

POLICY BRIEF

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The PACT Act: Year Two Review

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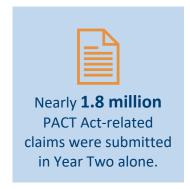
Bottom Line Up Front

The PACT Act of 2022 significantly expands Department of Veterans Affairs benefits and health care to Veterans and survivors who have been exposed to toxins during their military service. Analysts at the Partnered Evidence-based Policy Resource Center previously explored the impact of the law after Year One of implementation, and this brief serves as a follow up, examining Year Two of implementation. An increase in the number of claims submitted and approved was observed despite longer processing times and continued fraud by external scammers.

Introduction

The PACT Act of 2022 was enacted by President Biden as a means of extending Department of Veterans Affairs (VA) health care and benefits to more Veterans and survivors, especially those with conditions resulting from exposure to hazardous conditions during active military service (i.e., military toxic exposures). The Act also established voluntary toxic exposure screenings for VA-enrolled Veterans and identifies new areas of research.

Analysts at the Partnered Evidence-based Policy Resource Center previously summarized the impact of the law after Year One of implementation. This brief serves as a follow up to compare implementation in Year Two. New implementation successes were observed, alongside continued challenges from the previous year.



Year Two Metrics

Since the first year of implementation, there were both improvements and setbacks to PACT Act processes. (Publicly available data are updated monthly on the PACT Act Performance Dashboard and Geographic Supplement.²)

	Year One ³ (Ended 8/5/23)	Year Two⁴ (Ended 8/3/24)
Total PACT Act-related Claims Submitted	801,983	1,795,807
Total PACT Act-related Claims Completed	443,175	1,037,046
Total PACT Act-related Claims Approved	348,469	761,846
Total PACT Act-related Benefits Paid Out	\$1.85 billion	\$4.95 billion
Average days for PACT Act-related Claim Resolution	154	168
Total Veterans/Survivors with Approved Claims	340,754	675,332

Table 1: Comparing Year One and Year Two of PACT Act Implementation. Figures are not cumulative.

The number of PACT Act claims submitted and then completed **more than doubled** in the second year compared to the first year, **reaching one million** unique claims completed in Year Two. However, the claim approval rate dropped from 79% to 75%. The average wait time for claim resolution also went up by 14 days. Lastly, there were fewer toxic exposure screenings completed, dropping from 3.9 million

screenings in Year One to 1.7 million in Year Two, slowing progress toward screening all 9 million VHA enrolled Veterans.

Year Two Successes

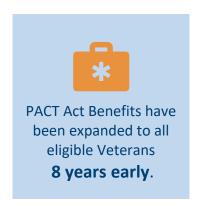
The second year of implementation saw a few noteworthy developments.

Benefits Expanded Earlier

In March 2024, President Biden issued a directive expediting the implementation of Section 103 of the PACT Act (Veteran eligibility for benefits and health care). Originally, Veterans were supposed to gain access to PACT Act benefits and health care in waves through 2032, but this directive made all Veterans eligible at once, speeding up the process by up to eight years for some.⁵

Over One Million Claims Granted

During Year Two, President Biden announced that the one millionth PACT Act-related claim was approved and more than 888,000 Veterans and survivors, representative of every state and territory, received PACT Act-related benefits.⁶



Research Initiatives Underway

In Year Two, research efforts were underway as part of the PACT Act's military toxic exposure research mandate, including studies of post-9/11 Veteran health trends (e.g. neurological diseases). In Year 3 and beyond, researchers will examine mental health outcomes related to military toxic exposures, cancer incidence across Veterans, and health outcomes for specific subgroups of Veterans such as those involved in the Manhattan Project or Fort McLellan.

In August 2023, VA launched the first phase of the Toxic Exposure Clearinghouse, an online knowledge management tool for military toxic exposure-related research publications funded or produced by the federal government.⁷ Many stakeholders internal and external to VA (e.g., the VA Health Outcomes Military Exposures Initiative) are building and maintaining the tool. For example, the Department of Defense and Environmental Protection Agency produces research activities on related topics, such as the health effects of toxic exposures experienced during active military, naval, air, or space service.

New Presumptive Conditions Added

VA added a few urogenital cancers as presumptive conditions under the PACT Act for which Veterans can now receive health care. These include male breast cancer, urethral cancer, and paraurethral cancer.⁸

Year Two Challenges

Given the size and scope of the PACT Act and the number of Veterans who are newly eligible for benefits, implementation challenges are to be expected. Though those observed in Year One remained in Year Two, what changed was VA's mitigation strategies.

Implementation Challenge

Reaching Every Eligible Veteran

VA struggles to ensure all Veterans are aware of the PACT Act and what benefits they may now be eligible to receive. According to Biden administration estimates, over five million Veterans have been exposed to toxins and are eligible for benefits but only 1.8 million Veteran have submitted claims. ^{4,9} This means that VA still hasn't reached, screened, and provided benefits to over three million Veterans who are presumed to be eligible.

Mitigation Strategy

In Year Two, VA ran a \$13 million paid advertising campaign and held nearly 3,000 community events to spread PACT Act awareness. ¹⁰ These initiatives were augmented with a nationwide text messaging campaign and 400 million emails and letters sent to Veterans. Lastly, VA partnered with community messengers, including celebrities and professional sports teams, to spread the word. ⁸

Fraud in Claims Processing

VA accredits certain Veteran service organizations, attorneys, and claims agents to legally assist with claims submissions and appeals for a reasonable fee. 12,13 And yet, fraud related to the PACT Act has been a major concern since the law's inception. Bad actors illegally promise to submit successful PACT Act claims on behalf of Veterans in exchange for exorbitant fees. 14 In 2023 alone, Veterans filed over 5,000 reports of fraud, equating to over \$350 million in losses. 15

VA launched a new website to fight PACT Act fraud, containing information on fraud, how to recognize and avoid it, and the available avenues to report illegal activity. 16 This is a resource specific to VA. The Biden administration also launched the Veteran Scam and Fraud Evasion (VSAFE) Task Force with representation from VA and other federal agencies.¹⁷ This inter-agency group is focused on a "no wrong door" policy for Veterans to report fraud, expanding access to resources and protecting Veterans and their families. The VSAFE Task Force launched its own government-wide website and call center dedicated to Veterans, service members, and their families. 18 This website is distinct from VA's and goes beyond fraud related to PACT Act benefits. It also covers identify theft, housing fraud, and online romance scams targeting Veterans and survivors. 19

Claims Wait Times and Backlog

As a result of President Biden's 2024 directive expanding benefits to all eligible Veterans years ahead of schedule, more PACT Act claims were filed in a narrower window of time than expected.⁴ This resulted in a claims backlog and longer wait times for approval decisions. For example, on the second anniversary of the PACT Act, there were over 380,000 pending claims.³

To cut down on backlog, reduce Veterans' wait times for approval decisions, and serve newly eligible Veterans, VA used hiring authorities in Title IX of the PACT Act to bolster its entire workforce, including clinicians and claims processing staff. In Year Two, VA awarded 520 student loan repayment packages, about 20,000 recruitment and retention bonuses, and over 13,000 critical skills incentives, growing the VA workforce from about 410,000 employees in FY21 (pre-PACT Act) to nearly 480,000 in FY24.²⁰ Data are not yet available to show if these recruitment efforts are reducing the claims backlog and wait times for approval decisions.

Conclusion

The PACT Act expands access to VA health care and benefits to more Veterans than ever before. In Year Two of implementation alone, VA resolved over one million PACT Act claims, delivered nearly \$5 billion in benefits to Veterans and their survivors, and made concerted efforts to advance military toxic exposures-related research. These successes must be viewed, however, in the context of concurrent implementation challenges that hindered Veterans' ability to obtain the services and benefits they deserve. Effectively reaching every Veteran, deterring fraud, and shrinking the claims backlog and wait time for approval decisions must remain high priorities to ensure the long-term success of the PACT Act.

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ABOUT PEPReC POLICY BRIEFS

This evidence-based policy brief is written by Partnered Evidence-based Policy Resource Center (PEPReC) staff to inform policymakers and Veterans Health Administration (VHA) managers about the evidence regarding important developments in the broader health system and economy. PEPReC is a Quality Enhancement Research Initiative-funded resource center that collaborates with operational partners to design and execute randomized evaluations of VHA initiatives, develops and refines performance metrics, and writes evidence-based policy briefs.





