



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

April 13, 2015

The Honorable Jeff Miller
Chairman
Committee on Veterans' Affairs
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the provisions of 38 U.S.C. § 503(c), I am submitting a report covering a total of thirty cases in which I or my predecessor granted equitable relief in calendar year 2014. Also enclosed is the cost estimate for preparing the report as required under 38 U.S.C. § 116.

The report summarizes four cases in which equitable relief was granted under 38 U.S.C. § 503(a). The total relief authorized in those cases was \$23,076,065.09.

The report includes twenty-five cases in which equitable relief was granted under 38 U.S.C. § 503(b). The relief granted in those twenty-five cases was \$15,139,216.32.

The report also describes a case of equitable relief involving the forgiveness of a deceased Veteran's debt to VA under 38 U.S.C. § 5302A and 38 C.F.R. § 1.945(b) in the amount of \$376.00.

The total equitable relief that was granted as described in the report was \$38,215,657.41. These thirty matters were the only cases in which I or my predecessor made dispositions of recommendations for equitable relief in calendar year 2014.

Thank you for your continued support of our mission.

Sincerely,

A handwritten signature in blue ink, which appears to read "Robert A. McDonald", is positioned above the printed name.

Robert A. McDonald

Enclosures



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

April 13, 2015

The Honorable Corrine Brown
Ranking Member
Committee on Veterans' Affairs
U.S. House of Representatives
Washington, DC 20515

Dear Congresswoman Brown:

In accordance with the provisions of 38 U.S.C. § 503(c), I am submitting a report covering a total of thirty cases in which I or my predecessor granted equitable relief in calendar year 2014. Also enclosed is the cost estimate for preparing the report as required under 38 U.S.C. § 116.

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THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

April 13, 2015

The Honorable Johnny Isakson
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

In accordance with the provisions of 38 U.S.C. § 503(c), I am submitting a report covering a total of thirty cases in which I or my predecessor granted equitable relief in calendar year 2014. Also enclosed is the cost estimate for preparing the report as required under 38 U.S.C. § 116.

The report summarizes four cases in which equitable relief was granted under 38 U.S.C. § 503(a). The total relief authorized in those cases was \$23,076,065.09.

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Robert A. McDonald

Enclosures



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

April 13, 2015

The Honorable Richard Blumenthal
Ranking Member
Committee on Veterans' Affairs
United States Senate
Washington, DC 20510

Dear Senator Blumenthal:

In accordance with the provisions of 38 U.S.C. § 503(c), I am submitting a report covering a total of thirty cases in which I or my predecessor granted equitable relief in calendar year 2014. Also enclosed is the cost estimate for preparing the report as required under 38 U.S.C. § 116.

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Robert A. McDonald

Enclosures

**DISPOSITION OF RECOMMENDATIONS FOR
THE EQUITABLE RELIEF SUBMITTED TO THE
SECRETARY OF THE DEPARTMENT OF VETERANS AFFAIRS (VA)
IN CALENDAR YEAR 2014**

CASE #1

The Veteran applied for Post-9/11 GI Bill benefits based on over five years of creditable service. The Atlanta Regional Processing Office (RPO) notified the Veteran of eligibility for 36 months of benefits at the 100-percent rate. The Atlanta RPO received a Certificate of Enrollment for the Veteran from a university on January 4, 2012, and authorized payment of benefits at the 100-percent rate. The RPO later reviewed the Veteran's record and discovered that he had graduated from the Air Force Academy. In accordance with 38 U.S.C § 3311(d)(2) and 38 C.F.R. § 21.9505, graduates of military academies are obligated to serve 5 years. This time in the military cannot be used in computing eligibility for Post-9/11 GI Bill benefits, causing the level of benefits to be at the 40-percent rate rather than 100-percent rate.

The Veteran's reliance on the determination of the Atlanta RPO resulted in a financial loss of \$8,292.69, the difference between the 100-percent rate and the 40-percent rate for Post-9/11 GI Bill benefits. The Secretary authorized equitable relief in the amount \$8,292.69 under the provisions of 38 U.S.C. § 503(b).

CASE #2

The Portland Veterans Affairs Medical Center (VAMC) determined in March 2002 that the Veteran required nursing home care. On March 20, 2002, the VAMC primary care physician noted in the Veteran's chart that the need for nursing home care was related to a service-connect condition. This notation of the physician was missed in review and the VA Social Worker arranged for nursing home care at Oregon City Health Care Center with payment provided by Medicaid starting May 2, 2002.

On October 29, 2009, the Portland VAMC became aware of the Veteran's nursing home placement and the 100-percent service-connected status of her condition. On December 1, 2009, VA began coverage of the Veteran's nursing home costs at Oregon City Health Care Center. No adjustment was made to account for nursing home coverage from May 2, 2002 to November 30, 2009, which was paid under Medicaid coverage. During this time, the husband of the Veteran was responsible for payment of any expenses beyond those covered by Medicaid.

Relief was authorized pursuant to of 38 U.S.C. § 503(a) based on the erroneous determination that the Veteran was not entitled to VA coverage of nursing home care. The husband of the Veteran was authorized equitable relief in the amount of \$459,120.51, of which \$181,315.75 was to be reimbursed to Medicaid.

CASE #3

The Veteran was notified by the Muskogee Regional Processing Office (RPO) on March 3, 2011, that he was entitled to Post-9/11 GI Bill benefits at the 100-percent rate and thereafter enrolled in college for the summer term in 2011. An enrollment certificate was submitted to the RPO. The RPO authorized payment at a 50-percent rate based on the subsequent passage of Public Law 111-37, which changed the determination of the benefit level by VA.

The Veteran's reliance on the determination of the RPO resulted in a financial loss of \$3,078.60, the difference between the 100-percent rate and the 50-percent rate. The Veteran was authorized equitable relief in the amount \$3,078.60 under the provisions of 38 U.S.C. § 503(b).

CASE #4

The widow of the Veteran was approved for basic eligibility for Survivors and Dependents Educational Assistance (chapter 35) benefits on January 16, 2007. In June 2011 the widow submitted her formal application for benefits, which was approved. On July 12, 2012, the widow submitted a request for benefits for training in a Medical Transcription Editor program.

The widow signed an enrollment agreement on September 4, 2012, with the program and paid \$2,200 per the agreement for online training. Under this agreement, a student cannot receive a refund of fees if he or she withdraws more than 14 days after obtaining access to the online course materials. On November 5, 2012, VA notified the widow that the online course did not meet the standards for chapter 35 benefits as an online program because it did not lead to a standard college degree or certificate from an institution of higher learning. The terms of the agreement precluded the widow from receiving any refund of her fees.

Equitable relief was granted in the amount of \$2,200.00 under 38 U.S.C. § 503(b). This amount represents the fees paid to enroll in a course for which the widow believed she would receive educational assistance from VA.

CASE #5

The Veteran was notified by the VA Education Call Center on April 2, 2012, that two months and 13 days of eligibility remained under the Post-9/11 GI Bill. Based on this notification, the Veteran enrolled in two courses over the summer of 2012. VA received a Certificate of Enrollment on May 25, 2012. On June 24, 2012, the Buffalo Regional

Processing Office informed the Veteran that the previous determination was incorrect and there was no remaining entitlement under the Post-9/11 GI Bill.

The Veteran was granted equitable relief in the amount of \$561.00 under 38 U.S.C. § 503(b). The Veteran had enrolled in courses based on an erroneous determination of VA and was unable to get back \$561.00 for withdrawing too late in the term.

CASE #6

The Veteran applied for Post-9/11 GI Bill benefits based on five years of creditable service. The St. Louis Regional Processing Office (RPO) notified the Veteran of eligibility for 36 months of benefits at the 100-percent rate on January 28, 2010. In September 2012, the Veteran enrolled in a full-time Masters of Business Administration program. A review of the Veteran's records by the RPO disclosed that the Veteran had graduated from a military academy. In accordance with 38 U.S.C § 3311(d)(2) and 38 C.F.R. § 21.9505, graduates of military academies are obligated to serve 5 years. This time in the military cannot be used in computing eligibility for Post-9/11 GI Bill benefits. The Veteran had no eligible service time outside the five year obligated period.

The Veteran's reliance on the determination of the St. Louis RPO resulted in a financial loss of \$7,659.20. The Veteran was authorized equitable relief in the amount \$7,659.20 under the provisions of 38 U.S.C. § 503(b).

CASE #7

The Veteran applied for Post-9/11 GI Bill benefits and the Muskogee Regional Processing Office (RPO) notified the Veteran of eligibility for 36 months of benefits at the 100-percent rate on October 4, 2011. The RPO received a Certificate of Enrollment for the Veteran from a university on May 9, 2012, for the summer term. On June 14, 2012, the RPO determined that the previous eligibility determination was incorrect and paid the Veteran at the 60-percent rate, resulting in a financial loss of \$1,834.59, the difference between the 100-percent rate and the 60-percent rate for Past 9/11 GI Bill benefits.

The Veteran was authorized equitable relief in the amount \$1,834.59 under the provisions of 38 U.S.C. § 503(b) to compensate for his financial loss.

CASE #8

The Veteran was on active duty with the Army National Guard and receiving compensation benefits at the time of his death in Afghanistan on July 19, 2011. A compensation debt of \$376 was established in August 2011.

Under 38 U.S.C. § 5302A and 38 C.F.R. § 1.945(b), the Secretary of Veterans Affairs is authorized to terminate collection of a benefit debt owed to VA by a Veteran who dies of injuries received while serving in combat operations on or after September 11, 2001. Termination of collection in the amount of \$376.00 was authorized.

CASE #9

The Nashville VA Regional Office (VARO) incorrectly advised CHAMPVA in June 2009 that the Veteran's service-connected disabilities were adjudicated as permanent and total (P&T); however, the Veteran's service-connected disabilities were not adjudicated as P&T until a decision effective August 3, 2009. The Veteran's spouse relied on the determination of eligibility and incurred costs for \$6,128.38 in health care services without knowledge that these benefits were erroneously paid. CHAMPVA initiated debt collection actions against the spouse for all CHAMPVA payments made prior to August 3, 2009 totaling \$6,128.38.

Equitable relief was granted under 38 U.S.C. § 503(b) in the amount of \$6,128.38 paid as CHAMPVA benefits on behalf of the spouse of the Veteran. The initial determination of eligibility was based on an administrative error by VA.

CASE #10

The Veteran applied for Post-9/11 GI Bill benefits. The Muskogee Regional Processing Office (RPO) notified the Veteran of eligibility for 36 months of benefits at the 100-percent rate on April 3, 2011. The RPO received a Certificate of Enrollment for the Veteran from a university on February 13, 2012. On March 30, 2012, the Muskogee RPO processed the enrollment certification, but paid the Veteran at the 60-percent rate because the Veteran had participated in the College Loan Repayment Program, which made three years of his active service obligated and not creditable for purposes of chapter 33 benefits.

The Veteran was authorized equitable relief in the amount \$ 819.00 under the provisions of 38 U.S.C. § 503(b) to compensate for his financial loss. This amount represents the difference between what the Veteran would have received at the 100-percent benefit rate, and what he actually received at the 50-percent benefit rate under the Post-9/11 GI Bill, reduced by a refund of \$400 credited to his account by the school.

CASE #11

The Buffalo Regional Processing Office (RPO) notified the Veteran of eligibility for 36 months of benefits under the Post-9/11 GI Bill (38 U.S.C. chapter 33) at the 100-percent rate on September 6, 2011. The RPO received a Certificate of Enrollment for the Veteran from a university on January 13, 2012, for the spring semester. On March 8,

2012, the RPO determined that the Veteran's discharge was other-than-honorable and that the Veteran did not qualify for Post-9/11 GI Bill benefits. At this point the Veteran was two months into the term and unable to recoup any of the money spent on tuition, fees, and housing.

The Veteran's reliance on the incorrect determination of the RPO resulted in a financial loss of \$16,982.80 to the Veteran who relied on the incorrect determination that he was eligible for Post 9/11 GI Bill benefits. The Veteran was authorized equitable relief in the amount of \$16,982.80 under the provisions of 38 U.S.C. § 503(b) to compensate for this financial loss.

CASE #12

The Veteran served on active duty from June 2005 to June 2009 and received an honorable discharge. She had been a Senior ROTC scholarship recipient for 4-years of college; her active duty was therefore not creditable to chapter 33. She noted her scholarship in both of her applications for chapter 33 benefits. In September 2011, she applied for benefits and a certificate of eligibility was issued. She enrolled and started classes in beauty school. After she started the program she was notified that she was ineligible for chapter 33, too late for a refund of her tuition. She completed the program.

The Veteran was granted equitable relief under 38 U.S.C. § 503(b) in the amount of \$13,643.00, representing the amount of benefits she would have received had she been eligible.

CASE #13

The Veteran applied for VA health care at the Iowa City Health Care System (VAHCS) in November 2003. The VAHCS enrolled the Veteran in Priority Group (PG) 8g despite the notation that the Veteran had been exposed to Agent Orange. As PG 8g, the Veteran's reported income was above the means test threshold. In July 2011, the Veteran was admitted to the University of Iowa Hospital for treatment for non-Hodgkin's lymphoma. As a result, he incurred \$4,458.58 in medical bills.

On February 15, 2012, the Enrollment System received updated information confirming that the Veteran was 100-percent service connected effective August 11, 2011 for Agent Orange Non-Hodgkin's Lymphoma.

The Veteran was granted equitable relief under 38 U.S.C. § 503(a) in the amount of \$4,458.58, of which \$4,428.58 is owed to the University of Iowa Hospital and \$30 to the Veteran. Equitable relief was granted because of the initial erroneous determination in November 2003 that the Veteran was not entitled to VA health care coverage.

CASE #14

The Veteran applied for Veterans Retraining Assistance Program (VRAP) benefits to cover training as a commercial pilot. The Veteran was erroneously issued a Certificate of Eligibility (COE) even though this training did not meet the requirements for approval under VRAP.

The Veteran was informed by the Education Call Center that a prerequisite to commercial flight training involved obtaining a private pilot's license. The Veteran began private pilot training on September 10, 2012. On December 28, 2012, the Veteran was informed that the commercial pilot training for which a COE had been issued did not meet VRAP requirements. To qualify under VRAP, training must be obtained from a community college or technical school.

The Veteran relied on the initial erroneous decision approving his course of study. This decision was compounded by the Education Call Center advising that a private pilot's license was required before the non-approved commercial pilot's license. The Veteran was granted equitable relief under 38 U.S.C. § 503(b) in the amount of \$5,356.16, representing the amount paid by the Veteran for the training for a private pilot's license.

CASE #15

The Veteran applied for Vocational Rehabilitation and Employment (VR&E) benefits in 2009. The Veteran is disabled and was seeking financial assistance for housing modifications that Loan Guaranty's Specially Adapted Housing grant did not cover. The VR&E staff determined that the Veteran was entitled to a program of independent living services that would include modifications of the house to improve wheelchair accessibility.

The VR&E staff incorrectly advised the Veteran to put \$14,051 in an escrow account and that, once the modifications were complete, the escrow money would be reimbursed through the VR&E program. When the construction phase was complete, the bank closed the Veteran's escrow account and the Veteran was informed that reimbursement through VR&E was not permitted.

The Veteran was authorized equitable relief pursuant to 38 U.S.C. § 503(b) in the amount of \$14,051 to cover costs incurred in modifications to the dwelling.

CASE #16

The Veteran was erroneously informed that he was eligible for 36 months of chapter 33 benefits at the 100-percent rate; however, after his enrollment at a university VA discovered that he was not eligible for payment of benefits under chapter 33. The

Veteran was informed of the error after he had begun his term in May 2011 and incurred losses in tuition, book stipend, and housing allowance.

The \$2,748.90 of authorized equitable relief was the amount the Veteran would have received under chapter 33 if he had been eligible.

CASE #17

In April 2012, the State of Washington applied for a Department of Veterans Affairs (VA) state home construction grant to construct a new State Veterans Home on the grounds of the Walla Walla VA Medical Center. The State requested a conditional grant, but the request was denied because VA determined that it could not complete the land transfer to the state within the 180-day timeframe required for a final grant award. State title to the property is required to complete the grant application and for a final VA grant award. VA could not complete the transfer in time because certain VA officials erroneously thought they could rely upon State reports to meet certain requirements for the transfer.

The State of Washington was granted equitable relief under 38 U.S.C. § 503(a) in the amount of \$21,787,769.90 for construction of the State Veterans Home at Walla Walla, Washington.

CASE #18

The Veteran applied for Post-9/11 GI Bill benefits and was denied by the Buffalo Regional Processing Office (RPO) on June 26, 2012, because his discharge from the U.S. Marine Corps was other-than-honorable. The Veteran filed a notice of disagreement (NOD) with the decision to deny the education benefits. With the NOD, the Veteran submitted a letter from the New York Regional Office that confirmed the discharge was characterized as "honorable" for VA purposes. The Buffalo RPO reversed the previous decision and granted the Veteran benefits for 36 months at the 70-percent rate.

On August 29, 2012, the Buffalo RPO sent the Veteran a Certificate of Eligibility for Post-9/11 GI Bill Benefits. On September 12, 2012, the RPO received an enrollment certificate for the fall term. The Buffalo RPO determined that the approval of benefits was incorrect and notified the Veteran on November 21, 2012, that the recognition of the other-than-honorable discharge would suffice for other VA benefits, but not for educational benefits.

The Veteran incurred expenses of \$11,883 for the fall term as a consequence of reliance on the erroneous decision of the Buffalo RPO. The Veteran was authorized equitable relief in the amount of \$11,883 under 38 U.S.C. § 503(b).

CASE #19

The Veterans Benefits Administration identified 307 Veterans whose benefits under the Veterans Retraining Assistance Program (VRAP) were not processed, due to administrative error, before the authority to pay benefits under the program expired on March 31, 2014. VA determined that it could pay up to three months of benefits in a lump sum to participating Veterans, prior to expiration of VRAP, to permit them to complete their training through June 2014. Due to administrative error some of the lump-sum payments were not processed timely prior to expiration of the authority to make payments.

Equitable relief pursuant to 38 U.S.C. § 503(a) in the total amount of \$824,716.10 was granted for these 307 Veterans whose claim documents for VRAP were received during the period from March 17, 2014, through March 31, 2014.

CASE #20

The Veteran was erroneously informed on March 23, 2012, that he was eligible for 36 months of Montgomery GI Bill benefits (chapter 30). Based upon this determination, the Veteran left his job and enrolled in a university for the 2012 fall term. VA later notified the Veteran he was not eligible for chapter 30 benefits because of his bad-conduct discharge.

The Veteran was granted equitable relief in the amount of \$5,527.27 under 38 U.S.C. § 503(b). This amount represents the full benefits for the fall term 2012, during which the Veteran relied on the incorrect determination of the St. Louis RPO.

CASE #21

The Veteran applied for Veterans Retraining Assistance Program (VRAP) benefits to obtain a commercial pilot's license at Wings Flight School. The Muskogee Regional Processing Office (RPO) notified the Veteran of eligibility for 12 months of benefits on June 19, 2013.

The commercial pilot training program that the Veteran wished to pursue using VRAP benefits did not meet requirements for an approved program of training under VRAP. The Veteran relied on the decision of the RPO and enrolled in the pilot training course. On November 21, 2013, the Veteran was notified that his training program did not qualify under VRAP.

The Veteran's reliance on the determination of the Muskogee RPO resulted in a financial loss of \$14,829.32, for which he was authorized equitable relief under the provisions of 38 U.S.C. § 503(b).

CASE #22

The Veteran applied for the Veterans Retaining Assistance Program (VRAP) to the St. Louis Regional Processing Office (RPO) in May 2012. The St. Louis RPO issued the Veteran a Certificate of Eligibility (COE) for VRAP in June 2012. The COE confirmed that the Veteran had twelve months of entitlement for full-time training to be used by April 1, 2014.

The Veteran enrolled in school for the fall 2012 semester. In December 2012 the St. Louis RPO received an enrollment certificate for the spring 2013 semester. In February 2013, the RPO received a notice of change in student status indicating the Veteran never attended the spring term. The RPO then requested a character of discharge determination from the Milwaukee Regional Office (RO). In April 2013 the RO concluded the Veteran was not eligible for VRAP because his discharge from his last period of active service was dishonorable for VA purposes. Under section 211(e) of Public Law 112-56, a Veteran's last discharge from active duty must be Under Conditions Other than Dishonorable to qualify for VRAP.

The Veteran was authorized equitable relief under 38 U.S.C. § 503(b) in the amount of \$527.30, the amount of debt he incurred in reliance on the erroneous determination of the St. Louis RPO about eligibility for VRAP.

CASE #23

The Veteran applied for Post-9/11 GI Bill benefits, indicating that he intended to attend American University in Cairo (AUIC) in an Arab language certificate program beginning in September 2010. The Veteran relinquished his Montgomery GI Bill-Selected Reserve (MGIB-SR) benefits to receive the Post-9/11 GI Bill benefits. The Veteran was issued a Certificate of Eligibility (COE). At the time, AUIC was approved for 12 different Bachelor's or Master's degree programs.

On August 25, 2010, the Buffalo Regional Processing Office (RPO) received an enrollment certification from AUIC for the Veteran for the Arab language certificate program in the fall term. The RPO notified the Veteran on October 22, 2010, that the Arab language certificate program was not a VA-approved course of study. At that time the Veteran was already enrolled in the program of study and had incurred expenses.

The Veteran was granted equitable relief under 38 U.S.C. § 503(b) in the amount of \$1,209.73, the amount of Post-9/11 GI Bill benefits that would have been paid for the fall term.

CASE #24

The Veteran applied, on July 25, 2012, for Veterans Retraining Assistance Program (VRAP) benefits at the VA Atlanta Regional Processing Office (RPO). The Veteran stated on the application that he wished to use the benefits for flight training. In August 2012, the RPO issued a Certificate of Eligibility. Training for flight school for a private or commercial pilot's license does not meet the requirements for VRAP approval. The Veteran relied on the erroneous decision of the RPO.

Pursuant to 38 U. S. C. §503(b), the Veteran was authorized equitable relief in the amount of \$11,260.80. This represents payment for benefits at 60 percent of the maximum rate (\$1,564 per month X 12 months), the amount the Veteran would have been entitled to if his program had been eligible under VRAP.

CASE #25

The Veteran applied for Post 9/11 GI Bill benefits On August 22, 2009, at the Buffalo Regional Processing Office (RPO). The RPO erroneously notified the Veteran that he was eligible for 36 months of full-time benefits at the 90-percent rate. On April 25, 2011, the Veteran submitted an enrollment certificate for two terms occurring in the summer of 2011. In April 2011, the RPO notified the Veteran that the VRAP benefits would be paid at a 60-percent rate rather than the 90-percent rate.

The Veteran relied on the initial RPO determination in his decision to attend school over the summer terms. The 90-percent payment would have covered his complete tuition and housing. The lesser amount left the Veteran with a loss of \$4,021.95, the difference between payment at the lower and higher rates. Equitable relief was granted to the Veteran under 38 U.S.C. § 503(b) for \$4,021.95.

CASE #26

The Veteran died while on active duty on April 1, 1976, making his widow eligible for the Department of Defense health care system (TRICARE). The widow remarried on May 30, 1986, ending her eligibility for TRICARE. The widow divorced on April 24, 1991. The widow applied for Department of Veterans Affairs health care, Civilian Health and Medical Program (CHAMPVA) on June 6, 1995 at the St. Petersburg Regional Office (RO). The RO erroneously granted CHAMPVA benefits to the widow on July 26, 1995.

In 2008, the Veterans Health Administration reviewed the file and determined that the original determination of eligibility was incorrect. The law at the time did not allow CHAMPVA eligibility for widows or widowers who remarried and later divorced. Public Law 106-117, signed on November 30, 1999, reinstated widow eligibility from the date of enactment forward. The widow had received CHAMPVA benefits from June 26, 1995 to November 30, 1999 totaling \$2,877.59 based on the incorrect determination.

The widow was granted equitable relief under 38 U.S.C. § 503(b) in the amount of \$2,877.59, the amount paid under CHAMPVA from 1995 to November 30, 1999.

CASE #27

The VA Chief Business Office (CBO) has identified approximately 2,300 beneficiaries of Veterans who were eligible for TRICARE – and thus ineligible for the Civilian Health and Medical Program (CHAMPVA) – but received medical reimbursement through CHAMPVA from fiscal year 2007 through 2012. This situation occurred because the system required manual verification of beneficiaries' eligibility for TRICARE, and this review was not performed in a consistent or timely manner.

The CHAMPVA overpayments for this systemic mistake cost CBO approximately \$14.5 million dollars (FY2007-11 \$13.4 million, FY2012 \$1.1 million). CBO determined, however, that pursuing debt collection for overpayments for care received from 2007 through 2012 would create a hardship for beneficiaries and providers because the one-year period for filing TRICARE claims has expired or will soon expire.

Rather than attempt collection from the approximately 2,300 beneficiaries, equitable relief for the CHAMPVA overpayments of approximately \$14.5 million dollars was granted under 38 U.S.C. § 503(b).

CASE #28

In 2012 the Veteran was notified by the St. Louis Regional Processing Office (RPO) that he was eligible: for up to 12 months of training under the Veterans Retraining Assistance Program (VRAP). The Veteran enrolled in a training program for spring 2013, and submitted an enrollment certification to the RPO on January 28, 2013.

The Veteran attempted to determine the status of his enrollment certificate from the RPO for the next several months. The Veteran completed the spring term and enrolled in the summer, using his own funds to cover the tuition and fees. The Veteran submitted a certificate of enrollment for the summer term on July 2, 2013. On July 23, 2013, the RPO notified the Veteran he was not eligible for VRAP because of a dishonorable discharge.

As a result of the incorrect determination of the St. Louis RPO and the delayed determination of the RPO in denying the enrollment certificate, the Veteran attended two terms during which he was expecting reimbursement under VRAP. The Veteran was authorized equitable relief in the amount of \$10,739.47 under 38 U.S.C. § 503(b).

CASE #29

The Veteran was notified on June 12, 2012, by the Education Call Center that he was entitled to Post 9/11 GI Bill benefits at the 100-percent rate. The Veteran enrolled in college on July 21, 2012. An enrollment certificate was processed at the Atlanta Regional Processing Office where it was discovered that the Veteran was entitled only to benefits at 80-percent rate based on years of creditable service.

The Veteran's reliance on the determination of the Education Call Center resulted in a financial loss of \$1,775, the difference between the 100-percent rate and the 80-percent rate. The Veteran was authorized equitable relief in the amount \$1,775 under the provisions of 38 U.S.C. § 503(b).

CASE #30

Between 2001 and 2013, the VA Connecticut Healthcare System (VACHS) placed approximately 112 Veterans into three non-VA community rest homes at VA expense, based on VACHS' erroneous belief that the homes had been "grandfathered in" as community nursing homes eligible for VA placement and payment. VA discovered the error in February 2013 and immediately stopped placing Veterans in these homes. The Secretary awarded equitable relief twice in 2013 to address these VA errors.

In September 2014, however, eleven of the Veterans originally placed in the rest homes still resided there. As a result, the Secretary granted equitable relief under 38 U.S.C. § 503(b) effective on September 29, 2014, to authorize VA to continue to pay the homes to provide residential care for these Veterans through September 30, 2015. The total cost of relief granted will not exceed \$491,209.57.

**Estimate of Cost to Prepare
Congressionally-Mandated Report**

Short Title of Report: Report to Congress on Equitable Relied Cases Granted – CY14

Report Required by: 38 U.S.C. § 503(c)

In accordance with Title 38, Chapter 1, Section 116, the statement of cost for preparing this report and a brief explanation of the methodology used in preparing the cost statement are shown below:

Manpower Cost:	\$6,470.00
Contract(s) Cost:	\$0
Other Cost:	\$0
Total Estimated Cost to Prepare Report:	<u>\$6,470.00</u>