

Virginia Information Technologies Agency



## BeneVets Automated Claim Application

### Improving State Operations

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**2016 Commonwealth of Virginia NASCIO Award Submission**  
**Project: BeneVets Automated Claim Application**  
**Category: Improving State Operations**

## **Executive Summary**

Virginia is home to the seventh largest veteran population among all states. Approximately one in 10 Virginians is a veteran. Virginia Department of Veterans Services (DVS) improved functionality of an existing service for veterans and the agency to completely automate the veterans claims filing system. Processing time for claims filed has been reduced from 45 days to an average of 11 days.

BeneVets is a centralized, web-based software-as-a-service (SaaS) application for submission and processing of veterans claims developed by DVS to work collaboratively with the U.S. Department of Veterans Administration (VA). The goal was to create a paperless environment by improving the functionality of the existing platform.

While other states are making strides to automate, Virginia has implemented a completely electronic veterans claims filing system.

In conjunction with a new automated claims system launched by the VA, BeneVets tested successfully at both the federal and state levels and was proven to be an integral part of the reduction in claims processing times. Since January 2015, there have been approximately 20,000 electronic claims successfully submitted to the VA by DVS using BeneVets.

The DVS BeneVets program supports veterans through an online application process and improves agency operations through system and end user enhancements including:

- Eliminating extensive paper usage and associated liability
- Reducing postal fees and supply cost
- Decreasing time for veterans claims in the state and federal process
- Reducing errors through new quality control mechanisms
- Facilitating technology training for personnel at 26 regional offices
- Containing new expenditures of less than \$30,000 for program customization
- Converting requirement for a physical signature into e-signature
- Creating quality control measures to reduce claims rejected for errors

In addition to providing improved services to veterans, an overall annual cost savings in excess of \$80,000 was achieved through automating the BeneVets program. From development to implementation, BeneVets was launched with a project-based objective and resulted in system-wide enhancement. The project was fully implemented by June 2015.

## Description of the Business Problem

With a growing veteran population in Virginia, DVS required innovative management practices to respond to the rise in benefits and services for veterans. Likewise, assisting the VA to eliminate the backlog of pending claims was a priority. More efficiency was required to meet the greater demand for services, maintain access to services and minimize processing delays.

[BeneVets](#) was an existing, underused software-as-a-service (SaaS) application at DVS. Until the automated process, DVS managed the claims process entirely through paper. Multiple forms were separately managed and maintained. Transaction times for claims filed with the VA system averaged 45 days. Adjudication of claims averaged about 10-18 months for processing. Regional offices operated in silos with limited accountability and coordination of state-federal partnership with the VA. Throughout the 74-year history of the agency, there had been no quality control in place, resulting in many unnecessarily rejected claims. Costs associated with the claims process included postage, envelopes, paper, toner, and related supplies.

More importantly, the veterans claim system had several additional challenges. Backlogged paper benefits claim applications remained unresolved, adjudicated claims were rejected for basic errors or requests for supplemental information. Staff morale among Veteran Service Representatives (VSRs) and end user satisfaction among veterans filing claims remained low.

## Solution

DVS management recognized an opportunity to leverage the BeneVets system to make the state's veteran claims filing program more accurate, efficient and cost effective. Senior management identified the program's shortcomings and necessary improvements to facilitate enhanced end user and agency benefits. Discussions focused on customization to assist VSRs with use of technology to input, view and submit claims, and to provide supplemental information as needed. Through analysis of the program, additional enhancements were added to make BeneVets more user-friendly and efficient. The project also enabled the agency to make preparations for future digital initiatives, including standardization to resolve compatibility issues.

The BeneVets automated claims application implemented a web-based approach to manage veteran claims and address issues that emerged. DVS launched a secure, online platform that was cost effective, easy to use system and seamless. As mentioned above, the platform also synced with the VA's new automated system.

Virginia's BeneVets program is a model for other agencies and states that require system upgrades and where standardization will achieve greater efficiency through an automated application process. Among numerous benefits, the platform demonstrated improved accuracy for submissions and served as a central repository for a plethora of forms required. Perhaps most importantly, BeneVets links the over 80 DVS personnel at 27 different locations throughout the commonwealth into a contiguous claims system. This prevents duplication of effort and ensures DVS personnel provide consistent and accurate advice to veterans wishing assistance with the VA claims.

The BeneVets project launched in December 2014 and was fully implemented by June 2015.

## Significance of the Project

The project streamlined claim submissions for veterans using a Web-based platform. BeneVets has several system features:

- Technology training - Facilitated personnel training is available at the DVS Headquarters and its 26 regional offices.
- Data submission - The BeneVets application has been designed to integrate fully with the new VA automated claims application. This has allowed for smoother data transfer from one system to another, resulting in fewer rejected claims as a result of non-populated data field information.
- Quality control - The electronic claims filing initiative, using BeneVets, enables DVS to “quality check” claims for the first time in its 74 year history. Since January 2015, more than 350 claims errors have been electronically identified and corrected. Without such corrections, the VA would return those claims with errors to Virginia veterans, significantly increasing the VA’s adjudication time. As a result, Virginia’s veterans receive their benefits from the federal government in a more expedited manner, allowing those monetary benefits to be injected in Virginia’s stream of commerce faster than in previous years.

NASCIO state CIO priorities addressed include:

- Consolidation/optimization - BeneVets optimized the functionality of an existing platform. Improvements from the streamlined services reduced transaction processing time and error resolution.
- Enterprise vision and roadmap for IT - The BeneVets initiative demonstrates a system-wide enhancement that provided statewide operational efficiency.
- Cloud services - Through secured messaging, e-signature encryption and enhanced oversight technology; BeneVets promotes greatly enhanced services for veterans and their families. Efficiencies were achieved for agency.

The project addresses Gov. Terry McAuliffe’s priorities:

- Veterans and military families - Create seamless transitions for Virginia’s veterans with high-quality education and workforce services.
- Family support - Ensure that Virginia remains the preeminent state for military personnel, their families and veterans.
- Health care services - Advance access to high-quality health care.
- Workforce - Align workforce to meet current and anticipated employer demands for dislocated, underemployed and future workers.

BeneVets was awarded the [2015 Governor’s Technology Award](#) for innovative use of IT. The award was accepted by DVS and the VA’s then-undersecretary for benefits. BeneVets was also

featured in a recent Department of Veterans Services e-newsletter at <http://us13.campaign-archive1.com/?u=bf1694b4da19845ebd86f6ab&id=7978e00cde>

## **Benefits of the Project**

BeneVets transformed the veterans claims filing process into a paperless environment. In addition to several efficiencies, there were quantitative, qualitative and operational benefits.

Qualitative benefits include:

- Customized correspondence and reporting
- Digital documentation and secure messaging
- Encrypted data transmission and storage

Quantitative benefits include:

- Reduced transaction time - BeneVets has reduced transactions time for veterans claims filed into the VA system from 45 days to 11 days. Since January 2015, there have been approximately 16,000 electronic claims submitted to the VA.
- Electronic compensation claims - By receiving compensation claims in electronic format, the VA can adjudicate claims faster, thus reducing the total processing time for Virginia veterans from 10-18 months down to an estimated seven-14 month.
- Eliminated postage fees - Since all transactions are processed electronically, the need for mail delivery service has almost been completely eliminated creating an estimated annual cost savings in excess of \$65,000.
- With the annual subscription cost of \$63,000, there was an additional nominal \$3,000 investment to create a new function for electronic correspondence. An initial cost for scanners and electronic signature pads was approximately \$27,000.

## **Efficiencies**

Through online training, greater accountability resulted from coordinated technology training across 26 benefits office throughout the commonwealth. Training for 80 personnel occurred within six months. The outcome was greater online engagement by VSRs to maximize input and speedier review and submission of claims from each regional intake center. The training and customization created better tracking from start to finish for a veteran's claim, increased efficiency to assist more veterans and a decrease in time for processing claims.

Another feature of the electronic claims process is an accountability feature to ensure accurate submission. With a new quality-control system for VSRs, the Benefits Center of Excellence (COE) assists with the VA's adjudication process by screening out claims with errors. For instance, in the first eight months of implementation, the COE quality controllers identified more than 350 compensation claims with errors that might have resulted in VA rejection.

DVS improved functionality of an existing service and created efficiencies and benefits for both the agency and the veterans it serves.