Introduction to Special Monthly Compensation (VSR)

Instructor Lesson Plan

Time Required: 3 Hours

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| Lesson Description | |
| TMS # | 4183215 |
| Prerequisites | Prior to this lesson, the Veteran Service Representatives (VSRs) should have 12 months of VSR experience. Trainees should also have completed Challenge. |
| target audience | The target audience for **Intro to Special Monthly Compensation (SMC) - VSR** is Post-Challenge VSR.  Although this lesson is targeted to teach the VSR Journey Level employee, it may be taught to other VA personnel as mandatory or refresher type training. |
| Time Required | **3 hours** |
| Materials | Lesson materials:   * **Intro to Special Monthly Compensation (SMC) - VSR** PowerPoint Presentation * **Intro to Special Monthly Compensation (SMC) - VSR** Trainee Handout * **Intro to Special Monthly Compensation (SMC) – VSR** Lesson Plan * **SMC Code Job Aid** * **Draft of SMC/SMP Clarification Letter** |
| Training Area/Tools | The following are required to ensure the trainees are able to meet the lesson objectives:   * Classroom or private area suitable for participatory discussions * Seating, writing materials, and writing surfaces for trainee note taking and participation * Handouts, which include a practical exercise * Large writing surface (easel pad, chalkboard, dry erase board, overhead projector, etc.) with appropriate writing materials * Computer with PowerPoint software to present the lesson material   Trainees require access to the following tools:   * VA TMS to complete the assessment * VA Intranet * **The Rating Combinator** |

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| Pre-Planning | * Become familiar with all training materials by reading the Instructor Lesson Plan while simultaneously reviewing the corresponding PowerPoint slides. This will provide you the opportunity to see the connection between the Lesson Plan and the slides, which will allow for a more structured presentation during the training session. * Become familiar with the content of the trainee handouts and their association to the Lesson Plan. * Practice is the best guarantee of providing a quality presentation. At a minimum, do a complete walkthrough of the presentation to practice coordination between this Lesson Plan, the trainee handouts, and the PowerPoint slides and ensure your timing is on track with the length of the lesson. * Ensure that there are copies of all handouts before the training session. * When required, reserve the training room. * Arrange for equipment such as flip charts, an overhead projector, and any other equipment (as needed). * Talk to people in your office who are most familiar with this topic to collect experiences that you can include as examples in the lesson. * This lesson plan belongs to you. Feel free to highlight headings, key phrases, or other information to help the instruction flow smoothly. Feel free to add any notes or information that you need in the margins. |
| Training Day | * Arrive as early as possible to ensure access to the facility and computers. * Become familiar with the location of restrooms and other facilities that the trainees will require. * Test the computer and projector to ensure they are working properly. * Before class begins, open the PowerPoint presentation to the first slide. This will help to ensure the presentation is functioning properly. * Make sure that a whiteboard or flip chart and the associated markers are available. * The instructor completes a roll call attendance sheet or provides a sign-in sheet to the students. The attendance records are forwarded to the Regional Office Training Managers. |

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| Introduction to Special Monthly Compensation (SMC) - VSR | | |
| INSTRUCTOR INTRODUCTION | | Complete the following:   * Introduce yourself * Orient learners to the facilities * Ensure that all learners have the required handouts |
| time required | | **0.25 hours** |
| Purpose of Lesson | | This lesson is intended to introduce trainees to Special Monthly Compensation (SMC) and how to recognize, develop, and promulgate a claim for SMC. |
| Lesson Objectives  Slide 2  *Handout 2* | In order to accomplish the purpose of this lesson, the VSR will be required to accomplish the following lesson objectives.  The **VSR** will be able to:   * Demonstrate an understanding of the concept of SMC and two levels of SMC: (K) and (S1) * Recognize a claim for SMC * Develop a claim for SMC * Check the Rating Codesheet for accuracy   Each learning objective is covered in the associated topic. At the conclusion of the lesson, the learning objectives will be reviewed. | |
| Motivation | Tell the trainees that SMC is NOT overly difficult or as mysterious as they may have been led to believe. By understanding the concept of SMC, the trainee will ensure that the Veteran receives the full benefit to which he is entitled. After this training, the trainee will also be able to identify a claim for SMC versus a claim for SMP, which will lead to faster processing of each type of claim. | |
| STAR Error code(s)  *This training will cover how to review the codesheet to ensure that the SMC (S-1) has been closed out.*  *Note: A listing of all SMC codes can be located in the SMC Codes Job Aids found in this training.* | The following have been noted as the most cited SMC errors:   * Failure to grant SMC S when the criterion has been met. Remember to refer to 38 CFR 3.350(i) and38 U.S.C. 1114(s) to ensure SMC S-1 is properly considered and/or applied to claims when rating*.* Additionally, note that SMC S-1 may be granted on a temporary basis (ex. when the criterion is met with the granting of temporary 100% evaluation). * Failure to close out SMC (S-1) on the date it should be discontinued. Please note that an additional line must be added to the SMC section of the code sheet to close out and indicate the date the benefit has been discontinued. * Improper grant of SMC (S1). Remember, the Veteran must have a ***single*** disability rated at 100% or between 60% and 90% if we are establishing entitlement to IU for that ***single*** disability. We cannot combine disabilities to establish entitlement to SMC (S1). * Improper coding of SMC. When reviewing the Rating codesheet, it is very important the proper numbers are displayed in the SMC Codebox. * Dropping of SMC K. Remember, when a higher level of SMC is granted (i.e., S or L) that you need to carry forward any existing SMC K entitlement. | |
| References  Slide 3  Handout 3 | Explain where these references are located in the workplace.   * **[38 U.S.C. 1114, Rates of Wartime Disability Compensation](http://uscode.house.gov/view.xhtml?req=(title:38%20section:1114%20edition:prelim)%20OR%20(granuleid:USC-prelim-title38-section1114)&f=treesort&edition=prelim&num=0&jumpTo=true)** * [**38 U.S.C. 5103, Notice to claimants of required information and evidence**](http://uscode.house.gov/view.xhtml?req=(title:38%20section:5103%20edition:prelim)%20OR%20(granuleid:USC-prelim-title38-section5103)&f=treesort&edition=prelim&num=0&jumpTo=true) * **[38 CFR 3.159, Department of Veterans Affairs assistance in developing claims](http://www.ecfr.gov/cgi-bin/text-idx?SID=ad275643432556b9dda942343fb89296&mc=true&node=pt38.1.3&rgn=div58" \l "se38.1.3_1159)** * [**38 CFR 3.350, Special monthly compensation ratings**](http://www.ecfr.gov/cgi-bin/text-idx?SID=ad275643432556b9dda942343fb89296&mc=true&node=pt38.1.3&rgn=div58#se38.1.3_1350) * **[38 CFR 3.951, Preservation of disability ratings](http://www.ecfr.gov/cgi-bin/text-idx?SID=ad275643432556b9dda942343fb89296&mc=true&node=pt38.1.3&rgn=div58" \l "se38.1.3_1951)** * [**38 CFR 4.16, Total disability ratings for compensation based on unemployability of the individual**](http://www.ecfr.gov/cgi-bin/text-idx?SID=ad275643432556b9dda942343fb89296&mc=true&node=pt38.1.4&rgn=div5#se38.1.4_116http://www.ecfr.gov/cgi-bin/text-idx?SID=ad275643432556b9dda942343fb89296&mc=true&node=pt38.1.4&rgn=div5) * **[M21-1, Part I, 1.B, Duty to Notify Under 38 U.S.C. 5102 and 5103](https://vaww.compensation.pension.km.va.gov/system/templates/selfservice/va_ka/" \l "agent/portal/554400000001034/article/554400000014065/M21-1-Part-I-Chapter-1-Section-B-Du)** * [**M21-1, Part I, 1.C, Requesting Records**](https://vaww.compensation.pension.km.va.gov/system/templates/selfservice/va_ka/#!agent/portal/554400000001034/article/554400000014066/M21-1-Part-I-Chapter-1-Section-C-Re) * [**M21-1, Part III, Subpart ii, 2.B, Claims for Disability Compensation and/or Pension**](https://vaww.compensation.pension.km.va.gov/system/templates/selfservice/va_ka/#!agent/portal/554400000001034/article/554400000014119/M21-1-Part-III-Subpart-ii-Chapter-2) * [**M21-1, Part III, Subpart v, 2.A, Decision Authorization**](https://vaww.compensation.pension.km.va.gov/system/templates/selfservice/va_ka/#!agent/portal/554400000001034/article/554400000014229/M21-1-Part-III-Subpart-v-Chapter-2-S) * [**M21-1, Part IV, Subpart ii, 2.H, Special Monthly Compensation (SMC)**](https://vaww.compensation.pension.km.va.gov/system/templates/selfservice/va_ka/#!agent/portal/554400000001034/article/554400000014571/M21-1-Part-IV-Subpart-ii-Chapter-2-S) * **[Bradley v. Peake, No. 06-1854, November 26, 2008](http://vbaw.vba.va.gov/bl/21/advisory/DADS/2008dads/Bradley.doc)** * [**Guerra v Shinseki, No. 2010-7080, April 29, 2011**](http://vbaw.vba.va.gov/bl/21/advisory/DADS/2011dads/FedCirc/Guerra.doc) | |

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| Topic 1: The Concept of Special Monthly Compensation | |
| Introduction | ***Special Monthly Compensation (SMC)*** is an additional level of compensation to Veterans (above the schedular evaluation) for various types of anatomical losses or levels of impairment due solely to service-connected (SC) disabilities. |
| Time Required | **0.25 hours** |
| OBJECTIVES | Topic objectives:   * The trainee will understand the basic concept of SMC and eligibility requirements |
| REFERENCES | * 38 USC 1114 * 38 CFR 3.350 * 38 CFR 3.951 * M21-1, Part IV, Subpart ii, 2.H |
| Concept of SMC  Slide 4-5  Handout 4  Make sure to mention that any evaluation involving SMC must be based on the SMC Calculator. A VSR will know this has been used because the RVSR will upload a copy of the calculator into VBMS.  M21-1 IV.ii.2.H.1.iIn case you wanted to know the SMC that each numbers refers to, see below.  #1 SMC K  #2 SMC L  #3 SMC L, M, N, O  #4 P-Steps  #5 SMC R1  #6 SMC R2  #7 SMC S1  #8 SMC S2  This lesson will only cover #1 SMC-K and #7 SMC-S-1 | As the concept of rating disabilities has evolved over the past century, it was realized that certain disabilities warrant additional payment above the schedular allowance. Therefore, “Special Monthly Compensation” came about to recognize the severity of certain disabilities or combinations of disabilities by adding an additional compensation to the basic rate. Generally speaking, SMC is granted for disabilities where (in order of increasing severity) the disability picture involves:   1. Loss or loss of use (LOU) of specific organs, sensory functions, or an extremity; 2. Disabilities that render the Veteran permanently bedridden or in need of aid and attendance (A&A); 3. Combinations of severe disabilities that significantly affect locomotion; 4. Existence of multiple, independent disabilities each rated at 50% or 100%, 3rd affected extremity, deafness and blindness together, and blindness and LOU of extremity; 5. Level of severity includes one or more higher level SMCs (L, M, N, O) and there is a need for A&A based on a high degree of impairment 6. Existence of multiple disabilities which, in total, render the Veteran in need of such a degree of special skilled assistance that, without same, the Veteran would be permanently confined to a skilled-care nursing home. ***(higher level of care)*** 7. Existence of a single disability rated at 100% and additional service-connected disability(ies) independently ratable at 60 percent or more; 8. Disabilities that confine the Veteran to her residence.   This lesson, however, will confine itself to only SMC K and SMC S1.  SMC is paid *in addition to* schedular disability compensation. SMC levels are evaluations, not disabilities. Thus, they accrue protection under 38 CFR 3.951.  They are referred to in VA vernacular or acronym by the letter of the subparagraph of 38 USC 1114 that establishes the rate of payment. For example, SMC “K” refers to 38 USC 1114(k) that establishes the rate. Thus, that SMC is referred to as a “K.”  The SMC entitlements are shown on the rating decision in the “coded conclusion” section after all coded disabilities are listed. The rating codesheet will be discussed in more detail in Topic 2. |
| **Exercise** | None |

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| Topic 2: SMC (K) & SMC (S1) | |
| Introduction | The two of the most common SMC levels granted are SMC (K) and SMC (S1). SMC (K) is paid for loss or loss of use (e.g., erectile dysfunction) and SMC (S1), or statutory housebound, is paid when the Veteran has a single disability rated at 100% and additional disability(ies) independently rated at 60% or higher. |
| Time Required | **1.25 hours** |
| OBJECTIVES | Topic objectives:   * The trainee will understand the concept of SMC (K) and (S1) and eligibility requirements. * The trainee will be able to review the Rating Codesheet for accuracy of SMC decisions |
| REFERENCES | * 38 USC 1114(k) * 38 USC 1114(s) * 38 CFR 3.350(a) * 38 CFR 3.350(i) * 38 CFR 4.16 * M21-1, Part IV, Subpart ii, 2.H.4 * M21-1, Part IV, Subpart ii, 2.H.10.a * Bradley v. Peake * Guerra v. Shinseki |
| SMC (K)  Slide 6  Handout 5  Aphonia is the inability of communication by voice or whisper through the normal organs of speech. | Criteria for grant of SMC (K) is met with any of the following: (1) anatomical loss or loss of use (LOU) of a hand or foot, both buttocks, one or more creative organs, (2) blindness of one eye (light perception only or greater), (3) deafness of both ears, (4) complete organic aphonia, or, (5) in the case of a women Veteran, loss of 25% of breast tissue or following the receipt of radiation treatment of breast tissue.    It is possible to be entitled to multiple Ks as long as the qualifying disabilities involve separate and unrelated body functions and each is considered only once. (e.g., K for loss of use of a creative organ and K for loss of use of right hand.) |
| SMC (S-1)  Slide 7-15  Handout 5-6  Independently ratable means that the conditions are separate and distinct from the condition that is at the 100% evaluation. The examples below provide some clarification.  Unlike IU, multiple disabilities cannot be combined to reach the SMC (S1) requirement for a single 100% evaluation. The Veteran must have a single disability at the 100% level. For example, we could not combine the evaluation for diabetes and all diabetic residuals to reach a 100% evaluation and grant SMC (S1).  Show the trainees how to access the Rating Combinator tool and demo how to use it before beginning the check for comprehension. Be sure to discuss when to use the bilateral factor on the Combinator. | Entitlement to SMC (S) requires a single 100% S/C disability, and:   * (S1) additional service-connected disability or disabilities independently ratable at 60 percent, or * (S2) being factually housebound due to S/C disability.   For the purpose of this training, we will only discuss S-1.  Unlike most other SMC levels, S1 can be granted temporarily or permanently. If the Veteran is granted a temporary 100% evaluation for convalescence or hospitalization and has additional disability(ies) at a 60% evaluation or higher, the Veteran is entitled to SMC S1. The RVSR can grant S1 for the time period the Veteran is convalescing or is hospitalized.  ***Example: left knee replacement (temporary 100%) & coronary artery disease (60%)***  **Bradley v Peake**  The court determined the provisions of 38 CFR 4.16 do not apply when considering what constitutes a single total disability for the purpose of granting entitlement to SMC (S1). As such, the total disability for SMC (S1) grants cannot be a combination of disabilities, noted under 38 CFR 4.16(a), which are considered single disabilities for the purpose of granting entitlement to individual unemployability.  The court also decided that if IU was granted based on a single disability (rated between 60 and 90%), then it could count as a single "total” (100%) disability.  Therefore, if the Veteran has separate disabilities, apart from the single IU disability, that are **NOT** the cause of IU and combine to 60% disabling or greater, entitlement to statutory housebound benefits may be granted.  ***Example: IU based solely on headaches (60%) & an additional grant of service connection for coronary artery disease (60%)***  **Guerra v Shinseki**  The court stated that the regulation’s reference to a “single service-connected disability rated as 100 percent” resolves any ambiguity in the statute and makes it clear that SMC (S1) is only payable if the Veteran has a single disability that is rated 100 percent or is totally disabling due to individual unemployability.  **Check for Comprehension**  **Scenario 1** - The Veteran is service connected for coronary artery disease (60%), diabetes mellitus (40%), peripheral neuropathy left lower extremity (20%), peripheral neuropathy right lower extremity (20%), peripheral neuropathy left upper extremity (20%), and peripheral neuropathy right upper extremity (20%). The RVSR increases the evaluation of coronary artery disease to 100% effective 02/14/2015. Is the Veteran entitled to SMC (S1), statutory housebound, and if so, what is the effective date of the grant?  ***Answer 1*** *– The Veteran is only entitled to SMC (S1), effective 02/14/2015, as he has a 100% evaluation for coronary heart disease and the rest of his service connected disabilities total up to 80% disabling.*  **Scenario 2** – The Veteran is service connected for tinnitus (10%) and bilateral hearing loss (0%). The RVSR grants service connection for prostate cancer with erectile dysfunction at 100%. Is the Veteran entitled to SMC (K) and/or SMC (S1), statutory housebound, and if so what is the effective date of the grant?  ***Answer 2*** *– The Veteran is entitled to SMC (K), effective 03/12/2016, as he has loss of use of a creative organ. The Veteran is not entitled to SMC (S1) as his other service connected disabilities do not total up to at least 60%.*  **Scenario 3** - The Veteran is service connected for posttraumatic stress disorder (70%), degenerative disc disease of lumbosacral spine (20%), degenerative disc disease of the cervical spine (20%), patellofemoral pain syndrome right knee (20%), and patellofemoral pain syndrome left knee (20%). The RVSR grants entitlement to the individual unemployability (IU) based on the Veteran’s posttraumatic stress disorder effective 04/08/2014. Is the Veteran entitled to SMC (K) and/or SMC (S1), statutory housebound, and if so what is the effective date of the grant?  ***Answer 3*** *– The Veteran is only entitled to SMC (S1), effective 04/08/2014, as she was granted IU based on one condition and the rest of her service connected conditions total up to 60% disabling.* |
| Reviewing the Codesheet  Slide 16-19  Handout 6-7  *Direct the trainees to the Rating Codesheets (page 8-11) in the Handout. Review the codesheet as you cover the information.*  *See SMC Code Job Aid (page 12) for award abbreviation to SMC Code conversion (rates will not be correct). For example, M = 03* | ***While reviewing the following information, please use Attachment A on pages 8-9.***  On the Rating Codesheet, you will find the Special Monthly Compensation section after the Combined Evaluation for Compensation section. Each grant of SMC will have an accompanying paragraph on the Rating Codesheet. The text for each SMC entitlement paragraph will show the level of SMC, the reason for entitlement, the effective date of entitlement, and the end date of entitlement (if applicable). After the SMC entitlement paragraphs, the SMC Code Box will be listed.  As a VSR promulgating or authorizing an award, you should review the Rating Codesheet for any obvious errors. You are not expected to challenge the percentage of a grant of service-connection or whether the condition should have been service-connected or not. However, issues like the correct effective date of a grant, a duplicate grant of the same condition, or incorrect SMC information should be caught by the promulgator and/or authorizer. This will ensure that the Veteran is getting a quality decision.  When reviewing SMC information on the codesheet, you want to ask yourself the following questions:   * Were all SMC issues addressed? * If there was an SMC K grant prior to another SMC grant (i.e., S or L), did it continue after the new grant? * Did we grant SMC S1 (statutory housebound), if applicable? * If the SMC S1 grant was based on a temporary 100%, is the SMC S1 stopped and is it stopped on the appropriate date? * Are the SMC codes in the SMC Code Box correct?   While it may seem like a daunting task, all of these questions can be answered with a quick review of the Rating Codesheet and the Veteran’s claim.  Question 1 – Look at the claim(s). If the Veteran specifically claimed SMC and we addressed that claim on the rating, then we can answer this question in the affirmative.  ***NOTE: If the Veteran claimed a condition that involved the loss of use of a body part (i.e., erectile dysfunction or amputation), then the RVSR should infer special monthly compensation. This will not always be an automatic SMC K; it may be a different SMC level (i.e., L or M). If something looks off, discuss this with the RVSR who completed the rating.***  Question 2 – Look at the codes in the SMC Code Box and refer to the SMC Code Job Aid provided with this training. If the new SMC code includes the original K grant, then we can answer this question in the affirmative.  Question 3 – Look at the Rating Codesheet. If the Veteran has a single disability rated at 100% or is granted IU based on a single disability and has other disability(ies) combined at or above the 60% level, then entitlement to SMC S-1 should be established. If it shows up on the Rating Codesheet, then we can answer this question in the affirmative  ***Note: Use the Rating Combinator to assist with calculating the disability level for the remaining disabilities. If you do not see a single condition at 100% or IU based on a single disability, then you do not need to review further. If you cannot determine what condition(s) the IU grant is based on, refer back to the rating that originally granted IU.***  Question 4 – Look at the Rating Codesheet. If the Veteran has a temporary 100% grant and SMC S-1 was based on this condition, then the SMC S-1 should end with the temporary 100%. If you can find an end date in the SMC text **and** SMC Code Box, then you can answer this question in the affirmative.  ***Note: If the Veteran does not have a temporary 100% grant, then you do not need to review further.***  Question 5 – Look at the Rating Codesheet and compare to the SMC Code Job Aid provided with this training. If all the codes in the SMC Code Box match the SMC text, then you can answer this question in the affirmative. |
| ExerciseS | **SMC Codes Exercise (page 11)**  **SMC (S1) Exercise (page 12-14)** |

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| Topic 3: Recognizing a Claim for SMC | |
| Introduction | Often, the Veteran submits a VA Form 21-2680, Examination for Housebound Status or Permanent Need for Regular Aid and Attendance, in lieu of the other standard forms (e.g., VA Form 21-526EZ or VA Form 21-527EZ). The form is not always clear on what benefit the Veteran is seeking, SMC or Special Monthly Pension (SMP). |
| Time Required | **0.50 hours** |
| OBJECTIVES | Topic objectives:   * The trainee will be able to recognize claims for SMC and SMP when submitted on a standalone VA Form 21-2680. * The trainee will be able to develop to the Veteran when clarification or a new application is needed. |
| REFERENCES | * M21-1 Part I, 1.B.b-c * M21-1 Part I, 1.B.e-f * M21-1 Part III, Subpart ii, 2.B.1.f |
| Substantially Complete Application  Slide 22  Handout 15 | A Veteran may submit a stand-alone claim for SMC or special monthly pension (SMP) on a VA Form 21-2680, Examination for Housebound Status or Permanent Need for Regular Aid and Attendance. For the application to be considered complete, the form must contain:   * Claimant’s name * Sufficient service information to verify the Veteran’s status * The benefit claimed * Disabilities on which the claim is based * Statement of income (for pension claims) |
| **VA Form 21-2680**  Slide 23  Handout 15-16  *Open a blank copy of the VA Form 21-2680 and review the form. Pay close attention to block 10 and block 19.*  *Pull up and Review M21-1 Part III, Subpart ii, 2.B.1.f.* | Since the VA Form 21-2680, *Examination for Housebound Status or Permanent Need for Regular Air and Attendance*, does not contain a section containing questions about what benefit the Veteran is claiming and is filled out by a medical doctor, it can be difficult to determine if the Veteran is claiming SMC or SMP. As a VSR, it is your responsibility to review the information presented on the form to determine, if possible, what benefit the Veteran is seeking.  When reviewing the form, close attention should be paid to block 19, *What Disabilities Restrict the Listed Activities/Functions*. This is the area of the form where the doctor will list what condition(s) cause the Veteran to be housebound or need aid and attendance. Notice that block 10 is a location for the doctor to provide a diagnosis of all condition(s) affecting the Veteran. Not every condition listed in block 10 may cause the Veteran to be housebound or need aid and attendance.  Take action on the claim(s) depending on the circumstances of the claim and a review of the claims folder. See below for different scenarios that may exist.   1. If the Veteran is entitled to receive compensation or has filed an original claim for service connection, then accept the VA Form 21-2680 as a claim for SMC regardless of the conditions listed on the VA Form 21-2680.   ***If a review of the file suggests that SMP may be the greater benefit, accept the VA Form 21-2680 as a claim for SMC and a request for application for pension and SMP.***  ***For example, if the Veteran is service-connected for bilateral hearing loss (0%) and tinnitus (10%) and his VA Form 21-2680 indicates that the Veteran needs aid and attendance due to his dementia, we should accept the VA Form 21-2680 as a claim for SMC and an RFA for pension/SMP.***   1. If the Veteran is entitled to receive pension or has filed an original claim for pension, then accept the VA Form 21-2680 as a claim for SMP regardless of the conditions listed on the VA Form 21-2680. 2. If the Veteran is entitled to both compensation and pension, then accept the VA Form 21-2680 as a claim for the benefit that the Veteran is currently receiving. For example, if the Veteran is entitled to both compensation and pension, but is receiving compensation as the greater benefit, accept the VA Form 21-2680 as a claim for SMC.   ***If a review of the file suggests that the opposite entitlement can be granted and may be the greater benefit, also accept the VA Form 21-2680 as a claim for the opposite benefit. If there is not current income information, accept the VA Form 21-2680 as a request for application for SMP.***  ***For example, if the Veteran is entitled to both compensation and pension, is receiving pension as the greater benefit, and a review of the file suggests that we can grant SMC and it will be the greater benefit, accept the VA Form 21-2680 as a claim for both SMC and SMP.***   1. If the Veteran has never filed an original claim for compensation or pension, accept the VA Form 21-2680 as a request for application. 2. If the Veteran is not entitled to compensation or pension because he has been denied, accept the VA Form 21-2680 as a request for application. 3. If the Veteran is not entitled to compensation or pension and has been denied within one year for compensation or pension, accept the VA Form 21-2680 as a claim for reconsideration of the previous denial.   ***Remember, that the VA Form 21-2680 is a claim for housebound and aid and attendance. Both are at issue until the RVSR has reviewed the file and made a determination. If entitlement to aid and attendance is granted, entitlement to housebound is a moot issue as aid and attendance is the greater benefit. If aid and attendance is denied, entitlement to housebound must be addressed as well.*** |
| **Clarification Development**  Slide 22-23  Handout 16  *Review the Letter Creator Sample Letter (page 17-20) with trainees.* | Before making a determination on your own, always attempt to contact the Veteran by phone. Additional development may be required depending on the outcome of the phone call.  ***Remember, claims for compensation and/or pension cannot be accepted over the phone.***  If after review, the Veteran’s claim falls into scenarios 4 or 5, a standard RFA letter should be sent using Letter Creator. Remember, to change the EP to a 400 and clear the EP after sending the RFA letter.  If after review, the Veteran’s claim falls into scenarios 1 or 3, a modified RFA letter will need to be sent. Because the standard RFA letter is not sufficient in these scenarios, a new Letter Creator template has been created, ***RFA – Solicit a Claim for SMP***. Send this letter to the Veteran while at the same time continuing to process the claim for SMC. Do not change or clear the pending EP. Do not CEST an EP 400 to control the RFA letter. If the Veteran returns the VA Form 21-527EZ while the claim for SMC is still pending, the regional office of jurisdiction will process the claim for pension/SMP. If the Veteran returns the VA Form 21-527EZ after the claim for SMC has been processed, the pension maintenance center of jurisdiction will process the claim. |
| **Exercise** | **VA Form 21-2680 Exercise (page 21-22)** |

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| Topic 4: Developing a Claim for SMC | |
| Introduction | Since the advent of the 526EZ and the standard 5103 letter, development is not generally needed when the Veteran claims SMC. The VSR would only develop when they needed something specific. |
| Time Required | **0.5 hours** |
| OBJECTIVES | Topic objectives:   * The trainee will be able to recognize when development is needed for SMC claims. |
| REFERENCES | * 38 U.S.C. 5103 * CFR 3.159 * M21-1 Part I, 1.B.1.c * M21-1 Part I, 1.C.3.b |
| Development  Slide 27  Handout 23 | Our statutory obligation under 38 U.S.C. 5103 is met when we receive a complete VA Form 21-526EZ or when the automated Section 5103 notice is sent to the Veteran. This means that in most situations a VSR will not have to send a 5103 letter with WTEMS. If the claim is not received on a VA Form 21-526 EZ and a standard 5103 notice has not been sent to the Veteran, standard 5103 development will be needed.  Even when we our statutory obligation under 38 U.S.C. 5103 has been met, specific development may still be needed. If the Veteran identifies medical records at a federal or private medical facility, we are obligated to develop for those records. This includes development for a VA Form 21-4142 when the Veteran does not provide one but identifies treatment at a facility that requires a release.  The claim is not ready for review by the RVSR until all evidence has been received or we have made a determination that the evidence is unavailable. |
| **Examinations**  Slide 28  Handout 23 | When the Veteran specifically claims SMC, generally, an examination is not needed as the Veteran submits medical evidence with his claim or medical evidence is of record in CAPRI or the claims folder. If the medical evidence is insufficient to evaluate the disability, an examination of the condition should be requested as a part of the claim for SMC. It is recommended that the VSR route the file to an RVSR for a more thorough review of the file before an examination is ordered. |
| Exercise | None |

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| Lesson Review, Assessment, and Wrap-up | |
| Introduction | The Intro to Special Monthly Compensation (SMC) – VSR lesson is complete.  Review each lesson objective and ask the trainees for any questions or comments. |
| Time Required | **0.25 hours** |
| Lesson Objectives | You have completed the Intro to Special Monthly Compensation (SMC) – VSR lesson.  The trainee should be able to:   * Demonstrate an understanding of the concept of SMC and two levels of SMC: (K) and (S1) * Recognize a claim for SMC * Develop a claim for SMC * Check the Rating Codesheet for accuracy |
| Assessment | Remind the trainees to complete the on-line assessment and survey in TMS to receive credit for completion of the course.  The assessment will allow the participants to demonstrate their understanding of the information presented in this lesson.  The survey will allow participants to provide feedback on how Compensation Service can enhance the training course. |