



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

Office of Audits and Evaluations

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## DEPARTMENT OF VETERANS AFFAIRS

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### **VA Can Strengthen Appeals Processing and Tracking by Improving Caseflow Program Management**

Audit

24-01457-114

August 13, 2025

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## Executive Summary

Veterans may submit compensation claims to VA for disabilities associated with active service.<sup>1</sup> When they disagree with a claim decision, veterans may appeal using VA’s decision review process. On August 23, 2017, the President signed into law the Veterans Appeals Improvement and Modernization Act of 2017 (also known as the Appeals Modernization Act or AMA).<sup>2</sup> The AMA is meant to streamline and improve the processing of VA decisions on veterans’ appeals.<sup>3</sup> The AMA became effective on February 19, 2019.<sup>4</sup>

The AMA required the VA Secretary to submit an initial comprehensive plan to Congress for the processing of appeals decisions on pending legacy claims and implementing a new appeals system that processes requests for higher-level reviews, supplemental claims, or direct appeals to the Board of Veterans’ Appeals (hereafter referred to as the board) in a timely manner.<sup>5</sup> The plan was also required to include how the new appeals system would be monitored, identifying tracking goals and metrics. Furthermore, the plan was required to include a description of any necessary modifications to the information technology systems that the Veterans Benefits Administration (VBA) and the board use to carry out the new appeals system. The technology system VA adopted to support the new appeals system is called Caseflow. Caseflow acts as the single system for reviews of decisions, including appeals to the board. Caseflow also receives and processes requests for reviews under the AMA, capturing data on veterans’ appeals and satisfying VA’s reporting and tracking requirements.

The VA Office of Inspector General (OIG) conducted this audit to assess the Office of Information and Technology’s (OIT) program management of Caseflow, ensuring functionality is being developed to improve processing and tracking of appeals and meet the AMA’s requirements.<sup>6</sup>

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<sup>1</sup> VA provides monthly compensation benefits to veterans for disabilities incurred or aggravated during active military service, referred to as “service-connected” disabilities. According to federal regulation, “[s]ervice-connected means, with respect to disability or death, that such disability was incurred or aggravated, or that the death resulted from a disability incurred or aggravated, in line of duty in the active military, naval, air, or space service.” 38 C.F.R. § 3.1(k).

<sup>2</sup> Veterans Appeals Improvement and Modernization Act of 2017 (Appeals Modernization Act [AMA]), Pub. L. No. 115-55, 131 Stat. 1105.

<sup>3</sup> VBA, *Comprehensive Plan for Processing Legacy Appeals and Implementing the Modernized Appeals System*, November 2017, <https://benefits.va.gov/benefits/docs/appeals-report-201711.pdf>.

<sup>4</sup> VA Manual 21-5, “Appeals Modernization Act (AMA) Control and Other Activities,” updated April 3, 2024, chap. 4, topic 1.a in *Appeals and Reviews*.

<sup>5</sup> AMA § 3.

<sup>6</sup> For details regarding this audit’s scope and methodology, see appendix A.

## **What the Audit Found**

The OIG found VA's lack of an enterprise-wide governance structure over Caseflow resulted in inefficiencies in reporting and functionality. The audit team determined that Caseflow's AMA reporting and general functionality issues affected the system's efficiency and ability to streamline appeals processing. Additionally, the team found that OIT lacked an overall development roadmap and restricted the board's direct access to developers. This lack of clear direction made it difficult to implement requirements during development. These problems occurred, in part, because VA did not assemble an enterprise-wide governance structure as planned in its AMA-mandated initial plan to Congress. This governance structure would have provided strategic guidance and steered the operations for all parties involved, including the contractor. Without it, there was a lack of oversight during Caseflow development, and decisions were made without the meaningful input from all stakeholders. Furthermore, many additional functions were not implemented due to lack of funding, which makes governance even more important.

Caseflow functionality was also affected by the contractor's development process. The process involved lengthy timelines—for example, it took 18 months to develop the case distribution function—and did not always include developers in meetings intended to communicate users' needs. Beyond lengthy development timelines, the board's innovation strategist explained that some users have given up on changes because when the change was finally released, it was not what the users wanted, or some other functionality was broken because of the change. The contractor's process of determining how to prioritize functionality concerns was also problematic, as it relied on the volume of help desk tickets to determine priority rather than addressing the underlying issues. The OIG found this process was inefficient and unreliable because, even in instances where many help desk tickets were submitted for one problem, underlying functionality concerns were not always addressed. Finally, the audit team discovered that contractor staffing was inconsistent with the requirements of the Caseflow contract. The team confirmed with the contracting officer's representative that the contractor has not maintained the number of staff assigned to the system's development as required by the contract.

As a result of the program management concerns listed above, some VA offices have questioned using Caseflow. For example, the chief for VBA's Policy, Procedures & Development told the audit team some VBA program offices have decided to stop using Caseflow. Furthermore, according to Veterans Health Administration (VHA) legal administrative specialists, some VHA program offices have decided not to use it at all.


## **What the OIG Recommended**

The OIG recommended the assistant secretary for enterprise integration, in conjunction with the assistant secretary for information and technology and chief information officer, evaluate whether VA should establish an enterprise-wide governance structure for Caseflow development

consistent with VA's initial comprehensive plan to Congress.<sup>7</sup> The OIG also made two recommendations to the assistant secretary for information and technology and chief information officer to develop a well-defined roadmap for the future development and implementation of Caseflow and enforce contract requirements through improved oversight, ensuring violations are addressed and remediated.

## **VA Management Comments and OIG Response**

The deputy chief information officer for connectivity and collaboration services (deputy), performing the delegable duties of the assistant secretary for information and technology and chief information officer, concurred with recommendations 1 and 2 and provided action plans for each. The deputy concurred in principle with recommendation 3. Appendix B includes the full text of the deputy's comments. The OIG will monitor implementation of OIT's corrective actions and close the recommendations when sufficient evidence demonstrates progress in meeting the intent of the recommendations.



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<sup>7</sup> The recommendations addressed to the assistant secretary for enterprise integration and the assistant secretary for information and technology and chief information officer are directed to anyone in an acting status or performing the delegable duties of the position.

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## Abbreviations

AMA	Veterans Appeals Improvement and Modernization Act of 2017 (Appeals Modernization Act)
OIG	Office of Inspector General
OIT	Office of Information and Technology
VACOLS	Veterans Appeals Control and Locator System
VBA	Veterans Benefits Administration
VBMS	Veterans Benefits Management System
VHA	Veterans Health Administration



## Introduction

Veterans may submit compensation claims to VA for disabilities associated with active service.<sup>8</sup> When they disagree with the decisions VA renders regarding those claims, veterans may appeal using VA's decision review process. Recognizing that its legacy appeals process was frustrating for veterans and not working as intended, VA engaged members of Congress and veterans service organizations to develop a new process.<sup>9</sup> On August 23, 2017, the President signed into law the Veterans Appeals Improvement and Modernization Act of 2017 (also known as the Appeals Modernization Act or AMA).<sup>10</sup> The AMA is meant to streamline and improve the processing of VA decisions on veterans' appeals.<sup>11</sup> VA fully implemented the act on February 19, 2019.<sup>12</sup> From the law's passage in 2017 to February 2019, VA used the Rapid Appeals Modernization Program to bridge the gap between the legacy appeals program and the new AMA decision review process. The program allowed some claimants who received a decision before the law took effect and had an appeal pending to participate in the new process.<sup>13</sup>

The AMA required the VA Secretary to submit an initial comprehensive plan and periodic progress reports to Congress for the processing of appeals decisions on pending legacy claims and implementing a new system that processes appeals requests in a timely manner, including those to the Board of Veterans' Appeals (hereafter referred to as the board).<sup>14</sup> The AMA also required the plan to include how the implementation of the new appeals system would be monitored and identify tracking goals and metrics. Furthermore, the initial plan was required to include a description of any necessary modifications to the information technology systems that the Veterans Benefits Administration (VBA) and the board use to carry out the new appeals

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<sup>8</sup> A claim is a formal request for benefits and includes a set of contentions that are usually medical issues caused or made worse by military service and may deserve benefits. OIT, *Veterans Benefits Management System (VBMS) User Guide*, December 6, 2024. VA provides monthly compensation benefits to veterans for disabilities incurred or aggravated during active military service, referred to as "service-connected" disabilities. According to federal regulation, "[s]ervice-connected means, with respect to disability or death, that such disability was incurred or aggravated, or that the death resulted from a disability incurred or aggravated, in line of duty in the active military, naval, air, or space service." 38 C.F.R. § 3.1(k).

<sup>9</sup> According to VA Manual 21-5, "a legacy appeal is a disagreement with a VA benefits decision made before February 19, 2019, the effective date of *Public Law 115-55, the Veterans Appeals Improvement and Modernization Act of 2017*" (italics in the original). VA Manual 21-5, "Legacy Appeal Procedures," updated June 24, 2024, chap. 7, sec. A.1.p in *Appeals and Reviews*.

<sup>10</sup> Veterans Appeals Improvement and Modernization Act of 2017 (Appeals Modernization Act [AMA]), Pub. L. No. 115-55, 131 Stat. 1105.

<sup>11</sup> VBA, *Comprehensive Plan for Processing Legacy Appeals and Implementing the Modernized Appeals System*, November 2017, accessed September 13, 2021, <https://benefits.va.gov/benefits/docs/appeals-report-201711.pdf>.

<sup>12</sup> VA Manual 21-5, "Appeals Modernization Act (AMA) Control and Other Activities," updated April 3, 2024, chap. 4, topic 1.a in *Appeals and Reviews*.

<sup>13</sup> Veterans Claims Assistance Act of 2000, Pub. L. No. 106-475, 114 Stat. 2096. A claimant is any individual applying for, or submitting a claim for, any VA benefits. 38 U.S.C. § 5100(1).

<sup>14</sup> AMA § 3.



system. The technology system VA adopted to support the new appeals system is called Caseflow. This system was intended to receive and process requests for reviews of decisions, including appeals to the board, capturing data on veterans' appeals and satisfying VA's reporting and tracking requirements.<sup>15</sup>

The VA Office of Inspector General (OIG) conducted this audit to assess the Office of Information and Technology's (OIT) program management of Caseflow and whether the program's functionality is being developed to improve the processing and tracking of appeals and meet the AMA's requirements.

## Decision Review Process

A claim is established when VA receives the formal request for benefits from a veteran, or a person or an organization authorized to act on behalf of the veteran, and confirms that the claim does not already exist.<sup>16</sup> Once a claim is decided, if a veteran disagrees with the decision, the AMA allows the veteran to choose from one of three options, called lanes, to seek a review of the decisions: a higher-level review, a supplemental claim, or a direct appeal to the board.<sup>17</sup> Veterans may elect to have a higher-level review when they disagree with VA's decision and desire a reevaluation by a senior technical expert. In a supplemental claim, the veteran must identify or submit new and relevant evidence to support the claim. For direct appeals, a claimant can appeal to the board and have a veterans law judge review the case. The board decides appeals on a wide range of claims varying from VA educational benefits to eligibility for outpatient treatment, and its decision is considered final, although subject to judicial review.

However, if claimants disagree with the board's decision, they may either file a supplemental claim with new evidence or seek a judicial review. The US Court of Appeals for Veterans Claims performs judicial reviews of the board's final decisions and findings to ensure they are free of error. If the Court of Appeals remands a case back to the board, the case must be treated expeditiously and is placed on the docket from which it originated.

When electing a board review, a claimant must select one of three options: direct review, new evidence, or hearing request. For the direct review option, the board hears from claimants

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<sup>15</sup> According to VBA, "Caseflow will have to capture necessary data and provide an appropriate reporting mechanism to comply with reporting needs. Some of the reports will require data from multiple systems, and functionality to either generate or integrate this data must exist in Caseflow or another VA system." VBA, *Comprehensive Plan for Processing Legacy Appeals and Implementing the Modernized Appeals System*, November 2017, <https://benefits.va.gov/benefits/docs/appeals-report-201711.pdf>.

<sup>16</sup> OIT, *Veterans Benefits Management System (VBMS) User Guide*, February 2, 2024.

<sup>17</sup> AMA § 2. Filing an appeal with the board is still an option for veterans who do not have a decision review pending for the same claim. Under the AMA, the term "appeal" is now generally used to refer to those claims directed to the board. Higher-level reviews and supplemental claims are no longer referred to as "appeals," and those terms are used instead for greater precision. VHA Notice 2024-7, *The Appeals Modernization Act in the Veterans Health Administration*, June 18, 2024.

dissatisfied with the initial decision on a claim for benefits or reimbursement. If the claimant chooses the new evidence option, a board veterans law judge will review the new evidence along with the documentation that was provided with the original decision. Finally, if claimants select the hearing request option, they can schedule an informal hearing with a board veterans law judge to provide testimony and argument. The judge will also review the record evidence, the testimony and arguments from the hearing, and any additional evidence submitted.

## Caseflow

Before the AMA was enacted, VA worked with contractor A to build a replacement for the Veterans Appeals Control and Locator System (VACOLS), which is a legacy system that was created in the late 1980s to track appeals. VACOLS is still being used for certain parts of the appeals process. According to a VBA senior manager, contractor A partnered with VA to review the appeals process and developed Caseflow, which will ultimately replace VACOLS as the system of record for all appeals under the AMA.<sup>18</sup> According to an OIT senior management and program analyst, the development of Caseflow was funded by the board and began in 2016 with contractor A and support from another contractor (contractor B), who took over sole control of the contract in 2019. In 2021, VA moved to contractor C as part of a larger modernization effort. As of June 2024, Caseflow expenditures totaled about \$129 million, of which about \$48 million can be attributed to contractors A and B.

Caseflow is a web-based collection of tools intended to integrate with the VA network and systems to improve the efficiency of processing appeals, responding to business needs, and updating central data as applicable in source systems. The system informs veterans of their appeals options, the effect of their choices, and the status of their appeals. Additionally, Caseflow can support the board in scheduling hearings to ensure readiness for managing multiple hearing dockets under the AMA. Furthermore, Caseflow tools facilitate compliance with the AMA requirements by assigning work items to board staff for processing of appeal-related tasks, thereby moving new appeals through the board from beginning to end. The following is a list of the Caseflow tools relied on to meet AMA requirements:

- Certification—ensures that appeals are transferred accurately from VBA to the board, eliminating the risk of lost appeals and reducing the error rate.

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<sup>18</sup> “Caseflow System Attributes” (web page), VA Enterprise Architecture Repository, accessed January 19, 2023, [https://vaww.vear.ea.oit.va.gov/#system\\_and\\_application\\_domain\\_defs\\_system\\_24284.htm](https://vaww.vear.ea.oit.va.gov/#system_and_application_domain_defs_system_24284.htm). (This web page is not publicly available.)

- Dispatch—creates work items for the processing of board decisions to prevent delays, ensure consistency, and track appeals.<sup>19</sup> Following the issuance of a decision by the board, this tool facilitates the transfer of cases back to the agency of original jurisdiction, such as VBA, the Veterans Health Administration (VHA), or specialty centers, for adjustment.
- eFolder Express—allows a bulk download of documents from a veteran’s electronic claims file, thereby eliminating the need to manually save these documents one by one.
- Hearings—supports the board’s ability to schedule hearings under both the legacy system and the AMA.
- Intake (web-based application)—supports the AMA framework that processes appeals for veterans who have chosen the supplemental claim, higher-level review, or appeal directly to the board through a Notice of Disagreement. Intake serves as the single data input system for this process, providing a source for AMA statutory metrics.
- Queue—manages and tracks legacy and AMA appeals through the process.
- Reader—streamlines the case review process by allowing users to read, annotate, and organize all documents in an electronic claims file by categories, issue tags, and comments from multiple users.

## Related OIG Reports

The OIG issued two reports relating to appeals processing and tracking before this audit. In a September 2023 report, the OIG found that VHA program offices did not give claimants the necessary information to initiate higher-level reviews and supplemental claims regarding benefits decisions.<sup>20</sup> Furthermore, VHA did not accurately track decision reviews because it did not implement effective systems, sufficient policies, or adequate training. The audit determined that about 35 percent of the 113 tested decision reviews were not entered into Caseflow as required because of functionality limitations that made it necessary for program offices to maintain their own systems. These limitations included the inability to identify claimants not in the Veterans Benefits Management System (VBMS); generate reports for oversight; save documents and

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<sup>19</sup> OIT, *VBMS User Guide*. Work items represent tasks that must be completed, information that must be gathered, and evidence that must be documented to fully process a claim. For example, work items that show claim details and artifacts include VA Form 21-526 Veteran’s Application for Compensation and/or Pension, the veteran’s profile information, dependents’ information, and military service history.

<sup>20</sup> VA OIG, [VHA Faces Challenges Implementing the Appeals Modernization Act](#), Report No. 22-02064-155, September 7, 2023.

process decision reviews; and differentiate decision reviews by program.<sup>21</sup> In addition, according to the chief of the Claims and Appeals Modernization Office, Caseflow was developed without VHA's involvement.

In a May 2024 report, the OIG substantiated a hotline allegation that VBA supplemental claims resulting from higher-level reviews were not being established by Caseflow within VBA timelines.<sup>22</sup> According to the VBA procedures manual, once a higher-level review is closed out in VBMS, Caseflow should establish a supplemental claim within 48 hours.<sup>23</sup> However, the OIG found it took Caseflow an average of 41 days to establish supplemental claims resulting from higher-level reviews.

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<sup>21</sup> VBMS is a web-based electronic claims-processing solution that acts as the enabling technology for more efficient, accurate, and integrated claims processing.

<sup>22</sup> VA OIG, [\*Software Delayed the Establishment of Supplemental Claims for Appeals of Benefits Decisions\*](#), Report No. 23-01232-109, May 23, 2024.

<sup>23</sup> VA Manual 21-5, "Higher Level Review Procedures," updated July 15, 2024, chap. 5, topic 5.5.e in *Appeals and Reviews*.

## Results and Recommendations

### **Finding: With Improved Governance, VA Can Enhance Caseflow Functionality and Appeals Processing**

The OIG found Caseflow is missing key reporting functionality, requires manual processes to provide congressionally mandated metrics, and lacks some important general functions. According to officials, these issues affected Caseflow's efficiency of appeals processing, leading some program offices in both VBA and VHA to abandon their use of Caseflow or not adopt the system at all.

The OIG determined that this missing functionality resulted from limited oversight and direction, which occurred because Caseflow was not developed collaboratively, as envisioned in the initial comprehensive plan VA submitted to Congress. In addition, VA did not assemble an adequate enterprise-wide governance structure as planned, which would have provided strategic guidance and steered the operations for all involved, including the contractor. If the governance structure was in place as proposed by the comprehensive plan, officials representing VBA, VHA, and the board would have collaboratively guided the development of Caseflow to capture and prioritize all stakeholders' needs. Additionally, OIT did not develop an overall roadmap and restricted the board's direct access to developers. Finally, contractor staffing was inconsistent with the requirements of the Caseflow contract.

The following determinations formed the basis for this finding and led to the OIG's recommendations:

- Caseflow's AMA reporting and general functionality are limited and inefficient.
- VA's lack of an enterprise-wide governance structure contributed to limited oversight of development and inadequate program management.
- Contractor staffing was inconsistent with Caseflow contract requirements.

### **What the OIG Did**

The audit team assessed OIT's program management of Caseflow by reviewing applicable laws, regulations, policies, and procedural guidance. The team reviewed contract awards and documentation for Caseflow's development, associated contract modifications, initial and subsequent periodic progress reports for appeals modernization, as well as selected system security and access control assessments. Finally, interviews were conducted with VBA, VHA, board, and OIT staff and users associated with the system. See appendix A for more details regarding this report's scope and methodology.

## **Caseflow's AMA Reporting and General Functionality Are Limited and Inefficient**

The OIG found Caseflow does not have the internal reporting and data functionality necessary to meet AMA reporting requirements. Additionally, Caseflow's inability to perform some general functions continues to affect AMA reporting. These deficiencies occurred, in part, because VA did not follow its plan to assemble an enterprise-wide governance structure.

### **AMA Reporting Requires Multiple Systems and Manual Work-Arounds**

According to the AMA, VA is required to publish congressionally mandated metrics on its website related to the 37 new reporting requirements and a comprehensive plan with periodic progress reports for processing legacy appeals.<sup>24</sup> Among other details, this initial comprehensive plan required a description of the modifications VA information technology systems would need to meet the AMA requirements.

The initial comprehensive plan submitted by VBA's Office of Administrative Review in November 2017 stated Caseflow would serve to capture data on veterans' lane selections—that is, their options to seek a review of prior claims decisions—for the new process. This information is instrumental in the satisfaction of VA's reporting and tracking requirements. VBA's assistant director for operations stated that VBA thought that if it were to establish claims through Caseflow, the system could track the data that were needed for at least some of that reporting; however, that functionality never came to fruition. While VBA understood that some AMA reports would require information from multiple systems to either generate or integrate data from Caseflow, as of June 2024, gathering this information requires manual processes and has proven to be time-consuming. For example, a board operations research analyst stated his team must extract information from Caseflow and manually convert it to a readable format for AMA reporting. The analyst further stated this manual process requires most of his time.

According to a VBA Office of Administrative Review official, data for reporting monthly mandated AMA metrics are gathered from multiple systems, including Caseflow. According to a VBA senior program analyst, to provide the monthly reports, data are pulled from VACOLS, Caseflow, and reports provided by the board. Furthermore, the board's operations research analyst explained that over the last five years, the board has been trying to build a centralized data platform to extract aggregate data on appeals cases, automatically gathering all the necessary data from different sources because Caseflow does not have that functionality.

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<sup>24</sup> AMA § 3(a) (requirement for VA Secretary to submit a comprehensive plan to Congress and the Comptroller General of the United States); AMA § 5 (periodic publication of metrics relating to processing of appeals by VA); "Appeals Modernization Act Comprehensive Plan and Reporting" (web page), VBA Reports, accessed May 30, 2024, <https://www.benefits.va.gov/REPORTS/ama/>.

However, an information technology project manager for OIT informed the audit team that the centralized data platform was relabeled as the appeals data platform, and it was not successful because it lacked official buy-in from the program office, a governance structure, and funding. Since the platform was unsuccessful, providing accurate and complete data from Caseflow has required significant work by the operations research analyst. VBA's assistant director for operations also stated that reporting could be enhanced with better automation and improved data integration among systems. The director explained that, if reporting were enhanced, users would not need to access several systems at once, and VBA's Office of Administrative Review could reduce the reliance on other systems, including VACOLS.

### **General Functionality Challenges Affect AMA Reporting, and Latency and Outages Affect the Appeals Process Overall**

VA's initial comprehensive plan shows that Caseflow was developed to meet basic AMA requirements with additional development to take place in the future.<sup>25</sup> According to OIT's former deputy appeals product line manager, in November 2021 after the initial deployment, the board requested enhancements for 70 fully operational capability items. However, according to a board innovation strategist, as of April 2024, 56 items still have limited functionality or require a work-around. The board strategist stated some examples of limited functionality include Caseflow's inability to handle nonveteran appellants, motions for reconsideration, or procedural motions, as well as to track or identify ineligible or rejected claims. Additionally, the strategist indicated edited information within the system does not match VBMS or VACOLS, and accurate metrics for information requested outside the normal process cannot be provided. For example, the strategist stated if the veteran's address in Caseflow did not match the address in VBMS, it would have to be manually corrected.

The assistant director of operations explained that Caseflow is so rigid that it restricts what VBA staff can do, and VBA employees often must cancel a claim in Caseflow and reestablish it in the same system. For example, the wording in the claim and the condition being appealed must match exactly for the claim to be established. The assistant director further explained that this rigidity results in an inability to track the stages of an in-process claim, thereby affecting the data integrity of what VBA was trying to track in the first place: the appeals process from start to finish. The assistant director concluded that even if VA could fix the establishment of claims right now, the past data are so inaccurate that VBA could not rely on this information to track a claim.

Finally, many Caseflow users highlighted several instances of latency and outages. For example, a veterans law judge expressed frustration with the length of time necessary to download files for

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<sup>25</sup> Since the initial comprehensive plan in November 2017, VA has provided Congress with periodic progress reports to the plan. "Appeals Modernization Act Comprehensive Plan and Reporting" (web page), VBA Reports.



veterans' appeals. The judge explained that if a file is very large, it can take a significant amount of time to download or may not successfully download at all. According to the judge, claims have an average of 400 documents each, and this slows down the ability to review the claim and assign it to an attorney for evaluation. A board supervisory senior attorney also expressed frustration with retrieving documents and stated an attorney is required to review every document in the file to ensure all the information is present and accurate. Recurring delays in retrieving documents would therefore affect the board's ability to render a decision since every document in the file must be reviewed. In short, Caseflow's limited functionality inhibits not only appeals tracking but also the appeals process overall.

### **The Contractor's Development Process Affected Caseflow Functionality**

In 2021, VA brought in contractor C to continue the modernization of Caseflow. However, according to the board's innovation strategist, there have been challenges working under contractor C, including a slow development process. For example, the board's innovation strategist stated that, if they wanted to change Caseflow from automatically assigning people to cases to using a queue that people would pull cases from, the first step is to identify and prioritize the areas of case distribution that need improved functionality. If the board approves these areas, there could be several months of meetings to discuss system requirements before OIT schedules development. The approved system requirements would be prioritized in the next program increment, which is about three months long. An OIT appeals technical manager confirmed that requirements may not be completed during program increments because the contractor lacked a solid customer program management office to translate stakeholders' needs into requirements. The board innovation strategist further stated that the case distribution process has taken 18 months, and even a simple change can take six months. Beyond the lengthy development time, the strategist explained that some users have given up on changes. Users felt this way, for example, when a released change was not what users wanted or some other functionality was broken because of the change, such as cases being distributed to the wrong judges.

The board innovation strategist also expressed frustration with the development process because of the way system requirements are gathered. The strategist stated that the board meets with staff from OIT development, the contractor, and OIT business relationships to agree on the same system requirements, but then those agreed-upon requirements are given to a different group of contractor developers who were not involved in those meetings. An OIT appeals technical manager also expressed similar frustration with the process, stating that he was not allowed to be included in the technical development to see what the contractor was doing. Ultimately, according to the board innovation strategist, the board receives something that was not wanted or intended because the contractor does not understand Caseflow or the users' needs. As a result,



some of the changes that were implemented have resulted in system rollbacks, where the contractor needed to revert to a prior version of the system to address a problem.<sup>26</sup>

VA officials stated that 10 rollbacks occurred between July 2023 and March 2024. The board's innovation strategist explained that a rollback can occur because something the contractor implemented did not work or the contractor's misinterpretation of the system requirements made Caseflow function less efficiently. The board's technical infrastructure branch chief indicated the problem with a rollback is that reviews of appeals are delayed while the developer determines what caused the error because the system is unusable while reverting to the prior state.

Furthermore, the board innovation strategist stated that because of how the contractor characterizes and labels software issues and plans its work, there were years where "bugs" or problems were not addressed. For example, according to a veterans law judge, the contractor relies on help desk tickets to determine whether a functionality concern should be addressed; the more tickets submitted for a problem, the more likely it is to be addressed. However, the audit team determined this process was inefficient and unreliable. Even in instances where many help desk tickets were submitted for one problem, underlying functionality concerns were not always addressed. One example of this, according to a veterans law judge, is the document loading issue. Although this is a known problem, users are still told to continue submitting help desk tickets. The judge stated that even though board leaders have told the contractor that it is a problem, the contractor's response is that it is not a problem if they do not have enough help desk tickets for the contractor to consider addressing the problem. The audit team analyzed about 6,700 help desk tickets and found that more than 60 percent were for three issues that have been outstanding for several years, including system outages, end-product establishment, and slow performance.

The board innovation strategist stated some of these unaddressed issues affected individual veterans' cases, which delayed some decisions for several months. The strategist also stated that the board was finally able to get a contractor team that is responsible for addressing functionality gaps. However, the contractor still wants to follow a six-month process for anything not defined in the original contract requirements. Additionally, the strategist indicated while the board meets with OIT and higher-level contractor managers to discuss system requirements, the actual system developers are not included in the meetings. The strategist stated that the board is also unable to meet directly with the system developers working on the system requirements, as they can only communicate through meetings with the higher-level personnel. While the contract does not specifically state the board cannot meet directly with the system developers, according to OIT, it

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<sup>26</sup> A rollback is reverting to an earlier version of the software over the new version, which discards the problematic changes and reinstates the earlier functionality. "Understanding Rollbacks in Software Development" (web page), Harness, accessed February 19, 2025, <https://www.harness.io/blog/understanding-software-rollbacks>.

informed the board that this is the process the contractor has created for intaking system requirements.

## Caseflow Is Used Inconsistently

VA's comprehensive plan notes that integration of VHA appeals tracking data into Caseflow will facilitate analysis of supplemental claim and higher-level review volume, inventory, and timeliness.<sup>27</sup> It also states that, because of Caseflow, VHA managers will have the data necessary to adjust staffing and priorities as needed to maintain timely processing of post-decision reviews in the modernized system. However, because an enterprise-wide governance structure was not in place, Caseflow use has not been mandated and not all program offices are using Caseflow, which could affect the timely processing of appeals. For example, according to a board supervisory senior attorney, if Caseflow is used, the information necessary to decide an appeal would be available to the board. On the contrary, if Caseflow is *not* used and the board does not receive the full record for the appeal from VHA, the attorney would have to create a special request to VHA for that information, resulting in a possible decision delay.

As evidence of VA's inconsistent use of Caseflow, the audit team found during a site visit to a VHA facility that staff use the Healthcare Appeals Tool to track appeals for their program rather than Caseflow. Staff stated that the only time they use Caseflow is to input information for the board, which, in their opinion, is a waste of time since the information is already available in the Healthcare Appeals Tool. While the VHA Claims and Appeals Modernization Office was created to manage the VHA claims process for its various program offices, according to an office program manager, it is currently minimally staffed and lacks the authority to dictate to program offices how to track and report appeals data, which enterprise-wide governance would provide. VHA's chief of the Claims and Appeals Modernization Office stated the office has only four full-time employees and considering the scope of the issues, the number of programs affected, and the broad reach across the entirety of VHA, he believed several dozen full-time employees are needed to effectively implement changes to the appeals process.

VHA officials explained that due to the variability of how appeals may be submitted (for example, through a medical center or online) and varying guidance, the total number of appeals is most likely underreported and inconsistently processed. Further, VHA officials stated that with the passage of the PACT Act, the number of health-related claims and appeals has increased.<sup>28</sup>

According to VBA officials, VBA does not plan on using Caseflow for processing appeals for compensation and pension. Instead, VBA is developing this functionality in VBMS. One reason

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<sup>27</sup> VBA, *Comprehensive Plan for Processing Legacy Appeals and Implementing the Modernized Appeals System*, November 2018, accessed July 17, 2024, <https://benefits.va.gov/REPORTS/AMA/CMR/2018/appeals-report-201811.pdf>.

<sup>28</sup> Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act of 2022, Pub. L. No. 117-168, 136 Stat. 1759.

VBA has decided not to use Caseflow stems from a recent OIG report that found Caseflow should have been automatically establishing supplemental claims within 48 hours.<sup>29</sup> However, because Caseflow failed to establish cases within 48 hours, claims were being delayed. VBA officials indicated they will still provide the necessary information for reporting and tracking purposes; however, compensation and pension cases will not be processed in Caseflow.

When the audit team conducted a site visit, VBA decision review officers demonstrated some of the errors created while establishing appeals in Caseflow. For example, when a veteran files a request for a higher-level review, the issue that the veteran is appealing appears as an “unidentified issue” rather than populating the appropriate claim that the veteran is appealing. The decision review officer must then manually fix each appeal request so that Caseflow and VBMS match exactly to ensure appropriate processing and tracking.

According to VBA’s senior management and program analyst, another reason VBA is moving compensation and pension claims out of Caseflow is so that they can rely on a VBA-owned system (VBMS) instead. The analyst stated VBA’s requests for functionality enhancements have not been prioritized because Caseflow is a board-owned system and VBA is competing against board priorities. The analyst stated it is easier to prioritize enhancements within VBMS, which VBA users understand and are comfortable with, versus working with Caseflow.

With the increase in VHA claims and VBA and VHA’s inconsistent use of Caseflow, an enterprise-wide governance structure becomes even more important. A governance structure could identify appropriate staffing levels necessary for VHA appeals oversight and mandate a consistent process for tracking and reporting appeals data for both VBA and VHA.

## **VA’s Lack of an Enterprise-Wide Governance Structure Contributed to Limited Oversight of Development and Inadequate Program Management**

The OIG determined the lack of an enterprise-wide governance as planned has contributed to Caseflow’s AMA reporting and functionality challenges, as well as the inconsistent use of Caseflow. According to VA officials, an enterprise-wide governance structure would provide clear direction for relevant staff, managers, leaders, and other interested parties such as the contractor. However, without an enterprise-wide governance structure, implementing appeals modernization changes has been challenging. VA’s initial comprehensive plan stated that it would convene a collaborative enterprise-wide governance structure to ensure comprehensive and efficient implementation of the AMA.<sup>30</sup> The plan also described the governance structure as being composed of senior-level employees representing relevant program and staff offices,

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<sup>29</sup> VA OIG, *Software Delayed the Establishment of Supplemental Claims for Appeals of Benefits Decisions*.

<sup>30</sup> Periodic progress reports did not indicate an enterprise-wide governance structure would not be established. “Appeals Modernization Act Comprehensive Plan and Reporting” (web page), VBA Reports.

chaired by VBA and board members. Further, the plan indicated the governance structure would have the authority to make necessary decisions to help keep the project on schedule and in scope and address unforeseen risks.

The collaborative structure envisioned in the initial comprehensive plan was not established. According to VHA's chief of claims and appeals modernization, in his prior AMA-related role at VBA, he did not have much of a say in the decision-making and would "not agree there is or was an enterprise governance structure." Further, the chief stated an enterprise-wide governance structure presumes partnership within the enterprise. According to an OIT project manager, the board's requested improvements to Caseflow for processing appeals were prioritized without considering requests from other stakeholders. Furthermore, the project manager stated that when OIT reviewed program increments, the discussion focused on what was being developed for the board, and other stakeholders were not involved.<sup>31</sup> While the OIG acknowledges Caseflow is a board-owned system, without an enterprise-wide governance structure, formal collaboration may not occur with stakeholders and system users.

Additionally, the former OIT appeals product line manager explained to the audit team that, while there was some informal discussion between officials during program increments, each had their own list of system requirements for functionality improvement that needed to be addressed, but without the contemplated governance a comprehensive analysis was difficult. The team determined if an enterprise-wide governance structure was in place over the entire appeals process as described in VA's initial comprehensive plan, all VA offices would have been better represented and collaboratively guided the development of Caseflow.

## **Board Priorities and Funding Affected Caseflow Development**

According to VA officials, the board's position as OIT's primary customer for Caseflow resulted in many of the requirements requested by VHA and VBA not being addressed until they could secure their own funding. A VBA senior management and program analyst also agreed funding played a role in prioritizing requirements since the board funded the Caseflow contract. The OIG acknowledges that, according to an OIT supervisory information technology specialist, Caseflow development was initially underfunded. This specialist stated it was only after the passage of the PACT Act and the American Rescue Plan that the program received adequate funding.<sup>32</sup> Therefore, limited funds affected which functions were prioritized. For example, VBA only had the capability to edit claim labels added because they provided funding for those improvements. The specialist further stated that because they were underfunded for so long, OIT had to put more emphasis into the system's architecture and address development that had been delayed for

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<sup>31</sup> A program increment sets a specific time frame and objectives for an agile development team to work toward. Teamhub.com, "Understanding Program Increment (PI) in Software Development," (blog), February 9, 2024, <https://teamhub.com/blog/understanding-program-increment-pi-in-software-development/>.

<sup>32</sup> American Rescue Plan Act of 2021, Pub. L. No. 117-2, 135 Stat. 4.

years rather than focusing on new developments. Consequently, VBA's assistant director of operations stated he did not think VA ever achieved the full expectations of what Caseflow could be.

The OIG determined an enterprise-wide governance structure would have allowed all VA offices to work collaboratively to ensure Caseflow's success, which is especially important when funding is limited. Furthermore, without a governance structure, VA does not have strategic guidance to steer the project's development and policies or direct funding. Additionally, roles and responsibilities for each participating VA office are not clear, and different processes are necessary to manage multiple claims and appeals demands. The latter effect is contrary to the goal of Caseflow streamlining and improving the appeals process.

### **Caseflow Development Lacked a Detailed Roadmap**

Another factor contributing to missing functionality is that, according to VA officials, Caseflow lacked a detailed roadmap to define further improvements. According to OIT's Benefits, Appeals, and Memorials deputy portfolio director, he was not aware of a specific enterprise-wide roadmap that was ever created for Caseflow. The Government Accountability Office's *Agile Assessment Guide* recommends using a roadmap in agile development: "An Agile program should have an understanding of the high-level expectations and targets or guardrails for both schedule and cost from the project vision."<sup>33</sup> Furthermore, the guide states that during planning, work on the roadmap should be prioritized with input from each affected office and subject matter experts.<sup>34</sup> The schedule should include epics and features from the roadmap that are linked to the contract, the backlog, and all organization-specific tasks.<sup>35</sup> OIT's guidance also states a product manager should develop an outcome roadmap that visualizes the plan for how the product is going to meet the organization's key business objectives and benefit veterans and should detail the direction and work required. The outcome roadmap also serves to communicate key priorities with internal and external parties.<sup>36</sup>

OIT's director of information technology business relationships for VBA agreed that a well-defined strategy and a mutually agreed-upon roadmap detailing this strategy are effective approaches to managing system development. According to OIT's appeals technical manager, Caseflow was not a well-designed system. The manager stated because it was put together to meet the AMA mandates, the system design makes it hard to deliver new functionality, and the lack of a well-defined strategy affected not only initial development but also long-term

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<sup>33</sup> Government Accountability Office (GAO), *Agile Assessment Guide*, p. 147, GAO-24-105506, November 2023.

<sup>34</sup> GAO, *Agile Assessment Guide*, p. 152.

<sup>35</sup> GAO, *Agile Assessment Guide*, p. 152. OIT Account Management Office, *Epic Writing Best Practices*, May 2019. "Epic" is a term for an articulated business need that includes functional and capability requirements along with desired outcomes.

<sup>36</sup> OIT, *Product Line Management Transformation Playbook, Version 3.1*, p. 18, August 2023.

improvements. The manager also stated OIT began building on what was considered a sloppy start, and it was difficult to support. Further, the manager indicated the system limitations are becoming apparent regarding the number of staff who must work on the Casflow development to deliver new functionality. In sum, a complete roadmap that incorporates the entirety of the appeals process for all VA offices would have allowed OIT to address functionality limitations and would have identified areas for improvement sooner.

## **Contractor Staffing Was Inconsistent with Casflow Contract Requirements**

According to the contracting officer's representative who oversees the Casflow portion of the larger modernization effort contract and ensures that the contractor is meeting its requirements for appeals, the contractor has not maintained the required number of staff assigned to the system's development. Contractor C confirmed that the Casflow development teams were not fully staffed but stated it was still able to balance the teams' workload without affecting production. However, the contract specifically requires a minimum number of staff assigned to Casflow development. When the contracting officer's representative for the appeals product line brought this staffing concern to the representative who oversees the entire contract, he was informed that Casflow is part of a much larger effort and represents a small portion of total development.<sup>37</sup> Nevertheless, if VA identifies any contract violations, they should be addressed and remediated.

## **Conclusion**

While VA is still able to meet its AMA reporting requirements, Casflow's reporting and general functionality issues affected its efficiency and ability to streamline appeals processing. The OIG found that OIT lacked an overall development roadmap and restricted the board's direct access to developers. This lack of clear direction made it difficult to implement requirements during development. These problems occurred, in part, because VA did not assemble an enterprise-wide governance structure as agreed to in its AMA-mandated initial plan to Congress. An enterprise-wide governance structure would have provided strategic guidance and steered the operations for all parties involved, including the contractor. Without this governance structure, there is a lack of oversight for the appeals process and Casflow. Furthermore, Casflow functionality was affected by the board's and the contractor's lengthy and inefficient development processes, as well as contractor staffing noncompliance. Until these program

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<sup>37</sup> Casflow is part of a VA OIT contract for benefits integrated delivery. This contract's purpose is to support VBA's and the National Cemetery Administration's essential programs and services by providing technology solutions, such as modernizing processes for veterans services and benefits.



management concerns are addressed, Caseflow functionality, including the processing and tracking of appeals, will continue to be limited.

## Recommendations 1–3

The OIG recommended the assistant secretary for enterprise integration, in conjunction with the assistant secretary for information and technology and chief information officer, take the following action:<sup>38</sup>

1. Evaluate whether VA should establish an enterprise-wide governance structure for Caseflow development, consistent with VA’s initial comprehensive plan to Congress.

The OIG recommended the assistant secretary for information and technology and chief information officer conduct the following actions:

2. Develop a well-defined roadmap for the future development and implementation of Caseflow.
3. Enforce contract requirements through improved oversight, ensuring violations are identified and remediated.

## VA Management Comments

The deputy chief information officer for connectivity and collaboration services (deputy), performing the delegable duties of the assistant secretary for information and technology and chief information officer, concurred with recommendations 1 and 2 and concurred in principle with recommendation 3. The deputy provided action plans for each recommendation. Appendix B includes the full text of the deputy’s comments.

In response to recommendation 1, the deputy said the Office of Enterprise Integration and OIT will engage stakeholders involved in receipt and adjudication of appeals and evaluate whether to establish an enterprise governance structure. The target completion date is December 31, 2025.

Regarding recommendation 2, the deputy said OIT and board representatives will formulate a revised roadmap for development, including evaluation criteria and collaboration with stakeholders for longer term plans for a department-level case management system. The target completion date is December 31, 2025.

For recommendation 3, the deputy chief information officer said OIT will review the existing contract requirements management process and collaborate with the board to ensure contract oversight and staffing levels are provided. The target completion date is December 31, 2025.

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<sup>38</sup> The recommendations addressed to the assistant secretary for enterprise integration and the assistant secretary for information and technology and chief information officer are directed to anyone in an acting status or performing the delegable duties of the position.

## OIG Response

The deputy chief information officer's (deputy) corrective action plans meet the intent of recommendations 1 and 2. Regarding recommendation 3, the deputy responded to the following two statements in the report: "contractor lacked a solid customer program management office to translate stakeholders' needs into requirements" and "the contractor has not maintained the number of staff assigned to the system's development required by the contract." The OIG agrees with the deputy's response that it is VA's responsibility to articulate business requirements and direct the contractor on the execution of the system's development. However, VA must ensure that the contractor meets requirements for staffing levels. The contracting officer's representative who oversees the Caseflow modernization effort told the OIG that the contractor has not maintained the required number of staff assigned to the system's development. Furthermore, the contractor confirmed that the Caseflow development teams were not fully staffed but stated it was still able to balance the teams' workload without affecting production. That said, the OIG determined the corrective action plan provided by the deputy met the intent of recommendation 3. The OIG will monitor implementation of all planned actions and will close the recommendations when OIT provides sufficient evidence demonstrating progress in addressing the identified issues.



## Appendix A: Scope and Methodology

### Scope

The audit team conducted its work from March 2024 through April 2025. The audit scope included the Office of Information and Technology (OIT) program management of Caseflow functionality to improve processing and tracking of appeals and meet the requirements from the Veterans Appeals Improvement and Modernization Act of 2017 (also known as the Appeals Modernization Act or AMA).<sup>39</sup>

### Methodology

To accomplish the audit objectives, the audit team considered applicable laws, regulations, policies, and procedural guidance to assess OIT's program management of the Caseflow system. The team also reviewed contract awards and documentation for the system development along with associated contract modifications. In addition, the team evaluated initial and subsequent periodic progress reports for appeals modernization. The team also examined selected system security and access control assessments. Finally, the team interviewed Veterans Benefits Administration (VBA), Veterans Health Administration (VHA), Board of Veterans' Appeals, and OIT staff and users associated with the system.

### Internal Controls

The audit team assessed the internal controls significant to the audit objective. This included an assessment of the five internal control components to include control environment, risk assessment, control activities, information and communication, and monitoring.<sup>40</sup> In addition, the team reviewed the principles of internal controls as associated with the objective. The team identified five components and 14 principles as significant to the objective.<sup>41</sup> The team identified internal control weaknesses during this audit and proposed recommendations to address the following control deficiencies:

- Component 1: Control Environment
  - Principle 1: Demonstrates commitment to integrity and ethical values.
  - Principle 2: Exercises oversight responsibility.

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<sup>39</sup> Veterans Appeals Improvement and Modernization Act of 2017 (Appeals Modernization Act [AMA]), Pub. L. No. 115-55, 131 Stat. 1105.

<sup>40</sup> Government Accountability Office (GAO), *Standards for Internal Control in the Federal Government*, GAO-14-704G, September 2014.

<sup>41</sup> Since the audit was limited to the internal control components and underlying principles identified, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

- Principle 3: Establishes structure, authority, and responsibility.
  - Principle 4: Demonstrates commitment to competence.
  - Principle 5: Enforces accountability.
- Component 2: Risk Assessment
  - Principle 6: Define objectives and risk tolerances.
  - Principle 7: Identifies, analyzes, and responds to risk.
  - Principle 8: Assesses fraud risk.
- Component 3: Control Activities
  - Principle 10: Design control activities.
  - Principle 11: Design activities for the information system.
- Component 4: Information and Communication
  - Principle 13: Uses relevant quality information.
  - Principle 14: Communicates internally.
- Component 5: Monitoring Activities
  - Principle 16: Perform monitoring activities in conducting ongoing and/or separate evaluations.
  - Principle 17: Evaluates issues and remediates deficiencies.

## **Data Reliability**

The VA Office of Inspector General (OIG) did not obtain electronic data that required a data reliability assessment.

## **Government Standards**

The OIG conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that the OIG plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on audit objectives. The OIG believes the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives.

## Appendix B: VA Management Comments, Deputy Chief Information Officer

### Department of Veterans Affairs Memorandum

Date: May 27, 2025

From: Deputy Chief Information Officer, Connectivity and Collaboration Services, Performing the Delegable Duties of the Assistant Secretary for Information and Technology and Chief Information Officer (005)

Subj: Office of Inspector General Draft Report, VA Can Strengthen Appeals Processing and Tracking by Improving Caseflow Program Management (VIEWS 12988731)

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

1. Thank you for the opportunity to review the Office of Inspector General (OIG) Draft Report, VA Can Strengthen Appeals Processing and Tracking by Improving Caseflow Program Management, Project Number 2024-01457-AE-0058.

2. The Office of Information and Technology (OIT) submits the attached written comments. OIT acknowledges and concurs with the OIG's recommendations and is providing a corrective action plan and target implementation date for each recommendation.

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

(Original signed by)

Eddie Pool

Attachment

Attachment

**Department of Veterans Affairs**  
**Office of Information and Technology**  
**Comments on Office of Inspector General Draft Report**  
“VA Can Strengthen Appeals Processing and Tracking  
by Improving Caseflow Program Management”  
Project Number 2024-01457-AE-0058

**Recommendation 1:** The OIG recommended the Acting Assistant Secretary for Enterprise Integration, in conjunction with the Acting Assistant Secretary for Information and Technology and Chief Information Officer evaluate whether VA should establish an enterprise-wide governance structure for Caseflow development, consistent with VA’s initial comprehensive plan to Congress.

**Comments:** Concur. The Office of Enterprise Integration (OEI), working with the Office of Information and Technology (OIT), will evaluate whether to establish a governance structure for enterprise Caseflow development. OEI and OIT will jointly engage the appropriate Department of Veterans Affairs (VA) stakeholders involved in receipt and adjudication of appeals to include Board of Veterans’ Appeals (Board), Veterans Benefits Administration, Veterans Health Administration, Office of General Counsel, and Agencies of Jurisdiction.

**Target Completion Date:** December 31, 2025.

**Recommendation 2:** The OIG recommended the Acting Assistant Secretary for Information and Technology and Chief Information Officer develop a well-defined roadmap for the future development and implementation of Caseflow.

**Comments:** Concur. Within calendar year 2025, OIT and Board representatives will formulate a revised, top-down vision, strategy, and product roadmap to prioritize new capabilities and accumulated backlog of initiatives to target for development in quarterly planning increments. The roadmap will include evaluation criteria and collaboration with stakeholders for longer term plans for a Department-level case management system.

**Target Completion Date:** December 31, 2025.

**Recommendation 3:** The OIG recommended the Acting Assistant Secretary for Information and Technology and Chief Information Officer enforce contract requirements through improved oversight, ensuring violations are identified and remediated.

**Comments:** Concur in principle. OIT and Contracting Officer Representatives (COR) ensure all staffing remains at the required levels and that the contractor is held accountable to the requirements outlined within the contract.

The report states, "contractor lacked a solid customer program management office to translate stakeholders’ needs into requirements". However, development of business requirements is not within the scope of the Benefits Integrated Delivery Information Technology Development, Security and Operations contract. The Government is expected to articulate business requirements and provide the business requirements to the contractor to execute. The Government is responsible for directing the contractor on the execution of work.

The Government is responsible for overseeing and reporting on contract staffing. Reports by the appeals COR that "the contractor has not maintained the number of staff assigned to the system's development required by the contract" indicates contract performance issues. This issue was document and escalated to the overarching senior COR during the first years of the contract and has since been addressed. The overarching senior COR and Contracting Officer reviewed the staffing details, and it was determined that contract staffing is in line with the contract requirements and accomplished to the Government's advantage. The Contracting Officer and CORs will continue to ensure appropriate staffing levels are maintained in accordance with the contract. OIT will review the existing contract requirements management process and collaborate with the Board to ensure that we provide contract oversight to meet business outcomes.

**Target Completion Date:** December 31, 2025.

**Department of Veterans Affairs**

**July 2025**

*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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