$32,304.07	Entity	Panama City	FL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$31,890.52	Entity	Tacoma	WA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$31,756.90	Entity	Orlando	FL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$31,285.37	Entity	Mobile	AL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$30,678.37	Entity	Columbia	MD	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$30,554.00	Entity	Phoenix	AZ	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$30,464.00	Entity	Toledo	OH	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$30,300.00	Entity	Oxford	MS	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$30,205.86	Entity	Shreveport	LA	System error	Efforts are underway to utilize a national	Collection in Progress	

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
					contractor to collect these overpayments		
\$30,142.52	Entity	Billings	MT	Vendor billing error	Refund received	Collection in Full	
\$29,994.07	Entity	Philadelphia	PA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	See Note Below Table
\$29,834.24	Entity	Springfield	OR	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$29,796.32	Entity	Tampa	FL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$29,758.26	Entity	Oswego	NY	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$29,750.00	Entity	Chicago	IL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$28,803.22	Entity	Philadelphia	PA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$28,668.73	Entity	Las Vegas	NV	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$28,564.34	Entity	Los Angeles	CA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$28,504.40	Entity	Page	AZ	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$28,359.00	Entity	Atlanta	GA	Claim paid in error	Refund received	Collection in Full	
\$28,290.72	Entity	Atlanta	GA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$28,242.35	Entity	Brentwood	TN	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$28,237.52	Entity	Bridgeport	WV	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$27,975.00	Entity	Boston	MA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$27,806.08	Entity	Washington	DC	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$27,592.95	Entity	Springfield	IL	Duplicate payment-duplicate bill received from vendor	Refund received	Collection in Full	
\$26,340.92	Entity	Billings	MT	1) Payment made to wrong vendor 2) Veteran had other insurance but did not properly disclose	Notice of overpayment letter mailed requesting refund	Collection in Progress	

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$25,712.72	Entity	Orlando	FL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	See Note Below Table
\$25,658.68	Entity	Seattle	WA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$25,605.04	Entity	Los Angeles	CA	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$25,584.02	Entity	Rockledge	FL	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$25,365.33	Entity	Danville	PA	Data entry error	Bill of collection initiated	Collection in Progress	
\$25,335.00	Entity	Phoenix	AZ	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$25,200.00	Entity	Dallas	TX	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$25,162.69	Entity	Dallas	TX	System error	Efforts are underway to utilize a national contractor to collect these overpayments	Collection in Progress	
\$23,836.12	Entity	Seattle	WA	Data entry error	Bill of collection initiated	Collection in Progress	
\$23,109.95	Entity	Bradenton	FL	Data entry error	Bill of collection initiated	Collection in Progress	
\$22,789.78	Entity	Largo	FL	Data entry error	Bill of collection initiated	Collection in Progress	
\$21,366.03	Entity	Owensboro	KY	Incorrect application of payment methodology	Refund received	Collection in Full	
\$19,823.00	Entity	Iowa City	IA	1) Incorrect application of payment methodology 2) Duplicate payment 3) Veteran had other insurance but did not properly disclose 4) Payment made to wrong vendor	Bill of collection initiated	Collection in Progress	
\$19,307.63	Entity	Omaha	NE	Vendor billing error	Bill of collection initiated	Collection in Progress	
\$16,513.11	Entity	Indianapolis	IN	Duplicate payment	Bill of collection initiated	Collection in Progress	
\$14,437.00	Entity	Akron	OH	Incorrect payment methodology	Bill of collection initiated	Collection in Progress	

Note:

1. Central Fee has implemented a corrective action to prevent duplicate payments caused by the system error where claims with duplicate internal control numbers are rejected prior to payment. Post implementation of this correction action, it's not possible for a duplicate internal control number to be paid.
2. Facilities are ensuring payments will be audited prior to release and additional internal audits will be conducted. Payment methodology standard of practice will be established with claims processors to ensure compliance with payment guidelines. Facilities have discussed issues with staff involved and additional training and education will be provided.
3. Facilities have retrained staff to properly review claims in the Fee Basis Claims System (FBCS) verification module. In addition, facilities have retrained staff on the proper way to calculate units for home health care payments. A modification to the FBCS software product has been requested. Once the enhancement is implemented, it will reduce the probability of paying the incorrect vendor.
4. Facilities have updated Veteran's other health insurance information where applicable.

5. Non-VA Care CHAMPVA Program

VHA identified eight Non-VA Care CHAMPVA high-dollar overpayments totaling \$329, 101 through the expanded efforts of the Health Administration Center (HAC). High-dollar overpayments consisted of both single and cumulative payments. Five overpayments totaling \$191,475 were caused by payments made to ineligible beneficiaries, two overpayments totaling \$109,996 were caused by other health insurance not properly input, and one overpayment totaling \$27,630 was due to an incorrect application of payment methodology.

To identify high-dollar overpayments, the HAC reviewed (1) a quarterly possible duplicate payment audit, (2) a monthly proper payment audit, (3) an on-going weekly high-dollar audit for all claims over \$100,000, and (4) the third quarter bills of collection audit. The HAC conducts a 100 percent multi-division in-depth prepayment review of all claims over \$100,000 and the Claims Processing Division conducts a prepayment review of all claims over \$10,000 to reduce the likelihood of a high-dollar improper payments being made.

Total CHAMPVA Payments made this quarter: \$226,762,899

Total High-Dollar Overpayments identified in this quarter³: \$329,101

Percentage of Overpayments⁴: 0.1451

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Action Plans
\$82,521.25	Entity	Livingston	MT	Other health insurance not properly input	HAC's standard recoupment process where bills of collection are created, issued to the debtor, and tracked. Unpaid bills are then forwarded to the Treasury Offset Program after 180 days.	Collection in Full	See Note Below Table
\$58,592.86	Entity	Grand Forks	ND	Ineligible beneficiary		Collection in Progress	
\$44,150.52	Entity	Anderson	IN	Ineligible beneficiary		Collection in Progress	
\$33,023.50	Entity	Dallas	TX	Ineligible beneficiary		Collection in Progress	
\$30,364.35	Entity	Great Falls	MT	Ineligible beneficiary		Collection in Progress	
\$27,630.44	Entity	Pasadena	CA	Incorrect application of payment methodology		Collection in Progress	
\$27,474.36	Entity	Cleveland	CO	Other health insurance not properly input		Collection in Progress	
\$25,343.68	Entity	Denver	CO	Ineligible beneficiary		Collection in Progress	

Note:

The HAC continues to enhance internal controls through training, additional beneficiary education, data matching, and exploring other health insurance validation service contractors.

The HAC has implemented continuous monitors, audits and reviews of CHAMPVA claims processing as well as development of a statement of work that captures real-time other health insurance information; ongoing training on data input; and routine data matches with VBA and Centers for Medicare & Medicaid Services.

³ High-dollar overpayments identified in the Non-VA CHAMPVA Program were initially processed during the period, FY 2008 through FY 2011.

⁴ The "Percentage of Overpayments" compares high-dollar overpayments processed in prior quarters with the total payments processed in the third quarter.