

St. Paul Pension Management Center

You are here

We are here
to help you
find your way



PMC Representatives

- Jamie Agorua, Assistant Coach
- Nick Frank, Assistant Coach

What We Will Cover

- PMC Jurisdiction and Overview
- Key Metrics
- Veterans Pension and Survivors Pension
- Dependency and Indemnity Compensation (DIC)
- Burial Benefits
- Accrued Benefits
- Fully Developed Claims (FDC)
- Up-Front Eligibility Verification
- Questions

St. Paul PMC Overview

of Beneficiaries Served - 303,046

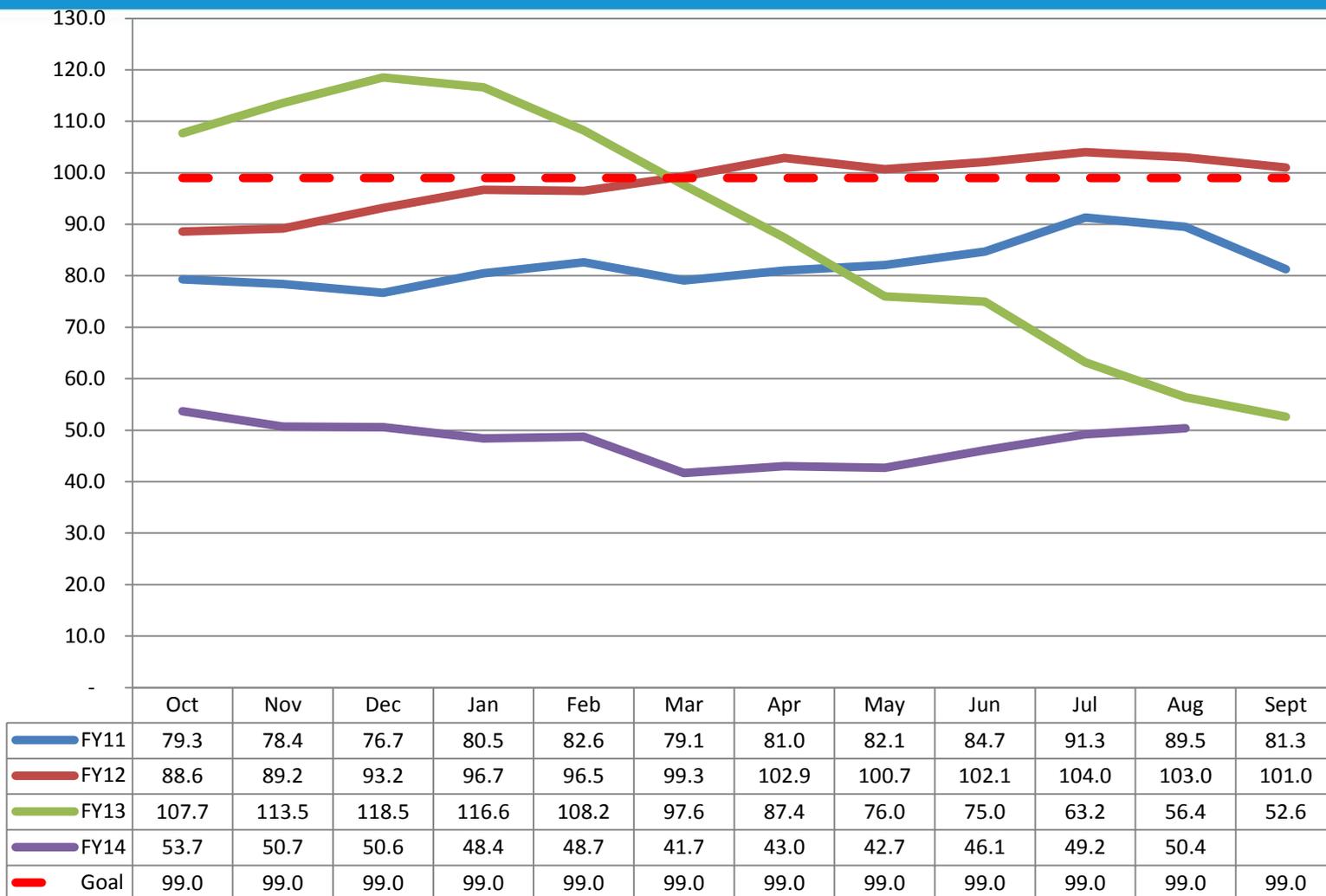
Annual Benefit Payments - \$3.88 billion

Snapshot – Fiscal Year 2014 Progress

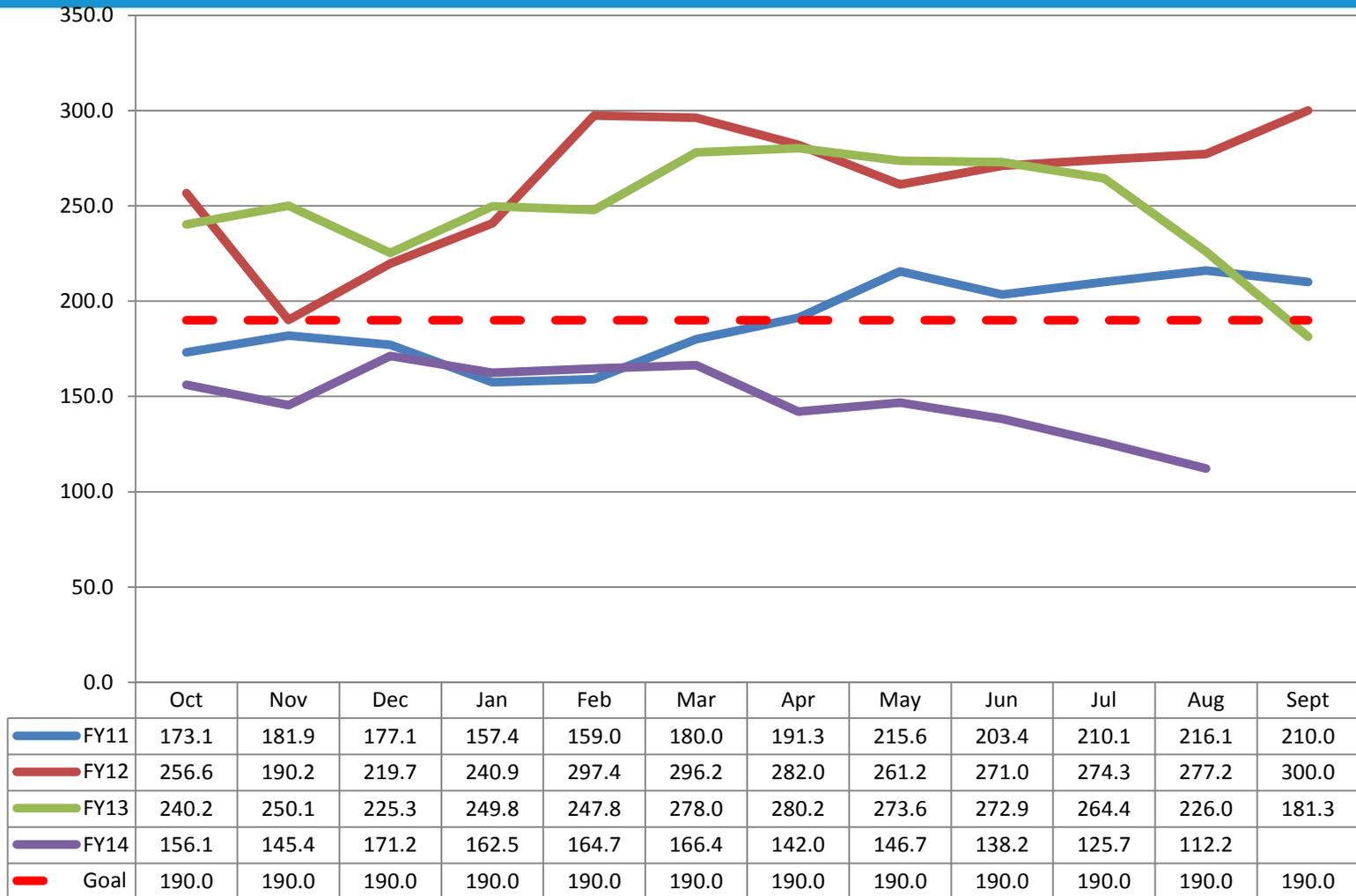
September 30, 2013	
PMC Inventory:	110,045
Rating Inventory:	7,705
Burial Inventory:	7,725
Survivors Inventory:	5,924
Maintenance Inventory:	37,140
Rating Average Days Pending:	52.6
% of Claims > 125 Days:	4.9%
Rating Claims > 1 year:	1

September 30, 2014	
PMC Inventory:	47,365
Rating Inventory:	6,864
Burial Inventory:	6,039
Survivors Inventory:	3,475
Maintenance Inventory:	12,657
Rating Average Days Pending:	48.8
% of Claims > 125 Days:	3.8%
Rating Claims > 1 year:	1

Rating EP Average Days Pending (ADP)



EP 190 Series Average Days to Complete (ADC)



Veterans Pension

Qualifications for Veterans Pension

- 90 days or more of active military service, at least 1 day during a period of war. Effective September 7, 1980, must serve at least 24 months of continuous service (or entire period called to active duty)
- Discharged under conditions other than dishonorable
- Permanent and Total Disability (P&T) by rating, age 65 or older, in receipt of Social Security Disability, or in a nursing home

Qualification for Survivors Pension

- Widow or qualifying child of a wartime Veteran with qualifying service
- Meets income and net worth guidelines
- Meets marital requirements as the surviving spouse
- Meets child requirements
 - Under age 18
 - 18 to 23 in school
 - Helpless before age 18

Special Monthly Pension

Housebound

- Substantially confined to the home
- Single disability rated at 100% and an additional disability at 60% or more

Aid and Attendance

- In need of assistance of another person with his/her activities of daily living. i.e. inability to dress or undress, keep ones self clean, adjust prosthetic appliance, or bedridden.
- In a licensed nursing home receiving skilled or intermediate care (granted administratively, medical evidence of disability not required)

Notes:

- Medical evidence needs to include diagnosis and description of severity of each disability
- Must be signed by a health care professional (MD, DO, PA, NP; RN from VAMC)

Inability to Manage Financial Affairs

- Rated incompetent by VA or under legal conservatorship by reason of court action
- VA will act upon letters of conservatorship and guardianship from a court (not durable power of attorney)
- Medical Evidence: need correspondence stating the claimant is unable to manage his/her finances and medical documentation from a physician with a diagnosis

Who Can Sign an Application?

Signatures

M21-1MR. III.ii.1.C.11.a Signature by mark or thumbprint

Accept signatures by mark or thumbprint *only* if any one of the following individuals (or group of individuals) witness the mark or thumbprint:

- two persons who give their addresses
- a VA employee
- a notary public, or
- a person having the authority to administer oaths for general purposes.
- Need signature of claimant even if claimant has a durable power of attorney

What is Countable Income?

- Earnings
- Retirement income
- Interest
- Dividends
- Unemployment compensation
- Business income
- Life insurance dividends

What is Not Countable Income for VA Purposes?

- VA Pension
- Profit from sale of primary residence
- Welfare (benefits received from social services)
- SSI (Supplemental Security Income)

Reporting Change in Income

Tell us:

- Source of income
- Date of receipt
- How and when it changed
- If and when it stopped
- Gross amount (before deductions)

Net Worth

The term ***net worth*** for VA purposes includes all personal property owned by the claimant, except for personal effects suitable to the claimant's reasonable mode of life.

- For Veterans Pension, a Veteran's net worth includes the net worth of his/her spouse.
- This means that normal household objects and possessions are not included in a net worth determination. Likewise, motor vehicles used for family transportation are *not* included in determining net worth, nor is the claimant's home.
- However, personal property that is owned primarily as an investment, for example, an antique automobile or a coin collection, is included in determining net worth.

Note: The term ***personal property*** includes all tangible property that is not land (real property) or fixtures on land.

Net Worth

A formal administrative decision is required if:

- The beneficiary has net worth of \$80,000 or more, whether or not net worth bars entitlement, or
- Net worth (of any amount) bars entitlement.

Factors to consider include:

- Income
- Family expenses
- Claimant's life expectancy, and
- Ability to convert the assets into cash

Net Worth

Sale of Home

- Considered a conversion of assets
- Change in net worth may affect pension eligibility (submit VA Form 21-8049)
- Termination of benefits due to excessive net worth is effective January 1st of the following year
- If not residing in home, not countable as net worth unless rental income is generated or it is used for business purposes

Medical Expenses

Report medical expenses for the period _____ thru _____. If no dates appear on this line, refer to the accompanying letter or Eligibility Verification Report for the dates your medical expense report should cover.

5. ITEMIZATION OF MEDICAL EXPENSES

A. PURPOSE <i>(Physician or Hospital Charges Eyeglasses, Oxygen Rental, Medical Insurance, etc.)</i>	B. AMOUNT PAID BY YOU	C. DATE PAID (Mo/Day/Yr)	D. NAME OF PROVIDER <i>(Name of Doctor, Dentist, Hospital, Lab, etc.)</i>	E. FOR WHOM PAID (Self, spouse, child)
MEDICARE (PART B)			SOCIAL SECURITY	
PRIVATE MEDICAL INSURANCE				

Most Common Medical Expenses

- Medicare Part B premiums
 - Private medical insurance
 - Life and burial insurance do not count
 - Prescription and non-prescription drugs
 - Adaptive equipment
 - Care expenses
 - Nursing Home
 - Assisted Living
 - In-home Care
- * For a list of common medical expenses see: M21-1MR V.iii.1.G.42.c

Continuing Medical Expenses

- Prediction of future expenses
- Amount and frequency of payment is easily predictable
- Common continuing medical expenses:
 - Nursing home, assisted living, in-home care
 - Private medical insurance
 - Medicare Part B and D
 - Incontinence supplies
 - Diabetic supplies

In-Home Care

- Annual verification is not required
- Specific services provided
- The claimant is required to submit documentation of expenses for in-home care:
 - When in-home attendant fees are initially claimed,
AND
 - If the person/company providing the services changes

Nursing Home or Assisted Living

We need to know:

- Date entered
- Projected length of stay
- Facility name
- Facility address and telephone number
- If Medicaid is covering part of the costs

Medicaid \$90 rate

- 38 CFR 3.551 (i) states VA must limit claimants to the \$90/month for a Veteran, surviving spouse or surviving child who:
 - Has neither spouse nor dependent child, and
 - Is in a Medicaid approved nursing facility, and
 - A Medicaid plan covers in part or all of his or her nursing home care.

Note:

- No overpayment is created when reducing to the \$90 rate.
- The \$90 payment is for personal use and cannot be used to cover nursing home expenses.
- Exception: not reduced to the \$90 rate if in a State Veterans Home

Independent Living Facilities

- Per Fast Letter 12-23 (*Room and Board as a Deductible Unreimbursed Medical Expense*), if the claimant is in an independent living facility, we need the following:
 - Itemized list of services provided, specifically the activities of daily living (ADLs)
 - Breakdown of nursing and “rent” fees
 - Date entered
 - Projected length of stay
 - Facility name
 - Facility address and telephone number

Qualifications for DIC

- Veteran died of a service-connected condition
- Service-connected condition contributed to the cause of death
- Died of a presumptive service-connected condition
- Had a 100% service-connected evaluation or in effect for 10 years prior to death

Burial Benefits

Types of Burial Benefits

- Non-service connected (NSC)
- Service-connected
- Plot allowance
- Transportation allowance

How to Apply

- Submit VA Form 21-530 (within two years of death if NSC)
- Death Certificate (needs to show cause of death)
- Statement of Account (needs to show who paid the expenses)
- Certified copy of discharge document (if Veteran was not receiving benefits)

Non-Service Connected Burial

Eligibility:

- In receipt of compensation or pension at the time of death
- Receiving military retired pay in lieu of compensation
- Had a claim pending at the time of death (found entitled)
- Died while under VA care

Plot Allowance:

- The Statement of Account is no longer required. However, it may show additional expenses such as the opening / closing fees that we can allow
- We will only pay the statutory limit or the amount actually paid for the plot expenses, whichever is lower

Service Connected Burial and Transportation

Eligibility:

- Veteran died of a service-connected condition
- Service-connected condition contributed to the cause of death
- Died of a presumptive service-connected condition
- Had a 100% service-connected evaluation or in effect for 10 years prior to death

Transportation

Payable if:

- Veteran dies under VA Care, or
- If died of a non-service connected condition AND was in receipt of service-connected compensation AND is buried in a National Cemetery
- If died of a service-connected condition AND is buried in a National Cemetery
- Statement of Account is required

Changes to Burial Benefits

Applies to claim received on or after July 7, 2014

- When “First to File” rule applies:
 - Spouse receives first priority for payments
 - VA will pay the “person or entity” that incurred the costs of the Veteran’s burial and a death certificate (not automated)
- Funeral homes may only apply if the Veteran’s remains are unclaimed
- Recognition of cremation, burial at sea, and medical school donation approved
- VA will pay burial benefits to a single person (no longer split between multiple claimants)
- If the Veteran was 100% service connected at the time of death then service connected burial benefits and automatically paid

Automated Burial Process

- Effective July 7, 2014, burial payments are automatically payable to the surviving spouse of record when the First Notice of Death (FNOD) is processed
 - FNOD can be processed by a call center, CVSO phone line, or other notification
- VA Form 21-530, Application for Burial Benefits and supporting documentation is not required unless eligible for transportation and / or plot expenses

Burial and Transportation Rates

	10/01/2011	10/01/2012	10/01/2013
SC Burial	\$2,000	\$2,000	\$2,000
NSC Burial (hospitalized by VA)	\$700	\$722	\$734
NSC Burial	\$300	\$300	\$300
State Cemetery	\$700	\$722	\$734
Plot Allowance	\$700	\$722	\$734

Accrued Benefits

Accrued Benefits

- Benefits due to the beneficiary but not paid prior to death
- Claim must be filed within one year of the death of the beneficiary
- No time limit for non-negotiated checks
- Can be eligible by Relationship or Reimbursement

Accrued Benefits

Relationship

- Spouse
- Child(ren) for VA purposes
- Parent(s), if dependent on the Veteran at the time of the Veteran's death
- VA Form 21-534 or VA Form 21-601 and a copy of beneficiary's death certificate

Reimbursement

- When no one is entitled by basis of relationship, anyone who paid expenses related to the beneficiary's last illness or burial
- VA Form 21-601, copy of beneficiary's death certificate and proof of paid expenses

Accrued Benefits

Claims By a Creditor

- A creditor may be paid as reimbursement, but must support the claim with a waiver of claims from:
 - All other creditors, and
 - Any person who is shown to have an interest in the accrued benefits because of services rendered to the deceased beneficiary related to last illness or burial, and
 - Holds the creditor responsible for the payment of his / her claim

Accrued Benefits

Substitution Appeal – Veteran had an appeal pending at the time of death, will be worked by office with jurisdiction of appeal at time of death

Substitution Claim – Veteran had a claim pending at the time of death, evidence to support claim pending at the time of death may be submitted by substitute claimant

Fully Developed Claims (FDC) Program

- Innovative program designed to provide Veterans and claimants with quick and expeditious decisions
- Does not impact quality of claim processing and preserves appeal rights
- To greater assist the claimant, WE NEED YOUR SUPPORT

How Does FDC Program Work?

FDC Program

- Provides Veteran/claimant notice of the evidence necessary to substantiate their claim at the time of submission
- Veteran/claimant submits all evidence necessary to decide their claim at the time of submission
 - Certification of no additional evidence
- Significant reduction in processing time

Traditional Processing

- VA provides a Veteran with a 38 CFR § 5103 “Duty to Assist” letter after a claim is received
- Delays occur awaiting the receipt of evidence submitted after application
 - Often awaiting evidence from third parties, i.e. private physicians
- Longer processing times

FDC Claim Types

- **Any Compensation Claim including**
 - Claim for increase
 - Claims for service-connection (even 38 USC § 1151)
 - Claims for reopened service-connection
 - Claims for Individual Unemployability (IU)
 - Claims filed on a secondary basis
 - Claims for special monthly compensation
- **Any Initial or Reopened Live Pension Claim including**
 - Special Monthly Pension (A&A and Housebound)
 - Helpless / Seriously Disabled Child
- **Survivors Pension, DIC, and/or Accrued Benefits**
 - Special Monthly Pension (A&A and Housebound)
 - Helpless / Seriously Disabled Child

EZ Forms...A MUST for FDC

“EZ Forms are what make the FDC program unique. These forms provide Veterans Claims Assistance Act (VCAA) notification requirements (as required by 38 U.S.C. § 5103) for eligible claims at the time in which a Veterans applies for benefits. This allows Veterans to immediately understand what is necessary to substantiate and fully develop their claim...”

-FL 12-25

- **Compensation Benefits** MUST be submitted on [VA Form 21-526EZ](#)
- **Veterans Pension** MUST be submitted on [VA Form 21-527EZ](#)
- **Survivor Pension, DIC, and Accrued Benefits** MUST be submitted on [VA Form 21-534EZ](#)

Only EZ Forms issued from August, 2011, or after are acceptable. Any EZ Form issued prior to August, 2011, will be excluded from the FDC program.

Exception: If submitting a claim for death pension or DIC, use the December 2012 version of the 21-534EZ.

FDC – Special Circumstances

- Fill in **ALL** income sections (do not leave any blank)
- If claiming **survivor pension with aid and attendance or housebound benefits (Special Monthly Pension)**, a completed VA Form 21-2680, *Examination for Housebound or Permanent Need for Regular Attendance*, and a completed VA Form 21-0779, *Request for Nursing Home Information in Connection with Claim for Aid and Attendance* is required
- If claiming **assisted living, independent living, or in-home care expenses**, a *Care Expense Statement* filled out and signed by the care provider is needed
- If claiming **a child in school between ages of 18 and 23**, VA Form 21-674, *Request for Approval of School Attendance* is needed
- If claiming **dependents**, must submit VA Form 21-686c, *Declaration of Status of Dependents*
- If claiming **seriously disabled (helpless) child**, must submit all relevant private treatment records pertaining to the child's disabilities
- If applying for death benefits, submit a death certificate that lists the cause of death

FDC Exclusions

FDCs may be excluded from the program for a variety of reasons:

- The Claimant indicates a desire NOT to have the claim processed FDC
- The Claimant has a claim pending at the time of receipt of the EZ Form
- The claim requires a determination regarding character of discharge
- The claim requires development for records in the custody of the Veteran's Guard / Reserve unit(s) or further evidence from a private medical provider

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FDC Examples

Scenario 1:

Application is complete; however, service is not verified/no DD214 or certified documents received with application

Action: Internal verification for service.

- Claim is not excluded from the program but delay in claim processing.
- If federal records are fire related or unable to be verified, claim is excluded and development to claimant is initiated for service documentation.
- Must have sufficient service information to identify Veteran's service. i.e. Veteran's service number, period of service, and branch of service.

FDC Examples

Scenario 2:

If the claimant leaves items blank in Sections VII, VIII, or IX of the application (Net Worth and Income):

Action: Claim denied without development.

EXCEPTION:

- If the claimant puts \$0 in one of the “Other Income” boxes in Section VIII or IX and leaves the other two blank, that is considered a complete application.

FDC Examples – Dependency

Scenario 3:

Veteran does not provide complete marital history for either him/herself or their spouse.

Action: Income/net worth of the spouse counted but not added as a dependent. Solicit for marital history in award letter.

Scenario 4:

If the surviving spouse does not provide complete marital history for herself/himself or does not answer the remarriage or continuous cohabitation questions:

Action: Denied the claim for failure to furnish required evidence (unless he/she was on the Veteran's award per FL 12-04).

FDC Exclusions

General Rule

- If we require additional evidence that is NOT listed in the instructions of the form, or
- If we require additional evidence or forms that the claimant would have no way of knowing to submit:

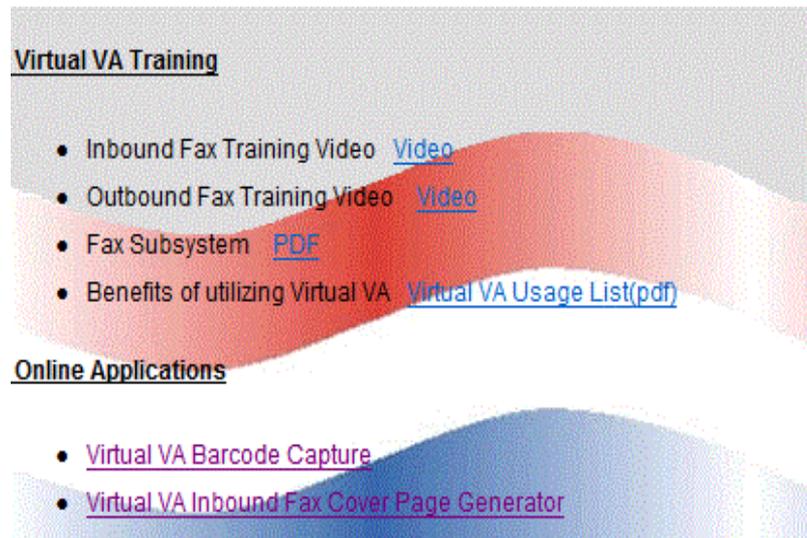
We will exclude and develop for these items.

Up-front Eligibility Verification

- Federal Tax Information (FTI) is data obtained from a claimant's tax return information. This information is provided to VA by Internal Revenue Service (IRS) and Social Security Administration (SSA)
- PMCs will use this information to verify the income of applicants
- Currently applies to Initial Live Pension and Initial Death Pension claims received on or after April 1, 2014

Updated Virtual VA (VVA) Fax Capability

- Old fax number was disabled July 12, 2014
- New fax number was activated July 14, 2014
 - **215-842-4420**
- Have access to VVA?
 - If so, please review the training material noted on the right →



Contacts

- CVSO line 612-713-8978 (8:00-4:30) Central Time
- VBASPL/PMCVSO (if in outlook)
- Debt Management Center (DMC) 1-612-970-5737

Thank you!

Questions?

