Timely Disability Benefits Decisions

STRATEGIC DIRECTION FOR IMPROVING PROCESSING TIMES

UPDATE FOR 2023 – 2024

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Canada

MISSION

Our mission is to make faster disability benefits decisions and to make the process easier for Veterans, current and former members of the Canadian Armed Forces and the RCMP as well as their families.

To do this, we will continue to:

- find new ways to make our processes more efficient;
- ensure we have enough staff;
- empower our employees;
- increase integration within our teams using a whole-of-VAC approach;
- be more innovative;
- leverage digital technology;
- improve the application experience; and
- as we do this work, we will continue to directly engage Veterans to improve their application experience.

BACKGROUND

Our service standard for disability benefits is for 80 percent of decisions to be made within 16 weeks for first applications and reassessments; and 12 weeks for departmental reviews. Starting in 2015, VAC began to experience a significant increase in applications. Over the following years, the number of applications beyond the service standard (i.e. the backlog) grew. In 2019-20, 23% of applications had a decision within 16 weeks, and the backlog peaked at over 23,000 in May 2020.

In June 2020, we released our strategic direction for improving wait times to address this long-standing issue. This is an update on our progress and outlines the path forward to 2024.

PROGRESS AND CURRENT SITUATION

Significant progress has been made, but there is still more work to be done. From Spring 2020 to December 2022, we reduced the number of applications in the backlog by over 60% and the number of pending applications (incomplete and/or ready for a decision) by 31%. And we made this progress despite challenges from the COVID-19 pandemic. In summer 2022, for the first time ever, we reduced the backlog to less than 10,000. Our goal is to get below 5,000 by spring/summer 2023. As of 30 December 2022, we have 31,243 pending applications, with 8,365 in the backlog.

- Reduced the number of applications in the backlog by 61%, from 21,572 in June 2020 to 8,365 applications as of December 30, 2022, and an overall reduction of 64% from 23,260 during the peak in May 2020;
- Increased the percentage of applications completed within the 16-week service standard, from 23% in 2019-20, to 30% in 2020-21, to 46% in 2021-22 and to 56% in December 2022.
- Reduced the number of pending applications by 31%, from 45,296 in June 2020 to 31,243 in December 2022.
- An average of 4,100 applications were completed per month from April to December 2022, a 21% increase from the monthly average of 3,400 in 2020-21.

To date, since the outbreak began, we have paid out over $200 million in new benefits and made more than 10,000 disability benefit decisions for Canadian Veterans and their families.
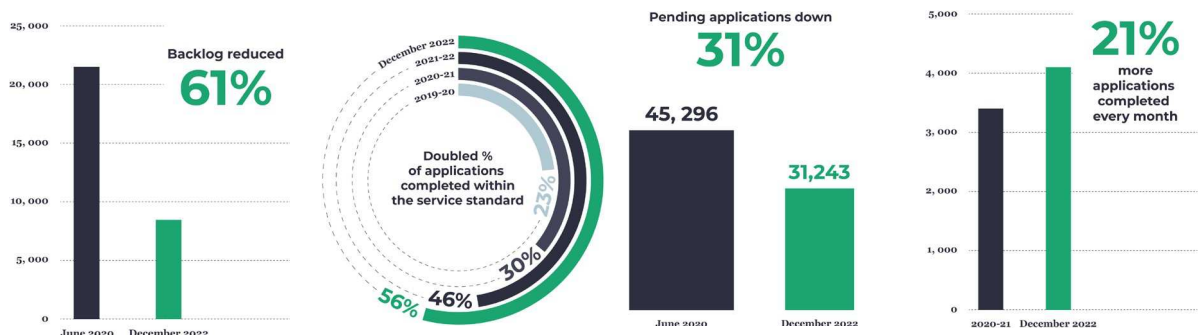
While we have made progress, we know there is more work to be done.

In 2022, the Office of the Auditor General and the Standing Committee on Veterans Affairs made recommendations to address data issues, secure long-term resourcing and address inequities in processing times. Work is well underway to address each of these recommendations.

STRATEGIC DIRECTION

We will continue to reduce processing times through four lines of effort: 1) public service capacity; 2) integration; 3) process innovation; and 4) digital solutions.

1) Public service capacity

Increasing our capacity

In 2020, the Government committed more than $192 million over two years (2020-2022) to retain and hire an additional 350+ temporary employees dedicated to making decisions and reducing processing times. The funding also enabled us to explore innovative measures to process future applications more efficiently.

In February 2022, an additional $139.6 million was secured to extend already-trained temporary decision-making employees until March 2024, allowing us to minimize training time and maximize time spent on decision making.

We will continue to work on establishing long-term solutions to stabilize our staffing levels.

Overall, our work to reduce processing times continues to yield tangible results. Since June 2020 there has been a 31% decrease in the total number of pending applications, and a reduction of 61% in our backlog.

Reducing inequities through staffing

In addition to reducing overall processing times, we are addressing the longer wait times for Francophone and female applicants:

We are looking closely at the longer processing times for applications from Francophone Veterans to determine how this can be improved. Since 2020, we have hired more bilingual and francophone Disability Adjudicators to increase our capacity to process French applications and bring the average processing times for English and French applications closer to parity. As of September 2022, approximately 30% of our decision-making staff are francophone or bilingual.

In September 2021, we added a team dedicated to applications from female applicants. This approach is working, and we are closing the gap between male and female applicants.

- Improvements in processing times on claims from French applicants – the gap in average processing between French and English applications reduced from 15 weeks in 2019-20 to 8 weeks as of December 2022

- Significant improvements in processing times on claims from female applicants – the gap in average processing time between male and female applications reduced from 7 weeks in 2019-20 to 1 week as of December 2022; and

- We have nearly doubled the percentage of French first applications processed within the service standard, increasing from 26% in 2020-21 to 47% as of December 2022.

Additional weeks for French applications

2019-20	
December 2022	

0   4   8   12   16
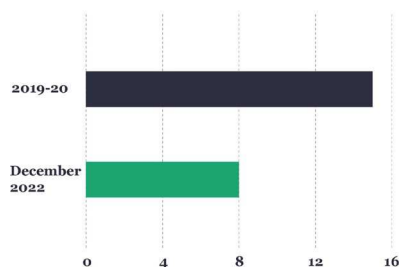
Closed the gap by
almost half

Additional weeks to process female applications

2019-20	
December 2022	

0   4   8   12   16
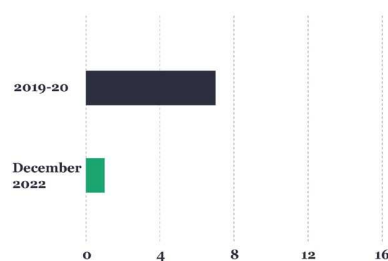
Gap in processing times between male and female applications
almost eliminated

2) Integration

We continue to use a whole-of-VAC focus to reduce processing times.

In June 2020, we established integrated **Veteran Benefit Teams** to breakdown silos, eliminate inefficient file hand-offs and improve the quality of decision-making. Now that these teams have been fully implemented, we are introducing new strategies to make faster decisions. For example, applications are now assigned by medical condition to the first available decision maker, based on their training and expertise.

The **Innovation Hub** is a dedicated team within VAC that does research, consults with users and tests process changes and digital solutions. The Hub allows for collaboration with Veterans and their families, and among employees. Into 2024, the Hub will support reducing incomplete applications and exploring ways to more quickly receive medical documents from health care providers.

In 2022, VAC established an **Outreach Unit** to educate and guide employees and third party groups who assist Veterans in applying for Disability Benefits. Information sessions will continue to be provided to these groups in order to assist them in providing one-on-one support to Veterans. This unit will be fully functional by March 2023.

3) Process Innovation

Feedback from Veterans: In 2021, we held a three-week consultation on *Let's Talk Veterans* to ask how we could improve the disability benefit application experience. In May 2022, we published a report that summarized the feedback and how we will address it. We are acting on the recommendations in this report to ensure immediate and ongoing improvements in the process, fewer incomplete applications and improved processing times. For example, we are reviewing our application and communications material to ensure they meet applicants' needs. We will also review the application process to make it easier for Veterans to submit a complete application. We will explore the

use of technology, drop down menus, clearer language, instructional videos and digital information sharing between My VAC Account and our decision-making support systems.

Improvements to managing and distributing workload: We have added Reporting and Analysis and Workload Management units that have in-depth program knowledge and faster access to real-time program and workload management data. This unit develops reports such as intake, pending applications and processing times that show where we should focus our efforts and help us prioritize workload.

Working on individual conditions: Disability benefit applications can include more than one medical condition. Decision-makers can now work on and make decisions on individual conditions, meaning multiple decisions can be issued at different times for one application. This allows Veterans to receive quicker decisions. In the coming months, we will explore moving from reporting on the number of applications pending to reporting on the number of conditions pending, which is more in line with how we process our work.

Better decision-making tools:

- **Modernizing our Entitlement Eligibility Guidelines (EEGs):** EEGs support decision-making on entitlement (i.e. whether and to what extent a disability is service related), which is the first part of the decision-making process. We are modernizing our EEGs to reduce hand-offs, ensure decisions are based on up-to-date health evidence, and that Gender Based Analysis Plus (GBA Plus) is considered. We have already released a new EEG for Sexual Dysfunction, and plan to release a new EEG for Lumbar Spine conditions in the near future. The EEG modernization will explore opportunities for automation to enhance decisions tools and reduce administrative burden.

- **Table of Disabilities modernization:** The Table of Disabilities is used to assess the extent of a disability after the entitlement decision is made. We are modernizing the Table to reflect the most current health-related research, best practices, and to ensure that Gender Based Analysis Plus (GBA Plus) principles are applied. This work will make the Table easier to read, understand and use, as well as support automation opportunities. We expect these changes will contribute to faster processing times.

- **Evidence-informed decision models (EIDM):** EIDMs are rules-based tools that allow staff to process claims faster for certain conditions. We have expanded the number of conditions processed through this model, and will continue to explore opportunities to further expand them. For example, we are developing EIDMs for conditions commonly arising as consequential to mental health conditions.

- **Gender Based Analysis Plus (GBA Plus):** The 2021 census provided us with the first census profile of Canada's military in half a century. Going forward, Veteran demographics will continue to shift and diversify.

  Using GBA Plus data allows us to better understand the needs of all Veterans to ensure we maximize access, equity and diversity of our programs, services, and benefits. We are continuing to develop and improve data collection, analysis, and assessment of program impacts on gender and diversity. We are currently working on a plan for Veterans and other clients to report their gender identity voluntarily to the Department. GBA Plus principles will be applied to new tools and initiatives including the EEGs and the Table of Disabilities.

4) Digitization

Service Health Record Search tool: We developed a tool to search Service Health Records for key evidence for hearing loss and tinnitus - the conditions for which we receive the highest volume of applications. Service Health Records can range from a few pages to thousands, depending on a Veteran's length of service and health history. This tool will save time searching these files and will extract information only relevant to the application, allowing us to make swifter decisions. We are exploring options to expand the tool to other common conditions.

VAC Healthshare: We developed a platform for medical practitioners to electronically submit medical reports, audiograms, and medical questionnaires, along with their invoices for services. We began testing the platform with audiologists in October 2022. This tool will allow us to receive medical documents more quickly, and improve consistency in the documents.

We estimate this tool will save is up to two weeks of time, compared to documentation received by mail.

Additional digitization initiatives: We will continue our work to optimize the use of automation and reduce administrative tasks for decision makers. This will allow more time to be devoted to processing complex claims. Examples include:

- Automatic generation of decision letters - by automatically populating as much information as possible in decision letters, we will complete our decisions faster by eliminating manual administrative tasks;

- Summary of Assessment verification - digitally confirming whether the same or similar condition has previously been ruled upon. This will allow for quicker allocation of the work; and

- My VAC Account improvements - enhancing both the user experience and our ability to use data from the information submitted. This will allow our decision-making support systems to automatically conduct activities such as ordering service health records, thereby minimizing administrative tasks.

Conclusion

Our top priority remains reducing processing times so that Veterans get faster access to the benefits they need.

We know there is much more work to do and we will use the knowledge gained over the last two years to guide our work through to 2024. One single initiative will not solve current challenges. We will make faster decisions by stabilizing our staffing levels, optimizing the use of automation and updating our tools, and processes.

We will continue to engage with Veterans to better understand their needs and so that they understand the work we are doing. We want to ensure that they have clear and reliable information about their benefits and the application wait times. As such, we will continue to proactively and transparently communicate on this issue and engage Veterans and other stakeholders.

The result of this work will be faster, standardized decisions that reflect care, compassion and respect.