

**BENEFITS DELIVERY AT DISCHARGE (BDD) CLAIMS  
ESTABLISHMENT (CEST)  
TRAINEE HANDOUT**

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## **OBJECTIVES**

- Distinguish a BDD from a BDD excluded claim.
- Understand the process for establishing BDD and BDD excluded claims.
- Comprehend the requirements for updating VA systems for BDD and BDD excluded claims.

## REFERENCES

- [M21-1, Part III, Subpart i, 2.A.2, EPs and DOCs for Pre-Discharge Claims](#)
- [M21-4, Chapter 4 and Appendix C](#)
- [VBMS User Guide](#)
- [Share User Guide](#)

All M21-1 references are found in the [Live Manual Website](#). Explain how to access these references.

## TOPIC 1: PRE-DISCHARGE BDD CLAIMS ESTABLISHMENT

### Identifying a Pre-Discharge BDD Claim

Upon receipt of a claim, review the claim form to determine if the claim is from an active duty Servicemember (SM) with 90-180 days prior to discharge. Prescribed claim forms provide sections that allow a SM to indicate if they are currently on active duty and an anticipated release date from service. Listed below are examples of locations on the prescribed claim forms that will be helpful in making this determination.

VA Form	Version	Block
21-526EZ	Feb 2016	<ul style="list-style-type: none"><li>• 9B shows component: ACTIVE</li><li>• 16B indicates a future date</li><li>• 18C indicates a future date</li></ul>
21-526c	Jun 2016	<ul style="list-style-type: none"><li>• 13C (page 1)</li></ul>
21-526	Nov 2014	<ul style="list-style-type: none"><li>• 19C shows a future date</li><li>• 23B Will you receive retired pay in the future?</li></ul>

Furthermore, it is important that you identify that the SM meets the qualifications for the BDD program and that there are no reasons to exclude the claim from the BDD program.

### Placing BDD and BDD-Excluded Claims under Diary EP Control

Upon receipt of a BDD or BDD-excluded claim, The MSC or other BDD claims processor *must* place the claim under control by establishing the appropriate diary EP in the Veterans Benefits Management System (VBMS). This process includes

- checking the PRE-DISCHARGE box
- entering the day following the anticipated date of separation from active duty as the SUSPENSE DATE
- checking the ALLOW POA ACCESS TO DOCUMENTS box, if applicable
- selecting the appropriate INTAKE SITE
- assigning the claim to the BDD (NATIONAL) lane in VBMS for BDD claims only, and
- establishing the proper diary EP by following the instructions in
  - M21-1, Part III, Subpart i, 2.A.2.c for BDD claims, or
  - M21-1, Part III, Subpart i, 2.A.2.h for BDD-excluded claims.

#### ***Exceptions:***

- Claims excluded from establishment in VBMS must be established in Share.
- BDD claims by a service member with 180 days to 90 days remaining on active duty, that are received via eBenefits or submitted electronically by the service member's Veterans Service Organization (VSO), are automatically established as provided in M21-1, Part III, Subpart i, 2.A.2.e.

## **BDD EPs and Claim Labels**

For Pre-Discharge BDD claims

- Select EP 330
- Select the claim label “BDD”
- Add a “6” third digit modifier

Note: Intake sites must use EPs 010, 110, and 020 with their appropriate claim labels to control Pre-Discharge claims that are excluded from the BDD program.

## **Date of Claim (DOC)**

The DOC for a BDD claim or any other disability compensation claim received prior to discharge from active duty is the first day following the anticipated date of release from active duty (RAD), regardless of the date VA received the claim. The suspense date should always be entered as the day following the anticipated date of separation from active duty.

## **Intake Site**

Select the intake site where the BDD claim was received from the VBMS dropdown box.

Examples:

- If the claim was received at the Columbia RO select “Columbia”
- If the claim was received at the Annapolis intake site select “Annapolis NS/USNA”

## **EPs and Claim Labels Adjustment Following Completion of BDD Intake Site Development Action**

Once all development actions are completed, the diary 336 EP for a BDD claim will be changed to the proper EP and claim label as shown in the table below:

<b>Claim Type</b>	<b>BDD EP – Claim Label</b>
Original	<ul style="list-style-type: none"><li>• 110 – BDD-Initial, or</li><li>• 010 – BDD-Initial 8+ issues</li></ul>
<ul style="list-style-type: none"><li>• New SC</li><li>• Reopened, or</li><li>• Increased evaluation</li></ul>	020 – BDD-Supplemental

**NOTE:** Third digit modifiers for Pre-Discharge claims are terminated.

**EPs and Claim Labels for Pre-Discharge Claims Received Electronically**

If a pre-discharge claim is received via eBenefits or submitted by the SM’s Veterans Service Organization (VSO), the claim will be automatically established as follows

<b>Date of receipt</b>	<b>EP and claim label automatically established</b>
Received within 90-180 days prior to discharge	336 - <i>BDD</i>
Received within 1-89 days prior to discharge	337 – <i>Quick Start</i>
Received when a claim is already pending	<ul style="list-style-type: none"> <li>• 400 – <i>eBenefits 526EZ Pre-Discharge (400)</i></li> <li>• 400 – <i>D2D Pre-Discharge (400)</i></li> </ul>

- The 336 – *BDD* EP and claim label will remain until all development is complete. Upon completion of development, the diary EP must be changed to the proper EP per M21-1, Part III, Subpart I, 2.A.2.d.
- The EP 337 – *Quick Start* must be changed to the proper rating EP for BDD-excluded claims in accordance with M21-1, Part III, Subpart I, 2.A.2.i.
- The 400 EP must be reviewed and adjusted accordingly as explained below.

**Processing Additional Contentions from BDD Claimants**

Additional contentions received subsequently from the initial BDD claim that meet the qualifications for the BDD program will be associated with the pending BDD diary 336 EP or proper rating EP (110, 010, or 020).

Explain that, as noted in M21-1, Part III, Subpart i, 2.A.2.i, BDD claimants with less than 90 days remaining on active duty who submit claims for additional contentions will have those additional contentions processed under a separate EP as a BDD-excluded claim. These claims will be established as indicated by the table below:

<b>If the pending BDD EP is an...</b>	<b>Then establish...</b>
<ul style="list-style-type: none"> <li>• 110 – BDD-Initial, or</li> <li>• 010 – BDD-Initial 8+ issues</li> </ul>	Establish an EP 020 with the appropriate claim label.
020 – BDD-Supplemental	Establish an EP 021 with the appropriate claim label.

**Note:** All additional contentions that are received for BDD claimants with less than 90 days remaining on active duty will be included and processed under the BDD excluded EP 020 or 021 as noted above.

***Important:***

Concurrently pending BDD and BDD-excluded rating EPs **are** allowed and should not be combined unless as noted in M21-1, Part III, Subpart i, 2.B.3.d.

If a claim for additional compensation for a dependent is received concurrently with a BDD claim, please refer to [M21-1, III.iii.5.A.1.i](#) for guidance on concurrent rating and non-rating EPs.

**Notification of BDD Exclusion**

If a claim is excluded from the BDD program, the following actions must be taken:

- Generate the BDD exclusion letter using the Letter Creator tool
- Select the appropriate reason for not meeting the BDD requirements, and
- Change the EP to the proper non-BDD EP and claim label.

This is the responsibility of whomever is processing the claim and identifies it as an excluded BDD claim. However, if a claim processor notices that the BDD exclusion letter has not been provided to the claimant, it is their responsibility to provide notification.

**Responsibility for Processing BDD Excluded Claims**

The ROJ is responsible for processing BDD-excluded claims through the standard claims process, the FDC program, or any other applicable claims process unless otherwise stated.

When initially establishing a pre-discharge claim that is excluded from the BDD program, the station of origination (SOO) must use EPs 010, 110, or 020 as appropriate as provided to the claim type (original <8 issues, original 8+ issues, new, increase, reopen) and attach an appropriate claim label.

***Example:*** An original claim for service connection containing more than 8 issues is received prior to discharge. A COD is required. The claim is excluded from the BDD program. The SOO would establish EP 010 and use the claim label *Initial Compensation 8+ Issues*.

***Important:*** Excluded BDD claims must also be established as a diary EP as noted in M21-1, Part III, Subpart i, 2.A.2.a.

## TOPIC 2: UPDATING VA SYSTEMS

### **VBMS Contentions and Special Issue Labels**

All claimed issues must be entered into the contentions in VBMS.

Be sure to add all necessary special issue labels to the contentions in VBMS, such as Military Sexual Trauma (MST), PTSD – Combat, etc.

### **VBMS Notes**

VBMS Notes are utilized as a communication tool between the MSC or other BDD claims processor, Rating Activity Site (RAS), Regional Offices (ROs), and National Call Centers to answer questions.

Keep the information to the point and as brief as possible.

The following items are examples of VBMS Notes to enter:

- Met with SM on April 14, 2017 and completed VAF 21-526EZ. Exam requested.
- SM submitted claim with less than 90 days prior to discharge. Established BDD Excluded Diary EP. Sent BDD exclusion letter. RO must request examinations.
- Claim excluded from Pre-Discharge program due to SM residing in a foreign country and unable to attend exams in Korea or Germany. Established claim with a Excluded BDD EP and claim label. Sent BDD exclusion letter.

### **Flashes**

All flashes must be assigned based on information found in the case file. The following are commonly used (but not limited to) additional flashes found on Pre-Discharge cases:

Flash	Assigned by
GWOT Active Duty DoD	DoD
GWOT Active Duty Veteran Provided	VA
GWOT Guard/Reserve DoD	DoD
GWOT Guard/Reserve DoD Veteran Provided	VA