



September 11th
Victim Compensation Fund

FOURTH ANNUAL STATUS REPORT

SEPTEMBER 11th
VICTIM COMPENSATION FUND

FEBRUARY 2016

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Special Master



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1. Introduction

As the Special Master for the September 11th Victim Compensation Fund (“VCF” or “Fund”), I respectfully submit this fourth Annual Status Report describing the activities of the VCF. Our first Annual Status Report, published in October 2012, focused on the VCF’s start-up activities during the first year of operation. Such activities included developing the claim forms, deploying the online system used by claimants and VCF staff, and establishing the infrastructure and initial procedures for the Claims Processing Center and toll-free Helpline. Our second Annual Status Report, published in November 2013, focused on the progress we made in the second year of operation in all aspects of claims processing and the extensive outreach activities we undertook in connection with the October 3, 2013 VCF registration deadline. Our third Annual Status Report, published in October 2014, focused on our continued progress reviewing and rendering decisions on claims, our outreach efforts related to the October 12, 2014 deadline for claimants diagnosed with a 9/11-related cancer, and included updated VCF program statistics. This Report provides an update on the status of all claims, and highlights the substantial efforts of the VCF team in rendering nearly 6,000 compensation determinations in the past year. This Report also notes the efforts employed in 2015 to prepare the VCF for closure, which were then re-directed to address the requirements of the reauthorized program.

The determination of Congress to reauthorize the VCF recognizes the importance of the Fund’s ongoing work for the 9/11 community, the success of our efforts to-date, and the great need to continue to provide compensation to those who suffered physically and financially as a result of the September 11th terrorist attacks and debris removal. I am gratified that our efforts for the coming year will be directed not at the previously anticipated shutdown of the program, but instead on the implementation of the reauthorization of the VCF and the extension of the program for another five years so that we can continue our work of providing compensation to the victims of 9/11.

2. Background on the Victim Compensation Fund

In 2001, Congress created the September 11th Victim Compensation Fund, which provided compensation for economic and non-economic loss to individuals, or the personal representative of individuals, who were killed or physically injured as a result of the terrorist-related attacks of September 11, 2001. As established by Congress, the VCF provides a no-fault alternative to tort litigation – any individual who chooses to seek compensation from the VCF waives the right to sue for damages for 9/11-related physical injury or death. The original VCF (“VCF 1”) closed in 2004, having paid over \$7.049 billion to surviving personal representatives of 2,880 people who died in the attacks and to 2,680 claimants who were injured in the attacks or the rescue efforts conducted immediately thereafter.

On January 2, 2011, President Obama signed into law the James Zadroga 9/11 Health and Compensation Act of 2010 (P.L. 111-347) (“Zadroga Act”). Title I of the Zadroga Act created the World Trade Center (“WTC”) Health Program, which is operated by the National Institute for Occupational Safety and Health (“NIOSH”) and provides medical treatment and monitoring for 9/11-related health conditions. Title II of the Zadroga Act reopened the VCF and expanded compensation eligibility to those who took part in the debris removal efforts during the immediate aftermath of the attacks. The Zadroga Act originally authorized the VCF to accept claims for five years, starting in October 2011 and ending in October 2016, with final payments to be made during a sixth year in 2016-2017. Unlike VCF 1, which had no cap on funding, the Act provides a limited appropriation – originally \$2.775 billion, with \$875 million available in the first five years – to provide compensation to claimants and to cover the Fund’s administrative costs.



On June 21, 2011, I issued proposed rules to implement the reopened VCF. My staff and I reviewed and considered 95 comments on the proposed rules received during the 45-day public comment period. On August 31, 2011, the final rules governing the operation of the VCF were published in the Federal Register. The rules took effect on Monday, October 3, 2011, which was the day that administrative funding for the VCF became available. That same day, we launched the VCF's website (www.vcf.gov) and the toll-free Helpline.

On December 18, 2015, President Obama signed into law a bill reauthorizing the Zadroga Act, which includes the reauthorization of the VCF. The reauthorization puts in place a new law that (i) extends the VCF for five years, changing the final deadline for filing a claim to December 18, 2020; (ii) increases the VCF's total funding, making the original \$2.775 billion appropriation immediately available to pay claims and providing an additional \$4.6 billion in funding that becomes available in October 2016; (iii) directs the VCF to make full payment on claims that received a loss determination letter dated on or before December 17, 2015; and (iv) establishes certain parameters for future awards.

The new law also requires that we publish updated regulations to reflect the new law within 180 days of enactment, or June 18, 2016. We are also updating our forms and procedures in accordance with the new law. The new law creates two groups of claims – Group A and Group B. Group A claims are those that received a letter dated on or before December 17, 2015 notifying the claimant of the loss calculation decision on the claim. For claims in Group A, losses were computed in accordance with the regulations that were published in August 2011, and the new law directs the VCF to make the full payment on the claim “as soon as practicable after enactment of the legislation.” Group B claims are those that are not in Group A. For claims in Group B, the compensation decision on the claim will not be made until we publish updated regulations explaining how claims will be processed under the new law, and funding becomes available to pay Group B claims. Funding is not available to pay Group B claims until all Group A payments have been made or October 2016, whichever is earlier.

3. Year 4 Accomplishments

Our fourth year of operation saw a significant increase in the number of compensation determinations issued. Details of our progress are included throughout this Report. I have listed below many of the highlights of our accomplishments this year:

- In 2015, we issued almost 6,000 award determinations. This almost tripled the number of such decisions rendered as of year-end 2014, and brings the total number of compensation decisions rendered to over 9,100.
- In order to efficiently review the volume of submissions received, we expanded the group within our team of attorneys whose primary responsibility is to evaluate the complicated lost earnings claims and implemented a process for review of non-economic compensation forms simultaneously with eligibility forms when they are submitted together.
- In order to help claimants and attorneys better understand the details of the compensation determinations made on their claims, we added a detailed breakdown of the loss calculation to each compensation decision letter that explains the components of the loss calculation and the conditions considered in the calculation.
- In order to facilitate payments, we began notifying claimants of their loss calculations even when we still need documentation to initiate the payment.
- We worked with the WTC Health Program to implement a new Disability Evaluation Process for claimants who are disabled due to an eligible condition, but who do not have a determination of a total and permanent disability from some other source, such as the Social Security Administration, a state Workers Compensation Program,



a private doctor or insurance company. The program allows qualifying claimants to obtain a disability evaluation for purposes of supporting their VCF claim. We also continued our close collaboration with the WTC Health Program to enable the verification of eligible conditions through the private physician process for those claimants who do not receive treatment through the WTC Health Program.

- We have continued to work with employers, unions and other third parties including the Social Security Administration, the FDNY, and the NYPD to obtain information directly from these entities, thereby minimizing the burden on claimants to obtain this information.
- We held approximately 140 appeal hearings with our team of trained Hearing Officers.
- We continued to update and enhance the VCF website (www.vcf.gov). We added numerous Frequently Asked Questions (“FAQs”) to assist claimants with the claims process, including further guidance for NYSLERS claimants, claimants in the FERS system, and claimants who are union members. We also posted additional guidance for claimants with potential pension loss and disability pensions, information on amending claims and on changing attorneys, and illustrations and guidance on how the VCF will calculate loss on a subsequent Deceased claim if a Personal Injury claimant passes away and how to determine if the Deceased claim will result in an additional loss amount. We also posted a new Employer Verification Form to assist claimants in obtaining proof of presence and a new Medical Expense Worksheet to help claimants compile supporting information.
- Multiple enhancements were made to the online claims management system, including making online registration easier, reducing the number of required Eligibility questions and required Compensation questions, adding new and revised document checklists and tip sheets, making attestations and certifications easier to complete, and adding enhancements for submitting online claim amendments and related documentation.
- We posted detailed statistics on compensation decisions rendered to the website on a weekly basis. We also continued to expand the quarterly statistics reports, which now include a state-by-state breakdown of claims.
- In 2015, we also started updating our policies and procedures to prepare for the Fund’s anticipated closure. As the year ended, however, we shifted our focus to the reauthorization of the VCF by the legislation passed by Congress and signed into law by President Obama.

4. Status of Filed Claims

The progress we have made over the past year is reflected in the statistics posted to our website at the end of each quarter. The statistics in Tables 1-6 represent activity through the end of the day on December 31, 2015.

Comparison data is shown below for the subset of statistics included in the quarterly report released in January 2015.

As noted earlier, the Reauthorization mandates that claims be divided into Group A and Group B claims. Since the statistics reported in this Report reflect the processing of claims in 2015, they do not distinguish between claims in Groups A and B under the reauthorization. Future reports will provide details on such distinctions to the extent relevant.



Table 1: Status of Eligibility Forms Received

As shown in this table, the VCF has received 22,078 Eligibility Forms, 16,012 (73%) of which have enough information to be reviewed at this time. Of those 16,012 reviewable claims, 13,437 (84%) have been approved and 2,575 (16%) are under review. Of the rest, 4,236 have been found not eligible based on the information submitted, and 1,830 claims cannot be reviewed at this time because of missing information as detailed in the table below.

ELIGIBILITY FORMS	As of 12/31/2015	As of 1/2/2015
TOTAL Eligibility Forms	22,078	18,148
Eligibility Claims That Can be Decided	16,012	10,736
Personal Injury Claims	15,765	10,646
Claims for Deceased Individuals*	247	90
Eligibility Decisions Rendered – Approved	13,437	9,677
Personal Injury Claims	13,279	9,626
Claims for Deceased Individuals*	158	51
Eligibility Reviews in Progress	2,575	1,020
Eligibility Decisions Rendered – Not Eligible	4,236	39
Personal Injury Claims	4,090	37
Claims for Deceased Individuals*	146	2
Eligibility Claims that Cannot be Decided Now		
Claims missing signed Exhibit A – which allows the VCF to obtain information about eligible conditions	128	1,130
Claims missing requested information regarding presence at a 9/11 site, lawsuit resolution, or additional medical documentation and/or claims pending WTC Health Program review	1,655	2,554
Claimants who do not appear to have an eligible condition and have not responded to requests for additional medical documentation	47	3,728

* Eligibility Forms for Deceased Individuals includes only those claimants who died of causes directly related to their 9/11 eligible condition.

Table 2: Eligibility Claims by Category of Condition
(based on conditions certified by the WTC Health Program)

ELIGIBILITY FORMS	TOTAL	Claims with Cancer as the only Condition	Claims for only Non- Cancer Conditions	Claims with both Cancer and Non-Cancer Conditions
Eligibility Claims That Can be Decided	16,012	1,829	12,058	2,125
Eligibility Decisions Rendered – Approved	13,437	1,387	10,276	1,774
Eligibility Decisions Rendered – Not Eligible*	737	100	580	57

* Only includes claims deemed not eligible that had an eligible condition.



Table 3: Status of Compensation Forms for Eligible Claimants

This table shows that of the 13,630 Compensation Forms received, 11,493 (84%) are from claimants who have been deemed eligible. Of those with eligibility approved, 10,606 (92%) have submitted the documents and supporting information that is necessary to begin review of the compensation claim. The remaining 887 compensation claims (8%) cannot be reviewed at this time either because they are missing the required authorizations or other required information. Among the 10,606 claims that can be reviewed, the VCF has issued decisions on 9,131 claims (86%) and the remaining 1,475 (14%) remain under review.

COMPENSATION FORMS	As of 12/31/2015	As of 1/2/2015
TOTAL Compensation Forms	13,630	8,382
TOTAL Compensation Forms <i>from claimants who have been deemed Eligible</i>	11,493	6,193
Compensation Forms that Can be Reviewed* – forms with proper signatures/exhibits that are under review to assess whether there is sufficient information to determine loss	10,606	4,671
Personal Injury Claims	10,521	4,660
Claims for Deceased Individuals**	85	11
Compensation Decisions Rendered***	9,131	3,128
Personal Injury Claims	9,115	3,123
Claims for Deceased Individuals*	16	5
Compensation Reviews in Progress	1,475	1,543
Compensation Forms Missing Required Information	887	1,522

* In some cases, although there may be sufficient documentation to begin review, there may be insufficient support to render a compensation determination for economic loss. In such cases, the VCF typically will issue a non-economic loss determination and will evaluate economic loss if and when the claimant submits the necessary documentation.

** Statistics for Claims for Deceased Individuals includes only those claimants who died of causes directly related to their 9/11 eligible condition.

*** Statistics for compensation decisions rendered are subject to revision based on adjustments for claim activity such as appeals and corrections.

Table 4: Compensation Decisions by Categories of Conditions

COMPENSATION FORMS	TOTAL	Claims with Cancer as the only Condition	Claims for only Non-Cancer Conditions	Claims with both Cancer and Non-Cancer Conditions
Compensation Forms That Can be Reviewed	10,606	1,059	7,988	1,559
Compensation Decisions Rendered	9,131	827	7,207	1,097
Total Dollar Value	\$1,814,688,973.82	\$272,806,660.54	\$1,166,138,101.17	\$375,744,212.11



Table 5a: Compensation Decisions Rendered

COMPENSATION DECISIONS RENDERED	As of 12/31/2015	Dollar Value	As of 1/2/2015	Dollar Value
Decisions Rendered	9,131	\$1,814,688,973.82	3,128	\$804,116,233.47
Highest Amount		\$4,133,466.00		\$4,133,466.00
Personal Injury Claims		\$4,133,466.00		
Claims for Deceased Individuals		\$2,149,321.14		
Lowest Amount		\$10,000.00		\$10,000.00
Mean Dollar Value		\$199,657.72		\$257,977.62
Personal Injury Claims		\$199,052.47		
Claims for Deceased Individuals		\$542,869.28		

**Table 5b: Compensation Decisions Rendered –
Compensation Amounts by Self-Reported Claimant Category**

(based on the category identified by the claimant at the time the Eligibility Form was submitted)

COMPENSATION DECISIONS RENDERED	As of 12/31/2015	Dollar Value
Responder-NYC	7,730	\$1,609,096,725.72
Responder-Pentagon	6	\$1,141,761.68
Responder-Shanksville	2	\$60,000.00
Non-Responder NYC - cleaning or maintenance work	394	\$37,224,365.27
Non-Responder NYC - other capacity	702	\$121,896,504.09
Resident within NYC zone	108	\$18,293,580.35
Attend school/childcare/adult care facility	8	\$865,250.00
NYC - Other Capacity*	47	\$5,936,976.04
Non-Responder - Pentagon	4	\$1,593,537.60
No Response	130	\$18,580,273.07

* Includes visitors, tourists, and any individual who was in the exposure zone during the relevant time period and is not included in another category.

Registration Information

In order to allow potential claimants to meet the deadlines established in the Zadroga Act even if they are uncertain whether they will eventually file a claim, the VCF has allowed individuals an opportunity to “register” with the Fund, thereby preserving the right to file a claim any time before the VCF closes to submissions on December 18, 2020. Registration does not create an obligation or commitment to file a claim, and the Special Master expects that a large percentage of registrations will not result in claims being filed as they are either duplicates or were created by individuals who will eventually decide not to file a claim. In advance of certain deadlines, the VCF has also allowed individuals to file an “Interim Registration,” which serves the same purpose as a “Registration.” As of this report, 66,718 registrations have been filed with the VCF.



Table 6: State-by-State Claim Distribution as of December 31, 2015

State		Count Registrations	Count Submitted Eligibility	Count Award Determinations
OUTSIDE US		211	107	34
Alabama	AL	79	35	11
Alaska	AK	<10	<10	<10
Arizona	AZ	151	70	26
Arkansas	AR	13	10	<10
California	CA	352	99	26
Colorado	CO	80	35	<10
Connecticut	CT	442	152	54
Delaware	DE	84	46	14
District of Columbia	DC	41	<10	<10
Florida	FL	2,021	1,075	482
Georgia	GA	278	125	46
Hawaii	HI	15	<10	<10
Idaho	ID	<10	<10	<10
Illinois	IL	73	24	<10
Indiana	IN	73	11	<10
Iowa	IA	<10	<10	<10
Kansas	KS	<10	<10	<10
Kentucky	KY	32	10	<10
Louisiana	LA	22	<10	<10
Maine	ME	39	17	<10
Maryland	MD	268	68	16
Massachusetts	MA	146	44	14
Michigan	MI	40	16	<10
Minnesota	MN	22	<10	<10
Mississippi	MS	<10	<10	<10
Missouri	MO	46	20	<10
Montana	MT	<10	<10	<10
Nebraska	NE	18	<10	<10
Nevada	NV	89	48	19
New Hampshire	NH	44	16	<10
New Jersey	NJ	4,469	1,772	638
New Mexico	NM	62	20	<10
New York	NY	47,704	17,012	7,219
North Carolina	NC	521	278	113
North Dakota	ND	<10	<10	<10
Ohio	OH	89	40	10
Oklahoma	OK	20	<10	<10
Oregon	OR	20	10	<10
Pennsylvania	PA	832	408	166
Puerto Rico	PR	37	20	<10
Rhode Island	RI	24	<10	<10
South Carolina	SC	303	178	79
South Dakota	SD	<10	<10	<10



State		Count Registrations	Count Submitted Eligibility	Count Award Determinations
Tennessee	TN	82	36	<10
Texas	TX	209	75	33
Utah	UT	23	<10	<10
Vermont	VT	20	<10	<10
Virginia	VA	403	99	29
Washington	WA	47	<10	<10
West Virginia	WV	26	<10	<10
Wisconsin	WI	22	<10	<10
Wyoming	WY	<10	<10	<10

5. Outline of the Existing VCF Application Process

Under the Zadroga Act, in order to be eligible for the Fund, individuals must show, among other things, that they or a decedent (1) were present at a “9/11 crash site”¹ at the time or in the immediate aftermath of the crashes – defined as any point in time from September 11, 2001, through May 30, 2002 – and (2) suffered physical harm or death as a direct result of the crashes or debris removal. The following outlines the general VCF Application Process. As noted, the Fund will be publishing new procedures and regulations clarifying the rules going forward for Group B claims.

- Covered Conditions:** The physical harms covered by the VCF include both traumatic physical injuries and personal injury or death resulting from health conditions or diseases that the WTC Health Program has determined to be 9/11-related. The list of presumptively-covered health conditions has been adjusted twice since the Fund reopened – once in October 2012 to include the cancers added to the list of covered conditions by the WTC Health Program and a second time in October 2013 when the WTC Health Program list was again updated to include prostate cancer. The VCF will continue to adjust the list of conditions eligible for compensation in response to any changes made by the WTC Health Program, including updating VCF guidance, website information, and forms as appropriate.

Additionally, in evaluating whether a claimant’s injuries or conditions are “a result of” the crashes or debris removal, the VCF accepts certification decisions of the WTC Health Program to determine eligible conditions. The WTC Health Program evaluates each claimant’s claimed injuries and exposures to determine whether the 9/11-related exposure is substantially likely to have been a significant factor in aggravating, contributing to, or causing the covered injury or condition. Over this past year, we have worked closely with the WTC Health Program to refine our joint processes so the exchange of information needed to render decisions on claims is more timely and efficient.

¹ Under the Zadroga Act and the final regulations, the 9/11 crash sites include: the World Trade Center site, the Pentagon site and the Shanksville, Pennsylvania site; the buildings or portions of buildings that were destroyed as a result of the terrorist-related airplane crashes of September 11, 2001; and the “NYC Exposure Zone” which consists of: the area in Manhattan south of the line that runs along Canal Street from the Hudson River to the intersection of Canal Street and East Broadway, north on East Broadway to Clinton Street, and east on Clinton Street, and east on Clinton Street to the East River; and any area related to or along routes of debris removal, such as barges and the Fresh Kills site.



- **Eligibility:** The Eligibility section of the claim form requests information about a claimant's or decedent's circumstances for being present at a 9/11 crash site, the length of time at the site, and the individual's diagnosed physical conditions and corresponding treatment. Claimants are encouraged to submit their claims using the VCF's online system. Over the past year, we continued to make enhancements to our Claimant Portal to make it easier for claimants and their representatives to file a claim online as described in Section 3. In addition, for those who prefer to submit a hard copy form, we continue to offer PDF fillable versions of the claim forms in English and Spanish and all VCF forms can be downloaded and printed from the VCF website. Claimants may also call the toll-free Helpline to request that forms and information be mailed to them in hard copy.
- **Compensation:** The Compensation section of the claim form can be submitted at the same time as the Eligibility section or after an eligibility decision has been rendered. The Compensation section requests information about a claimant's or decedent's medical expenses or other out-of-pocket losses, lost earnings to date, expected lost future earnings, and sources of collateral payments that have covered expenses or provided compensation for lost wages.

As in VCF 1, all awards are generally calculated as follows: economic loss plus non-economic loss minus collateral source payments yields the net calculation. Collateral source payments, such as life insurance or proceeds from a settled 9/11-related lawsuit, are those that a claimant has received, is receiving, or is entitled to receive as a result of the September 11th attacks.

The total amount of payment is subject to the total amount of funds authorized by Congress. As noted in the background section of this report, the law reauthorizing the Zadroga Act increases the VCF's total funding, making the original \$2.775 billion appropriation immediately available to pay claims and providing an additional \$4.6 billion in funding that becomes available in October 2016.

- **Fraud Prevention:** As with any government program involving compensation, it is crucial that we implement key protocols to prevent fraud. The VCF requires claimants to submit supporting documentation for each element of their claim, including proof of presence at the site, a 9/11-related injury, timely withdrawal of certain 9/11-related lawsuits, economic loss, and disability. These requirements help us ensure that legitimate claims are processed and paid and that fraudulent claims or claims of questionable validity are detected. We continue to train our staff on fraud detection techniques and work closely with the Department of Justice Office of the Inspector General ("OIG") to investigate claims as appropriate. These efforts are particularly important given the cap on the total amount of money available for claimants.

6. Overview of the Claim Review Process – Pre-Reauthorization

An overview of the existing claim review process is provided on the following page. As noted above, decisions on Group B claims will not be made until we publish updated Regulations explaining how claims will be processed under the new law and funding is available to pay Group B claims.



Overview of the Existing Claim Review Process

STEP 1: REGISTER WITH THE FUND
The VCF assigns a unique “Claim Number” to every registrant.
STEP 2: ELIGIBILITY REVIEW
<p>The claim review team begins eligibility review once the Eligibility Form is received.</p> <ol style="list-style-type: none"> 1. Confirm Receipt of Required Authorization Documents <ul style="list-style-type: none"> • Attestations, Certifications, and Exhibits are reviewed for completeness 2. Confirm Certified Condition <ul style="list-style-type: none"> • VCF contacts NIOSH to determine if the claimant has an eligible condition certified by the WTC Health Program • If NIOSH returns information indicating a claimant is not in their records or has not been certified by the WTC Health Program, the VCF contacts the claimant to request medical information from the claimant’s treating physician(s); once the required medical information is returned, the claim is then reviewed by NIOSH staff co-located at the VCF offices 3. Verify Presence at a Crash Site <ul style="list-style-type: none"> • VCF verifies the claimant’s presence at a crash site during the required time period 4. Legal Requirement <ul style="list-style-type: none"> • VCF confirms that any 9/11-related lawsuits have been settled, withdrawn, or dismissed <p>Throughout the review process, the VCF works with the claimant or their representative to request any missing or additional information. The VCF can also request information directly from third parties with whom the VCF has established relationships, including FDNY, NYPD, SSA, and certain private employers. Working with these groups minimizes the burden on claimants. In many cases, the VCF must work to verify eligibility requirements through other means, such as workers’ compensation records, proof of residence, union records, WTC Health Registry, and personal affidavits.</p> <p><i>OUTCOME: An eligibility determination is completed and the claimant is notified in writing. If eligibility is denied, the claimant has the option to appeal and request a hearing.</i></p>
STEP 3: SUBSTANTIALLY COMPLETE AND COMPENSATION REVIEW
<p>Compensation Forms and supporting information are reviewed. This review may take place simultaneously with the Eligibility Review. The VCF continues to work with the claimants or their representative to request any missing or additional information. Examples of documents pertinent to the compensation review are wage, salary, and benefits information from the period before disability, disability findings, compensation from other sources, receipts for medical expenses, and tax returns.</p> <p><i>OUTCOME: A claim is deemed substantially complete once all information and supporting documentation needed to calculate an award is received and verified. The Fund completes the compensation calculation.</i></p>
STEP 4: NOTIFICATION
<p>The Special Master has 120 days from the date the file is deemed substantially complete to make a compensation decision and notify the claimant in writing of the calculated amount. During this period, the Special Master’s Office is analyzing the submitted documents to determine the claimant’s economic and non-economic losses and required offsets.</p> <p><i>OUTCOME: Claimant is notified of the substantially complete determination in writing. A separate letter is sent to notify the claimant of the compensation calculation. The claimant has the option to appeal the compensation calculation and request a hearing.</i></p>
STEP 5: PAYMENT
<p>The Special Master has 20 days to authorize payment on the claim once the claimant agrees with the loss calculation or after a determination is rendered following an appeal. During this period, the VCF is conducting a final review of the claim to ensure, among other things, that we have adequate banking information from the claimant in order to issue the payment. After authorizing payment on the claim, the VCF submits the payment information to the Department of Justice, who then works with the Department of Treasury to electronically transfer the payment to the designated account.</p> <p><i>OUTCOME: Payment is issued to the payee and bank designated by the claimant.</i></p>



Year 4 Highlights of the Claim Review Process

In 2015, we continued our efforts to efficiently and accurately review claims, implement updates to our claims system, and work with claimants, counsel and third parties to obtain information required to allow us to issue decisions on claims. Although claimants do not need an attorney in order to file a claim, approximately 83 percent of the Eligibility Forms submitted to date are from attorneys representing claimants. We continue to meet on a regular basis with claimants' attorneys to address specific questions regarding claims procedures and the mechanics of filing electronically. We convene regularly scheduled conference calls with attorneys from various law firms representing multiple claimants to solicit their feedback and incorporate their suggestions into our claims processing activities. We hold regularly scheduled "office hours" in our New York City office during which attorneys can meet with us to discuss their claims. We have implemented email updates to the law firms as new information is posted to the website and have followed each monthly conference call with summarized notes that are posted on our website. The information posted to our website is available to all visitors to the website.

We also implemented an outreach program to proactively contact claimants who are not represented by an attorney so that we can provide assistance in understanding the status of their claims and the information required to complete their claims. This includes routinely calling claimants to follow up on letters sent by the VCF, contacting claimants to discuss missing information needed on their claim, and helping claimants use the online claims system.

Highlights from our claims review process from the past year include the following:

- **Continued Enhancements to the Administrative Portal of the Online System:** The VCF uses a claims processing system to support all aspects of claim management and review. We continued our efforts this year to enhance the system, including further expanded functionality to support payment processing, import of data provided by third parties, and processing of amendments, appeals and claims filed by a Personal Representative for a claimant who had passed away.
- **Implementing Simultaneous Review of Eligibility and Non-Economic Loss:** Although many claimants have chosen to file eligibility forms first and await a decision on eligibility before filing a compensation form, the VCF has encouraged claimants to file eligibility and compensation forms at the same time. When the forms are filed together and the claimant seeks only non-economic loss, the VCF is able to do one, consolidated review and process both eligibility and non-economic compensation forms simultaneously. This process reduces the amount of time a claimant must wait for a loss decision to be rendered.
- **Deadlines for Submitting Missing Information and Issuance of Decisions on Claims Based on Information Submitted:** Initially, the VCF placed claims with incomplete submission on hold while waiting for claimants to submit missing information. During 2015, the VCF revised its procedures and issued determinations based on the information provided so that claimants would have the benefit of a determination. If the claimant submits the additional information at a later date and requests another review of their claim, the VCF will re-evaluate whether there is sufficient support for additional eligible loss.
- **Expanded Staff in Key Areas of our Review and Claims Processing:** The Claims Processing Center ("CPC") conducts the claim intake, initial claim review, file management and payment activity. Our Helpline team is also located within the CPC and works closely with claim reviewers, making it easier to provide callers with the most current information about their claim. Our payment team was expanded to support the significant increase in the number of compensation determinations issued and to include



a dedicated quality review to ensure that loss determinations are accurate, complete and consistent within and across claims. Attorneys in the Office of the Special Master evaluate eligibility and compensation claims. The table below shows the change in staff over the past year.

VCF Claims Processing and Review Team

Team	Staff Count Sept 2014	Staff Count Dec 2015
Office of the Special Master		
Special Master Attorneys	13	15
Claims Processing Center		
Director of Operations*	1	0
Claim Review Team	23	24
Document Intake Team	24	23
Helpline Team	10	9
Payment Team	6	11
Correspondence Team	5	5
Private Physician Team	5	4
Hearings Officers and Support Team	7	15
Program Support	9	13
Totals	103	119

* Our previous Director of Operations retired in September 2015. The numbers listed above include supervisory and managerial personnel.

- Management of Appeal Process:** The VCF instituted procedures to proactively review appeal submissions to determine whether the submission would more appropriately be handled as an amendment. If so, we inform the claimant that we will process the claim as an amendment and can initiate payment on the claim. For those responses that are proper appeals – meaning that there is a good faith belief that the loss determination was erroneously calculated or that extraordinary circumstances can be demonstrated - we began a system to assign claimants a hearing date to allow for expedited scheduling. This process was initially adopted to aid in the shutdown of the VCF but is now being maintained to allow the VCF to address appeals in Group A claims. The VCF has recruited and trained a group of Hearing Officers to conduct hearings on my behalf. Hearings can be held in-person or by phone, and a court reporting service is used to transcribe the proceedings. These transcripts help us in rendering a final decision on the claim. From the beginning, my goal has been for these appeal hearings to be fair, efficient, and non-adversarial. I am dedicated to ensuring that every claimant who appeals the decision on their claim and requests a hearing is able to schedule the hearing in a timely manner and is kept informed of the process. After a hearing, claimants are notified in writing of the final decision on their claim as quickly as possible.

Moving forward, we will continue to look for ways to help claimants access and provide the information needed to support their claim so that claims can be resolved promptly.



7. Public Communications & Partnerships

Continued Expansion of Public Resources for Information and Support

During our fourth year of operation, I continued to make it a top priority to communicate information about the Fund to members of those communities that had been affected by September 11th and to educate claimants on how the claims process works. Our toll-free Helpline and the website continue to serve as a resource to claimants, potential claimants, and the general public.

- **Website:** In response to helpful requests from claimants and others in the 9/11 community, we continued to enhance and expand upon the information available on the VCF website (www.vcf.gov). In an effort to ensure the website contains the most current information, it is updated frequently. The website includes step-by-step guidance for filing a claim, forms and resources, tip sheets and instructions, and dedicated content for law firms representing claimants.
- **Languages:** Claim form instructions, FAQs, claimant resources, as well as other website content, are available in English, Spanish, Polish and Chinese. We continue to offer foreign language support through skilled interpreters working with the Helpline and pro bono legal clinics.
- **Helpline:** The enhanced main menu on our toll-free Helpline includes options and information in Spanish, Polish, and Chinese. The Helpline is open Monday to Friday from 8:30 a.m. to 5:00 p.m. ET, except Federal holidays. After hours, callers can choose to listen to recorded information or leave a message, which will be returned the next business day.

The table below shows the approximate number of visitors to the VCF website and callers served by our Helpline each year since the VCF re-opened in 2011.

	10/3/2011 – 9/30/2012	10/1/2012 – 10/31/2013	11/1/2013- 9/30/2014	10/1/2014- 12/31/2015	Total
Website Visitors	73,000	282,500	245,749	414,303	1,015,552
Inbound calls to Helpline	5,600	32,900	33,439	49,836	121,775

Community Outreach

In our fourth year, we continued to reach out to claimants and their representatives through direct contact and collaboration with the 9/11 community. We are grateful for the continued support and counsel we receive from a wide range of government, health, legal, and civic groups that touch this community as we fulfill the promise of the Fund. We look forward to continuing our work with these groups through the completion of the Fund.

Examples of successful strategic partnerships include:

- **Pro Bono Legal Clinics:** We continued to work over the past year with the New York City Bar Association Justice Center to offer pro bono clinics with the generous assistance of volunteer attorneys in the New York metropolitan area. The attorneys at these clinics help claimants fill out their Eligibility and Compensation Forms.
- **Working With Government Agencies and 9/11 Interest Groups:** My staff and I continue to be in close contact with key personnel at the New York City agencies most affected by the 9/11 attacks, including the Fire Department of New York and the New York Police Department, as well as various state and federal agencies,



including the New York State Workers' Compensation Board and the Social Security Administration. Our contact with these groups provides an opportunity to communicate information about the Fund, as well as receive feedback about the claims process from these constituencies.

- **Posting Detailed Program Statistics:** Over the past year, we have expanded the type of information that is included in the quarterly reports posted to our website to now include a state-by-state breakdown on claims. We also began posting weekly updates with detailed statistics on our compensation decisions.

8. Administrative Costs

Administrative funding for the VCF became available in Fiscal Year 2012. Administrative funding comes from the VCF's total appropriation. The total appropriation is the same capped pool of funds available for awards. As such, I am making every effort to keep administrative costs to a minimum while maintaining an effective and efficient operation.

There are three categories of administrative costs for the Fund:

1. Recurring costs associated with VCF operations
2. System development and maintenance costs
3. Labor and contractor support costs

As of December 31, 2015, the first category, recurring costs associated with operations, totaled approximately \$6.2 million, or about 10 percent of total costs. These costs include rent for office space in Washington, D.C., where the CPC is located, and in New York City, where the Special Master's office is located and where hearings are held. Costs also include equipment and services such as phone lines and internet access.

The second category, system development and maintenance, includes the development of enhancements to the system used to process claims and the ongoing maintenance of the system. As of December 31, 2015, costs associated with creating and maintaining the VCF's Claims Management System totaled approximately \$16.3 million, or about 26 percent of total costs.

The third category, labor and contractor support costs, is ongoing and directly relates to the number of claims received and processed. As of December 31, 2015, labor and contractor support costs associated with the VCF operation totaled approximately \$40.3 million, or about 64 percent of total costs. These costs include the staff necessary to run the CPC, answer calls to the Helpline, and work with claimants to complete unfinished and inactive claims. This category also includes attorneys in my office who make eligibility and compensation determinations. Deputy Special Master Deborah Greenspan and I have elected to be uncompensated for our services to the Fund.

9. Report Summary

As I have communicated since the reopening of the Fund, my goal has been to make the VCF process transparent and easy to navigate. Because we have been able to identify the sources of necessary information and appropriate resources to aid claimants and have implemented a streamlined process for simultaneous review of eligibility and compensation forms, we have been able to continue to issue more compensation determinations. During 2015, we issued compensation determinations on approximately 6,000 claims.



I would like to take this opportunity to again thank so many in the community who have helped us ensure that all individuals and families affected by the tragic events of September 11th are aware of the Fund. I am grateful that the Fund has been reauthorized by the new legislation passed by Congress and signed into law by President Obama. In the year ahead, I look forward to implementing this new legislation – making full payment for all Group A claims and issuing new rules and regulations and then compensation awards for complete claims in Group B – and continuing our work in collaboration with this community to ensure we can provide compensation to those who suffered physically and financially as a result of the 9/11 crashes or debris removal.