



## Insight

# Red Tape Challenges to America's Veterans

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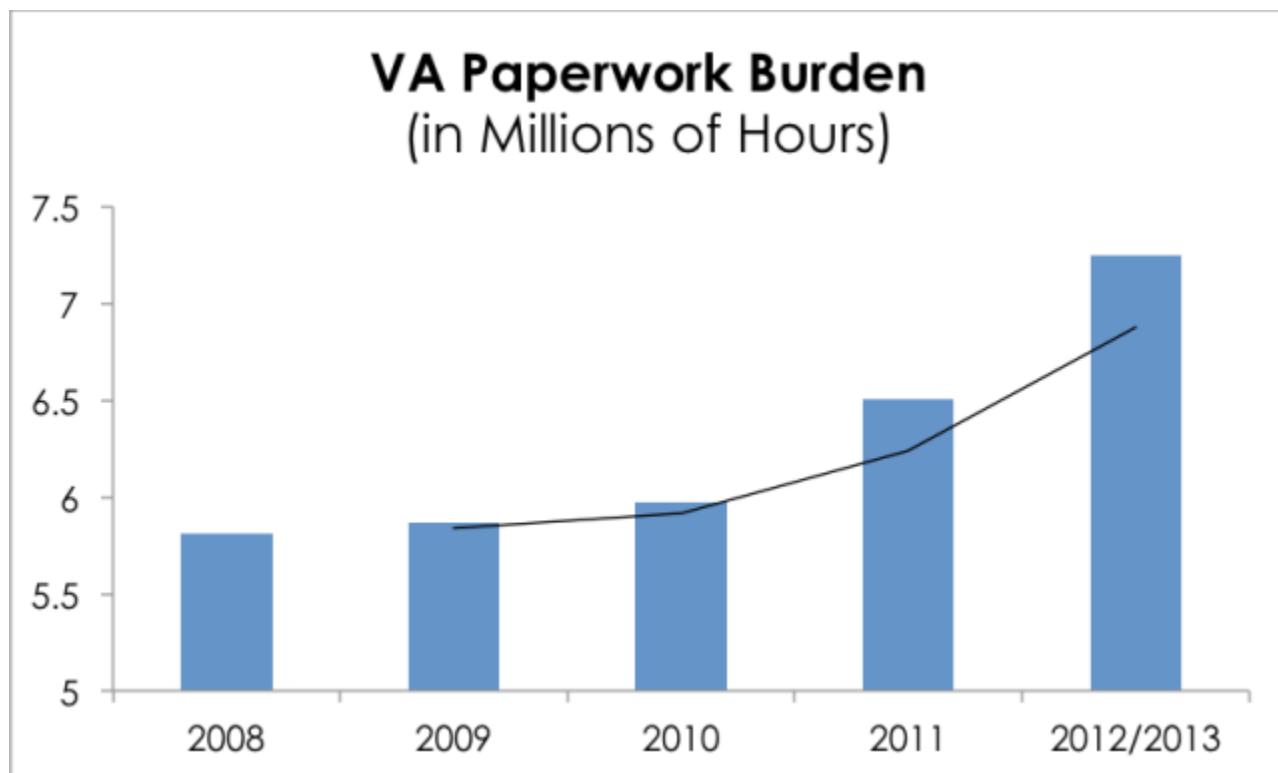
After reviewing more than 300 regulatory requirements facing U.S. veterans, the American Action Forum (AAF) found significant red tape: 43.4 million hours of paperwork, 613 forms that take 3 hours to complete per person, and a total cost of more than \$600 million. The Department of Veterans Affairs (VA) alone receives 31.2 million responses from veterans each year, and it appears the department is failing to keep up with the pace of claims.

As reported by numerous [media outlets](#), the delay of VA claims continues to skyrocket. The number of veterans waiting more than a year to receive benefits jumped from 11,000 in 2009 to 245,000 by December 2012, an extraordinary 2,000 percent increase. The total “logjam” is now estimated at more than [600,000 veterans](#) waiting on VA action.

The main problem, according to reports, is that VA has not yet transitioned fully to an online platform, but instead relies on paper documents. For example, some reports claim that one VA center in Winston Salem, North Carolina contains so many documents that it could collapse an entire [floor](#).

Examining the empirical data, there is no shortage of figurative red tape in the VA system. Eighteen different agencies administer more than 600 forms, imposing 43.4 million hours of paperwork. To put that paperwork burden in perspective, it would take approximately 21,750 employees working 2,000 hours a year to complete one year of paperwork.

<u>Red Tape Facing America's Veterans</u>
18 Agencies
613 Forms
128.7 Million Veteran Responses
43.4 Million Paperwork Hours
\$614 Million in Costs



## HYPOTHETICAL VETERAN

Digging through the 319 information collections, AAF constructed a hypothetical regulatory path that a veteran might face after discharge from service.

A disabled veteran seeking health and educational benefits could encounter up to 49 different forms, more than four hours of paperwork, and an aggregate cost of \$125, assuming [\\$31 per hour](#) of compliance time. One collection, “Income-Net Worth and Employment Statement,” [contains 40](#) questions, takes one hour to complete, and VA receives more than 104,000 responses every year.

## MISSED WARNINGS

Several past reports have diagnosed problems with the veterans’ benefit system. The Government Accountability Office (GAO) recently issued [findings](#) of duplication and overlap in veterans’ employment and training. From a regulatory perspective, [AAF found](#) that four different agencies administer 12 million hours of paperwork related to veterans’ employment and training, imposing 24 different forms, at a cost of \$892 million.

To address this regulatory waste, GAO recommended, “The Departments of Labor, Veterans Affairs, and Defense need to better coordinate the employment services each provides to veterans, and Labor needs to better target the Disabled Veterans’ Outreach Program so that it does not overlap with other programs.”

GAO also focused on health services, noting rising costs and duplication: “The Departments of Veterans Affairs and Defense should enhance their collaboration to reduce costs, overlap, and potential duplication in the delivery of health care services.”

Even VA has attempted to address their red tape problem. When President Obama issued an [executive order](#) urging agencies to reduce burdensome regulations, all should have conducted a retrospective review of past rules, and introduced measures to streamline red tape. In their [August 2011 report](#) aimed at reducing regulatory barriers, VA claimed new questionnaires would improve the “claims process for Veterans.” The report concluded, “Streamlining the process by which a Veteran submits relevant medical evidence to VA for the purpose of rating disabilities is essential to providing **timely delivery of benefits to our Nation’s Veterans.**”

Two-and-a-half years later, it is clear that few veterans experience a system providing a “timely delivery of benefits.” In fact, many of VA’s regulatory measures designed to deliver benefits are often delayed.

## MISSED DEADLINES

In attempting to streamline their benefit process in 2011, VA proposed a rulemaking to redraft old regulations. The report read, “By reorganizing and redrafting these regulations, they will become much easier to find, read, understand, and apply.”

However, that rulemaking, first scheduled more than two years ago, has not been formally proposed yet. Despite an initial publication date of [October 2012](#), VA obviously missed its first deadline. Last December, VA scheduled another deadline of [May 2013](#) for an initial rulemaking to speed the claims process, which VA has also missed. The rulemaking is not currently under review at the White House, which means it would likely take several more weeks for the formal release of the proposed rule.

Missing self-imposed deadlines has been a common theme for VA. In their scheduled “economically significant” regulations for 2013, the agency has already missed half:

- A [“Caregivers” final rule](#) that provides “financial benefits to caregivers of veterans and certain servicemembers who were seriously injured in the line of duty,” and
- A proposed rule for [disabled veterans](#) using prosthetic devices, those suffering from traumatic brain injury, and veterans filing claims for a “catastrophic disability.”

Looking back further, for actions scheduled in 2010 and 2011, there were four economically significant actions, and VA also missed half of its deadlines. One rulemaking, “Expansion of Enrollment in the VA Health Care System,” was supposed to generate a proposed rule by [May 2010](#); VA missed that deadline and then withdrew the rulemaking in [November 2010](#), an unusual step for a significant rule.

It is perhaps more troubling that VA cannot claim the sequester is the cause of these delays. Although not legally exempt from recent fiscal tightening, VA is effectively exempt and has avoided employee furloughs so far.

## CONCLUSION

In any area of government, there will of course be forms and obstacles for individuals and businesses. But for America’s veterans, navigating 18 agencies and more than 600 forms has produced absurd results and

unnecessary delays. VA, GAO, and other agencies have already diagnosed the problem of overlap and duplication, but Veterans Affairs continues to struggle. If Congress cannot fashion a legislative remedy, veterans will have to rely on the same system that has failed them repeatedly in the past.