



Implementing the Post-9/11 GI Bill: Lessons Learned and Emerging Issues

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Context

On August 1, 2009, the most generous veterans education benefit program since the original post-World War II GI Bill went into effect. The Post-9/11 Veterans Education Assistance Act, popularly known as the Post-9/11 GI Bill, pays for up to 100 percent of a veteran's tuition/required fees at a state college/university depending on the veteran's length of service. It may also include a housing allowance and book stipend (subject to some restrictions). In certain cases the benefit may be transferred to a veteran's dependent or spouse. Tuition payments are made directly to the institution, while housing allowance and book stipend payments are sent directly to the veteran.

Institutions may also choose to voluntarily participate in the Yellow Ribbon Program, a program designed to assist veterans who attend higher-priced private and public universities or individual programs that cost more than baseline Post-9/11 GI Bill benefits. Under the Yellow Ribbon Program, institutions stipulate the amount of institutional funds they will contribute and the number of veterans for which they will contribute those funds, and the U.S. Department of Veterans Affairs (VA) will match up to 50 percent of that amount.

As the end of the fall semester approaches for many institutions and the dust of initial Post-9/11 GI Bill implementation has begun to settle somewhat, this paper takes stock of the implementation's current status. It also notes emerging issues that may affect incoming student veterans for months or years to come.

Observations

Demand for Post-9/11 GI Bill benefits has been unprecedented—though predictable given both the much-advertised scope of the program and the current economic climate. Yet claim processing backlogs have persisted throughout its first semester of implementation. As of September 11, 2009, the VA reported to higher education institutions that it had processed 188,000 of the 260,000 Post-9/11 GI Bill claims it had received; this included veterans' applications for benefits, school enrollment certifications, or a combination thereof.¹ Total education claims pending—for not only the Post-9/11 GI Bill, but the Montgomery GI Bill, Reserve Educational Assistance Program (REAP) and the

¹According to a letter sent to higher education institutions on September 11, 2009 by P.W. Dunne, Under Secretary of Veterans Affairs for Benefits.

Dependents Educational Assistance programs—were 172,000 as of the date of the letter.

In September 2008, according to VA statistics, the VA had just 66,261 education claims pending. This number was a 9,927-claim decrease from the September 2007 figure of 76,188. So from September 2008 to September 2009, the number of claims pending increased by 95,812—more than double the previous year’s statistic. The VA has explained that not all these claims are for Fall 2009 benefits since many veterans applied in advance of enrollment, presumably to make future educational plans with eligibility information in hand. However, the backlog remains a serious issue.

VA statistics on Post-9/11 GI Bill processing—as currently published—are confusing. A single veteran student’s file can generate multiple claims (or “work items” in VA terminology). Thus finding accurate statistics on how many veteran students have actually received full Post-9/11 GI Bill payments due for Fall 2009 and how many veteran students’ payments are yet to be processed can be difficult.

For instance, statistics provided during the testimony of the lead administrator for the GI Bill program, Keith Wilson (Director, Office of Education Service, Veterans Benefits Administration) before the House of Representatives Veterans’ Affairs Subcommittee on Economic Opportunity on October 15, 2009 are somewhat confusing when compared to each other.

In those statistics, the VA reported 82,000 eligible veterans as enrolled in college in Fall 2009. Of those, 52,500 eligible veterans were reported as having received their full Post-9/11 GI Bill payments and 29,500 veterans were reported as having yet to receive some or all of their payments. However, it was also reported that 50,000 veterans had received emergency advance payments of up to \$3,000. It is unclear whether the 50,000 figure combined totals of veterans who had received none or partial payments with veterans who had received full payments but needed emergency advances as well.

Meanwhile, a different set of statistics commonly used by the VA and veterans education administrators to track education claims processing—the VA Monday Morning Workload Report (MMWR)—shows a total of 64,452 Post-9/11 GI Bill work items pending for the week of November 9, 2009. Total education work items pending in the MMWR for all veterans education benefit programs were 211,327. There is no corresponding statistic for the number of veterans who have yet to receive some or all of their benefit payments; only work items are displayed.

The reporting disparities indicate that a clearer explanation of the VA’s terminology and statistics would help the public and higher education stakeholders better understand what the VA has accomplished as well as what remains to be done.

Outmoded technology at the VA has delayed Post-9/11 GI Bill payments to veterans and servicemembers. In a world where students can pay their tuition bills by credit card, send money via PayPal to friends and relatives, and pay their student loans by electronic transfer from their bank accounts—all with the click of a mouse—it may seem surreal that the VA is unable to process Post-9/11 GI Bill payments in a timely manner.

However, in addition to the complexity of the payments involved, the VA is struggling with a legacy of outdated computer systems. According to Keith Wilson’s testimony, Post-9/11 GI Bill claims “currently require manual processing using four separate IT systems that do not interface to each other.”² The problem has been exacerbated by the VA’s having only approximately 14 months to implement a new system to accommodate all the Post-9/11 GI Bill’s provisions.

When the VA did not receive sufficient proposals from qualified private contractors to build a new IT system specifically for the Post-9/11 GI Bill, it terminated that process and opted to use interim internal resources with only nine months to go before the Post-9/11 GI Bill’s August 1, 2009 effective

²Statement of Keith M. Wilson, Director, Office of Education Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs, October 15, 2009.

date. As a result, a combination of electronically capturing documents and manually keyboarding information is required. Thus each Post-9/11 GI Bill claim takes approximately an hour and a half to process.

The VA's goal is to clear the current claims backlog by December 2009. It issued a limited set of advance payments to veteran students on October 2, 2009 (approximately \$120 million to over 41,000 recipients in the first week) and predicts the system will be fully automated by December 2010. However, much work remains to be done before that date, including significant technology upgrades.

Communication between the VA and the higher education community—while in process—can still be improved. Veterans' educational benefits are distinct from other federal financial aid programs, and the issues surrounding the implementation of the tuition and fee charts for the Post-9/11 GI Bill showed that the VA does not always speak the same language as the higher education community.

Standard practice at colleges and universities is to bill students for a combined tuition and required fee amount per semester, though the bill may itemize tuition and required fees separately. Instead of following standard billing practices at the colleges and universities educating veteran students, which was within the scope of the Post-9/11 GI Bill's legislative language, the VA chose to create separate charts and caps for tuition and fees. This meant that a veteran's Post-9/11 GI Bill maximum payment rate could be a combination of the highest tuition at Institution A and the highest required fee amount at Institution B within a state—completely counter to standard higher education practices.

While seemingly well-intentioned in terms of making sure veteran students' maximum tuition and fee charges were covered, this led to confusion among institutions trying to serve veteran students. It also led to eye-popping maximum fee amounts such as the 2009-10 Utah figures, where the maximum tuition payment rate is \$208.86/credit hour but the maximum fee payment rate is \$63,576.50 per term.³

³See http://www.gibill.va.gov/GI_Bill_Info/CH33/Tuition_and_fees.htm for all states' rates.

The VA's construction of "tuition" and "fees" as two distinct charts also did not take into account the states in which the word "fees" is commonly and legislatively used to mean "tuition" (e.g., California) at state colleges and universities. This is well-known in higher education; the VA's linguistic misstep created a problem that could have been avoided with better communication.

Both academe and the military use specialized and nuanced vocabularies to define certain terms and operations. The process of rolling out a benefit program unprecedented in scope means that miscommunications when these vocabularies collide are almost inevitable. As the implementation process continues, it is hoped that communication will improve.

Collaboration across sectors is key to effectively serving veteran students, and may require new, reconfigured or expanded partnerships. During Keith Wilson's recent testimony on implementation of the Post-9/11 GI Bill, the issue of Title IV financial aid for veteran students was raised; Mr. Wilson pointed out that approximately half of veteran students are eligible for federal Pell Grants. Subcommittee members suggested in response that the VA work with state approving agencies and veteran service organizations to communicate with veteran students regarding Title IV federal financial aid, specifically Pell Grants and Federal College Work-Study.

However, the higher education community was not mentioned as a potential partner in this outreach effort—even though multiple higher education associations, financial aid administrators, and individual colleges and universities are logical points of contact on Title IV financial aid issues. In fact, colleges and universities and their associations do routine outreach to all students, not just veteran students, about Title IV financial aid. *They* are the experts in this field, not the state approving agencies and veteran service organizations.

This suggests the need for more collaboration and education across sectors rather than keeping veterans' education in a separate silo. It also emphasizes the need to expand the conversation

about veterans' education to include more stakeholders across higher education. Academe does not have the same command-and-control structure as the military; stakeholders overlap and share expertise across organizations and subsectors. Serving veteran students most effectively requires the collaboration of many people—veterans and civilians alike—both inside higher education and out.

Conclusion

The Post-9/11 GI Bill provides significantly expanded education benefits for servicemembers (and in some cases their dependents). The program's intent and the goodwill behind it are laudable. However, a new program with multiple types of benefit per recipient inevitably presents logistical and infrastructure hurdles for the VA, for higher education institutions and for the primary beneficiaries: veteran students themselves.

It is important to remember that the time frame between enactment of the Post-9/11 GI Bill and its effective date was approximately 14 months. This would be a tight deadline even for the most nimble and well capitalized private-sector company responsible only to its shareholders. Thus, the magnitude of the task facing the VA must be kept in mind when critiquing the mechanics of the program's rollout.

However, this does not mean the VA should be held completely unaccountable for delays in Post-9/11 GI Bill implementation. Keith Wilson acknowledged this with "You rightly call us out in not providing timely service to all veterans" in his October 15, 2009 testimony. Representative Harry Mitchell (D-Ariz.) asked Mr. Wilson why Congress had to hear about backlogs "from the veterans and the *Army Times*," which is a fair question. Going forward, better communication between the VA and various veterans education stakeholders—not only Congress—can improve the implementation process and serve veteran students in the way they deserve.

In trying to address the backlog problem, the VA showed creativity and speed in issuing emergency advance checks to veteran students and enlisted

the help of veteran services organizations as well as financial institutions. This kind of collaborative ingenuity and flexibility should be encouraged. In addition, it needs to include not only veteran service organizations, but also a broad cross-section of the higher education community.

Colleges and universities have been working diligently since the Post-9/11 GI Bill was signed into law to establish policies and procedures and enroll veteran students. They have also heeded the VA's calls to be "flexible" in deferring payments, waiving late fees, and allowing veteran students to attend classes while waiting for the VA to pay these students' bills. Many colleges and universities have been educating veterans, dependents and active duty servicemembers for decades. They should be treated as partners in the VA effort to make the Post-9/11 GI Bill a program that serves veteran students quickly and efficiently.

Resources

Statement of Keith Wilson, Director, Office of Education Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs.
<http://veterans.house.gov/hearings/Testimony.aspx?TID=50657&Newsid=485&Name=%20Keith%20M.%20Wilson>

The Under Secretary of Veterans Affairs for Benefits.
Letter to Higher Education Executives.
http://www.gibill.va.gov/documents/Post-911_Claims_Processing_Letter.pdf

U.S. Department of Veterans Affairs. *Monday Morning Workload Reports.*
<http://www.vba.va.gov/reports/mmwr/>

Organization Web Sites

American Council on Education (ACE) Military Programs: Information on projects for severely injured veterans, military credit transfer, and other veterans education concerns.
<http://www.acenet.edu/Content/NavigationMenu/ProgramsServices/MilitaryPrograms/index.htm>

Iraq and Afghanistan Veterans of America (IAVA): Information on the Post-9/11 GI Bill (including a benefits calculator) and other veterans' affairs concerns.
<http://iava.org/>

NASPA—Student Affairs Administrators in Higher Education: National association of student affairs personnel, with resources on veterans education.
<http://www.naspa.org/>

National Association of Veterans Personnel Administrators (NAVPA): National association of higher education administrators and community program administrators working in veterans education.
<http://www.navpa.org/>

Servicemembers Opportunity Colleges (SOC): SOC functions cooperatively with 15 higher education associations, the Department of Defense (DoD), and active and reserve components of the military to expand and improve postsecondary education opportunities for servicemembers worldwide.
<http://www.soc.aascu.org/>

U.S. Department of Veterans Affairs (VA), GI Bill site: VA GI Bill site.
<http://www.gibill.va.gov/>

U.S. House Committee on Veterans' Affairs: U.S. House of Representatives committee dedicated to improving health care and benefits for veterans.
<http://veterans.house.gov/>

U.S. Senate Committee on Veterans Affairs: U.S. Senate committee dedicated to improving health care and benefits for veterans.
<http://veterans.senate.gov/>