

**FULLY DEVELOPED CLAIMS (FDC)
TRAINEE HANDOUT
TIME REQUIRED: 1.5 HOURS**

Table of Contents

Objectives	2
References	3
Topic 1: Overview of EZ Forms	4
Topic 2: FDC Incomplete and Excluded Claims	7
Topic 3: FDC Development	9
Topic 4: Public Law 112-154 Section 506	12
Practical Exercise	13

OBJECTIVES

- Identify the types of EZ Forms used in Compensation Fully Developed Claim (FDC) Program with 80% accuracy
- Identify the parts of the EZ Forms with 80% accuracy
- Identify submission requirements for an incomplete Fully Developed Claim with 80% accuracy
- Differentiate Fully Developed Claim Program exclusions, including notification requirements with 80% accuracy
- Identify FDC Program Development requirements , including notification with 80% accuracy
- Identify the FDC Program Development actions for exclusions with 80% accuracy
- Identify the Records VBA is required to request in the FDC Program with 80% accuracy
- Differentiate Public Law 112-154 Section 506 requirements for the FDC Program with 80% accuracy

REFERENCES

- Web Automated Reference Materials System (WARMS) M21-1MR III.i.3
- Fast Letter 13-17: Processing Fully Developed Original Claims Received from August 6, 2013 through August 5, 2015
- VSCM Call March 2014
 - Informal/Incomplete claims under the FDC Program
 - Guidance on reopened claims under the FDC program
- VSCM Call July 2014
 - Requirements for VA Form 21-0781, *Statement in Support of Claim for Service Connection for Post Traumatic Stress Disorder*, for combat Veterans.
- VSCM Call Addendum December 2013
 - Updates to time frames for Federal records requests.

TOPIC 1: OVERVIEW OF EZ FORMS

Types of EZ Forms

1. VA Form 21-526EZ Fully Developed Claim (Compensation)
2. VA Form 21-527EZ Fully Developed Claim (Pension)

VA Form 21-534EZ Fully Developed Claim (Application for DIC, Death Pension, and Accrued Benefits)

EZ Form for FDC

Only a claim filed on an EZ form is potentially eligible for processing in the FDC Program. If a claimant requests processing in the FDC Program but did not file their claim on an EZ form, the claim will be excluded from the FDC Program.

Please note: The new forms are dated January 2013. Only the forms dated August 2011 or later will be accepted into the FDC program.

Parts of the EZ Forms

The updated VA Forms 21-526EZ, 21-527EZ, and the new VA Form 21-534EZ are comprised of **two bound parts**:

- The 5103 Notice
- The Application

Please note: The application part of the new forms needs to be completely filled out and submitted to the local regional office.

21-526EZ Notice Section

Student instruction: Refer to Student Handout, Enclosure 1 VA Form 21-526EZ

The notice section of the VA Form 21-526EZ provides the claimant §5103 notice (Duty to Assist) for the following live compensation claims:

- Service connection (original, new, secondary, and reopened)
- Service connection based on a period of active duty for training or inactive duty training
- Increased disability compensation
- Individual Unemployability
- Temporary total disability rating due to hospitalization or due to surgical or other treatment

- Compensation under 38 U.S.C. 1151
- Increased benefits based on the need for aid and attendance or based on an additional disability or housebound status (SMC)
- Specially adapted housing or special home adaptation
- Automobile allowance or adaptive equipment
- Benefits based on a Veteran's helpless/seriously disabled child

21-526EZ Application Section Requirements

- Page 1, Item 1: FDC Criteria – The VAF 21-526EZ must be signed and completed to be accepted into the FDC program. **If the claim is not signed or completed then follow FL 12-25, page 4 and 5 for Claims Processing procedures on Incomplete FDC Claims.**
- Page 1, Item 2: Submit simultaneously with your claim. Items required under the Special Circumstances must be submitted with the VAF 21-526EZ or the claim will be considered incomplete and will be considered excluded from the FDC program.
- Page 2: The Fully Developed Claim (FDC) Program. Tells highlighted portion tells the Veteran that if VA needs additional records their claim will be removed from FDC and placed in the Standard Claim Process.
- Page 2: WHAT YOU NEED TO DO: Tells the Veteran to submit all relevant evidence in their possession or tell VA where to obtain the evidence. (Includes the DD-214)
- Page 2: FDC Program (Optional Expedited Process) vs Standard Claim Process. This is a part of the 5103 Notice requirements.
- Page 3: WHAT THE EVIDENCE MUST SHOW TO SUPPORT YOUR CLAIM. The table identifies the type of claim and the corresponding evidence table the Veteran must refer to for the specific claimed conditions. Pages 4, 5 and 6 describe WHAT THE EVIDENCE MUST SHOW for each type of benefit.
- Page 6: Continues with the rest of the 5103 Notice to include:
 - How VA Determines the Effective Date and,
 - How VA Determines the Disability Rating

Note the red asterisks for pertinent information on the VA Form 21-526EZ enclosure 1.

- Page 7: Section I and II: Note the asterisks fields must contain information. Box 10 (highlighted note) If the Veteran is claiming any benefit in this list then the corresponding form must be submitted with the VAF 21-526EZ to qualify for the FDC Program.
- Page 8: Section V: CLAIM CERTIFICATION AND SIGNATURE is the 5103 Notice Response.
- Page 8, Section 21: If the Veteran checks the box in this section, then accept the claim in the Standard Claims Process and **do not** send an additional 5103 Notice Response unless required for items in the additional FDC exclusions listed in the next slide.

- Page 8, Section 22: The signature is required or the claim will be considered an incomplete or incomplete claim. (incomplete for original claims and incomplete for non-original claims)

FDC Notice Exclusions

A few types of claims are not specifically covered by the FDC notice. Examples include:

- Claims for Permanent & Total status
- Claims for Hepatitis C
- Claims for a higher level of SMC (i.e. R-2)

21-527EZ Pension

The notice section of the new VA Form 21-527EZ provides the claimant §5103 Notice to Veteran of Evidence Necessary to Substantiate a Claim For Veterans Non Service-Connected Pension Benefits.

The notice is applicable to Veterans claims for:

- Non Service-Connected Pension
- Non Service-Connected Pension with Aid and Attendance or Housebound Benefits
- Benefits Based on a Veteran's Seriously Disable Child

21-534EZ Dependents

The notice section of the new VA Form 21-534EZ provides §5103 Notice to Survivor of Evidence Necessary to Substantiate a Claim for Dependency and Indemnity Compensation (DIC), Death Pension, and/or Accrued Benefits. The notice is applicable to survivors claims for:

- Death Pension
- DIC to include reopened DIC
- DIC under 38 U.S.C 1151
- Increased Survivor Benefits Based on Need for Aid and Attendance or Being Housebound
- Accrued Benefits
- Benefits Based on a Veteran's Seriously Disabled Child

TOPIC 2: FDC INCOMPLETE AND EXCLUDED CLAIMS

This topic will allow the trainee to be introduced to incomplete and excluded claims in the FDC Program

Incomplete Claims for FDC

A Veteran may submit an incomplete claim for the FDC program to secure an effective date.

Submitting VA Form 21-4138

To submit an incomplete claim, the Veteran may use VA Form 21-4138 with the following statement:

“I intend to apply for compensation/pension benefits under the FDC Program. This statement is to preserve my effective date for entitlement to benefits. I am in the process of assembling my claim package for submission.”

Please note: If a claimant in a communication identifies a specific contention (e.g., left leg, diabetes, etc) and a signed, completed VA Form 21-526 or EZ form is of record, we will consider it a formal application. We will place the claim under end product control (e.g., EP 020) effective the date of receipt of the completed application, and forward it for processing.

Exclusions

The following circumstances will exclude the claim from the FDC program.

- The claimant indicated a desire not to have the claim processed in the FDC Program by checking the box in:
 - Item 21 of the VA Form 21-526EZ
 - Item 32 of the VA Form 21-527EZ
 - Item 44 of the VA Form 21-534EZ
- The claimant has a claim pending at the time of receipt of the EZ form
- The claimant has an appeal pending at the time of receipt of the EZ form
- The claim requires a character of discharge determination
- The claim requires development for records in the custody of the Veteran's Guard/Reserve unit(s)
- Further evidence is needed from the claimant or an identified private medical provider.
- The EZ form is incomplete.

- The claim requires any development except:
 - Federal records in the custody of the Federal government
 - Claimant-identified Federal treatment records such as VA medical center (VAMC) treatment records
 - A VA examination/DBQ

VA will include the claim in the FDC program and develop for federal records, VAMC records and request all appropriate VA Exams.

Additional Exclusions

A claim may be removed from the FDC program if:

- The Veteran fails to report for a VA exam (and the fault is not with the VA due to using an incorrect address)
- A supplemental claim, additional evidence, or an NOD on any claim is received after receipt of the FDC

Excluded FDC Notification

When a claim is excluded from the FDC program, either at initial receipt or subsequently, the Veteran is notified using language such as:

“We cannot process your claim under the Fully Developed Claim (FDC) Program because...”

- ...we received evidence requiring further development after the claim was received.
- ...you did not report for a scheduled VA examination.
- ...you did not sign your FDC application.

Refer to FL 12-25 pages 9 and 10 for more details to the language to place under the “What We Still Need From You” paragraph in a Supplemental Development letter.

TOPIC 3: FDC DEVELOPMENT

Development Requirements

Despite the name, we do not expect FDC claims to be ready for a decision immediately upon receipt. VA will still complete the following development on an FDC:

- Request any identified federal records. These records include service treatment records (except Guard/Reserve), VAMC records, personnel records, Social Security records, etc.
- Request a VA exam and opinion if necessary to decide the claim

FDC Subsequent Notification

There are two circumstances where VA will still send a subsequent development letter to the Veteran under the FDC program:

- A claim for a condition that has been previously denied
- When VA determines that federal records are unavailable

Previously Denied Conditions

The FDC Notice includes information about the need for New & Material evidence to reopen a claim. However, VA still needs to inform the Veteran of the reason for the previous denial. Use the Subsequent Development letter and do not send an additional 5103 notice.

A paragraph explaining that the Veteran will be excluded from the FDC program if additional evidence is received will be attached as well.

“We received your claim and your request to participate in the Fully Developed Claim (FDC) Program. Though you indicated you have no other information or evidence to give VA to support your claim, we are required to send you this notice. If you have information or evidence not previously submitted to VA that supports your claim, we recommend you submit it. As a reminder, if you submit any additional information or evidence at this point, VA will remove your claim from the FDC Program Expedited Process and process it in the Standard Claim Process.”

“You were previously denied service connection for [contention VA previously denied]. You were notified of the decision on [date of previous denial]. The appeal period for that decision has expired and the decision is now final. In order for us to reopen your claim, we need new and material evidence. Your claim was previously denied because [reason(s) for previous denial, e.g., the disability was not shown in service]. Therefore, the evidence you submit must be new and relate to this fact.”

Unlike the standard claims process, VA does not wait 30 days prior to taking the next action following this notice. The notice will be sent simultaneously with whatever other actions are needed to complete the claim.

The VSR must send the paragraphs above and follow procedures based on:

- M21-1MR III.IV.2.B.5.F HANDLING CASES IN WHICH VA HAS REQUESTED NEW AND MATERIAL EVIDENCE.

Federal Records

If the Veteran identifies federal records, VA will proceed to develop for those records, just as in the standard claims process.

However, if the Veteran has copies of the federal records in question, we strongly encourage them to be submitted with the claim. Attempts to obtain federal records can significantly delay the claim, so submitted records will expedite the claim process.

Unavailable Federal Records

If the Veteran identifies federal records, and VA is unable to obtain them, we will send the Veteran a notification of the unavailability of those records, with the following paragraph attached:

“We received your claim and your request to participate in the Fully Developed Claim (FDC) Program. Though you indicated you have no other information or evidence to give VA to support your claim, we are required to send you this notice. If you have information or evidence not previously submitted to VA that supports your claim, we recommend you submit it. As a reminder, if you submit any additional information or evidence at this point, VA will remove your claim from the FDC Program Expedited Process and process it in the Standard Claim Process.”

Guard and Reserve Records

If the Veteran is a member of the National Guard or Reserves, they must submit copies of their service treatment records and any relevant personnel records along with their claim in order to be eligible for the FDC program.

If, during the development of a claim, VA determines that relevant records (that were not submitted by the Veteran) are in the custody of the Veteran’s Guard or Reserve units, the claim will be excluded from the FDC program.

Private Medical Records

In the FDC program, the Veteran must submit copies of the treatment records for VA to consider in order to remain eligible for the FDC program.

If the Veteran submits a completed 21-4142 for a private provider along with their claim, the claim will be excluded and VA will develop for the medical records under the standard claims process.

TOPIC 4: PUBLIC LAW 112-154 SECTION 506

Public law 112-154 Section 506

On August 6, 2012, the President signed a comprehensive legislative package, the “Honoring America’s Veterans and Caring for Camp Lejeune Families Act of 2012,” Public Law 112-154. Section 506 of this Act amends 38 U.S.C. § 5110 to allow up to a one-year retroactive effective date for awards of disability compensation based on fully-developed **original** claims for compensation received between August 6, 2013, and August 6, 2015. The purpose of this change is to provide an incentive to Veterans and Veteran Service Organizations (VSOs) to submit fully developed claims.

Amends 38 U.S.C. § 5110 to allow up to a one-year retroactive effective date for awards of disability compensation based on fully-developed **original** claims for compensation received between August 6, 2013, and August 6, 2015.

Eligibility for Retroactive Date

Eligibility for one-year retroactive date

- The claim must be for compensation – no other types of claims are eligible,
- The claim must be **formal and original**; incomplete claims are not eligible for an additional retroactive effective date (however, see the instructions below for determining the proper effective date when an incomplete claim for the same disability exists in the record),
- The claim must be received on a VA Form 21-526 EZ, and
- The claim must be received between August 6, 2013, and August 6, 2015.

Calculating retroactive dates

Calculating the one-year retroactive date

The evidence of record must support the evaluation assigned from the effective date.

For example; if evidence submitted with the FDC shows the level of disability existed for one year prior to submission of the claim, then process the award with a one-year retroactive effective date.

If, however, the evidence of record supports less than one-year of disability, process the award accordingly

Unless there is evidence clearly supporting a staged rating, the rating should be consistent through the entire retroactive period.

PRACTICAL EXERCISE

1. EZ forms dated _____ and forward will be accepted
 - a) Aug 2010
 - b) Aug 2012
 - c) Aug 2011
 - d) Aug 2013

2. The EZ forms are in _____ parts
 - a) 3 bound
 - b) 2 bound
 - c) 4 bound
 - d) 5 bound

3. There are 3 types of live compensation claims not covered by the 5103 notice and they are;
 - a) Hepatitis, IU, permanent and total
 - b) IU, previously denied, hepatitis
 - c) Higher level of SMC, hepatitis, permanent and total
 - d) Permanent and total, IU, hepatitis

4. Which of these would be an exclusion from the FDC program
 - a) Appeal pending
 - b) Claim pending
 - c) Character of discharge required
 - d) All of the above

5. VA will go out for these records
 - a) VHA
 - b) Guard / reserve records
 - c) Any pertinent records in federal custody
 - d) A & C