

REFERENCE TITLE: veterans claims pilot program

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HB 2245

Introduced by
Representative Blackman

AN ACT

AMENDING TITLE 41, CHAPTER 3, ARTICLE 7, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-610.03; REPEALING SECTION 41-610.03, ARIZONA REVISED STATUTES; APPROPRIATING MONIES; RELATING TO THE DEPARTMENT OF VETERANS' SERVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 41, chapter 3, article 7, Arizona Revised
3 Statutes, is amended by adding section 41-610.03, to read:

4 41-610.03. Veteran claims pilot program; report; definition

5 A. THE VETERAN CLAIMS PILOT PROGRAM IS ESTABLISHED IN THE
6 DEPARTMENT TO EVALUATE THE EFFECTIVENESS OF CLAIMS DEVELOPMENT TECHNOLOGY
7 SYSTEMS THAT ARE DESIGNED TO DO ALL OF THE FOLLOWING:

8 1. CONDUCT COMPREHENSIVE DIGITAL REVIEWS OF VETERANS MEDICAL
9 RECORDS, SERVICE TREATMENT RECORDS, PERSONNEL FILES AND ANY SUPPORTING
10 DOCUMENTATION.

11 2. IDENTIFY ALL SUPPORTABLE PRIMARY AND SECONDARY SERVICE CONNECTED
12 CONDITIONS BASED ON AVAILABLE EVIDENCE.

13 3. MAP DOCUMENTED CONDITIONS TO APPLICABLE FEDERAL DIAGNOSTIC AND
14 RATING CRITERIA.

15 4. PRODUCE COMPLETE AND FULLY DEVELOPED DISABILITY COMPENSATION
16 CLAIM PACKETS SUITABLE FOR SUBMISSION TO THE UNITED STATES DEPARTMENT OF
17 VETERANS AFFAIRS.

18 B. THE DEPARTMENT SHALL:

19 1. INTEGRATE THE PROGRAM WITH EXISTING STATE VETERAN BENEFITS
20 COUNSELORS, COUNTY VETERAN SERVICE OFFICES, TRIBAL VETERAN PROGRAMS AND
21 ANY ACCREDITED NONPROFIT SERVICE OFFICERS TO ASSESS THE EFFECTIVENESS OF
22 THE PROGRAM.

23 2. SELECT OFFICERS IN THIS STATE TO PARTICIPATE IN THE PROGRAM FROM
24 ALL OF THE FOLLOWING:

25 (a) STATE VETERAN BENEFITS COUNSELING OFFICES IN URBAN AREAS.

26 (b) COUNTY VETERAN SERVICE OFFICES.

27 (c) SUBJECT TO TRIBAL APPROVAL, TRIBAL VETERANS SERVICE PROGRAMS.

28 3. ESTABLISH A CONTROL GROUP CONSISTING OF ACCREDITED PERSONNEL WHO
29 DO NOT USE THE CLAIMS DEVELOPMENT TECHNOLOGY SYSTEM DURING THE PROGRAM.

30 C. THE DEPARTMENT SHALL ENSURE ALL OF THE FOLLOWING:

31 1. THAT ALL PROGRAM USERS RECEIVE NECESSARY TRAINING ON THE CLAIMS
32 DEVELOPMENT TECHNOLOGY SYSTEM.

33 2. THAT VETERANS PARTICIPATING IN THE PROGRAM RETAIN FULL ACCESS TO
34 TRADITIONAL VETERAN SERVICE ORGANIZATION ASSISTANCE.

35 3. THAT DATA COLLECTED THROUGH THE CLAIMS DEVELOPMENT TECHNOLOGY
36 SYSTEM IS NOT USED FOR ANY COMMERCIAL OR NON-PROGRAM PURPOSES.

37 4. THAT ALL RECORDS ARE HANDLED IN COMPLIANCE WITH ALL STATE AND
38 FEDERAL PRIVACY LAWS.

39 D. PARTICIPATION IN THE PROGRAM MAY NOT ALTER OR LIMIT THE ROLE OF
40 ACCREDITED VETERAN BENEFITS COUNSELORS OR OFFICERS IN ADVISING,
41 REPRESENTING OR ASSISTING VETERANS IN THIS STATE.

42 E. THE DEPARTMENT MAY ENTER INTO AGREEMENTS, MEMORANDA OF
43 UNDERSTANDING OR SERVICE CONTRACTS NECESSARY TO ADMINISTER THE PROGRAM.

1 F. THE DEPARTMENT SHALL EVALUATE THE EFFECTIVENESS OF THE PROGRAM
2 USING ALL OF THE FOLLOWING PERFORMANCE INDICATORS:
3 1. THE AVERAGE TIME REQUIRED TO PREPARE CLAIM SUBMISSIONS.
4 2. THE FIRST-TIME APPROVAL RATES FOR VETERAN DISABILITY
5 COMPENSATION CLAIMS.
6 3. THE NUMBER AND TYPE OF CONDITIONS IDENTIFIED PER VETERAN.
7 4. THE FREQUENCY OF REMANDS, SUPPLEMENTAL CLAIMS OR DUTY TO ASSIST
8 ERRORS.
9 5. VETERAN SATISFACTION WITH CLAIM PREPARATION.
10 6. THE ESTIMATED CHANGE IN ANNUAL FEDERAL DISABILITY COMPENSATION
11 AWARDED TO PARTICIPATING VETERANS.
12 G. ON OR BEFORE JULY 1, 2027, THE DEPARTMENT SHALL SUBMIT A REPORT
13 TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE
14 OF REPRESENTATIVES AND THE CHAIRPERSON OF THE SENATE MILITARY AFFAIRS AND
15 BORDER SECURITY COMMITTEE, THE CHAIRPERSON OF THE HOUSE OF REPRESENTATIVES
16 FEDERALISM, MILITARY AFFAIRS AND ELECTIONS COMMITTEE, THE CHAIRPERSON OF
17 THE SENATE APPROPRIATIONS COMMITTEE AND THE CHAIRPERSON OF THE HOUSE OF
18 REPRESENTATIVES APPROPRIATIONS COMMITTEE, OR THEIR SUCCESSOR COMMITTEES,
19 THAT INCLUDES ALL OF THE FOLLOWING INFORMATION:
20 1. A DESCRIPTION OF PROGRAM ACTIVITIES AND PARTICIPATING OFFICES.
21 2. A COMPARISON BETWEEN PROGRAM PARTICIPANTS AND THE CONTROL GROUP.
22 3. THE ESTIMATED FISCAL IMPACT TO THIS STATE, INCLUDING REDUCTIONS
23 IN STATE OR COUNTY SAFETY NET EXPENDITURES.
24 4. THE ESTIMATED INCREASE IN FEDERAL DISABILITY COMPENSATION
25 AWARDED TO VETERANS IN THIS STATE.
26 5. RECOMMENDATIONS ON WHETHER TO EXPAND, MODIFY OR DISCONTINUE THE
27 PROGRAM.
28 H. FOR THE PURPOSES OF THIS SECTION, "CLAIMS DEVELOPMENT TECHNOLOGY
29 SYSTEM" MEANS A DIGITAL PLATFORM THAT IS CAPABLE OF ANALYZING LARGE-SCALE
30 VETERAN RECORD SETS, IDENTIFYING EVIDENCE-SUPPORTED SERVICE CONNECTED
31 CONDITIONS AND PREPARING FULLY DEVELOPED DISABILITY COMPENSATION CLAIM
32 DOCUMENTATION.
33 Sec. 2. Delayed repeal
34 Section 41-610.03, Arizona Revised Statutes, as added by this act,
35 is repealed from and after June 30, 2027.
36 Sec. 3. Appropriation; department of veterans' services;
37 exemption
38 A. The sum of \$_____ is appropriated from the state general fund
39 in fiscal year 2026-2027 to the department of veterans' services for the
40 purposes of section 41-610.03, Arizona Revised Statutes, as added by this
41 act.
42 B. The appropriation made in subsection A of this section is exempt
43 from the provisions of section 35-190, Arizona Revised Statutes, relating
44 to lapsing of appropriations.