



Compensation Service Bulletin

May 2014

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Reduction of Initial Evaluations Under Diagnostic Code (DC) 7528 in Original Claims

Target Audience: Veterans Service Representatives (VSRs) and Rating Veterans Service Representatives (RVSRs)

A malignant neoplasm of the genitourinary system rated under DC 7528 must be rated 100 percent disabling for a minimum of six months from the time that treatment (surgical, X-ray, antineoplastic, chemotherapy or other therapeutic procedure) for the malignancy ceases.

A Department of Veteran Affairs (VA) examination must be completed after the six month period but prior to reducing the 100 percent evaluation. Treatment records are insufficient to serve as the requirement for a VA examination. However, once the examination results are received, it is possible to reduce the 100 percent evaluation on a date prior to when the examination was provided, as long as the examination results supported such a reduction and the reduction does not take effect at a time before the expiration of the six months following cessation of treatment for the malignant neoplasm. *See Tatum v. Shinseki*, 24 Vet.App. 139 (2010).

For example, a Veteran's treatment for prostate cancer ends on June 20, 2010, but the mandatory VA examination is not conducted until June 6, 2011. The examination findings support a 10 percent evaluation. Accordingly, the 100 percent evaluation may be reduced to 10 percent effective December 20, 2010, which represents six months after cessation of treatment for a malignant neoplasm.

The notice requirements of [38 CFR 3.105\(e\)](#) are not applicable when the 100

percent evaluation is reduced following cessation of treatment for a malignant neoplasm if the reduction is part of a grant for the original claim for such disability. The Court held in *Tatum* that notice under 3.105(e) is only required when there is a reduction in "compensation payments currently being made" and is inapplicable if the reduction is part of a staged rating assigned in the original claim for such disability. Since no payments are made for the malignant neoplasm prior to the original claim, § 3.105(e) is not applicable when the temporary 100 percent evaluation is reduced in the original grant of service connection for a malignant neoplasm.

Please note that this guidance applies to other cancers as well, not just prostate cancer.

Use of the RVSR Effective Date Tool

Target Audience: RVSRs and management

Effective date errors represented 25 percent of all errors from November 2012 to September 2013. The top three areas where effective date errors occurred was in claims for increase, diabetic complications, and liberalizing legislation.

As a result of the prevalence of effective date errors, we have added a link to the RVSR Effective Dates Electronic Performance Support System (EPSS) to the [Rating Job Aids website](#). This tool is helpful in providing examples and references for effective dates concerning Compensation, Pension, Dependency and Indemnity Compensation (DIC), ancillary benefits, and other decisions. Users are able to input answers to several questions, depending on the specific decision being made, and the tool will provide relevant examples and references.

RVSRs should use this tool for each rating decision completed. However, a copy of the tool does not have to be printed for the file or uploaded to Veterans Benefits Management System (VBMS).

We will add additional functionality based on this tool to VBMS and will issue further guidance in the future.

[Guidance on Proper Use of Fully Developed Claim \(FDC\) Exclusion Special Issues](#)

Target Audience: VSRs, Senior VSRs (SVSRs), Authorization Quality Review Specialists (AQRS), and management

Compensation Service is revising the guidelines regarding the proper use of FDC Exclusion Special Issues in Modern Awards Processing-Development (MAP-D) and VBMS. Data analysis from the Office of Performance Analysis and Integrity (PA&I) shows that the “VBA administrative reason” exclusion is the most frequently used exclusion, but the most common explanations do not correspond with the reasons provided in M21-1 Manual Rewrite (MR) Part III, Subpart i, Chapter 3, Section B ([M21-1MR III.i.3.B](#)), for use of the “VBA administrative reason” exclusion.

Compensation Service has added new exclusion reasons to MAP-D and VBMS. We will remove the special issue, “FDC Excluded-VBA administrative reason”, from these systems shortly. Until that time, employees should not use this reason. Employees must use **only** the exclusion reasons that are generated in the system as follows:

- FDC Excluded – Needs non-Fed evidence development

- FDC Excluded – Evidence received after FDC CEST
- FDC Excluded – Claimant declined FDC processing
- FDC Excluded - FDC certification incomplete
- FDC Excluded – Additional claim submitted
- FDC Excluded – Claim pending
- FDC Excluded – Appeal pending
- FDC Excluded – Necessary form(s) not submitted
- FDC Excluded – FTR to exam

Claims personnel should follow the guidance in the table [at the end of the bulletin](#) when determining which exclusion reason to apply.

Compensation Service will update M21-1MR III.i.3 to include this guidance.

If users receive an FDC and the exclusion reason does not fall under any of the special issues that are generated in the system, they should email the VAVBAWAS/CO/212A mailbox.

[Complete Requirements for Claims Establishment](#)

Target Audience: Claims Assistants (CAs), Intake Analysts (IAs), Intake Processing Center (IPC) management, and Veterans Service Center (VSC) management

As the Veterans Benefits Administration (VBA) begins implementation of the National Work Queue (NWQ), uniform claims establishment is essential.

The following attributes are required for claims establishment:

- Address
- Claim Label
- Claim Level Suspense Reason

- Claim Status
- Corporate Flashes
- Contentions
- Date of Claim
- End Product
- Military Service Data
- Power of Attorney
- Special Issues
- Segmented Lane Assignment

In order to ensure consistency across all regional offices (ROs), claims processors must enter all attributes at the time of claim establishment as accurately and completely as possible.

[Contractor Support for Live Dependency Compensation Claims](#)

Target Audience: All VSCs employees, especially IPC employees

In an effort to reduce the backlog of pending dependency claims, VBA has entered into a contract to have compensation dependency claims input into the Rules Based Processing System (RBPS).

The TIP Sheet, *Initiating Contractor Support with Live Compensation Dependency Claims*, published on April 23, 2014, provided detailed guidance ROs **must** adhere to when submitting incoming dependency claims to the contractor. The TIP Sheet is currently located under the “Dep” button on the [TIP Sheet page](#). Compensation Service expects that all ROs began following this guidance on April 23, 2014.

[Dependency Claim Development](#)

Target Audience: VSRs, SVSRs, AQRSSs, and management

Compensation Service received an inquiry from the field regarding a discrepancy between [M21-1MR III.iii.5.B.6.b](#) and [M21-1MR III.iii.5.B.6.d](#). One reference requests that VSRs use telephone development to clarify discrepancies in dependency claims while the other indicates that source documents are required to clarify discrepancies.

Claims processors should use telephone development to obtain dependency information when there are dependency claim discrepancies. For example:

- Claimant reported he/she is now married. The claimant is not currently being paid for a spouse. Conduct telephone development to obtain complete marital histories, current spouse’s Social Security Number (SSN) and date of birth, and date/place of marriage to current spouse.
- Claimant reported marriage to Susan in May 2014, the location of the marriage, and Susan’s marital history. The claimant is being paid for a spouse named Ann. Conduct telephone development to obtain date the claimant’s marriage to Ann terminated, place marriage terminated, and reason marriage terminated.
- Claimant reported a single marriage to John in March 2013 on her VA Form 21-4138. However, her VA Form 21-526 showed her date of marriage to John as January 2013. Conduct telephone development to obtain the correct month of marriage.
- Claimant reported that his/her spouse died, but provided no other information.

Conduct telephone development to obtain the month and year of spouse's death.

- Claimant reported the birth of a new dependent child and indicated that the child does not reside with the claimant. Conduct telephone development to obtain the name and address of the person who has custody of the child.

VSRs are permitted to develop via letter to the Veteran and, when deemed necessary, require source documents. Development via letter should only occur if the discrepancies could not be resolved via phone contact.

Compensation Service will update [M21-1MR III.iii.5.B.6.b&d](#) to clarify this guidance.

Determining the Effective Date of FDCs Under Fast Letter (FL) 13-17

Target Audience: RVSRs

[FL 13-17, Processing Fully Developed Original Claims \(FDCs\) Received from August 6, 2013 through August 5, 2015](#), instructs field personnel to assign an effective date up to one year prior to submission of the formal (complete) FDC, depending on evidence of when the disability first manifested. If evidence submitted with the FDC shows the level of disability existed for one year prior to submission of the claim, then process the award with a one-year retroactive effective date. If the evidence of record supports less than one year of disability, process the award with the effective date that corresponds with evidence showing the evaluation is warranted.

If no medical evidence is submitted to substantiate a disability warranting service connection during or prior to the one-year

retroactive period, the effective date would be the date of receipt of the FDC. In the absence of medical evidence, Veterans are not entitled to retroactive benefits under FL 13-17.

Email questions to the [VAVBAWAS/CO/212A](#) mailbox.

Drill Pay Repayment Plan

Target Audience: VSRs, AQRSSs, and management

In most cases, a Veteran can only set up a payment plan following the creation of a debt in the Veteran's account. However, [M21-1MR III.v.4.c.14.a](#) directs that drill pay adjustments, in most cases, will be made in the future regardless of the fiscal year during which the Veteran earned the drill pay. Therefore, drill pay adjustments typically do not result in an overpayment or creation of debt.

It is not acceptable to make drill pay adjustments retroactively for the sole purpose of creating a debt for which the Veteran can then set up a payment plan.

Guidance on Same-Sex Marriage Claims Processed in RBPS

Target Audience: VSRs, SVSRs, and Quality Review Specialists (QRSs)

Compensation Service is aware that RBPS processes dependency claims based on same-sex marriage without exception. When reviewing claims processed through RBPS, ROs should not handle completed same-sex marriage claims as errors. RBPS is processing these claims correctly and ROs should not take any adverse action on these claims. In addition, dependents added to the Veteran's award as a result of the same-sex

marriage claims processed through RBPS are entitled to any pertinent ancillary benefits (e.g. – Chapter 35 Benefits).

Email questions to the VAVBAWAS/CO/212A mailbox.

Removal of Stepchildren

Target Audience: VSRs, SVSRs, AQRs, and management

When the Veteran reports that he/she is now divorced from the stepchildren's natural or adoptive parent, ROs must take action to remove the stepchildren the first day following the date of the Veteran's finalized divorce. Claims processors should assume that the stepchildren left the Veteran's household on the date of the finalized divorce unless there is evidence to the contrary. The Veteran must still supply the required information regarding his/her terminated marriage to the stepchildren's parent.

Important: Claims processors must carefully review any conflicting information regarding the date the stepchildren left the Veteran's household (i.e. before the date of divorce, following the date of divorce, or continued support as a member of the Veteran's household) to ensure that the stepchildren are removed or continued on the Veteran's award using the proper effective date.

Compensation Service will update [M21-1MR III.iii.5.G.42.g-i](#) to include these stepchildren removal changes.

Development Language When Portable Media Must Be Returned

Target Audience: CAs and VSRs

VBA's transition to a paperless claims processing environment has yielded an increased submission of evidence in a portable media format such as CDs, DVDs and USB thumb drives. Occasionally, the information will be inaccessible due to damaged media devices or corrupted files. ROs must notify the claimant when the data cannot be retrieved and allow for the re-submission of that evidence.

Compensation Services has developed the following paragraph to notify a claimant in such an instance:

“Our records show you submitted evidence via portable media format (**insert type of evidence - CD, DVD, thumb drive, etc.**) on **[date evidence was received]**.

Unfortunately, the data could not be retrieved due to file corruption or damage; therefore, we are returning the portable media to you. Please send us a copy of these records within *15 days from the date of this letter*. If we do not hear from you within the 15 days, we will proceed with the claim and make a decision based on the evidence of record. Please show your full name and VA file number on all correspondence or evidence submitted.”

When an RO receives portable media from a claimant or it is returned from the scanning vendor and the evidence cannot be retrieved, it should:

- send the claimant a subsequent development letter,
- place the provided paragraph at the top of the letter in MAP-D for a paper claim or VBMS exclusion **OR** use the

“Important Information” free-text field in VBMS for an electronic claim,

- edit all referenced response times in the letter to 15 days,
- update the claim level suspense reason to “Develop to Claimant for: Info,” and
- set the suspense date 15 days from the date the letter is generated.

Email questions to the VAVBAWAS/CO/212A mailbox.

Response to Question Regarding Radiation Claims

Target Audience: VSRs, SVSRs, RVSRs, and management

Compensation Service received an inquiry regarding the Radiation Exposure Activity Sheet generated by MAP-D and VBMS.

Compensation Service has worked over the last few months to create a new data collection form specifically to gather information related to exposure. Until the new form is approved and published for use, ROs should continue using the established practices outlined in [FL 06-20, Consolidation of Adjudication - Radiation Claims](#), to process radiation claims.

Challenge Session 2014-4

Target Audience: VSRs, RVSRs, Training Managers, and management

- Challenge Session 2014-4 began on Monday, March 10, 2014, and will end on May 21, 2014.
- VSR trainees are scheduled to graduate on Thursday, May 16, 2014.
- RVSR trainees are scheduled to graduate on Wednesday, May 21, 2014.

Challenge Session 2014-6

Target Audience: VSRs, RVSRs, Training Managers, and management

- Challenge Session 2014-6 began on Monday, April 14, 2014, and ends on June 27, 2014.
- 227 VSR trainees will complete Instructor-led, Web-based Training (IWT) from April 21, 2014, thru May 16, 2014.
- VSR trainees will travel to the VBA Professional Development Academy on Tuesday, May 20, to complete the in-resident phase of training curriculum.
- 22 RVSR trainees will complete IWT from April 14, 2014, thru May 30, 2014.
- RVSR trainees will travel to the VBA Professional Development Academy on Monday, June 2, 2014, to participate in the in-resident phase of the training curriculum.
- VSR and RVSR trainees are scheduled to graduate on Thursday, June 26, 2014.

Specialized Adjudication Review Course (SPARC)

Target Audience: VSRs, RVSRs, Training Managers, and management

- SPARC training is being held at the National Conference Center, Leesburg, Virginia, for VSRs and RVSRs.
- 100 instructors for Session 1 arrived on May 7, 2014 and Train the Trainer was held from May 8, 2014 through May 12, 2014. Instructors are scheduled to depart on May 30, 2014.

- Students for Session 1 are attending training from May 13, 2014, through May 29, 2014. They will travel back to their home stations on Friday, May 30, 2014.
- Session 2 instructors will arrive on May 30, 2014, and Train the Trainer will be held from May 31, 2014 through June 2, 2014. Instructors are scheduled to depart on Friday, June 20, 2014.
- Students for Session 2 will travel on June 2, 2014, and complete the training from June 3, 2014 through June 19, 2014. They will travel back to their home stations on Friday, June 20, 2014.

Supervisory Technical Analysis of Data (STAND) 101

Target Audience: Training Managers and management

- STAND 101 is a new technical training curriculum that provides new VSC supervisors the tools they need to function effectively in their new positions.
- STAND **does not** replace any existing VBA supervisor training.
- Session 1 of STAND 101 for VSC supervisors is scheduled to be held in St. Paul, Minnesota, the week of May 19 – 24, 2014, for approximately 40 participants. Students and instructors will travel to St. Paul on Sunday, May 18, 2014, and travel home on Sunday, May 25, 2014.
- Session 2 of STAND 101 for VSC supervisors is scheduled to be held in St. Paul, Minnesota, the week of June 2 – 7, 2014, for approximately 40 participants. Students and instructors will travel to St. Paul on Sunday, June 1, 2014, and travel home on Sunday, June 8, 2014.

- Participants will need to complete four hours of prerequisite Excel training in the Talent Management System (TMS).

Skills Certification Events

Target Audience: VSRs, RVSRs, Decisions Review Officers (DROs), Quality Review Teams (QRTs), Training Managers, and management

- The next administration of the Coach Skills Certification test is scheduled for Tuesday, May 20, 2014.

The Skills Certification Readiness Guide, an online preparatory (practice) test, and additional information are available from the Coach Skills Certification website at:

http://cptraining.vba.va.gov/C&P_Training/Skills_Cert/Coach_SVSR.htm

- The next administration of the Journeyman Rating Veteran Service Representative (JRVS) Skills Certification test is scheduled for Tuesday, June 3, 2014.

The Skills Certification Readiness Guide, an online preparatory (practice) test, and additional information are available from the JRVS Skills Certification website at:

http://cptraining.vba.va.gov/C&P_Training/Skills_Cert/JRVS.htm

- The following upcoming Skills Certification events will require field support:
 - JRVS Cut Score Workshop will be held in Orlando from May 20-22, 2014.
 - VSR Item Review Questionnaire (IRQ) will be held online June 2, 2014.

- VSR Cut Score Workshop will be held in Orlando from June 10-12, 2014.

Posttraumatic Stress Disorder (PTSD) Training and Performance Support Systems (TPSS) Mandated Training

Target Audience: VSRs, RVSRs, DROs, QRTs, Training Managers, and management

All VSRs and AQRs are required to take one PTSD TPSS module (TMS #1380401) as a one-time mandated training item. All rating personnel (RVSRs/DROs/Rating QRSs (RQRSs)) are required to take two PTSD TPSS modules (TMS #1380402 and #1380404) as one-time mandated training items.

However, if an RVSR/DRO/RQRS has previously taken the VSR PTSD TPSS module (TMS# 1380401), then they do not need to take the RVSR PTSD TPSS Module 1 (TMS# 1380402). The one VSR PTSD TPSS module (TMS #1380401) can count as completion of RVSR PTSD Module 1 (TMS# 1380402).

If the VSR PTSD TPSS module (TMS #1380401) was not completed as a VSR, then the RVSR/DRO/RQRS must complete the two PTSD TPSS modules (TMS #1380402 and #1380404).

May 2014 Rating Quality Call

Target Audience: RVSRs, DROs, QRTs, and management

The next monthly Rating Quality call is scheduled for Wednesday, May 21, 2014 at 1:30 EDT. Comprehensive post-call notes will be available on the Compensation

Service Intranet site at http://vbaw.vba.va.gov/bl/21/star/star_call.htm.

Compensation Service will post the agenda and call-in information on the *Calendar Page*, which you can access through [Compensation Service's Home Page](#), prior to the call.

Changes in Regulatory or Legislative Procedures – Benefit Entitlement (BE) Errors Cited by Quality Assurance (QA) Staff

Target Audience: QRTs, DROs, and management

The QA Staff will afford a grace period of 60 days from the date Compensation Service formally announces to ROs (e.g., through a Compensation Service Veterans Service Center Managers' Conference Call or Quality Assurance Staff Conference Call) a change in procedures for the administration of VBA benefit programs *before* citing BE errors directly related to the change.

Common Finding – Homeless Claims

Target Audience: CAs, VSRs, RVSRs

Homeless Claims processing remains a high national priority. A common finding is the untimely processing of Homeless Claims. Priority processing is delayed due to lack of identification of homeless status at receipt of claim and failure to immediately flash the claim as homeless once identified. There is a direct correlation between ROs that immediately identify and maintain tight control of homeless claims, and a lower average days pending (ADP) for these claims. We've noted that ROs are failing to properly assign the homeless flash in the

corporate record of applicable Veterans. Assigning the Homeless flash alerts the Homeless Veterans Coordinator of the pending claim, increases the accuracy of workload assignment by the coach, and assists the employee working the claim in appropriately managing his/her workload.

For additional information see:

- [Revised VETSNET Business Rules](#)
- [VBMS Consolidated Standard Operating Procedure \(SOP\)](#)
- [Director's Performance Dashboards](#)

Please direct any questions to the [VAVBAWAS/CO/214A](#) mailbox.

Best Practice – Monthly RO and Veterans Health Administration (VHA) Collaborative Meetings

Target Audience: Management

We commend the Manila RO for maintaining open communication with the outpatient clinic. The RO conducts monthly meetings with VHA partners to discuss VA exam requests and exam report quality. Team members conduct cross training in effort to improve the understanding of VBA Disability Compensation requirements and VHA's role in providing quality decisions. The open communication between the two entities assists in the expedited processing of VA exams and medical opinions as well as the reduction of benefit entitlement errors.

We recognize consistent and proactive collaboration between the RO and VHA as a best practice.

Internal Controls Systematic Analysis of Operations (SAO) Update

Target Audience: Management

Effective immediately, ROs should include an analysis on drill pay in their Internal Controls SAO. We will update [M21-4](#) chapter 5.06 section 10 in the near future to reflect this change.

Please direct any questions to the [VAVBAWAS/CO/214A](#) mailbox.

Procedures For Folder Transfer

Target Audience: Management

As VBA continues to transition to NWQ and electronic ROs, the process for how Systematic Technical Accuracy Review (STAR) cases are sampled and reviewed will continue to evolve.

Current procedures found in [M21-4 Chapter 3.06](#) provide guidance that prior to submitting a case to STAR for review, stations should review the case to determine if the EP identified for review was completed by another station (i.e. Resource Center/Brokered Station).

In such instances, the station is responsible for recognizing the case as brokered work and providing notice to STAR staff identifying the claim as brokered and furnishing the location where the claim was actually worked. STAR will credit the review to the office that completed the last action on the case—the office that sent the notification and cleared the EP.

Cases must be identified as brokered work **prior** to submission to STAR for review.

STAR will not change the jurisdiction on cases after a review has been completed.

The current procedures will be revisited and changed to reflect the actual quality of a station.



Special Issue: FDC Exclusion Reasons	
If a claim is excluded...	Then append the special issue...
for additional development such as: <ul style="list-style-type: none"> • private medical records, • *Reserve/Guard records, • *service treatment records (STRs) that are fire-related, • income/net worth, or • incorrect EZ form used, 	FDC Excluded-Needs non-Fed evidence development to the claim.
because additional evidence and/or additional issues was received after establishment under the FDC program,	FDC Excluded-Evidence received after FDC CEST.
because the claimant declined processing his/her claim under the FDC program,	FDC Excluded-Claimant declined FDC processing.
because the claimant did not sign or return the FDC certification after he/she elected participation in the program,	FDC Excluded-FDC certification incomplete.
because a claim (new, reopened, increase, etc.) is already pending,	FDC Excluded-Claim pending.
because the claimant has an ongoing appeal pending at the time of submission of the FDC,	FDC Excluded-Appeal pending.
because the claimant did not submit the necessary forms as noted in the Special Circumstances section of the VA Form 21-526EZ (VA Form 21-0781, 4192, 8940, etc.)	FDC Excluded-Necessary form(s) not submitted.
because the claimant failed to report to the scheduled examination and did not show good cause,	FDC Excluded-FTR to exam.
because claimant submitted a supplemental claim (additional contention, etc.) after submission of FDC,	FDC Excluded-Additional claim submitted.

***Note:** Reserve/Guard records will be used under the special issue FDC Excluded-Needs non-Fed evidence because participation in the FDC program requires a claimant to provide these records at the time of submission. STRs that are fire-related will also be used under the special issue FDC Excluded-non-Fed evidence based on sending the Veteran NA Form 13055 and/or NA Form 13075.