

Cracking Down on Predatory Claims Companies

The VFW's Concern:

The VFW is concerned that bad actors are preying on veterans by skimming their earned Department of Veterans Affairs (VA) benefits. Claim Sharks often charge veterans the equivalent of 5-10 months of their future disability payments. This is money these veterans may not have, which could put them in debt simply for trying to access their earned benefits. This is unethical and illegal.

Many of these companies illegally use veterans' login credentials for VA websites and call centers. Some charge tens of thousands of dollars from future benefits for their services. If a veteran receives a disability percentage increase years later, often these companies return seeking more money whether they performed additional work or not. Furthermore, they routinely obtain medical opinions from affiliated medical providers, which raises ethical concerns.

Anyone who assists veterans with the preparation, presentation, or prosecution of VA claims should adhere to established fee caps or be subject to penalties. Therefore, we would support commonsense legislation to require that everyone who charges veterans for claims assistance does so under VA accreditation and follows legal precedence as would accredited agents and attorneys.

Because of the inaction here in Washington, D.C., nine states have passed anti-claim-shark laws that prohibit charging veterans for initial claims assistance: Washington, Iowa, Michigan, New York, Illinois, Nevada, New Jersey, Maine, and Massachusetts.

The VFW Urges Congress to:

Pass legislation that would prohibit the exploitation of veterans and survivors by unscrupulous Claim Sharks and strengthen the accreditation system.