



## PENSION AND FIDUCIARY SERVICE

PMC VSR Advanced Core Course  
Phase 5: Stages of a Claim  
Part 5: Award Adjustments

# **Lesson 4: Determine Dependency Adjustments**

### Trainee Guide

April 12, 2017

Version 1.0

**Lesson 4: Determine Dependency Adjustments**  
**Trainee Guide**

**Determine Dependency Adjustments**

**Lesson Overview**

Topic	Description
Time Estimate:	1 hour
Purpose of the Lesson:	This lesson is part of the entry-level curriculum course for PMC VSRs. The purpose of this lesson is to prepare you for determining changes in dependency and for the impact those changes have on a running award.
Prerequisite Training Requirements:	Prior to taking the Determine Dependency Adjustments lesson, you must complete the entry level course Phases 1–4, and Phase 5, Parts 1-4, and Phase 5 Part 5 lessons 1-3. (Refer to the <b>Master Course Map</b> learning aid for a list of lessons.)
Target Audience:	This lesson is for entry-level PMC VSRs.
Lesson References:	<ul style="list-style-type: none"><li>• <b>Master Course Map</b> learning aid</li><li>• M21-1 III.ii.2.B.1.b (Requirements for a Complete Claim Received on or After March 24, 2015)</li><li>• M21-1 III.iii.5 (Relationship and Dependency)<ul style="list-style-type: none"><li>○ M21-1 III.iii.5.A.4.a (Forms Claimants Must Use to Initiate the Process of Adding a Dependent to Their Award)</li><li>○ M21-1 III.iii.5.C.2.b (How to Develop for Common Law Marriage)</li><li>○ M21-1 III.iii.5.C.3.a (Recognition of Common Law Marriages by State)</li><li>○ M21-1 III.iii.5.D.1 (Tribal, Proxy, and Transgender Marriages)</li><li>○ M21-1 III.iii.5.G (Establishing a Biological Child, Adopted Child, or Stepchild as a Veteran's Child for Department of Veterans Affairs (VA) Purposes)</li><li>○ M21-1 III.iii.5.G.6 (Establishing a Stepchild as a Veteran's Child for VA Purposes)</li></ul></li></ul>

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Topic	Description
	<ul style="list-style-type: none"> <li>• M21-1 III.iii.6 (School Attendance)</li> <li>• M21-1 IV.iii.1.A.2.a (Definition: DIC)</li> <li>• M21-1 V.i.3.A.2.a (Income Development for Original and Reopened Claims)</li> <li>• M21-1 V.iii.1.F (Dependents for Current- Law Pension Purposes)               <ul style="list-style-type: none"> <li>○ M21-1 V.iii.1.F.2.a (General Information on Counting the Income of Dependents)</li> <li>○ M21-1 V.iii.1.F.2.k (Failure to Resolve the Income of Dependents)</li> </ul> </li> <li>• 38 CFR 3.57(a)(1) (Child: General)</li> <li>• 38 CFR 3.204 (Evidence of dependents and age)</li> <li>• 38 CFR 3.205 (Marriage)</li> <li>• 38 CFR 3.206 (Divorce)</li> <li>• 38 CFR 3.207 (Void or annulled marriage)</li> <li>• 38 CFR 3.208 (Claims based on attained age)</li> <li>• 38 CFR 3.209 (Birth)</li> <li>• 38 CFR 3.210 (Child's relationship)</li> <li>• 38 CFR 3.211 (Death)</li> <li>• <b>Annotate the Award Checklist</b> job aid</li> <li>• <b>Dependency Eligibility Requirements</b> job aid</li> <li>• <b>Dependency Eligibility: Spouse</b> job aid</li> <li>• <b>Develop for Missing Information/Evidence</b> job aid</li> <li>• <b>Income and Net Worth Status</b> job aid</li> <li>• <b>Initial Year</b> job aid</li> <li>• <b>Processing an Award Adjustment</b> job aid</li> <li>• <b>Time Limits</b> job aid</li> </ul>
Knowledge Check:	Phase 5: Stages of a Claim, Part 5a: Award Adjustments

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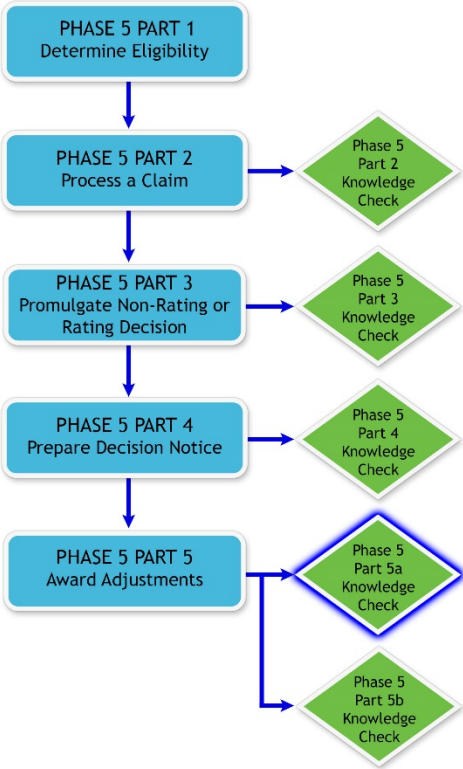
Topic	Description
Technical Competencies:	<ul style="list-style-type: none"> <li>• Program Benefits and Eligibility (PMC VSR)</li> <li>• Processing Claims (PMC VSR)</li> <li>• Income Counting and Net Worth</li> <li>• VBA Applications (PMC VSR)</li> </ul>
Lesson Objectives:	<ul style="list-style-type: none"> <li>• Determine award adjustment based on change in dependency.               <ul style="list-style-type: none"> <li>○ Determine changes in dependency.</li> <li>○ Determine actions to take based on dependency changes.</li> <li>○ Determine the award adjustment based on change in dependency.</li> </ul> </li> </ul>
What You Need:	<ul style="list-style-type: none"> <li>• Trainee Guide</li> <li>• <b>Master Course Map</b> learning aid</li> <li>• Access to VBA intranet</li> <li>• Pen and paper or access to a whiteboard</li> <li>• Access to the following VBA systems in academy mode:               <ul style="list-style-type: none"> <li>○ VBMS</li> <li>○ SHARE</li> <li>○ PCGL</li> <li>○ VVA</li> </ul> </li> <li>• Access to the following job aids from VSR Assistant:               <ul style="list-style-type: none"> <li>○ <b>Annotate the Award Checklist</b> job aid</li> <li>○ <b>Dependency Eligibility Requirements</b> job aid</li> <li>○ <b>Dependency Eligibility: Spouse</b> job aid</li> <li>○ <b>Develop for Missing Information/Evidence</b> job aid</li> <li>○ <b>Initial Year</b> job aid</li> <li>○ <b>Income and Net Worth Status</b> job aid</li> <li>○ <b>Processing an Award Adjustment</b> job aid</li> </ul> </li> </ul>

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Topic	Description
	<ul style="list-style-type: none"> <li>○ Time Limits job aid</li> </ul>

PowerPoint Slides	Notes
<p><b>Lesson 4: Determine Dependency Adjustments</b></p>	
<p><b>You Are Here</b></p>	
<p><b>Technical Competencies</b></p> <ul style="list-style-type: none"> <li>• Program Benefits and Eligibility (PMC VSR)</li> <li>• Processing Claims (PMC VSR)</li> <li>• Income Counting and Net Worth</li> <li>• VBA Applications (PMC VSR)</li> </ul>	

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PowerPoint Slides	Notes
<p><b>Lesson Objectives</b></p> <p>Determine award adjustment based on change in dependency.</p> <ul style="list-style-type: none"> <li>• Determine changes in dependency.</li> <li>• Determine actions to take based on dependency changes.</li> <li>• Determine the award adjustment based on change in dependency.</li> </ul>	
<p><b>Knowledge Check</b></p>  <pre> graph TD     P1[PHASE 5 PART 1 Determine Eligibility] --&gt; P2[PHASE 5 PART 2 Process a Claim]     P2 --&gt; KC2{Phase 5 Part 2 Knowledge Check}     P2 --&gt; P3[PHASE 5 PART 3 Promulgate Non-Rating or Rating Decision]     P3 --&gt; KC3{Phase 5 Part 3 Knowledge Check}     P3 --&gt; P4[PHASE 5 PART 4 Prepare Decision Notice]     P4 --&gt; KC4{Phase 5 Part 4 Knowledge Check}     P4 --&gt; P5[PHASE 5 PART 5 Award Adjustments]     P5 --&gt; KC5a{Phase 5 Part 5a Knowledge Check}     P5 --&gt; KC5b{Phase 5 Part 5b Knowledge Check}     </pre> <p>The flowchart illustrates the five parts of Phase 5. Each part is represented by a blue rounded rectangle, and each knowledge check is a green diamond. The process flows from Part 1 to Part 2, then to Part 3, then to Part 4, and finally to Part 5. Knowledge checks are positioned to the right of each part, with arrows pointing from the part to the check. Part 5 has two knowledge checks, 5a and 5b, with arrows pointing from the part to each.</p>	

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<b>PowerPoint Slides</b>	<b>Notes</b>
<p><b>Why It Matters!</b></p> <ul style="list-style-type: none"><li>• Used to determine who can be considered a dependent</li><li>• Used to determine allowance based on dependents<ul style="list-style-type: none"><li>○ Can affect Veteran's award and payment amount</li><li>○ May require development</li></ul></li></ul>	
<p><b>Job Aids for Determining Changes in Dependency</b></p> <ul style="list-style-type: none"><li>• <b>Processing an Award Adjustment</b> job aid</li><li>• <b>Annotate the Award Checklist</b> job aid</li><li>• <b>Initial Year</b> job aid</li><li>• <b>Income and Net Worth Status</b> job aid</li><li>• <b>Time Limits</b> job aid</li><li>• <b>Dependency Eligibility Requirements</b> job aid</li><li>• <b>Dependency Eligibility: Spouse</b> job aid</li><li>• <b>Develop for Missing Information/Evidence</b> job aid</li></ul>	

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<b>PowerPoint Slides</b>	<b>Notes</b>
<p><b>Lesson Overview</b></p> <ul style="list-style-type: none"><li>• <b>Demonstration</b>—Instructor completes an award adjustment based on dependency changes with opportunities for questions.</li><li>• <b>Guided Practice</b>—Trainees complete an addition/removal of a dependent and award adjustment with questions and feedback/remediation.</li></ul>	
<p><b>Changes in Dependency</b></p> <ul style="list-style-type: none"><li>• Review dependency documents in VBMS when claim is received</li><li>• May be submitted by claimant, fiduciary, or third party<ul style="list-style-type: none"><li>○ If submitted by a third party, you will need to complete due process before taking any action on the claim.</li></ul></li></ul>	



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<b>PowerPoint Slides</b>	<b>Notes</b>
<p><b>Verify Addition/Removal of Dependent</b></p> <ul style="list-style-type: none"><li>• Verify if dependent being added/removed is:<ul style="list-style-type: none"><li>○ Spouse</li><li>○ Child</li></ul></li><li>• Verify the reason for addition/removal</li><li>• Develop or conduct due process for more information if needed</li><li>• If claim contains all information needed, continue with addition/removal of dependent</li></ul>	

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<b>PowerPoint Slides</b>	<b>Notes</b>
<p><b>Acceptable Reasons for Removing a Dependent</b></p> <ul style="list-style-type: none"><li>• Death of spouse, child, or dependent parent</li><li>• Marriage of child</li><li>• Child adopted out of the family</li><li>• Divorce or annulment from spouse</li><li>• Separation (estrangement) from spouse with no financial contributions</li><li>• Child turns 18 and is not in school</li><li>• Child ages 18-23 terminates school attendance</li><li>• Child over 18 and in school turns 23 years old prior to school attendance termination</li><li>• Child born</li></ul>	

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<b>PowerPoint Slides</b>	<b>Notes</b>
<p><b>Will Addition/Removal of Dependent Result in Increase of Benefits?</b></p> <ul style="list-style-type: none"><li>• If addition or removal of dependent results in an increase of benefits, the claim must be submitted on the prescribed form.<ul style="list-style-type: none"><li>○ M21-1 III.iii.5.A.4.a (Forms Claimants Must Use to Initiate the Process of Adding a Dependent to Their Award)</li></ul></li><li>• If not submitted on prescribed form, develop for income/net worth as income could result in award reduction.</li></ul>	

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<b>PowerPoint Slides</b>	<b>Notes</b>
<p><b>Scenario—Can You Add the Dependent?</b></p> <p>Veteran James Van Winkle has a running pension award since August 1, 2011. He submitted VA Form 21-686c, Declaration of Status of Dependents, on June 13, 2016. On the form, he reports that he got married on March 15, 2016, to Sandra Johnson. He filled out the form with his complete marital history and Sandra's complete marital history, indicated that Sandra is not a Veteran, and provided her SSN and date of birth. Along with this form, he submitted VA Form 21-4138, Statement in Support of Claim, stating "My new wife has no income or net worth to report."</p> <p>Based on the information provided, are you able to add the dependent?</p>	

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<b>PowerPoint Slides</b>	<b>Notes</b>
<p><b>Scenario—Can You Add the Dependent? Answer</b></p> <p>Veteran James Van Winkle has a running pension award since August 1, 2011. He submitted VA Form 21-686c, Declaration of Status of Dependents, on June 13, 2016. On the form, he reports that he got married on March 15, 2016, to Sandra Johnson. He filled out the form with his complete marital history and Sandra's complete marital history, indicated that Sandra is not a Veteran, and provided her SSN and date of birth. Along with this form, he submitted VA Form 21-4138, Statement in Support of Claim, stating "My new wife has no income or net worth to report."</p> <p>Based on the information provided, are you able to add the dependent?</p>	
<p><b>Guided Practice—Add/Remove Dependent Based on Information Provided</b></p> <ul style="list-style-type: none"><li>• Instructions:<ul style="list-style-type: none"><li>○ Access the Claim 1 provided in VBMS</li><li>○ Access the following job aids:<ul style="list-style-type: none"><li>▪ <b>Processing an Award</b></li></ul></li></ul></li></ul>	

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<p style="text-align: center;"><b>Adjustment</b></p> <ul style="list-style-type: none"> <li>▪ <b>Dependency Eligibility: Spouse</b></li> <li>▪ <b>Dependency Eligibility Requirements</b></li> </ul> <ul style="list-style-type: none"> <li>○ Along with the instructor: <ul style="list-style-type: none"> <li>▪ Determine if all the information to add/remove the dependent is present</li> <li>▪ Add/Remove the dependent</li> </ul> </li> </ul> <ul style="list-style-type: none"> <li>• Time allowed: 10 min.</li> </ul>	
<p><b>Demonstration—Determine Award Adjustment Based on Change in Dependency</b></p> <ul style="list-style-type: none"> <li>• Ensure: <ul style="list-style-type: none"> <li>○ All evidence has been received</li> <li>○ Income and net worth has been received</li> </ul> </li> <li>• Enter information into VBMS-A</li> <li>• Generate the award</li> </ul>	
<p><b>Guided Practice—Determine Award Adjustment and Generate Award</b></p> <ul style="list-style-type: none"> <li>• Instructions: <ul style="list-style-type: none"> <li>○ Access the following</li> </ul> </li> </ul>	

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PowerPoint Slides	Notes
<p>job aids:</p> <ul style="list-style-type: none"><li>▪ <b>Processing an Award Adjustment</b></li><li>▪ <b>Dependency Eligibility Requirements</b></li><li>▪ <b>Dependency Eligibility: Spouse</b></li><li>▪ <b>Annotate the Award Checklist</b></li><li>▪ <b>Initial Year</b></li><li>▪ <b>Income and Net Worth Status</b></li><li>▪ <b>Time Limits</b></li><li>▪ <b>Develop for Missing Information/Evidence</b></li></ul> <ul style="list-style-type: none"><li>○ Review Claim 2 in VBMS.</li><li>○ Determine the award adjustment in VBMS-A.</li><li>○ Generate the award.</li><li>○ Be prepared to answer questions about whether to add/remove a dependent and how you determined the award adjustment.</li></ul> <ul style="list-style-type: none"><li>• Time allowed: 10 min</li></ul>	

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<b>PowerPoint Slides</b>	<b>Notes</b>
<p><b>Guided Practice—Determine Award Adjustment and Generate Award Debrief</b></p> <ul style="list-style-type: none"><li>• Follow along as the instructor confirms:<ul style="list-style-type: none"><li>○ The type of dependent</li><li>○ If the correct information was provided</li><li>○ Whether to add or remove the dependent</li><li>○ The correct way to add or remove the dependent</li><li>○ The information used to complete the SHARE and VBMS-A screens</li><li>○ The correct award adjustment</li><li>○ The new updated award</li></ul></li><li>• Ask for clarification on how the award adjustment was determined, if needed.</li></ul>	
<p><b>Determine Dependency Adjustments Review</b></p> <ul style="list-style-type: none"><li>• Determine award adjustment based on change in dependency.<ul style="list-style-type: none"><li>○ Determine changes in dependency.<ul style="list-style-type: none"><li>▪ May be submitted by claimant,</li></ul></li></ul></li></ul>	



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PowerPoint Slides	Notes
<p style="margin-left: 40px;">fiduciary, or third party</p> <ul style="list-style-type: none"> <li>▪ Verify if dependent is child or spouse</li> <li>▪ Verify reason for addition/removal</li> <li>▪ May need to develop</li> </ul> <ul style="list-style-type: none"> <li>○ Determine actions to take based on dependency changes.               <ul style="list-style-type: none"> <li>▪ Add/remove dependent</li> <li>▪ May result in increase in benefits</li> </ul> </li> <li>○ Determine the award adjustment based on change in dependency.               <ul style="list-style-type: none"> <li>▪ Enter information in SHARE and VBMS-A</li> <li>▪ Generate new award</li> </ul> </li> </ul>	
<p><b>Questions?</b></p> 	
<p><b>What's Next?</b></p> <ul style="list-style-type: none"> <li>• Phase 5: Stages of a Claim, Part 5a: Award Adjustments Knowledge Check Preparation</li> </ul>	

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<b>PowerPoint Slides</b>	<b>Notes</b>
<ul style="list-style-type: none"><li>• Review all references and job aids provided in this lesson</li></ul>	