



Pension and Fiduciary (P&F) Service

Pension & Fiduciary Quality Call

Date: December 21, 2021

TMS: # VA XXXXXXX

AGENDA TOPICS

[ITEM 1: PMC STAR QUALITY ANALYSIS](#)

[ITEM 2: FIDUCIARY STAR QUALITY ANALYSIS](#)

[ITEM 3: INCONSISTENT REGULATIONS OF APPEALS MODERNIZATION ACT](#)

[ITEM 4: CHARACTER OF DISCHARGE SPECIAL FOCUS REVIEW](#)

[ITEM 5: INITIAL APPOINTMENT BENEFICIARY NOTIFICATION LETTER NOTIFICATION](#)

[CLOSING, QUESTIONS, NEXT QUALITY CALL](#)

AGENDA ITEMS

Agenda item: PMC STAR Quality Analysis

Presenter: Jennifer Kunkel, Analyst

Target Audience:

QRT and Management

Discussion:

A trend analysis was conducted regarding errors cited on National Pension Quality Reviews completed for Fiscal Year 2021.

The below chart shows a breakdown in the number of National STAR Quality Reviews completed between the months of November 2020 through October 2021 (transactions completed in October 2020 through September 2021).

Review Category	Total # of Claims Reviewed	Total # of Errors Cited	# of BE Errors Cited
Non-Rating (Authorization)	381	85	22
Rating	267	52	12
Total	648	137	34

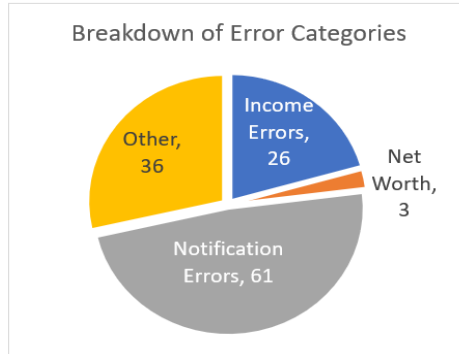
Of the 137 cited errors **11** were overturned for a net of **126** final cited errors.

As shown in the above chart, out of a total of 648 claims reviewed for National STAR Quality, **126 (19.44%)** errors were cited, with **34** cited as benefit entitlement (BE) errors. As of result, out of 648 claims reviewed 34 counted towards quality resulting in **94.75%** overall accuracy.

The 126 final cited errors noted above fell within four categories: Notification, Income, Other and Net Worth. A breakdown of each error category is provided below:

Of the 126 final cited errors:

- 21% -- Income Errors
- 2% -- Net Worth Errors
- 48% -- Notification Errors
- 29% – Other Errors (Mainly Procedural)

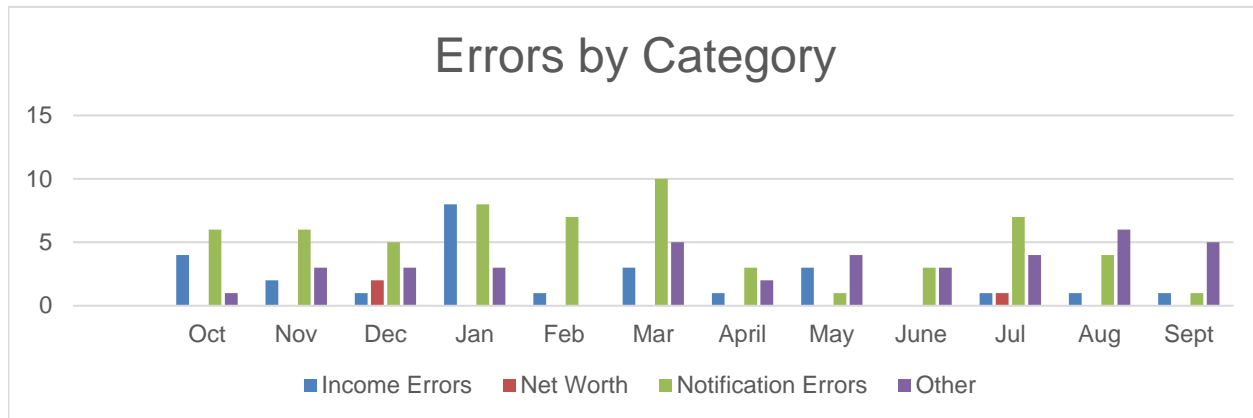


The below provides details about the errors, broken out by category.

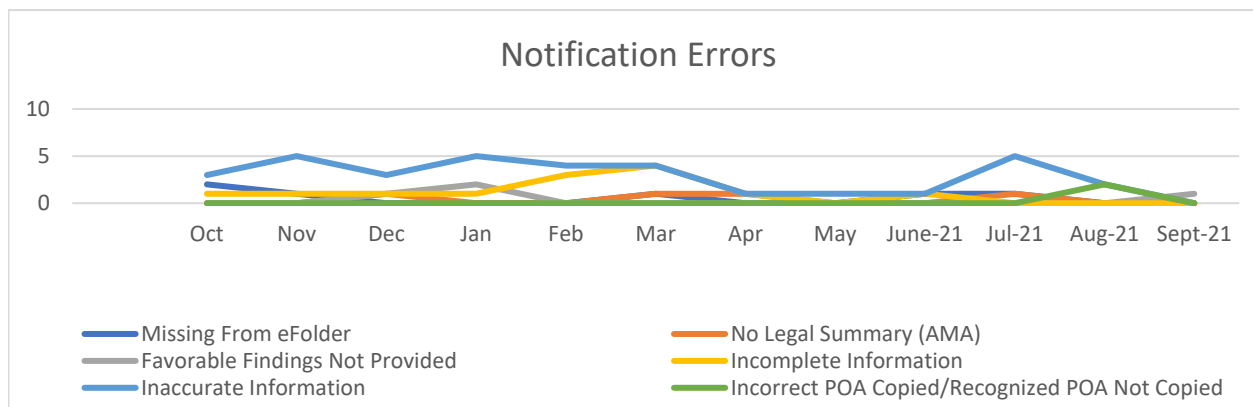
Error Category	Reason for Error
Notification	<ul style="list-style-type: none"> • 6 – Missing from the eFolder • 4 – No Legal Summary was provided • 5 – Favorable Findings were not included • 3 – Incorrect POA • 12 – Incomplete information • 31 – Inaccurate Information
Income Errors	<ul style="list-style-type: none"> • 15 – Income not properly counted • 12 – Medical expenses incorrectly calculated • 1 – Earlier Effective date incorrectly applied • 1 – Benefit entitled but was not paid
Net Worth	<ul style="list-style-type: none"> • 2 – Incorrect NW determinations made • 1 – Incorrect NW Amounts entered in VBMS

The next two charts provide a drill-down of Notification and Income errors cited during National STAR Quality Reviews performed November 2020 through November 2021 on claims completed by the PMC's, October 2020 through September 2021.

The below chart shows the number of occurrences within the different categories over the fiscal year. Income errors have generally decreased over the fiscal year while Notification and Other errors (mainly pertaining to procedural errors) increased or showed slow improvement over the fiscal year.

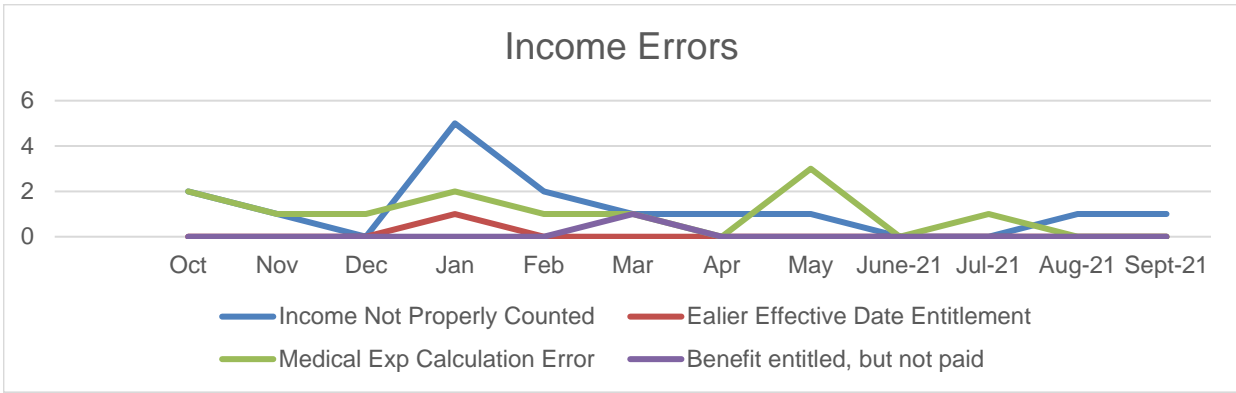


The below chart shows a drill-down of errors cited within the Notification error category.



As shown in the above chart, “Inaccurate Information” in the Notification letters was the area with highest occurrence of errors. However, towards the end of FY21 there was a downward trend in the occurrence of errors in the “Inaccurate Information” and “Incomplete Information” categories, which denotes an improvement in the Notification error category.

The below chart shows a drill-down of errors cited within the Income error category.



As shown in the above chart, there was a spike in the “Medical Expense Calculation Error” category in the month of May 2021, with “Income Not Properly Counted” category maintaining a steady path of improvement after January 2021.

References/Contacts

✓ STAR Reports https://vbaw.vba.va.gov/bl/21/star/reports/star_rpts20.htm

Agenda item: Fiduciary STAR Quality Analysis

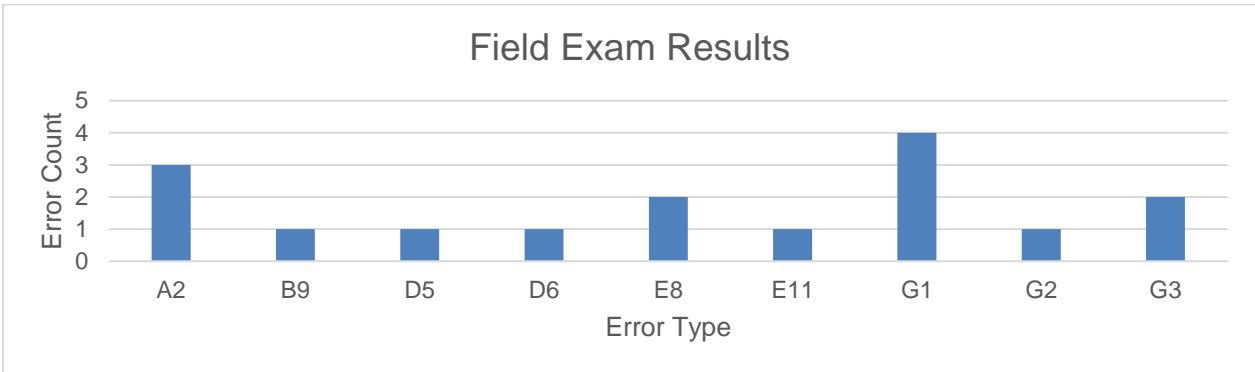
Presenter: Alvin Hill, Analyst

Target Audience:

QRT and Management

Discussion:

**Fiduciary Quality Analysis December 2021
October and November Reviews (September and October Completions)**

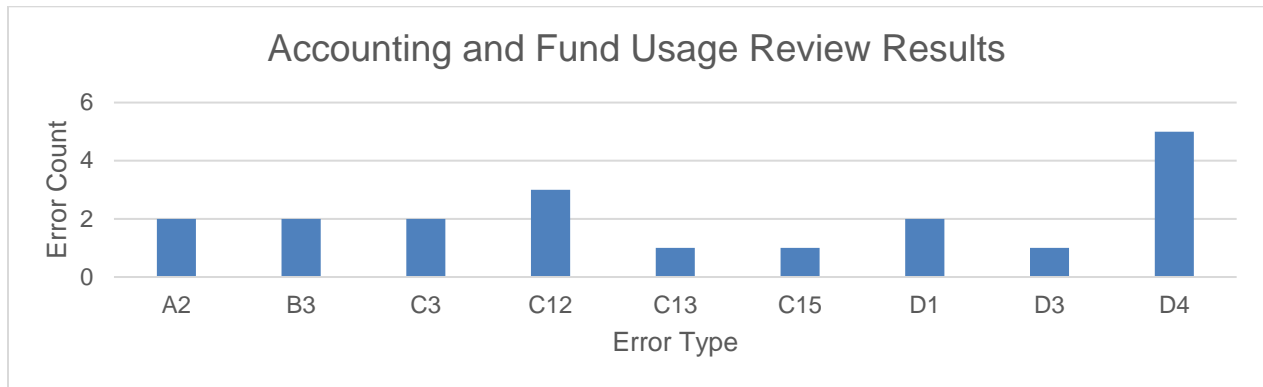


The preceding chart illustrates the number of errors cited for cases reviewed during October and November of completed field exams during September and October. Of the 67 cases reviewed, 15 were found to contain an error.

The most cited error, G1, was found in four of the 15 cases in error. The G1 error is a non-substantive error resulting from not properly updating the beneficiary and fiduciary profiles.

The second most cited error, A2, was found in three of the 15 cases in error. The A2 error is a substantive error resulting from not conducting the appropriate field examination in accordance with current policy.

Overall, the G1 error continues to be the most cited error as it was in the prior analysis. Therefore, particular attention should be given to ensuring the beneficiary and fiduciary profiles contain the most current information.



The preceding chart illustrates the number of errors cited for cases reviewed during October and November of completed accountings and fund usage reviews during September and October. Of the 48 cases reviewed, 19 were found to contain an error.

The most cited error, D4, was found in five of the 19 cases in error. The D4 error is a non-substantive error resulting from not properly updating the beneficiary and fiduciary profiles. The second most cited error, C12, was found in three of the 19 cases in error. The C12 error is a substantive error resulting from not appropriately questioning and clarifying unusual or inappropriate expenditures.

As with the field exam results, particular attention should be given to updating the beneficiary and fiduciary profiles.

References/Contacts

- ✓ Fiduciary Quality Analysis

Agenda item: Inconsistent Regulations of Appeals Modernization Act

Presenter: Jennifer Kunkel, Analyst

Target Audience:

QRT and Management

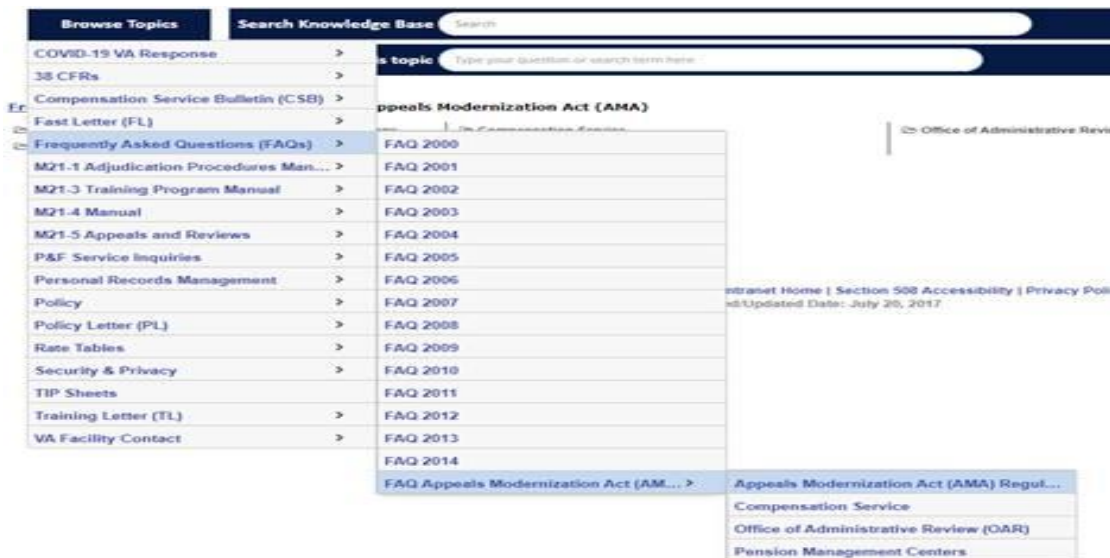
Discussion:

On July 30, 2021, the Court issued a decision that three regulations were inconsistent with the text of the Appeals Modernization Act (AMA). The court held that:

- (1) ITFs should be applied to all supplemental claims ([38 CFR 3.155](#)),

- (2) VBA must accept a supplemental claim when the same issue is pending before a Federal Court. This includes cases before the U.S. District Courts, the U.S. Court of Appeals for Veterans Claims, and the Supreme Court ([38 CFR 2.500\(b\)](#)), and
- (3) Attorney fees can now be charged based on CUE and all supplemental claims ([38 CFR 14.636\(c\)\(1\)\(i\)](#)).

P&F Service, in conjunction with Compensation Services (CS), OAR and OGC, will be updating manual references and issuing a policy letter in the near future to coincide with these changes. In the meantime, a Memorandum was released October 7, 2021 with interim guidance to assist with processing these issues. The interim guidance is also posted in the CPKM, under the Topic “Frequently Asked Questions (FAQ)”, sub topic “FAQ Appeals Modernization Act (AMA)” then [“Appeals Modernization Act \(AMA\) Regulation Challenge.”](#) Along with the interim guidance documents, you can find an FAQ document to further assist you.



Additional questions on PMC processing requirements for the impact of the court holding can be directed to [VAVBAWAS/CO/P&F POL & PROC](#). Other questions can be directed to the P&F Service corporate mailbox [VAVBAWAS/CO/Pension & Fiduciary Svc.](#)

As a reminder, claims processors may discover decisions completed between July 30, 2021 and October 7, 2021 which did not apply the court findings – such as an incorrect effective date was not applied based on an acceptable ITF, attorney fees were not properly applied, or a supplemental claim was not addressed while the same issue was in court. In such cases, corrective action must be taken by the claims processor.

References/Contacts

- ✓ US Court of Appeals for the Federal Circuit [Military-Veterans Advocacy v. Secretary of Veterans Affairs, et al](#)
- ✓ [PL 20-01](#)
- ✓ [38 C.F.R. § 14.636\(c\)\(1\)\(i\)](#)
- ✓ [38 C.F.R. § 3.2500\(b\)](#)
- ✓ 38 C.F.R. § 3.2500(b)
- ✓ [38 C.F.R. § 3.155](#)
- ✓ MVA AMA Interim Guidance – PF Service

Agenda item: Character of Discharge Special Focus Review **Presenter:** Amy Hamma, Analyst

Target Audience:

QRT and Management

Discussion:

P&F Service recently completed two Special Focused Reviews (SFRs) on the Secretary's Character of Discharge (COD) initiative. No specific error trends were found, however, a few errors that are helpful to discuss involving fully discussing any received evidence and electronic records management. Additionally, the current FY22 COD project is ongoing, and P&F wishes to remind the stations that all COD denials must come to the Quality, Oversight and Training Mailbox before promulgation of a final decision for approval during FY22.

References/Contacts

- ✓ Email dated November 12, 2021, FY22 Pre-Decision Reviews of COD Denials

Agenda item: IA Beneficiary Notification Letter

Presenter: Felecia Roberts,
Analyst

Target Audience:

QRT and Management

Discussion:

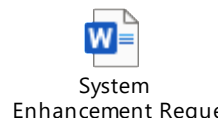
- **Question from Columbia Fid Hub:** If the beneficiary does not have the mental capacity to comprehend any correspondence due to a mental diagnosis (for example, dementia), can the FPM be modified to reflect if the beneficiary has documented cognitive impairment in VA systems or at the request of the fiduciary to route the correspondence to the fiduciary? The field examiners have an exorbitant amount of verbiage to include in the "Comments and Observation" section to ensure they are thoroughly documenting their report which requires additional characters to capture all the verbiage. Can this section be expanded with additional characters to afford the field examiner with additional space to include all applicable information required to ensure they are documenting their report to avoid a quality error?

Discussion: The FPM states the hub must send the beneficiary written notification of the selection of the fiduciary. There have been situations when the beneficiary is in an ALF/Memory Care facility and the facility will not accept any correspondence on behalf of the beneficiary or the fiduciary has specifically requested the field examiner to have all correspondences sent to the fiduciary's address.

- **Response:** The FPM cannot be modified to circumvent the requirement to notify the beneficiary by written notice of the appointment of a fiduciary. This is a beneficiary right per [38 CFR 13.30\(b\)\(2\)](#). Although a facility may have a policy to refuse correspondence on behalf of a beneficiary, this does not relieve the VA from the obligation to send the notification.

We ask that you complete and return the attached “System Enhancement Request Form” to the Business Management mailbox at PFBUSMGMT.VBAVACO@va.gov for further consideration. In addition, please specify whether this request is to enhance the *IA Beneficiary Notification Letter* or expand the ‘Comments and Observations’ field within the Field Exam Report template.

Note that the Field Exam Report templates allow up to 4,000 characters. It would be helpful to understand what specific information is intended to be captured that is not already available within VBMS-FID (e.g., Beneficiary Profile, Fiduciary Profile, Field Exam Report, Accounting Audit Tool, Misuse Record), or if there is specific manual guidance that requires additional fields that are not provided within the Field Exam Report(s).



References/Contacts

- ✓ FPM I.2.E.2.c., Notice of the Fiduciary Appointment to the Beneficiary

Closing Comments

P&F Quality Mailbox:

We will solicit for agenda topic(s) for each future Quality Call. If you have a specific topic suggestion, please feel free to email it to the Pension and Fiduciary (P&F) Quality mailbox at PFTNGQUALOVRST.VBACO@va.gov. For specific policy and procedures related topics, please email to the Policy and Procedures mailbox at PFPOLPROC.VBACO@va.gov.

Quality Call Bulletins

Quality Call Bulletins can be found in the following locations: https://vbaw.vba.va.gov/PENSIONANDFIDUCIARY/Quality_Call_Bulletins.asp. The next Quality Call is tentatively scheduled for TBD.

TMS Courses

All Pension and Fiduciary Quality Calls and bulletins will be available in TMS. Once the monthly bulletin is finalized, information will be sent to the PMCs and Fiduciary Hubs which will include the TMS #.

