

Borne the Battle
Episode # 211
Benefits Breakdown, VA Debt Management Center
<https://www.blogs.va.gov/VAntage/78827/borne-battle-211-benefits-breakdown-joe-schmitt-jason-hoge-va-debt-management-center/>

(Text Transcript Follows)

[00:00:00] Music

[00:00:10] OPENING MONOLOGUE:

Tanner Iskra (TI): Oh, let's get it. Monday, September 14th, 2020. *Borne the Battle*. Brought to you by The Department of Veterans Affairs. The podcast that focuses on inspiring veteran stories and puts a high on important resources, offices, and benefits for our veterans. I am your host Marine Corps veteran, Tanner Iskra. Hope everyone had a great week outside of podcast land. Labor Day, you know, it's great to have that extra day off until you get back into the office and you had that extra day of work to do, and you have one less day to do it in. Oh, well it was a good barbecue, anyways. Got a recent email from our listener "Blu Hog." Love hearing from him. He sent an email into our inbox here at podcast@va.gov. It says, "Hey, I'm sure *Borne the Battle's* been promoted numerous times on RallyPoint and other sites dedicated to our military and military veterans. Well, now it's numerous plus one. I just posted a link there for other boomer vets like me who are not always so up to speed on online resources. Always enjoyed the 'casts-" I like that. "I have an alarm set up on my phone, the phone to remind me to check on Mondays for the most recent one. Thanks, and keep doing what you're doing." That's from M. B. Blu Hog Ingersoll, ride captain PGR, US Air Force Veteran from '73 to '83, American Legion Post 345, Department of Texas. Blu Hog, it's always good to hear from you, buddy. RallyPoint is a great partner in that they share many of our episodes on their Command Post, but I'm always grateful to have another advocate on the platform. And I love how much you - your dedication to the podcast. Thank you so much, for being a dedicated listener and thank you so much for helping to spread the word on what this podcast is all about. Good hearing from your brother.
Talking about advocacy, on Apple podcasts, received some additional ratings. Thank you, appreciate that. But, we have not received a review in almost a month. If you haven't yet, please feel free to post one on Apple Podcasts. The more that the show is rated and especially

reviewed, not only lets me know if this show is going in the right direction for you, but also puts us higher in the algorithms and allows more veterans to discover the information provided not only in the interviews, but in the news releases. Speaking of news releases, it's been a couple of weeks, so I'm going to skim through them, briefer. More briefly? More briefly. I'm going to skim through them more briefly than I usually do. If you wanna read all the press releases or all the news or words from the horse's mouth, you can find them at [va.gov/OPA/PRESSREL](https://www.va.gov/OPA/PRESSREL) [Link: <https://www.va.gov/OPA/PRESSREL/>]. That's P-R-E-S-S-R-E-L. Alright. First one says for immediate release. VA's digital COVID-19 screening for veterans' employees, aids and low infection rate. The U.S Department of Veterans Affairs announced the use of digital screening at VA health care facilities and increased telehealth has enabled the department to dramatically increase the rate of COVID-19 testing for veterans and employees. To date, VA has tested more than a 576,000 veterans and employees for COVID-19; one of the many aggressive steps used to prevent the transmission of the virus. The Veterans Health Administration's COVID-19 employee infection rate is less than 1% of its workforce. Much lower than other healthcare systems. In addition, veterans can request a COVID-19 test by sending a secure message to their provider via My HealthVet [Link: <https://www.myhealth.va.gov/mhv-portal-web/home>], scheduling an appointment online or call in their provider by phone. Veterans must be enrolled in VA healthcare to receive a COVID-19 test through VA. There is no co-pay and results typically take two to four days and the medical provider will contact the veteran with the results. Veterans who test positive should monitor their symptoms, stay in touch with their medical provider and avoid contact with anyone else. All right. Second one says for immediate release. VA's Board of Veterans Appeals reaches appeal decisions goal early. The U.S Department of Veterans Affairs announced recently that the board of veteran's appeals has exceeded its annual goal of issuing 91,500 appeals decisions in fiscal year 2020. The board reached this goal weeks ahead of schedule and is back on track to issue more decisions. It has also provided veterans the option to choose virtual tele-hearings, allowing them to continue to hold hearings before a board in a safe, no contact environment. For more information on virtual hearings, go to [bva.va.gov](https://www.bva.va.gov) [Link: <https://www.bva.va.gov>] and look for the tele-health fact sheet on the board's homepage. Okay, next one says for immediate release. VA announces a new clinical trial for veterans with

COVID-19. Researchers are to study blood plasma for treating seriously ill patients. VA recently announced a new clinical trial to study patients as part of a larger effort to give veterans faster access to potential COVID-19 treatments and test the treatments effectiveness. The trial will enroll about 700 veterans with COVID-19 who are hospitalized at VA medical centers. A study team will randomize the study volunteers to receive either convalescent, plasma, or a saline placebo, and track and assess recovery and effects of the treatment. Convalescent plasma is donated by people who have recovered from COVID-19 and have antibodies against the virus in their blood. The FDA (Food and Drug Administration) stresses further evidence from rigorous trials, such as the new VA study, is critically important for establishing safety and efficacy. For more information on this study, visit [research.va.gov](https://www.research.va.gov) [Link: <https://www.research.va.gov>] and click on the research on COVID-19 little, uh, bar towards the bottom right of the page. Our next one says for immediate release. VA dedicates Acadia National Cemetery in Maine. The U.S Department of Veterans Affairs recently dedicated a new national cemetery in rural Jonesboro, Maine. Secretary Wilkie unveiled the dedication plaque for Acadia National Cemetery. The first national cemetery in the state to be open to new interments in nearly 60 years. Photos and videos of the dedication can be found at the National Cemetery Administration's Facebook. All right, the next one says for immediate release. VA offers electronic virtual assistant for veterans to connect faster with counselors. VA's new artificial intelligence platform, the "Electronic Virtual Assistant," otherwise known as e-VA, allows veterans to receive a timely response to basic questions, automated alerts, follow-up messages, appointment reminders, and the ability to schedule and reschedule appointments. The Veteran Readiness and Employment service, which is VR&E, used to be Voc-Rehab, completed their national deployment of e-VA on August 11th [2020]. Participants will be allowed to submit documentation from a smartphone, tablet or computer. Additionally, all correspondence through e-VA will be included in the veterans electronic file. Veterans receiving VR&E services will receive a text message or an email introducing e-VA as VR&E's new electronic virtual assistant. Veterans must opt in to start using the service. Upon opt in, e-VA will be available immediately. For more information, visit [va.gov/vre](https://www.benefits.va.gov/vocrehab/) [Link: <https://www.benefits.va.gov/vocrehab/>]. Okay, next one. I've lost count. For immediate release: during the suicide prevention month, VA encourages supporters to be there

for veterans and help connect them with resources. This September, the U.S Department of Veterans Affairs recognizes suicide prevention month highlighting VA's "Be There" campaign, reminding veterans and their loved ones that small actions can make a big difference to veterans going through difficult times. There is no special training needed to give a veteran hope. For more information and resources, visit bethereforveterans.com [Link: https://www.veteranscrisisline.net/support/bethere?utm_source=bethereforveterans.com], all one word. And in support of suicide prevention month, next week's *Borne the Battle* interview will deal with that very topic. So, stay tuned. All right, and the final one says for immediate release. Forbes has named the U.S Department of Veterans Affairs one of America's best employers in 17 states in its second annual survey of Americans Best Employers by State. That's all. If you want to know what states, go ahead and check out the Forbes article. And I'll concur. VA, for me, is a great place to work. Absolutely. So, we always have [careers.va.gov](https://www.vacareers.va.gov) [Link: <https://www.vacareers.va.gov>] if you want to check out working for VA.

Commented [PPI]: Website name is [vacareers.va.gov/](https://www.vacareers.va.gov/). Stated incorrectly in podcast.

All right. So back in episode 190, we talked about the VA Debt Management Center and how they were suspending or extending debts that veterans have incurred with VA. It's a good episode, and our guests shared a ton of great information, uh, so go ahead and check it out when you get a chance, if you haven't already. For this episode, I wanted to break down the center itself, what it does and the culture surrounding it. I say culture because it's run by two veterans that you heard back in episode 190. Debt Management Centers, Director of Operations and Army Veteran, Jason Hoge, and their overall director, Marine Veteran, Joseph Schmidt.
Enjoy.

[00:09:50] Music

[00:09:56] Interview:

Tanner Iskra (TI): Joe, fellow Marine; Jason, Army, correct? When and where did you two gentlemen decide to join the service?

Joe Schimitt (JS): I'll take the first portion of that question. I think for me, it was 1984. I had seen both my father serve in the Navy post-World War II. I'm the youngest of eight family members. And I think for me, it was giving back to my country in a way that really mattered to me. I grew up in a small town in Wisconsin, and there wasn't really much there outside of construction and some local industry. And I really did want to see the world. And when I met with the recruiter, he had me at a low and it was, you

know, the looking back after that. So, I did 24 years and very happy to serve.

(TI): Wow. What was your, what was your role?

(JS): I was enlisted for the first 11 years up to the rank of Gunnery Sergeant. I was logistics and supply chain, and then I became a logistics officer through the Meritorious Commissioning Program.

(TI): Yeah. I don't think that's around anymore.

(JS): It's not around anymore.

(TI): Yeah, I don't think a gun and go, "Hey, you know what you're looking at?" I don't remember that in my time. Absolutely not. Jason?

Jason Hoge (JH): Yeah, for me, I guess it was in high school having and wanting to serve, and my father was an Air Force veteran. And then the—the AH-64 Apache came out about that timeframe. And I had a goal to want to be a part of that. And so, for me, that's how it started. A little bit indirect at first through the North Dakota National Guard. Spent a few years doing that, and then joined the ROTC program and ultimately went to army flight school and got the opportunity to fly the Apache.

(TI): Gotcha. Full careers as well? Retirement? Very good. Very good.

(JS): Yup.

(TI): Very good. Very good. Gentlemen, how did you both find your way to becoming, well for you, Joe, the National Finance Director, is that—is that the proper title? National Finance Director?

(JS): Yes. That's the, yeah, the Finance Director for the Department of Veterans Affairs at VA's Debt Management Center.

(TI): Got you. And you, sir, Jason, you are the—Director of Operations?

(JS): Director of Operations.

(TI): Very good. Very good. What does your office do? And I say this cause when I first glanced at your office, I saw it as just a debt collection arm of the VA when you first sent that email. And I think that's fair as an initial look. And when I told my colleagues that I was interviewing the

Debt Management Office, there's, let's just say there was a lot of passion behind the responses. And I, I think the first thing that any veteran or any American would ask is, "Why—why are y'all doing this in the first place?" And on the surface, it may look wrong to collect money from veterans, especially say if the VA discovered an overpayment at no fault to the veteran. And I'm excluding those that knew that they were getting overpaid because it, unfortunately, that does happen, and that's taking away taxpayer money from people that need it. And of course, that's wrong. But when I'm thinking of those family members that report on a death of a veteran to the VA but still get payments, if it's no fault for the veteran or the family member, I think it's safe to say that collecting on that debt is sometimes morally wrong. But I also know that question is not fair to you guys. Cause you guys don't make it at all. And after talking with you and how you described your office, I think your office is completely something else.

(JS): And I would agree. And I do think there is a, as we talked about the ethical and the moral piece of this business that we work through every single day. And we have amazing employees that do that wonderfully, and they're—they're highly trained to do that. I think for me, and he asked, "What—what got us into this business for me?" My son was diagnosed at the age of three with something called sagittal synostosis, and we had to immediately, without any prior notice, save his life. Saving his life costs about 1.3 million dollars.

(TI): Oh, wow.

(JS): You had to have a full cranial vault reconstruction. He had twelve surgeons, both plastic and cranial facial reconstruction surgeons. And so, my leaving my past job, being the Federal Executive Board Director of the White House liaison under the State of Minnesota, to come collect debt for the Department of Veterans Affairs. And in many cases on veterans is really tied back to, someone needs to really make sure that they're taken care of. Someone needs to make sure that while we have a legal obligation to collect overpayments on behalf of the federal government, the way we do that has to be tied to what we call compassion. And rather than being as—

(TI): It's important.

(JS): It is important. And in differentiates itself from those in the IRS or the Social Security Administration that we partner

with them closely, but it really is guiding the financial future of veterans to a better tomorrow. And we do that by working with each and every veteran on the repayment process.

(JH): For me getting into the role, maybe a little bit different, and so I retired from the army. I was looking for opportunities for service, particularly because I didn't feel like I was done. I had more to give. My family and I retired in the Minneapolis—St. Paul area and opportunity came open with that management center. And so, they offered me the opportunity to join the team. I think one thing that we can share is, Joe and I, and the rest of the veterans on our staff, and—and the rest of the employees at the Debt Management Center have really doubled down on how to make our services better, how to improve the veteran experience, and really understanding how we got to where we were with legacy processes and legacy systems that are sometimes stove pipes. And developing into a modern system that takes in the veteran experience and the veteran individual circumstance into the situation. And—and use that as part of the problem solving. And so, I think the situation's much different than it used to be. And we continue to use technology to make it better as we move forward. And as a matter of fact, we have a Congress that's very willing to work with us, and we work with them to update U.S. statute so that we can create a more positive experience for veterans and how we handle overpayment.

(TI): Yeah. You have to, you—you both have to, one, or, I don't know if both of you have—I've had to testify on Capitol Hill on—on the practices that this office does. And we'll get into that in a little bit. But, you know, on some of the examples that I brought up earlier, how can veterans and taxpayers petition, say for, I guess, federal law to change? Is that something that they would have to do to change some of—some of the rules that you have to abide by?

(JS): I would go through their constituent services or working with their local congressmen and congresswomen to really make that change. They can also reach out to the Department of Veterans Affairs. We have multiple veterans service organizations that are out there to support not only the VA initiatives, but support the veteran every single day. And so, they're their advocate on a larger scale. Both the, when we think about the VFW, the American Legion, Disabled American Veterans, Order of the Purple Heart, they're all amazing. They do

great work for them. And so, I would really start with a Veterans Advocacy Agency. And then I would think about partnering with the disabled or partner with the VA. We're a great resource to listen, to hear, and to take action on those areas. And we're really, currently right now in Washington, D.C. with you today. Absolutely.

(TI): I love that—

(JS): I know you're in Minnesota, but you're here in person. This is awesome. Yeah. And it's wonderful and thanks for having us, but I think it's one of the things we're working this week is with legislation working with the House of Veteran Affairs Committee in the Senate, then our affairs committee and officer and congressional liaison to really make sure we're doing smart things. And like Jason had said, to moving forward in an area to take care of veterans to make a difference.

(TI): Very good. How can I a veteran accrue a debt to the VA in the first place? Coming from active duty experience, you know, when I was an admin, my first enlistment, I saw some Marines, you know, or I knew some other service members who didn't rate like basic allowance for housing, or maybe rated the single rate, but collected a married rate or—or but that can't be the same thing here. Like how—how can a veteran sometimes accrue a debt to the VA?

(JH): The most common way that it occurs is through drill pay currently. So, if there's a drilling reservists and guardsmen that's receiving compensation benefits that's from the VA. They're not entitled to those at the same time. So that's the number one.

(TI): Interesting. I didn't know that.

(JH): Yeah. And going forward in FY 20, we're no longer going to create a debt for those. It's going to be an offset at the regional office, which should more expeditiously solve that imbalance between what the compensation was received and what DFAS paid out. So, they're moving towards having that a monthly reconciliation versus what it is now, a yearly. So that's the most common—common one. Second would be a dependency adjustment. So, if somebody got married or divorced, we're working hard to develop computer matching agreements through different federal agencies to try to prevent overpayments. So, with the Social Security Bureau, prisons, fugitive felon, the hardest one is in the area of dependents. So, there's no

national registry that we can do a computer matching to determine when somebody was divorced or when somebody remarried. And so that one is really dependent upon the veteran, providing that update to the VA. If for some reason that's untimely, then often it'll create a debt. In the area of schools, if a veteran were to reduce his or her rate of pursuit, so they started a semester with a full load and then decided to reduce that rate for some reason, that would create a debt as well. So, it'd be another example now on the education side.

(TI): Very good. Very good. Interesting. I didn't know some about some of these that you're talking about. What's changed? Now, you took over the Debt Management Office two years ago. And in your email, you detailed very, some very good changes within your office. What can you—can you, for the listeners that don't know, what's changed in your office?

(JS): Yeah. I think really, it's our approach to veterans. They're the most important aspect to us in the past. Even our title of their folks who answered the phones were agents—or not agents—we really serve as debt counselors. We listen to veterans when they call us. We expeditiously support their needs. I think in the past years with compensation and pension, what we had done is taken entire benefit check. And I think if you would agree, and most Americans would agree, we take an entire benefit check to repay an overpayment from the federal agency. That's a very difficult thing.

(TI): Especially for some veterans that may live off that check—that one check or social security in that check. Absolutely.

(JS): Yeah, and we hear that quite a bit. And so, what we did is we worked in the air as a compensation of pension, put everybody in an automatic twelve-month repayment plan. So, we're not taking people's checks right away, the entire, you know, the entire check from the veteran, which, that's critically important. I'd also say some of the things we did for those people who were involved in hurricanes and wildfires that we most recently saw in California or any natural disaster—we work with them to put their debts in advance or a period of suspense for a period of up to six months. Working with the Veterans Benefits Administration, they were highly supportive of that. And veterans too, in many cases would like to really spend that money in a disaster on their family and not spend that on paying the VA back. So, let's really think

about how we can actually be there for the veteran in a time of great need, and that's one great way we're doing it. I think the other thing is reaching out on many outreach events with not only veterans service organizations and school certifying officials, but reaching out with veterans in a meaningful way, rewriting our letters in common, plain language so that when they get a letter from the Department of Veterans Affairs, they can easily make sense of that letter. And so, we, we didn't have all the answers ourselves. We did some great partnership with the Office of Evaluation Sciences. Some really brilliant PhDs down at the University of Florida who said, "If you're going to write these letters, we've got to write these in a way that really makes sense." They're not over—overly legal, right? So, we we've done that too. And we continue to make improvements there. I think that's predominantly it. Jason, do you have any other thoughts?

(JH): Just again, changing the focus to improve the veteran experience. Where I think before, it was more focused on, you know, bringing the funds back to the federal government as quickly as possible. Now, realizing that we have a legal responsibility to do that, but we have an ethical and moral responsibility to take care of the veterans as well. So, come up with a payment plan that works for the veteran. And in some cases, you know, we a debt may be created for a veteran, but that doesn't mean the veterans going to pay the debt. We provide avenues for waivers, disputes, compromises, and a lot of times when they contact our call center and contact who are—are debt counselors who go under a rigorous thirteen week training program to handle calls, to deescalate calls when necessary, that they will help that veteran pursue a path that works for them. And a lot of times—

(TI): I can imagine some calls that you get.

(JH): Yeah. Yes. And frankly, we've had members from commerce that have come out and actually listened in the calls and walked away with a greater understanding of how we work with veterans to resolve their individual circumstances.

(TI): Very good. A couple of other things that of note that I— that were sent to me in emails: call wait times went down from forty-five minutes down to two minutes. That's incredible. Wait times for, you know, the evaluation of their documents: three weeks to 72 hours. Your

employees aren't leaving any more. You had employee turnover from 30% to 4%. What kind of difference does, do these stats make in what you do?

(JS): I think the difference is, one, leadership makes all the difference, process, and improvement. Those are all fantastic. We have to do continual process improvement, but really demonstrating leadership. Leadership, one that looks as an advocate for a veteran first. Two, really make sure our employees, you talked about the reduction in attrition in an organization, and that doesn't just happen because we're improving processes. We value our employees, and if we expect our Debt Management Center, debt, counselors, and our employees to deliver an exceptional product for a veteran, we better make sure, one, we're engaging them. We're inspiring them to be their best. And we tell them every day we provide a culture where they can come to work and do their best work and have a passion for what they do. Yeah. And as you mentioned earlier, we hire about roughly 40% of our employment population at the Debt Management Center are veterans. And even more than that, of course, are related to veterans.

(TI): It was one of your employees that initially reached out to you about this show, right? If I'm right?

(JS): Yeah, it was Tracy. I'd like to give a shout out to her, because she really had said, "Have you thought about Borne the Battle?" And we are doing all these outreach events. And I said, "You know, I hadn't really thought about doing Borne the Battle, and how do we go about doing that?" And she gave me some information to reach your office.

(TI): Sounds like you have a unique culture there in Minnesota. Read your Commander's Intent, if you will. You make your employees swear in?

(JS): Yeah, our employees do swear in. Every employee meets with me individually. Uh, after they meet with me, we talk about our philosophy, intent, and role. For those people that are military, you'll understand this as Commander's Intent. So really outline what our culture is, why we hire people who are dedicated to service, to service veterans. Then after that, we swear in. And they raise their right hand, and they repeat after me. And then we shake hands, and they've made a full commitment to the Department of Veteran Affairs, but they also feel an entire commitment to a veteran.

(TI): Very good. What—what drove you to make these changes? Were there certain military leadership traits or principles that you learned during your military career to see this through? What are your guiding principles to both of you gentlemen?

(JH): I would say, coming from an Army environment and for Joe coming from a Marine Corps environment where, you know, the principles of servant leadership are set at the foundation of everything we do. I think first and foremost encompassing the organization in the way that we take care of our employees, and we establish a principle-based versus a rules-based environment. So, you know, first and foremost, we're going to take care of veterans first. You know, if this rule is not applicable in this situation, then we've got to do the right thing to care, take care of the veterans. So, I think first and foremost is setting those conditions that we're going to do all we can to take care of the veterans. We're not going to just hang up the phone at four minutes because the phone call's too long. If it takes us forty-five minutes to do the right thing, to take care of the veteran, we're going to do that. And in a matter of fact, we had a veteran that was having a bad day on a call. We followed him through a forty-five-minute phone call to get him to a provider out of the medical center so that he could get the care that he needed. So, the bottom line again is our staff, our organizational culture is, again, principle-based, we're going to do what we have to do to take care of the veteran. I think that really set the tone of change. And once that occurs, you know, we may not have the visibility right up front of what needs to evolve to make it better, but our employees understand a lot of times, or the veteran does, or the veteran service organization does. And so, um, we've put that awareness out there. And so, if there's better ideas or better ways to make process changes, we have a whole team of stakeholders and veterans that help us do that.

(TI): Very good.

(JS): Yeah. And I think for me, it really is, it's listening. If we would just listen to the veterans and see their complaints and read their complaints, listen to the feedback where we see them on our phones. There's a huge call to action there. I'd also say that we listened to Congress. Congress has reached out, right? Many veterans use congressional inquiry as a means to reach out to them. And so, they're a great feedback network to us. Veterans' service organizations speak very loudly, right? Not only here in

Washington, D.C., but across the country as a representative for veterans. And so, listening to what the veteran service organizations have to say, and then when we think about how we implement those improvements, we don't do that alone. Yeah. Yesterday we were just meeting with the national director for the American Legion, and we're partnering on these activities to say, "How do we move forward?" And you earlier mentioned that you know, that these rules are created. We don't have an opportunity to change them. And I would tell you, both Jason and I are very fortunate enough. And Pam, you don't meet Pamela Heinz today, but she's our other strategic director. Is that we have an opportunity to change the law and we are. And so, we're moving forward with some great legislation this next year to really think about how we deliver better services to veterans, in a more timely fashion, in a manner that makes a difference to them. Especially in an environment, which you talked about earlier, is overpayments. The VA made an overpayment. How do we then go back to the veteran and make that right?

(TI): Gotcha. What are some of the ways that you're able to, what do you train some of your employees to—to look for and to or to deescalate? What are some strategies that you guys employ?

(JH): Um, well, I guess based on the phone call, you know, they're all different. And again, some days if a veteran's having a bad day, maybe he doesn't understand the language. As one, using a calming voice. Getting back to the source of the problem so that the counselor can help solve the problem. And then some—sometimes people are angry, obviously. But, getting the deescalated to a point so that the counselor can explain the options, I think is first and foremost, well, what we employ on those calls, and trying to do it quickly, but also in a means that provides enough time to resolve the issue.

(JS): I think one team, one thing that your team does really well too, is they partnered with Veterans Health Administration and other experts in crisis management. I mean, when I listened to these, and I think when Congress listened to these phone calls, and members of their staff were on our phone calls, working with veterans and listening to how we interact with veterans. The ability for them to deescalate the phone call to come to an appropriate solution. And what maybe started out as a difficult phone call really ended up being, "Hey, we're at a common place to take care of veteran and provide a solution in

that repayment, to seek a waiver, seek a dispute, provided for a compromise, whatever that is. In many cases, they don't have to pay the debt, right? That was one of the certain options, but there are many opportunities for them to think about a waiver or dispute. But that training that they provide and, you know, they go through a thirteen-and-a-half-week academy and then about three to four months, they're pulled out. The debt counselors are pulled out of the office to really think about how they can deliver a better experience to a veteran. So, it's a constant cycle of improvement and, you know, partner with people who are experts like the Department of Veterans Affairs, Veterans Health Administration.

(TI): Very good.

(JH): I would add too, it's just enhancements to our infrastructure, our technology. It used to be, would take a while, maybe upwards of three weeks for us to see that we received a waiver request. Now, as I think you indicated earlier, we can see that like within twenty-four hours some days. So, when a veteran calls us. We're enhancing our systems for the debt counselor to see all the systems at once contrary to having to go into different systems. But when they can do that, they can look and validate that the veteran did send a waiver, and yes, we did receive it. And yes, we're working on it. And so, I think that in itself helps put people at calm, knowing that we're actioning their request.

(TI): Absolutely. Just to know that someone is hearing you. It sometimes helps, helps the situation. Guiding the financial future of veterans, how do you, I think you've, you've talked to it a little bit, but overall, how do you accomplish that?

(JS): I think when we think about debt collections in general, corporate debt collections. We don't often take into account the customer. I pay taxes every year and often the IRS works with me and we work very closely with the IRS. I have nothing ill to say about them. They have a mission and a job, but the manner in which they do it and our customer base is different. So, for the Department of Veterans Affairs Debt Management Center, we have a veteran. We have a very important customer. And so I think it's not enough just to solely understand that there is an overpayment made by the VA, whether that overpayment would be resulted from a veteran action or a VA in action, we have to respond in a manner that really best looks out for the financial future of the veteran. And

so, we work today with every veteran to come up with the appropriate plan, whether that be the dispute or the waiver or the repayment plan. I mean, work that with them. We don't talk about twelve months.

(TI): Are there other options that you can do, like based on income?

(JS): Yes, there's certainly options. We work every one of those individually, I would say we'll just use an example. If it took the Veterans Benefits Administration, or the VHA, six months to work through a problem, they come back in and said, "This, that is valid." We'll provide them the equivalent a time, or if you'd even took two years, the equivalent time to make a repayment plan. So, it's commensurate. So, if there was three years for the VA to figure this out, there would be a three-year repayment plan. But also, if they're in high cases, where Jason mentioned earlier, where maybe be dependency or drill payer or change the rate of pursuit and education, those often can be high dollar debts. We do what we call a financial status report, and that form is filled out by the veteran. We reviewed that form. We validate that form with the veteran, and then we come up with an appropriate payment plan together.

(JH): We also look at the individual circumstances of the veterans. So, if a ten-year payment plan is what right looks like, then that's what we're going to do. But while we're doing that, if the veteran wants to request a waiver, then we're going to forward the waiver to what's referred to as the Committee of Waivers and Compromises. And they look at, they look at equity in good conscience. And so, if they determined it'd be against equity and good conscience to continue to collect an overpayment, then they'll waive it. And some of the things they look at is who's at fault, is the VA at fault, or is the veteran at fault. And they'll make those considerations.

(TI): It's awesome to hear.

(JH): Yeah. And they make that decision. And so, a lot of times, if a veteran calls us in need. We will work to expedite that request as fast as possible to get it turned around so that we can take care of that veteran.

(TI): That's awesome. Looking at some of the principles that were in your email: create an experience that is so well served they tell others. Got an example?

(JS): Yeah, I have a couple that come to mind. We recently had a veteran write to the Debt Management Center to a very specific employee and shared a poem. And in her poem, in his poem to her, one of our, our debt counselors, he outlined how difficult his life has been. How difficult service was for him. How difficult his transition to civilian life was. But if there was one guiding light or one ability for him to see the bright light of the future, it was her.

(TI): Oh, wow.

(JS): Yeah, it was really impactful. Matter of fact the Chief Financial Officer of VA, Mr. John Rychalski, keeps that in his wallet. And he often shares that at every chance he gets, but it was in a poem that was very impressive. But we probably get fifty to sixty letters every month or two where veterans are reaching out to us, thanking us. And so those are also very helpful for us to look where we're doing things right. We leverage those employees who get those accolades to help other employees to really get that right consistently. So, while we'd like to see that all the time, you think about it—

(TI): Any, any company you got there's room for improvement.
(JS): Yeah. And I think when you're in it, especially in the field of debt, how often do I have to repay a debt? And I'm gonna write a letter to thank the person that I'm indebted to. That's not very common. No. Not at all. No, but that really goes back to our employees. They don't write Joe Schmitt and say that to me, but they do to our debt counselors that work for Jason and they do an amazing job.

(TI): Got you. Within the confines of federal law, "Accurately timely, and with compassion, and taking account a veteran's unique circumstances," do accurately and timely ever conflict with compassion? And how do you help mitigate that? And you've talked a couple of ways that you've done it,

(JH): I don't think so. Again, you know, we're, principle-based versus rules-based and we're going to work with the veteran compassionately, develop a solution that works for them. The only—the only time that we might not be as in the case of fraud. If there's fraud involved, then that's a different approach, of course. Somebody from the government. And that, unfortunately it does happen sometimes, and we take appropriate action.

(JS): Yeah, I'd say the same for me. Although I think having been indebted, to a large extent, like I mentioned, it was a great dollar amount. The weight of that is crippling to many. And so, I think at times when I think about how we employ the law, like 38 CFR 1.911 talks about how we collect. But it is how we train and how we, our modus operandi in our building and how we work with veterans. That's what the committee passionate piece takes. So, I really see the—the legal piece, the requirement of the law to collect, it is what you had mentioned. And then how do we tie in that compassion piece? It is by being well, good Midwest ethics and values in Minnesota. That's where our call center is located, and that's where our workforce is located. But I'd also say that they just really understand the veteran. They've listened to a lot of veterans in need. And I think if anybody did that for a long period of time, that compassion comes out almost naturally from them.

(TI): The way you—you restated that statute made me shutter. It made me think of a, like the uniform order that I used to have to repeat as a NCO.

(JS): Yes, very similar.

(TI): Just fired it right out there. You know, everything that you're talking about, this is where I could see where you're more than just a collection arm. Honestly, and that's why I wanted to do this interview, especially if you're helping them fill out—you actually helped them fill out the paperwork where they can potentially get a waiver. That's huge.

(JS): Absolutely.

(TI): That's huge.

(JS): And we educate them on how to do that too. That's not an easy process, right? It goes to, like Jason mentioned, to the committee and waivers on compromises, which falls in the Veterans Benefits Administration, is going across. It's cross-cutting the agency, you know, the largest single agency in the federal government—Department of Veterans Affairs. So that's significant.

(JH): And as, as we more move forward, we're working to enable to have all of this available online ultimately, so that our debt letters would be online. And we're working a request right now through some technology enhancements to make that happen.

- (TI): I think I've seen it now on your, on your page on www.va.gov [Link]. I think I've gone over there, and I've seen on the right-hand side, you have the, you know, if you want to redo a waiver. If you a frequently asked questions, you have all that kind of stuff already, already kind of built in there, but you're looking at doing more?
- (JH): Yeah. So, I think maybe the frequently asked questions are there, but in a, as far as enabling the means for a veteran to do something about it and see his or her debt lighter and then their debt volume, we're not quite there yet.
- (TI): Okay. So, they can actually go in and see their individual account. That's where you want to go.
- (JH): Eventually that's—that's further down the road, but, the near-term goal is to provide the letter, and then electronic notification to their email address that there's a letter for them to look at.
- (JS): Yeah, we talked about going across the agency, and the Veterans Experience Office does a fantastic job adding value to veterans every day, but they partnered with us too. And yeah, to really think about, hey, we need to get you out there and a stronger presence on www.va.gov [Link] and have that single point of contact to you electronically that allows veterans to engage with you that way. We still do a ton of mail, a ton of phone calls, but there's a population out there that really wants to be online, and we need to be ahead of that and be with that population too.
- (TI): Yeah, and there will be a blog on this episode on www.blogs.va.gov, but you're more than welcome to, at any point in time, to write your own blog on that website. If you go into the right hand, or if you go to the right hand side of the tabs on www.blogs.va.gov, it gives you a chance to write a guest blog and our two editors, they read it and they'll—they'll edit it and post it. So—
- (JS): That's fantastic. We want to write a blog.
- (TI): I mean, we get three million hits a month.
- (JS): We'll take advantage of that.
- (TI): We share those on social media and all kinds of stuff. So yeah, absolutely feel like, write one whenever you want.

(JH): And then to add to that, you know, really building our systems based on human centric, design, and enhancing from the user perspective as we do this digital transformation. And so, most of our systems are built as legacy systems based upon the needs of VBA or the needs of that program but adapting those so that we can provide those services more realistic, more realistically and better by enhancing again the user centric design at the user level. And so again—

(TI): Focusing on the needs of the veteran.

(JH): Exactly.

(TI): Yeah, very good. It seems like you've improved the experience of for veterans and—Oh yeah. You've also collected \$1.7 billion. You're also doing your job in erroneous overpayments. But you also have to serve the veterans who have, which you, as I've already spoken about just because they have a debt doesn't mean you have to wipe them out. And you've talked about ways to prevent that. I've got a friend that didn't know about your office at all. And, and of course, here I am, and I'm going to get into personal experiences. He said the VA came in after his income tax, just recently, wiped them out, wipe out the income tax, and he just lost his job. Is that a case that your office could step in and help him out, figuring out how to best repay the gut, repay the VA?

(JH): Yeah. So, in that case, why that would happen would be if we had sent a few letters out. We're required by law, 120 days when—when a debt becomes 120, 120 days delinquent are required again to give that debt to Treasury. So that jurisdiction passes. And when that happens, U.S. Treasury looks for other sources of payment, which could include an IRS payment. It could be Social Security. OPM salary. Railroad retirement. And we don't have jurisdiction at that point. So, if, if treasury has taken those funds, it's 'cause they have jurisdiction. But what we can do is work with Treasury to possibly put him on some type of hardship and possibly refund the funds, but we would have to work with the U.S. Treasury to do that.

(TI): So, it might be, it might take a bit. Can he still come in and, and ask for guidance now? At this situation that he's currently in?

(JH): So, in that situation, there could be other things too. And one of the things that we've changed over the last few

years is that if we have a drilling guardsmen and reserve and reservists that deploys in harms away, and they have a debt for whatever reason that surfaced, maybe right before they departed, maybe they dropped the rate of pursuit. And they weren't around, or their family situation was such that they were just working to survive. Let alone, read these letters from VA. That when that veteran comes back and shows us his or her deployment orders that we're going to, if we had sent it to him Treasury, we're going to pull all that back. We're going to refund any fees that took place just to give the veteran the benefit of the doubt, because he or she was deployed in harm's way. And so again, we're going to do right, right by that. So that'd be one example. If we refer it in error for some reason, we're going to pull it back and refund any of those fees. But again, once the jurisdictions pass and it was referred legally, then we're a little bit more restrained in what we can do.

(TI): Very good.

(JS): We still work with them though. That's what we're saying. We need to figure that out and see what took place there. So, we'd be happy to work with this veteran too.

(TI): Very good

(JH): I would also add, so one of the other things we're working on currently to quest a waiver, it has to be done within 180 days. As a referred, that we refer that debt at 120 days to Treasury by law. We're looking to expand out that waiver window to 360 days. So, if the veteran came back, and had a waiver approved after it had gone to Treasury. Well, in that case, that debt would be adjusted, and we'd pull it back. So, if there's things like that. Or if their creation of the debt was done in error, and the veteran disputed it afterwards referred. Well, then we would refer an incorrect debt if the dispute was validated as being as inaccurate. So, in that case again, there too, then we would pull it back.

(TI): It's getting a lot of weeds, but basically, he can call and say, "Hey, where can we, where can we go from here?" Gotcha. Very good. Very good. Can you recall any other examples where, where your office was able to help a veteran in like say a similar situation or, or any situations where they called and didn't know where to start? And you got them from A to B.

(JS): Yeah. I can think of many cases. And one such case, it was a dependent of a veteran and a, the dependence of the veteran was really concerned about one, not only the amount of the debt and to the payment of the debt. And at this time, the member was deployed overseas. And so, we had to kind of really help her understand the letters that she was receiving. They were a reservist. Yeah, they were reserved. And yeah, I also wrote, like I said deployed, so we had to really walk her through that. And once again, and we would just assume that dependents, loved ones of people who were serving in the military armed services, just understand all the processes they don't. And so, we spend a great deal time walking through helping, understanding, sharing what the reason was, how the debt was first created, and where we are now. We've made it very clear that you know, that the DMC doesn't establish the debt, but we have the debt process yeah. But we're able to walkthrough, and we're able to help them achieve a payment plan. That was, one, understandable. Then two, she was able to communicate with her husband overseas. The military nowadays has the ability to do what you do and communicate overseas on video teleconference. And they were able to come to an agreement in a solution.

(TI): Communication is an amazing thing. Yeah, like you said, when, when we were to play, we didn't have this. We didn't have this phone call to austere environments that they do now. Incredible. Now we're not going to name names because I want to show that the show is apolitical, and the focus is on the veteran. But share with me about the time that you had to testify on the Hill, and the visit you had shortly after, and what Congress learned about your office. You—you kind of touched on it a little bit, but—

(JS): Yeah, not necessarily.

(TI): You had a very specific story.

(JS): I did last September. We testified before the House Veteran Affairs Committee, and two days after testifying, and that was on a Thursday, we had the Friday and the following Monday, that Congressman was in my office to really see how in Minnesota, and the Congress was in session. They came out and visited with our team. We had to prepare very quickly. But one of these types of visits you really wanted to see what it was like. He said, "The presentations were wonderful." And he got a great understanding. But when he, like we mentioned earlier,

was on a phone call and saw how our debt counselors interacted with the veteran, and how they were indebted, that really made all the difference. And he said before he had left, "I will go back and dispel. Then this truce and lies about the VA's Debt Management Center to Congress, so that we then can take forward action and make sure that we are seen in a good light." And, one, that's really a veteran advocate. And then most recently, just a few weeks ago, the ranking member and, or the, the majority member came out to visit us as well. So, we've had both sides of the House of Veteran Affairs Committee within the walls of the VA's Debt Management Center in Minnesota, which is an honor. But when we think about constituents and we think about our leaders in our nation that care, and when they ask questions and they, they hold the VA accountable, which is partly their job, they do follow up and I'm glad, you know, that they did so. And today we're making great progress. Not only once, again, with veterans with VSOs, but with Congress as one team moving forward in support veterans.

- (JH): Yeah. I would add, you know, we can talk the talk all day long on these types of settings or on testimony. But you know, to walk the walk and show, put the money where your mouth is—
- (JS): —a test like that.
- (JH): Yeah. Without little warning. And we walk on that.
(TI): Very good. Very good. Gentlemen, we've covered a lot of ground. We've covered a lot of ground. Am I missing anything? Is there anything that we may have missed that you think it might be important to share to anybody who might listen to this?
- (JH): Just that we continue to strive for improvements. We know that we do make mistakes and when we do, we're going to do everything we can to fix them. And we're going to continue to make this a better for the veteran at every moment that we can.
- (JS): And I think earlier you were going to touch on at \$1.7 billion that we collect every year reduces the appropriations that the VA has to be appropriated for. That money doesn't come to the VA's Debt Management Center. It goes back to help traumatic brain injury. It goes back to the hospitals and to the appropriation from which it came. So, if that debt—if that debt originated in Veterans Health Administration, it goes back to VHA. If that, that originated in Veterans Benefits Administration, it

goes back to the CFO, to that administration to best use, to support veteran programs. And so, when we think about the collection at the VA's Debt Management Center, and those are required by law in those cases where they don't have to be collected, we don't, we waive or compromise. But that money goes back to support veterans.

[00:48:01] Music

[00:48:08] PSA:

Man #1: Getting out of the military. I was missing this camaraderie.

Man #2: It's frustrating when you try and talk to people who don't understand.

Man #3: I still had the anger. I still had the addictions, but we didn't talk about that.

Woman: Came to a point where it's like okay, I really need to talk to somebody about this.

Man #4: Family more or less encouraged me; you know. Go, go to the VA.

Man #2: It's okay to go get help. It's okay to talk to people 'cause it takes true strength to ask for help.

Narrator: Hear veterans' real stories of strength and recovery at [maketheconnection.net](https://www.maketheconnection.net) [Link: <https://www.maketheconnection.net>].

[00:48:37] Music

[00:48:42] Closing Monologue:

(T1): I want to thank Joseph and Jason for taking the time to talk with us about the debt management center. For more information on the center, you can visit [va.gov/debtman](https://www.va.gov/debtman) [Link: <https://www.va.gov/debtman/>]. D-E-B-T, man. And if you currently have a VA debt question or need temporary financial relief of a VA debt due to COVID-19 or a hurricane or wildfires, please call the DMC (Debt Management Center) at +1 800-827-0648. I think if you heard from the two leaders of the Debt Management Center, I think you'll know that you're going to get helped really well. Our veteran of the week nomination was a writeup I saw on our Facebook page: The U.S Department of Veterans Affairs, Facebook. Go ahead and

like the page and visit it every once in a while, to receive info and updates and some good stories like the one we're about to ready to tell you. And, I also think that this was sent into our Facebook page by [alaska.va.gov](https://www.alaska.va.gov) [Link: <https://www.alaska.va.gov>]. World War Two veteran Louis G. Palmer turned a hundred years old this Saturday on August 29th. During World War II, Palmer worked as one of the Navy Seabees in the Pacific following the Marines to different islands to perform construction after they had moved in. Humble about his contribution, he says, "I'm just one of the crew. What they did, I did. We did our mission." One vivid memory Palmer has from that period happened right at the start of the war. He was traveling from California to Seattle by bus. When the war broke out, they had to drive two to three days by night with no lights on. Palmer says there was great fear that the lights would tip off submarines where things were going on the coast. After the war, at Palmer continued to work as a building contractor in California, and then in 1964, the great Alaskan Earthquake happened. A friend came knocking at Palmer's door, asking him to move to Alaska, to help with the repair work. He thought the job would be short, but soon he decided to "overstay" his visit and he's been in Alaska ever since. If you walk around Anchorage, Alaska, you can see a lot of Palmer's work as he supervised the building of many of the high risers, including the Captain Cook Hotel. When asked if he had any advice, he wished that he had known when he was younger, palmer says, "No. I was a little pig-headed. Did my own thinking. I don't think I would have taken too much advice." Navy veteran, Louis G. Palmer. Thank you for your service and happy birthday.

That's it for this week's episode, if you yourself would like to nominate a *Borne the Battle* veteran of the week, you can. Just send me an email to podcast@va.gov. Include a short writeup and let us know why you'd like to see him or her as the *Borne the Battle* veteran of the week. And if you like this podcast episode, hit the subscribe button or on iTunes, Spotify, Google Podcast, iHeartRadio, pretty much any podcasting app known to phone, computer, tablet or man. For more stories on veterans and veteran benefits, check out our website, [blogs.va.gov](https://www.blogs.va.gov) [Link: <https://www.blogs.va.gov/VAntage/>] and follow the VA on social media; Twitter, Instagram, Facebook, YouTube, RallyPoint. Deptvetaffairs, US Department of Veterans Affairs, no matter the social media, you can always find us with that blue checkmark. And as always, I'm reminded by people smarter than myself to remind you that the Department of Veterans Affairs does not endorse or officially sanction any entities that may be discussed in

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may provide.
Thank you again for listening and we'll see you right here
next week. Take care.

[00:52:31] Music

(Text Transcript Ends)

