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United States Senate

COMMITTEE ON THE BUDGET

WASHINGTON, DC 20510-6100

TELEPHONE: (202) 224-0642 FAX: (202) 224-4835

November 16, 2018

The Honorable Robert Wilkie
United States Department of Veterans Affairs
810 Vermont Avenue NW
Washington, DC 20420

Dear Secretary Wilkie:

I am troubled by recent media reports that the Department of Veterans Affairs' (VA) information technology (IT) systems have prevented thousands of veterans from receiving their full GI Bill benefits.¹

As you know, the Harry W. Colmery Veterans Educational Assistance Act of 2017, also known as the Forever GI Bill, changed how MHAs are calculated, effective August 1, 2018. Since that policy change went into effect, there have been reports that hundreds of thousands of veterans have either not received their Monthly Housing Allowance (MHA), or the MHA they received was for an incorrect amount. As a result, many of these veterans have gone without money to pay for basic necessities like food and rent, with some facing potential eviction or the prospect of getting kicked out of school.² Our veterans deserve better.

One report estimates that the VA hired 202 additional employees and spent \$4.5 million since August to address this problem, and the House Committee on Veterans Affairs reports that managers had to write off 16,890 man hours due to system crashes or latency issues.³

And yet a significant backlog remains. At a recent House Committee on Veterans Affairs hearing, Major General Robert M. Worley II, Director of Education Service in the Veterans Benefits Administration, stated that 73,000 claims remain.⁴ A statement from the VA reported that 895 students have waited longer than two months, meaning that they could be missing anywhere from \$1,500 to \$6,000 or more in expected payments.⁵ Further complicating this matter is that veterans are still only being paid the 2017 rate. Worse yet, the VA cannot guarantee that it will have the necessary changes fully implemented in time for the spring 2019 semester.⁶

¹ https://www.washingtonpost.com/national-security/2018/11/15/veterans-arent-getting-their-gi-bill-payments-because-vas-year-old-computer-system-broke/?utm_term=.022a632b53a9; https://www.nbcnews.com/news/us-news/veterans-haven-t-receive-gi-bill-benefits-months-due-ongoing-n934696?cid=sm_npd_nn_tw_ma

² <https://chicago.suntimes.com/news/robert-wilkie-paul-lawrence-va-reduce-gi-bill-payment-delays-it-donald-trump/>

³ <https://www.stripes.com/news/veterans/a-perfect-storm-of-gi-bill-problems-is-costing-veterans-taxpayers-1.556603>

⁴ <https://veterans.house.gov/calendar/eventsingle.aspx?EventID=2255>

⁵ <https://www.stripes.com/news/veterans/a-perfect-storm-of-gi-bill-problems-is-costing-veterans-taxpayers-1.556603>

⁶ <https://docs.house.gov/meetings/VR/VR10/20181115/108751/HHRG-115-VR10-20181115-SD003.pdf>

To ensure that the VA is taking appropriate action to address this significant problem, I seek the following information:

1. How much money has the VA spent to address this IT system failure? Please provide a detailed breakdown of these costs, including how much the VA spent to prepare to implement this new policy and costs related to overtime and to hire new employees once problems arose. Please also include the number of employees working to address this problem, broken down by hiring authority.
2. What is the value of the Department's contract with an outside vendor to implement the processing system? What oversight is the VA conducting over the contractor? What consequences, if any, has the VA imposed on the contractor for the failure to implement the changes required by the Forever GI Bill? Please also provide a copy of the contract.
3. What is the current status of the IT upgrades? Will these systems be upgraded in time for the spring semester? If not, when does the VA expect to fully implement these changes? How much does the VA estimate it will need to spend to complete its IT upgrade?
4. Does the VA plan to retire the legacy IT system that processes MHAs? If so, does the VA have estimates of how much replacing that system will cost?
5. How long will it take the VA to reimburse the veterans who did not receive their MHAs or received incorrect MHAs? As of now, how much does the VA estimate it owes to student veterans affected by this issue? Will there be any remuneration for veterans who have incurred additional costs due to the lack of receipt of an MHA or receipt of an MHA of the incorrect amount?
6. On average, how long does it take the VA to resolve a claim regarding an MHA?
7. What steps is the VA taking to communicate with the veterans and schools affected by these delays? Does the VA have a proactive plan for communications for the spring 2019 semester?

Please provide your response in writing by Friday, November 30, 2018.

Thank you in advance for your prompt attention to this matter. If you have any questions about this request, please have your staff contact John Lin on the Budget Committee staff at 202-224-0642.

Sincerely,



Michael B. Enzi
Chairman
Committee on the Budget