Pension and Fiduciary Service

PMC VSR Advanced Core Course Phase 6: Practical Application and Experience

Process a Post Award Audit (PAA) Award Adjustment

Trainee Guide

June 2024

Process a Post Award Audit (PAA) Award Adjustment

Lesson Overview

| Topic | Description |
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| Time Estimate: | 2 hours |
| Purpose of the Lesson: | This lesson is part of the entry-level course for PMC VSRs. The purpose of this lesson is to train PMC VSRs to process a PAA award adjustment through demonstration, practice, and feedback.  |
| Prerequisite Training Requirements: | Prior to taking the Process a Post Award Audit (PAA) Award Adjustment lesson, you must complete the entry-level course Phases 1–5.6.  |
| Target Audience: | This lesson is for entry-level PMC VSRs. |
| Lesson References: | * **38 CFR 3.271 (Computation of income)**
* **38 CFR 3.272 (Exclusions from income)**
* M21-1 IX.iii.1.E.7.i (Counting the Initial 12 Months of Income for Disallowed Claims)
* M21-1 IX.iii.1.E.7.j (Counting the Second 12 Months of Income for Disallowed Claims)
* M21-1 XIV.4.B.2.j (FTI Tracking Log [VSC and PMC])
* M21-1 XIV.4.C.1.a (Definition: PAA)
* **M21-1** XIV.4.C.1.b **(Overview of the Match)**
* M21-1 XIV.4.C.1.c (OPA&I Filtering of Matches)
* M21-1 XIV.4.C.1.d (Hines ITC Filtering of Matches)
* M21-1 XIV.4.C.1.f (PAA EP)
* M21-1 XIV.4.C.1.h (Periodic Release Dates for PAA)
* M21-1 XIV.4.C.3.b (Additional Development)
* M21-1 XIV.4.C.3.c (Finalizing the PAA Claim)
* M21-1 XIV.4.C.3.d (Example 1 of Final Award Action)
* M21-1 XIV.4.C.4.c (Determining Income Classification)
* **Process a PAA Award Adjustment Checklist** job aid
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| Technical Competencies: | * Processing Claims (PMC VSR)
* Income Counting and Net Worth
* Special Monthly Pension (SMP) Processing
* VBA Applications (PMC VSR)
* Program Benefits and Eligibility (PMC VSR)
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| Knowledge Check: | Phase 6: Process a Post Award Audit (PAA) Award Adjustment Knowledge Check |
| Lesson Objectives: | By the end of the lesson, you should be able to:* Process a PAA award adjustment
* Identify if EP 154 was established.
* Maintain the tracking log.
* Determine evidence was received.
* Determine if additional development is required.
* Apply due process, if necessary.
* Determine the income classification.
* Determine if an interim decision can be made.
* Process the award adjustment
 |
| What You Need: | * Trainee Guide
* **Upfront Verification** job aid
* **Care Expense Guide job aid**
* **Income and Net Worth Status job aid**
* **Initial Year job aid**
* **Develop for Missing Information/Evidence job aid**
* **Annotate the Award job aid**
* **SSA Inquiry job aid**
* **Due Process job aid**
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| PowerPoint Slides | Notes |
| --- | --- |
| Process a Post Award Audit (PAA) Award Adjustment  |  |
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* Apply due process, if necessary
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* Determine if an interim decision can be made
* Process the award adjustment
 |  |
| Why It Matters!* The **Post Award Audit (PAA) Award Adjustment** training is important because it affects the award payments of the claimant or beneficiary based on information obtained from other government sources.
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| **Definition: What is a Post Award Audit (PAA)?*** **A post award audit (PAA) is an automated process that randomly select cases periodically (first, third, and fourth quarter of the calendar year)**
* **Compares the social security and IRS income reported to the amount that is actually received (i.e., Federal Tax Information [FTI] match)**
* **Hines Information Technology Center (ITC) filters out cases in accordance with M21-1** XIV.4.C.1.d **(Hines ITC Filtering of Matches)**
* **PMC VSRs receive cases not filtered out by Hines**
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| Review–Establishing Periods for Calculating Income* **Initial Year** jobaid
* **Income and Net Worth Status** job aid
* Dates of eligibility
	+ Calculation of income
	+ Deduction of expenses
	+ Time limits for establishing entitlement
* Period for establishing entitlement
* Effective date vs. payment date
* Initial year/initial period
* Second 12 months
 |   |
| Review—Types of Income for Pension Purposes* **Income and Net Worth Status** job aid
* **SSA Inquiry** job aid
* **Initial Year** job aid
* Income for VA Purposes (IVAP)
* Income inclusions/exclusions
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| Review—Qualifying Expenses for Calculating Income* **Care Expense Guide** job aid
* **Claim Types** job aid
* **Income and Net Worth Status** job aid
* **Initial Year** job aid
* MAPR rates
* Qualifying medical expenses
* Final expenses
* Education expenses
 |  |
| Review—Income and Net Worth* **Income and Net Worth Status** job aid
* **Claim Types** job aid
* Net worth for VA purposes
* Sources of net worth
* Calculation of net worth
* Net worth is a bar to benefits
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| Review—Developing for Missing Information/Evidence* **Develop for** **Missing Information/Evidence** job aid
* Can determine whether to complete an adjustment or interim adjustment based on what is received from the claimant
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| PowerPoint Slides | **Notes** |
| Review—Qualifying Expense Adjustments* **Care Expense Guide** job aid
* **Income and Net Worth Status** job aid
* **Initial Year** job aid
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| Review–Processing Award Adjustments* **Care Expense Guide** job aid
* **Income and Net Worth** job aid
* **Initial Year** job aid
	+ **Review the Income/Expenses/Net Worth Adjustments section**
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| Review–Due Process* **Due Process** job aid
* Due process vs. contemporaneous notice
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| **Lesson Overview*** **Demonstration—Instructor processes a PAA claim from start to finish with opportunities for questions.**
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| PowerPoint Slides | **Notes** |
| ****Demonstration Claim 1—**** Process a PAA Award AdjustmentIndicates a demonstration should be performed* Demonstration Claim 1—
	+ Review VBMS, VBMS-A and SHARE
	+ Compare the income we are currently counting vs. what was listed in the Worksheet and Compressed Letter
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| ****Claim 1—****Identify if EP 154 Was EstablishedIndicates a demonstration should be performed* Suspense date is automatically set for 65 days
* Only one EP 154 is allowed per beneficiary record
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| Claim 1— Determine if Additional Development is RequiredIndicates a demonstration should be performed* Allow 30 days development if a response or evidence is received from the beneficiary that requires clarification or additional information
* Conduct due process if information is received from a third party and will adversely affect the award
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| ****Claim 1—**** ****Determine Income Classification and Countable Income****Indicates a demonstration should be performed* **Upfront Verification** job aid
* **Income and Net Worth Status** job aid
* **Compare the income reported in the PAA worksheet to the income in the beneficiary’s eFolder.**
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| ****Determine if an Interim Decision Can be Made****Indicates a demonstration should be performed* **Review the evidence received from the beneficiary**
* **Process an interim adjustment if the evidence received could be used to adjust the benefit given further development**
* **Document the decision in the PAA tracking log**
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| Claim 1—Perform the Award Adjustment* **Upfront Verification** job aid
* Generate the award in VBMS
* Route claim to authorizer through National Work Queue
 |  |
| PowerPoint Slides | **Notes** |
| Claim 1—Prepare the Decision Notice* Clear EP 154
* Create decision notice in PCGL
* Letter must state decision, even if no adjustment was made
* Document in the PAA tracking log
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| Claim 1—Submit to the Authorizer* Submit completed claim and decision notice to the Authorizer
* **Annotate the Award Checklist** job aid
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| Knowledge Check – TESTTime allowed: 10 minutes |  |
| What’s Next?Complete the Process a Post Award Audit (PAA) Award evaluation: **TMS ID #4408416** |  |