

This project is the next phase in the VA's implementation of the Debt Collection Improvement Act (DCIA) of 1996 (DCIA). Previously, the VA had implemented the Treasury Offset Program (TOP), which provided VAMC Accounts Receivable (AR) staff members with an automated method of referring eligible delinquent debts to the Treasury. In 1996, the IRS Offset functionality that existed in VistA AR was replaced with TOP functionality. The TOP was a collaborative effort among VistA AR, the Austin Automation Center (now Austin Information Technology Center), the VA Franchise Fund, DMC, and the Treasury. The Treasury Cross-Servicing Program requires agencies to transfer a debt or claim that has been delinquent 180 days or more to Treasury for collection. VHA's VistA AR system requires enhancements to refer debts delinquent over 180 days to Treasury's Cross Servicing Program in the required data and processing format.

The Treasury Cross-Servicing Program consists of a standard collection process including: " Demand Letters " Phone Calls " Credit Bureau Reporting " Offset Program " Collection Agencies " Referral to Department of Justice " Administrative Wage Garnishment In April 2012, the Treasury projected the use of the Cross-Servicing process would result in an additional \$36M in annual collections for VHA. Treasury developed this estimate based on similar debt portfolios of other Federal agencies.