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(202) 461-7600
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VA Identifies Additional Beneficiaries in Need of Fiduciary Assistance

*New Technologies Aid VA in Identifying 14,000 Beneficiaries Delayed for Fiduciary Appointments
Due to Claims Processing Errors*

WASHINGTON – The Department of Veterans Affairs (VA) announced today that an information technology system that it deployed in 2014 and enhanced in 2015, the Beneficiary Fiduciary Field System, allowed it to identify claim processing errors affecting approximately 14,000 Veterans and survivors. These Veterans' and survivors' claims were initially filed over many years, with some going back as far as 2000. The errors concern cases in which VA had proposed that due to disability or age the beneficiary was unable to manage his or her VA benefits without assistance, but did not complete the action by transferring it within VA for appointment of a fiduciary. These cases represent approximately four percent of such proposals since 2000.

VA's Veterans Benefits Administration (VBA) became aware of a potential problem when it received inquiries about delayed fiduciary appointments from affected beneficiaries or their families. A system-wide review by VBA using the new technology found claim processing errors that had occurred at each of its regional offices and pension management centers across the country. In these cases, one or more of the procedures for controlling and transferring the workload were not followed, resulting in the fiduciary appointment delays.

"We sincerely apologize to these Veterans and their survivors for this regrettable delay," said VA Deputy Secretary Sloan D. Gibson. "We are taking immediate action to complete these cases, initiate the fiduciary appointment process, and ensure that these errors do not happen again. We must also continue to transform the claim process for beneficiaries needing fiduciary assistance and properly resource our fiduciary program to ensure that beneficiaries have the help they need to effectively use the benefits they earned."

VBA has set up a dedicated team to immediately review the cases, notify beneficiaries, complete the claim processing steps, and appoint a fiduciary as quickly as possible. Because the law requires VA to check the qualifications of the fiduciaries it appoints, including conducting a face-to-face interview, VA anticipates that it may take as much as six months or more to complete the fiduciary appointment process for these beneficiaries. However, the beneficiaries will continue to receive their monthly benefits as VA works to appoint a fiduciary to assist them.

Additionally, VBA has already modified its systems to better track this workload and plans to remove manual transfer processes that are prone to error through enhancements to its automated claims processing system, the Veterans Benefits Management System.

For more information, Veterans can contact (1-888-407-0144).

Additional Information on VA's Fiduciary Program:

The VA fiduciary program provides oversight of beneficiaries who, due to injury, disease, or the infirmities of age, are unable to manage their VA benefits. VA's role is to conduct oversight of beneficiaries to ensure their well-being, and oversee the fiduciaries it appoints to assist beneficiaries with the management of their VA benefits. In 2015, VA protected more than 224,000 beneficiaries, who received over \$3 billion in VA benefits. Beneficiaries in the fiduciary program include Veterans, surviving spouses, dependent parents, adult children, and minor children. The number of beneficiaries served by the program has grown by 50 percent since 2011 and VA projects continued growth as it increases its benefit claims production (1.4 million claims in 2015) and the beneficiary population ages.

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