



PENSION AND FIDUCIARY SERVICE

PMC VSR/RVSR Course
VBMS DEFERRAL REVIEWS
Job Aid

September 2024

VBMS Deferrals

This job aid is to provide a high-level overview of how to use the VBMS deferrals functionality.

Reference	Description
M21-4.7.14.a. Deferral Reviews	<ul style="list-style-type: none"> Allows a claims processor to return a claim to an earlier place within the claims cycle to correct erroneous actions. Required for any situation in which a claim returns to a previous step in the process.

Examples/Situations of VBMS Deferrals

Status When Generating Deferral: **RFD, SRFD, RTW, or Rating Correction**

Primary Deferral Reason	Secondary Deferral Reason	Examples/Situations
Evidence	Missed Development	<ul style="list-style-type: none"> Additional development issue(s) identified that were not included in original development
	Insufficient Medical Evidence (Pension Claim)	<ul style="list-style-type: none"> Identified records do not warrant PT or SMP. Possible development or exam(s) warranted
	New Records/ Needs Review	<ul style="list-style-type: none"> Additional documents in VBMS received after claim marked RFD and prior to RVSR review
Issue	New Issue	<ul style="list-style-type: none"> New issue requires action prior to referral to RVSR. Should be rare for the PMCs
	Missed Issue	<ul style="list-style-type: none"> Missed issue requires action prior to referral to RVSR. Should be rare for the PMCs
	Inferred Issue	<ul style="list-style-type: none"> Inferred issue requires action prior to referral to RVSR. Should be rare for the PMCs
Exam	Needs Exam	<ul style="list-style-type: none"> For PMC claims, use next deferral option (Needs Exam Pension Claim)
	Needs Exam (Pension Claim)	<ul style="list-style-type: none"> RVSR requires exam or opinion prior to rating (PT, SMP, DIC, Incompetency, etc.)
	Opinion Needed	<ul style="list-style-type: none"> For PMC claims, use above deferral (Needs Exam Pension Claim)

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	Insufficient Exam	<ul style="list-style-type: none"> • Current exam is not sufficient for rating purposes
	Clarification Needed	<ul style="list-style-type: none"> • Clarification from provider needed on medical opinion, general medical examination, etc.
Development	Missed Development	<ul style="list-style-type: none"> • Development issue(s) identified that requires initial development prior to marking RFD
	New Records/Needs Review	<ul style="list-style-type: none"> • Additional documents in VBMS received after claim marked RFD and prior to RVSR review
	Concurrent EP not addressed (Pension Claim)	<ul style="list-style-type: none"> • EP 140 marked RFD but EP 160 has not had SC death development completed • EP 165 not addressed correctly in conjunction with death claim
	Inferred Service-Connected Death Issue – No Reasonable Probability for Service-Connected Death	<ul style="list-style-type: none"> • Burial/190 signoffs • Any circumstance requiring RVSR review per M21-1 XII.i.2.A.
	No Rating Activity Required	<ul style="list-style-type: none"> • Claim can be administratively granted or denied; no basis for rating • Veteran is over 65 and not claiming SMP • NSC EP 160 does not require a sign-off or rating referral
	Income/Net Worth Issue	<ul style="list-style-type: none"> • Clarification of income/net worth needed prior to marking RFD • EP marked RFD due to PT or SMP claim, but RVSR review determines administrative denial due to excess income • EP marked RFD due to PT or SMP claim, but RVSR review determines administrative denial due to excess net worth
	Dependency Issue (Pension Claim)	<ul style="list-style-type: none"> • Status as a surviving spouse has not been confirmed • Status as a surviving child has not been confirmed • Possible administrative decision required prior to RVSR review

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Development	Accrued/Appeal EP Needed	<ul style="list-style-type: none"> • Appeal pending at time of death in Caseflow/VACOLS • Accrued claim pending at time of death
	Basic Eligibility Not Met	<ul style="list-style-type: none"> • No wartime • Adult child not claiming helpless • Ex-spouse, sibling of Veteran • Insufficient service • No active duty
	Centralized Processing Required	<ul style="list-style-type: none"> • Jurisdiction outside of PMC control
	No Death Certificate of Record	<ul style="list-style-type: none"> • Use when a death certificate is required to process a claim
	RFA or Incomplete Application	<ul style="list-style-type: none"> • Use when application is incomplete for any reason • Outdated application • No prescribed form • Unsigned application
	SSA, CAPRI, JLV Records Needed	<ul style="list-style-type: none"> • Use when any of these records are needed to process the claim.

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Status When Generating Deferral: **RDC, Returned by Other User, Self-Returned, or Rating Incomplete (Awaiting Award)**

Primary Deferral Reason	Secondary Deferral Reason	Examples/Situations
RVSR – Rating Correction	Wrong Effective Date/DOC	<ul style="list-style-type: none"> • RVSR missed an earlier effective date (ITF, Veteran DOD, etc.) • DOC on rating is not supported by documents in VBMS
	Missed/Duplicate Issues	<ul style="list-style-type: none"> • RVSR missed an issue • Granting PT but missing claimed SMP
	Incorrect Code-Sheet Annotation (not signed)	<ul style="list-style-type: none"> • No indication of the RVSR who rated the claim
	Inferred Issue Not Addressed (SMC, Competency, SMP, Ch. 35, etc.)	<ul style="list-style-type: none"> • No indication of DEA on SC death ratings, when applicable • Competency was not evaluated as dictated in M21-1 X.ii.6.A.2.a. through M21-1 X.ii.6.A 2.d
	Narrative and Code-Sheet do not match	<ul style="list-style-type: none"> • POA issues • Differing Veteran information on narrative and code-sheet • Should be rare for any rating decision
	Late Flowing Documents/Scanning Issues	<ul style="list-style-type: none"> • Documents requiring consideration on the rating decision uploaded to VBMS after date of rating • Example: VAF 2680 uploaded after denial rating for SMP
	Narrative Text Correction Required	<ul style="list-style-type: none"> • Grammar, formatting issue(s) • Incorrect Veteran information • Incorrect evidence listed • POA errors
	Code-Sheet Correction Required	<ul style="list-style-type: none"> • POA errors • Incorrect information from the RVSR in the notes section

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Status When Generating Deferral: **Pending Authorization**

Primary Deferral Reason	Secondary Deferral Reason	Examples/Situations
<p>VSR – Notification Correction</p> <p>OR</p> <p>VSR – Incorrect Payment</p> <p>OR</p> <p>VSR – EP Errors</p>	Wrong Effective Dates	<ul style="list-style-type: none"> Refer to PMC Errors
	DOC Incorrect	<ul style="list-style-type: none"> Refer to PMC Errors
	Dependency Issues	<ul style="list-style-type: none"> Refer to PMC Errors
	Improper Withholdings (Retired Pay, Incompetency, Dependency, Recoupments, Withholdings)	<ul style="list-style-type: none"> Refer to PMC Errors
	Incorrect Notification Letters (Salutation, Grammatical, etc.)	<ul style="list-style-type: none"> Refer to PMC Errors
	POA Issues	<ul style="list-style-type: none"> Refer to PMC Errors
	Pension Errors (Development, Calculations, etc.) (Dual Claims)	<ul style="list-style-type: none"> Refer to PMC Errors
	Late Flowing Documents/Scanning Issues	<ul style="list-style-type: none"> Refer to PMC Errors
Wrong Effective Date/DOC	<ul style="list-style-type: none"> Refer to PMC Errors 	

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VSR – PMC Errors	Burial Errors	<ul style="list-style-type: none"> • Entitlement to a burial benefit was decided erroneously • Improper selection of burial elements • Improper claimant paid • Transportation not addressed properly
	Date of Claim Incorrect	<ul style="list-style-type: none"> • An incorrect DOC results in an incorrect effective date, despite whether or not it affects entitlement to benefits • DOC used on the EP is not supported by documents in VBMS
	Dependency Issues	<ul style="list-style-type: none"> • Eligible dependent not correctly accounted for in VBMS-A • Improper grant/denial of dependent
	DIC Errors	<ul style="list-style-type: none"> • Entitlement to a DIC benefit was decided erroneously • Inferred or ancillary issue not addressed properly
	Improper Withholdings	<ul style="list-style-type: none"> • Not withholding retroactive payment on incompetency claims • Not paying claimant DLP on incompetency grants • Incorrect COLA withholdings when COLA causes a decrease • Incorrect withholding when waived overpayment was previously granted
	Income Counting	<ul style="list-style-type: none"> • Incorrect income counted or entered incorrectly into VBMS-A • Incorrect financial decisions chosen
	Incomplete Development	<ul style="list-style-type: none"> • Additional development is required as the development of record was not inclusive of all information needed • Piecemeal development
	Incorrect Notification Letters	<ul style="list-style-type: none"> • AMA notification requirements not met • Specific auto-text not included in letter (for example, counting SSA per the SHARE print and not the application) • Incorrect address, content, or “cc” section does not contain correct name and/or address

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VSR – PMC Errors	Late Flowing Documents/ Scanning Issues	<ul style="list-style-type: none"> Documents requiring review for award generation uploaded to VBMS after generating the award but prior to Authorization
	Medical Expenses	<ul style="list-style-type: none"> Incorrect medical expenses counted Incorrect application of initial year medical expenses
	Month of Death	<ul style="list-style-type: none"> Entitlement to the Month of Death was decided erroneously
	Net Worth	<ul style="list-style-type: none"> Entitlement based on net worth not properly decided Incorrect calculated net worth entered in VBMS-A. Net worth calculator not uploaded for denied/discontinued entitlement based on excessive net worth.
	Other Expenses	<ul style="list-style-type: none"> Incorrect other expenses counted or not counted
	POA Issues	<ul style="list-style-type: none"> Incorrect POA in system Missed revocation of prior POA
	Wrong Effective Dates	<ul style="list-style-type: none"> Wrong effective date in VBMS-A Missed ITF or Veteran's DOD (to include first of the month for granting DIC or Survivors Pension)

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Status When Generating Deferral: **Pending Authorization**

RVSR – Rating Correction	Missed/Duplicate Issues	<ul style="list-style-type: none"> • RVSR missed an issue • Granting PT but missing claimed SMP
	Incorrect Code-Sheet Annotation (not signed)	<ul style="list-style-type: none"> • No indication of the RVSR who rated the claim
	Inferred Issue Not Addressed (SMC, Competency, SMP, Ch. 35, etc.)	<ul style="list-style-type: none"> • No indication of DEA on SC death ratings, when applicable • Competency was not evaluated as dictated in M21-1 X.ii.6.A.2.a through M21-1 X.ii.6.A.2.d
	Narrative and Code-Sheet do not match	<ul style="list-style-type: none"> • POA issues • Differing Veteran information on narrative and code-sheet • Should be rare for any rating decision
	Late Flowing Documents/Scanning Issues	<ul style="list-style-type: none"> • Documents requiring consideration on the rating decision uploaded to VBMS after date of rating • Example: VAF 2680 uploaded after denial rating for SMP
	Narrative Text Correction Required	<ul style="list-style-type: none"> • Grammar, formatting issue(s) • Incorrect Veteran information • Incorrect evidence listed • POA errors
	Missed Development / Predetermination / Administrative Decision	<ul style="list-style-type: none"> • Final determination of claim negates need for a rating decision (FTP, Excess Income, etc.) • Administrative Decision not completed prior to rating and new decision is required
	Code-Sheet Correction Required	<ul style="list-style-type: none"> • POA errors • Incorrect information from the RVSR in the notes section

Deferral Review Requests

If ...	Then ...
<p>claims processor disagrees with the deferral</p>	<p>the claims processor must email a brief narrative to the QRT supervisor, as well as his/her supervisor within five business days of receipt of the deferral.</p> <ul style="list-style-type: none"> – QRT supervisors must assign a QRS to review the deferral disagreement who will review and make a decision within two business days of receipt from QRT supervisor. – QRS must email the results of the deferral review to QRT supervisor and claim processor’s supervisor, who notifies the individual of the outcome.
<p>QRT upholds deferral</p>	<p>the claims processor takes the action directed in the deferral.</p>
<p>QRT finds the deferral to be in error</p>	<p>the claims processor’s supervisor resolves deferral from VBMS using the Mitigate button, and the claims processor takes the necessary actions to move the claim to the next stage of processing.</p> <p>Note: <i>Actions must be completed within three business days. ONLY use the Mitigate button to resolve errors.</i></p>