**PENSION MANAGEMENT CENTER (PMC) TRAINEE HANDOUT**

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## OBJECTIVES

* Given the appropriate manual and regulatory references and handouts, identify the locations and jurisdiction of the three PMC’s.
* Given the appropriate manual and regulatory references and handouts, identify pension eligibility criteria.
* Given the appropriate manual and regulatory references and handouts, identify the programs processed at the PMC’s.

## REFERENCES

* [M21-1, Part V, Subpart iv, Chapter 2,](https://vaww.vrm.km.va.gov/system/templates/selfservice/va_kanew/help/agent/locale/en-US/portal/554400000001034/content/554400000014950/M21-1%2C%20Part%20V%2C%20Subpart%20iv%2C%20Chapter%202%20-%20Pension%20Maintenance%20Center%20%28PMC%29%20Procedures) Pension Maintenance Center (PMC) Procedures
* [M21-1, Part V, Subpart i, Chapter 1](https://vaww.vrm.km.va.gov/system/templates/selfservice/va_kanew/help/agent/locale/en-US/portal/554400000001034/content/554400000014359/M21-1-Part-V-Subpart-i-Chapter-1-Overview-of-Requirements-and-Development-for-Pension-and-Parents-Dependency-and-Indemnity-Compensation-DIC?query=pension), Service Requirements for Pension
* [M21-1, Part V, Subpart i, Chapter 2,](https://vaww.vrm.km.va.gov/system/templates/selfservice/va_kanew/help/agent/locale/en-US/portal/554400000001034/content/554400000014360/M21-1%2C%20Part%20V%2C%20Subpart%20i%2C%20Chapter%202%20-%20Original%20Disability%20Pension%20Claims#1) General Information on Original Disability Pension Claims
* [M21-1, Part V, Subpart iii, Chapter 1,](https://vaww.vrm.km.va.gov/system/templates/selfservice/va_kanew/help/agent/locale/en-US/portal/554400000001034/topic/554400000003182/Chapter-1-The-Effect-of-Income-and-Net-Worth-on-Pension-and-Parents-Dependency-and-Indemnity-Compensation-DIC)  The effect of Income/NW & Dependency on Pension
* [M21-1, Part X, Chapter 9,](https://vaww.vrm.km.va.gov/system/templates/selfservice/va_kanew/help/agent/locale/en-US/portal/554400000001034/content/554400000073437/M21-1-Part-X-Chapter-09-Federal-Tax-Information-FTI) Federal Tax Information (FTI)

**TOPIC 1: HISTORY OF THE PMC**

### History

The Pension Management Centers (formerly Pension Maintenance Centers) were incorporated in fiscal year 2002 to process all VA Pension claims processing.

Their primary purpose for consolidating VA Pension was to allow the Home Regional Offices to focus primarily on Compensation claims. By consolidating the Pension related work, VA was able to focus on having increased accuracy based on skills and enhancement of computer program edits.

When the PMC’s were created in 2002, they only processed Pension related claims with running awards. At that time all Original or Rating related work was still processed at the Home Regional Office (HRO). Original claims and Survivors Benefits claims became jurisdiction of the Pension Management Centers in 2007.

### Locations and Jurisdiction

The three PMC’s are located at the following Regional Offices:

1. Philadelphia
2. Milwaukee
3. St. Paul

Philadelphia is responsible for claims received from all other foreign countries. St. Paul is responsible for all claims received from Central and South America, including the Caribbean. The Manila RO processes all Philippines claims

### Main Programs at the PMC’s

Currently, the PMCs perform work related to pension awards and all survivors claims. Limited disability compensation issues may be processed at the PMCs. For the full list of pension work performed see M21-1.V.iv.2. Some of the work performed by PMCs is listed below, the remaining types of specialized work are included in topic 3;

* Original and new Veterans and Survivors Pension claims
* Dependency and Indemnity Compensation (DIC)
* Accrued Benefits
* Burial Benefits
* income adjustments, including adjustments based on VA Form 21P-8416, Medical Expense Report
* changes in dependency for pension and/or DIC awards
* awards of special monthly pension (SMP)

## TOPIC 2: PENSION CRITERIA FOR ELIGIBILITY

VA pension is an income-based program for non-service connected wartime Veterans who are permanently and totally disabled. The Veteran must qualify on the terms listed below.

The basic eligibility criteria are:

* Disability/Age
* Qualifying Service
* Income
* Net Worth

### Disability or Age Criteria

The Veteran must be considered permanently and totally disabled to be eligible for Pension:

* Be 65 years or older,
* Or in a nursing home receiving skilled or intermediate care
* Or in receipt of Social Security Disability Insurance (SSDI)

If the Veteran does not qualify based on the above criteria a rating decision must be made to determine if the Veteran is permanently or totally disabled.

### Special Monthly Pension

An additional allowance for Special Monthly Pension (SMP) is available to claimants who are more seriously disabled, in addition to basic Pension rate. In order to be eligible for SMP, the Veteran or surviving spouse must meet the eligibility requirements for basic pension benefits.

### Aid and Attendance (A&A)

A&A is payable to a Veteran or surviving spouse who require the aid of another person in order to perform activities of daily living; bedridden; patient in a nursing home due to mental or physical incapacity; or have corrected visual acuity of 5/200 or less in both eyes, or concentric contraction of the visual field to 5 degrees or less.

A&A may be granted via:

* Rating, **or,**
* Administratively if the Veteran or surviving spouse is a patient in a qualified nursing home or a patient in a VA Nursing Home care unit or contracted nursing home.

### Housebound (HB)

* Is payable to a Veteran or surviving spouse who is substantially confined to his or her home because of permanent disability.
* **MUST** be granted by a Rating.

### Qualifying Service

The Veteran is considered to have met the minimum active duty requirement for improved pension purposes if he/she entered service:

* Prior to September 7, 1980 and has completed a continuous period of active duty of at least 90 days, or
* After September 7, 1980 and, has completed a continuous period of active duty of at least

**24 months** or the full period for which a person is called or ordered into active duty.

In addition to the minimum active duty requirements, the Veteran must have at least **one** day of wartime service.

### Income Criteria

Countable income determines the rate of benefits that can be paid. The higher the claimant’s countable income, the lower the rate of Improved Pension benefits payable.

Examples of countable income: wages, Social Security benefits, and retirement income. Unreimbursed medical expenses may be used to reduce the countable income for VA purposes.

Examples of allowable medical expenses: Nursing home fees, prescriptions, private medical insurance, etc.

\*\*\*NOTE: Medical Expenses must exceed the 5% deductible in order to be countable.

**Maximum Annual Pension Rate** The maximum annual pension rate (MAPR) is the yearly income limit set by Congress each year. These rates can be located under [Rate Tables](https://vaww.vrm.km.va.gov/system/templates/selfservice/va_kanew/help/agent/locale/en-US/portal/554400000001034/topic/554400000003364/Pension) in the Compensation and Pension Knowledge Management Portal (CPKM).

### Income for VA Purposes (IVAP)

IVAP Formula:

Annualized countable income – medical expenses + 5% medical deductible = income for VA purposes (IVAP)

VA pays the difference between the MAPR rate and the claimant’s income for VA purposes (IVAP).

### Net Worth Criteria

The market value, less mortgages or other encumbrances, of all real and personal property owned by claimant except the claimant’s single-family dwelling and reasonable personal effects.

Net Worth requirements:

* M21-1 Part V, Subpart iii, Chapter 1, Section J, Net Worth
* VA Form 21-527EZ, Application for Pension
* VA Form 21P-8049, Request for Details of Expenses

### Dependency

Remember the following:

* Number of dependents increases the MAPR.
* Dependent’s income information is required because it is used to determine the Veteran or surviving spouse’s IVAP.

**TOPIC 3: SPECIALIZED WORK OF THE PMCS**

### Federal Tax Information (FTI) Matches

The Internal Revenue Service (IRS) provides VA with unearned income records including retirement income. The Social Security Administration (SSA) provides VA with earned income records. VA uses FTI for upfront verification and Income Verification Matches (IVM), which are generally processed annually at the PMCs. These matches compare income reported to The Department of Veterans Affairs (VA) by pension and Parent’s Dependency and Indemnity Compensation (DIC) recipients with IRS and SSA income.

### Other Types of Work Performed at the PMCs

* Social Security verification matches
* Social Security number (SSN) matches
* prison and fugitive felon matches
* total disability income provision (TDIP) review matches
* adjustments based on VA Form 20-6560, Notice of Benefit Payment Transaction, or VA Form 20-8270, C&P Master Record-Audit Writeout not requiring a rating decision
* incompetency and competency determinations
* Loan Guaranty claims based on service-connected (SC) death, and
* hospital adjustments to pension awards.

*NOTE: the list above does not contain all of the functions of the PMCs*

### Document Storage

The PMCs have primarily used Legacy Content Manager (LCM), formerly Virtual VA, as a Veterans electronic claims folder or e-Folder. The PMCs are now transitioning into the VBMS system for document storage and claims processing.

**ATTACHMENT A: COMMON ACRONYMS**

|  |  |
| --- | --- |
| **Acronym** | **Definition** |
| PMC | Pension Management Center |
| SM | Service Member |
| RO | Regional Office |
| HRO | Home Regional Office |
| EVR | Eligibility Verification Report |
| UMEs | Unreimbursed Medical Expenses |
| IVAP | Income for VA Purposes |
| MAPR | Maximum Annual Pension Rate |
| SMIB | Supplementary Medical Insurance Benefit |
| SMP | Special Monthly Pension |
| LCM | Legacy Content Manager (formerly Virtual VA) |
| A/A | Aid and Attendance |
| HB | Housebound |

**ATTACHMENT B: PMC JURISDICTION CHART**

|  |  |
| --- | --- |
| **330 MILWAUKEE** | **335 ST. PAUL** |
| 328 Chicago, IL | 340 Albuquerque, NM |
| 325 Cleveland, OH | 463 Anchorage, AK |
| 329 Detroit, MI | 347 Boise, ID |
| 326 Indianapolis, In | 339 Denver, CO |
| 323 Jackson, MS | 333 Des Moines, IA |
| 350 Little Rock, AR | 437 Fargo, ND |
| 327 Louisville, KY | 436 Fort Harrison, MT |
| 322 Montgomery, AL | 359 Honolulu, HI |
| 320 Nashville, TN | 362 Houston, TX |
| 321 New Orleans, LA | 334 Lincoln, NE |
| 331 St. Louis, MO | 344 Los Angeles, CA |
| 351 Muskogee, OK |
| **310 PHILADELPHIA** | 343 Oakland, CA |
| 316 Atlanta, GA | 345 Phoenix, AZ |
| 313 Baltimore, MD | 348 Portland, OR |
| 301 Boston, MA | 354 Reno, NV |
| 307 Buffalo, NY | 341 Salt Lake City, UT |
| 319 Columbia, SC | 377 San Diego, CA |
| 308 Hartford, CT | 346 Seattle, WA |
| 315 Huntington, WV | 438 Sioux Falls, SD |
| 373 Manchester, NH | 349 Waco, TX |
| 306 New York, NY | 452 Wichita, KS |
| 309 Newark, NJ |
| 311 Pittsburg, PA | **NO ALIGNMENT** |
| 304 Providence, RI | 358 Manila |
| 314 Roanoke, VA |
| 355 San Juan, PR |
| 317 St. Petersburg, FL |
| 402 Togus, ME |
| 372 Washington DC |
| 405 White River Junction, VT |
| 460 Wilmington, DE |
| 318 Winston-Salem, NC |

## ATTACHMENT C: WARTIME PERIOD CHART/ACTIVE DUTY REQUIREMENTS

|  |  |
| --- | --- |
| **Wartime Period** | **Beginning and Ending Dates** |
| World War II | December 7, 1941 through December 31, 1946 (see M21-1MR, 111.111.2.F.36 for (Merchant Marines) |
| Korean Conflict | June 27, 1950, through January 31, 1955 |
| Vietnam Era | August 5, 1964, through May 7, 1975; for Veterans who served "incountry" before August 5, 1964, February 28, 1961, through May·7, 1975 |
| Gulf War | August 2, 1990, through a date to be set by law or Presidential Proclamation |

|  |
| --- |
| **Active Duty Requirements** |
| Veterans who entered active duty after September 7, 1980 | * 24 months active military service, ***or***
* Served full period to which he/she was called or ordered to active duty, ***or***
* Active service with discharge for a service- connected disability
 |
| All other Veterans | * 90 days active military service, ***or***
* Active service with discharge for a service- connected disability
 |

## PRACTICAL EXERCISE

1. Where are the Pension Management Centers located?
	1. San Diego RO, Winston-Salem RO and Sal Lake City RO
	2. Philadelphia RO, Cheyenne RO and Fargo RO
	3. St Paul RO, Milwaukee RO and Philadelphia RO
2. During what fiscal year were the PMCs formed?
	1. 2002
	2. 2001
	3. 2003
3. What are the basic eligibility requirements for pension?
	1. Disability/Age; qualifying service; income; and net worth
	2. Disability/Age; SMP; qualifying service; income and dependency
	3. Qualifying service; income; net worth; dependency and SMP
4. Which is NOT a basic pension eligibility criterion?
	1. Disability/Age
	2. Qualifying Service
	3. VA Compensation disability rate
	4. Net Worth
	5. Income
5. What is the correct answer when applying the Age Criteria to a pension claim?
	1. 45
	2. 55
	3. 65
	4. 67
6. Housebound Special Monthly Pension must be granted by a VA Rating Decision.
	1. True
	2. False
7. Qualifying Service for Pension includes which of the following?
	1. At least one day of wartime service.
	2. Five years accumulative service
	3. 90 days accumulative service
	4. None of the above
8. Which of the following is included in the calculation for Income for VA Purposes (IVAP)?
	1. Income + net worth – medical expenses + 5% medical deductible
	2. Income – medical expenses + 5% medical deductible
	3. Income + medical expenses + 5% medical deductible
9. The Maximum Annual Pension Rate (MAPR) chart also reflects which of the following?
	1. 5% Deductible for medical expenses
	2. 5% Deductible for Net Worth
	3. 5% Deductible for Net Income
10. Which of the following types of work are processed at the PMCs?
	1. Income Verification Matches
	2. Prison and Fugitive Felon Matches
	3. Original Disability Pension
	4. All of the above