



DEPARTMENT OF VETERANS AFFAIRS  
**OFFICE OF INSPECTOR GENERAL**

*Office of Audits and Evaluations*

VETERANS BENEFITS ADMINISTRATION

# Improvements Still Needed in Processing Military Sexual Trauma Claims

REVIEW

REPORT #20-00041-163

AUGUST 5, 2021



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## Executive Summary

The Department of Defense estimates that two of every three sexual assaults suffered during military service go unreported for a range of reasons, including concerns about retaliation using performance reports, and the perception that the military chain of command will be unresponsive. These problems persist even with more than a decade of Department of Defense efforts to make it easier for service members to report such incidents.<sup>1</sup> As a result, evidence of the trauma can be difficult to subsequently produce or validate.<sup>2</sup> Processing veterans' benefit claims for posttraumatic stress disorder (PTSD) related to military sexual trauma poses a special challenge for VA because so many sexual assaults are not reported when they happen.<sup>3</sup>

In response to this challenge, the Veterans Benefits Administration (VBA) has established special procedures to help veterans support their claims of PTSD related to military sexual trauma when they do not have the evidence or documentation usually required to receive benefits. To receive disability compensation benefits for PTSD, veterans must have a current diagnosis, credible evidence that the sexual assault or harassment (the stressor) occurred during military service, and a medical opinion linking the current symptoms and the in-service stressor.<sup>4</sup>

In an August 2018 report, the VA Office of Inspector General (OIG) found that about 49 percent of the military sexual trauma claims denied between April 1 and September 30, 2017, were not properly processed under VBA procedures.<sup>5</sup> The claims processors had not completed all required actions to obtain and review evidence before making a decision. These premature denials could have resulted in veterans not receiving the benefits they deserved. The OIG made six recommendations intended to help VBA review and correct all prematurely denied military sexual trauma claims since October 1, 2016, and to better process these claims in the future.

The OIG conducted this follow-up review to determine whether VBA effectively implemented these recommendations and improved how it processed military sexual trauma claims.

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<sup>1</sup> Department of Defense, *Annual Report on Sexual Assault in the Military: Fiscal Year 2018*, April 26, 2019.

<sup>2</sup> VBA Training Letter 11-05, "Adjudicating PTSD Claims Based on MST," December 2, 2011 (historical). The term historical in citations refers to a mandate, policy, or guidance that has changed frequently over time in number designation, title, or other revisions. Unless otherwise noted, the substantive content of the support remained in effect during the review period.

<sup>3</sup> VA Manual 21-1, part 4, sub. 2, chap. 1, sec. D, topic 5, Military sexual trauma is specifically related to sexual harassment, sexual assault, or rape that occurred in a military setting.

<sup>4</sup> 38 C.F.R. § 3.304(f).

<sup>5</sup> VA OIG, *Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma*, Report No. 17-05248-241, August 21, 2018.

## What the Review Found

The OIG found that VBA claims processors did not always follow the policies and procedures for processing military sexual trauma claims that VBA updated in response to the OIG's August 2018 report recommendations for corrective action. This noncompliance occurred because VBA leaders did not effectively implement the OIG's recommendations and did not ensure adequate governance over military sexual trauma claims processing. Overall, the review team, whose findings are presented in this report, estimated that about 57 percent of denied military sexual trauma claims were still not being processed correctly from October 1 to December 31, 2019, which was not an improvement from the 49 percent rate noted in the August 2018 report covering the period from April 1 to September 30, 2017. The OIG concluded that VBA was not properly implementing recommended changes to assist veterans who had experienced military sexual trauma in obtaining the care and benefits to which they are entitled.

### VBA Did Not Effectively Implement the OIG's Recommendations

In its August 2018 report, the OIG made six recommendations to the under secretary for benefits to help reevaluate previously processed military sexual trauma claims and improve the processing of these claims. Generally, the errors VBA claims processors made involved missing markers indicative of sexual trauma, failing to obtain all required records before completing the claim, or not requesting an exam when warranted. Any of these errors could result in veterans being prematurely denied benefits they should receive. In this follow-up review, the OIG determined that VBA did not effectively implement the six recommendations, leading to continued deficiencies with military sexual trauma claims processing.<sup>6</sup>

*August 2018 Recommendation 1*—VBA was to review all denied military sexual trauma claims starting October 1, 2016, to determine whether all required procedures were followed, take corrective action based on the review results, render new decisions as appropriate, and report its actions to the OIG. VBA established a standard operating procedure for reviewing previously denied claims and in September 2019 reported that second reviewers found 7,777 of 9,724 claims through June 30, 2018, did not contain errors. This included 43 samples from the 2018 review, leaving 7,734 for this review. However, based on its sample, the OIG follow-up review team estimated that about 2,400 of these 7,734 “no-error” claims (31 percent) did indeed have processing deficiencies that resulted in premature denial of benefits.

*August 2018 Recommendation 2*—Military sexual trauma claims were to be handled by a specialized group of claims processors. As of November 27, 2018, VBA required that only designated and specially trained personnel process military sexual trauma claims. However, the OIG examined claims after VBA implemented the recommendations and found

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<sup>6</sup> Appendix A includes the sampling methodology. Calculations for report estimates are in appendix B.

noncompliance with this requirement. Based on a statistical sample of 75 claims, the review team conducting this follow-up estimated about 870 of 1,100 military sexual trauma claims (80 percent) denied from October 1 through December 31, 2019, were reviewed by VBA employees not designated as military sexual trauma claims processors.

*August 2018 Recommendation 3*—All denied military sexual trauma claims were to receive an additional level of review, and VBA was to hold second-level reviewers accountable for accuracy. In response, VBA required that military sexual trauma claim decisions made by rating veterans service representatives undergo a second-level review until the representatives demonstrated competency in processing the claims. However, based on a review of a sample of claims processed after that response, the OIG follow-up team estimated that about 320 of 440 claims (73 percent) requiring a second-level review did not meet this requirement.

*August 2018 Recommendation 4*—VBA was to conduct special focused quality improvement reviews of denied military sexual trauma claims and take corrective action as needed. In November 2019, VBA's special focused review assessed 197 denied claims from May to June 2019 and reported an 85 percent accuracy rate in claims processing. The OIG's follow-up review of the claims sampled from this special focused review found errors VBA did not find in 13 of 14 claims. Additionally, for 86 percent of the claims that Quality Assurance staff reported as accurate, the review team found the quality staff had actually identified procedural errors but did not report those errors when they conveyed their final results.

*August 2018 Recommendation 5*—Training updates were recommended for military sexual trauma claims processors, with monitoring to assess effectiveness. VBA updated the training courses and required all designated claims processors to complete them before processing claims. The follow-up review team examined a statistical sample of claims processed after VBA responded to this recommendation and estimated about 870 of 1,100 military sexual trauma claims (80 percent) denied during that period were at least partially processed by staff who had not completed the required training.

*August 2018 Recommendation 6*—VBA was to update its military sexual trauma-specific claims development checklists to include evaluative steps that claims processors must take, in accordance with applicable regulations. In October 2018, it developed two checklists and a worksheet to help VBA employees identify markers and complete other required processing steps. However, the OIG found claims in which processors failed to complete one or more of the required checklists and the worksheet. The team's review of a sample of claims processed after VBA responded to this recommendation revealed about 550 of 1,100 military sexual trauma claims (51 percent) denied from October 1 through December 31, 2019, did not contain the required checklists or worksheet.

## **VBA Leaders Did Not Establish Adequate Governance over Military Sexual Trauma Claims Processing**

Although VBA took steps to implement each of the OIG's August 2018 report recommendations, it did not monitor for compliance with those steps to improve military sexual trauma claims processing. VA has undertaken a special obligation to help individuals claiming military sexual trauma to produce any available evidence in support of their claim. This obligation includes making all required efforts to obtain evidence that may show indicators of sexual trauma and consider all available evidence before deciding the claim. The OIG found inadequate governance of the processing of military sexual trauma claims undermined VBA's efforts to meet that obligation.

Governance is particularly difficult when oversight responsibility is shared among multiple offices for complex processes, as is the case for VBA managers within the Compensation Service, the Office of Field Operations, and the regional offices. Each entity has shared responsibility for ensuring accurate and consistent claims processing that meets high quality standards. Communication among these offices is key to successfully manage the processing of military sexual trauma claims. When VBA attempted to reevaluate the 82 prematurely denied claims identified in the OIG's 2018 review, communication problems between the Compensation Service, the Office of Field Operations, and the regional offices caused a breakdown in the process. The OIG had provided the Compensation Service with detailed summaries of the errors identified but, in the majority of instances, Compensation Service did not share these summaries with the Office of Field Operations. In addition, Office of Field Operations staff confirmed they did not follow up with the regional offices to ensure errors were corrected. As a result, regional offices where the processing is performed were not always informed of the problems. For each of the 82 cases, the review team identified claims development deficiencies that required correction, and the VBA Quality Assurance staff concurred. In multiple cases, VBA claims processors who rereviewed these 82 claims still reported no development deficiencies and claimed the prior denial was correct.

VBA is responsible for ensuring all claims are accurately processed. The OIG noted that had information on the deficiencies been shared and adequate monitoring on revised policies and procedures been conducted, VBA could have fully corrected previously identified errors it had agreed with and might have prevented processors from continuing to make similar mistakes.

Greater overall oversight and increased accountability were also required to implement the other recommendations appropriately. For example, the Compensation Service updated the military sexual trauma claims-processing training in response to the OIG's August 2018 report and established a formal policy requiring designated claims processors to complete the required training before taking action on these claims. However, the Compensation Service, the Office of Field Operations, and regional office managers did not ensure staff completed the training before

working on military sexual trauma claims. VBA should have created controls to ensure this policy was enforced and to hold both offices and individuals accountable for deficiencies.

## **VBA Staff Continued to Incorrectly Process Denied Military Sexual Trauma Claims**

Because VBA did not effectively oversee implementation of the recommendations from the August 2018 report and did not effectively govern military sexual trauma claims processing, VBA staff continued to make errors that led to denying prematurely some claims. As mentioned earlier, based on a sample of claims processed after VBA acted on the prior OIG recommendations, the review team estimated about 620 of 1,100 denied claims (57 percent) were incorrectly processed. That rate reflects a decided lack of improvement from the 49 percent error rate noted in the August 2018 report.

The OIG concluded that VBA has not effectively or fully addressed previous OIG recommendations designed to improve military sexual trauma claims processing. Veteran survivors of military sexual trauma remain at risk of not receiving the VA benefits to which they are entitled.

## **What the OIG Recommended**

The acting under secretary for benefits should establish and implement a formal procedure to address all claims processing errors identified by the OIG, correct them, and report the results to the OIG. The OIG also recommended that the acting under secretary for benefits develop, implement, and monitor a written plan to address continuing military sexual trauma claims-processing deficiencies and strengthen controls to effectively implement and promote compliance with 2018 OIG report recommendations related to military sexual trauma claims. Lastly, the OIG recommended the acting under secretary ensure the Compensation Service and the Office of Field Operations develop, implement, and monitor a written plan to strengthen communication, oversight, and accountability for the processing of military sexual trauma claims.

## **Management Comments**

The acting under secretary for benefits concurred with the recommendations and provided general comments in response to this report. VBA acknowledged that additional controls and oversight are required to further improve military sexual trauma claims processing.

VBA mandated that only specialized groups of trained veterans service representatives and rating veterans service representatives process these claims in response to the OIG's 2018 report recommendations. The OIG acknowledges VBA centralized the processing of military sexual trauma claims to five regional offices to enhance efficiency and accuracy. The OIG also acknowledges that the acting under secretary for benefits indicated VBA has “dramatically

increased the grant rate” for PTSD claims related to military sexual trauma, but the OIG has not reviewed or validated this information.

Acceptable action plans were provided for all recommendations. The OIG will monitor implementation of the planned actions and will close the recommendations when the OIG receives sufficient evidence demonstrating progress in addressing the intent of the recommendations and the issues identified.



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## Abbreviations

MST	military sexual trauma
OIG	Office of Inspector General
PTSD	posttraumatic stress disorder
RVSR	rating veterans service representative
VBA	Veterans Benefits Administration
VSR	veterans service representative



## Introduction

On March 29, 2021, lawmakers called on the Department of Veterans Affairs to make major policy changes to support survivors of sexual assault and harassment. “Sexual harassment and sexual assault during military service are well-documented, widespread, and have only worsened since 2016,” the lawmakers wrote in the letter. Furthermore,

Over the past two decades, VA has established itself as a leading service provider for survivors of sexual trauma and has pioneered groundbreaking research and evidence-based practices within the Veterans Health Administration.

Unfortunately, many of those practices have not carried over to the Veterans Benefits Administration, and survivors frequently find themselves at the mercy of a bureaucratic process that can be retraumatizing and triggering for survivors.<sup>7</sup>

Sexual assaults are often unreported for a number of troubling reasons, including because service members are concerned their confidentiality will not be protected. In a military environment, individuals who experience sexual assault also can be reluctant to report an incident when they are concerned about negative implications for their performance reports or assignments, or they perceive the military chain of command as unresponsive. The Department of Defense estimates that two of every three sexual assaults occurring during military service are unreported. The problems associated with not reporting persist even after more than a decade of efforts to make it easier for service members to report such incidents.<sup>8</sup> If the traumatic events were not reported at the time they occurred, veterans often lack the documentation they later need to support a claim for related benefits. In response, the Veterans Benefits Administration (VBA) has established special procedures to help veterans support their claims when they do not have the evidence or documentation usually required.<sup>9</sup> This response is just one aspect of VA’s overall efforts to support and provide healthcare services and benefits to veterans who have experienced sexual trauma.<sup>10</sup>

VBA defines military sexual trauma as a subset of posttraumatic stress disorder (PTSD) personal trauma, specifically related to sexual harassment, sexual assault, or rape that occurred in a

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<sup>7</sup> US House of Representatives Committee on Veterans’ Affairs letter, March 29, 2021

<sup>8</sup> Department of Defense, *Annual Report on Sexual Assault in the Military: Fiscal Year 2018*, April 26, 2019.

<sup>9</sup> See appendix A for a summary of significant updates to VBA procedures.

<sup>10</sup> VA has ongoing efforts to improve how it serves veterans who are survivors of sexual assaults, both in terms of health care (e.g., <https://www.va.gov/health-care/health-needs-conditions/military-sexual-trauma/>) and benefits ([www.benefits.va.gov/BENEFITS/factsheets/serviceconnected/MST.pdf](http://www.benefits.va.gov/BENEFITS/factsheets/serviceconnected/MST.pdf)).

military setting.<sup>11</sup> To receive disability compensation benefits, veterans must have a current diagnosis of PTSD, credible evidence that the trauma (or stressor) occurred during military service, and a medical opinion linking the current symptoms and the in-service stressor.<sup>12</sup>

## **Roles and Responsibilities of VBA's Compensation Service and Office of Field Operations**

Two offices within VBA share responsibility for processing military sexual trauma claims. The Compensation Service establishes policy and procedures, provides training, and generally oversees claim processing accuracy. The Office of Field Operations manages the employees who process veterans' claims, sets production goals, and oversees personnel management. Compensation Service provides the "how to" guidance, training, and quality assurance checks and the Office of Field Operations executes the benefits delivery, according to the executive director of Compensation Service. After claims have been processed, the Compensation Service provides quality assurance reviews intended to improve the accuracy and consistency of claims processing. Additionally, the Compensation Service conducts special focused reviews of the types of claims processing that VBA leaders have identified as areas of particular interest or needed improvement. Figure 1 shows the division of roles and responsibilities between the Compensation Service and the Office of Field Operations.

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<sup>11</sup> VA Manual 21-1, part 4, sub. 2, chap. 1, sec. D, topic 5.a, "General Information on Personal Trauma;" PTSD is a mental health condition that military service members can develop after experiencing or witnessing life-threatening events such as combat, natural disasters, car accidents, personal trauma, or other traumatic events known as stressors. National Center for PTSD, *Understanding PTSD and PTSD Treatment*, September 2017.

<sup>12</sup> 38 C.F.R. § 3.304(f).



**Figure 1.** Roles and responsibilities of VBA's Compensation Service and Office of Field Operations.  
 Source: OIG analysis of VA's 2019 Functional Organization Manual as of December 21, 2018.

Three types of Office of Field Operations employees are involved in processing military sexual trauma claims. First, select employees serve as military sexual trauma outreach coordinators; at least two—one male and one female—work at each VA regional office.<sup>13</sup> These employees serve as the designated point of contact for veterans regarding military sexual trauma claims, answer inquiries from veterans, and keep veterans apprised of their claim’s status.<sup>14</sup> Second, veterans service representatives (VSRs) are also responsible for developing claims. They help veterans assemble evidence, review documentation, identify relevant information, look for potential evidence of the reported in-service stressor, and schedule mental health exams if needed. Third, ratings veterans service representatives (RVSRs) review the evidence and make the official formal decision to grant or deny the claim. VSRs then notify the veterans of the decisions made on their claim. Pursuant to the OIG’s recommendation, both the VSRs and RVSRs responsible for military sexual trauma claims should have completed VBA’s military sexual trauma training and be designated as military sexual trauma claims processors.<sup>15</sup>

## Processing Military Sexual Trauma Claims

Due to the need to serve a population of veterans who may have difficulty providing evidence for the benefits to which they are entitled, VA has “undertaken a special obligation to assist a claimant in producing corroborating evidence of an in-service stressor in personal trauma claims.”<sup>16</sup> In 2011, VBA developed regulations and procedures to provide further guidance “to ensure consistency and fairness through a liberal approach” in processing military sexual trauma claims.<sup>17</sup> These guidelines eased the requirements for the types of evidence VBA could accept to support the occurrence of an in-service stressor for military sexual trauma. VBA procedures require claims processors to follow additional steps for military sexual trauma claims to give veterans every opportunity to support their claims.<sup>18</sup>

Nevertheless, the process for military sexual trauma claims is complex, and there are multiple action steps during which errors can occur:

- Receiving the claim

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<sup>13</sup> VA Manual 27-1, part 2, chap. 18, topic c, “MST Outreach Coordinator Definition.”

<sup>14</sup> VA Manual 27-1, part 2, chap. 18, topic d, “MST Outreach Coordinator Duties.”

<sup>15</sup> VA OIG, *Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma*, Report No. 17-05248-241, August 21, 2018. The OIG recommended in the August 2018 report that only specially trained VSRs and RVSRs work military sexual trauma claims (recommendation 2).

<sup>16</sup> VA Manual 21-1, part 4, sub. 2, chap. 1, sec. D, topic 5.d, “Procedure for Reviewing for Credible Evidence of a Personal Trauma Stressor.”

<sup>17</sup> VBA Training Letter 11-05, “Adjudicating PTSD Claims Based on MST,” December 2, 2011. Subsequently rescinded and incorporated into VA Manual 21-1.

<sup>18</sup> VA Manual 21-1, part 4, sub. 2, chap. 1, sec. D, topic 5, “Developing Claims for SC [Service Connection] for PTSD Based on Personal Trauma.”

- Developing the claim
- Identifying evidence of the sexual trauma (the stressor)
- Conducting the exam
- Deciding the claim

## **Receiving the Claim**

When veterans file a claim of military sexual trauma, military sexual trauma outreach coordinators must first determine whether the veteran reported the claimed traumatic event while in service and, in either case, determine how the veteran can provide supporting evidence. Errors in this step of the process can occur if the outreach coordinators do not inform the veterans what evidence could be used to support their claim.

## **Developing the Claim**

Only VSRs serving as designated military sexual trauma processors should work those claims because they are considered high-priority, complex claims. VSRs review the claim to determine what development actions are necessary. If the assault was reported, VSRs should ask the veteran to supply the report or provide the name of the military base where it was filed for VBA to direct the request for a copy. VSRs can request additional documentation to support the veteran's claim, including service treatment records, service personnel records, and private treatment records. If applicable, a letter from VBA informs the claimant that VA will request the information. For these types of claims, VSRs must obtain veterans' complete military personnel files and also advise veterans of alternative sources of evidence that may be used to provide support for claimed stressors—such as statements from family members, roommates, clergy, rape crisis center personnel, or personal journals.<sup>19</sup> Errors in this step of the process can occur if VSRs do not request all available evidence or notify the veteran of all evidence that could be used.

## **Identifying Evidence of the Sexual Trauma (the Stressor)**

VSRs then review the claim for evidence of sexual trauma, or “markers” indicating that a mental health exam is warranted. The term “marker” refers to an indicator of the effect or consequences of the personal trauma on the veteran. A marker could be one or more behavioral events, or a pattern of changed behavior, such as

- alcohol or drug abuse,

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<sup>19</sup> 38 C.F.R. § 3.304(f)5; VA Manual 21-1, part 3, sub. 4, chap. 4, sec. O, topic 3.c, “Alternative Sources of Evidence of In-Service Personal Trauma,” and VA Manual 21-1, part 4, sub. 2, chap. 1, sec. D, topic 5.d, “Procedure for Reviewing for Credible Evidence of a Personal Trauma Stressor.”

- changes in performance, or
- disregard for authority.

Even if there is no reference to the personal trauma, evidence of behavior changes may circumstantially support the *possibility* that the claimed stressor occurred.<sup>20</sup> If the evidence shows PTSD symptoms or a diagnosis, credible evidence of the stressor, or a single marker for military sexual trauma, VSRs must request a mental health examination. They must also provide the medical examiner with the specific opinion language that clarifies what information VBA requires within the response depending on what diagnosis is provided by the examiner.<sup>21</sup> Errors in this step of the process can occur if claims processors overlook markers or other signs of sexual trauma and fail to request the exam when indicated.

## Conducting the Exam

A qualified mental health professional examines the veteran and reviews all available evidence. The medical examiner must provide a report that includes a medical diagnosis, if warranted, and an opinion on whether the diagnosis is related to military service. If there is no direct evidence of sexual trauma, then the examiner must provide an opinion as to whether or not the marker evidence is “at least as likely as not” sufficient to support the occurrence of the trauma. Errors in this step of the process can occur if the examiner provides an opinion that conflicts with other evidence of record.

## Deciding the Claim

Before RVSRs can decide a veteran’s claim, they must first make sure that all required steps have been completed, including the mental health exam.<sup>22</sup> If they find that any step is not complete, then they must return the claim to the VSR for additional development. Once RVSRs determine that a claim is complete, they make the formal decision to grant or deny service connection for the veteran’s disability. VSRs then send the veteran a notification letter informing the claimant of the decision. Errors in this step of the process can occur if RVSRs make a premature decision based on incomplete development or an insufficient exam.

## The OIG’s Previous Review of Military Sexual Trauma Claims

In August 2018, the VA Office of Inspector General (OIG) published *Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma*, which examined the accuracy of this

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<sup>20</sup> VA Manual 21-1, part 3, sub. 4, chap. 4, sec. O, topic 3.d, “Evidence That May Constitute a Marker of Personal Trauma.”

<sup>21</sup> VA Manual 21-1, part 4, sub. 2, chap. 1, sec. D, topic 6.c, “Requesting Examinations for PTSD Claims Based on Personal Trauma.”

<sup>22</sup> VA Manual 21-1, part 3, sub. 4, chap. 2, sec. A, topic 2.b, “Duty to Assist Review by the Rating Activity.”



claims process.<sup>23</sup> The report found that nearly half the military sexual trauma claims denied between April 1 and September 30, 2017, were not processed in accordance with VBA procedures. As a result, the OIG made six recommendations for improvement to the under secretary for benefits, detailed in table 1. To determine whether VBA effectively implemented those recommendations and improved how it processed military sexual trauma claims, the OIG conducted a follow-up review and presents the findings in the narrative that follows.

**Table 1. Previous OIG Report Recommendations**

2018 recommendations	Follow-up review updates
<p>1. Review all denied military sexual trauma claims since the beginning of fiscal year 2017, determine whether all required procedures were followed, take corrective action based on the results of the review, render a new decision as appropriate, and report the results to the OIG.<sup>24</sup></p>	<p>In September 2019, VBA reported it had completed this review of 9,724 claims denied between October 1, 2016, and June 30, 2018. It reported that 7,777 of did not require additional action. This included 43 samples from the August 2018 review. To avoid duplication, these 43 were removed, leaving 7,734 for this review.<sup>25</sup> The Office of Field Operations established a standard operating procedure for reviewing the denied claims. Although VBA completed its review, the OIG had concerns with the procedure as well as VBA’s review. The OIG closed this recommendation as unimplemented in March 2021 and has integrated it within this report.</p>
<p>2. Focus processing of military sexual trauma claims to a specialized group of veterans service representatives (VSRs) and rating veterans service representatives (RVSRs).</p>	<p>On November 20, 2018, the Office of Field Operations directed regional offices to designate specific VSRs and RVSRs and certify compliance by November 27, 2018. The OIG closed this recommendation as implemented but later found incidents where nondesignated claims processors worked these claims.</p>
<p>3. Require an additional level of review for all denied military sexual trauma claims and hold the second-level reviewers accountable for accuracy.</p>	<p>On October 19, 2018, VBA implemented guidance requiring that military sexual trauma claim decisions made by RVSRs undergo a second-level review until competency was demonstrated. The OIG closed this recommendation as implemented but learned many claims subject to second reviews did not receive them.</p>

<sup>23</sup> VA OIG, *Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma*.

<sup>24</sup> The 2018 report used the term “military sexual trauma-related claims.” This report refers to the same as “military sexual trauma claims.”

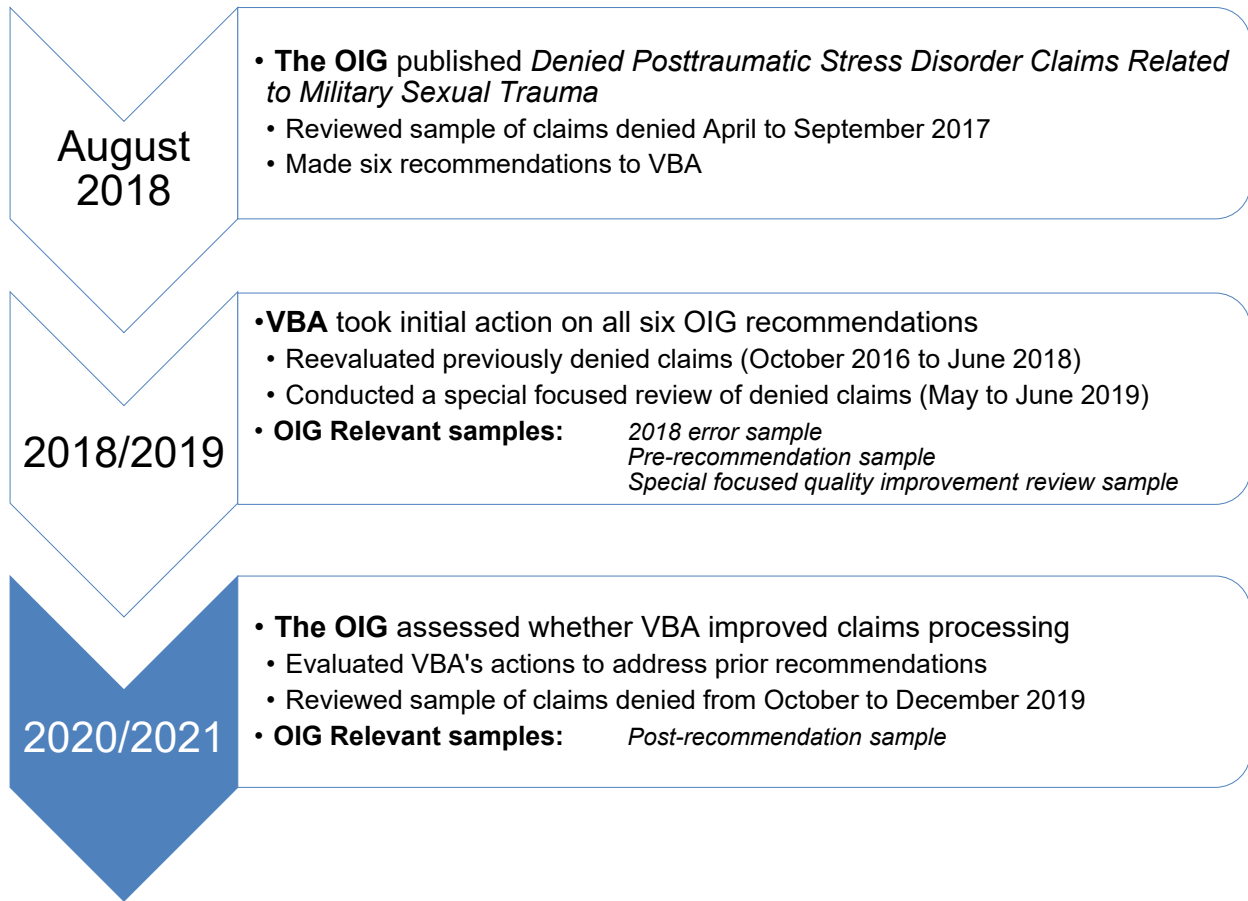
<sup>25</sup> See appendix A, figure A.1 for additional information regarding this sample.

2018 recommendations	Follow-up review updates
<p>4. Conduct special focused quality improvement reviews of denied military sexual trauma claims and take corrective action as needed.</p>	<p>In November 2019, VBA completed a special focused review of denied military sexual trauma claims and reported an 85 percent accuracy rate. Although VBA completed this review, the OIG had concerns with VBA's reported results. The OIG closed this recommendation as unimplemented in March 2021 due to discrepancies in error reporting. The OIG has integrated that recommendation into this report.</p>
<p>5. Update the current training for processing military sexual trauma claims, monitor the effectiveness of the training, and take additional action as necessary.</p>	<p>In April 2019, VBA updated the military sexual trauma training courses and required all designated claims processors to complete the training before processing claims. In March 2021, VBA reported to the OIG that it provides refresher training annually to address areas where processors were not performing at an acceptable level. The OIG closed this recommendation as implemented after training was updated but learned some employees processing claims did not actually complete the updated training as required.</p>
<p>6. Update the development checklist for military sexual trauma claims to include specific steps claims processors must take in evaluating such claims in accordance with applicable regulations and require claims processors to certify they completed all required development actions for each military sexual trauma claim.</p>	<p>The Compensation Service developed two checklists and a worksheet to help VBA employees identify markers and complete other required steps in October 2018. The OIG closed this recommendation as implemented, but in the follow-up review determined that the checklists and worksheet were not consistently completed.<sup>26</sup></p>

Source: VA OIG, Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma, Report No. 17-05248-241, August 21, 2018.

<sup>26</sup> VA Manual 21-1, part 4, sub. 2, chap. 1, sec. D, topic 5.f, "MST Outreach Coordinator Actions" (historical); VA Manual 21-1, part 4, sub. 2, chap. 1, sec. D, topic 5.l, "MST Claim Processing Requirements" (historical). The term historical in citations refers to a mandate, policy, or guidance that has changed frequently over time in number designation, title, or other revisions. Unless otherwise noted, the substantive content of the support remained in effect during the review period. In August 2020, VBA discontinued a requirement that the military sexual trauma outreach coordinator complete a checklist and attempt to call veterans making claims to gather additional information. Per VA Manual 27-1, part 2, chap. 18, topic g, "Procedures for Telephone Contact with the Veteran," this was done to avoid unintentionally creating a negative experience for veterans.

Figure 2 shows the timeline of the OIG’s August 2018 review and the dates when VBA updated its policies and procedures in response to the recommendations resulting from that review.



**Figure 2.** Timeline of OIG August 2018 report and VBA’s actions in response.  
Source: VA OIG analysis.

## Results and Recommendations

### **Finding: VBA Did Not Effectively Implement the OIG’s August 2018 Recommendations, Resulting in Continued Military Sexual Trauma Claims-Processing Deficiencies**

VBA claims processors did not follow the policies and procedures for processing military sexual trauma claims that were updated after the OIG’s August 2018 report and were intended to correct the problems that report identified. This noncompliance occurred because VBA leaders did not effectively implement the OIG’s recommendations and did not establish adequate governance over military sexual trauma claims processing. For example, in the August 2018 report, the OIG recommended VBA focus processing of military sexual trauma claims to a specialized group of VSRs and RVSRs.<sup>27</sup> To address this recommendation, VBA identified a list of designated claims processors and in January 2019 established a procedure requiring only designated employees process military sexual trauma claims. However, the review team estimated about 80 percent of claims denied from October 1 through December 31, 2019, were processed by one or more VBA employees who were not designated military sexual trauma claims processors.

Overall, the review team determined that about 57 percent of denied military sexual trauma claims were not processed correctly, which reflects a clear lack of improvement over the 49 percent error rate noted in the August 2018 report. The OIG concluded that VBA was not properly implementing recommended changes that would help fulfill its obligation to assist military sexual trauma survivors in obtaining the care and benefits they are entitled to receive.

### **What the OIG Did**

This review covered VBA’s actions to address each of the six recommendations from the August 2018 report and whether claims-processing errors continued. The team reviewed veterans’ claims and relevant documentation required to assess whether claims processors accurately decided service connection for PTSD due to military sexual trauma in accordance with agency regulations and procedures.

The review team’s analysis is based on four samples of denied military sexual trauma claims:<sup>28</sup>

- *2018 error sample*—An examination of all 82 denied military sexual trauma claims that the OIG identified in its August 2018 report as being incorrectly processed.
- *Pre-recommendation sample*—Of the 7,734 claims for which VBA identified as not requiring additional action in claims denied from October 1, 2016, through June 30,

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<sup>27</sup> Recommendation 2.

<sup>28</sup> See appendix A for more on the sampling methodology.

2018, the review team examined a statistical sample of 35 to determine how well VBA reevaluated these claims.

- *Special focused quality improvement review sample*—A judgmental sample of 14 military sexual trauma claims denied from May 1, 2019, through June 30, 2019, that VBA reviewed as part of its special focused quality improvement review. The team examined these claims to determine the accuracy of this special review.
- *Post-recommendation sample*—A statistical sample of 75 military sexual trauma claims denied from October 1 to December 31, 2019. The team reviewed this sample to determine if VBA had improved its processing of claims after VBA responded to the OIG recommendations in its August 2018 report.

To gain an understanding of VA regulations and procedures for processing military sexual trauma claims, the team conducted site visits at the Columbia, South Carolina, and Huntington, West Virginia, VA regional offices. There, the team interviewed managers and staff who were involved in VBA's actions to implement the OIG's recommendations, especially recommendation 1. The team also interviewed Compensation Service and Office of Field Operations staff. The team discussed the findings with VBA officials and included their comments in the report as appropriate.

This report discusses three issues that support the OIG's finding:

- VBA did not effectively implement the OIG's August 2018 recommendations.
- VBA leaders did not establish adequate governance over military sexual trauma claims processing.
- VBA staff continued to incorrectly process military sexual trauma claims, leading to some premature denials.

## **VBA Did Not Effectively Implement the OIG's August 2018 Recommendations**

In the August 2018 report, the OIG made six recommendation to the under secretary for benefits to help reevaluate both previously processed military sexual trauma claims and pending claims. Generally, the errors VBA claims processors made involved missing markers indicative of sexual trauma, failing to obtain all required records before completing the claim, or not providing examiners with all relevant information needed to conduct the exam. Any of these errors could result in veterans being prematurely denied for benefits they should receive.

The OIG determined that VBA did not effectively implement the six recommendations, which led to continued deficiencies with military sexual trauma claims processing. Implementation was ineffective in part because VBA was not adequately governing the processing of military sexual

trauma claims or providing sufficient oversight to confirm processing deficiencies identified in the August 2018 report were corrected. Specifically, VBA was not ensuring the Compensation Service and the Office of Field Operations communicated effectively to resolve claims-processing problems and was not making certain that managers and claims processors were held accountable for adhering to updated VBA policies and procedures.

The subsections that follow discuss each of the recommendations and their implementation in greater detail. In the first subsection, the OIG discusses the prematurely denied military sexual claims from the August 2018 report and how accurately VBA reevaluated them. In the second subsection, the OIG discusses VBA's efforts to implement the other five recommendations, which were intended to prevent similar errors from being made going forward.

### **VBA Staff Did Not Accurately Reevaluate Previously Denied Military Sexual Trauma Claims (Recommendation 1)**

In the August 2018 report, the OIG recommended the under secretary for benefits review all military sexual trauma claims denied since October 1, 2016, to determine whether all required procedures were followed, take corrective action based on the results of the review, render new decisions as appropriate, and report the results to the OIG.<sup>29</sup> On July 31, 2018, VBA agreed with this recommendation and reported it would review claims denied from October 1, 2016, through June 30, 2018. VBA completed that review. The review team tested VBA's implementation of this recommendation by evaluating VBA's actions to address the 82 errors in the OIG's *2018 sample errors* and 7,734 claims in the broader *pre-recommendation sample*.

The review team found VBA staff did not correct the errors in 30 of 82 claims (37 percent) identified in the *2018 sample errors*. In a majority of cases, VBA did not communicate the details of these errors to its claims processors, nor did the agency monitor processors to verify they corrected the errors. During the 2018 review, the OIG provided detailed explanations of those errors to Compensation Service Quality Assurance staff, who agreed they were errors that should be corrected. However, during the OIG's follow-up review, Compensation Service Quality Assurance staff indicated they had not shared the specific details of the errors with the Office of Field Operations, the office responsible for ensuring regional office staff take corrective action. As a result, regional offices where the processing is performed were not always informed of the problems. The review team then discussed this issue with managers and staff from the Compensation Service and the Office of Field Operations, who agreed that they needed to establish a process for monitoring and correcting the OIG-identified errors.

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<sup>29</sup> This recommendation has not yet been resolved (closed as unimplemented). Follow-up reporting and tracking of federal inspector general recommendations are required by the Federal Acquisition Streamlining Act of 1994 (Pub. L. No. 103-355), as amended by the National Defense Authorization Act of 1996 (Pub. L. No. 104-106). The acts require agencies to complete final action on each management decision required with regard to a recommendation in any federal office of inspector general report within 12 months of the report's publication.

Additionally, based on the results of the review of the *pre-recommendation sample*, the review team estimated VBA staff did not accurately review about 2,431 of 7,734 claims (31 percent) judged by VBA to be correct. In response to the August 2018 report, the Office of Field Operations established a separate standard operating procedure for reviewing all denied claims in the *pre-recommendation sample*. This procedure indicated it “will only address the review and readjudication of previously denied claims that were decided between October 1, 2016, and June 30, 2018. It will not address new claims for SC [Service Connection] for PTSD based on MST [military sexual trauma]. New claims should follow current manual guidance.”<sup>30</sup> In September 2019, VBA reported that 7,777 of 9,724 claims did not require additional action.<sup>31</sup> However, the OIG team reviewed a sample of these claims and identified errors. Based on those results, the team estimated that approximately 2,400 claims contained deficiencies resulting in premature denial of benefits.<sup>32</sup>

The Office of Field Operations’ procedure included a second review of each claim to verify the findings of the initial reviewer. An Office of Field Operations manager indicated this was to be a “complete in-depth second review” and that it should have been done by a designated military sexual trauma claims processor. However, a regional office manager told the review team this requirement was interpreted to be a procedural check to make sure everything was uploaded, as opposed to verifying the findings of the initial reviewer. Three supervisors without the required military sexual trauma training or proficiency in the special requirements for those claims completed the second-level reviews for 1,746 of the claims.

The OIG concluded that VBA did not effectively implement recommendation 1 from the August 2018 report. The problems with VBA’s implementation are discussed in greater detail later in this report.

### **VBA Did Not Effectively Monitor Military Sexual Trauma Claims Processing to Ensure Regional Office Staff Followed the Updated Policies and Procedures (Recommendations 2 through 6)**

The OIG reviewed VBA’s implementation of recommendations 2, 3, 4, 5, and 6 from its August 2018 report, as described in table 1. The subsections that follow present each of these five recommendations in further detail.

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<sup>30</sup> Readjudication of Posttraumatic Stress Disorder (PTSD) Claims Based on Military Sexual Trauma (MST) Standard Operating Procedure (SOP), March 15, 2019.

<sup>31</sup> This included 43 samples from the August 2018 review. To avoid duplication, these 43 were removed, leaving 7,734 for this review. See appendix A, figure A.1 for additional information regarding this sample.

<sup>32</sup> See appendix B for more detailed tables of the projected number of errors based on the OIG’s review of the statistical samples.



## *Recommendation 2*

In its August 2018 report, the OIG recommended that a specialized group handle military sexual trauma claims.<sup>33</sup> In response, effective November 27, 2018, VBA required that only designated personnel process military sexual trauma claims.<sup>34</sup> These personnel were designated by regional office managers. Later, the Office of Field Operations provided the review team a list of designated specialized claims processors for these claims.

Using the list as a guide, the OIG reviewed military sexual trauma claims in the *post-recommendation sample* to determine whether the processors who worked on those claims were designated at the time they did the work. Based on this sample review, the OIG estimated that about 870 of 1,100 military sexual trauma claims (80 percent) denied from October 1 through December 31, 2019, were reviewed by one or more VBA employees who were not designated as military sexual trauma claims processors.<sup>35</sup>

The OIG concluded that VBA did not effectively implement recommendation 2.

## *Recommendation 3*

In the August 2018 report, the OIG recommended that all denied military sexual trauma claims receive an additional level of review and that VBA hold second-level reviewers accountable for accuracy.<sup>36</sup> In response, VBA required that military sexual trauma claim decisions made by RVSRs undergo a second-level review until competency has been attained in processing these claims.<sup>37</sup>

As part of this review, the team examined military sexual trauma claims in the *post-recommendation sample* and determined that not all claims that required a second-level review received one. Based on the sample review, the OIG identified those claims that required a

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<sup>33</sup> This recommendation was resolved (closed as implemented) upon VBA's designation of specialized claims processors.

<sup>34</sup> The Office of Field Operations issued guidance requiring regional offices to designate a specialized group of trained VSRs and RVSRs for military sexual trauma claims on November 20, 2018, and required compliance by November 27, 2018.

<sup>35</sup> See appendix B for more detailed tables of the projected number of errors based on the OIG's review of the statistical samples.

<sup>36</sup> This recommendation was resolved (closed as implemented) upon VBA's implementation of guidance requiring that military sexual trauma claims decisions made by RVSRs undergo a second-level review until competency was demonstrated.

<sup>37</sup> VA Manual 21-1, part 3, sub. 4, chap. 4, sec. o, topic 3.g, "Training and Signature Requirements for MST Decisions." The RVSRs must demonstrate 90 percent accuracy based on a review of at least 10 military sexual trauma claims to be released from second-level review.



second-level review and estimated about 320 of approximately 440 claims (73 percent) did not receive one.<sup>38</sup>

The OIG concluded that VBA did not effectively implement recommendation 3.

#### *Recommendation 4*

In the August 2018 report, the OIG recommended VBA conduct special focused quality improvement reviews of denied military sexual trauma claims and take corrective action as needed.<sup>39</sup> VBA agreed to do so. Special focused reviews are used to determine additional training needs and other initiatives to improve claims processing. In this case, a special focused review was intended to determine the quality of military sexual trauma claims, set a baseline for measuring improvement in accuracy, and ensure consistency and compliance with policy and procedures. In November 2019, VBA's special focused review assessed 197 denied military sexual trauma claims from May to June 2019 and reported an 85 percent accuracy rate—an accuracy rate that significantly exceeded the one found in the 2018 OIG review.

The VBA special focused review report dated November 25, 2019, stated,

It should be noted that QA [Quality Assurance] and Office of Inspector General (OIG) utilize a different standard for citing errors. The quality threshold for QA under Systematic Technical Accuracy Review (STAR) is benefit entitlement (BE). This means did the correct claimant receive the correct benefits from the correct date? OIG applies more of a procedural standard using existing VA rules and whether correct policy and procedure were followed. If the rules were not followed correctly, OIG will cite an error.

In this review, as part of the *special focused quality improvement review sample*, the team selected and reviewed a judgmental sample of 14 claims that VBA had determined were 100 percent correct in its special focused review. For 13 of these 14 claims, the OIG identified benefit entitlement errors Quality Assurance staff did not find. Additionally, in the claims Quality Assurance staff reported as accurate, VBA identified deviations from policy and procedures in 86 percent of the claims. However, VBA did not include those errors when they distributed their final results internally because they believed the errors did not affect benefit entitlement. The OIG concluded these omissions conflict with VBA Quality Assurance's stated purpose of ensuring consistency and compliance based on current policy and procedures. The following example demonstrates the importance of claims processors following policies and

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<sup>38</sup> See appendix B for more detailed tables of the projected number of errors based on the OIG's review of the statistical samples.

<sup>39</sup> This recommendation has not yet been resolved (closed as unimplemented).

procedure requirements established by VBA. Noncompliance with policy and procedures can lead to improper or premature denials of claims and can have an impact on benefits.

***Example 1: Quality Assurance Identified Policy and Procedure Deficiencies but Called Claim Accurate***

*Quality Assurance staff reviewed a denied military sexual trauma claim as part of their special focused review. The RVSR denied the claim, stating, “We are unable to identify any in service event or markers.” Quality Assurance staff performing the special focused review reported the claim as accurate. However, the team noted that Quality Assurance staff identified errors including that alternative evidence was not considered and potential behavioral markers were overlooked (the veteran received nonjudicial punishment in the same year of the claimed assault). Based on these facts, a claims processor should have requested an examination.*

*The veteran reported the claim denial “triggered more suppressed memories.” The veteran’s personnel records, which were reviewed as part of the original claim, show evidence the veteran was punished for not reporting to their place of duty when the claimed assault was a forced sexual encounter by a superior. The regional office reviewed the records again and requested an examination based on the reported marker. The examiner provided a positive diagnosis and opinion. The veteran’s claim for PTSD due to military sexual trauma was later granted.*

Because the special focused review of denied military sexual trauma claims missed or failed to report all errors, the OIG concluded that VBA did not effectively implement recommendation 4. Due to the issues identified with VBA’s special focused review of military sexual trauma denials, the OIG has initiated a separate review of that VBA process.

***Recommendation 5***

In the August 2018 report, the OIG recommended updates to military sexual trauma training, including assessing its effectiveness.<sup>40</sup> In response, VBA updated the military sexual trauma training courses and mandated that all designated claims processors complete the training before processing claims.<sup>41</sup>

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<sup>40</sup> This recommendation was resolved (closed as implemented) when VBA updated its training and annual refresher training to address areas where processors were not performing at an acceptable level.

<sup>41</sup> VA Manual 21-1, part 3, sub. 4, chap. 4, sec. o, topic 3.g, “Training and Signature Requirements for MST Decisions” (historical); VA Manual 21-1, part 4, sub. 2, chap. 1, sec. d, topic 5.l, “MST Claim Processing Requirements” (historical).

In this sample review, the OIG reviewed military sexual trauma claims in the *post-recommendation sample* and estimated that approximately 870 of 1,100 claims (80 percent) were processed by one or more VBA employees who had not completed the required training.<sup>42</sup>

Although VBA updated the training, supervisors did not confirm processors working on military sexual trauma claims had taken it. Therefore, the OIG concluded VBA did not effectively implement recommendation 5.

### ***Recommendation 6***

In the August 2018 report, the OIG recommended that VBA update its military sexual trauma-specific claims development checklists to include mandatory steps for evaluating such claims in accordance with applicable regulations.<sup>43</sup> The OIG also recommended claims processors be required to certify that they completed all steps for each military sexual trauma claim. In response, the Compensation Service developed two checklists and a worksheet in October 2018 to help VBA employees identify markers and complete other required steps.<sup>44</sup> These checklists were a step-by-step guide for accurately processing military sexual trauma claims in effect during the follow-up review period of October 1 through December 31, 2019.<sup>45</sup>

In this follow-up review, the team assessed the *post-recommendation sample* and determined that claims processors failed to complete one or more of the required checklists and the worksheet for some claims. Based on these results, the OIG estimated that about 550 of 1,100 military sexual trauma claims (51 percent) denied from October 1 through December 31, 2019, contained deficiencies for failing to complete one or more of the required checklists and the worksheet.<sup>46</sup>

The OIG concluded that VBA did not effectively implement recommendation 6.

## **VBA Leaders Did Not Establish Adequate Governance over Military Sexual Trauma Claims Processing**

Although VBA took steps to implement each of the OIG's recommendations from the August 2018 report, it did not monitor those steps to make sure they resulted in the accurate

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<sup>42</sup> See appendix B for more detailed tables of the projected number of errors based on the OIG's review of the statistical samples.

<sup>43</sup> This recommendation was resolved (closed as implemented) when VBA provided documentation of the updated checklists and requirements for completion.

<sup>44</sup> The documents were the military sexual trauma Outreach Coordinator Checklist, the Personal Trauma Development Checklist, and the Personal Trauma Incident/Marker Worksheet.

<sup>45</sup> The initial guidance from the Compensation Service released in October 2018 indicated that the checklists and worksheet were "recommended." In August 2019, the Compensation Service updated the procedure indicating they are "required."

<sup>46</sup> See appendix B for more detailed tables of the projected number of errors based on the OIG's review of the statistical samples.

processing of military sexual trauma claims. The OIG found this was caused by inadequate governance of the processing of such claims.<sup>47</sup> VA has undertaken a special obligation to help individuals who claim military sexual trauma to produce the corroborating evidence needed to support their claim. This obligation includes making all required efforts to obtain and consider all evidence related to the occurrence of sexual trauma.

As previously described, the Office of Field Operations oversees VBA's regional offices. The office supervises performance and workload management for personnel in those offices and is responsible for ensuring VBA benefits decisions are timely, accurate, and consistent. The Compensation Service administers procedural guidance, develops training, and oversees quality assurance reviews—including special focused reviews. These two offices must work together effectively to make sure veterans' claims of military sexual trauma are processed correctly, with clearly defined roles and responsibilities to promote compliance with updated policies and procedures. Governance is particularly difficult when oversight responsibility is shared among multiple offices for complex processes, as is the case for VBA managers within the Compensation Service, the Office of Field Operations, and the regional offices. Each have shared responsibility for ensuring accurate and consistent claims processing that meets high quality standards.

The following sections detail how inadequate governance in communications and in oversight and accountability led to ineffective implementation of each of the OIG's recommendations, resulting in a risk that veterans may not receive the benefits to which they are entitled.

## Communication

Communication breakdowns among the Compensation Service, the Office of Field Operations, and the regional offices resulted in previously denied claims not being properly checked for accuracy and consistency, and then corrected. Communication among these offices is crucial to successfully oversee the processing of these claims. Managers should internally communicate the information necessary to achieve their objectives.<sup>48</sup> The OIG provided the Compensation Service with detailed summaries of the errors identified in the *2018 error sample*, including identification of marker evidence not noted during the initial claims processing, documentation not requested, or insufficient examination details. The Compensation Service agreed with the OIG's assessments of these errors and VBA concurred with the recommendation for corrective action. Yet when the OIG reviewed the implementation of that recommendation, Compensation Service Quality Assurance staff indicated they did not share the OIG's error details with the Office of Field Operations, which could pass the information on those errors to the regional

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<sup>47</sup> Governance refers to how VA leaders make decisions, provide strategic direction, and maintain accountability in a transparent and collaborative manner. It enables informed decision-making based on current strategic objectives, VA's accepted risk tolerance, and responsible resource allocation.

<sup>48</sup> GAO, *Standards for Internal Control in the Federal Government*, GAO-14-704G, principle 14, September 2014.

office employees responsible for correcting them. In addition, Office of Field Operations staff confirmed they did not follow up with the regional offices to ensure errors were corrected. The OIG noted that had information on the deficiencies been shared and adequate monitoring on revised policies and procedures been conducted, VBA could have fully corrected previously identified errors it had agreed with and might have prevented processors from continuing to make similar mistakes. Moreover, in multiple cases, processors who rereviewed the claims reported no development deficiencies and claimed the prior denials were correct. These were claims for which the OIG identified development deficiencies that required correction, and the Quality Assurance staff had agreed with the assessment.

The communications breakdown in dealing with the *2018 error sample* prevented VBA from effectively correcting errors in the larger *pre-recommendation sample*. When the Office of Field Operations established the procedure for reviewing all denied claims in the *pre-recommendation sample*, it did not effectively communicate who should perform the second reviews. This unclear guidance resulted in a significant number of second reviews being completed by supervisors who did not have the proper qualifications needed to confirm or verify the findings of the initial reviewer.

The Compensation Service and regional office staff also failed to effectively communicate how claims processors should use the checklists established to confirm military sexual trauma claims are correctly processed. For example, the manual that claims processors follow shows the checklists are required but does not specify who is responsible for completing them or at what point in the claim process they are to be completed. The OIG concluded VBA did not effectively communicate the detailed requirements for use of the checklists.

## **Oversight and Accountability**

Oversight and accountability are intertwined and span several federal internal control principles.<sup>49</sup> Greater overall oversight and increased accountability were required to implement OIG recommendations appropriately. VBA leaders should establish an organizational structure, assign responsibility, delegate authority to promote the correct processing of military sexual trauma claims, and oversee the structure to make sure it is meeting its objectives (principles 3 and 10). They should then monitor the structure and evaluate the results (principle 16). Agency leaders should also evaluate performance and hold individuals accountable (principle 5). When managers update policies and procedures, they must document responsibilities for related risks and operating effectiveness (principles 10 and 12). The documented responsibility must include enough detail to allow managers to effectively monitor the activity, including the timing of that monitoring, and what corrective actions to take if deficiencies are identified (principle 12).

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<sup>49</sup> GAO, Standards for Internal Control in the Federal Government.

Although VBA updated its policies and procedures in response to the recommendations in the August 2018 report, it did not establish controls that would promote the accurate processing of military sexual trauma claims consistent with guidance, nor did it effectively hold staff and managers accountable for meeting the standards set by the updated policies and procedures.

In response to the OIG's August 2018 recommendations, VBA designated personnel to process military sexual trauma claims and established a formal policy for second-level review of decisions but did not verify either action was fully accomplished. The Compensation Service's Quality Assurance program would not accept responsibility for monitoring compliance with these policies. A Quality Assurance chief explained that verifying credentials of someone who develops a military sexual trauma case or signs a rating decision is not currently within the scope of the quality review process. Office of Field Operations staff also told the OIG it was "up to regional offices" to track that process, but they did not monitor the regional offices to verify they were doing so. The OIG found widespread noncompliance with these requirements and concluded VBA did not adequately govern implementation of these policies because it did not create an effective structure to monitor compliance and promote accountability.

The Compensation Service also did not make sure the special focused review met its stated purpose. According to the Quality Assurance officer, it was to serve as a baseline for quality improvement measurement, so Quality Assurance could compare it with future reviews. However, the Compensation Service did not provide adequate oversight to report accurate, complete results. Because a special focused review helps measure compliance with policies and procedures, inadequate governance of the process meant VBA had no assurance claims processors were subsequently following policies and procedures.

The Compensation Service is also responsible for developing training content, whereas the Office of Field Operations is responsible for making sure plans are in place to train employees. The Compensation Service updated military sexual trauma claims-processing training in response to the OIG's August 2018 report and established a formal policy requiring claims processors to have completed the required training before becoming designated processors. According to this policy, regional office managers determine which employees are designated military sexual trauma claims processors. Regional office managers then coordinate with Compensation Service training staff to have the required courses assigned to the designated employee.

However, the OIG's review of claims found neither the Compensation Service, the Office of Field Operations, nor the regional office managers verified employees completed the training before working on military sexual trauma claims. VBA should have created an effective oversight mechanism to carry out the policy and hold both individuals and organizations accountable for deficiencies.

In each case, VBA's implementation of the OIG's recommendations was ineffective because necessary controls for processing military sexual trauma claims were not sufficiently employed. VBA did not adequately oversee the process and promote accountability.

## **VBA Staff Continued to Incorrectly Process Military Sexual Trauma Claims, Leading to Some Premature Denials**

Because VBA did not fully implement the recommendations from the August 2018 report and did not effectively govern the military sexual trauma claims process, VBA staff continued to make errors when processing these claims, which led to some being prematurely denied. Examples of these errors included missing markers indicative of sexual trauma, failing to obtain all required records before scheduling exams or completing the claim, and not scheduling exams when adequate information warranted them. Any of these errors could result in veterans being denied for benefits they should receive.

Based on an analysis of claims in the *post-recommendation sample*, the OIG estimated that VBA staff incorrectly processed about 620 of 1,100 denied claims (57 percent). In the August 2018 report, in contrast, VBA incorrectly processed about 49 percent of the denied military sexual trauma claims. The OIG concluded that VBA has not corrected the issues it faces when processing these types of claims.

The following examples—one from a male veteran and one from a female veteran—demonstrate how claims processing deficiencies could lead to inaccurate decisions and to veterans not receiving the benefits they are potentially entitled to receive.

### ***Example 2: Evidence Was Sufficient to Request a Medical Examination and Opinion, but Staff Did Not Request One***

*A veteran submitted a PTSD claim.<sup>50</sup> VBA staff obtained VA medical center records that showed evidence of current mental health symptoms and indications the veteran was sexually assaulted during military service. The veteran's service records contained evidence of mental health symptoms beginning during service including stress, depression, and suicidal thoughts. The service records also confirmed the veteran was assaulted during a domestic dispute. The service records contained evidence of multiple potential behavioral markers such as a disregard for authority resulting in multiple disciplinary actions, discharge from the military for misconduct, and eating concerns. Any one of these issues would*

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<sup>50</sup> VA Manual 21-1, part 3, sub. 4, chap. 4, sec. o, topic 1.a, "Sympathetic Reading and the Scope of Mental Disorders Claims." A claim for a particular mental disorder should be read as a claim for any mental disability that may be reasonably defined by the description, symptoms, and evidence received. VA Manual 21-1, part 3, sub. 4, chap. 4, sec. o, topic 1.b, "Applying Guidance on Sympathetic Reading to Mental Disorder Claims." Do not limit consideration only to a particular theory of service connection identified by the claimant.



*have been sufficient to request an examination and opinion. However, an RVSR denied the claim, indicating there was no credible evidence the stressor occurred. VBA staff should have obtained a medical exam and opinion for service connection for PTSD before denying the claim. This action could have changed the outcome of the claim. VBA Quality Assurance staff agreed with the OIG's assessment of this claim, yet VBA staff have not corrected this error.*

### **Example 3: A Veteran's Case Was Incorrectly Processed Due to Multiple Missteps**

*A veteran submitted a military sexual trauma claim. The veteran then submitted a statement indicating that while the veteran felt uncomfortable discussing the details of the military sexual trauma incident in writing, the event had been discussed with a doctor and counseling was received from a vet center, as well as from a VA medical center. The veteran indicated having received mental health treatment from three private providers, a vet center, and two VA medical centers. The veteran also noted receiving Social Security disability benefits for mental health issues. VBA staff did not obtain relevant Social Security disability records, private medical records, or vet center records. A VSR did request a VA exam with medical opinion. The examiner completed the exam but did not provide a diagnosis of PTSD. However, the examiner said it appeared that the veteran felt uncomfortable about sharing information about the alleged sexual trauma in sufficient detail for the purpose of examining the veteran for a diagnosis of PTSD. Therefore, the examiner conceded that the basis for not diagnosing PTSD was at least in part due to the veteran's hesitancy in discussing the military sexual trauma in sufficient detail for evaluation purposes. However, VA medical center records confirmed the veteran received a diagnosis of PTSD related to military sexual trauma and had been under continuous medical treatment for this condition by both a psychiatrist and therapist leading up to when the VA exam was completed.*

*VBA staff should have attempted to obtain medical records from the private healthcare providers, vet center, and the Social Security Administration before requesting an exam. Particularly because the veteran voiced discomfort about having to discuss the event in detail with VBA and the VA examiner, these records could have provided the VA examiner with information needed in evaluating the veteran for a diagnosis of PTSD. Staff also should have returned the VA exam for clarification based on the existing records of treatment for PTSD related to military sexual trauma. Either of these actions could have affected the outcome of the claim. VBA Quality Assurance staff agreed with OIG's assessment of this case, yet VBA staff have not corrected these errors.*



## Conclusion

VA has a special obligation to provide veterans who are claiming benefits for military sexual trauma every opportunity to support their claims given how many incidents are not reported. VBA has been charged with developing and implementing special policies and procedures to ensure VA meets that obligation. VBA, however, did not effectively implement previous OIG recommendations designed to improve the processing of military sexual trauma claims in large part because of failures in governance. The OIG found that VBA leaders did not monitor compliance with required procedures for processing military sexual trauma claims, leading to continuing deficiencies. As a result, veteran survivors of military sexual trauma remain at risk of not receiving the VA benefits to which they are entitled and experiencing additional distress when claims are improperly handled or denied.

## Recommendations 1–4

The OIG recommended that the acting under secretary for benefits take the following actions:

1. Establish and implement a formal procedure to ensure all processing errors on claims identified by the review team are corrected and report the results to the OIG.
2. Develop, implement, and monitor a written plan to address continuing military sexual trauma claims-processing deficiencies identified by the review team, including reassessing previously decided claims when appropriate, and report the results to the OIG.
3. Strengthen controls to effectively implement and promote compliance with 2018 OIG report recommendations related to military sexual trauma claims.
4. Develop, implement, and monitor a written plan that requires the Compensation Service and the Office of Field Operations to strengthen communication, oversight, and accountability of military sexual trauma claims processing.

## Management Comments

The acting under secretary for benefits concurred with the recommendations and provided general comments in response to this report. VBA acknowledged that additional controls and oversight are required to further improve military sexual trauma claims processing. The acting under secretary for benefits indicated VBA highlights the importance of military sexual trauma claims processing during national training and leadership conferences.

To address the recommendations, the acting under secretary for benefits indicated VBA will take the following actions:

- establish and implement a formal procedure to ensure all errors on claims identified by the OIG are corrected (recommendation 1);

- develop, implement, and monitor a written plan to address military sexual trauma claims-processing deficiencies (recommendation 2);
- develop a plan to strengthen controls to ensure compliance with the actions taken in response to the OIG’s 2018 report recommendations related to military sexual trauma claims (recommendation 3); and
- develop, implement, and monitor a written plan to strengthen communication, oversight, and accountability of military sexual trauma claims processing (recommendation 4).

The acting under secretary’s comments are provided in full in appendix C.

## **OIG Response**

VBA mandated that only specialized groups of trained VSRs and RVSRs process these claims in response to the OIG’s 2018 report recommendations. The OIG acknowledges VBA centralized the processing of claims related to military sexual trauma to five regional offices to enhance efficiency and accuracy. The OIG also acknowledges the under secretary for benefits indicated VBA has “dramatically increased the grant rate” for PTSD claims related to military sexual trauma, but the OIG has not reviewed or validated this information.

Acceptable action plans were provided for all recommendations. The OIG will monitor implementation of the planned actions and will close the recommendations when the OIG receives sufficient evidence demonstrating progress in addressing the intent of the recommendations and the issues identified.

## Appendix A: Scope and Methodology

### Scope

The review team conducted its work from November 2019 through June 2021. The review focused on evaluating whether VBA took appropriate actions to effectively implement the recommendations of the OIG's August 2018 report (*Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma*, Report No. 17-05248-241) with which VBA concurred. The team also evaluated whether VBA made improvements and correctly processed military sexual trauma claims denied and completed from October 1 through December 31, 2019.

### Methodology

To accomplish the review objective, the team identified and reviewed applicable laws, regulations, VA policies, operating procedures, and guidelines for military sexual trauma claims. The review team performed site visits at the regional offices in Columbia, South Carolina, and Huntington, West Virginia. The team interviewed and obtained information on work processes associated with these claims from managers and staff at both regional offices visited as well as VBA's Central Office, including the Compensation Service and the Office of Field Operations.

The review team assessed the actions VBA took to address the 82 claims identified as errors during the OIG's previous review, as well as the actions VBA took to implement the six recommendations in the August 2018 report. The team's analysis is based on four different samples of denied military sexual trauma claims, as detailed in figure A.1.

Universe of Claims	Follow-Up: Claims OIG Reviewed
<b>2018 Sample Errors</b>	
In the August 2018 report, <i>Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma</i> , the OIG identified 82 claims with errors. VBA agreed that these claims had errors.	The OIG reviewed all 82 previously identified claims with errors to verify corrections were adequately completed.

<b>Pre-recommendation Sample</b>	
VBA reviewed 9,724 military sexual trauma claims denied from October 1, 2016, through June 30, 2018, and determined 7,777 of these claims required no additional action. The team removed 43 of these claims that were included in the 2018 sample errors to avoid duplication, leaving 7,734 for this review.	The OIG reviewed a sample of 35 claims from the 7,734 VBA staff determined had no errors to assess the accuracy of VBA's review.

<b>Special Focused Quality Review Sample</b>	
VBA reviewed 197 military sexual trauma claims denied from May 1 to June 30, 2019, as part of its response to OIG recommendations and determined 168 had no benefit entitlement errors.	The OIG reviewed a sample of 14 claims VBA deemed to have no benefit entitlement errors to assess the quality of VBA's special focused quality review.

<b>Post-recommendation Sample</b>	
The OIG identified that VBA denied about 1,089 military sexual trauma claims from October 1, 2019, through December 31, 2019.	The OIG reviewed a sample of 75 claims from this period to assess overall claims processing accuracy after VBA stated it had taken initial action on all six recommendations.

**Figure A.1.** Samples the team reviewed to assess VBA's responses to 2018 report recommendations 1–6.

Source: VA OIG analysis.

Note: See Appendix B sampling methodology.

The review team used VBA's electronic systems, including the Veterans Benefits Management System, to review the sample veteran claims folders and relevant documentation required to

assess whether VBA staff incorrectly processed denied military sexual trauma claims. The team also used the Veterans Health Administration's electronic medical records for relevant evidence. The team discussed the findings with VBA officials and included their comments where appropriate.

## Significant Dates

- **March 7, 2002:** The rule on Stressor Determinations for Posttraumatic Stress Disorder (38 CFR 3.304f(3)) for PTSD claims related to personal assault was published in the federal register. This rule allowed for the use of marker and alternative evidence to corroborate the occurrence of personal trauma.
- **December 2, 2011:** VBA released Training Letter 11-05. The purpose was “to ensure consistency and fairness through a liberal approach” when processing PTSD claims based on military sexual trauma.
- **March 31, 2017:** VBA updated the procedural manual to revise the medical opinion language sent to examiners with military sexual trauma exam requests. This language clarified instructions to examiners as to what information VBA required within the opinion response depending on what diagnosis the examiner found during the exam.<sup>51</sup>
- **October 19, 2018:** VBA updated the procedural manual requiring RVSRs to obtain a second review of military sexual trauma rating decisions until 90 percent accuracy had been achieved, based upon a review of 10 cases.
- **November 20, 2018:** The Office of Field Operations issued guidance requiring regional offices to designate a specialized group of trained VSRs and RVSRs for military sexual trauma claims and required compliance by November 27, 2018.
- **August 2, 2019:** VBA updated the procedural manual requiring completion of the military sexual trauma outreach coordinator checklist, the personal trauma development checklist, and the personal trauma incident/marker worksheet.
- **August 21, 2020:** VBA updated the procedural manual to discontinue the requirement for a military sexual trauma outreach coordinator to attempt phone contact with the veteran and to discontinue the requirement to complete the military sexual trauma outreach coordinator checklist.

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<sup>51</sup> VBA's procedural manual M21-1 is an electronic resource for claims processors. It is a general guide for processing claims for compensation. VBA continuously updates this online resource. Therefore, specific manual citation numbers often change.

## Internal Controls

The review team assessed VBA's internal controls significant to the objective. This included an assessment of the five internal control components, which include control environment, risk assessment, control activities, information and communication, and monitoring. In addition, the team assessed the principles of those internal control components. The team identified internal control deficiencies with four components and six principles:

### Component: Control Environment

- Principle 3: Management should establish an organizational structure, assign responsibility, and delegate authority to achieve the entity's objectives.
- Principle 5: Management should evaluate performance and hold individuals accountable for their internal control responsibilities.

### Component: Control Activities

- Principle 10: Management should design control activities to achieve objectives and respond to risks.
- Principle 12: Management should implement control activities through policies.

### Component: Information and Communication

- Principle 14: Management should internally communicate the necessary quality information to achieve the entity's objectives.

### Component: Monitoring

- Principle 16: Management should establish and monitor the internal control system and evaluate the results.

## Fraud Assessment

The review team assessed the risk that fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, significant within the context of the audit objectives, could occur during this review. The team exercised due diligence in staying alert to any fraud indicators, including

- soliciting the OIG's Office of Investigations for indicators,
- reviewing the OIG hotline complaints and concerns for indicators, and
- completing the Fraud Indicators and Assessment checklist.

The OIG did not identify any instances of fraud or potential fraud during this review.

## Data Reliability

The review team used computer-processed data from the following sources:

- August 2018 OIG military sexual trauma report data with 82 claims in error identified (*2018 error sample*)
- VBA-provided post-review workbook of 9,724 claims from its military sexual trauma review of military sexual trauma claims denied from October 1, 2016, through June 30, 2018 (*Post-recommendation sample*)
- VBA-provided post-review workbook from VBA's special focused review on military sexual trauma for 197 claims finalized from May 1, 2019, through June 30, 2019 (*Special focused quality improvement review sample*)
- VBA's Enterprise Data Warehouse for military sexual trauma PTSD claims denied and completed from October 1, 2019, through December 31, 2019 (*Post-recommendation sample*)

To test for reliability, the team determined whether any data were missing from key fields, included any calculation errors, or were outside the time frame requested. The team also assessed whether the data contained obvious duplication of records, alphabetic or numeric characters in incorrect fields, or illogical relationships among data elements. Furthermore, the team compared veterans' names, file numbers, dates of claims, and end-product closed dates as provided in the data received to the Veterans Benefits Management System records reviewed.

Testing of the data sets disclosed that they were sufficiently reliable for the review objectives. Comparison of the data with information contained in the Veterans Benefits Management System records reviewed did not disclose any problems with data reliability.

## Government Standards

The OIG conducted this review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

## Appendix B: Statistical Sampling Methodology

### Approach

To accomplish the objectives, the OIG reviewed the four sets of claims detailed in appendix A (figure A.1). The team used statistical sampling, when applicable, to quantify the extent of records where VA employees prematurely denied claims for PTSD based on military sexual trauma.

### Population

The review team examined all 82 samples identified as errors in a previous OIG report, *Denied Posttraumatic Stress Disorder Claims Related to Military Sexual Trauma*, Report No. 17-05248-241.

The review population for the *pre-recommendation sample* of previously denied military sexual trauma claims from October 1, 2016, through June 30, 2018, was reported by VBA as 9,724 claims, of which 7,777 were determined or categorized by VBA as not requiring additional action. This included 43 samples from the August 2018 review. To avoid duplication, these 43 were removed, leaving 7,734 for this review. The validity of VBA's total population for this sample was not independently validated by OIG as determining the quality of VBA's claims reviewed was the objective for this sample.

VBA reported 1,223 military sexual trauma claims completed and denied between May 1, 2019, through June 30, 2019. VBA reviewed a sample of 197 of these denials as part of its special focused review.<sup>52</sup> The review team selected and tested a judgmental sample of 14 of the 197 claims from VBA's *special focused quality improvement review*.

The review population for the *post-recommendation sample* included 1,132 veterans' records with military sexual trauma PTSD claims denied and completed from October 1, 2019, through December 31, 2019. For the purposes of the review, the OIG estimated the population to be 1,089 veterans. The difference between the review population and the estimated population occurred because the team estimated 43 of the population records (based on three samples) were not within the scope of the review. Samples excluded did not meet the requirements of a claim for PTSD denied on the basis of military sexual trauma. Examples include that the stressor was not related to military sexual trauma or PTSD was granted previously with another mental health issue diagnostic code. Since the excluded sample records represent others in the original review

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<sup>52</sup> VBA's initial sample size was 207 claims. However, 10 were deselected because they did not involve military sexual trauma. VBA reported its error rate based on the remaining 197 cases reviewed.



population that may also be out of scope, the OIG estimates the population eligible for this review is 1,089.

## **Sampling Design**

The OIG selected a pre-recommendation simple random sample of 35 records from the population of records with military sexual trauma claims denied and completed from October 1, 2016, through June 30, 2018. The statistical samples were based on a design precision of 14 percent at the 90 percent confidence interval. The OIG did not have an estimated error rate during planning, so a 50 percent error rate was used for planning. The margin of error is largest when the error rate is 50 percent, so it results in the most conservative sample size.

The OIG selected a post-recommendation simple random sample of 75 records from the population of records with military sexual trauma PTSD claims denied and completed from October 1, 2019, through December 31, 2019. The statistical samples are based on a design precision of 9 percent at the 90 percent confidence interval. The OIG did not have an estimated error rate during planning, so a 50 percent error rate was used for the same reason as the pre-recommendation sample.

## **Weights**

The estimates in this report were calculated using weighted sample data. Samples were weighted to represent the population from which they were drawn. The team used the weights to compute estimates. For example, the team calculated the error rate point estimates by summing the sampling weights for all sample records that contained the error, then dividing that value by the sum of the weights for all sample records.

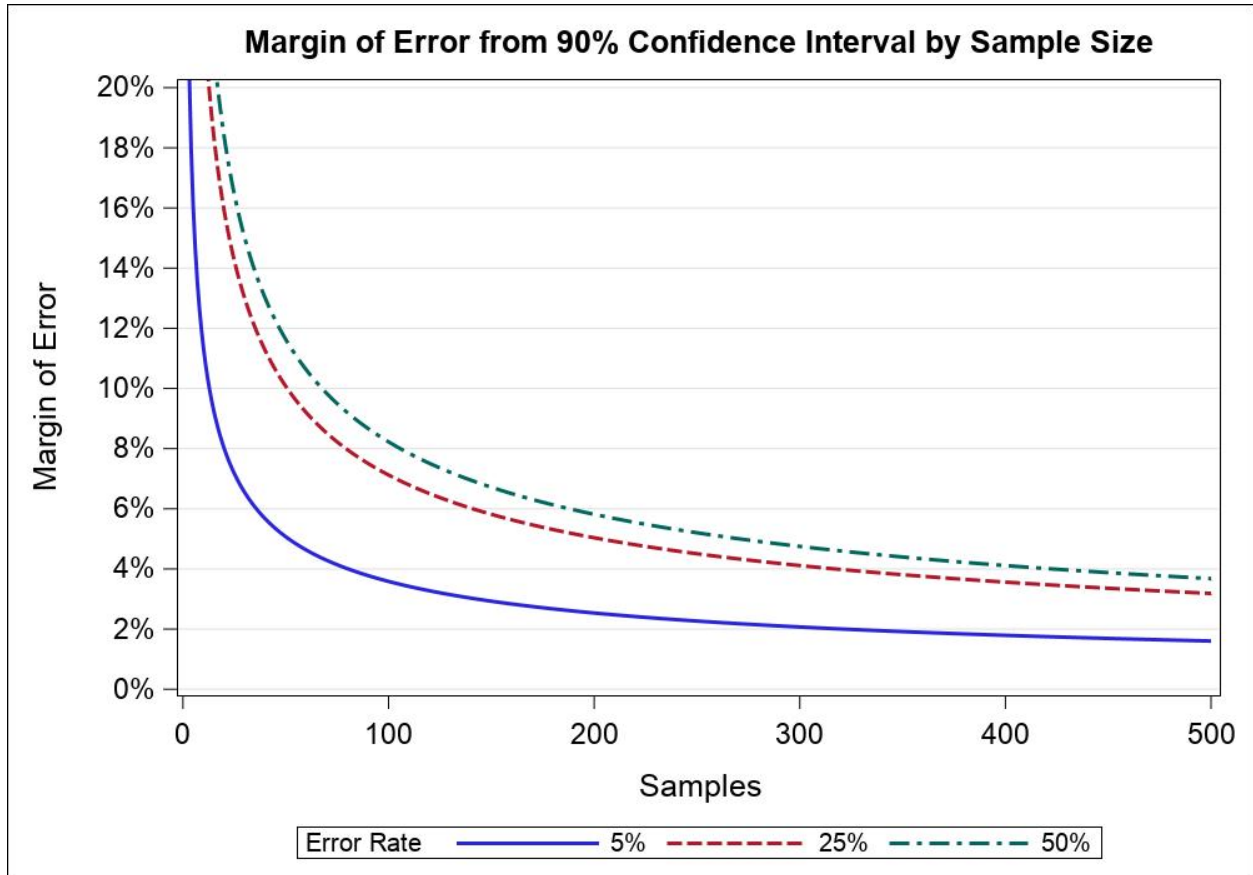
## **Projections and Margins of Error**

The point estimate (e.g., estimated error) is an estimate of the population parameter obtained by sampling. The margin of error and confidence interval associated with each point estimate is a measure of the precision of the point estimate that accounts for the sampling methodology used. If the OIG repeated this review with multiple samples, the confidence intervals would differ for each sample but would include the true population value 90 percent of the time.

The OIG statistician employed statistical analysis software to calculate the weighted population estimates and associated sampling errors. This software uses replication methodology to calculate margins of error and confidence intervals that correctly account for the complexity of the sample design.

The sample size was determined after reviewing the expected precision of the projections based on the sample size, potential error rate, and logistical concerns of the sample review. While precision improves with larger samples, the rate of improvement decreases as more records are added to the sample review.

Figure B.1 shows the effect of progressively larger sample sizes on the margin of error.



**Figure B.1.** Effect of sample size on margin of error.  
 Source: VA OIG statistician’s analysis.

## Projections

Table B.1 shows the error count and error rate projections for the 7,734 samples designated as not requiring additional action from VBA’s review of 9,724 previously denied military sexual trauma claims from October 1, 2016, and June 30, 2018.

**Table B.1. Summary of Pre-recommendation Error Projections for Previously Denied Military Sexual Trauma Claims**

Error category	Sample size	Error count in sample	Total claims	Projection of errors	Margin of error	Lower limit 90% confidence interval	Upper limit 90% confidence interval
Claims VBA identified as not requiring additional action (2018 report rec. 1)	35	11	7,734	2,431 (31%)	1,041 (14%)	1,390 (18%)	3,472 (45%)

Source: VA OIG statistician’s projection of estimated populations based on VBA-provided claim review data. VBA reported it reviewed 9,724 military sexual trauma claims denied from October 1, 2016, through June 30, 2018, and identified 7,734 as “no additional action needed.” OIG sampled from this population.

Note: Projections and confidence intervals may not total precisely due to rounding.

Table B.2 shows the error count and error rate projections for PTSD claims based on military sexual trauma that were denied from October 1, 2019, through December 31, 2019.

**Table B.2. Summary of Post-recommendation Error Projections for Previously Denied Military Sexual Trauma Claims**

Error category	Sample size	Error count in sample	Total claims	Projection of errors	Margin of error	Lower limit 90% confidence interval	Upper limit 90% confidence interval
Claim samples with errors	75	43	1,089	624 (57%)	107 (10%)	517 (48%)	731 (67%)

Source: VA OIG statistician’s projection.

Note: Projections and confidence intervals may not total precisely due to rounding.

Table B.3 shows a summary of the projections and error rate estimates by category for PTSD claims based on military sexual trauma that were denied from October 1, 2019, through December 31, 2019.

**Table B.3. Summary of Post-recommendation Error Projections for Denied Military Sexual Trauma Claims**

Error category	Sample size	Error count in sample	Total claims	Projection of errors	Margin of error	Lower limit 90% confidence interval	Upper limit 90% confidence interval
Claims processed by VBA staff not designated as military sexual trauma processors (2018 report rec. 2)	75	60	1,089	871 (80%)	91 (8%)	780 (72%)	961 (88%)
Claims requiring second review	75	30*	1,089	435	105	331	540
Claims requiring but not receiving second review (2018 report rec. 3)	30*	22	435	319 (73%)	97 (14%)	223 (60%)	416 (87%)
Military sexual trauma claims worked by processors without completed required training (2018 report rec. 5)	75	60	1,089	871 (80%)	91 (8%)	780 (72%)	961 (88%)
Military sexual trauma claims processed without one or more checklists completed (2018 report rec. 6)	75	38	1,089	552 (51%)	107 (10%)	444 (41%)	659 (60%)

Source: VA OIG statistician's projection.

Note: Projections and confidence intervals may not total precisely due to rounding.

\* The error projection for claims requiring a second review that were not conducted is based on a review of 30 of 75 claims that required second review. Of those 30 claims, 22 did not have a second review.

Table B.4 shows the estimated population and error rate projections of claims for PTSD based on military sexual trauma denied and completed from October 1, 2019, through December 31, 2019.

**Table B.4. Summary of Population of Denied Military Sexual Trauma Claims**

Sample name	Projection	Margin of error	Lower limit 90% confidence interval	Upper limit 90% confidence interval	Sample size
Post-recommendation population	1,089	41	1,047	1,130	75

*Source: VA OIG statistician's projection of estimated populations.*

*Note: Projections and confidence intervals may not total precisely due to rounding. There were 75 samples in scope, but the total number of samples reviewed was 78 as three out-of-scope samples were removed and replaced.*

## Appendix C: Management Comments

### Department of Veterans Affairs Memorandum

Date: July 13, 2021

From: Under Secretary for Benefits (20)

Subj: OIG Draft Report –Improvements Still Needed in Processing Military Sexual Trauma Claims  
(Project No. 2020-00041-DN-0001) – VIEWS 05342897

To: Assistant Inspector General for Audits and Evaluations (52)

1. Attached is VBA's response to the OIG Draft Report: Improvements Still Needed in Processing Military Sexual Trauma Claims.

*The OIG removed point of contact information prior to publication.*

Thomas J. Murphy

Acting

Attachment

**Veterans Benefits Administration (VBA)**

**Comments on OIG Draft Report**

**Improvements Still Needed in Processing Military Sexual Trauma Claims**

**(Project No. 2020-00041-DN-0001)**

**VBA provides the following comments:**

The Veterans Benefits Administration (VBA) remains committed to providing the benefits our Veterans have earned and deserve in an accurate and compassionate manner. VBA concurs with OIG’s findings and addresses the recommendations below.

In response to OIG’s August 2018 report, VBA concurred with the six recommendations and implemented actions to improve the processing of post-traumatic stress disorder (PTSD) claims due to military sexual trauma (MST). VBA acknowledges that additional controls and oversight are required to further improve MST-related claims processing; however, as a result of our efforts since 2018, VBA has dramatically increased the grant rate for MST-related PTSD claims – from 57% in fiscal year (FY) 2018 to 72% in FY 2021, as of June 1, 2021. This aligns with VBA’s overall grant rate across all service-connected conditions. A table showing VBA’s increase in MST-related claims grant rate over time is shown below.

<b>Fiscal Year</b>	<b>MST Grant Rate</b>
2015	50%
2016	52%
2017	54%
2018	57%
2019	61%
2020	68%
2021 (6/1/21)	72%

As of April 30, 2021, 88,875 Veterans were service connected for MST-related PTSD, with 59,721 (67 percent) rated 70 percent or higher.

While VBA acknowledges opportunities to improve oversight of MST-related claims, VBA has implemented several actions to effectively improve claims processing resulting in higher grant rates as noted above. In November 2018, VBA mandated that only specialized groups of trained Veterans Service Representatives and Rating Veterans Service Representatives who have demonstrated high quality standards process these high priority and complex claims. VBA continues to highlight the importance of MST claims processing during national training, as well as business line and leadership conferences. VBA made improvements in MST-related claims processing including eliminating the requirement for potentially unnecessary phone calls that could re-traumatize Veterans, improving training for MST claims processors, and continuing quality reviews of MST cases through special focused quality reviews, which are used to develop annual training.

Additionally, in May 2021, VBA centralized this important work to five regional offices (ROs) to further improve benefits delivery to Veterans who file MST-related claims by enhancing efficiency, accuracy, and timeliness by placing these cases in the hands of well-trained, experienced employees. In the first quarter of FY 2022, VBA will further consolidate to one MST Remote Operations Center that will enable VBA to



further streamline operations and ensure tighter internal controls and accountability for MST claim decisions.

The following comments are submitted in response to the recommendations in the OIG draft report:

**Recommendation 1: Establish and implement a formal procedure to ensure all processing errors on claims identified by the review team are corrected and report the results to the OIG.**

**VBA Response:** Concur. VBA will establish and implement a formal procedure to ensure all errors on claims identified by the OIG are corrected. VBA expects to finalize its formal procedures and initiate the error corrections by July 31, 2021.

Target Completion Date: July 31, 2021

**Recommendation 2: Develop, implement, and monitor a written plan to address continuing military sexual trauma claims-processing deficiencies identified by the review team, including reassessing previously decided claims when appropriate, and report the results to the OIG.**

**VBA Response:** Concur. Although VBA took steps to implement each of the August 2018 report recommendations, VBA agrees that there is room for continued improvement and oversight. Initiatives implemented since the 2018 report include designating specialized claims processors to process PTSD claims due to MST, hosting two MST Claims Processor Symposiums attended by over 200 people each for training and guidance distribution, creating updated annual refresher training based on MST error trends, and submitting system enhancement requirements to electronically approve second signatures within VBMS which is scheduled for release in FY 2022. Implementation of these initiatives resulted in an increased grant rate for MST-related PTSD claims – from 57% in FY 2018 to 72% in FY 2021, as of June 1, 2021.

To effectively govern and improve MST claims processing, VBA will develop, implement, and monitor a written plan to address the MST claims processing deficiencies identified by the OIG. VBA expects to develop the plan and begin implementation by August 31, 2021.

Target Completion Date: August 31, 2021

**Recommendation 3: Strengthen controls to effectively implement and promote compliance with 2018 OIG report recommendations related to military sexual trauma claims.**

**VBA Response:** Concur. Although VBA took steps to implement each of the August 2018 report recommendations, VBA agrees that there is room for continued improvement and oversight. Initiatives implemented since the 2018 report include designating specialized claims processors to process PTSD claims due to MST; hosting two MST Claims Processor Symposiums attended by over 200 people each for training and guidance distribution; creating updated annual refresher training based on MST error trends; and submitting system enhancement requirements to add functionality to electronically approve second signatures within VBMS that is scheduled for release in FY 2022. Implementation of these initiatives has already yielded an increased grant rate for MST-related PTSD claims – from 57% in FY 2018 to 72% in FY 2021, as of June 1, 2021.

To effectively govern and improve MST claims processing, VBA will develop a plan to strengthen controls to ensure compliance with the actions taken in response to OIG's 2018 report recommendations related to MST claims. VBA expects to develop the plan by August 31, 2021.

Target Completion Date: August 31, 2021

**Recommendation 4: Develop, implement, and monitor a written plan that requires Compensation Service and the Office of Field Operations to strengthen communication, oversight, and accountability of military sexual trauma claims processing.**

**VBA Response:** Concur. VBA will develop, implement, and monitor a written plan to strengthen communication, oversight, and accountability of MST claims processing. VBA expects to develop the plan by August 31, 2021.

Target Completion Date: August 31, 2021

*For accessibility, the original format of this appendix has been modified to comply with Section 508 of the Rehabilitation Act of 1973, as amended.*

## OIG Contact and Staff Acknowledgments

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<b>Contact</b>	For more information about this report, please contact the Office of Inspector General at (202) 461-4720.
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