# DEPENDENCY COMPENSATION AWARDS TRAINEE HANDOUTS

## DEPENDENCY FOR COMPENSATION AWARDS

## TRAINEE HANDOUTS

**References** ..... 2
**Who is a Dependent for Compensation?** ..... 3
**Adding Dependents to a Veterans Corporate Record** ..... 4
**Dependency - Add spouse** ..... 7
**Dependency - Add a minor child** ..... 10
**Dependency – Change minor child to school child or add a school child** ..... 13
**Dependency - Add a helpless child** ..... 19
**Dependency - Helpless child attends school** ..... 22
**Dependency - Add spouse aid & attendance** ..... 25
**Dependency – Remove a Dependent** ..... 28

## *References*

- 38 CFR 3.1(j), *Definitions, Marriage*
- 38 CFR 3.4(b)(2), *Compensation, An additional amount of compensation*
- 38 CFR 3.50, *Spouse and surviving spouse*
- 38 CFR 3.57, *Child*
- 38 CFR 3.204, *Evidence of dependents and age*
- 38 CFR 3.210, *Child's relationship*
- 38 CFR 3.31, *Effective Dates*
- 38 CFR 3.401(b), *Veterans, Dependent, additional compensation or pension for*
- 38 CFR 3.403(a)(5), *School Attendance*
- 38 CFR 3.315, *Basic eligibility determinations; dependents, loans, education*
- 38 CFR 3.660, *Dependency, income and estate*

- M21-1MR III.iii, *Dependency*
- M21-1MR III.iii.5, *Relationship and Dependency*
- M21-1MR III.iii.5.F.35.c, *Determining the Proper Effective Date for Adding a Dependent*
- M21-1MR III.iii.6, *School Attendance*
- M21-1MR III.iii.7, *A Child's Permanent Incapacity for Self-Support*
- M21-1MR III.v.2, *Award and Denial Authorization & Notification*
- M21-1MR III.iii.5.F.36, Adjustments Due to Loss of a Dependent

## *Who is a Dependent for Compensation?*

**The Veteran must have at least a 30% combined evaluation due to service-connected disabilities before dependency becomes an issue for compensation claims.**

### Spouse of Veteran (Dependency assumed)

38 CFR 3.50(a), 38 CFR 3.1(j)

### Children of Veteran (Dependency assumed)

General 38 CFR 3.57, Legitimate vs. Illegitimate 38 CFR 3.210

- Biological child 38 CFR 3.57(a)
- Stepchild 38 CFR 3.57(b)
- Adopted child 38 CFR 3.57(c)

Additional subcategories

- Helpless children 38 CFR 3.57(a)(1)(ii)
- School children 38 CFR 3.667

### Parents of Veteran (Dependency assumed)

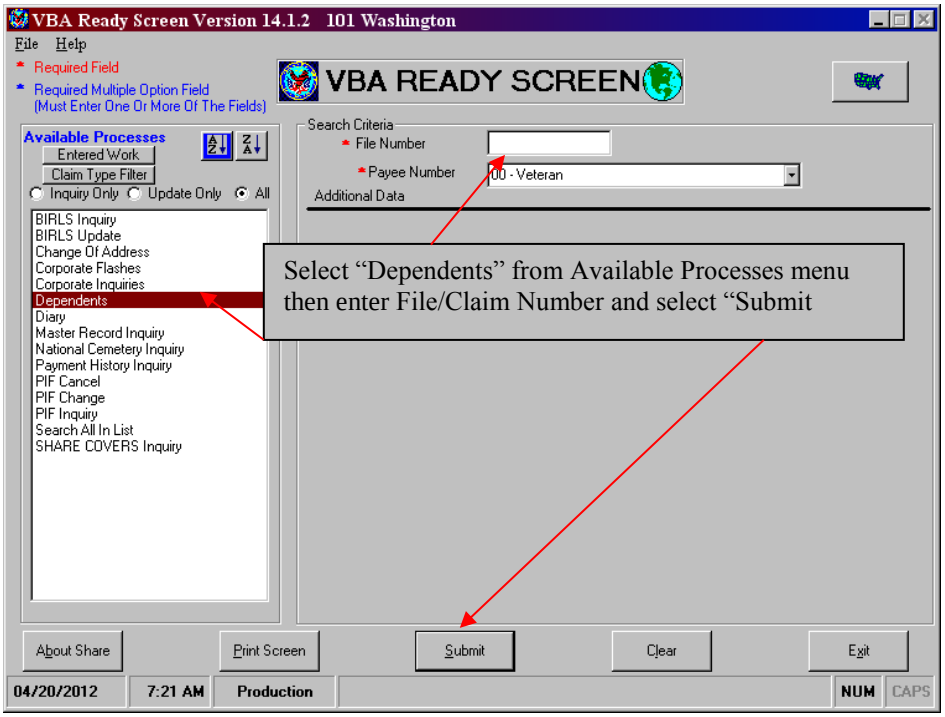
- Parent of Veteran 38 CFR 3.59(a)
- Foster Relationship 38 CFR 3.59(b)

### Examples of those who cannot be considered dependents:

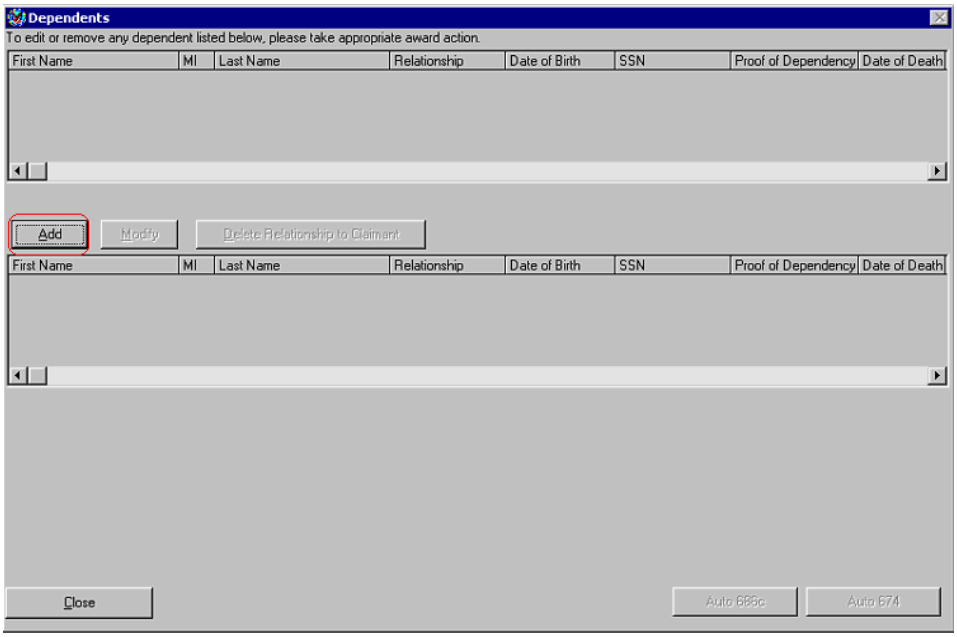
- Foster children of veteran
- Grandchildren of veteran
- Mother or Father In-Law
- Ex-spouses of veteran
- Stepchild – When no longer a member of the Veterans home (exceptions may apply)

## *Adding Dependents to a Veterans Corporate Record*

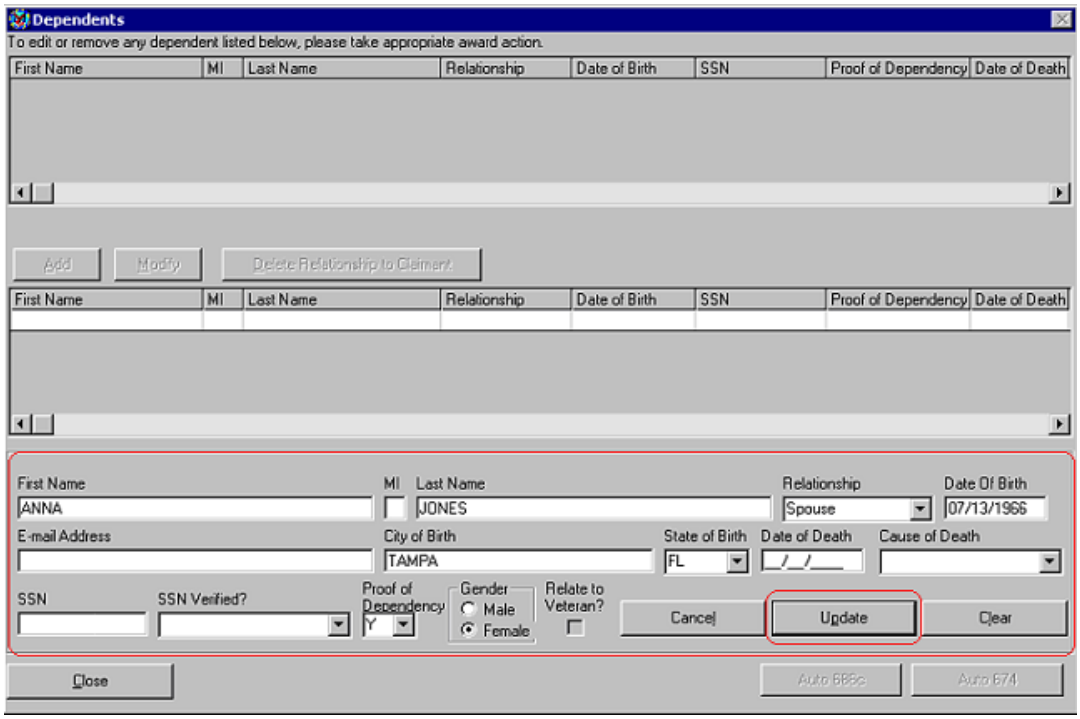
We can add the dependents to the Corporate Record by selecting the “Dependents” option from the Available Processes menu that is found on the left side of the Share VBA Ready Screen



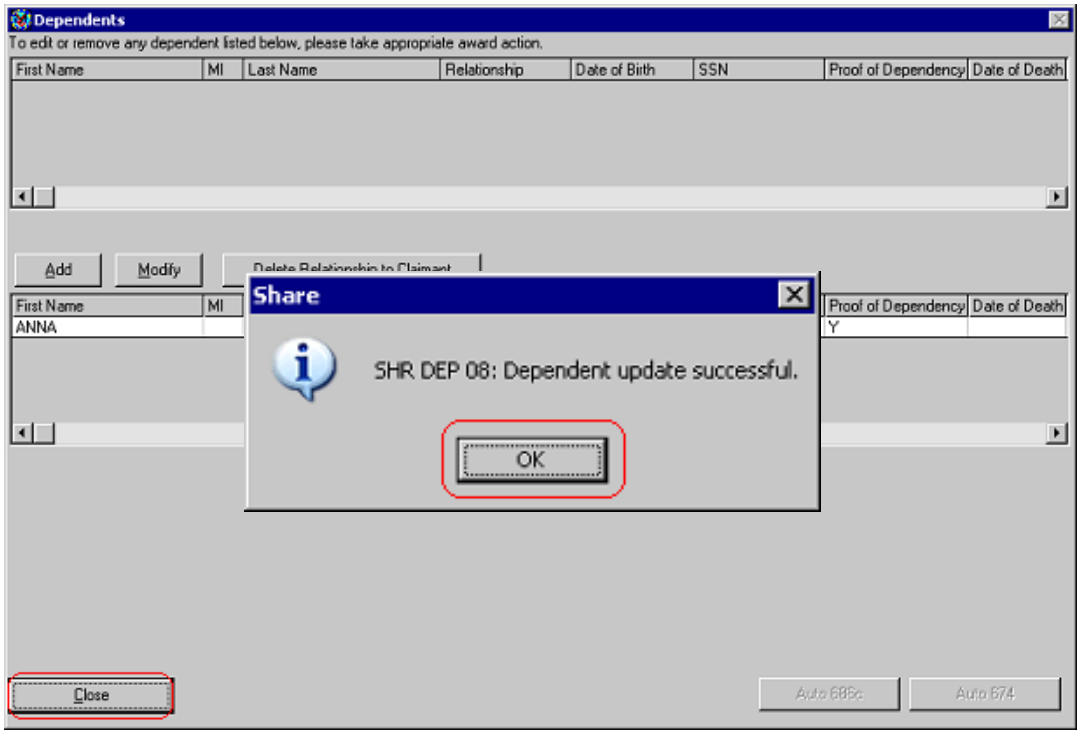

Select “Add” to continue




Select dependent from dropdown, input details – then select “Update”



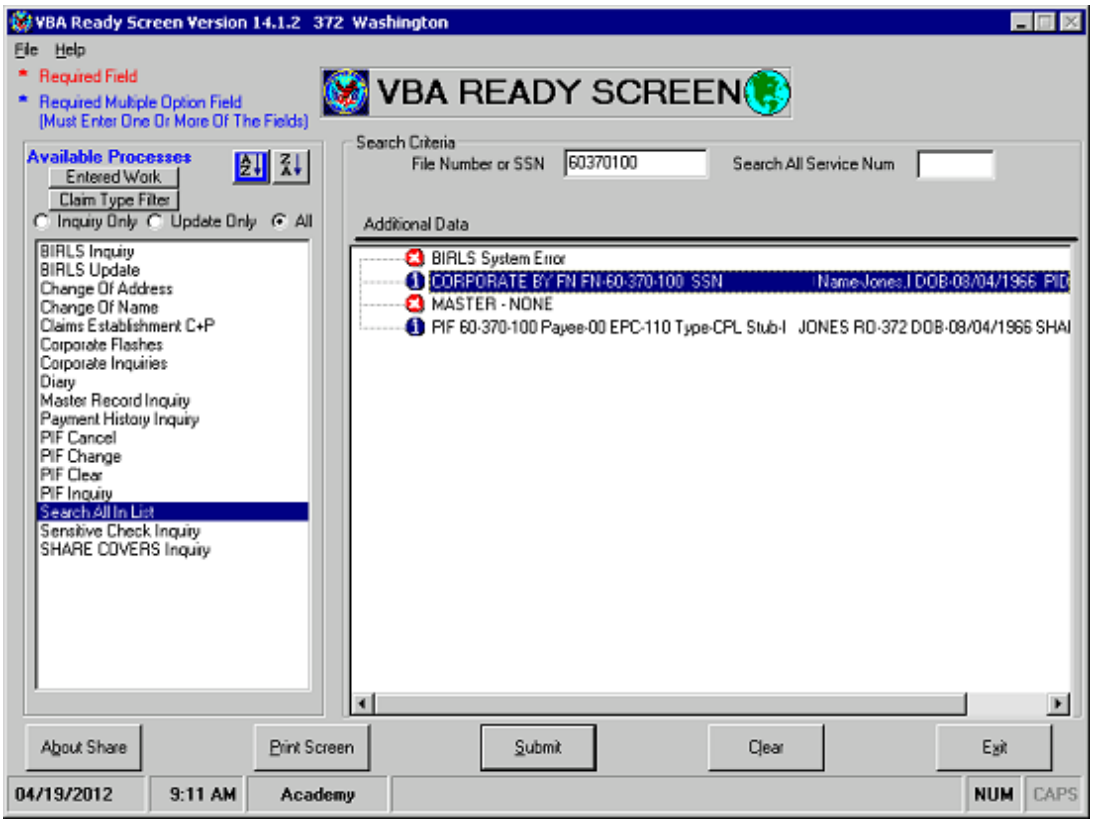

Select “OK” – then select “Close” if all dependents are added or select “Add” for additional dependents and follow previous two steps above until all are added

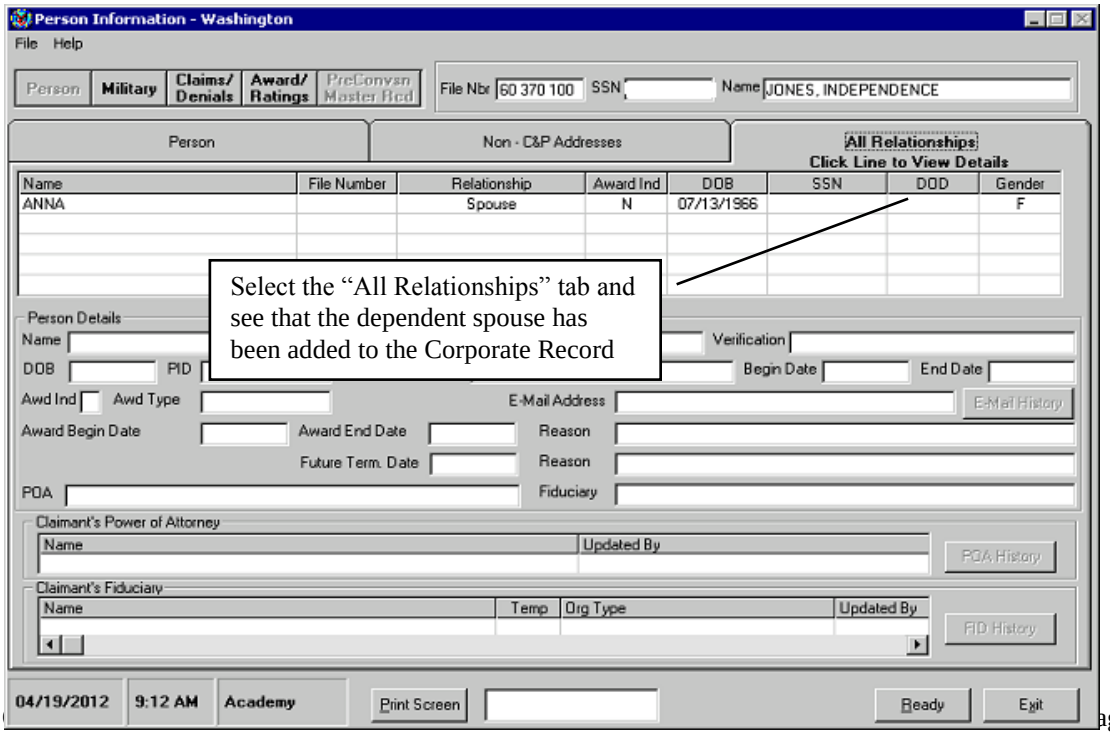



This process is only to add the dependents into the Corporate Record. If an award was to be generated without any further action the dependent(s) would not be added

to the award. That action will be done once we go into the VBMS-A system and add the dependent(s) on to the actual award

To ensure the dependents have been added to the Corporate Record,from the VBA Ready Screen, input the claim number - select “Search All in List” and Submit. From the screen shown below you will double click on the Corporate Record:

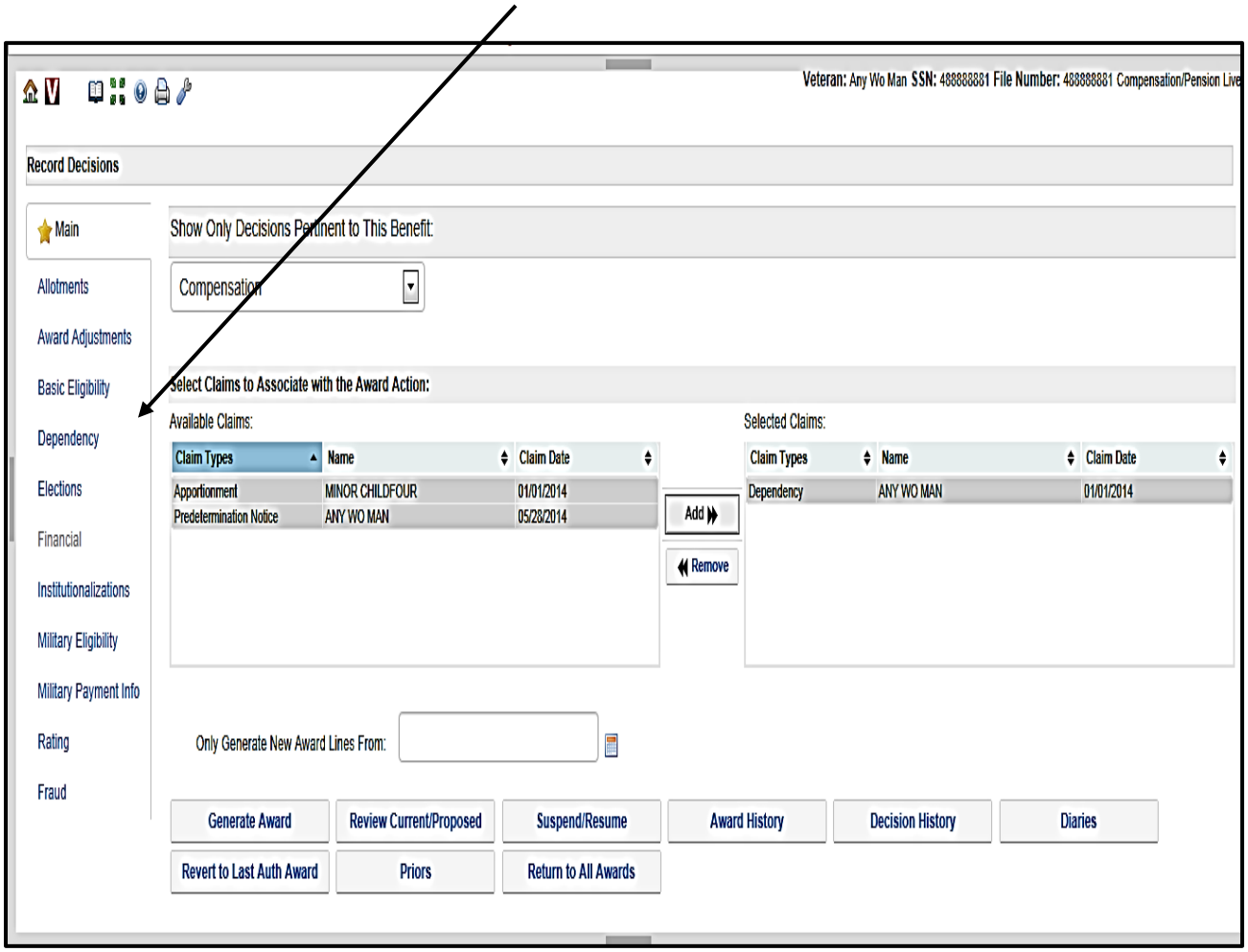


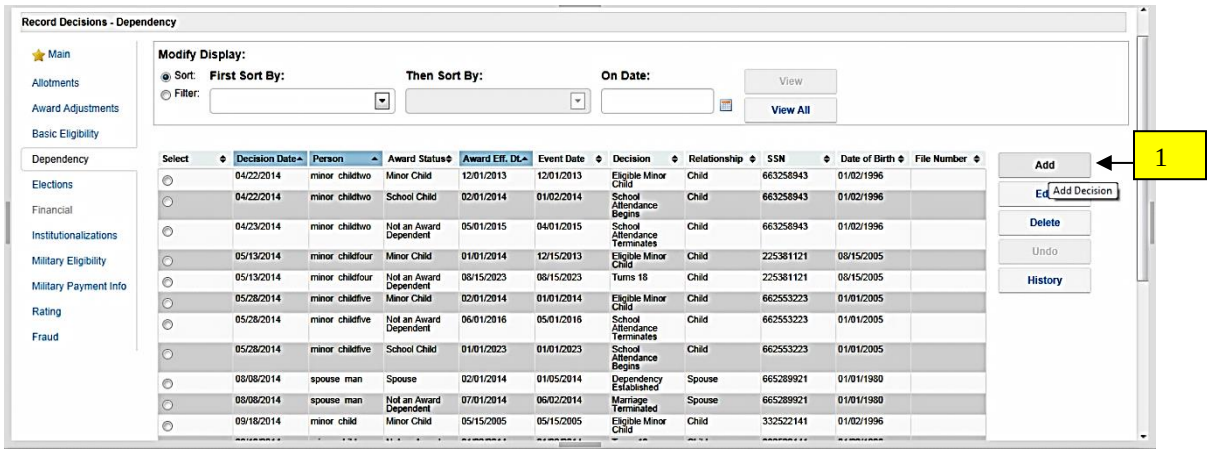
## ***Dependency - Add spouse***

As with every dependency action, you will need to add the reported family member to the Corporate Record before attempting to pay for the dependent in VBMS-A.

Select Dependency in the column of decision screens to open the Dependency decision screen.



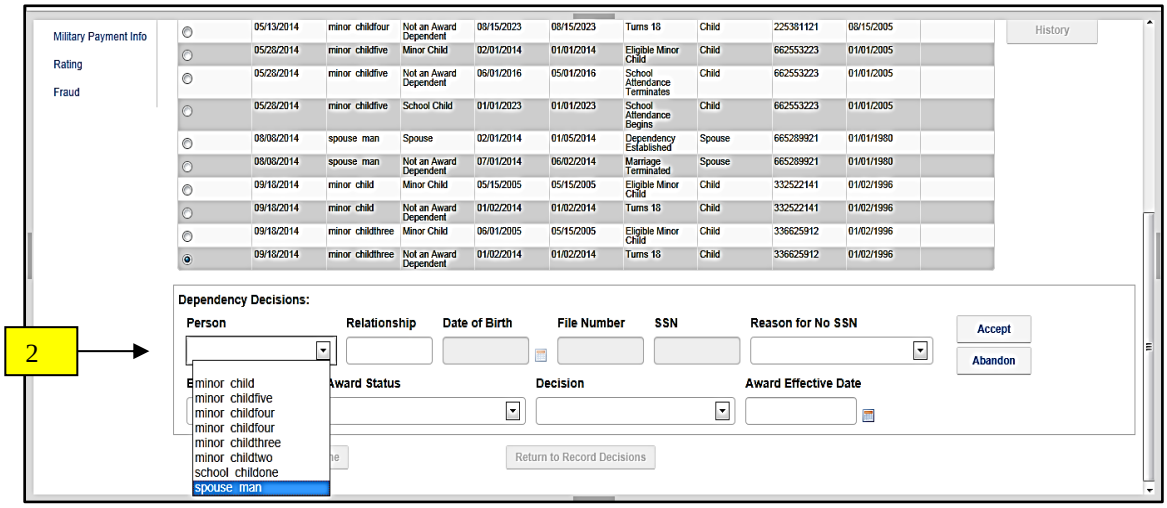
1. Select the **Add** button.




2. Select the **Person** for whom a dependency decision will be made.

   The system will list all dependents that have been previously established as family members through Share or Participant Profile.

   The personal information will be automatically populated based on the information entered into the Corporate Record.



3. If the person does not have a SSN assigned or is a foreign national, select the reason that no SSN exists.

4. Enter the **Event Date**. In this case we are working on an original award and will use the effective date of the rating, 09/01/2010.

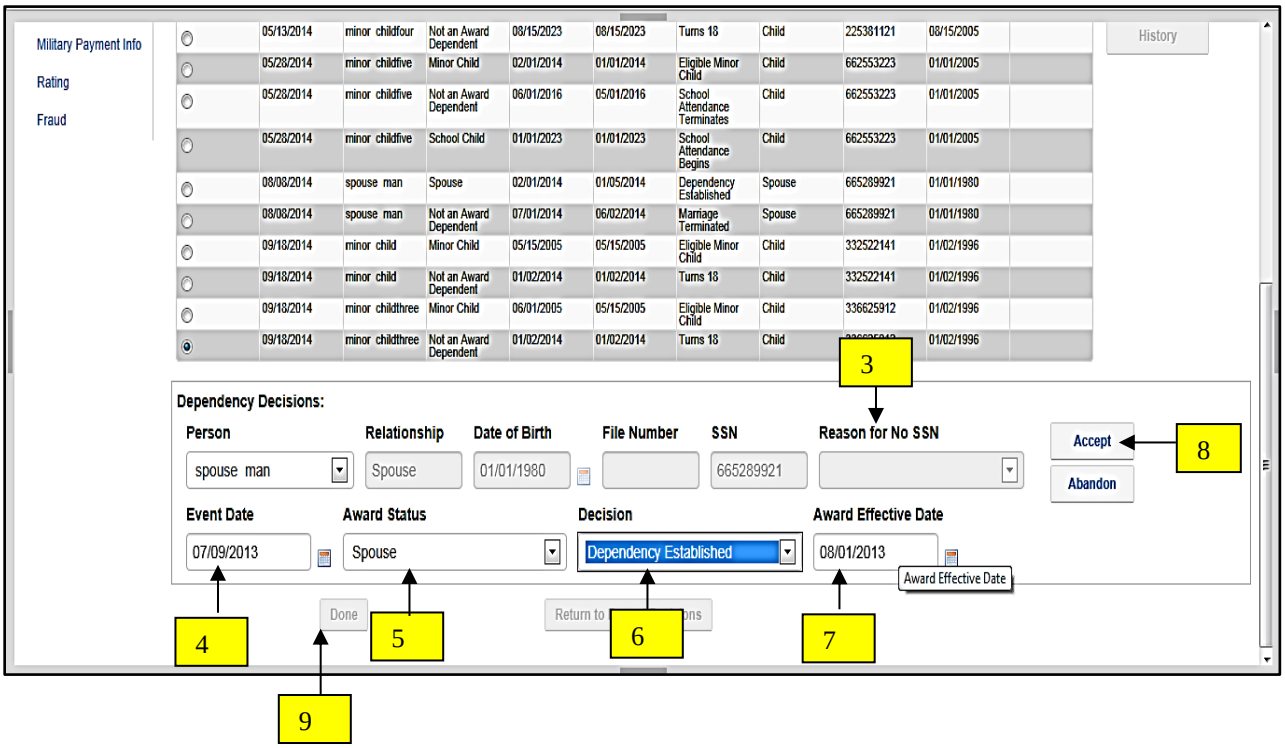
5. Select the **Award Status** of Spouse.

6. Select the **Decision** of Dependency Established.

7. Once the Decision is selected, the system will automatically record the Award Effective Date. This field can be modified if needed, but should be the 1st of the month following the Event Date.

8. Select the **Accept** button to update the grid.

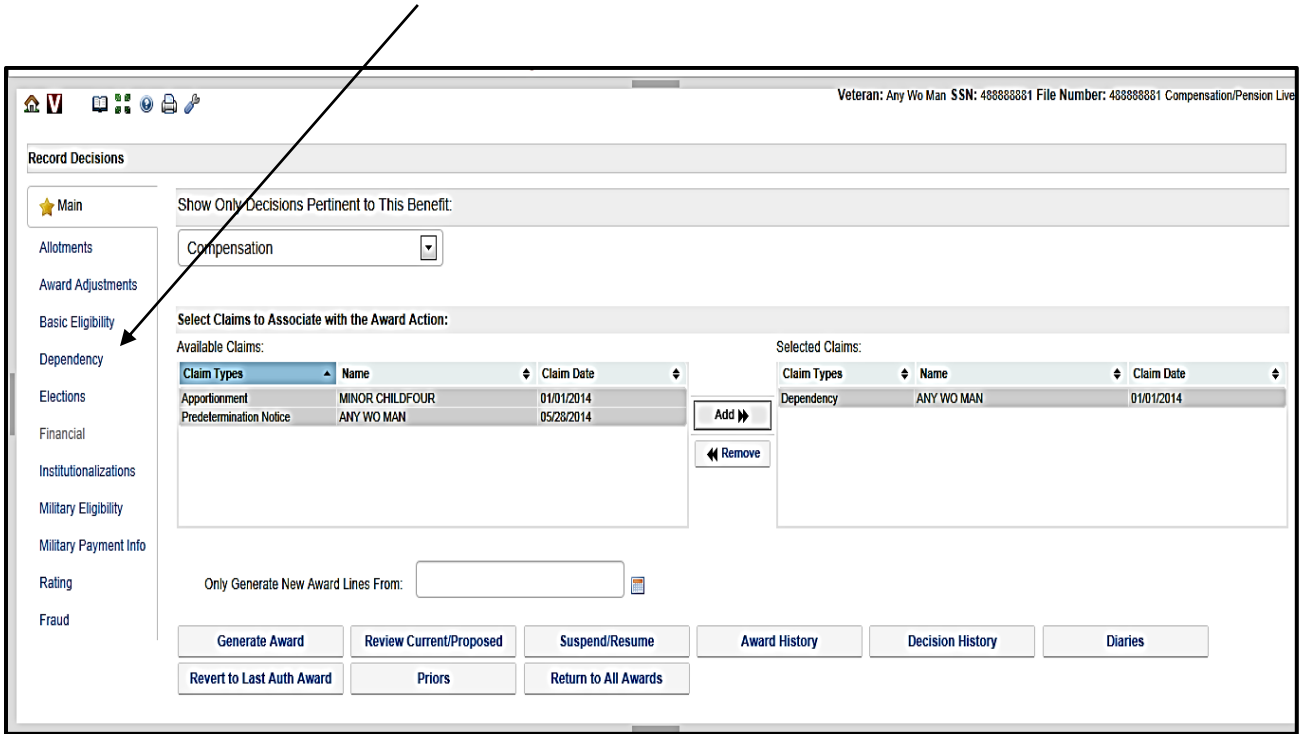
9. Select the **Done** button to save the decision and close the screen.



## *Dependency - Add a minor child*

As with every dependency action, you will need to add the reported family member to the Corporate Record before attempting to pay for the dependent in VBMS-A.

Select Dependency in the column of decision screens to open the Dependency decision screen.

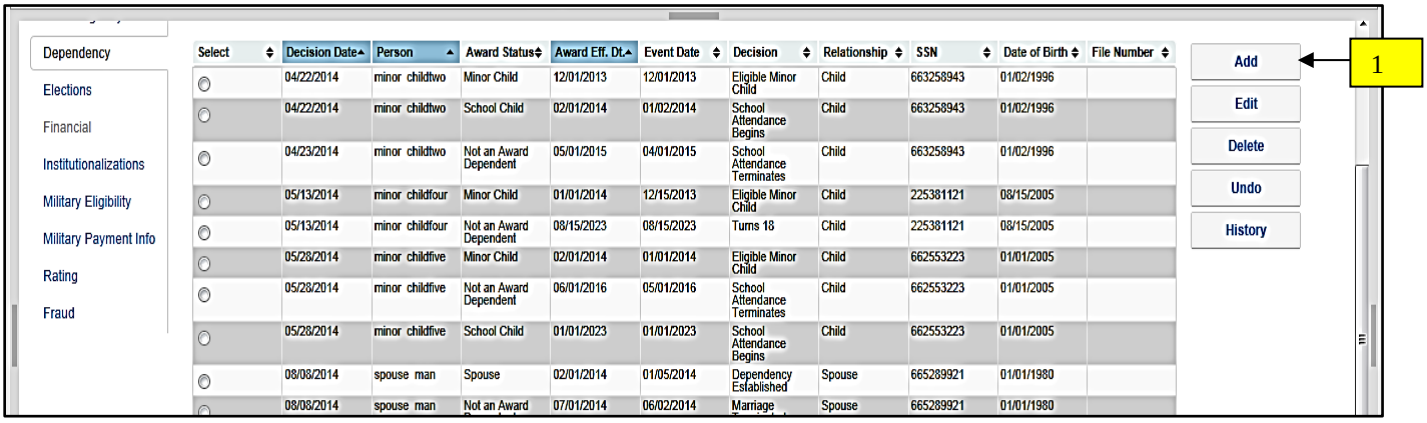


1. Select the **Add** button.

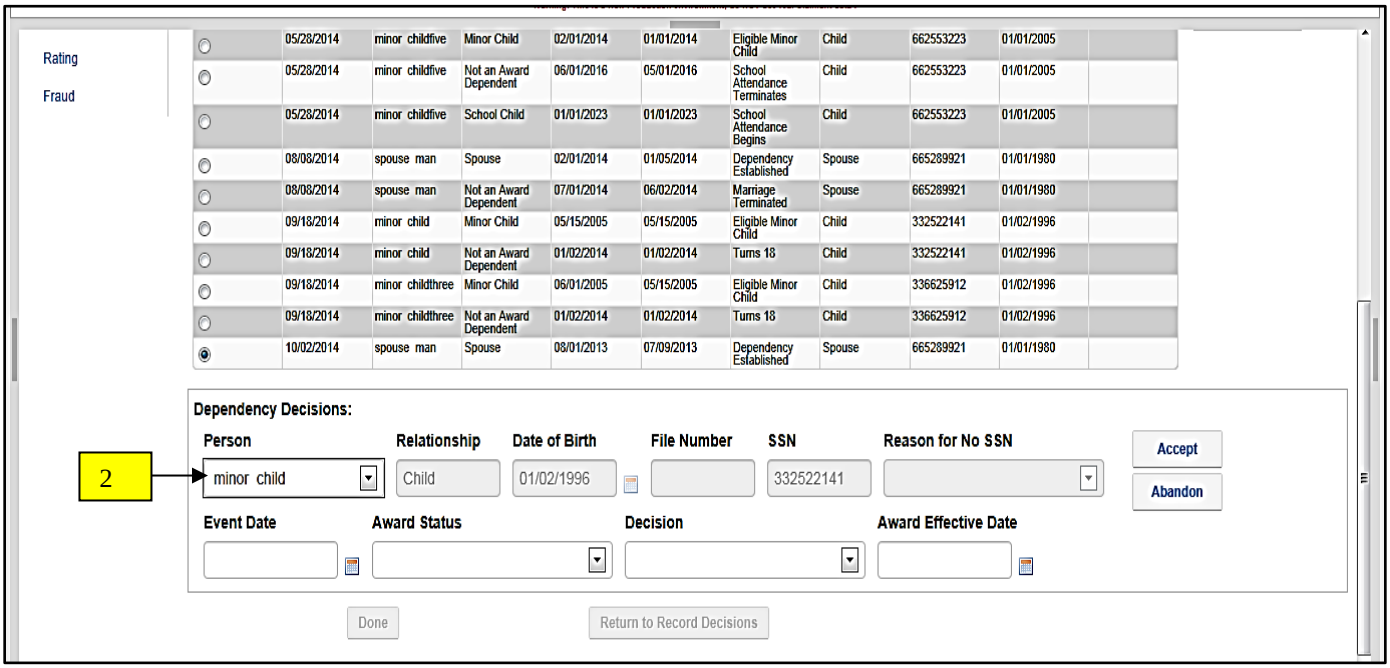
2. Select the **Person** for whom a dependency decision will be made.

   The system will list all dependents that have been previously established as family members through Share or Participant Profile. In this case, Jimmy Jones is a minor child of the Veterans.

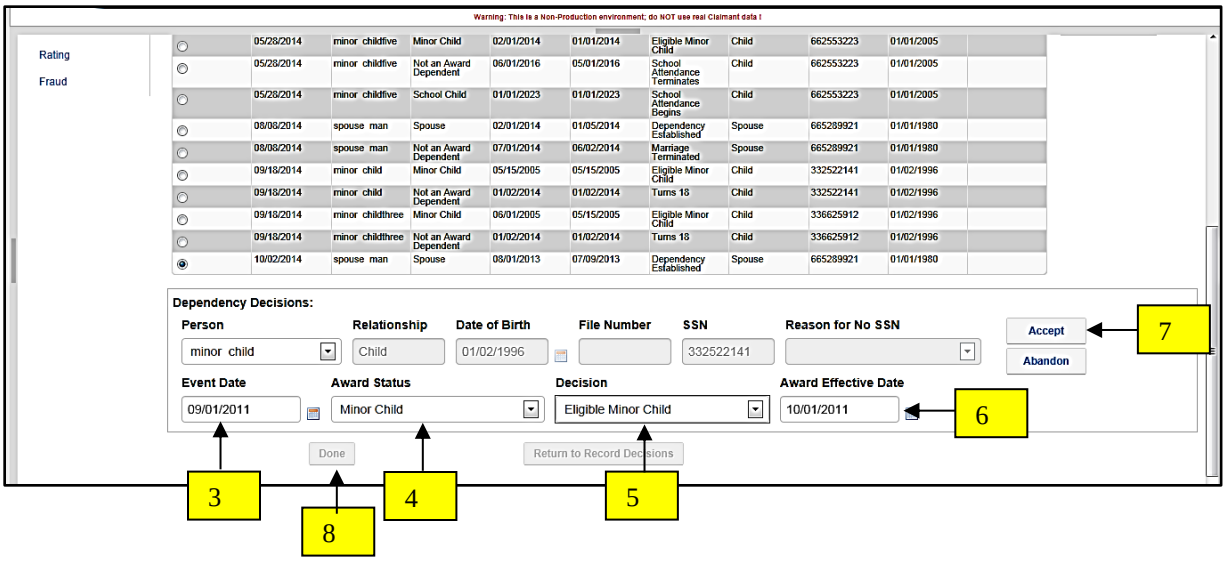
   The Relationship Type, Date of Birth, and SSN information will be automatically populated based on the information entered into the Corporate Record through Share or Participant Profile.




| Select | Decision Date | Person | Award Status | Award Eff. Dt. | Event Date | Decision | Relationship | SSN | Date of Birth | File Number |
|---|---|---|---|---|---|---|---|---|---|---|
| ○ | 04/22/2014 | minor childtwo | Minor Child | 12/01/2013 | 12/01/2013 | Eligible Minor Child | Child | 663258943 | 01/02/1996 | |
| ○ | 04/22/2014 | minor childtwo | School Child | 02/01/2014 | 01/02/2014 | School Attendance Begins | Child | 663258943 | 01/02/1996 | |
| ○ | 04/23/2014 | minor childtwo | Not an Award Dependent | 05/01/2015 | 04/01/2015 | School Attendance Terminates | Child | 663258943 | 01/02/1996 | |
| ○ | 05/13/2014 | minor childfour | Minor Child | 01/01/2014 | 12/15/2013 | Eligible Minor Child | Child | 225381121 | 08/15/2005 | |
| ○ | 05/13/2014 | minor childfour | Not an Award Dependent | 08/15/2023 | 08/15/2023 | Turns 18 | Child | 225381121 | 08/15/2005 | |
| ○ | 05/28/2014 | minor childfive | Minor Child | 02/01/2014 | 01/01/2014 | Eligible Minor Child | Child | 662553223 | 01/01/2005 | |
| ○ | 05/28/2014 | minor childfive | Not an Award Dependent | 06/01/2016 | 05/01/2016 | School Attendance Terminates | Child | 662553223 | 01/01/2005 | |
| ○ | 05/28/2014 | minor childfive | School Child | 01/01/2023 | 01/01/2023 | School Attendance Begins | Child | 662553223 | 01/01/2005 | |
| ○ | 08/08/2014 | spouse man | Spouse | 02/01/2014 | 01/05/2014 | Dependency Established | Spouse | 665289921 | 01/01/1980 | |
| ○ | 08/08/2014 | spouse man | Not an Award | 07/01/2014 | 06/02/2014 | Marriage | Spouse | 665289921 | 01/01/1980 | |




| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| ○ | 05/28/2014 | minor childfive | Minor Child | 02/01/2014 | 01/01/2014 | Eligible Minor Child | Child | 662553223 | 01/01/2005 | |
| ○ | 05/28/2014 | minor childfive | Not an Award Dependent | 06/01/2016 | 05/01/2016 | School Attendance Terminates | Child | 662553223 | 01/01/2005 | |
| ○ | 05/28/2014 | minor childfive | School Child | 01/01/2023 | 01/01/2023 | School Attendance Begins | Child | 662553223 | 01/01/2005 | |
| ○ | 08/08/2014 | spouse man | Spouse | 02/01/2014 | 01/05/2014 | Dependency Established | Spouse | 665289921 | 01/01/1980 | |
| ○ | 08/08/2014 | spouse man | Not an Award Dependent | 07/01/2014 | 06/02/2014 | Marriage Terminated | Spouse | 665289921 | 01/01/1980 | |
| ○ | 09/18/2014 | minor child | Minor Child | 05/15/2005 | 05/15/2005 | Eligible Minor Child | Child | 332522141 | 01/02/1996 | |
| ○ | 09/18/2014 | minor child | Not an Award Dependent | 01/02/2014 | 01/02/2014 | Turns 18 | Child | 332522141 | 01/02/1996 | |
| ○ | 09/18/2014 | minor childthree | Minor Child | 06/01/2005 | 05/15/2005 | Eligible Minor Child | Child | 336625912 | 01/02/1996 | |
| ○ | 09/18/2014 | minor childthree | Not an Award Dependent | 01/02/2014 | 01/02/2014 | Turns 18 | Child | 336625912 | 01/02/1996 | |
| ◉ | 10/02/2014 | spouse man | Spouse | 08/01/2013 | 07/09/2013 | Dependency Established | Spouse | 665289921 | 01/01/1980 | |




3. Enter the **Event Date**. In this case we will use the effective date of 09/01/2011.

4. Select the **Award Status** of Minor Child.

5. Select the **Decision** of Eligible Minor Child.

6. Once the Decision is selected, the system will automatically record the **Award Effective Date**. This field can be modified if needed.

7. Select the **Accept** button to update the grid.

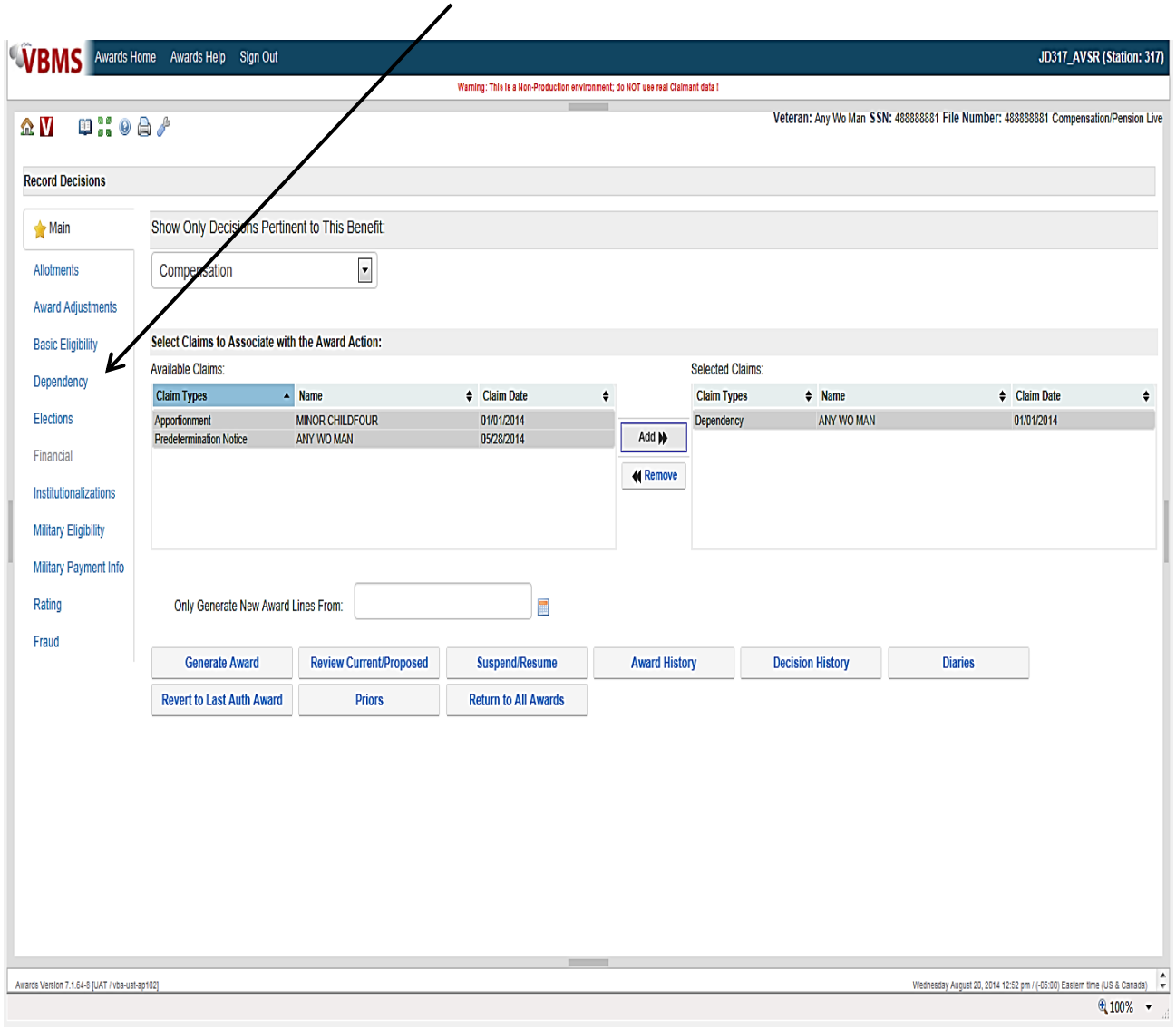
8. Select the **Done** button to save the decision and close the screen.

Note that the system will automatically add a line to remove the minor child on their 18th birthday.

## *Dependency – Change minor child to school child or add a school child*

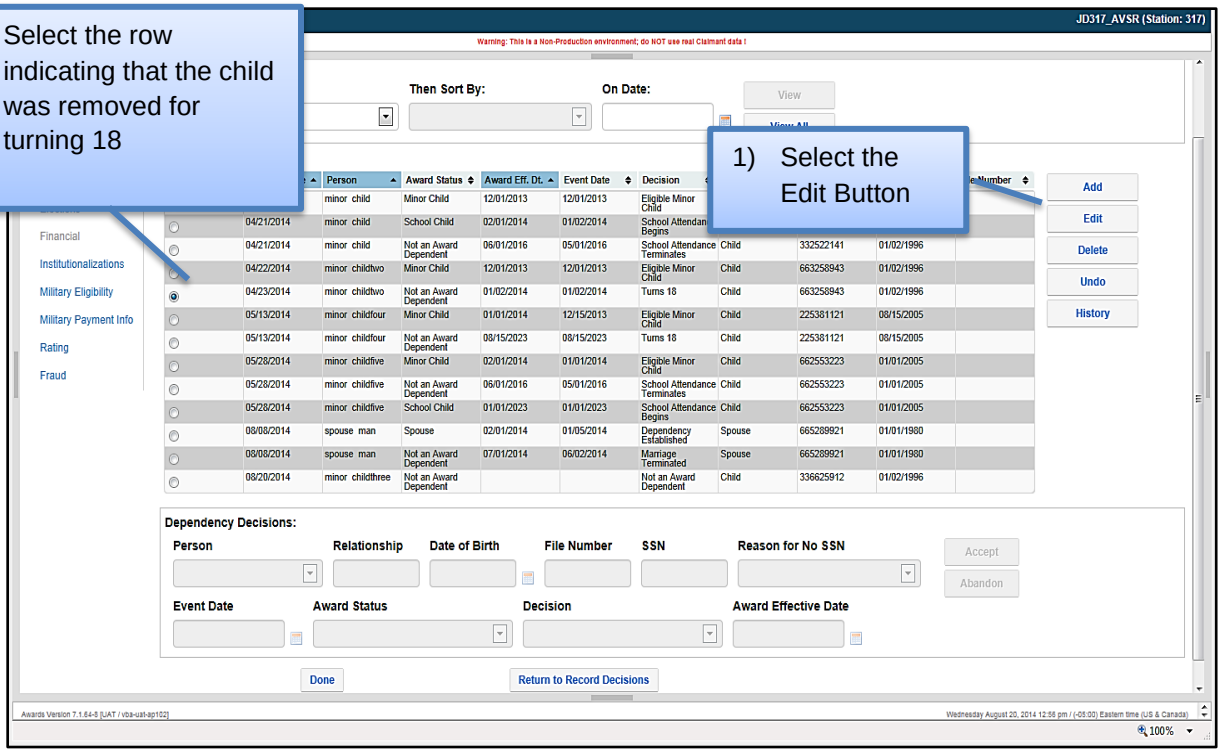
For a situation where a minor child was already an award dependent through the 18th birthday and is now attending college, it may be necessary to pay the additional minor child benefit through the end of the month in which the child turned 18.

Select the Dependency button in the column of decision screen buttons to open the Dependency decision screen.

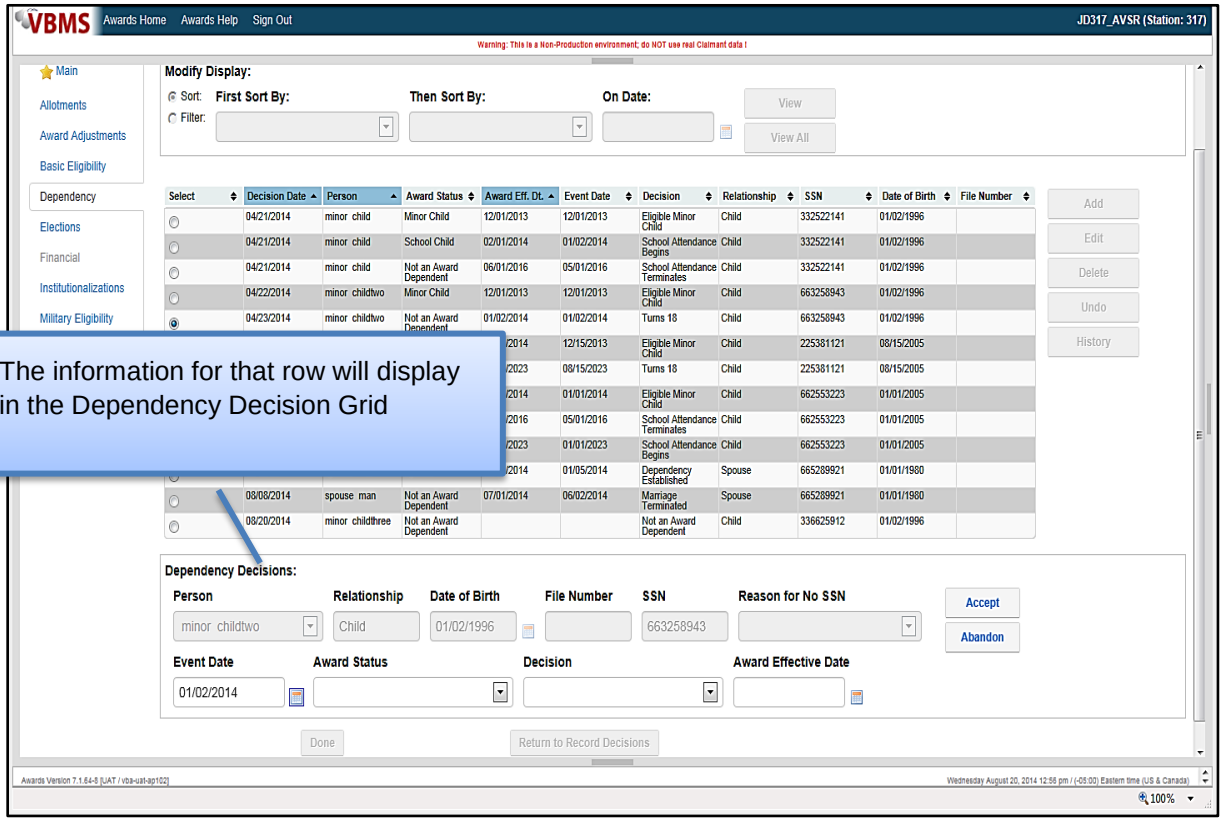


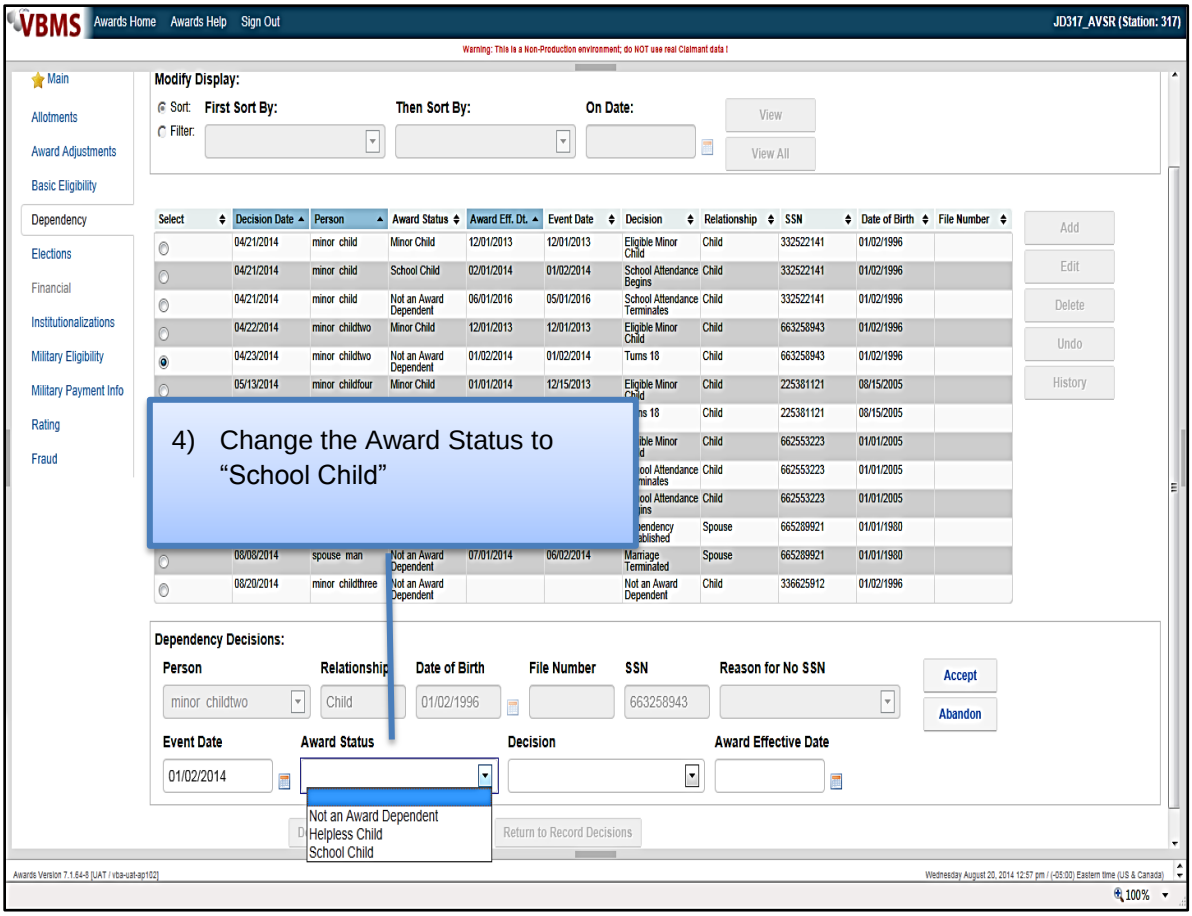
2) Select the row indicating that the child was removed for turning 18

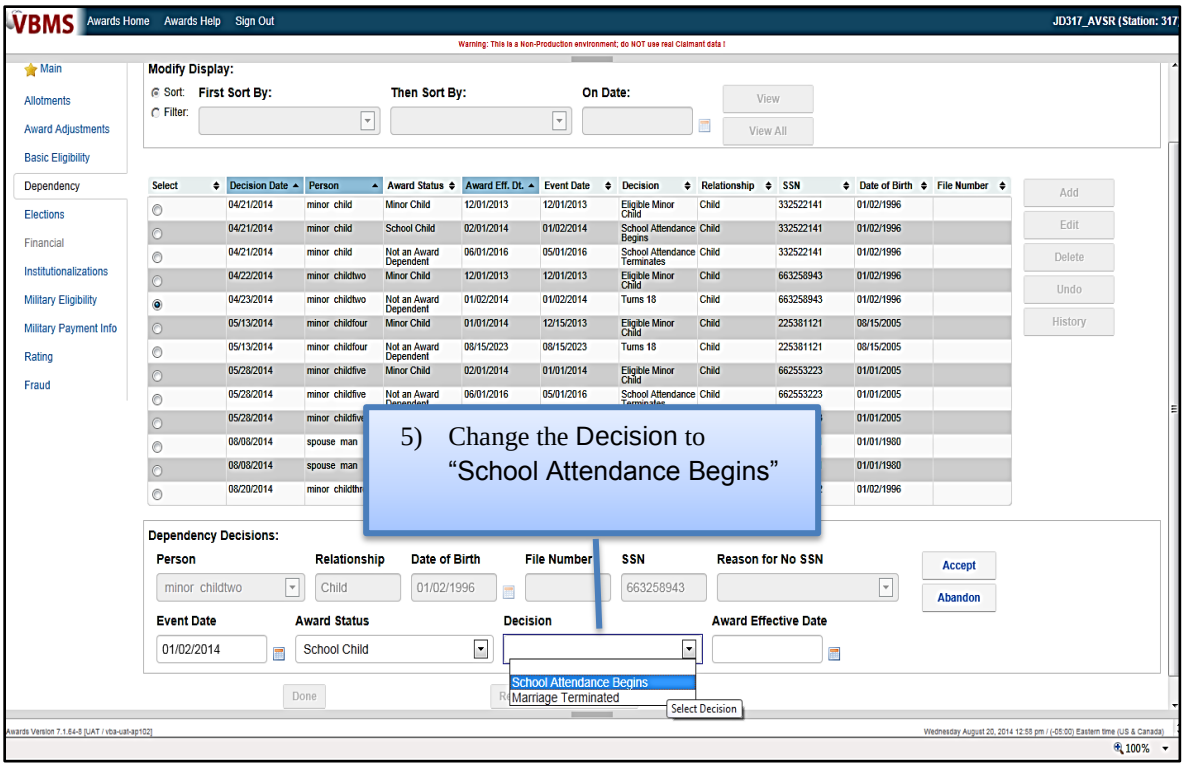
1) Select the Edit Button

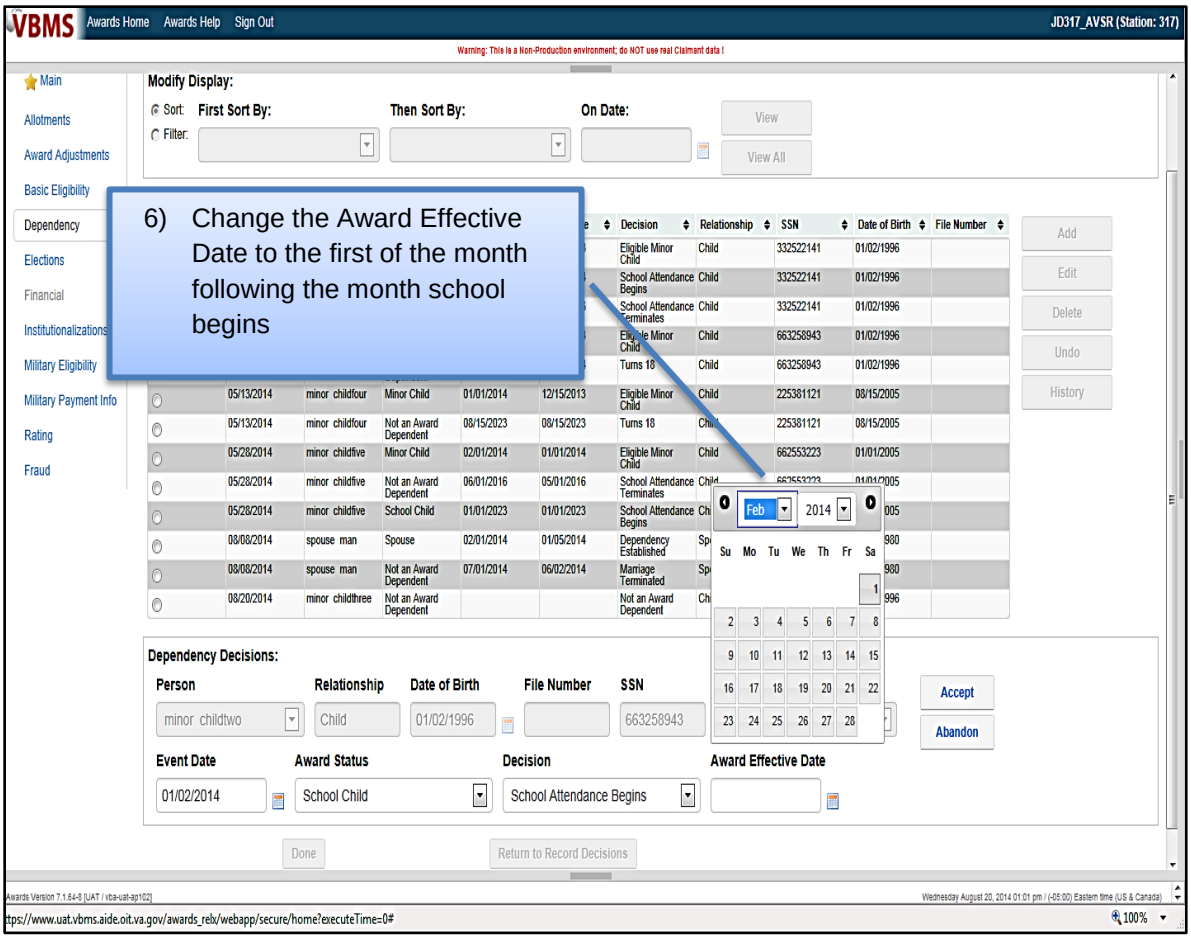


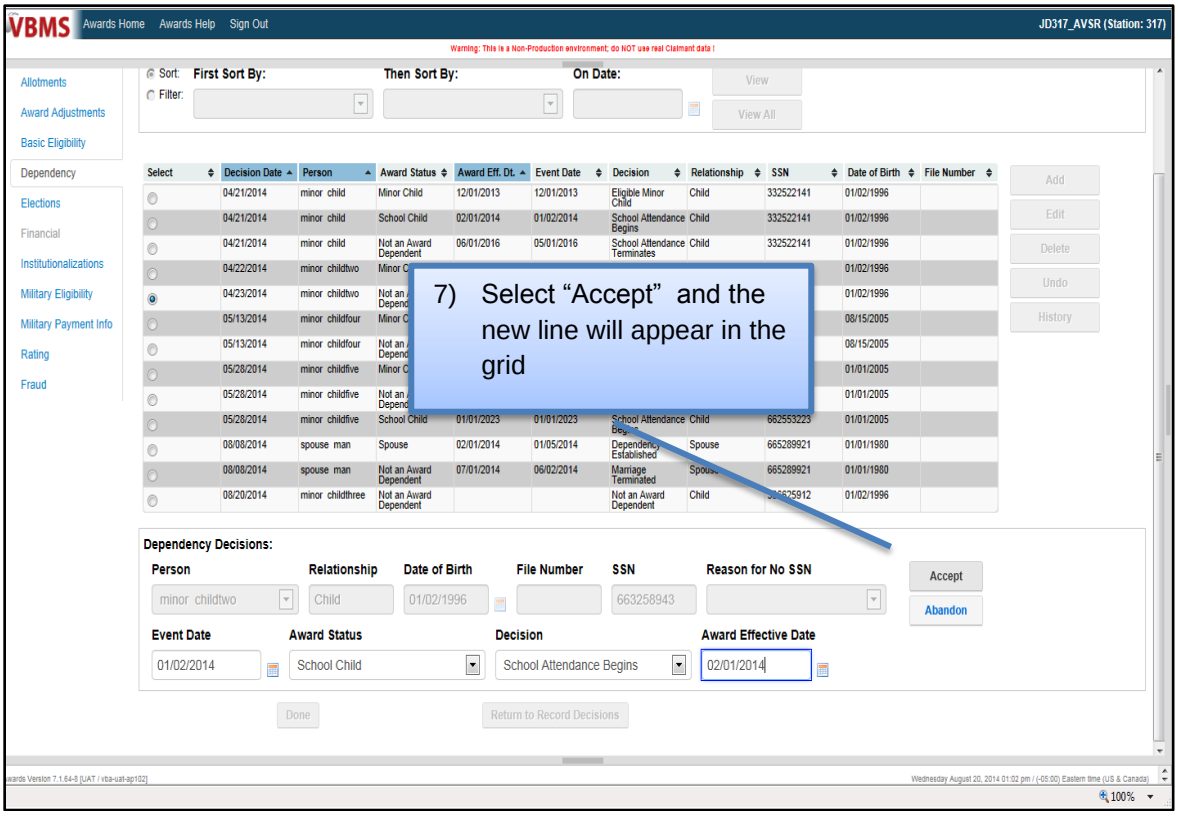

3) The information for that row will display in the Dependency Decision Grid

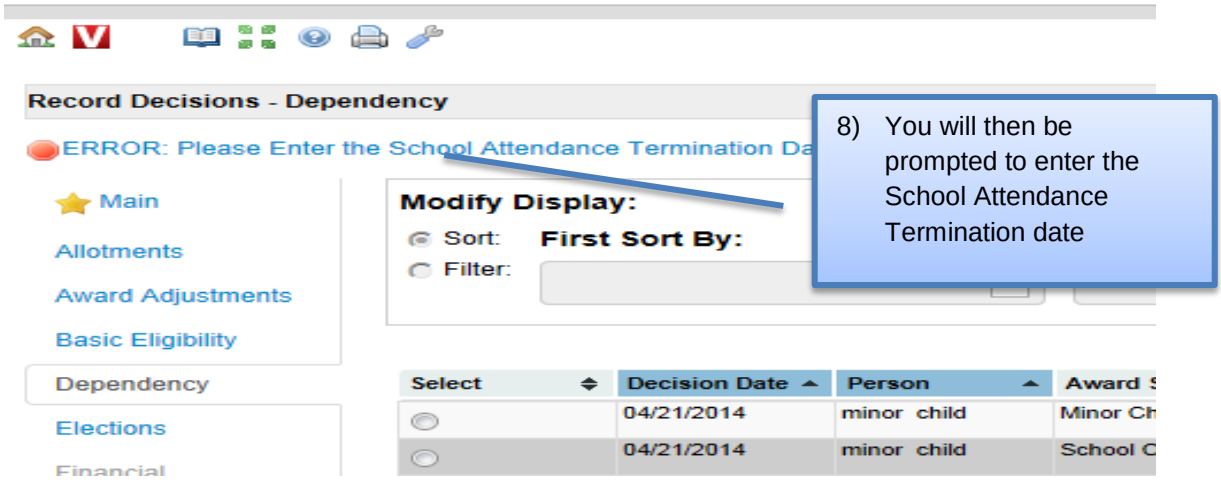


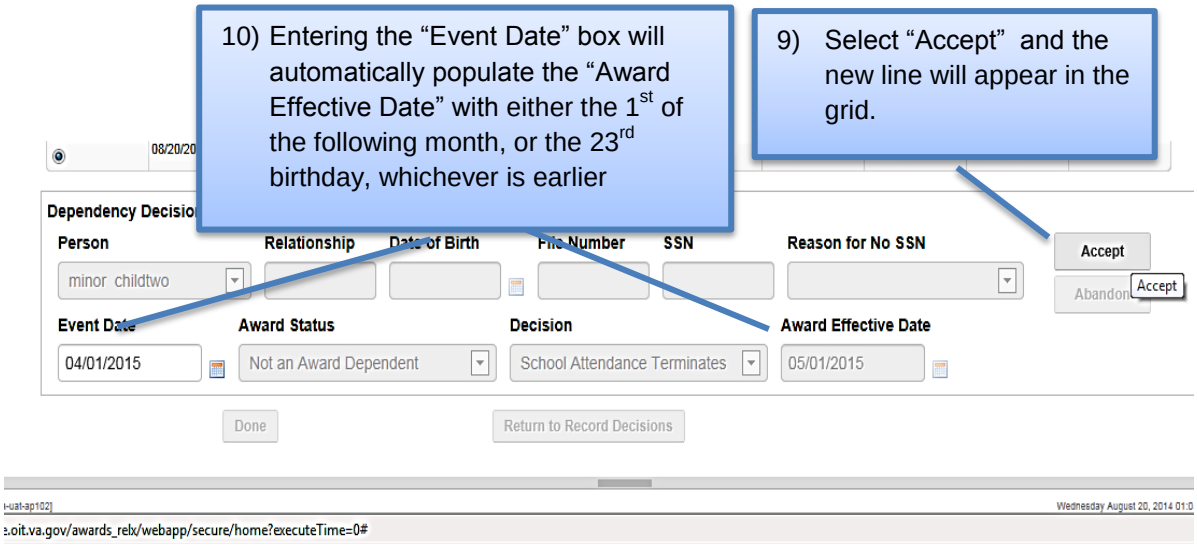

VBMS
Awards Home
Awards Help
Sign Out
JD317_AVSR (Station: 317)
Warning: This is a Non-Production environment; do NOT use real Claimant data !
Main
Allotments
Award Adjustments
Basic Eligibility
Dependency
Elections
Financial
Institutionalizations
Military Eligibility
Military Payment Info
Rating
Fraud
Modify Display:
Sort:
Filter:
First Sort By:
Then Sort By:
On Date:
View
View All
Add
Edit
Delete
Undo
History
4) Change the Award Status to "School Child"
Dependency Decisions:
Person
Relationship
Date of Birth
File Number
SSN
Reason for No SSN
Accept
Abandon
minor childtwo
Child
01/02/1996
663258943
Event Date
Award Status
Decision
Award Effective Date
01/02/2014
Not an Award Dependent
Helpless Child
School Child
Return to Record Decisions
100%


VBMS
Awards Home
Awards Help
Sign Out
JD317_AVSR (Station: 317)
Warning: This is a Non-Production environment; do NOT use real Claimant data !
Main
Allotments
Award Adjustments
Basic Eligibility
Dependency
Elections
Financial
Institutionalizations
Military Eligibility
Military Payment Info
Rating
Fraud
Modify Display:
Sort:
Filter:
First Sort By:
Then Sort By:
On Date:
View
View All
Add
Edit
Delete
Undo
History
5) Change the Decision to "School Attendance Begins"
Dependency Decisions:
Person
Relationship
Date of Birth
File Number
SSN
Reason for No SSN
Accept
Abandon
minor childtwo
Child
01/02/1996
663258943
Event Date
Award Status
Decision
Award Effective Date
01/02/2014
School Child
School Attendance Begins
Marriage Terminated
Select Decision
Done
100%


VBMS
Awards Home
Awards Help
Sign Out
JD317_AVSR (Station: 317)
Warning: This is a Non-Production environment; do NOT use real Claimant data !
Main
Allotments
Award Adjustments
Basic Eligibility
Dependency
Elections
Financial
Institutionalizations
Military Eligibility
Military Payment Info
Rating
Fraud
Modify Display:
Sort:
Filter:
First Sort By:
Then Sort By:
On Date:
View
View All
6) Change the Award Effective Date to the first of the month following the month school begins
Add
Edit
Delete
Undo
History
Dependency Decisions:
Person
Relationship
Date of Birth
File Number
SSN
minor childtwo
Child
01/02/1996
663258943
Accept
Abandon
Event Date
Award Status
Decision
Award Effective Date
01/02/2014
School Child
School Attendance Begins
Done
Return to Record Decisions
Feb
2014
Su Mo Tu We Th Fr Sa


VBMS
Awards Home
Awards Help
Sign Out
JD317_AVSR (Station: 317)
Warning: This is a Non-Production environment; do NOT use real Claimant data !
Allotments
Award Adjustments
Basic Eligibility
Dependency
Elections
Financial
Institutionalizations
Military Eligibility
Military Payment Info
Rating
Fraud
Sort:
Filter:
First Sort By:
Then Sort By:
On Date:
View
View All
Add
Edit
Delete
Undo
History
7) Select "Accept" and the new line will appear in the grid
Dependency Decisions:
Person
Relationship
Date of Birth
File Number
SSN
Reason for No SSN
minor childtwo
Child
01/02/1996
663258943
Accept
Abandon
Event Date
Award Status
Decision
Award Effective Date
01/02/2014
School Child
School Attendance Begins
02/01/2014
Done
Return to Record Decisions


Record Decisions - Dependency
ERROR: Please Enter the School Attendance Termination Da
8) You will then be prompted to enter the School Attendance Termination date
Main
Allotments
Award Adjustments
Basic Eligibility
Dependency
Elections
Financial
Modify Display:
Sort:
First Sort By:
Filter:
Select
Decision Date
Person
Award
04/21/2014
minor child
Minor Ch
04/21/2014
minor child
School C




There will now be three lines for the dependent in the grid. One for the original add date, one for the change of status from a minor child to a school child, and one for the removal from the award for either school ending or turning 23.

Select "Done" to save the decision.

## Dependency – Adding school child

Because adding a school child is basically the same as changing to a school child it was not included as a separate step-by-step action.

1. Select Add button and select **Person** to add as a school child.

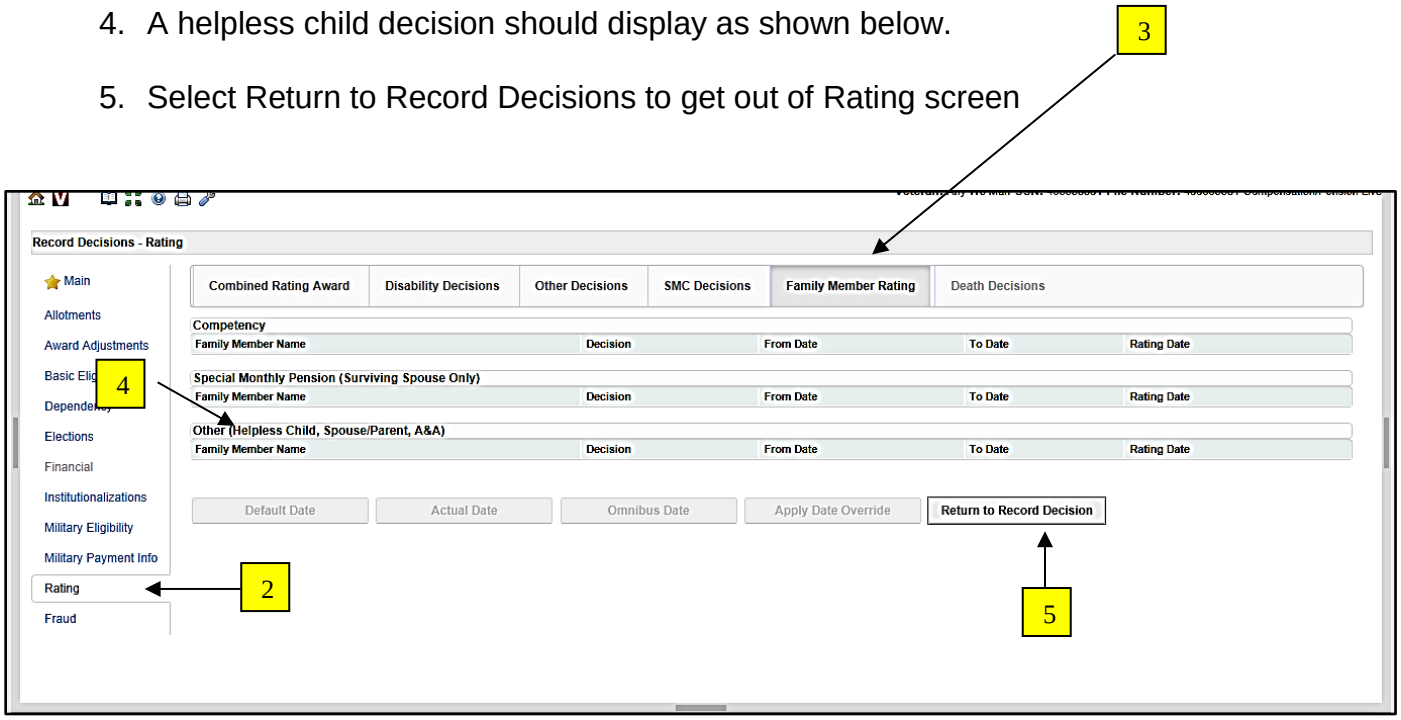
2. Fill in Dependency Decisions section (**Event Date** is date school attendance begins; **Award Status** is school child, etc…then select Accept)

3. Select Ok on pop-up message; then input the date school attendance terminates and select Accept button)

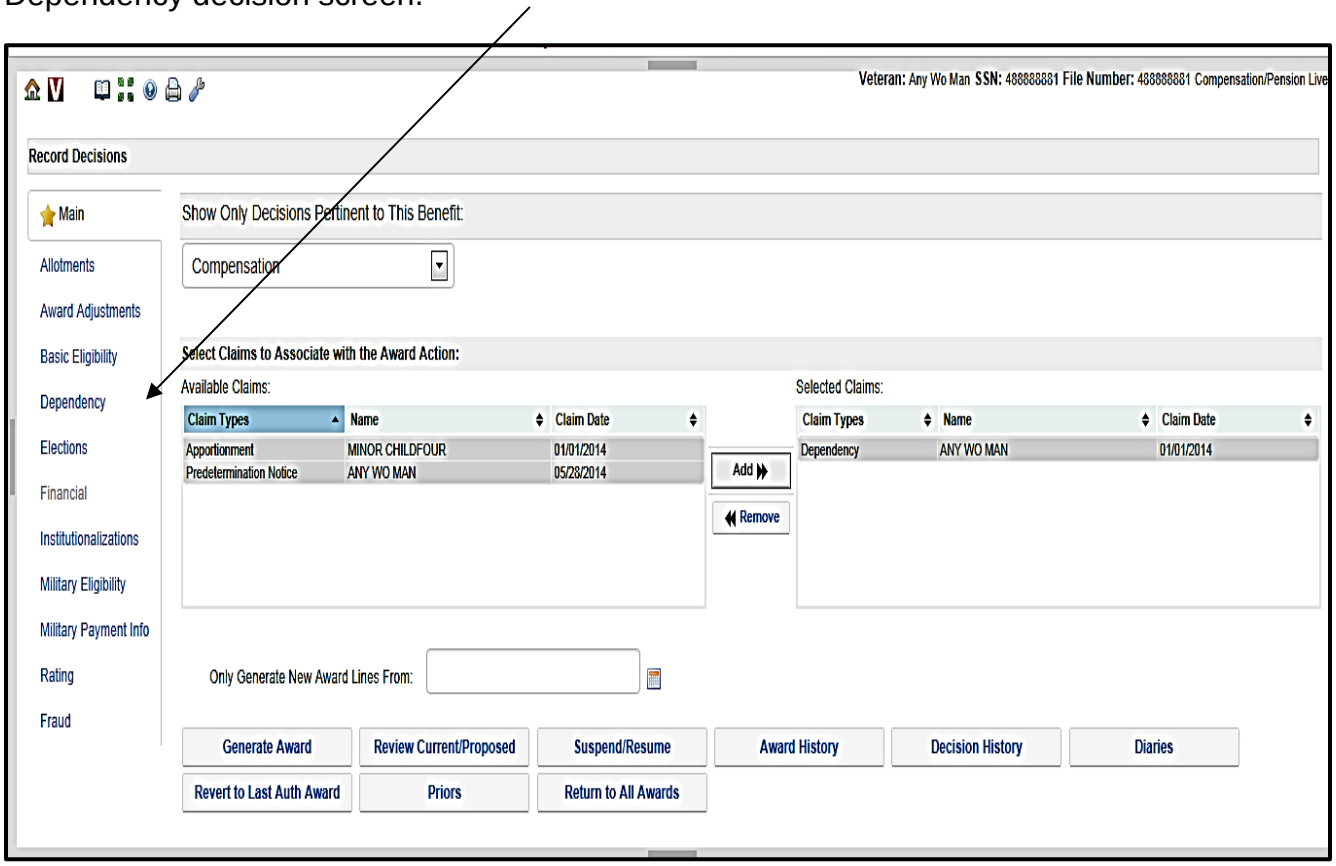
4. Screen will look the same as above "except" it will not have the *Minor Child* line

## *Dependency - Add a helpless child*

1. Before adding a helpless child through the dependency screen, first check to make sure that there is a rating decision to support the payment.
2. Select the **Rating** button on the Record Decisions screen.
3. View the **Family Member Ratings** tab.
4. A helpless child decision should display as shown below.
5. Select Return to Record Decisions to get out of Rating screen



Select the Dependency button in the row of decision screen buttons to open the Dependency decision screen.



1. Select the **Add** button.

2. Select the **Person** for whom the dependency decision will be made.

   The system will automatically populate Dependency Decisions section based on the information previously entered in the Corporate Record.

3. Enter the **Event Date**. In this case we are working a helpless child rating and will use the effective date of the rating, 07/04/2006.

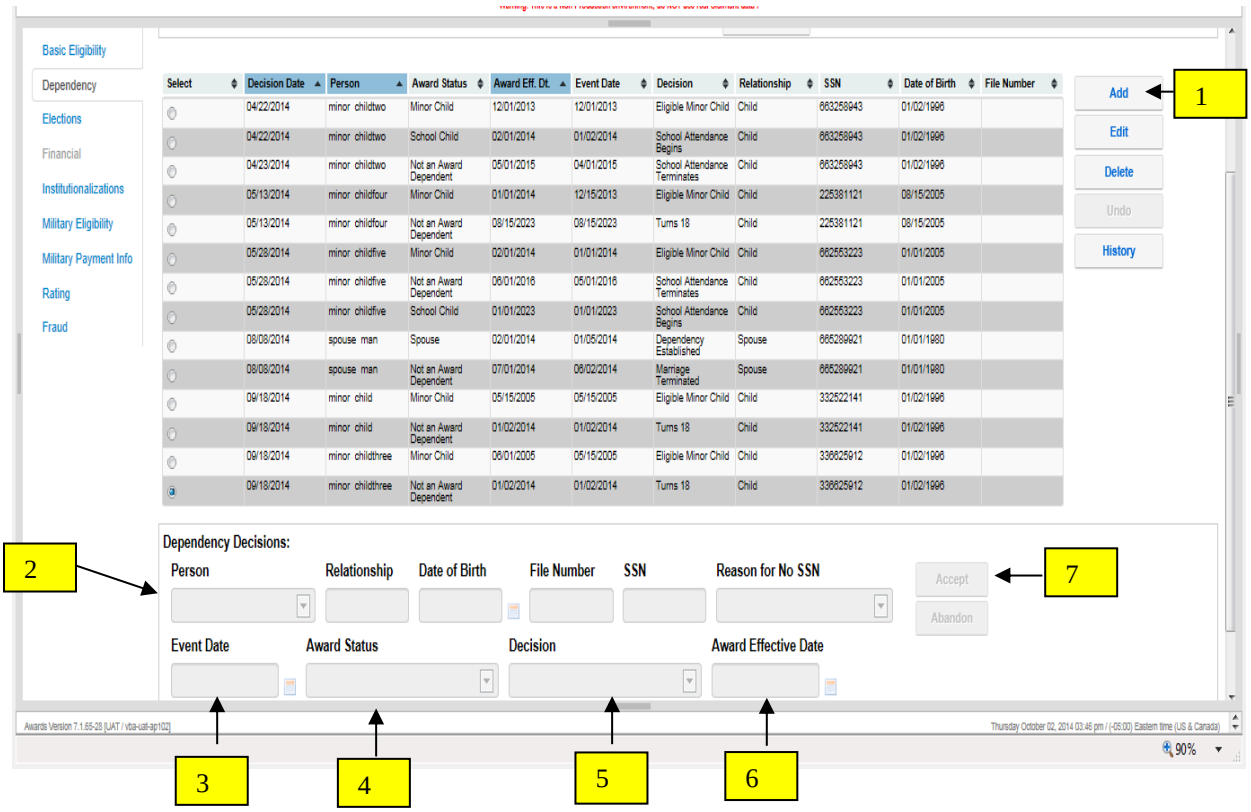
4. Select the **Award Status** of Helpless Child.

5. Select the **Decision** of Rated Helpless.

6. Once the Decision is selected, the system will automatically record the **Award Effective Date**. This field can be modified if needed.

7. Select the **Accept** button to update the grid.

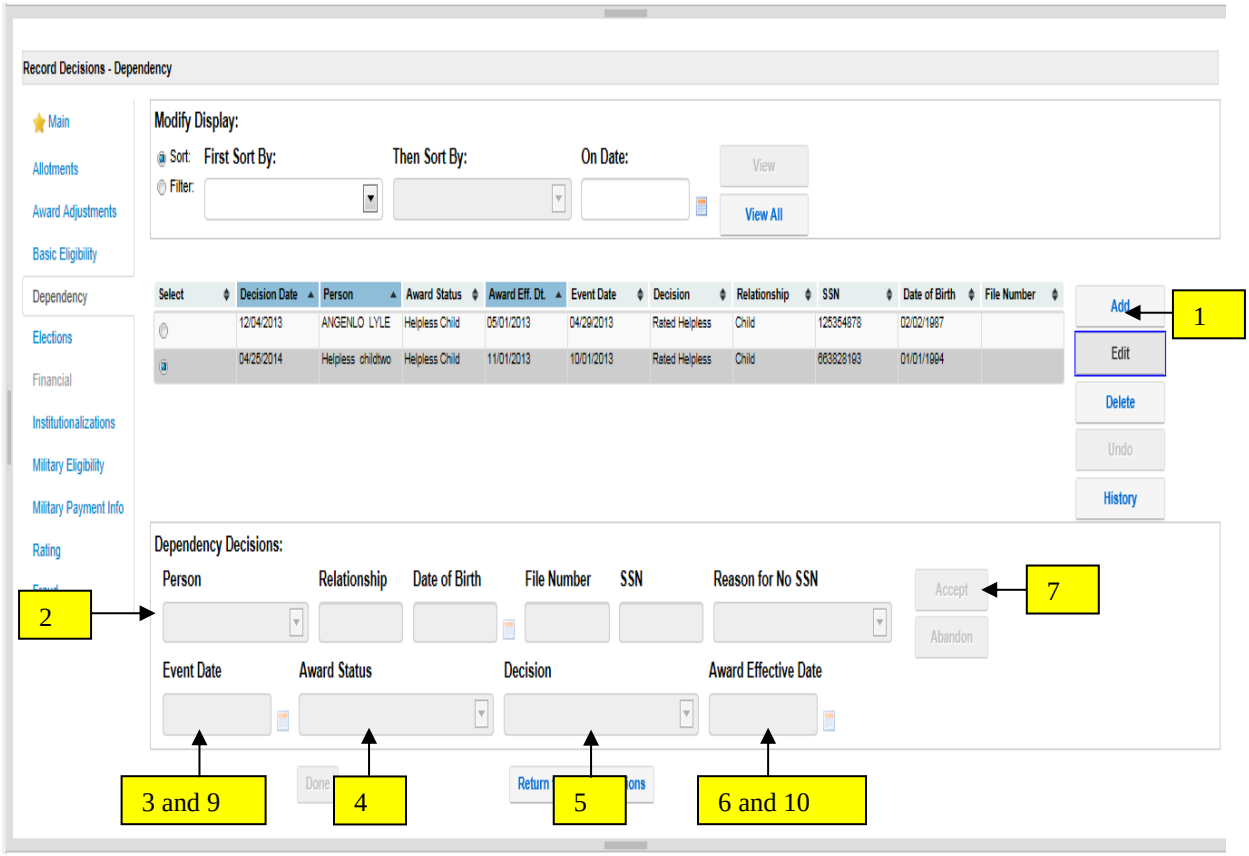
8. Select the **Done** button to save the decision and close the screen.



## *Dependency - Helpless child attends school*

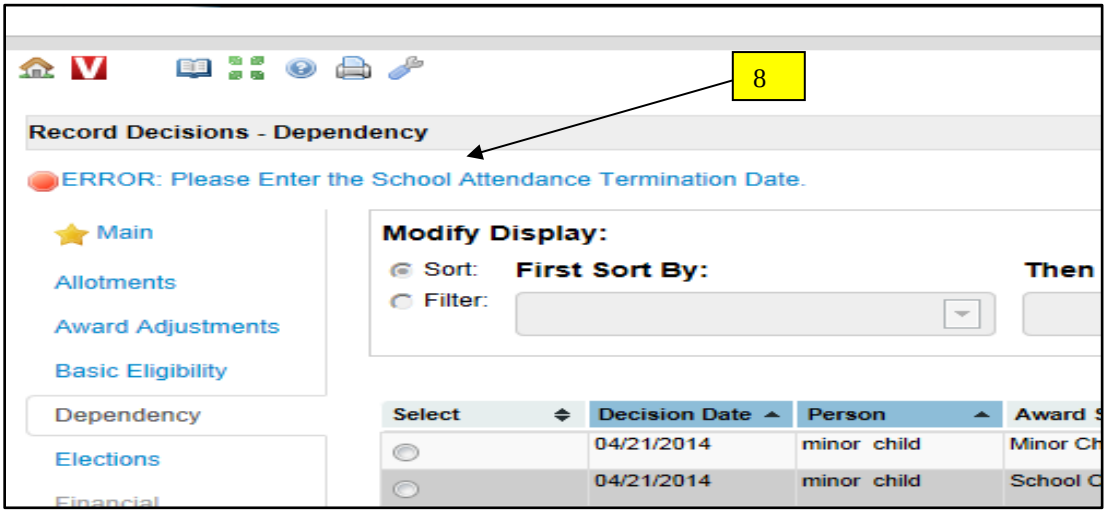
For compensation, a greater rate is payable if a helpless child attends an approved school after age 18. To pay the additional benefit while the child is in school, complete the following steps on the Dependency decision screen.

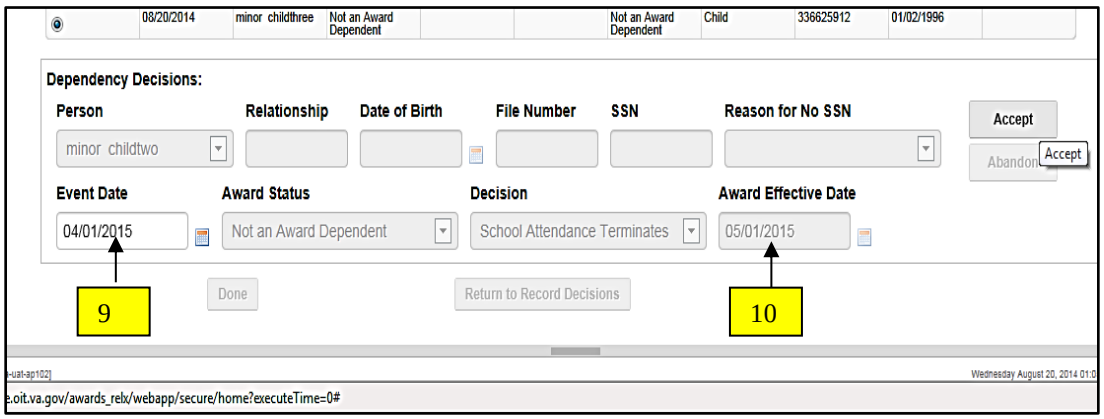
1. Select the **Add** button.
2. Select the helpless child under **Person**.
3. Enter the **Event Date** equal to; the first day of school attendance after turning18, or the 18th birthday if attending school when they turn age 18.
4. Select the **Award Status** of School Child.
5. Select the **Decision** of School Attendance Begins.
6. Once the Decision is selected, the system will automatically record the **Award Effective Date**. This field can be modified if needed.
7. Select the **Accept** button.




.

8. A prompt will display to notify that the school termination date must be entered.




9. Enter the date the child is expected to graduate in the **Event Date** field

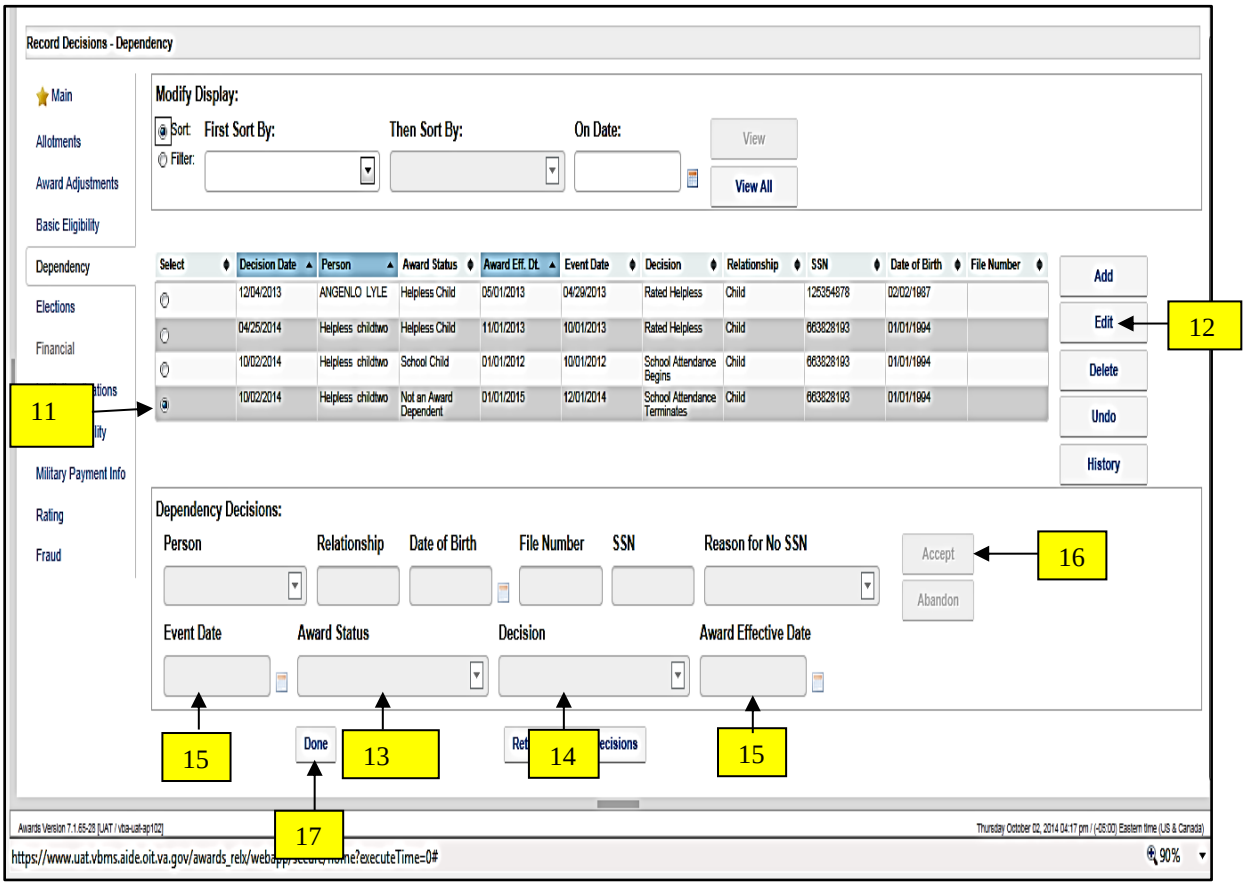
10. The system will automatically input the first of the following month as the **Award Effective Date**.

Note: if the school attendance continued beyond the child's 23rd birthday, the system would automatically input the 23rd birthday.

**Unfortunately, if you were to stop here, the system would stop paying for the child <u>entirely</u>– (See next page).**

## To continue paying for the child at the helpless rate:

11. Select the data line indicating the dependent is no longer an award dependent.
12. Select the **Edit** button.
13. Change the **Award Status** to Helpless Child.
14. Change the **Decision** to Rated Helpless.
15. Change the Event Date and **Awd Eff Dt** to the 23rd birthday (or date school attendance terminates if the child is under age 23.
16. Select **Accept** to update the grid.
17. Select **Done** to save the decision and close the screen.

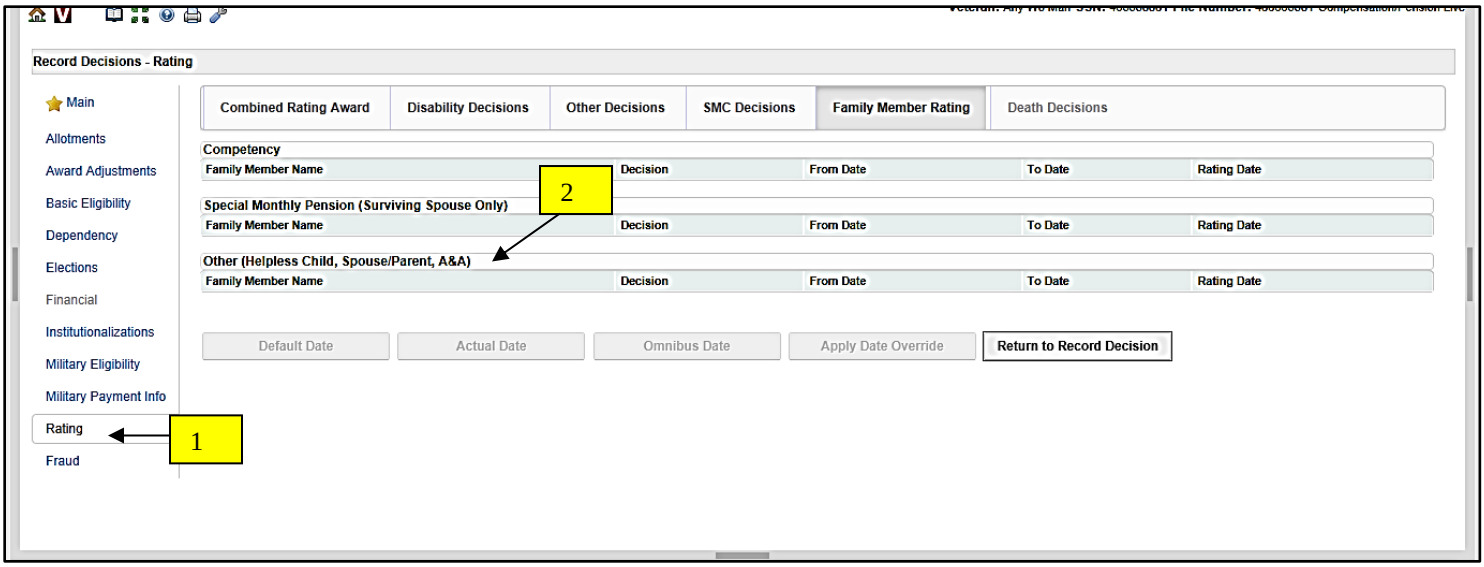


## *Dependency - Add spouse aid & attendance*

Before paying the additional amount for Aid and Attendance for a spouse, first check to make sure that there is a rating decision to support the payment.

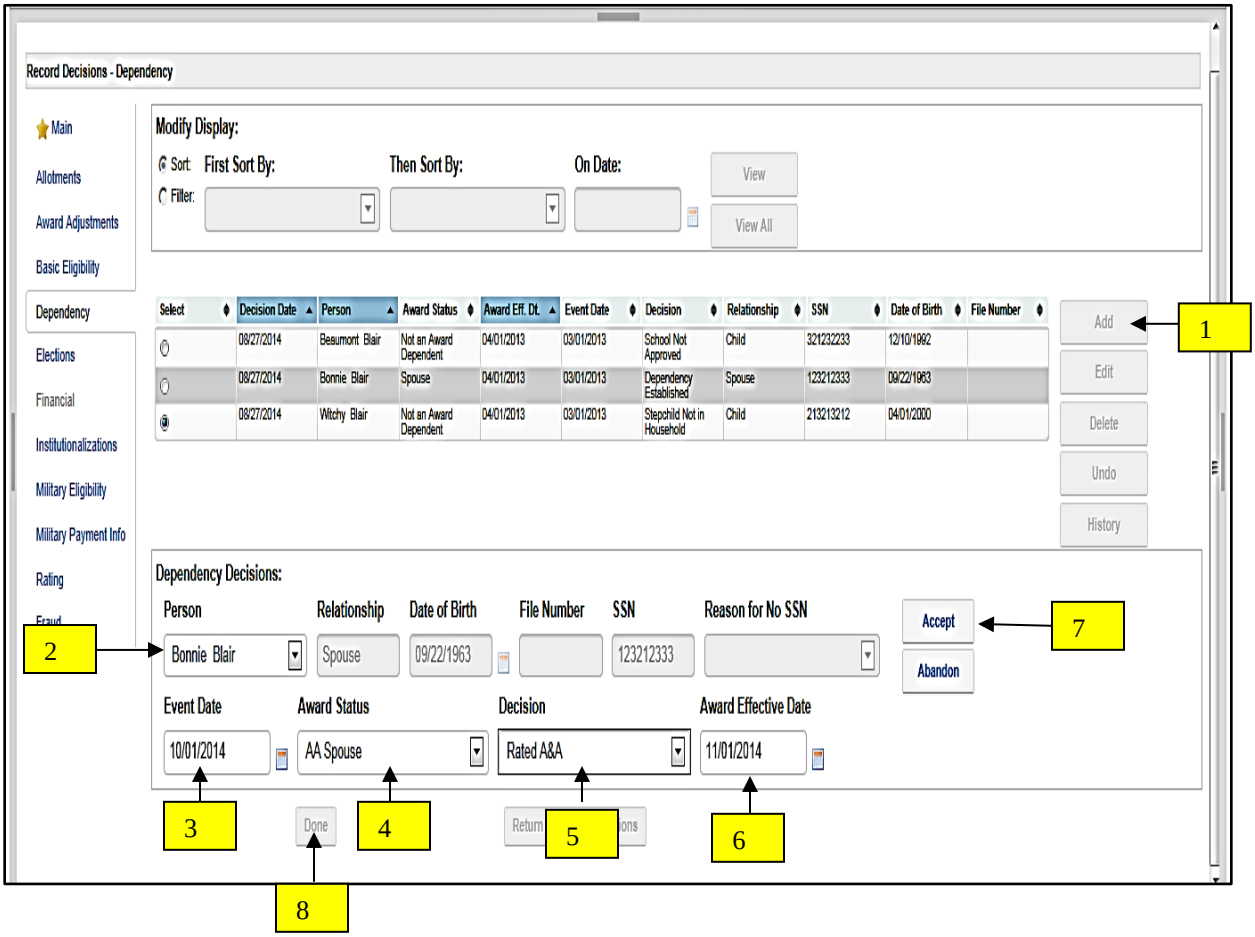
1. Select the **Rating** button.

2. View the **Family Member Ratings** tab.

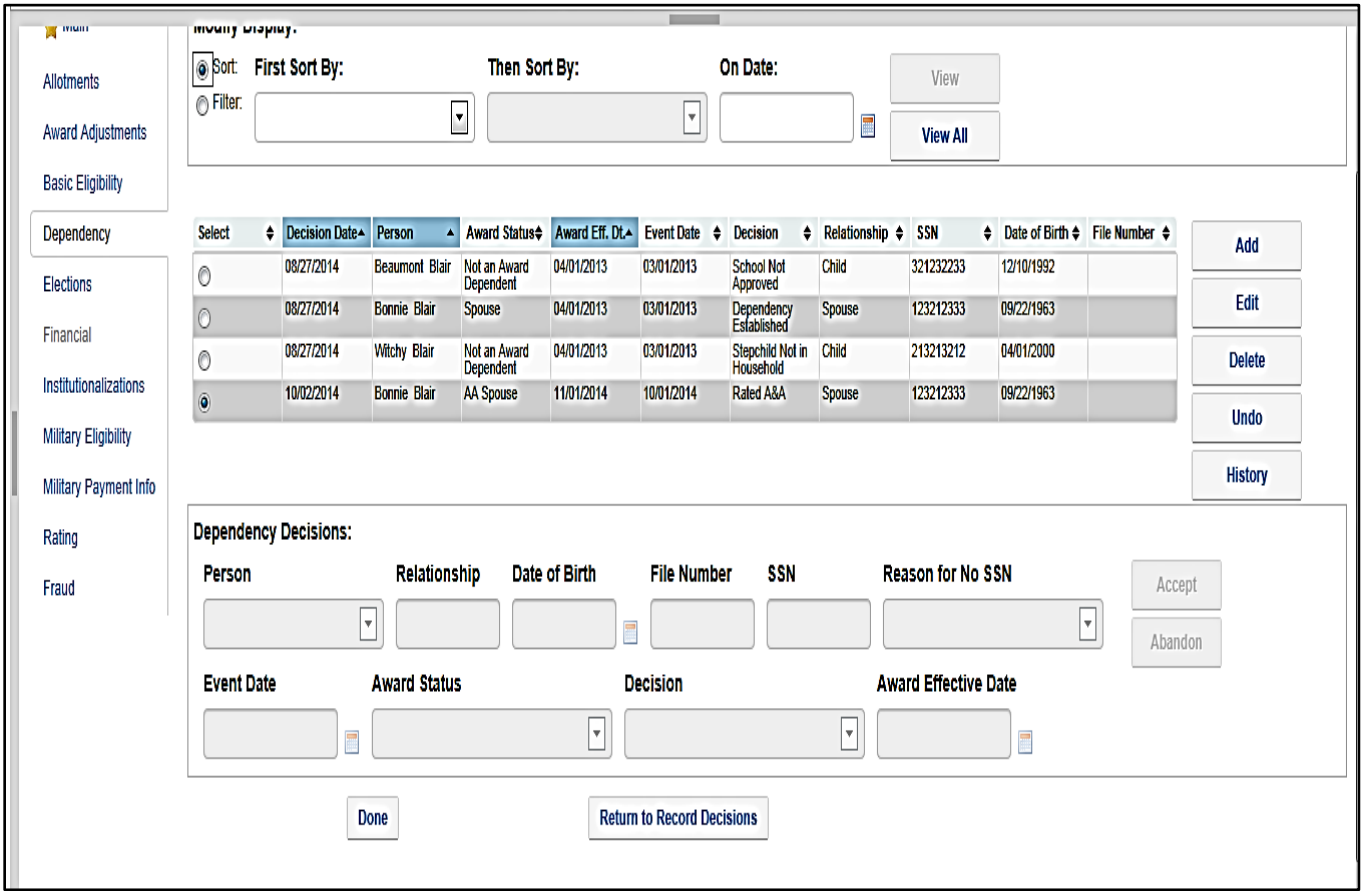


On the Dependency screen:

1. Select the **Add** button.
2. Select the spouse from the **Person** drop down menu.
3. Enter the **Event Date** which should be equal to the effective date of A&A per the rating decision.
4. Select the **Status** of AA Spouse.
5. Select the **Decision** of Rated A&A.
6. Once the Decision is selected, the system will automatically record the **Award Effective Date**. This field can be modified if needed but should be the first of the month following A&A grant.
7. Select the **Accept** button to update the grid.
8. Select the **OK** button to save the decision and close the screen.



The screen is shown below after adding the Aid and Attendance decision.




**Variation:**

If A&A had been granted back to the date the spouse was added to the award (in this case the original date of claim), it would be necessary to select the line establishing the spouse followed by the **Edit** button to change the **Award Status** to A&A spouse and the **Decision** to Rated A&A.

## *Dependency – Remove a Dependent*

*Remove any dependent **from the initial eligibility date**:*

To remove a dependent effective the date they were initially added to the award, use the following steps on the Dependency screen:

1. Select the line in the grid that initially established the dependent
2. Select the **Delete** button.
3. Select the **Accept** button.
4. Select **Yes** to the prompt displayed to confirm the decision to delete the decision.
5. Select **Done** to save the decision and close the screen.

***Remove spouse or helpless child dependent after the initial eligibility date:***

1. To remove a dependent spouse after the initial eligibility date for the dependency:

2. Select the **Add** button.
3. Select the spouse or helpless child from the **Person** drop-down menu.
4. Select the **Award Status** of Not an Award Dependent.
5. Select the **Decision** that supports removing the dependent.
6. Enter the **Award Effective Date** that the dependent is to be removed from the award.
7. Select **Accept** to update the grid.
8. Select **Done** to save the decision and close the screen.

*Remove minor child or school child dependent after the initial eligibility date:*

To remove a dependent child after the initial eligibility date for the dependent but prior to the established end date (age 18, end of school attendance):

1. Select the line in the grid that removes the award dependent.
2. Select the **Edit** button.
3. Record the **Event Date**.
4. Update the **Award Status**.
5. Select the **Decision** that supports removing the dependent.
6. Record the **Award Effective Date**.
7. Select **Accept** to update the grid.
8. Select **Done** to save the decision and close the screen.