



## PENSION AND FIDUCIARY SERVICE

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

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

Lesson Plan

12/20/2016

Version 1.0

**Phase 5, Part 1(c) Knowledge Check Preparation  
Lesson Plan**

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

**Lesson Overview**

<b>Topic</b>	<b>Description</b>
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 <b>Master Course Map</b> learning aid for a list of lessons.
Target Audience:	This knowledge check preparation is for entry-level PMC VSRs.

**Phase 5, Part 1(c) Knowledge Check Preparation  
Lesson Plan**

Topic	Description
References (1 of 2)	<ul style="list-style-type: none"> <li>• <b>Master Course Map</b> learning aid</li> <li>• VA Form 21-5427 (Corpus of Estate Determination)</li> <li>• M21-1 V.i.3.A.3.c. (Reporting Period for Current-Law Pension)</li> <li>• 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)</li> <li>• M21-1 V.iii.1.A.3.g (Definition of Initial Year for Pension and Time Limit for Establishing Entitlement for the Initial Year)</li> <li>• M21-1 V.iii.1.A.4 (Pension and Parents' DIC Award Effective Dates and Payment Dates)</li> <li>• M21-1 V.iii.1.A.5 (General Information on the Payment Date Under 38 CFR 3.31)</li> <li>• M21-1 V.iii.1.B.3 (Computing Monthly SSA and Medicare Benefits)</li> <li>• M21-1 V.iii.1.E.6 (Counting Income for Department of Veterans Affairs Purposes)</li> <li>• M21-1 V.iii.1.E.7.a. (Definition: Initial Period)</li> <li>• M21-1 V.iii.1.E.7.i. (Counting the Initial 12 Months of Income for Disallowed Claims)</li> <li>• M21-1 V.iii.1.E.7.j. (Counting the Second 12 Months of Income for Disallowed Claims)</li> </ul>

**Phase 5, Part 1(c) Knowledge Check Preparation  
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Topic	Description
References (2 of 2)	<ul style="list-style-type: none"> <li>• M21-1 V.iii.1.F.2 (Counting the Income of Dependents)</li> <li>• M21-1 V.iii.1.I (Improved Pension—Counting Specific Types of Income)</li> <li>• M21-1 V.iii.1.G.10 (Hardship Deductions from a Child’s Income)</li> <li>• M21-1 V.iii.1.G.4.p. (Overlapping Initial Year and Calendar Year Periods)</li> <li>• M21-1 V.iii.1.H.1.b (Time Limit to Furnish Amended Income Information to Increase the Rate)</li> <li>• M21-1 V.iii.1.H.1.c. (Definition: Same Calendar Year)</li> <li>• M21-1 V.iii.1.I.3 (Income Exclusions)</li> <li>• 38 CFR 3.31 (Commencement of the period of payment)</li> <li>• 38 CFR 3.271 (Computation of income)</li> <li>• 38 CFR 3.272 (Exclusions from income)</li> <li>• 38 CFR 3.400—3.404 (Effective Dates)</li> <li>• <b>Care Expense Guide</b> job aid</li> <li>• <b>Countable Income</b> job aid</li> <li>• <b>Income Classification and Counting Table</b> job aid</li> <li>• <b>Income and Net Worth Status</b> job aid</li> <li>• <b>Initial Year</b> job aid</li> </ul>
Technical Competencies:	<ul style="list-style-type: none"> <li>• Income Counting and Net Worth</li> <li>• Program Benefits and Eligibility (PMC VSR)</li> <li>• VBA Applications (PMC VSR)</li> </ul>
Knowledge Check:	Phase 5, Part 1(c): Income Eligibility Knowledge Check

**Phase 5, Part 1(c) Knowledge Check Preparation  
Lesson Plan**

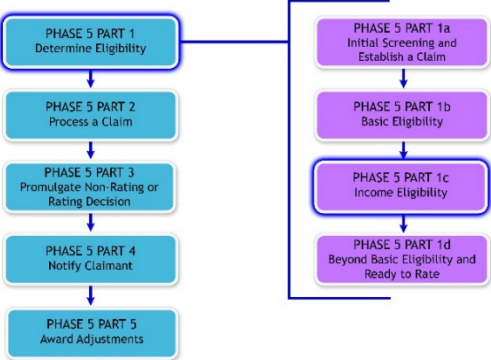

Topic	Description
What You Need:	<ul style="list-style-type: none"> <li>• Lesson Plan</li> <li>• <b>Master Course Map</b> learning aid</li> <li>• Appendix A: Example Claim 1</li> <li>• Appendix B: Worksheet</li> <li>• Appendix C: Example Claim 2</li> <li>• Appendix D: Answer Key</li> <li>• Appendix E: Question and Answer Worksheet</li> <li>• Slides</li> <li>• Projector</li> <li>• Access to CPKM</li> <li>• Access to VSR Assistant</li> <li>• Access to the following job aids from VSR Assistant:               <ul style="list-style-type: none"> <li>○ <b>Care Expense Guide</b> job aid</li> <li>○ <b>Countable Income</b> job aid</li> <li>○ <b>Income Classification and Counting Table</b> job aid</li> <li>○ <b>Income and Net Worth Status</b> job aid</li> <li>○ <b>Initial Year</b> job aid</li> </ul> </li> </ul>

**Instructor Notes**

This knowledge check preparation will provide trainees with a refresher of the topics covered in Phase 5, Part 1(c): Income Eligibility. This will include a review of all lesson objectives, participation in activities to reinforce their understanding, and a question and answer forum to address any misconceptions and provide additional clarification about the information presented.

**Phase 5, Part 1(c) Knowledge Check Preparation  
Lesson Plan**


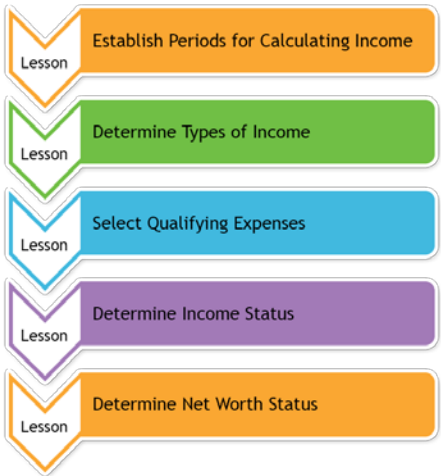

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PowerPoint Slides	Instructor Activities
<p><b>Phase 5, Part 1(c): Knowledge Check Preparation</b></p>	<p><b>DISPLAY</b> slide</p> <p>1. "Phase 5, Part 1(c): Knowledge Check Preparation"</p> <p><b>INTRODUCE</b> yourself as the instructor.</p> <p><b>INTRODUCE</b> the knowledge check preparation.</p>
<p><b>You Are Here</b></p> 	<p><b>DISPLAY</b> slide</p> <p>2. "You Are Here"</p>  <p><b>REFER</b> to the PMC VSR Master Course Map learning aid.</p> <p><b>INFORM</b> trainees that Knowledge Check preparation will assist them in successfully completing the Phase 5, Part 1(c) Knowledge Check.</p>

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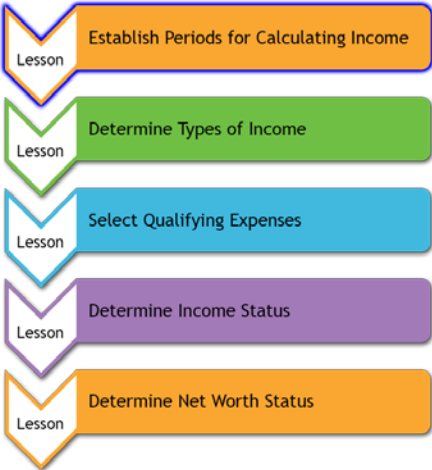

PowerPoint Slides	Instructor Activities
<p><b>Why It Matters!</b></p> <p>PMC VSRs are responsible for determining the income and net worth status of a claim. This includes:</p> <ul style="list-style-type: none"> <li>• Selecting the effective dates</li> <li>• Selecting initial year period</li> <li>• Determining if the income is countable</li> <li>• Selecting qualifying expenses</li> <li>• Calculating Income for VA Purposes (IVAP)</li> <li>• Performing upfront verification</li> <li>• Determining if IVAP is within Monthly Annual Pension Rate (MAPR) limit</li> <li>• Calculating net worth</li> <li>• Determining if net worth is a factor</li> </ul>	<p><b>DISPLAY</b> slide</p> <p><b>3.</b> "Why It Matters!"</p> <p><b>REMIN</b>D trainees that during the income eligibility process, the PMC VSR is responsible for determining the income and net worth status of a claim. This includes:</p> <ul style="list-style-type: none"> <li>• Selecting the effective dates</li> <li>• Selecting initial year period</li> <li>• Determining if the income is countable</li> <li>• Selecting qualifying expenses</li> <li>• Calculating Income for VA Purposes (IVAP)</li> <li>• Performing upfront verification</li> <li>• Determining if IVAP is within Monthly Annual Pension Rate (MAPR) limit</li> <li>• Calculating net worth</li> <li>• Determining if net worth is a factor</li> </ul>
<p><b>Knowledge Check</b></p> <pre> graph TD     A[PHASE 5 PART 1a Initial Screening and Establishing a Claim] --&gt; B[PHASE 5 PART 1b Basic Eligibility]     B --&gt; C[PHASE 5 PART 1c Income Eligibility]     C --&gt; D[PHASE 5 PART 1d Beyond Basic Eligibility and Ready to Rate]     A --&gt; AC{Phase 5 Part 1a Knowledge Check}     B --&gt; BC{Phase 5 Part 1b Knowledge Check}     C --&gt; CC{Phase 5 Part 1c Knowledge Check}     D --&gt; DC{Phase 5 Part 1d Knowledge Check}     </pre>	<p><b>DISPLAY</b> slide</p> <p><b>4.</b> "Knowledge Check"</p> <p><b>INFORM</b> trainees that they will be assessed on this content in the Phase 5, Part 1(c): Income Eligibility Knowledge Check.</p> <p><b>REMIN</b>D trainees that all the lessons included on the knowledge check are also listed on the POI.</p>

**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Knowledge Check Preparation Overview</b></p> <p>This preparation will consist of the following:</p> <ul style="list-style-type: none"> <li>• Lesson objectives review</li> <li>• Partner activities</li> <li>• Question/answer forum</li> </ul>	<p><b>DISPLAY</b> slide</p> <p>5. "Knowledge Check Preparation Overview"</p> <p><b>EXPLAIN</b> that this preparation will consist of a review of the learning objectives for each lesson in Phase 5, Part 1(c). This is followed by an activity to help reinforce the trainees' understanding of those objectives.</p> <p><b>INFORM</b> trainees that in order to save time for the activities, there will be time at the end of this preparation for questions to be discussed.</p>  <p><b>REFER</b> trainees to Appendix E: Question and Answer Worksheet.</p>
<p><b>Phase 5, Part 1(c) Lessons</b></p> <p style="text-align: center;">Phase 5, Part 1(c)</p> 	<p><b>DISPLAY</b> slide</p> <p>6. "Phase 5, Part 1(c) Lessons"</p> <p><b>REMINDE</b> trainees that Phase 5, Part 1(c) consists of the following five lessons:</p> <ol style="list-style-type: none"> <li>1. Establish Periods for Calculating Income</li> <li>2. Determine Types of Income</li> <li>3. Select Qualifying Expenses</li> <li>4. Determine Income Status</li> <li>5. Determine Net Worth Status</li> </ol>  <p><b>REFER</b> trainees to <b>Income and Net Worth Status</b> job aid. Give trainees 5 minutes to review the job aid.</p> <p><b>REMINDE</b> trainees that this job aid was used throughout all the income and net worth lessons.</p>



**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Establish Periods for Calculating Income</b></p> <ul style="list-style-type: none"> <li>• Selecting the correct dates for establishing the time periods is used to: <ul style="list-style-type: none"> <li>○ Calculate Income for VA Purposes (IVAP).</li> <li>○ Determine income status.</li> </ul> </li> <li>• Using incorrect dates may result in errors in denying or awarding benefits</li> </ul> <p style="text-align: center; font-size: small;">Phase 5, Part 1(c)</p> 	<p><b>DISPLAY</b> slide 7. "Establish Periods for Calculating Income"</p> <p><b>TRANSITION</b> to the first lesson in Phase 5, Part 1(c): Establish Periods for Calculating Income.</p> <p><b>REMIND</b> trainees that the selection of the correct dates and periods is important for determining income status for an <b>original</b> pension claim.</p> <p><b>EXPLAIN</b> that the date income is received and the date an expense is paid will determine the period of time for which income sources and expenses are calculated.</p>  <p><b>REFER</b> trainees to the <b>Initial Year</b> job aid.</p>

**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Establish Periods for Calculating Income Objectives</b></p> <ul style="list-style-type: none"> <li>• Establish periods for calculating income. <ul style="list-style-type: none"> <li>○ Select the effective date.</li> <li>○ Derive the payment date.</li> <li>○ Select the dates of initial year period.</li> <li>○ Select the dates of the overlap period between the initial year and calendar year.</li> <li>○ Select the dates beginning and ending the second 12-month period.</li> </ul> </li> </ul>	<p><b>DISPLAY</b> slide 8. "Establish Periods for Calculating Income Objectives"</p> <p><b>PRESENT</b> the objectives for this lesson.</p> <p><b>ALLOW</b> about 5–7 minutes to review these objectives.</p>
<p><b>Establish Periods for Calculating Income Question Writing Opportunity</b></p> <ul style="list-style-type: none"> <li>• Instructions: <ul style="list-style-type: none"> <li>○ Use Appendix E: Question and Answer Worksheet to write any questions regarding administrative decisions</li> <li>○ Questions will be answered at the end of this preparation</li> </ul> </li> <li>• Time allowed: 5 minutes</li> </ul>	<p><b>DISPLAY</b> slide 9. "Establish Periods for Calculating Income Question Writing Opportunity"</p> <p><b>INFORM</b> trainees that before transitioning to the next lesson for review, they will have the opportunity to capture any questions they have regarding periods for calculating income.</p> <div style="text-align: center;">  </div> <p><b>REFER</b> trainees to Appendix E: Question and Answer Worksheet.</p> <p><b>DIRECT</b> trainees to write any questions or concerns that they have regarding establishing periods for calculating income.</p> <p><b>ALLOW</b> 5 minutes to complete this opportunity.</p>

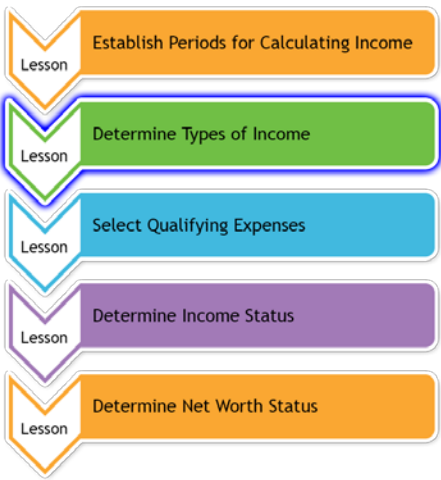

**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Partner Activity—What’s the Date?</b></p> <ul style="list-style-type: none"> <li>• Instructions: <ul style="list-style-type: none"> <li>○ Divide into pairs</li> <li>○ Review example claim in Appendix A: Example Claim 1</li> <li>○ Complete Appendix B: Part A—What’s the Date?</li> <li>○ Use the <b>Initial Year</b> job aid to help answer the questions</li> <li>○ Be prepared to share your finished activity with the class</li> </ul> </li> <li>• Time allowed: 7-10 minutes</li> </ul>	<p><b>DISPLAY</b> slide <b>10.</b> “Partner Activity—What’s the Date?”</p> <p><b>DIVIDE</b> trainees into groups of two.</p> <p><b>DIRECT</b> trainees to:</p> <ul style="list-style-type: none"> <li>• Review example claim in Appendix A: Example Claim 1</li> <li>• Complete Appendix B: Part A—What’s the Date? by answering the questions using the example claim and diagram</li> <li>• Use the <b>Initial Year</b> job aid</li> </ul> <p><b>ALLOW</b> 7-10 minutes to complete this activity.</p>
<p><b>Partner Activity—What’s the Date? Answers (1 of 2)</b></p> <p>1. Entitlement date/effective date, beginning of initial year:</p> <ul style="list-style-type: none"> <li>○ 4/02/2015</li> </ul>	<p><b>DISPLAY</b> slide <b>11.</b> “Partner Activity— What’s the Date? Answers (1 of 2)”</p> <p><b>PROVIDE</b> the answer to question 1.</p> <p><b>DISCUSS</b> the rationale for 4/02/2015 as the effective date. Focus on the Intent to File (ITF) as being the correct date.</p>


**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Partner Activity—What’s the Date? Answers (2 of 2)</b></p> <p>2. Provide the dates for the following periods:</p> <ul style="list-style-type: none"><li>• “A” period:<ul style="list-style-type: none"><li>○ 4/02/2015 to 12/31/2015</li></ul></li><li>• End of “A” period:<ul style="list-style-type: none"><li>○ 12/31/2015</li></ul></li><li>• Beginning of first full calendar year:<ul style="list-style-type: none"><li>○ 1/1/2016</li></ul></li><li>• Overlap period or “B” period:<ul style="list-style-type: none"><li>○ 1/1/2016 to 4/30/2016</li></ul></li><li>• End of initial year:<ul style="list-style-type: none"><li>○ 4/30/2016</li></ul></li><li>• “C” period:<ul style="list-style-type: none"><li>○ 5/1/2016 to 12/31/2016</li></ul></li><li>• End of first full calendar year:<ul style="list-style-type: none"><li>○ 12/31/2016</li></ul></li><li>• End of second 12 months:<ul style="list-style-type: none"><li>○ 5/31/2017</li></ul></li></ul>	<p><b>DISPLAY</b> slide</p> <p><b>12.</b> “Partner Activity— What’s the Date? Answers (2 of 2)”</p> <p><b>PROVIDE</b> the answers to question 2.</p> <p><b>DISCUSS</b> briefly the rationale for the periods.</p>

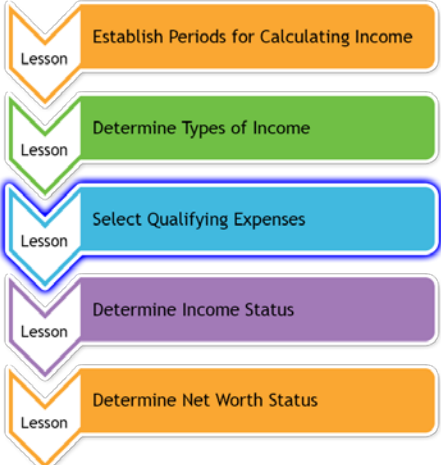


**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Determine Types of Income</b></p> <ul style="list-style-type: none"> <li>• The PMC VSR is responsible for reviewing the claim to determine if the income is countable or excluded</li> <li>• Income for all persons on an award is countable:               <ul style="list-style-type: none"> <li>○ Veteran</li> <li>○ Spouse/surviving spouse</li> <li>○ Child dependents</li> </ul> </li> </ul> <p align="center">Phase 5, Part 1(c)</p> 	<p><b>DISPLAY</b> slide <b>13.</b> "Determine Types of Income"</p> <p><b>TRANSITION</b> to the second lesson in Phase 5, Part 1(c): Determine Types of Income.</p> <p><b>REMINDE</b> trainees that Pension is an income-based benefit; as the Veteran's income goes up, the Veteran's pension goes down until the point where the Veteran may not qualify at all for pension due to excessive income.</p>  <p><b>EMPHASIZE</b> that it is important to only include countable income when calculating IVAP. Income for all persons, including child dependents, is countable.</p>

**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Determine Types of Income Objectives</b></p> <ul style="list-style-type: none"> <li>• Determine the types of income for pension purposes. <ul style="list-style-type: none"> <li>○ Define income for VA purposes.</li> <li>○ Determine income inclusions.</li> <li>○ Determine income exclusions.</li> <li>○ Enter countable income into VBMS-A.</li> </ul> </li> </ul>	<p><b>DISPLAY</b> slide  <b>14.</b> "Determine Types of Income Objectives"</p> <p><b>PRESENT</b> the objectives for this lesson.</p> <p><b>ALLOW</b> about 5–7 minutes to review these objectives.</p>
<p><b>Types of Income Question Writing Opportunity</b></p> <ul style="list-style-type: none"> <li>• Instructions: <ul style="list-style-type: none"> <li>○ Use Appendix E: Question and Answer Worksheet to write any questions regarding types of income</li> <li>○ Questions will be answered at the end of this preparation</li> </ul> </li> <li>• Time allowed: 5 minutes</li> </ul>	<p><b>DISPLAY</b> slide  <b>15.</b> "Types of Income Question Writing Opportunity"</p> <p><b>REMIND</b> trainees that at this time, they can capture any questions they have regarding types of income.</p> <div style="text-align: center;">  </div> <p><b>REFER</b> trainees to Appendix E: Question and Answer Worksheet.</p> <p><b>DIRECT</b> trainees to write any questions on the worksheet.</p> <p><b>ALLOW</b> 5 minutes to complete this opportunity.</p>

**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Select Qualifying Expenses</b></p> <ul style="list-style-type: none"> <li>• Correct calculation of claimant income affects amount of benefit for claimant</li> <li>• Qualifying expenses reduce claimant income; therefore, qualifying expenses may result in an increase in benefits</li> <li>• The PMC VSR selects expenses that qualify for deduction from income</li> </ul> <p style="text-align: center;">Phase 5, Part 1(c)</p> 	<p><b>DISPLAY</b> slide <b>16.</b> "Select Qualifying Expenses"</p> <p><b>TRANSITION</b> to the third lesson in Phase 5, Part 1(c): Select Qualifying Expenses</p> <p><b>REMINDE</b> trainees that deducting certain expenses from the claimant's income may help the claimant qualify for pension benefits.</p>  <p><b>EMPHASIZE:</b></p> <ul style="list-style-type: none"> <li>• Qualifying medical expenses over 5% of MAPR may be deducted from the claimant's calculated income, which, in turn, may qualify him or her for additional pension benefits.</li> <li>• Qualifying final expenses of last illnesses, burials, and just debts may be deducted from income.</li> <li>• Qualifying educational expenses may be deducted from income.</li> </ul>  <p><b>REFER</b> trainees to the <b>Care Expense Guide</b> job aid. Give them 3 minutes to review the job aid.</p> <p><b>REMINDE</b> trainees that this job aid will help with applying the rules for care-related medical expenses.</p>

**Phase 5, Part 1(c) Knowledge Check Preparation  
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<b>PowerPoint Slides</b>	<b>Instructor Activities</b>
<p><b>Select Qualifying Expenses Objectives</b></p> <ul style="list-style-type: none"><li>• Select qualifying expenses for calculating income.<ul style="list-style-type: none"><li>○ Describe the rules for allowing medical expenses as a deduction when calculating income.</li><li>○ Describe the rules for allowing final expenses as a deduction when calculating income.</li><li>○ Describe the rules for allowing education expenses as a deduction when calculating income.</li><li>○ Determine if claimed expenses are acceptable when calculating income.</li><li>○ Determine whether to develop for claimed expenses when calculating income.</li></ul></li></ul>	<p><b>DISPLAY</b> slide <b>17.</b> "Select Qualifying Expenses Objectives"</p> <p><b>PRESENT</b> the objectives for this lesson.</p> <p><b>ALLOW</b> about 5–7 minutes to review these objectives.</p>



**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Qualifying Expenses Question Writing Opportunity</b></p> <ul style="list-style-type: none"> <li>• Instructions: <ul style="list-style-type: none"> <li>○ Use Appendix E: Question and Answer Worksheet to write any questions regarding qualifying expenses</li> <li>○ Questions will be answered at the end of this preparation</li> </ul> </li> <li>• Time allowed: 5 minutes</li> </ul>	<p><b>DISPLAY</b> slide <b>18.</b> “Qualifying Expenses Question Writing Opportunity”</p> <p><b>REMINDE</b> trainees that at this time, they can capture any questions they have regarding presumptive criteria for qualifying expenses.</p>  <p><b>REFER</b> trainees to Appendix E: Question and Answer Worksheet.</p> <p><b>DIRECT</b> trainees to write any questions on the worksheet.</p> <p><b>ALLOW</b> 5 minutes to complete this opportunity.</p>
<p><b>Partner Activity—Income and Expenses</b></p> <ul style="list-style-type: none"> <li>• Instructions: <ul style="list-style-type: none"> <li>○ Divide into pairs</li> <li>○ Review the example claim in Appendix A: Example Claim 1</li> <li>○ Complete Appendix B: Part B—Income and Expenses Worksheet</li> <li>○ Use the job aids to help answer the questions</li> <li>○ Be prepared to share your finished activity with the class</li> </ul> </li> <li>• Time allowed: 10 minutes</li> </ul>	<p><b>DISPLAY</b> slide <b>19.</b> “Partner Activity—Income and Expenses”</p> <p><b>DIVIDE</b> trainees into groups of two.</p> <p><b>DIRECT</b> trainees to:</p> <ul style="list-style-type: none"> <li>• Review the example claim in Appendix A: Example Claim 1</li> <li>• Complete Appendix B: Part B—Income and Expenses Worksheet by answering the questions using the example claim</li> <li>• Use the job aids noted in Part B of Appendix B</li> </ul> <p><b>ALLOW</b> 10 minutes to complete this activity.</p>

**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Partner Activity—Income and Expenses Answers (1 of 2)</b></p> <p>1. List the countable income and classification in the table.</p> <ul style="list-style-type: none"> <li>o <i>Refer to Appendix D: Answer Key for the countable income answers.</i></li> </ul>	<p><b>DISPLAY</b> slide 20. “Partner Activity—Income and Expenses Answers (1 of 2)”</p> <p><b>TELL</b> trainees to access Appendix D: Answer Key for the answer key for this partnered activity.</p> <p><b>PROVIDE</b> the answers for question 1.</p> <p><b>DISCUSS</b> the answers in the table below. Remind trainees to be aware of:</p> <ul style="list-style-type: none"> <li>• Income that may be excluded and not countable</li> <li>• Income classifications</li> <li>• Income that is paid annually or monthly</li> </ul> <p><b>REMIND</b> trainees that VBMS-A has income type selections for both monthly and annual income types.</p>

**Countable Income Answers**

Description	Recipient	Amount	Classification
<i>Social Security</i>	<i>Veteran</i>	<i>2,032.00</i>	<i>Recurring</i>
<i>Social Security</i>	<i>Spouse</i>	<i>2,032.00</i>	<i>Recurring</i>
<i>Social Security</i>	<i>Child</i>	<i>838.00</i>	<i>Recurring</i>
<i>Other (Interest, dividends, or one-time payments)</i>	<i>Veteran</i>	<i>185.00</i>	<i>Irregular—annual amount</i>
<i>Other (Interest, dividends, or one-time payments)</i>	<i>Spouse</i>	<i>121.00</i>	<i>Irregular—annual amount</i>

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Lesson Plan**

PowerPoint Slides	Instructor Activities
<p><b>Partner Activity—Income and Expenses Answers (2 of 2)</b></p> <p>2. List the medical expenses in the table.</p> <ul style="list-style-type: none"> <li>○ <i>Refer to Appendix D: Answer Key for the medical expenses answers.</i></li> </ul>	<p><b>DISPLAY</b> slide 21. “Partner Activity—Income and Expenses Answers (2 of 2)”</p> <p><b>PROVIDE</b> the answers for question 2.</p> <p><b>REVIEW</b> the answers in the table below. Focus on the different types of medical expenses.</p> <p><b>DISCUSS</b> the different areas of the applications where medical expenses may be notated.</p> <p><b>ASK</b> each group if they identified the medical expenses listed in the Remarks section.</p> <p><b>REMIND</b> trainees that medical or other expenses, such as education and final expenses, may be listed in the Remarks section of the application or on an attached, separate piece of paper.</p>

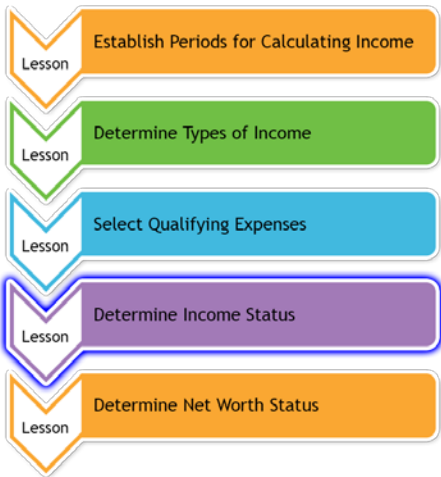

### Medical Expenses Answers

Description	Amount Paid	Date Paid	Provider	Paid For
<i>Hospital Charge</i>	<i>6,356.00</i>	<i>04/2015</i>	<i>Sacramento Regional Hospital</i>	<i>Veteran</i>
<i>Prescriptions</i>	<i>143.00</i>	<i>04/2015</i>	<i>Walgreen’s</i>	<i>Veteran</i>
<i>Prescriptions</i>	<i>143.00</i>	<i>05/2015</i>	<i>Walgreen’s</i>	<i>Veteran</i>
<i>Prescriptions</i>	<i>143.00</i>	<i>06/2015</i>	<i>Walgreen’s</i>	<i>Veteran</i>
<i>Prescriptions</i>	<i>143.00</i>	<i>08/2015</i>	<i>Walgreen’s</i>	<i>Veteran</i>
<i>Medicare Deduction</i>	<i>524.00</i>	<i>05/2015</i>	<i>Medicare</i>	<i>Veteran</i>
<i>Medicare Deduction</i>	<i>524.00</i>	<i>05/2015</i>	<i>Medicare</i>	<i>Spouse</i>
<i>Prescriptions</i>	<i>876.00</i>	<i>06/2015</i>	<i>Sacramento Regional Hospital</i>	<i>Veteran</i>


**Phase 5, Part 1(c) Knowledge Check Preparation  
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<b>Description</b>	<b>Amount Paid</b>	<b>Date Paid</b>	<b>Provider</b>	<b>Paid For</b>
<i>CT Scan with contrast</i>	<i>4,864.00</i>	<i>04/2015</i>	<i>Sacramento Radiology Associates</i>	<i>Veteran</i>
<i>Prescriptions</i>	<i>253.00</i>	<i>07/2015</i>	<i>Walgreen's</i>	<i>Spouse</i>
<i>Prescriptions</i>	<i>253.00</i>	<i>08/2015</i>	<i>Walgreen's</i>	<i>Spouse</i>
<i>Prescriptions</i>	<i>253.00</i>	<i>09/2015</i>	<i>Walgreen's</i>	<i>Spouse</i>
<i>Prescriptions</i>	<i>253.00</i>	<i>10/2015</i>	<i>Walgreen's</i>	<i>Spouse</i>
<i>Prescriptions</i>	<i>253.00</i>	<i>11/2015</i>	<i>Walgreen's</i>	<i>Spouse</i>
<i>Prescriptions</i>	<i>253.00</i>	<i>12/2015</i>	<i>Walgreen's</i>	<i>Spouse</i>
<i>Outpatient Clinic</i>	<i>676.00</i>	<i>09/2015</i>	<i>Dr. Kenneth Copal</i>	<i>Spouse</i>
<i>School Physical</i>	<i>121.00</i>	<i>08/2015</i>	<i>Dr. Jennifer Niles</i>	<i>Child</i>
<i>Prescriptions</i>	<i>35.00</i>	<i>08/2015</i>	<i>Walgreen's</i>	<i>Child</i>
<i>MRI</i>	<i>3,954.00</i>	<i>10/2015</i>	<i>Sacramento Radiology Associates</i>	<i>Child</i>
<i>X-Rays</i>	<i>587.00</i>	<i>10/2015</i>	<i>Sacramento Radiology Associates</i>	<i>Child</i>

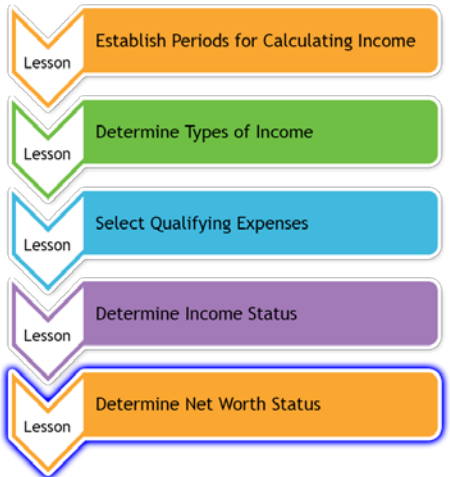

**Phase 5, Part 1(c) Knowledge Check Preparation  
Lesson Plan**

PowerPoint Slides	Instructor Activities
<p><b>Determine Income Status</b></p> <ul style="list-style-type: none"> <li>• Determining income status consists of the following: <ul style="list-style-type: none"> <li>○ Calculating IVAP from application</li> <li>○ Performing upfront verification</li> <li>○ Comparing IVAP with upfront verification IVAP</li> <li>○ Determining if IVAP is within MAPR limit</li> </ul> </li> </ul> <p style="text-align: center; font-size: small;">Phase 5, Part 1(c)</p> 	<p><b>DISPLAY</b> slide <b>22.</b> “Determine Income Status”</p> <p><b>TRANSITION</b> to the fourth lesson in Phase 5, Part 1(c): Determine Income Status.</p> <p><b>REMINDE</b> trainees that in VA income-based benefit programs, the amount of IVAP determines the VA benefit rate payable. The higher a claimant’s IVAP, the lower the benefit rate.</p>  <p><b>EMPHASIZE</b> that an important part of the income eligibility process is determining the income status. Determining income status consists of the following:</p> <ul style="list-style-type: none"> <li>• Calculating IVAP from application</li> <li>• Performing upfront verification</li> <li>• Comparing IVAP with upfront verification IVAP</li> <li>• Determining if IVAP is within MAPR limit</li> </ul>
<p><b>Determine Income Status Objectives</b></p> <ul style="list-style-type: none"> <li>• Determine income status. <ul style="list-style-type: none"> <li>○ Calculate IVAP from application.</li> <li>○ Perform upfront verification.</li> <li>○ Determine if IVAP is within MAPR limit.</li> </ul> </li> </ul>	<p><b>DISPLAY</b> slide <b>23.</b> “Determine Income Status Objectives”</p> <p><b>PRESENT</b> the objectives for this lesson.</p> <p><b>ALLOW</b> about 5–7 minutes to review these objectives.</p>


**Phase 5, Part 1(c) Knowledge Check Preparation  
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PowerPoint Slides	Instructor Activities
<p><b>Income Status Question Writing Opportunity</b></p> <ul style="list-style-type: none"><li>• Instructions:<ul style="list-style-type: none"><li>○ Use Appendix E: Question and Answer Worksheet to write any questions regarding income status</li><li>○ Questions will be answered at the end of the preparation</li></ul></li><li>• Time allowed: 5 minutes</li></ul>	<p><b>DISPLAY</b> slide <b>24.</b> "Determine Income Status Question Writing Opportunity"</p> <p><b>REMIND</b> trainees that at this time they can capture any questions they have regarding income status.</p>  <p><b>REFER</b> trainees to Appendix E: Question and Answer Worksheet.</p> <p><b>DIRECT</b> trainees to write any questions on the worksheet.</p> <p><b>ALLOW</b> 5 minutes to complete this opportunity.</p>

**Phase 5, Part 1(c) Knowledge Check Preparation  
Lesson Plan**

PowerPoint Slides	Instructor Activities
<p><b>Determine Net Worth Status</b></p> <ul style="list-style-type: none"> <li>Net worth for VA purposes includes all personal property owned by the claimant, <b>except</b> for personal effects suitable to the claimant’s reasonable mode of life</li> <li>If net worth is excessive, then a formal administrative decision needs to be prepared using VA Form 21-5427, Corpus of Estate Determination</li> </ul> <div style="text-align: center; margin-top: 10px;"> <p>Phase 5, Part 1(c)</p>  </div>	<p><b>DISPLAY</b> slide 25. “Determine Net Worth Status”</p> <p><b>TRANSITION</b> to the fifth lesson in Phase 5, Part 1(c): Determine Net Worth Status.</p> <p><b>REMIND</b> trainees that 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.</p> <div style="text-align: center; margin: 10px 0;">  </div> <p><b>EMPHASIZE</b> that if net worth is excessive, then a formal administrative decision needs to be prepared using VA Form 21-5427, Corpus of Estate Determination.</p>
<p><b>Determine Net Worth Status Objectives</b></p> <ul style="list-style-type: none"> <li>Determine net worth status. <ul style="list-style-type: none"> <li>Define net worth for VA purposes.</li> <li>Determine sources of net worth.</li> <li>Calculate net worth.</li> <li>Determine if net worth is a bar to benefits.</li> </ul> </li> </ul>	<p><b>DISPLAY</b> slide 26. “Determine Net Worth Status Objectives”</p> <p><b>PRESENT</b> the objectives for this lesson.</p> <p><b>ALLOW</b> about 5–7 minutes to review these objectives.</p>

**Phase 5, Part 1(c) Knowledge Check Preparation  
Lesson Plan**



PowerPoint Slides	Instructor Activities
<p><b>Net Worth Status Question Writing Opportunity</b></p> <ul style="list-style-type: none"> <li>• Instructions: <ul style="list-style-type: none"> <li>○ Use Appendix E: Question and Answer Worksheet to write any questions regarding net worth status</li> <li>○ Questions will be answered at the end of this preparation</li> </ul> </li> <li>• Time allowed: 5 minutes</li> </ul>	<p><b>DISPLAY</b> slide 27. “Net Worth Status Question Writing Opportunity”</p> <p><b>REMINDE</b> trainees that at this time they can capture any questions they have regarding net worth.</p>  <p><b>REFER</b> trainees to Appendix E: Question and Answer Worksheet.</p> <p><b>DIRECT</b> trainees to write any questions on the worksheet.</p> <p><b>ALLOW</b> 5 minutes to complete this opportunity.</p>
<p><b>Partner Activity—Net Worth</b></p> <ul style="list-style-type: none"> <li>• Instructions: <ul style="list-style-type: none"> <li>○ Divide into pairs</li> <li>○ Review the example in Appendix C: Example Claim 2</li> <li>○ Answer the questions in Appendix B: Part C—Net Worth Worksheet to determine whether net worth is a bar to benefits</li> <li>○ Use the <b>Income and Net Worth Status</b> job aid.</li> <li>○ Be prepared to share your finished activity with the class</li> </ul> </li> <li>• Time allowed: 20 minutes</li> </ul>	<p><b>DISPLAY</b> slide 28. “Partner Activity— Net Worth”</p> <p><b>DIVIDE</b> trainees into groups of two.</p> <p><b>DIRECT</b> trainees to:</p> <ul style="list-style-type: none"> <li>• Review Example Claim 2, which is located in Appendix C</li> <li>• Answer the questions in Appendix B: Part C—Net Worth Worksheet to determine whether net worth is a bar to benefits</li> <li>• Use the <b>Income and Net Worth Status</b> job aid</li> </ul> <p><b>ALLOW</b> 20 minutes to complete this activity.</p>



**Phase 5, Part 1(c) Knowledge Check Preparation  
Lesson Plan**

PowerPoint Slides	Instructor Activities
<p><b>Partner Activity—Net Worth Answers (1 of 2)</b></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"> <li>• Total Amount of Estate <ul style="list-style-type: none"> <li>○ \$107,200.00</li> </ul> </li> <li>• Total Income <ul style="list-style-type: none"> <li>○ \$1,592.63</li> </ul> </li> <li>• Total Expenses <ul style="list-style-type: none"> <li>○ \$5,525.25</li> </ul> </li> </ul>	<p><b>DISPLAY</b> slide</p> <p><b>29.</b> “Partner Activity—Net Worth Answers (1 of 2)”</p> <p><b>PROVIDE</b> the answers for question 1.</p> <p><b>DISCUSS</b> how the fields were calculated. Focus on the following key points:</p> <ul style="list-style-type: none"> <li>• Total amount of estate was derived from VA Form 21P-534EZ Section VII.</li> <li>• Total income was derived from VA Form 21P-534EZ Section VIII and IX. <ul style="list-style-type: none"> <li>○ Total Dividends and Interest of \$2050 is divided by 12 to get the monthly amount.</li> </ul> </li> <li>• Total Expenses are calculated using VA Forms 21P-8416, Medical Expenses Report and 21p-8049, Request for Details of Expenses. <ul style="list-style-type: none"> <li>○ Assisted Living facilities are counted as medical expenses.</li> </ul> </li> </ul>
<p><b>Partner Activity— Net Worth Answers (2 of 2)</b></p> <p>2. Do the monthly expenses exceed the claimant’s income? If so, by how much monthly?</p> <ul style="list-style-type: none"> <li>○ <i>Yes, claimant's monthly expenses exceed her income by \$3,932.62.</i></li> </ul> <p>3. Based on all the evidence provided in Example Claim 2, is net worth a bar to benefits?</p> <ul style="list-style-type: none"> <li>○ <i>PMC VSR Discretion</i></li> </ul>	<p><b>DISPLAY</b> slide</p> <p><b>30.</b> “Partner Activity— Net Worth Answers (2 of 2)”</p> <p><b>PROVIDE</b> the answers for questions 2 and 3.</p> <p><b>DISCUSS</b> briefly the rationale for net worth not being a bar to benefits. Engage the trainees to provide the reasoning to whether or not the net worth is a bar.</p>

**Phase 5, Part 1(c) Knowledge Check Preparation  
Lesson Plan**

PowerPoint Slides	Instructor Activities
<p><b>Question and Answer Forum</b></p> <ul style="list-style-type: none"> <li>• Instructions <ul style="list-style-type: none"> <li>○ Divide into groups of three or four</li> <li>○ Review the Appendix E: Question and Answer Worksheet with your group</li> <li>○ Mark any questions that need further clarification from the instructor</li> </ul> </li> <li>• Time allowed: 10 minutes</li> </ul>	<p><b>DISPLAY</b> slide  <b>31.</b> "Question and Answer Forum"</p> <p><b>DIVIDE</b> trainees into groups of three or four</p> <p><b>DIRECT</b> trainees, as a group, to review any questions that they had written down on the Appendix E: Question and Answer Worksheet.</p> <p><b>INFORM</b> trainees to mark any questions that need further clarification from the instructor.</p> <p><b>ALLOW</b> 10 minutes for this forum.</p>
<p><b>Question and Answer Clarification</b></p> 	<p><b>DISPLAY</b> slide  <b>32.</b> "Question and Answer Clarification"</p>  <p><b>ASK</b> if the trainees have any questions or concerns regarding Phase 5, Part 1(c). Use this time to clear up any confusion or misconceptions about the information presented.</p>
<p><b>What's Next?</b></p> <p>Phase 5, Part 1(c): Income Eligibility Knowledge Check</p>	<p><b>DISPLAY</b> slide  <b>33.</b> "What's Next?"</p> <p><b>DISCUSS</b> the upcoming Phase 5, Part 1(c): Income Eligibility Knowledge Check.</p> <p><b>REMIND</b> trainees to use the job aids and resources provided in the knowledge check to help answer the questions.</p>