



PENSION AND FIDUCIARY SERVICE

PMC VSR Advanced Core Course
Phase 5, Part 1: Determine Eligibility

Phase 5, Part 1(c) Knowledge Check Preparation

Trainee Guide

12/20/2016

Version 1.0

**Phase 5, Part 1(c) Knowledge Check Preparation
Trainee Guide**

Phase 5, Part 1(c) Knowledge Check Preparation

Lesson Overview

Topic	Description
Time Estimate:	2 hours
Purpose of the Knowledge Check preparation:	This knowledge check preparation is part of the entry-level curriculum, Core Course for PMC VSRs. The purpose of this knowledge check preparation is to get PMC VSRs ready to take the Phase 5, Part 1(c) Knowledge Check.
Prerequisite Training Requirements:	Prior to taking the Phase 5, Part 1(c) Knowledge Check Preparation, trainees must complete PMC VSR Core Course Phase 1–4 and Phase 5 lessons 1–15. Refer to the Master Course Map learning aid for a list of lessons.
Target Audience:	This knowledge check preparation is for entry-level PMC VSRs.

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Topic	Description
References:	<ul style="list-style-type: none"> • Master Course Map learning aid • VA Form 21-5427 (Corpus of Estate Determination) • M21-1 V.i.3.A.3.c. (Reporting Period for Current-Law Pension) • M21-1 V.iii.1.A.2.d. (Action to Take When SS Rate Reported by the Beneficiary is Different Than SS Rate in Share) • M21-1 V.iii.1.A.3.g (Definition of Initial Year for Pension and Time Limit for Establishing Entitlement for the Initial Year) • M21-1 V.iii.1.A.4 (Pension and Parents' DIC Award Effective Dates and Payment Dates) • M21-1 V.iii.1.A.5 (General Information on the Payment Date Under 38 CFR 3.31) • M21-1 V.iii.1.B.3 (Computing Monthly SSA and Medicare Benefits) • M21-1 V.iii.1.E.6 (Counting Income for Department of Veterans Affairs Purposes) • M21-1 V.iii.1.E.7.a. (Definition: Initial Period) • M21-1 V.iii.1.E.7.i. (Counting the Initial 12 Months of Income for Disallowed Claims) • M21-1 V.iii.1.E.7.j. (Counting the Second 12 Months of Income for Disallowed Claims) • M21-1 V.iii.1.F.2 (Counting the Income of Dependents) • M21-1 V.iii.1.I (Improved Pension—Counting Specific Types of Income) • M21-1 V.iii.1.G.10 (Hardship Deductions from a Child's Income) • M21-1 V.iii.1.G.4.p. (Overlapping Initial Year and Calendar Year Periods) • M21-1 V.iii.1.H.1.b (Time Limit to Furnish Amended Income Information to Increase the Rate) • M21-1 V.iii.1.H.1.c. (Definition: Same Calendar Year) • M21-1 V.iii.1.I.3 (Income Exclusions) • 38 CFR 3.31 (Commencement of the period of payment)
12/20/2016 Version 1.0	<ul style="list-style-type: none"> • 38 CFR 3.271 (Computation of income) • 38 CFR 3.272 (Exclusions from income) • 38 CFR 3.400—3.404 (Effective Dates)

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Topic	Description
Technical Competencies:	<ul style="list-style-type: none"> • Income Counting and Net Worth • Program Benefits and Eligibility (PMC VSR) • VBA Applications (PMC VSR)
Knowledge Check:	Phase 5, Part 1(c): Income Eligibility Knowledge Check
What You Need:	<ul style="list-style-type: none"> • Trainee Guide • Master Course Map learning aid • Access to CPKM • Access to VSR Assistant • Access to the following job aids from VSR Assistant: <ul style="list-style-type: none"> ○ Initial Year job aid ○ Income and Net Worth Status job aid ○ Income Classification and Counting Table job aid ○ Countable Income job aid ○ SSA Inquiry job aid ○ Care Expense Guide job aid • Appendix A: Example Claim 1 • Appendix B: Worksheet • Appendix C: Example Claim 2 • Appendix D: Answer Key • Appendix E: Question and Answer Worksheet

PowerPoint Slides	Notes
Phase 5, Part 1(c): Knowledge Check Preparation	

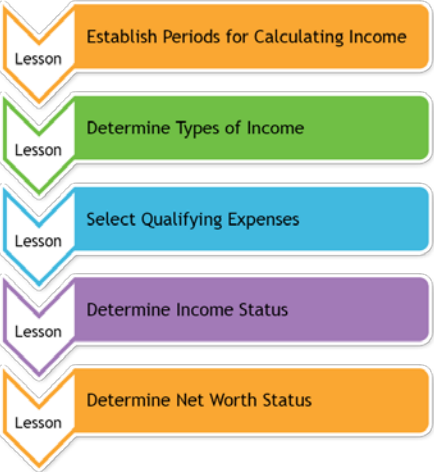
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PowerPoint Slides	Notes
<p>You Are Here</p> <pre> graph TD P1[PHASE 5 PART 1 Determine Eligibility] --> P2[PHASE 5 PART 2 Process a Claim] P2 --> P3[PHASE 5 PART 3 Promulgate Non-Rating or Rating Decision] P3 --> P4[PHASE 5 PART 4 Notify Claimant] P4 --> P5[PHASE 5 PART 5 Award Adjustments] P1 --> P1a[PHASE 5 PART 1a Initial Screening and Establish a Claim] P1a --> P1b[PHASE 5 PART 1b Basic Eligibility] P1b --> P1c[PHASE 5 PART 1c Income Eligibility] P1c --> P1d[PHASE 5 PART 1d Beyond Basic Eligibility and Ready to Rate] style P1c stroke:#0000FF,stroke-width:2px </pre>	
<p>Why It Matters!</p> <p>PMC VSRs are responsible for determining the income and net worth status of a claim. This includes:</p> <ul style="list-style-type: none"> • Selecting the effective dates • Selecting initial year period • Determining if the income is countable • Selecting qualifying expenses • Calculating Income for VA Purposes (IVAP) • Performing upfront verification • Determining if IVAP is within Monthly Annual Pension Rate (MAPR) limit • Calculating Net Worth • Determining if net worth is a factor 	

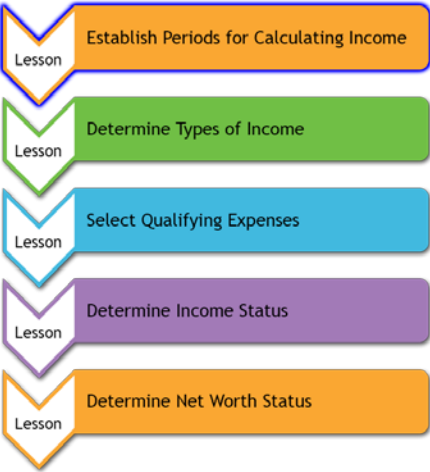
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PowerPoint Slides	Notes
<p>Knowledge Check</p> <pre> graph TD A[PHASE 5 PART 1a Initial Screening and Establishing a Claim] --> B1{Phase 5 Part 1a Knowledge Check} A --> C[PHASE 5 PART 1b Basic Eligibility] C --> B2{Phase 5 Part 1b Knowledge Check} C --> D[PHASE 5 PART 1c Income Eligibility] D --> B3{Phase 5 Part 1c Knowledge Check} D --> E[PHASE 5 PART 1d Beyond Basic Eligibility and Ready to Rate] E --> B4{Phase 5 Part 1d Knowledge Check} style B3 stroke:#0000FF,stroke-width:2px </pre>	
<p>Knowledge Check Preparation Overview</p> <p>This preparation will consist of the following:</p> <ul style="list-style-type: none"> • Lesson objectives review • Partner activities • Question/answer forum 	

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PowerPoint Slides	Notes
<p>Phase 5, Part 1(c) Lessons</p> <p style="text-align: center;">Phase 5, Part 1(c)</p>  <ul style="list-style-type: none">Lesson Establish Periods for Calculating IncomeLesson Determine Types of IncomeLesson Select Qualifying ExpensesLesson Determine Income StatusLesson Determine Net Worth Status	

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PowerPoint Slides	Notes
<p>Establish Periods for Calculating Income</p> <ul style="list-style-type: none">• Selecting the correct dates for establishing the time periods is used to:<ul style="list-style-type: none">○ Calculate Income for VA Purposes (IVAP).○ Determine income status.• Using incorrect dates may result in errors in denying or awarding benefits <p style="text-align: center;">Phase 5, Part 1(c)</p>  <p>Lesson Establish Periods for Calculating Income</p> <p>Lesson Determine Types of Income</p> <p>Lesson Select Qualifying Expenses</p> <p>Lesson Determine Income Status</p> <p>Lesson Determine Net Worth Status</p>	

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PowerPoint Slides	Notes
<p>Establish Periods for Calculating Income Objectives</p> <ul style="list-style-type: none">• Establish periods for calculating income.<ul style="list-style-type: none">○ Select the effective date.○ Derive the payment date.○ Select the dates of initial year period.○ Select the dates of the overlap period between the initial year and calendar year.○ Select the dates beginning and ending the second 12-month period.	
<p>Establish Periods for Calculating Income Question Writing Opportunity</p> <ul style="list-style-type: none">• Instructions:<ul style="list-style-type: none">○ Use Appendix E: Question and Answer Worksheet to write any questions regarding administrative decisions○ Questions will be answered at the end of this preparation• Time allowed: 5 minutes	

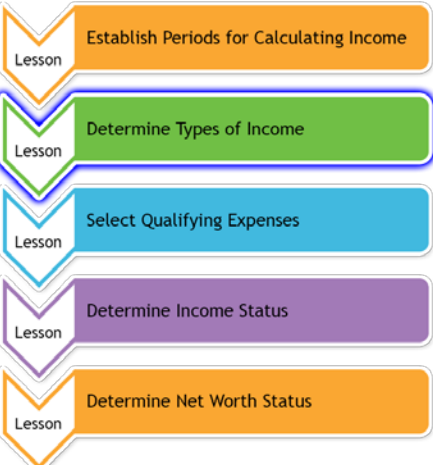
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PowerPoint Slides	Notes
<p>Partner Activity—What’s the Date?</p> <ul style="list-style-type: none">• Instructions:<ul style="list-style-type: none">○ Divide into pairs○ Review example claim in Appendix A: Example Claim 1○ Complete Appendix B: Part A—What’s the Date?○ Use the Initial Year job aid to help answer the questions○ Be prepared to share your finished activity with the class• Time allowed: 7-10 minutes	
<p>Partner Activity—What’s the Date? Answers (1 of 2)</p> <p>1. Entitlement date/effective date, beginning of initial year:</p>	

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PowerPoint Slides	Notes
<p>Partner Activity—What’s the Date? Answers (2 of 2)</p> <p>2. Provide the dates for the following periods:</p> <ul style="list-style-type: none">• “A” period:• End of “A” period:• Beginning of first full calendar year:• Overlap period or “B” period:• End of initial year:• “C” period:• End of first full calendar year:• End of second 12 months:	

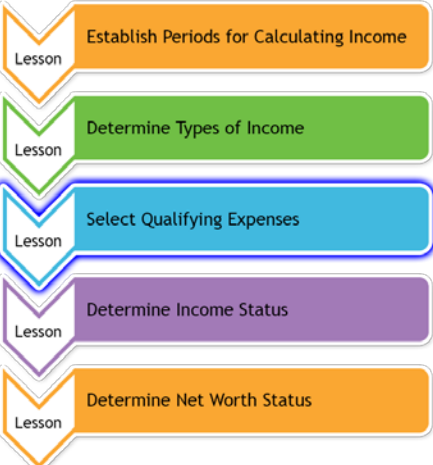
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PowerPoint Slides	Notes
<p>Determine Types of Income</p> <ul style="list-style-type: none">• The PMC VSR is responsible for reviewing the claim to determine if the income is countable or excluded• Income for all persons on an award is countable:<ul style="list-style-type: none">○ Veteran○ Spouse/surviving spouse○ Child dependents <p style="text-align: center;">Phase 5, Part 1(c)</p> 	

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PowerPoint Slides	Notes
<p>Determine Types of Income Objectives</p> <ul style="list-style-type: none">• Determine the types of income for pension purposes.<ul style="list-style-type: none">○ Define income for VA purposes.○ Determine income inclusions.○ Determine income exclusions.○ Enter countable income into VBMS-A.	
<p>Types of Income Question Writing Opportunity</p> <ul style="list-style-type: none">• Instructions:<ul style="list-style-type: none">○ Use Appendix E: Question and Answer Worksheet to write any questions regarding types of income○ Questions will be answered at the end of this preparation• Time allowed: 5 minutes	

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PowerPoint Slides	Notes
<p>Select Qualifying Expenses</p> <ul style="list-style-type: none">• Correct calculation of claimant income affects amount of benefit for claimant• Qualifying expenses reduce claimant income; therefore, qualifying expenses may result in an increase in benefits• The PMC VSR selects expenses that qualify for deduction from income <p style="text-align: center;">Phase 5, Part 1(c)</p>  <p>The diagram consists of five stacked, arrow-shaped boxes pointing downwards. Each box contains the word 'Lesson' on the left and a topic on the right. From top to bottom, the topics are: 'Establish Periods for Calculating Income' (orange), 'Determine Types of Income' (green), 'Select Qualifying Expenses' (blue, highlighted with a thick blue border), 'Determine Income Status' (purple), and 'Determine Net Worth Status' (orange).</p>	

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PowerPoint Slides	Notes
<p>Select Qualifying Expenses Objectives</p> <ul style="list-style-type: none">• Select qualifying expenses for calculating income.<ul style="list-style-type: none">○ Describe the rules for allowing medical expenses as a deduction when calculating income.○ Describe the rules for allowing final expenses as a deduction when calculating income.○ Describe the rules for allowing education expenses as a deduction when calculating income.○ Determine if claimed expenses are acceptable when calculating income.○ Determine whether to develop for claimed expenses when calculating income.	

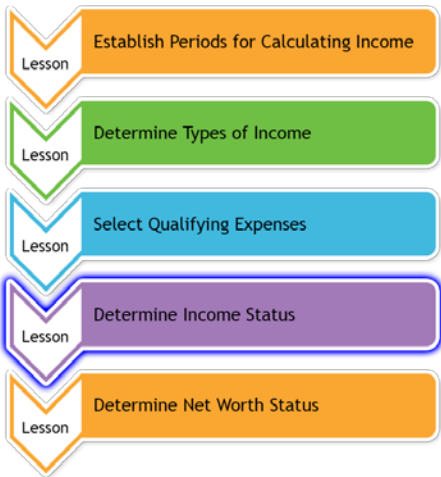
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PowerPoint Slides	Notes
<p>Qualifying Expenses Question Writing Opportunity</p> <ul style="list-style-type: none">• Instructions:<ul style="list-style-type: none">○ Use Appendix E: Question and Answer Worksheet to write any questions regarding qualifying expenses○ Questions will be answered at the end of this preparation• Time allowed: 5 minutes	
<p>Partner Activity—Income and Expenses</p> <ul style="list-style-type: none">• Instructions:<ul style="list-style-type: none">○ Divide into pairs○ Review the example claim in Appendix A: Example Claim 1○ Complete Appendix B: Part B—Income and Expenses Worksheet○ Use the job aids to help answer the questions○ Be prepared to share your finished activity with the class• Time allowed: 10 minutes	

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PowerPoint Slides	Notes
Partner Activity—Income and Expenses Answers (1 of 2) 1. List the countable income and classification in the table.	
PowerPoint Slides	Notes
Partner Activity—Income and Expenses Answers (2 of 2) 2. List the medical expenses in the table.	


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PowerPoint Slides	Notes
<p>Determine Income Status</p> <ul style="list-style-type: none"> • Determining income status consists of the following: <ul style="list-style-type: none"> ○ Calculating IVAP from application ○ Performing upfront verification ○ Comparing IVAP with upfront verification IVAP ○ Determining if IVAP is within MAPR limit <p align="center">Phase 5, Part 1(c)</p> 	
<p>Determine Income Status Objectives</p> <ul style="list-style-type: none"> • Determine income status. <ul style="list-style-type: none"> ○ Calculate IVAP from application. ○ Perform upfront verification. ○ Determine if IVAP is within MAPR limit. 	

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PowerPoint Slides	Notes
<p>Income Status Question Writing Opportunity</p> <ul style="list-style-type: none">• Instructions:<ul style="list-style-type: none">○ Use Appendix E: Question and Answer Worksheet to write any questions regarding income status○ Questions will be answered at the end of the preparation• Time allowed: 5 minutes	

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PowerPoint Slides	Notes
<p>Determine Net Worth Status</p> <ul style="list-style-type: none">• 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• If net worth is excessive, then a formal administrative decision needs to be prepared using VA Form 21-5427, Corpus of Estate Determination <p style="text-align: center;">Phase 5, Part 1(c)</p>  <p>The diagram consists of five colored boxes, each with a downward-pointing arrow on the left side and the word 'Lesson' written vertically. The boxes are stacked vertically and contain the following text from top to bottom: 'Establish Periods for Calculating Income' (orange), 'Determine Types of Income' (green), 'Select Qualifying Expenses' (blue), 'Determine Income Status' (purple), and 'Determine Net Worth Status' (orange).</p>	
<p>Determine Net Worth Status Objectives</p> <ul style="list-style-type: none">• Determine net worth status.<ul style="list-style-type: none">○ Define net worth for VA purposes.○ Determine sources of net worth.○ Calculate net worth.○ Determine if net worth is a bar to benefits.	


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PowerPoint Slides	Notes
<p>Net Worth Status Question Writing Opportunity</p> <ul style="list-style-type: none">• Instructions:<ul style="list-style-type: none">○ Use Appendix E: Question and Answer Worksheet to write any questions regarding net worth status○ Questions will be answered at the end of this preparation• Time allowed: 5 minutes	
<p>Partner Activity—Net Worth</p> <ul style="list-style-type: none">• Instructions:<ul style="list-style-type: none">○ Divide into pairs○ Review the example in Appendix C: Example Claim 2○ Answer the questions in Appendix B: Part C—Net Worth Worksheet to determine whether net worth is a bar to benefits○ Use the Income and Net Worth Status job aid.○ Be prepared to share your finished activity with the class• Time allowed: 20 minutes	

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<p>Partner Activity—Net Worth Answers (1 of 2)</p> <p>1. Use the documents in Example Claim 2, to complete the following fields on VA Form 21-5427, Corpus of Estate Determination:</p> <ul style="list-style-type: none">• Total Amount of Estate• Total Income• Total Expenses	
<p>Partner Activity— Net Worth Answers (2 of 2)</p> <p>2. Do the monthly expenses exceed the claimant’s income? If so, by how much monthly?</p> <p>3. Based on all the evidence provided in Example Claim 2, is net worth a bar to benefits?</p>	
<p>Question and Answer Forum</p> <ul style="list-style-type: none">• Instructions<ul style="list-style-type: none">○ Divide into groups of three or four○ Review the Appendix E: Question and Answer Worksheet with your group○ Mark any questions that need further clarification from the instructor• Time allowed: 10 minutes	

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PowerPoint Slides	Notes
<p>Question and Answer Clarification</p> 	
<p>What's Next?</p> <p>Phase 5, Part 1(c): Income Eligibility Knowledge Check</p>	