

JOHNNY ISAKSON, GEORGIA,  
CHAIRMAN  
JERRY MORAN, KANSAS  
JOHN BOOZMAN, ARKANSAS  
DEAN HELLER, NEVADA  
BILL CASSIDY, LOUISIANA  
MIKE ROUNDS, SOUTH DAKOTA  
THOM TILLIS, NORTH CAROLINA  
DAN SULLIVAN, ALASKA

JON TESTER, MONTANA,  
RANKING MEMBER  
PATTY MURRAY, WASHINGTON  
BERNARD SANDERS, VERMONT  
SHERROD BROWN, OHIO  
RICHARD BLUMENTHAL, CONNECTICUT  
MAZIE HIRONO, HAWAII  
JOE MANCHIN III, WEST VIRGINIA

# United States Senate

COMMITTEE ON VETERANS' AFFAIRS  
WASHINGTON, DC 20510

April 12, 2017

The Honorable David Shulkin  
Secretary of Veterans Affairs  
810 Vermont Avenue, NW  
Washington, DC 20420

Dear Secretary Shulkin,

I write today to inquire about the status of efforts by the Department of Veterans Affairs to reduce inaccurate payments related to the administration of the Post-9/11 GI Bill.

As you know, since implementation of the Post-9/11 GI Bill in May 2009, the VA has issued \$66 billion in benefits to 1,637,916 beneficiaries. Veterans and their loved ones have used it to educate themselves and bring new skills to the American economy and workforce. Despite this success, I am very concerned by the number of inaccurate payments that are being made, nearly a decade into the program, the manner in which such debts are collected, and the hardship it places on both students and schools.

Under the program, schools report final enrollment information back to the VA only after the initial payments have been disbursed. Overpayments occur when the VA pays benefits based on a student's enrollment at the beginning of the school term and subsequently the student's enrollment status changes—the student drops or changes a class, for example, or even withdraws from school altogether. In such cases, students receive benefits for classes they did not complete and an “overpayment” must then be paid back to the VA.

In October 2015, the Government Accountability Office released a report, “Post-9/11 GI Bill: Additional Actions Needed to Help Reduce Overpayments and Increase Collections.” The report included some startling facts. The VA made \$416 million in Post-9/11 GI Bill overpayments in fiscal year 2014, representing four percent of the more than \$10 billion in benefits paid during that period. Veteran enrollment changes accounted for 90 percent of overpayments made. Approximately one out of four beneficiaries – more than 225,000 veterans – incurred an overpayment. Unfortunately, more than 7,000 veterans had overpayments of more than \$5,000 – which undoubtedly caused them stress and confusion. 6,000 schools incurred overpayments and, importantly, five percent of schools accounted for almost half of all school overpayments – pointing to a lack of training on the program at the school.

The GAO reported that there was little guidance for veterans, serious obstacles to enrollment verification, and a lack of training for school certifying officials. To address these shortcomings, the GAO, in part, recommended that VA implement seven recommendations to help reduce overpayments. Specifically, the GAO recommended:

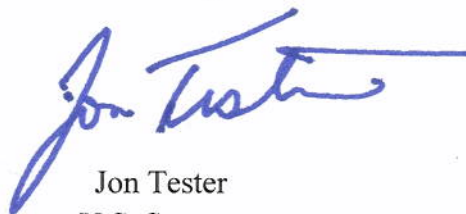
1. Expanding monitoring of available information on overpayment debts and collections, including regularly tracking the number and amount of overpayments created and the effectiveness of collection efforts.
2. Providing guidance to educate student veterans about their benefits and consequences of changing their enrollment; and providing guidance to schools about the benefits of using a dual certification process where schools wait to certify the actual tuition and fee amounts until after the school's deadline for adding and dropping classes.
3. Identifying and implementing a cost-effective way to allow Post-9/11 GI Bill beneficiaries to verify their own enrollment status each month, and requiring monthly reporting.
4. Identifying and implementing other methods of notifying veterans and schools about debts to supplement the agency's mailed notices, including email and use of the eBenefits portal.
5. Including information on both the cause of the debt and how to repay it in debt letters.
6. Revising policy for calculating overpayments to increase collections by prorating tuition overpayments when veterans reduce their enrollment during the term based on the actual date of the enrollment change rather than paying additional benefits through the end of the month during which the reduction occurred.
7. Ensuring it is recovering the full amount of tuition and fee payments if a school does not charge a veteran for any tuition or fees after dropping a class or withdrawing from school.

The VA concurred with all of these recommendations. However the GAO informed us that as of February 2017, VA still had not implemented any of the recommendations. Overpayments are a serious matter. They cost the taxpayers hundreds of millions of dollars in mistakes each year, and once the mistaken tuition and housing allowance payments have been made, they are clawed back from veterans, often without adequate communication. Veterans should not be left holding the bag for programmatic mistakes if they can be avoided or reduced.

Accordingly, I request that you provide information regarding the status of implementation of these recommendations. When will they be completed? What barriers—legislative or otherwise—are preventing the VA from carrying them out? Please share any information about obstacles that are blocking the VA's implementation of these critical reforms.

This nation owes a huge debt of gratitude to its veterans, and especially to its student veterans, who have sacrificed for our country and are now working hard in the classroom to further themselves and the rest of society. I look forward to your prompt response.

Sincerely,



Jon Tester  
U.S. Senator