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# Veteran Disability Compensation and Pension Exams

The Veterans Benefits Administration (VBA) within the Department of Veterans Affairs (VA) provides a wide range of benefits and programs for veterans and their families. VBA administers monetary benefits for disabled veterans: disability compensation for veterans who have service-connected disabilities and the needs-based pension benefit program for wartime veterans.

In September 2024, it took VA an average of nearly 145 days to complete a disability-related claim. The time for the VA to review a claim depends on the type of claim, the number and complexity of the injuries or disabilities claimed by the veteran, and how long it takes to collect the evidence. A Compensation and Pension (C&P) exam to examine the illness or injury claimed by the veteran may be part of the disability claim process. This In Focus discusses C&P exams in the VBA disability claims process, a topic of frequent constituent inquiries and oversight questions.

## VBA Disability Claims Process

### File a Claim

Veterans may submit their claims to VA online, by mail, in person, by fax, or with the help of a VA-accredited representative or veterans service organization. VA requires separation documents, service treatment records, and any medical evidence related to the veteran's illness or injury. *Lay evidence*, such as a witness statement (sometimes called a

*buddy statement*), may also be provided. While VA encourages veterans to submit their supporting documents with their claims, they have up to a year from the date VA receives their claim to provide evidence.

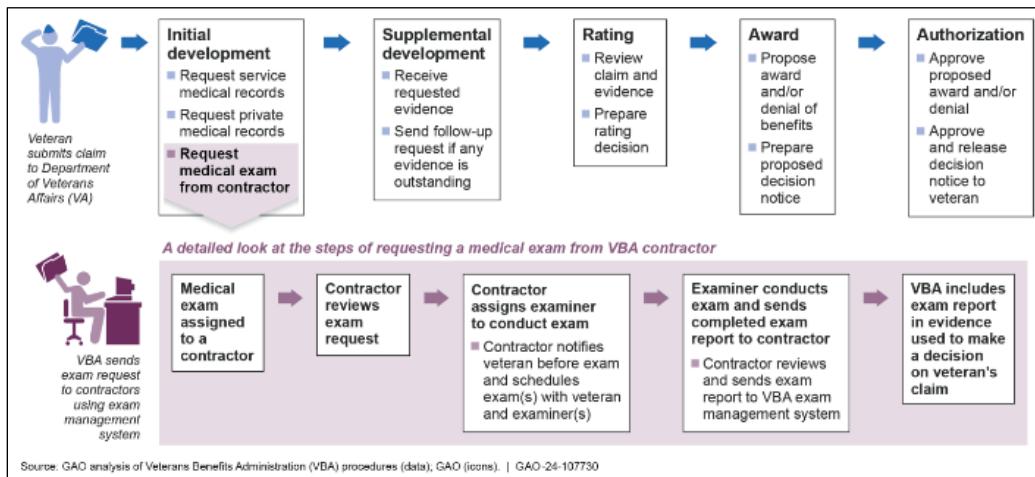
### Initial Claim Development

When a claim enters the adjudication process, VA has a statutory "duty to assist" the veteran through the claims process. A veteran service representative (VSR) is the primary contact with the veteran, and upon receiving the claim, the VSR is to help the veteran gather needed evidence from federal agencies and private entities. If additional medical evidence is needed, the VSR is to help with scheduling a C&P exam.

### Compensation and Pension (C&P) Exam

The purpose of a C&P exam is for a physician to examine the veteran's disability, illness, or condition. The exam may be performed by a Veterans Health Administration (VHA) provider or a contract examiner. The physician may perform a basic physical, ask questions based on medical records in the claim file, or ask the veteran to get other tests. A C&P exam is not always necessary, and it is not a ruling on whether the veteran's condition is service-connected and eligible for VA benefits, nor is it a determination of a veteran's level of disability or disability rating. Only VA, based on all evidence in the claim file, makes the disability rating.

**Figure 1. Overview of VBA's Disability Claims Process and Contractor Process for Completing Exams**



**Source:** Government Accountability Office, VA Disability Exams: Improvements Needed to Strengthen Oversight of Contractors' Corrective Actions, GAO-24-107730, September 18, 2024, <https://www.gao.gov/assets/gao-24-107730.pdf>.

**Notes:** The figure represents the general process but does not include every step. See source report for limitations.

### Supplemental Development, Rating, and Award

The C&P exam report (if any) and any other remaining evidence are added to the claim file. A Rating VSR then analyzes and reviews the entire claim file to determine if a veteran's condition is service-connected and, if so, the disability rating for the claimed disability or disabilities.

Following the determination, VA generates the notification letter describing the claim decision. **Figure 1** provides a high-level overview of the process and illustrates the point at which contracted C&P exams occur.

## Use of Contractors for C&P Exams

The use of contracted examiners for C&P exams began with a pilot program authorized in Section 504(b) of the Veterans' Benefits Improvements Act of 1996 (P.L. 104-275). The authority for contract exams has been extended multiple times and expanded throughout the country. In April 2022, VA also began using contractors for pre-discharge exams for servicemembers who were 180 days or less away from separation or retirement from service. Pre-discharge claim exams may be conducted for servicemembers who are separating and filing for disability compensation before separation through the Benefits Delivery at Discharge program.

Both VHA and contract examiners undergo the same required C&P exam training and certification consisting of online courses from VHA's Office of Disability and Medical Assessment. All examiners providing specialized exams are also required to take supplementary training relevant to their specialty exams. VBA contractors must provide their examiners with an overview of VA programs and provide training plans for all examiners, support staff, and subcontractors who have routine contact with veterans.

### Assignment to VHA or a VBA Contractor

If a medical exam is necessary, VBA first determines whether the VHA medical facility has the capacity to complete the exam. If the VHA facility does not have capacity, a contractor is requested to complete the exam.

The Government Accountability Office (GAO) has found that some VHA facilities have reported difficulty recruiting and retaining disability examiners. Also, some VHA facilities report not recruiting for disability exams in order to prioritize clinical care.

### Growth in Contractor Exams

The percentage of exams to gather medical evidence performed by contract examiners has grown over time. As of July 2024, 93% of these exams were performed by contractors, up from 44% in FY2017. VBA has spent more than \$10.4 billion on these contracts from FY2017 to FY2023.

### VA Oversight of Contracted Exams

VBA established the Medical Disability Examination Office (MDEO) to manage contractors performing C&P exams. Since 2021, VBA has included financial incentives in its contracts with vendors based on performance metrics, such as errors and timeliness. VBA uses practices such as training and providing condition-specific Disability Benefits Questionnaires to prevent errors with exams. VBA may detect errors when claims processors review veterans' files, during a sampling of completed claims, or when the Board of Veterans' Appeals reviews a VA decision.

If VBA detects an error, MDEO policy is to send a rework request to the vendor if the error affected the claim decision, which the vendor must provide at no cost to VA. MDEO analyzes error trends for exams. It provides contractors with quarterly reports on the types of exams most frequently sent back for rework or identified as having an insufficient

examination or medical opinion errors. Contractors must submit plans analyzing causes of the errors and documenting remediation efforts. In August 2024, MDEO created procedures to review these plans. GAO has identified areas for improvement.

## Challenges in Provision of Exams

Recent reports from GAO and VA's Office of the Inspector General and testimony before the House Veterans' Affairs Subcommittee on Disability Assistance and Memorial Affairs have identified several challenges associated with the provision of C&P exams. These include:

- Shortages of physicians or specialists in a given geographic area. License portability and telehealth appointments have helped contractors meet demand for disability exams. VBA-contracted physician examiners have permanent license portability. P.L. 118-19 extended temporary license portability for nurse practitioners, physician assistants, audiologists, and psychologists to January 5, 2026.
- Flexibility in scheduling veteran appointments with contractors. Timeliness standards for exam completion and disability rating may result in veterans receiving appointments on dates they cannot attend or needing to travel further to available examiners.
- Ensuring the accessibility, safety, and cleanliness of exam facilities of contractors and subcontractors. VBA has initiated contract modifications to address concerns regarding standards and monitoring.

Time frames for implementing changes to the exam process, unclear exam requests, and incomplete or disorganized information in medical files are additional challenges impacting the likelihood of errors during exams.

## Veteran Satisfaction with C&P Exams

Examination vendors send customer satisfaction survey cards and the choice of completing an online survey to veterans scheduled for examinations. Completed surveys are scored and reported monthly to VA and MDEO contractors. Contractors must submit plans to address negative customer service trends. VA testified that in FY2023, through March 2023, aggregate customer satisfaction for all vendors was 95.94%.

In addition, if a veteran has a bad experience during a claim exam, VA encourages the veteran to report concerns on the customer survey, to VA in a letter for his or her claim file, or by calling the scheduling contractor or VA.

### Appeals

If a veteran disagrees with the outcome of his or her claim, VA offers five appeal options: two additional reviews of claims decisions within VBA and three types of appeals to the Board of Veterans' Appeals under the Veterans Appeals Improvement and Modernization Act of 2017 (P.L. 115-55).

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