

Department of
Veterans Affairs

Memorandum

Date: August 16, 2012
From: Secretary (00)
Subj: FY 2013 Second Quarter Report on High-Dollar Overpayments (VAIQ #7369603)
To: Inspector General (50)

1. Executive Order 13520, "Reducing Improper Payments," dated November 20, 2009, requires the head of each agency to submit a quarterly report to the agency's Inspector General (IG) and the Council of Inspectors General on Integrity and Efficiency on any high-dollar overpayments identified and to make this report available to the public.
2. In accordance with the Office of Management and Budget (OMB) Circular A-123, Appendix C, Part III, the Veterans Health Administration (VHA), Veterans Benefits Administration (VBA), and National Cemetery Administration (NCA) examined their programs for the issuance of high-dollar overpayment transactions, which meet OMB's definition of improper payments. Attached is VA's consolidated report on identified high-dollar overpayments for the second quarter of fiscal year (FY) 2013.
3. The attached report lists, by program, whether the payments were made to an entity or individual; the recipients' location; the root causes of the overpayments, categorized according to OMB's three error types (administrative and documentation errors, verification errors, and authentication and medical necessity errors); any actions VA has taken or plans to take to recover overpayments; and actions to help prevent improper payments from occurring in the future.
4. A total of 405 high-dollar overpayments were identified. Following is a summary of the programs with \$500,000 or more of high-dollar overpayments in the second quarter of FY 2013.
 - **Beneficiary Travel:** 16 high-dollar overpayments were identified (\$692,865 out of \$180 million in total payments); 11 were due to administrative and documentation errors, and 5 were due to verification errors.
 - **VHA - Communications, Utilities, and Other Rent:** 22 high-dollar overpayments were identified (\$2.3 million out of \$326 million in total payments); 20 were due to administrative and documentation errors, and 2 were due to verification errors.
 - **VHA – State Home Per Diem Grants:** 5 high-dollar overpayments were identified (\$2.1 million out of \$212 million in total payments); 3 were due to administrative and documentation errors, and 2 were due to verification errors.
 - **Non-VA Care Fee:** 71 high-dollar overpayments were identified (\$4.8 million out of \$796 million in total payments); 65 were due to administrative and documentation errors, and 6 were due to verification errors.

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- **VHA - Other Services:** 51 high-dollar overpayments were identified (\$3.1 million of \$1 billion in total payments); 47 were due to administrative and documentation errors, and 4 were due to verification errors.
- **Compensation (including Dependency and Indemnity Compensation):** From a population of 9,966 overpayments, a random sample of 385 was reviewed to determine if any were high-dollar overpayments. Of the sampling results, 65 met the criteria (\$28 million projected out of \$15 billion in total payments). Only the sampling results are included in this report. Of the 65 improper payments found, 4 were due to administrative and documentation errors, 52 were due to verification errors, and 9 were due to authentication and medical necessity errors.
- **Pension:** From a population of 7,407 overpayments, a random sample of 385 was reviewed to determine if any were high-dollar overpayments. Of the sampling results, 115 met the criteria (\$44 million projected out of \$1.3 billion in total payments). Only the sampling results are included in this report. Of the 115 improper payments found, 1 was due to an administrative and documentation error, 21 were due to verification errors, and 93 were due to authentication and medical necessity errors.
- **Other:** In the other 16 programs, 60 high-dollar overpayments were identified (\$1.3 million out of \$13.8 billion); 38 were due to administrative and documentation errors, and 22 were due to verification errors.

5. If you have any questions, please have a member of your staff contact Mr. Edward Murray, Deputy Assistant Secretary for Finance, at (202) 461-6180.



Eric K. Shinseki

Attachment

Executive Order 13520 – Reducing Improper Payments Fiscal Year (FY) 2013 Second Quarter High-Dollar Overpayments Report

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

In accordance with OMB Circular A-123, Appendix C, Part III, the Department of Veterans Affairs (VA) has reviewed applicable programs to identify the issuance of any high-dollar overpayments in the second quarter of FY 2013. The OMB guidelines define a high-dollar improper payment as any payment in excess of 50 percent of the correct amount of the intended payment under the following circumstances:

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

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

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

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

1. **Administrative and Documentation errors** which are caused by the absence of supporting documentation to validate the payment, or inputting, classifying, or processing errors made by another other than the recipient of the payment (i.e. the payee or a third-party).
2. **Authentication and Medical Necessity errors** which are caused by the payee's inability to authenticate eligibility criteria through third-party databases or other resources because nothing else exists, or the beneficiary was provided a service that was not medically necessary given the patient's condition.
3. **Verification errors** which are caused by the payee's failure to verify recipient information (i.e. earnings, income, assets, or work status) even though third-party databases or other resources do exist, the payee's inability to verify recipient information (i.e. earnings, income, assets, or work status) because there are legal or other restrictions that deny access to verify against third-party databases or other resources that do exist, or beneficiaries fail to report correct information to the payee.

Veterans Health Administration – VHA

1. Beneficiary Travel

VHA identified 16 high-dollar Beneficiary Travel overpayments made during the second quarter of FY 2013. These overpayments consisted of both singular and cumulative overpayments. Eleven overpayments were caused by Administrative and Documentation errors, and five were Verification errors.

- 11 overpayments (69%) totaling \$628,185 are Administrative and Documentation errors where duplicate payments were issued, or the amount was incorrect.
- 5 overpayments (31%) totaling \$64,679.00 are Verification errors where an ineligible recipient was paid, or an invoice for ineligible good or service was paid.

Total Beneficiary Travel Payments made this quarter: \$180,337,608

Total High-Dollar Overpayments identified this quarter: \$692,865

Percentage of Overpayments: 0.38%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of	Overall Actions/Plans to
\$205,354.10	Entity	Birmingham	AL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	See Note Below Table
\$101,314.59	Entity	Boston	MA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$57,703.00	Entity	Scottsdale	AZ	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$49,419.85	Entity	Yonkers	NY	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$44,023.75	Entity	Clearwater	FL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$40,788.00	Entity	Holiday	FL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$37,200.75	Entity	Murfreesboro	TN	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$35,347.32	Entity	Charlotte	NC	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$25,241.16	Entity	New Hyde Park	NY	Ineligible Recipient	Verification error	Bill of Collection	Collection in Full	
\$22,576.71	Individual	Bronx	NY	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$19,222.20	Entity	Seattle	WA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$15,856.79	Individual	Ypsilanti	MI	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress	
\$15,234.68	Entity	Mount Vernon	WA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$8,974.22	Individual	Del Rio	TX	Ineligible Good or Service	Verification error	Bill of Collection	Collection in Progress	
\$8,504.92	Individual	Wautoma Waushara	WI	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress	
\$6,102.58	Individual	Bonham	TX	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress	

Prevent Re-occurrence

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

2. Caregiver Stipend

VHA identified one high-dollar Caregiver Stipend overpayment made during the second quarter of FY 2013. This overpayment consisted of a singular overpayment caused by a Verification error.

- 1 overpayment (100%) totaling \$25,749 is a Verification error where an ineligible recipient was paid.

Total Caregiver Stipend Payments made this quarter: \$40,204,719

Total High-Dollar Overpayments identified in this quarter: \$25,749

Percentage of Overpayments: 0.06%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$25,749.10	Individual	Wesley Chapel	FL	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress	See Note Below Table

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

3. VHA - Communications, Utilities, and Other Rent

VHA identified 22 high-dollar Communications, Utilities, and Other Rent overpayments made during the second quarter of FY 2013. These overpayments consisted of both singular and cumulative overpayments. The overpayments were caused by Administrative and Documentation errors, and Verification errors.

- 20 overpayments (91%) totaling \$1,758,302 are Administrative and Documentation errors where duplicate payments were issued, or the amount was incorrect.
- 2 overpayments (9%) totaling \$587,784 are Verification errors where ineligible recipients were paid.

Total Communications, Utilities, and Other Rent Payments made this quarter: \$326,141,813
 Total High-Dollar Overpayments identified this quarter: \$2,346,086
 Percentage of Overpayments: 0.72%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$588,821.32	Entity	Philadelphia	PA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$527,812.23	Entity	Cleveland	OH	Ineligible Recipient	Verification error	Bill of Collection	Collection in Full	
\$236,000.00	Entity	Memphis	TN	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$132,514.52	Entity	Tulsa	OK	Incorrect amount	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$128,366.00	Entity	Herndon	VA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$102,745.55	Entity	Brooklyn	NY	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$99,861.61	Entity	Atlanta	GA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$77,023.55	Entity	Poughkeepsie	NY	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$66,296.11	Entity	Chicago	IL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$59,971.75	Entity	Lexington	KY	Ineligible Recipient	Verification error	Bill of Collection	Collection in Full	
\$55,243.41	Entity	Dallas	TX	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$43,199.03	Entity	Woodbridge	NJ	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$41,684.87	Entity	Tulsa	OK	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$39,040.83	Entity	Opa-Locka	FL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$31,407.00	Entity	Mission	KS	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	

\$31,094.81	Entity	Atlanta	GA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$22,002.96	Entity	Milwaukee	WI	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$21,417.44	Entity	Dallas	TX	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$14,325.60	Entity	Lake City	FL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$13,956.00	Individual	Orinda	CA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$7,481.32	Individual	Cedar Rapids	IA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$5,820.00	Individual	Bismarck	ND	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

4. DoD/VA Medical Facility Demonstration Fund

VHA identified one high-dollar DoD/VA Medical Facility Demonstration Fund overpayment made during the second quarter of FY 2013. This overpayment consisted of a singular overpayment caused by an Administrative and Documentation error.

- 1 overpayment (100%) totaling \$78,539 is an Administrative and Documentation error caused by issuing a duplicate payment.

Total DoD/VA Medical Facility Demonstration Fund Payments made this quarter: \$86,940,150

Total High-Dollar Overpayments identified in this quarter: \$78,539

Percentage of Overpayments: 0.09%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$78,538.57	Entity	McLean	VA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	See Note Below Table

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

5. Equipment

VHA identified six high-dollar Equipment overpayments made during the second quarter of FY 2013. These overpayments consisted of both singular and cumulative overpayments. The overpayments were caused by Administrative and Documentation errors, and a Verification error.

- 5 overpayments (83%) totaling \$200,594 are Administrative and Documentation errors where duplicate payments were issued, or the amount was incorrect.
- 1 overpayment (17%) totaling \$87,477 is a Verification error where an ineligible recipient was paid.

Total Equipment Payments made this quarter: \$484,675,614
 Total High-Dollar Overpayments identified in this quarter: \$288,071
 Percentage of Overpayments: 0.06%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$87,476.93	Entity	Center Valley	PA	Ineligible Recipient	Verification error	Bill of Collection	Collection in Full	See Note Below Table
\$68,461.03	Entity	Mentor	OH	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$51,250.00	Entity	Grafton	ND	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$37,253.02	Entity	Meridian	ID	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$26,034.01	Entity	Chantilly	VA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$17,596.21	Entity	Silver Spring	MD	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

6. General Post Fund

VHA identified one high-dollar General Post Fund overpayment made during the second quarter of FY 2013. This overpayment consisted of cumulative overpayments caused by an Administrative and Documentation error.

- 1 overpayment (100%) totaling \$15,000 is an Administrative and Documentation error where a payment was paid for goods or services not received.

Total General Post Fund Payments made this quarter: \$3,272,609

Total High-Dollar Overpayments identified in this quarter: \$15,000

Percentage of Overpayments: 0.46%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$15,000.00	Entity	Grand Junction	CO	Goods or Services Not Received	Administrative and Documentation error	Bill of Collection	Collection in Full	See Note Below Table

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

7. Grants - Homeless Per Diem Grants

VHA identified one high-dollar Homeless Per Diem Grants overpayment made during the second quarter of FY 2013. This overpayment consisted of a singular overpayment caused by an Administrative and Documentation error.

- 1 overpayment (100%) totaling \$21,032 is an Administrative and Documentation error caused by issuing a duplicate payment.

Total Homeless Per Diem Grants Payments made this quarter: \$74,618,251

Total High-Dollar Overpayments identified in this quarter: \$21,032

Percentage of Overpayments: 0.03%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$21,031.53	Entity	Denver	CO	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	See Note Below Table

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

8. Grants - State Home Per Diem Grants

VHA identified five high-dollar State Home Per Diem Grants overpayments made during the second quarter of FY 2013. These overpayments consisted of both singular and cumulative payments. The overpayments were caused by Administrative and Documentation errors, and Verification errors.

- 3 overpayments (60%) totaling \$1,390,876 are Administrative and Documentation errors caused by issuing duplicate payments.

- 2 overpayments (40%) totaling \$780,203 are Verification errors where ineligible recipients were paid.

Total State Home Per Diem Grants Payments made this quarter: \$212,123,873
 Total High-Dollar Overpayments identified in this quarter: \$2,171,080
 Percentage of Overpayments: 1.02%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$662,225.61	Entity	Marquette	MI	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	See Note Below Table
\$474,294.49	Entity	Reserve	LA	Ineligible Recipient	Verification error	Bill of Collection	Collection in Full	
\$401,295.05	Entity	Spokane	WA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$327,355.78	Entity	Union Grove	WI	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$305,908.98	Entity	Salisbury	NC	Ineligible Recipient	Verification error	Bill of Collection	Collection in Full	

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

9. Land and Structures

VHA identified two high-dollar Land and Structures overpayments made during the second quarter of FY 2013. These overpayments consisted of singular payments, both of which were caused by Administrative and Documentation errors.

- 2 overpayments (100%) totaling \$46,196 are Administrative and Documentation errors where duplicate payments were issued, or the amount was incorrect.

Total Land and Structures Payments made this quarter: \$444,734,720
 Total High-Dollar Overpayments identified in this quarter: \$46,196
 Percentage of Overpayments: 0.01%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$26,429.88	Entity	Ogden	UT	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	See Note Below

\$19,766.22	Entity	Boston	MA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	Table
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Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

10. Medical and Prosthetic Research

VHA identified one high-dollar Medical and Prosthetic Research overpayment made during the second quarter of FY 2013. This overpayment consisted of a cumulative overpayment caused by an Administrative and Documentation error.

- 1 overpayment (100%) totaling \$8,985 is an Administrative and Documentation error caused by issuing a duplicate payment.

Total Medical and Prosthetic Research Payments made this quarter: \$144,916,861

Total High-Dollar Overpayments identified in this quarter: \$8,985

Percentage of Overpayments: 0.01%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$8,984.94	Individual	Marion	MA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	See Note Below Table

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

11. Non-VA Care CHAMPVA

VHA identified one high-dollar Non-VA Care CHAMPVA overpayment made during the second quarter of FY 2013. This overpayment consisted of a singular overpayment caused by a Verification error.

- 1 overpayment (100%) totaling \$67,767 is a Verification error caused by paying an ineligible beneficiary.

Total Non-VA Care CHAMPVA Payments made this quarter: \$245,957,149

Total High-Dollar Overpayments identified in this quarter: \$67,767

Percentage of Overpayments: 0.03%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$67,767.35	Entity	Dallas	TX	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress	See Note Below Table

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

12. Non-VA Care Fee

VHA identified 71 high-dollar Non-VA Care Fee overpayments made during the second quarter of FY 2013. These overpayments consisted of both singular and cumulative payments. The overpayments were caused by Administrative and Documentation errors, and Verification errors.

- 65 overpayments (91%) totaling \$4,614,617 are Administrative and Documentation errors where duplicate payments were issued, or the amount was incorrect.
- 6 overpayments (9%) totaling \$155,601 are Verification errors caused by paying ineligible beneficiaries.

Total Non-VA Care Fee Payments made this quarter: \$796,323,008

Total High-Dollar Overpayments identified in this quarter: \$4,770,219

Percentage of Overpayments: 0.60%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$478,120.55	Entity	Phoenix	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	See Note Below Table
\$294,181.69	Entity	Phoenix	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$226,304.50	Entity	Anchorage	AK	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$202,760.57	Entity	Orlando	FL	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$196,115.26	Entity	Osceola	AR	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$194,038.10	Individual	Honolulu	HI	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$172,722.60	Entity	Anchorage	AK	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$145,788.02	Entity	Dallas	TX	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$139,730.04	Entity	Phoenix	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$130,060.93	Entity	Show Low	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$129,767.90	Entity	Tacoma	WA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full	

\$109,568.61	Entity	Tyler	TX	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$104,780.95	Entity	Phoenix	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$100,530.05	Entity	Evansville	IN	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$80,896.37	Entity	Anchorage	AK	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$79,943.16	Entity	Portland	OR	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$79,571.55	Entity	Minneapolis	MN	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$72,596.10	Entity	Tuskegee	AL	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$71,726.46	Entity	Las Vegas	NV	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$71,352.40	Entity	Sioux Falls	SD	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$65,528.44	Entity	Jacksonville	FL	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$64,769.74	Entity	Sun City	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$62,168.72	Entity	Boston	MA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$56,300.00	Entity	Chandler	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$56,294.90	Entity	Fargo	ND	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$55,108.52	Entity	Phoenix	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$54,358.86	Entity	Phoenix	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$53,829.49	Entity	Phoenix	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress

\$53,258.57	Entity	Belton	TX	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$50,998.36	Entity	Mesa	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$50,233.17	Entity	Show Low	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$49,726.38	Entity	Atlanta	GA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$47,926.54	Entity	Bristol	TN	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress
\$47,399.66	Entity	Anchorage	AK	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$45,277.88	Individual	Cleveland	OH	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$43,904.00	Entity	Memphis	TN	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$41,862.56	Entity	Burlington	MA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$41,710.78	Entity	Show Low	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$39,029.63	Entity	Madison	WI	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$35,815.42	Entity	New Orleans	LA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$34,765.00	Entity	Cleveland	OH	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$34,300.00	Entity	Phoenix	AZ	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$33,446.30	Entity	Austin	TX	Ineligible Good or Service	Verification error	Bill of Collection	Collection in Full
\$32,143.85	Entity	Phoenix	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$31,210.49	Entity	Hilo	HI	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full

\$30,426.13	Entity	Loma Linda	CA	Ineligible Good or Service	Verification error	Bill of Collection	Collection in Full
\$28,863.02	Entity	El Paso	TX	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$28,722.54	Entity	Spokane	WA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$28,421.23	Entity	Dallas	TX	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$27,565.19	Entity	Wellsboro	PA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$27,352.82	Entity	Sun City	AZ	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$25,924.23	Entity	Lebanon	NH	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$25,907.71	Entity	Lubbock	TX	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$25,803.39	Entity	Minneapolis	MN	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$25,311.77	Entity	Louisville	KY	Ineligible Recipient	Verification error	Bill of Collection	Collection in Full
\$25,253.97	Entity	Pottstown	PA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$24,304.59	Entity	New Orleans	LA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$23,400.00	Entity	Tarzana	CA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$22,149.78	Entity	Hollywood	FL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$21,959.00	Entity	Deland	FL	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$19,442.89	Entity	Indianapolis	IN	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$15,929.79	Individual	Atlanta	GA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress

\$14,621.12	Individual	Wytheville	VA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$12,012.20	Entity	Dallas	TX	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$10,113.07	Individual	Cleveland	OH	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress
\$9,726.01	Individual	Indianapolis	IN	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$8,377.72	Individual	Downingtown	PA	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress
\$7,869.38	Individual	Houston	TX	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$7,171.68	Individual	Lihue	HI	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$5,978.00	Individual	Fort Lauderdale	FL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$5,688.41	Individual	Macomb	MI	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full

Note:

1. VHA will provide education and training to clerks on payment methodologies to ensure proper claim processing and on Snap Web to help identify potential duplicate payments.

13. Other Services

VHA identified 51 high-dollar Other Services overpayments made during the second quarter of FY 2013. These overpayments consisted of both single and cumulative payments. The overpayments were caused by Administrative and Documentation errors, and Verification errors.

- 47 overpayments (92%) totaling \$2,965,582 are Administrative and Documentation errors where duplicate payments were issued, or the amount was incorrect.
- 4 overpayments (8%) totaling \$159,864 are Verification errors caused by issuing payments to ineligible beneficiaries.

Total Other Services Payments made this quarter: \$1,014,552,447
Total High-Dollar Overpayments identified in this quarter: \$3,125,446
Percentage of Overpayments: 0.31%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$392,808.06	Entity	Washington	DC	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	See Note Below Table
\$284,542.83	Entity	Flowood	MS	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$279,547.73	Entity	Washington	DC	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$209,068.04	Entity	Loganville	GA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$167,914.00	Entity	Philadelphia	PA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$144,362.22	Entity	Stafford	VA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$123,627.28	Entity	Mountain Home	AR	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$110,000.00	Entity	Germantown	PA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$95,337.42	Entity	Niskavuna	NY	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$83,256.80	Entity	Foster City	CA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$59,723.78	Entity	Pleasant Hill	CA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$55,852.39	Entity	Columbus	OH	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$55,221.74	Entity	New Orleans	LA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$53,563.80	Entity	Indianapolis	IN	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$51,125.00	Entity	Parsippany	NJ	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	

\$49,695.00	Entity	Oklahoma City	OK	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full
\$47,250.00	Entity	Sioux Falls	SD	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress
\$46,159.24	Entity	Salt Lake City	UT	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$45,988.00	Entity	Buffalo	NY	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$41,666.65	Entity	Tacoma	WA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$40,851.00	Entity	Dedham	MA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$40,687.33	Entity	Huntsville	AL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$39,879.10	Entity	Omaha	NE	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$39,497.00	Entity	Memphis	TN	Ineligible Recipient	Verification error	Bill of Collection	Collection in Full
\$39,303.00	Entity	Boston	MA	Ineligible Recipient	Verification error	Bill of Collection	Collection in Full
\$38,000.00	Entity	Clive	IA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$33,813.99	Entity	Tarrytown	NY	Ineligible Recipient	Verification error	Bill of Collection	Collection in Full
\$33,312.00	Entity	Quinton	VA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$33,301.00	Entity	Mission	KS	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$28,582.70	Entity	Cleveland	OH	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$27,013.00	Entity	Coalport	PA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$24,894.17	Entity	Chicago	IL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full

\$24,156.25	Entity	Rockfield	KY	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$23,696.51	Entity	Staten Island	NY	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$23,535.00	Entity	Herndon	VA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$22,742.01	Entity	Buffalo Grove	IL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$22,727.78	Entity	Round Rock	TX	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$19,107.97	Entity	Pasadena	CA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$18,947.74	Entity	Jacksonville	AR	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$15,364.00	Entity	Stockbridge	GA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$14,620.10	Entity	Baltimore	MD	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$14,185.51	Entity	Vancouver	WA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$13,794.84	Entity	Fort Smith	AR	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$13,500.00	Entity	Fargo	ND	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$13,483.33	Entity	Bonita	CA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full
\$13,164.82	Entity	San Diego	CA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$12,867.05	Entity	Teaneck	NJ	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$12,842.93	Entity	Norcross	GA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress
\$12,735.16	Entity	La Plata	MD	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress

\$12,640.82	Entity	Reston	VA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$5,490.00	Individual	Klamath Falls	OR	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

14. Personnel Services Costs

VHA identified one high-dollar Personnel Services Costs overpayment made during the second quarter of FY 2013. This overpayment consisted of a singular payment caused by a Verification error.

- 1 overpayment (100%) totaling \$8,237 is a Verification error caused by paying an ineligible beneficiary.

Total Personnel Services Costs Payments made this quarter: \$7,343,755,765

Total High-Dollar Overpayments identified in this quarter: \$8,237

Percentage of Overpayments: 0.0001%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$8,237.31	Individual	Portland	OR	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress	See Note Below Table

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

15. Pharmacy Medical Facilities

VHA identified three high-dollar Pharmacy Medical Facilities overpayments made during the second quarter of FY 2013. These overpayments consisted of both single and cumulative payments. The overpayments were caused by Administrative and Documentation errors, and a Verification error.

- 2 overpayments (66%) totaling \$42,295 are Administrative and Documentation errors where duplicate payments were issued.
- 1 overpayment (33%) totaling \$46,085 is a Verification error caused by paying an ineligible beneficiary.

Total Pharmacy – Medical Facilities Payments made this quarter: \$473,745,470

Total High-Dollar Overpayments identified in this quarter: \$88,380

Percentage of Overpayments: 0.02%

Note:

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$46,085.04	Entity	Frisco	TX	Ineligible Recipient	Verification error	Bill of Collection	Collection in Progress	See Note Below Table
\$28,594.12	Entity	Dublin	OH	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$13,700.50	Entity	Abbott Park	IL	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

16. Supplies and Materials

VHA identified seven high-dollar Supplies and Materials overpayments made during the second quarter of FY 2013. These overpayments consisted of both single and cumulative payments and were caused by Administrative and Documentation errors.

- 7 overpayments (100%) totaling \$219,728 are Administrative and Documentation errors where duplicate payments were issued, or the amount was incorrect.

Total Supplies and Materials Payments made this quarter: \$520,792,585

Total High-Dollar Overpayments identified in this quarter: \$219,728

Percentage of Overpayments: 0.04%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$62,727.60	Entity	Issaquah	WA	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full	See Note Below Table
\$56,372.36	Entity	Brea	CA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	
\$31,449.88	Entity	Carlisle	PA	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$22,402.10	Entity	Charlotte	NC	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$20,740.54	Individual	South Portland	ME	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Progress	

\$14,917.15	Entity	Commerce City	CO	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Full	
\$11,118.80	Individual	South Portland	ME	Incorrect Amount	Administrative and Documentation error	Bill of Collection	Collection in Full	

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

17. Transportation

VHA identified one high-dollar Transportation overpayment made during the second quarter of FY 2013. This overpayment consisted of a singular payment caused by an Administrative and Documentation error.

- 1 overpayment (100%) totaling \$19,322 is an Administrative and Documentation error where a duplicate payment was issued.

Total Transportation Payments made this quarter: \$9,740,562

Projected High-Dollar Overpayments for this quarter: \$19,322

Percentage of High-Dollar Overpayments to Compensation payments: 0.20%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$19,322.38	Entity	Gurabo	PR	Duplicate Payment	Administrative and Documentation error	Bill of Collection	Collection in Progress	See Note Below Table

Note:

1. To prevent future occurrence of overpayments in this program, VHA will provide additional training to staff.

Veterans Benefits Administration

18. Compensation Program

VBA uses analytical procedures to improve the statistical validity of the high-dollar overpayment review. This procedure requires a review of stratified random sample of the total number of overpayments. There were 9,966 overpayments identified in the second quarter of FY 2013.

A random sample of 385 overpayments was reviewed. The review revealed that 65 (17%) were compensation high-dollar overpayments, and 320 (83%) were compensation payments that did not meet the high-dollar overpayment criteria. Based on these results, VBA projected that 1,694 overpayments originally identified were high-dollar compensation overpayments, and an estimated 8,272 were payments that did not meet the high-dollar overpayment criteria. These results are based on estimates at a 95% confidence level with a ± 5% interval. Only the sampling results are included in the table in this report.

The Compensation Service identified 65 high-dollar compensation overpayments; 4 are due to Administrative and Documentation errors, 52 are Verification errors, and 9 are due to Authentication and Medical Necessity errors.

- 4 overpayments (7.5%) are due to Administrative and Documentation errors where VA processed a month of death payment to the spouse of a Veteran twice, VA failed to provide the beneficiary due process before reducing an award or adjusting military retired or separation pay, and when VA failed to accurately process the attorney fee agreement and paid all retroactive benefits to the Veteran rather than the attorney.
- 52 overpayments (78.5%) are Verification errors caused by the delayed notification of the death of a Veteran or beneficiary, when a Veteran became an incarcerated felon, or a dependency change, such as divorce or a child is no longer attending school. Verification errors are also caused when VA receives a delayed notification of a Veteran returning to active duty.
- 9 overpayments (14%) are due to Authentication and Medical Necessity errors caused by changes in countable income or a change in unreimbursed medical expenses used to reduce that income for VA purposes.

Total Compensation Payments made this quarter: \$14,527,710,474.85
 Projected High-Dollar Overpayments for this quarter: \$28,266,778.92
 Percentage of High-Dollar Overpayments to Compensation payments: 0.19%

Amount of Overpayment	Entity or Individual	City	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$103,557.00	Individual	Englewood	FL	Death of Beneficiary	Verification error	See Note 1 Below	In Collection Status	See Notes 2-10 Below
\$78,875.00	Individual	Dickson	TN	Death of Beneficiary	Verification error		In Collection Status	
\$65,951.00	Individual	Orange	NJ	Death of Beneficiary	Verification error		In Collection Status	
\$56,388.60	Individual	Phoenix City	AL	Incarcerated Beneficiary	Verification error		In Collection Status	
\$43,089.00	Individual	Staunton	VA	Income Change	Authentication and Medical Necessity error		In Collection Status	
\$41,370.00	Individual	Lancaster	SC	Income Change	Authentication and Medical Necessity error		In Collection Status	
\$41,044.00	Individual	La Follett	TN	Death of Beneficiary	Verification error		In Collection Status	
\$39,240.00	Individual	Calhoun	LA	Income Change	Authentication and Medical Necessity error		In Collection Status	
\$31,246.00	Individual	Monroe	NC	Income Change	Authentication and Medical Necessity error		In Collection Status	
\$29,380.00	Individual	Pittston	ME	Military Retired Pay	Administration and Documentation error		In Collection Status	
\$26,784.93	Individual	Quitman	GA	Other	Administration and Documentation error	In Collection Status		

\$24,154.43	Individual	Saint Francis	MN	Returned to Active Duty	Verification error		In Collection Status
\$23,488.00	Individual	Oklahoma City	OK	Income Change	Authentication and Medical Necessity error		In Collection Status
\$22,056.00	Individual	Elmendorf	TX	Returned to Active Duty	Verification error		In Collection Status
\$21,807.00	Individual	Chesapeake	VA	Death of Beneficiary	Verification error		In Collection Status
\$20,949.00	Individual	Mesquite	TX	Death of Beneficiary	Verification error		In Collection Status
\$18,704.00	Individual	Aurora	IN	Death of Beneficiary	Verification error		In Collection Status
\$15,224.00	Individual	North Clarendon	VT	Returned to Active Duty	Verification error		Paid In Full
\$14,473.30	Individual	Provo	UT	Returned to Active Duty	Verification error		In Collection Status
\$14,380.00	Individual	El Campo	TX	Death of Beneficiary	Verification error		In Collection Status
\$13,278.00	Individual	Federal Way	WA	Death of Beneficiary	Verification error		In Collection Status
\$13,081.63	Individual	Rome	GA	Returned to Active Duty	Verification error		In Collection Status
\$12,727.00	Individual	Tempe	AZ	Death of Beneficiary	Verification error		In Collection Status
\$12,518.50	Individual	Bruceston Mills	WV	Incarcerated Beneficiary	Verification error		In Collection Status
\$11,784.37	Individual	Washington	DC	Incarcerated Beneficiary	Verification error		In Collection Status
\$11,745.00	Individual	Kent	WA	Death of Beneficiary	Verification error		In Collection Status
\$11,150.00	Individual	Hurdle Mills	NC	Returned to Active Duty	Verification error		In Collection Status
\$9,410.83	Individual	Killeen	TX	Dependency Issue	Verification error		In Collection Status
\$9,120.50	Individual	Moore	OK	Returned to Active Duty	Verification error		In Collection Status
\$8,996.00	Individual	Brunswick	GA	Death of Beneficiary	Verification error		In Collection Status
\$8,870.00	Individual	Kaiapoi North Canterbury	New Zealand	Death of Beneficiary	Verification error		In Collection Status
\$8,520.00	Individual	Ridgewood	NJ	Income Change	Authentication and Medical Necessity error		In Collection Status
\$8,448.00	Individual	Plymouth	MA	Death of Beneficiary	Verification error		In Collection Status

\$8,448.00	Individual	Lafayette	IN	Death of Beneficiary	Verification error		In Collection Status
\$8,405.00	Individual	Norwood	MA	Death of Beneficiary	Verification error		In Collection Status
\$8,384.63	Individual	Pine	CO	Returned to Active Duty	Verification error		Paid In Full
\$8,307.00	Individual	Eagle Creek	OR	Death of Beneficiary	Verification error		In Collection Status
\$8,216.00	Individual	Clinton TWP	MI	Death of Beneficiary	Verification error		In Collection Status
\$7,788.73	Individual	Southern Pines	NC	Returned to Active Duty	Verification error		In Collection Status
\$7,392.00	Individual	Santa Isabel	PR	Income Change	Authentication and Medical Necessity error		In Collection Status
\$7,322.00	Individual	Port St. Lucie	FL	Death of Beneficiary	Verification error		Paid In Full
\$7,183.00	Individual	Somonauk	IL	Month Of Death	Verification error		In Collection Status
\$7,038.00	Individual	Port Neches	TX	Death of Beneficiary	Verification error		Paid In Full
\$7,026.00	Individual	Poway	CA	Month Of Death	Administration and Documentation error		In Collection Status
\$6,897.07	Individual	Shakopee	MN	Returned to Active Duty	Verification error		In Collection Status
\$6,564.00	Individual	Wappingers Falls	NY	Death of Beneficiary	Verification error		Paid In Full
\$6,515.20	Individual	Bastrop	TX	Returned to Active Duty	Verification error		In Collection Status
\$6,423.00	Individual	Alexander City	AL	Death of Beneficiary	Verification error		In Collection Status
\$5,987.00	Individual	Harrison	NY	Death of Beneficiary	Verification error		In Collection Status
\$5,856.84	Individual	Portsmouth	OH	Income Change	Authentication and Medical Necessity error		In Collection Status
\$5,832.00	Individual	Phoenix	AZ	Death of Beneficiary	Verification error		In Collection Status
\$5,796.00	Individual	Lanse	PA	Death of Beneficiary	Verification error		In Collection Status
\$5,769.00	Individual	Gainesville	GA	Death of Beneficiary	Verification error		In Collection Status
\$5,721.40	Individual	Fayetteville	NC	Returned to Active Duty	Verification error		In Collection Status
\$5,632.00	Individual	New Kensington	PA	Death of Beneficiary	Verification error		In Collection Status

\$5,632.00	Individual	Moorland	IA	Death of Beneficiary	Verification error		In Collection Status
\$5,632.00	Individual	West Palm Beach	FL	Death of Beneficiary	Verification error		In Collection Status
\$5,632.00	Individual	Birmingham	AL	Death of Beneficiary	Verification error		Paid In Full
\$5,632.00	Individual	Rego Park	NY	Death of Beneficiary	Verification error		In Collection Status
\$5,600.00	Individual	New York	NY	Death of Beneficiary	Verification error		In Collection Status
\$5,585.00	Individual	Farmington	MO	Death of Beneficiary	Verification error		Paid In Full
\$5,522.00	Individual	Pittsburgh	PA	Income Change	Authentication and Medical Necessity error		In Collection Status
\$5,385.90	Individual	Muscatine	IA	Returned to Active Duty	Verification error		In Collection Status
\$5,157.00	Individual	Aliso Viejo	CA	Death of Beneficiary	Verification error		In Collection Status
\$5,139.00	Individual	Hugo	MN	Military Retired Pay	Administration and Documentation error		In Collection Status

Note:

1. Overpayments are routinely recovered from future benefits awarded. If not recovered, further actions are then taken by the VA Debt Management Center, including referral to the Treasury Offset Program, as appropriate.
2. Administrative and Documentation overpayments are sometimes caused when a beneficiary dies too late in a month to stop the release of the payment for the month of death. While VA has a death match program with the Social Security Administration (SSA), the match is received once monthly from SSA, and usually after release of a benefit payment. The number of overpayments following death has been reduced as a result of VA's VETSNET "real time" processing technology.
3. Verification errors caused by adjustments for delayed notification of incarceration or fugitive felon status is a function of agreements made with state and local law enforcement agencies.
4. VA is not always notified timely of changes in dependency status. VA can immediately adjust awards if the beneficiary provides the change in dependency status. However, when VA receives such information from a third party, VA must provide 60 days of due process before adjusting the beneficiary's award.
5. The Department of Defense runs a quarterly match to identify persons who are concurrently receiving both active duty pay and VA disability benefits. Once notified of active duty status, VA must provide the beneficiary a 60-day due process period before it can adjust the award.
6. VBA established a workgroup in March 2012 to review the Compensation program, and identify best practices for reducing high-dollar overpayments.
7. VBA manages timeliness of completing action on issues involving potential overpayments by using special controls such as the workload End Product 690.
8. Field personnel monitor exception reports and take corrective action when system-generated messages indicate there are potential overpayments. Claims processors are directed to initiate action within 30 days of receiving these notices.
9. VBA requires field personnel take immediate action to resolve claims involving due process once their associated controls mature. This reduces the amount of potential overpayments created through delayed processing.
10. Some VA overpayments are inherent based on the requirements of 38 CFR § 3.103, Procedural Due Process and Appellate Rights, that do not allow VA to take adverse action regarding the payment of benefits without providing the beneficiary 60 days advance notice, although the beneficiary may request that VA take the adverse action immediately. This due process period extends an overpayment period by two additional months. One exception to extending due process occurs when VA is notified of a beneficiary's death.

19. Pension and Fiduciary Service

VBA uses analytical procedures to improve the statistical validity of the high-dollar overpayment review. This procedure requires a review of a stratified random sample of the total number of overpayments. There were 7,407 pension overpayments identified in the second quarter of FY 2013.

A random sample of 385 pension overpayments was reviewed. The review revealed that 115 (30%) were pension high-dollar overpayments, and 270 (70%) were pension payments that did not meet the high-dollar overpayment criteria. Based on these results, we projected that 2,222 overpayments originally identified were high-dollar pension overpayments, and an estimated 5,185 were payments that did not meet the high-dollar overpayment criteria. These results are based on estimates at a 95 percent confidence level with a ± 5 percent interval. Only the sampling results are included in the table in this report.

Pension and Fiduciary Service identified 115 high-dollar pension overpayments; 1 payment was due to Administrative and Documentation error, 21 were due to Verification errors, and 93 were due to Authentication and Medical Necessity errors.

- 1 overpayment (1%) was an Administrative and Documentation error and there was insufficient evidence to determine how the overpayment was created.
- 21 overpayments (18%) were Verification errors caused by delayed notification of the beneficiary's death, dependency changes, or retroactive adjustments for incarceration or fugitive felon status.
- 93 overpayments (81%) were Authentication and Medical Necessity errors caused by a change in countable income or a change in unreimbursed medical expenses, and one due to the claimant knowingly providing fraudulent information to obtain pension benefits.

Total Pension Payments made this quarter: \$1,286,428,271.88

Projected High-Dollar Overpayments for this quarter: \$44,479,569.11

Percentage of High-Dollar Overpayments to Pension: 3.46%

Amount of Overpayment	Entity or Individual	City	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$134,390.00	Individual	Montgomery	AL	Income Change	Authentication and Medical Necessity error	See Note 1 Below	In Collection Status	See Notes 2-12 Below
\$129,921.83	Individual	Philadelphia	PA	Fugitive Felon	Verification error		In Collection Status	
\$105,395.60	Individual	Akron	OH	Income Change	Authentication and Medical Necessity error		In Collection Status	
\$97,439.00	Individual	Joliet	IL	Income Change	Authentication and Medical Necessity error		In Collection Status	
\$90,562.00	Individual	Hayden	AL	Income Change	Authentication and Medical Necessity error		In Collection Status	

\$77,514.00	Individual	St. Louis	MO	Income Change	Authentication and Medical Necessity error	In Collection Status
\$63,562.00	Individual	Tampa	FL	Other	Authentication and Medical Necessity error	In Collection Status
\$52,833.00	Individual	Memphis	TN	Income Change	Authentication and Medical Necessity error	In Collection Status
\$52,547.00	Individual	Tavernier	FL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$52,303.00	Individual	San Juan	PR	Dependency Change	Verification error	In Collection Status
\$50,544.00	Individual	Winston Salem	NC	Income Change	Authentication and Medical Necessity error	In Collection Status
\$49,737.51	Individual	Port Richey	FL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$46,591.00	Individual	Fairbury	NE	Income Change	Authentication and Medical Necessity error	In Collection Status
\$40,980.00	Individual	Jamaica	NY	Income Change	Authentication and Medical Necessity error	In Collection Status
\$40,731.00	Individual	Snow Hill	NC	Income Change	Authentication and Medical Necessity error	In Collection Status
\$40,523.20	Individual	Edmore	MI	Income Change	Authentication and Medical Necessity error	In Collection Status
\$35,154.00	Individual	Cape Coral	FL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$34,419.00	Individual	Dearborn	MI	Income Change	Authentication and Medical Necessity error	In Collection Status
\$30,782.00	Individual	Marble Hill	MO	Income Change	Authentication and Medical Necessity error	In Collection Status
\$29,756.00	Individual	Dallas	TX	Income Change	Authentication and Medical Necessity error	In Collection Status
\$26,970.00	Individual	Gastonia	NC	Income Change	Authentication and Medical Necessity error	In Collection Status

\$26,717.00	Individual	Chicago	IL	Income Change	Authentication and Medical Necessity error	Paid In Full
\$26,459.00	Individual	Hazel Crest	IL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$26,095.00	Individual	Dunlap	TN	Income Change	Authentication and Medical Necessity error	Paid In Full
\$25,857.00	Individual	Voorhees	NJ	Income Change	Authentication and Medical Necessity error	In Collection Status
\$25,849.00	Individual	Memphis	TN	Income Change	Authentication and Medical Necessity error	In Collection Status
\$25,216.00	Individual	College Park	GA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$24,068.00	Individual	Westland	MI	Income Change	Authentication and Medical Necessity error	In Collection Status
\$23,929.00	Individual	Norman	OK	Dependency Change	Verification error	In Collection Status
\$23,561.00	Individual	Breaux Bridge	LA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$23,422.00	Individual	Tuba City	AZ	Income Change	Authentication and Medical Necessity error	In Collection Status
\$23,291.00	Individual	Chicago	IL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$23,193.00	Individual	West Jordan	UT	Income Change	Authentication and Medical Necessity error	In Collection Status
\$23,016.00	Individual	Yountville	CA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$22,746.00	Individual	Madison	MS	Income Change	Authentication and Medical Necessity error	In Collection Status
\$22,210.00	Individual	Ephrata	PA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$22,133.00	Individual	Orrville	OH	Income Change	Authentication and Medical Necessity error	In Collection Status

\$22,054.00	Individual	Madison	TN	Income Change	Authentication and Medical Necessity error	In Collection Status
\$21,834.00	Individual	Sherman Oaks	CA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$19,990.00	Individual	Troy	VA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$19,653.00	Individual	Evergreen	AL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$19,437.00	Individual	Cleveland	TN	Income Change	Authentication and Medical Necessity error	In Collection Status
\$17,886.67	Individual	Ripley	MS	Incarcerated	Verification error	In Collection Status
\$17,491.00	Individual	Norwood Park	IL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$17,086.00	Individual	New York	NY	Income Change	Authentication and Medical Necessity error	In Collection Status
\$17,023.00	Individual	Southbridge	MA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$16,896.00	Individual	Chepachet	RI	Income Change	Authentication and Medical Necessity error	In Collection Status
\$15,944.00	Individual	Cherry Valley	CA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$15,840.00	Individual	Stillwater	OK	Income Change	Authentication and Medical Necessity error	In Collection Status
\$15,670.00	Individual	Annville	PA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$15,657.00	Individual	Bridgeport	WV	Income Change	Authentication and Medical Necessity error	In Collection Status
\$ 15,373.00	Individual	Bloomington	IL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$15,358.00	Individual	Kansas City	MO	Income Change	Authentication and Medical Necessity error	In Collection Status

\$14,898.00	Individual	Williamsville	NY	Income Change	Authentication and Medical Necessity error	In Collection Status
\$14,898.00	Individual	New Braunfels	TX	Income Change	Authentication and Medical Necessity error	In Collection Status
\$14,898.00	Individual	Lemon Grove	CA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$14,584.00	Individual	Bastrop	TX	Income Change	Authentication and Medical Necessity error	In Collection Status
\$14,287.00	Individual	Bar Harbor	ME	Income Change	Authentication and Medical Necessity error	In Collection Status
\$14,283.00	Individual	Cartersville	GA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$13,705.00	Individual	St. Louis	MO	Income Change	Authentication and Medical Necessity error	In Collection Status
\$13,620.00	Individual	Iva	SC	Income Change	Authentication and Medical Necessity error	In Collection Status
\$13,568.00	Individual	New-port News	VA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$13,139.00	Individual	Reading	PA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$13,129.00	Individual	Wichita Falls	TX	Income Change	Authentication and Medical Necessity error	In Collection Status
\$12,640.00	Individual	Lake Mary	FL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$12,619.00	Individual	Steele	AL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$12,615.00	Individual	Franklin	MI	Income Change	Authentication and Medical Necessity error	In Collection Status
\$12,444.00	Individual	Masbury	OH	Income Change	Authentication and Medical Necessity error	In Collection Status
\$12,384.00	Individual	Orlando	FL	Income Change	Authentication and Medical Necessity error	In Collection Status

\$12,235.00	Individual	Fayetteville	NC	Income Change	Authentication and Medical Necessity error		In Collection Status
\$12,197.00	Individual	Jennings	MO	Income Change	Authentication and Medical Necessity error		In Collection Status
\$12,000.00	Individual	Bay City	TX	Income Change	Authentication and Medical Necessity error		In Collection Status
\$11,893.00	Individual	Lake Charles	LA	Income Change	Authentication and Medical Necessity error		Paid In Full
\$11,306.00	Individual	Modesto	CA	Death of Beneficiary	Verification error		In Collection Status
\$10,890.00	Individual	Brooksville	FL	Income Change	Authentication and Medical Necessity error		In Collection Status
\$10,771.53	Individual	Decatur	IL	Incarcerated	Verification error		In Collection Status
\$10,728.00	Individual	Summerville	SC	Income Change	Authentication and Medical Necessity error		In Collection Status
\$10,296.00	Individual	Damascus	MD	Income Change	Authentication and Medical Necessity error		In Collection Status
\$10,226.00	Individual	Lincoln	NE	Income Change	Authentication and Medical Necessity error		In Collection Status
\$10,208.00	Individual	Millington	TN	Income Change	Authentication and Medical Necessity error		In Collection Status
\$10,088.00	Individual	San Diego	CA	Income Change	Authentication and Medical Necessity error		In Collection Status
\$9,903.00	Individual	Greenville	TN	Income Change	Authentication and Medical Necessity error		In Collection Status
\$9,612.00	Individual	Pound	VA	Income Change	Authentication and Medical Necessity error		In Collection Status
\$8,983.00	Individual	Seymour	TN	Income Change	Authentication and Medical Necessity error		In Collection Status
\$8,804.37	Individual	Charleston	SC	Incarcerated	Verification error		In Collection Status
\$8,785.00	Individual	Hickory	NC	Income Change	Authentication and Medical Necessity error		In Collection Status

\$8,640.00	Individual	Winston Salem	NC	Income Change	Authentication and Medical Necessity error	In Collection Status
\$8,246.00	Individual	St. Louis	MO	Death of Beneficiary	Verification error	In Collection Status
\$7,948.00	Individual	Shandaken	NY	Income Change	Authentication and Medical Necessity error	In Collection Status
\$7,742.00	Individual	Muskegon	MI	Dependency Change	Verification error	In Collection Status
\$7,446.00	Individual	Houston	TX	Unknown	Unclassified	In Collection Status
\$7,230.00	Individual	Ponce	PR	Income Change	Authentication and Medical Necessity error	In Collection Status
\$7,164.00	Individual	Colorado Springs	CO	Death of Beneficiary	Verification error	In Collection Status
\$6,971.00	Individual	Cape Canaveral	FL	Death of Beneficiary	Verification error	In Collection Status
\$6,963.00	Individual	New Ellentown	SC	Income Change	Authentication and Medical Necessity error	In Collection Status
\$6,852.00	Individual	Portsmouth	OH	Income Change	Authentication and Medical Necessity error	In Collection Status
\$6,602.00	Individual	Ruston	LA	Death of Beneficiary	Verification error	Paid In Full
\$6,583.00	Individual	Albany	OH	Death of Beneficiary	Verification error	Paid In Full
\$6,323.37	Individual	Atmore	AL	Income Change	Authentication and Medical Necessity error	In Collection Status
\$6,192.00	Individual	Dublin	VA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$6,147.00	Individual	Rocky Point	NC	Income Change	Authentication and Medical Necessity error	In Collection Status
\$6,127.00	Individual	Suttons Bay	MI	Death of Beneficiary	Verification error	Paid In Full
\$6,126.00	Individual	Cleveland	OH	Income Change	Authentication and Medical Necessity error	In Collection Status
\$6,040.87	Individual	Tracy	CA	Incarcerated	Verification error	In Collection Status
\$5,489.00	Individual	Buffalo Grove	IL	Death of Beneficiary	Verification error	In Collection Status

\$5,489.00	Individual	Swartz Creek	MI	Death of Beneficiary	Verification error	In Collection Status
\$5,397.00	Individual	Ponce	PR	Income Change	Authentication and Medical Necessity error	In Collection Status
\$5,386.00	Individual	Commerce	GA	Dependency Change	Verification error	In Collection Status
\$5,200.00	Individual	Cambridge	MA	Income Change	Authentication and Medical Necessity error	In Collection Status
\$5,156.00	Individual	Ontario	OH	Income Change	Authentication and Medical Necessity error	In Collection Status
\$5,138.00	Individual	Blackwood	NJ	Death of Beneficiary	Verification error	Paid In Full
\$5,109.00	Individual	St. Louis	MO	Death of Beneficiary	Verification error	Paid In Full
\$5,100.00	Individual	New York	NY	Death of Beneficiary	Verification error	In Collection Status
\$3,731.00	Individual	Depew	NY	Income Change	Authentication and Medical Necessity error	In Collection Status
\$3,156.00	Individual	Lawndale	NC	Income Change	Authentication and Medical Necessity error	Paid In Full

Notes:

1. Overpayments are routinely recovered from future benefits awarded. If not recovered, further actions are then taken by the VA Debt Management Center, including referral to the Treasury Offset Program, as appropriate.
2. Verification error errors caused by adjustments for delayed notification of incarceration or fugitive felon status is a function of agreements made with state and local law enforcement agencies. VA must provide due process when notified by law enforcement agencies of the beneficiary's incarceration or fugitive felon status.
3. Overpayments are sometimes caused when a beneficiary dies too late in a month to stop the release of the payment for the month of death. While VA has a death match program with the Social Security Administration (SSA), the match is received once monthly from SSA, and usually after release of a benefit payment. The number of overpayments following death has been reduced as a result of VA's VETSNET "real time" processing technology.
4. VA is not always notified timely of changes in dependency status. VA can immediately adjust awards if the beneficiary provides the change in dependency status. However, when VA receives such information from a third party, VA must provide 60 days of due process before adjusting the beneficiary's award.
5. Increases in countable income may result in high-dollar overpayments when there are not enough medical expenses to reduce the countable income, or if the income itself has increased. Increases in countable income may result in high-dollar overpayments when there are not enough medical expenses to reduce the countable income, or if the income itself has increased.
6. VA must provide due process when presented with evidence of the beneficiary's commission of possible fraud. Payments are terminated for the period where benefits were fraudulently procured.
7. VBA work group – March 2012. The work group was formed to formulate and implement a strategy to reduce the amount of high-dollar overpayments.
8. Develop specific guidance on pension benefit adjustments.
9. Provide guidance under M21-1MR, Part I, Chapter 2.B.7.a, which requires field personnel to resolve claims involving due process when the associated controls mature.

10. Continue to provide feedback to field employees Pension Management Center conference calls. VBA is establishing performance measures to address timeliness of processing maintenance workload.

11. Share the findings from this review with the field, so they can implement local reviews and address local high-dollar overpayment issues.

12. Include matching program training in the mandatory topics for the FY 2013 National Pension Training Curriculum.

20. Education Program

VBA uses analytical procedures to improve the statistical validity of the high-dollar overpayment review. This procedure requires a review of a stratified random sample of the total number of overpayments. There were 22,604 Education overpayments identified in the second quarter of FY 2013.

A random sample of 251 overpayments was reviewed. The review revealed that 7.6 percent were Education high-dollar overpayments, and 92.4 percent were Education payments that did not meet the high-dollar overpayment criteria. Based on these results, we projected that 1,717 of 22,466 overpayments originally identified were high-dollar Education overpayments, and an estimated 20,887 were payments that did not meet the high-dollar overpayment criteria. These results are based on estimates at a 95 percent confidence level with a ± 5 percent interval. Only the sample results are provided in the table below.

Education Service identified 19 high-dollar Education overpayments; 5 were Administrative and Documentation errors, and 14 were Verification Errors.

- 5 overpayments (26%) were due to Administrative and Documentation errors caused by VA issuing duplicate payments and/or data input errors or by incorrect reporting of tuition and fees by school(s). This is similar to the first quarter of FY 2013 where the most common VA errors were the same.
- 14 overpayments (74%) were Verification errors when the school(s) provided incorrect reporting of tuition and fees to VA.

Total Education Payments made this quarter: \$3,225,664,000.00

Projected High-Dollar Overpayments for this quarter: \$6,515,771.63

Percentage of High-Dollar Overpayments to Education payments is: 0.20%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Recurrence
\$6,929.39	I	Aumsville	OR	VA data input error	Administrative and Documentation error	See note #1	In Collection Status	See notes #2 and #3
\$4,827.90	I	Union City	GA	VA data input error	Administrative and Documentation error		In Collection Status	
\$1,994.49	E	Raleigh	NC	VA data input error	Administrative and Documentation error		In Collection Status	
\$1,974.05	E	Virginia Beach	VA	VA data input error	Administrative and Documentation error		In Collection Status	
\$1,949.25	I	Brandon	SD	VA data input error	Administrative and Documentation error		In Collection Status	

Comment [TW1]: Add error into each column going down - Administrative and Documentation error/Verification error. Please make sure the "e" is lowercase.

Comment [BW2]: For consistency, the word error is not use.d

\$7,534.09	E	Denver	CO	Incorrect Reporting of Tuition by School	Verification error		In Collection Status	
\$7,500.00	E	Brooklyn	NY	Incorrect Reporting of Tuition by School	Verification error		Paid in Full	
\$8,994.50	E	Fort Drum	NY	Incorrect Reporting of Tuition by School	Verification error		In Collection Status	
\$8,246.90	I	Cordova	TN	Incorrect Reporting of Tuition by School	Verification error		In Collection Status	
\$1,755.00	E	Rosa Mond	CA	Incorrect Reporting of Tuition by School	Verification error		Paid in Full	
\$1,755.00	E	Spring Hill	TN	Incorrect Reporting of Tuition by School	Verification error		In Collection Status	
\$1,751.55	E	Chicago	IL	Incorrect Reporting of Tuition by School	Verification error		In Collection Status	
\$2,973.81	E	Los Angeles	CA	Incorrect Reporting of Tuition by School	Verification error		In Collection Status	
\$2,925.00	E	Mobile	AL	Incorrect Reporting of Tuition by School	Verification error		In Collection Status	
\$2,662.20	E	San Diego	CA	Incorrect Reporting of Tuition by School	Verification error		Paid in Full	
\$1,996.65	E	Riverside	CA	Incorrect Reporting of Tuition by School	Verification error		Paid in Full	
\$1,996.65	E	San Lorenzo	CA	Incorrect Reporting of Tuition by School	Verification error		Paid in Full	
\$1,800.00	E	Randleman	NC	Incorrect Reporting of Tuition by School	Verification error		Paid in Full	
\$1,731.00	E	Scottsdale	AZ	Incorrect Reporting of Tuition by School	Verification error		In Collection Status	

Notes:

1. Overpayments are routinely recovered from future benefits awarded. If not recovered, further actions are then taken by the VA Debt Management Center, including referral to the Treasury Offset Program, as appropriate.

2. To decrease the potential for human error, VA continues to take a two-step approach; (1), focus on training its employees; and (2), field improvements in electronic processing systems to aid in decreasing human errors. Each Regional Processing Office and the Central Office has 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 continues to be a challenge for VA due to the transition of LTS to sustainment and possible future statutory changes in the Post-9/11 GI Bill.

3. VA published a nationwide School Certifying Official Handbook, which establishes common requirements and detailed instructions for School Certifying Officials to prepare and submit enrollment and attendance information to VA. In addition, recent statutory changes authorized State Approving Agencies to conduct school Compliance Surveys. This will increase VA presence on campuses and enable additional assessment of school official compliance and increase VA opportunities to provide focused training for school officials.

21. Vocational Rehabilitation and Employment (VR&E)

VBA identified 81 records for VR&E Service overpayments in the second quarter of FY 2013. All 81 overpayments were reviewed. The review revealed that 6 (7.41%) were VR&E high dollar overpayments, and 75 (92.59%) were VR&E payments that did not meet the high dollar overpayment criteria. VR&E Service identified 6 high-dollar compensation overpayments and all were Administrative and Documentation errors.

- 3 overpayments (50%) were Administrative and Documentation error errors caused by school error. One was a result of the school not reviewing the Veteran's file. The school certified Veteran for Chapter 33 when she had already been certified under Chapter 31. This resulted in the Veteran receiving double the subsistence allowance for attending school.
- 3 overpayments (50%) were Verification errors caused when the Veteran switching between VR&E benefit programs and did not timely notify the Vocational Rehabilitation Counselor of any changes.

Total VR&E Payments made this quarter: \$241,337,579
 Projected High-Dollar Overpayments for this quarter: \$59,252.21
 Percentage of High-Dollar Overpayments to VR&E payments: 0.02%

Amount of Overpayment	Entity or Individual	City/ County	State	Cause of Overpayment	OMB Error Type	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$9,828.00	Individual	Brooklyn	NY	School Error	Administrative and Documentation error	See Note 1 below	Collection in Full	See Notes 2 - below
\$6,211.10	Individual	Chandler	AZ	Veteran changing enrollment status and failing to timely inform VR&E	Verification error		Collection in Progress	
\$7,637.61	Individual	Portland	OR	Veteran changing enrollment status and failing to timely inform VR&E	Verification error		Collection in Progress	

Comment [TW3]: Spell out VR&E at first usage.

Comment [TW4]: What is CH? Chapter 33, commonly used in VA

\$5,139.19	Individual	Temple Hills	MD	Veteran changing enrollment status and failing to timely inform VR&E	Verification error	Collection in Progress
\$20,920.89	Individual	Hattiesburg	MS	Other: CH30 overpayment based on information from OIG office in Jackson, MS	Administration and Documentation error	Collection in Progress
\$9,515.42	Individual	Little Rock	AR	Other: Veteran elected CH33 BAH rate effective 08/15/2011 under CH31	Administration and Documentation error	Collection in Full

Notes:

1. Overpayments are routinely recovered from future benefits awarded. If not recovered, further actions are then taken by the VA Debt Management Center, including referral to the Treasury Offset Program, as appropriate.
2. School was instructed to not submit payments under more than one chapter. School to provide training to certifying official.
3. Veteran was seen in counseling and reviewed the reasons for dropping courses. Veteran counseled on the importance of updating case manager on any changes with school. Veteran was counseled about avoiding overpayments by completing coursework and informing case manager of any changes.

22. Insurance:

VBA identified three overpayments for Insurance during the second quarter of FY 2013. All three overpayments were caused by Administrative and Documentation errors.

- 3 overpayments (100%) totaling \$80,845.46 were Administrative and Documentation errors caused when an individual other than the beneficiary of record (not signed by the policyholder) was erroneously paid the proceeds of the insurance policy, and when the insurance proceeds were paid to an individual with the same name as the individual named on the beneficiary designation of record.

Total Insurance Service Payments made this quarter: \$349,037,332.73

Projected High-Dollar Overpayments for this quarter: \$80,845

Percentage of High-Dollar Overpayments to Insurance Service payments is: 0.02%

Amount of Overpayment	Entity or Individual	City/	State	Cause of Overpayment	OMB Error Type	Actions/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
\$ 60,568.11	Individual	Eldorado Springs	MO	Insurance proceeds were paid to the wrong beneficiary.	Administrative and Documentation error	See Note 1 Below	Collection In Progress	See Note 2 – 3 below

\$ 15,097.92	Individual	Sebastopol	CA	Insurance proceeds were paid to the wrong beneficiary with the same name as the correct beneficiary.	Administrative and Documentation error	Collection In Progress
\$ 5,179.43	Individual	Norristown	PA	Insurance proceeds were paid to the wrong beneficiary.	Administrative and Documentation error	Collection In Progress

Notes:

1. Overpayments are routinely recovered from future benefits awarded. If not recovered, further actions are then taken by the VA Debt Management Center, including referral to the Treasury Offset Program, as appropriate.
2. Other actions to prevent reoccurrence include improving documentation.
3. Some VA overpayments are inherent based on the requirements of 38 CFR § 3.103, Procedural Due Process and Appellate Rights, that 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. One exception to this requirement is when VA is notified of a beneficiary's death.

NCA

23. Burial Services:

NCA identified 38 high-dollar overpayments to six different entities during the second quarter of FY 2013 totaling \$491,450.29. These overpayments consisted of both singular and cumulative overpayments. The overpayments are being reported collectively by entity.

- 6 overpayments (100%) were due to Administrative and Documentation errors caused by when an invoice was manually paid twice, staff certified invoices twice, when an invoice was manually paid twice, or where payment batches were processed in the financial system twice.

Total Payments made this quarter: \$89,391,840.12

Total High-Dollar Overpayments identified this quarter: \$491,450.29

Percentage of Overpayments: 0.55%

Amount of Overpayment	Entity or Individual	City/County	State	Cause of Overpayment	OMB Error Type	Action/Plans to Recover Overpayment	Status of Overpayment	Overall Actions/Plans to Prevent Re-occurrence
33,573.00	Entity	Columbus	MS	Duplicate Payment	Administrative and Documentation error	See Note #1	Collected in Full	See Note 2 – 3 Below
29,640.00	Entity	Barre	VT	Duplicate Payment	Administrative and Documentation error		Collected in Full	
335,514.00	Entity	Columbus	MS	Duplicate Payment	Administrative and Documentation error		Collected in Full	

14,445.54	Entity	Wayne	PA	Duplicate Payment	Administrative and Documentation error		Collected in Full	
62,580.00	Entity	Pittsburgh	PA	Duplicate Payment	Administrative and Documentation error		Collection in progress	
15,697.75	Entity	Pittsburgh	PA	Duplicate Payment	Administrative and Documentation error		Collected in Full	

Notes:

1. Created bill of collection.
2. Enhance internal controls and personnel training.
3. Implement automated controls within both FSC and the financial system to ensure that FSC does not present or accept any duplicate files for payment.