



PENSION AND FIDUCIARY SERVICE

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

Lesson 6: Introduction to Overpayments and Waiver Withholdings

Trainee Guide

June 7, 2017

Version 1.0

**Lesson 6: Introduction to Overpayments and Waiver Withholdings
Trainee Guide**

Introduction to Overpayments and Waiver Withholdings

Lesson Overview

Topic	Description
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 introduce PMC VSRs to the rules for overpayments and waiver withholdings.
Prerequisite Training Requirements:	Prior to taking the Introduction to Overpayments and Waiver Withholdings lesson, you must complete the entry-level course Phases 1–4, Phase 5, Parts 1-4; and Phase 5, Part 5, Lesson 1-5 (Refer to the Master Course Map 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"> • Master Course Map learning aid • VA Form 1837 (Decision of Waiver of Indebtedness) • VA Form 5655 (Financial Status Report) • M21-1 III.vi.2.A.3.a. (Processing a Claimant’s Disagreement With an Overpayment) • M21-1 III.vi.2.A.4.a. (Description of COWC) • M21-1 III.vi.2.B.2.a. (Reviewing Awards for Indebtedness) • M21-1 III.vi.2.B.2.b. (Debt Management) • M21-1 III.vi.2.C. (Debt Collection) • M21-1 III.vi.2.C.1.a. (General Information About Requests for Waiver of a Debt) • M21-1 V.iii.1.H.1.g. (Time Limit to Submit Amended Income Information to Reduce an Overpayment) • Processing an Award Adjustment job aid • Time Limits job aid

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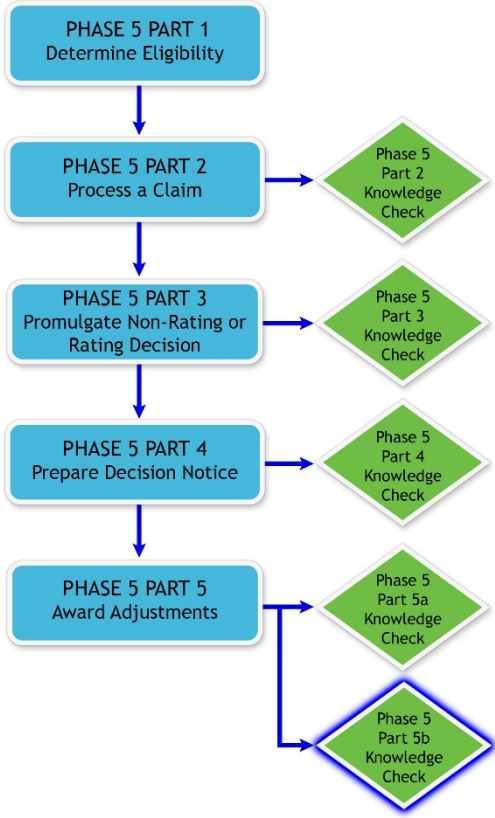
Topic	Description
Technical Competencies:	<ul style="list-style-type: none"> • Income Counting and Net Worth • VBA Applications (PMC VSR)
Knowledge Check:	Phase 5: Stages of a Claim, Part 5b Award Adjustments Knowledge Check
Lesson Objectives:	<p>Recognize whether a waiver withholding is required.</p> <ul style="list-style-type: none"> • Recognize whether an overpayment was created. • Recognize a retroactive award increase. • Recognize whether a waiver has been granted. • Recognize whether a retroactive award increase occurs during the debt creation period.
What You Need:	<ul style="list-style-type: none"> • Trainee Guide • Master Course Map learning aid • Appendix A—Overpayment and Waiver Withholding Scenario • Appendix B—Waiver Documents • Access to CPKM • Access to VBMS-A academic mode • Access to the following job aids from VSR Assistant: <ul style="list-style-type: none"> ○ Processing an Award Adjustment job aid ○ Time Limits job aid

PowerPoint Slides	Notes
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PowerPoint Slides	Notes
<p>You Are Here</p> <pre> graph TD P1[PHASE 1 Mandatory Training] --> P2[PHASE 2 PMC VSR Foundation] P2 --> P3[PHASE 3 PMC VSR Resources] P3 --> P4[PHASE 4 Introduction to Pension Management] P4 --> P5[PHASE 5 Stages of Claim] P5 --> P6[PHASE 6 Processing Claims] P5 --> P5P1[PHASE 5 PART 1 Determine Eligibility] P5P1 --> P5P2[PHASE 5 PART 2 Process a Claim] P5P2 --> P5P3[PHASE 5 PART 3 Promulgate Non-Rating or Rating Decision] P5P3 --> P5P4[PHASE 5 PART 4 Prepare Decision Notice] P5P4 --> P5P5[PHASE 5 PART 5 Award Adjustments] style P5 stroke:#0000FF,stroke-width:2px style P5P1 stroke:#0000FF,stroke-width:2px style P5P2 stroke:#0000FF,stroke-width:2px style P5P3 stroke:#0000FF,stroke-width:2px style P5P4 stroke:#0000FF,stroke-width:2px style P5P5 stroke:#0000FF,stroke-width:2px </pre>	
<p>Why It Matters!</p> <p>Access Veteran Barbara Richardson's scenario Part 1 in Appendix A</p>	
<p>Technical Competencies</p> <ul style="list-style-type: none"> Income Counting and Net Worth VBA Applications (PMC VSR) 	
<p>Lesson Objectives</p> <p>Recognize whether a waiver withholding is required.</p> <ul style="list-style-type: none"> Recognize whether an overpayment was created. Recognize a retroactive award increase. Recognize whether a waiver has been granted. Recognize whether a retroactive award increase occurs during the debt creation period. 	


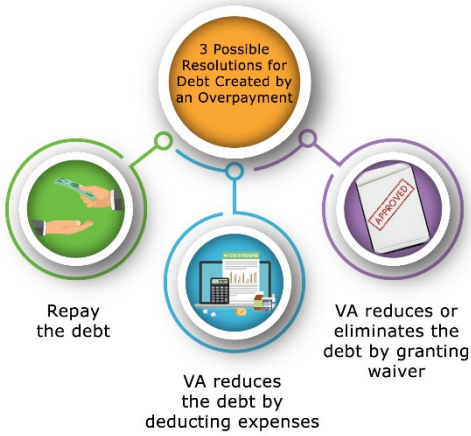
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PowerPoint Slides	Notes
<p>Knowledge Check</p>  <pre> graph TD A[PHASE 5 PART 1 Determine Eligibility] --> B[PHASE 5 PART 2 Process a Claim] B --> C[PHASE 5 PART 3 Promulgate Non-Rating or Rating Decision] C --> D[PHASE 5 PART 4 Prepare Decision Notice] D --> E[PHASE 5 PART 5 Award Adjustments] B --> B1{Phase 5 Part 2 Knowledge Check} C --> C1{Phase 5 Part 3 Knowledge Check} D --> D1{Phase 5 Part 4 Knowledge Check} E --> E1{Phase 5 Part 5a Knowledge Check} E --> E2{Phase 5 Part 5b Knowledge Check} </pre> <p>The diagram shows a vertical flow of five rectangular boxes representing the phases of Phase 5. Each box is connected to the next by a downward arrow. From each box (except the first), an arrow points to a diamond-shaped box representing a knowledge check. The knowledge checks are: Phase 5 Part 2, Phase 5 Part 3, Phase 5 Part 4, Phase 5 Part 5a, and Phase 5 Part 5b. The Phase 5 Part 5b knowledge check is highlighted with a blue border.</p>	
<p>Award Adjustments</p> <p>Award Adjustments:</p> <ul style="list-style-type: none"> • Determine Dependency Adjustments • Apply/Issue Due Process Provisions • Introduction to Overpayments and Waiver Withholdings 	

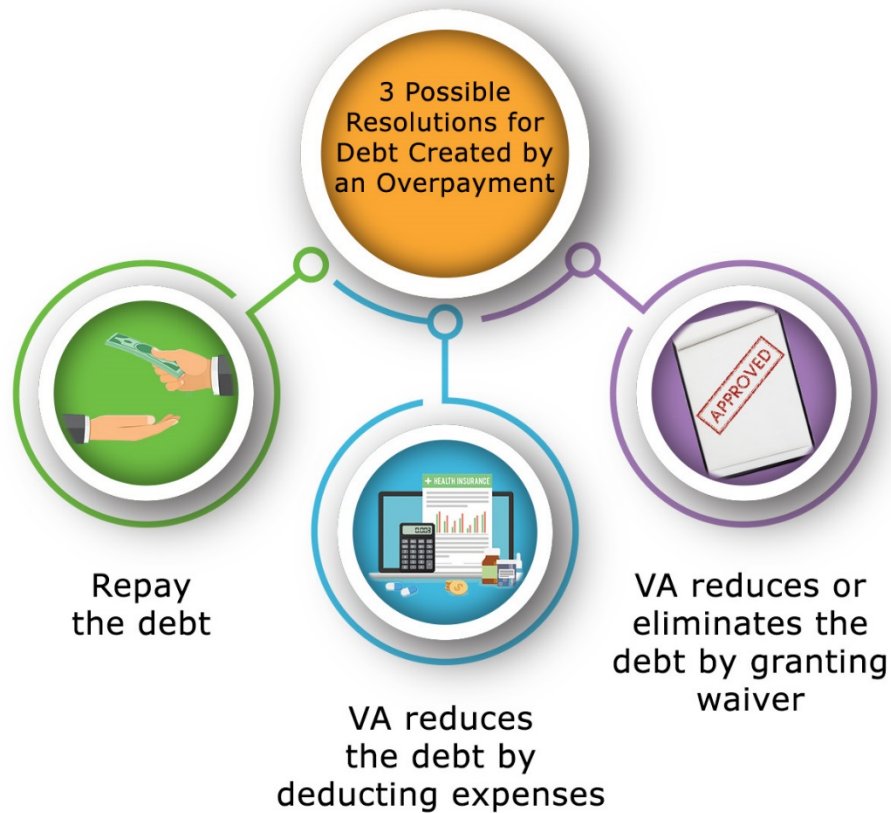
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PowerPoint Slides	Notes
<p>Key Terms Used for Indebtedness</p> <p>The following are key terms used when reviewing awards for indebtedness:</p> <ul style="list-style-type: none"> • Overpayment • Debt creation period • Waiver of debt 	
<p>Overpayment</p> <p>What is an overpayment?</p>	
<p>Overpayments Demo</p> 	
<p>Debt Creation Period</p> <p>Debt creation period is the period between the date the claimant received an increase in income and the date the claim was processed.</p>	
<p>Debt Creation Period Answers</p> <p>What is the debt creation period for Veteran Barbara Richardson?</p>	
<p>Waiver of Debt</p> <p>Scenario: Veteran Barbara Richardson has the opportunity to submit a waiver of her debt.</p>	

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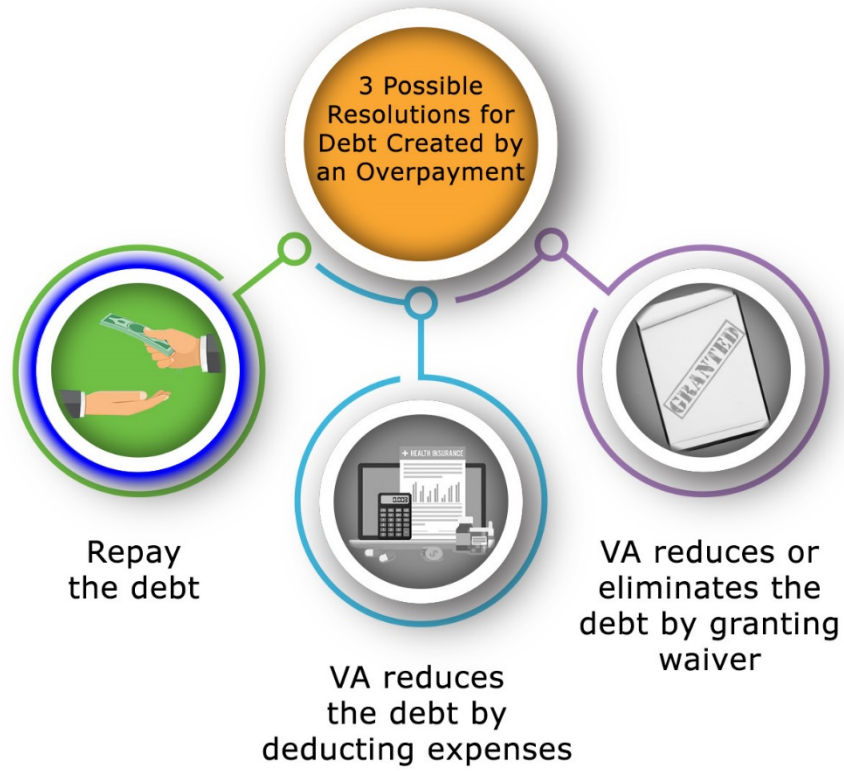
PowerPoint Slides	Notes
<p>Indebtedness Organizations</p> <ul style="list-style-type: none"> • Debt Management Center (DMC) is responsible for: <ul style="list-style-type: none"> ○ VA's debt collection ○ Processing requests for waiver of overpayments • Committee on Waivers and Compromises (COWC) is responsible for deciding: <ul style="list-style-type: none"> ○ The validity of a debt ○ Whether to grant or deny a payee's request for waiver or compromise 	
<p>Questions?</p> 	
<p>Reducing or Eliminating Overpayments</p>  <p>3 Possible Resolutions for Debt Created by an Overpayment</p> <ul style="list-style-type: none"> Repay the debt VA reduces the debt by deducting expenses VA reduces or eliminates the debt by granting waiver 	


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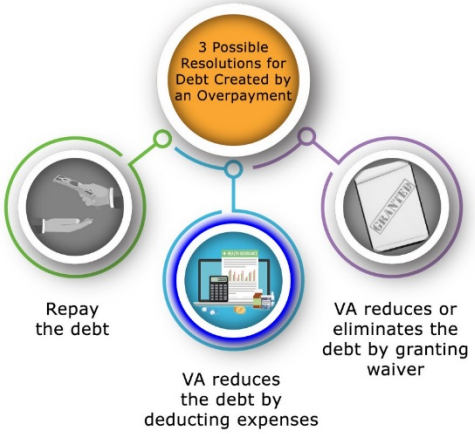
PowerPoint Slides	Notes
<p>Payee Repays the Debt</p>	

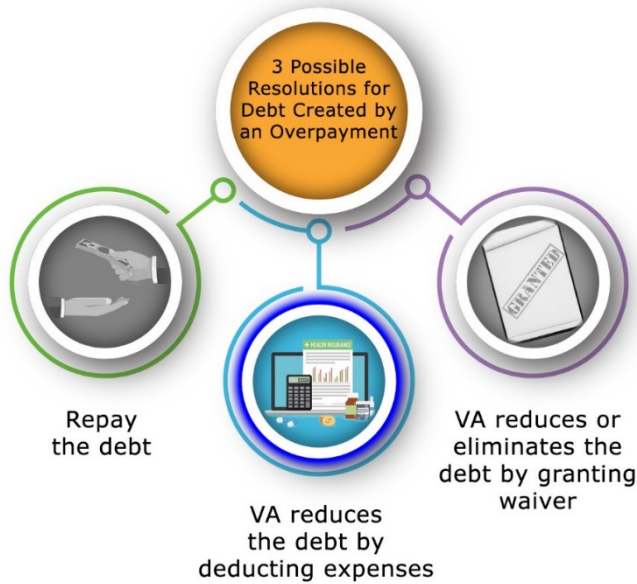
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PowerPoint Slides	Notes
<p>Payee Repays the Debt Demo</p> 	

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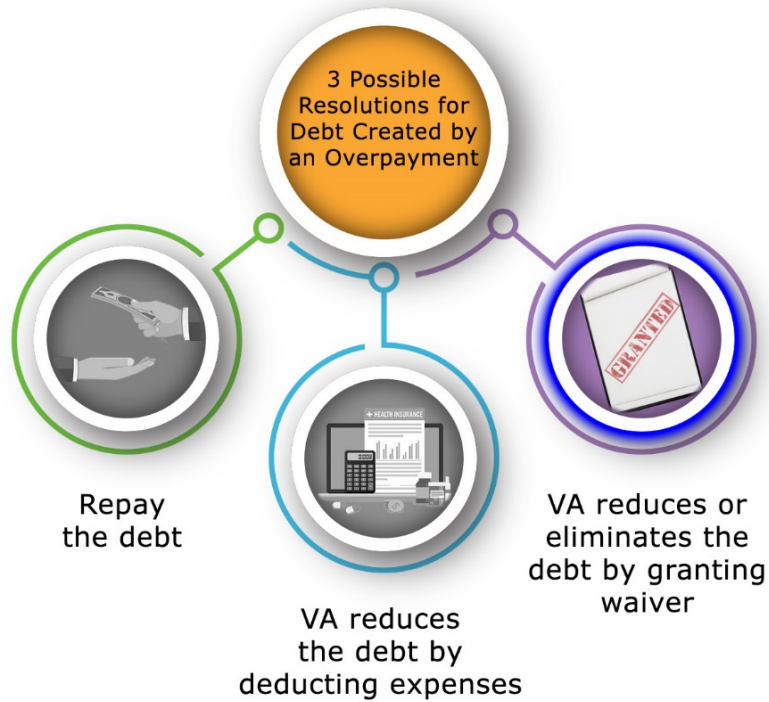
PowerPoint Slides	Notes
<p>Reduce the Debt by Deducting Expenses (1 of 2)</p>  <p>3 Possible Resolutions for Debt Created by an Overpayment</p> <p>Repay the debt</p> <p>VA reduces the debt by deducting expenses</p> <p>VA reduces or eliminates the debt by granting waiver</p>	



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PowerPoint Slides	Notes
<p>Reduce the Debt by Deducting Expenses (2 of 2)</p> <p>Scenario: Veteran Lark Kerman has had a running award since 2011. Mr. Kerman has no reported income. On May 25, 2016, Mr. Kerman reports he won the lottery. The award is processed November 28, 2016. This generates a debt creation period from June 1, 2016 to November 30, 2016. Mr. Kerman submits medical expenses on January 1, 2017 for the calendar year of 2016. The total amount of medical expenses is significant enough to reduce the IVAP during the period of end of December 2016. The overpayment has been eliminated.</p>	
<p>Granted Waiver (1 of 2)</p>  <p>The diagram illustrates three possible resolutions for debt created by an overpayment:</p> <ul style="list-style-type: none"> Repay the debt VA reduces the debt by deducting expenses VA reduces or eliminates the debt by granting waiver 	

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PowerPoint Slides	Notes
<p>Granted Waiver (2 of 2)</p> <ul style="list-style-type: none"> • Check the Corporate Record in SHARE for the waiver flash • The waiver flash will show if the following documents are on file: <ul style="list-style-type: none"> ○ Waiver grant letter ○ VA Form 1837, Decision of Waiver of Indebtedness 	

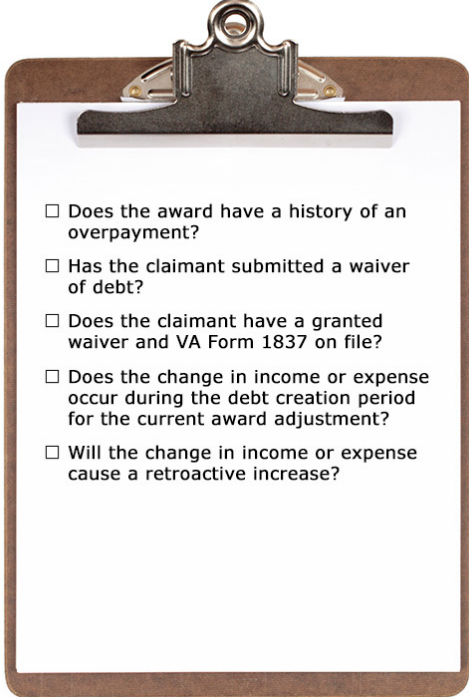
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PowerPoint Slides	Notes
<p>Granted Waiver (2 of 2) Answers</p> <ul style="list-style-type: none">• What waiver documents are included with Appendix B?• Has Ms. Richardson's waiver been granted?• What does the VA Form 1837 show?	
<p>Questions?</p> 	
<p>Retroactive Award Increase</p> <p>When processing an award adjustment, consider the following:</p> <ul style="list-style-type: none">• Does the award have a history of an overpayment?• Has the claimant submitted a waiver of debt?• Does the claimant have a granted waiver and VA Form 1837 on file?• Does the change in income or expense occur during the debt creation period?• Will the change in income or expense cause a retroactive increase?	

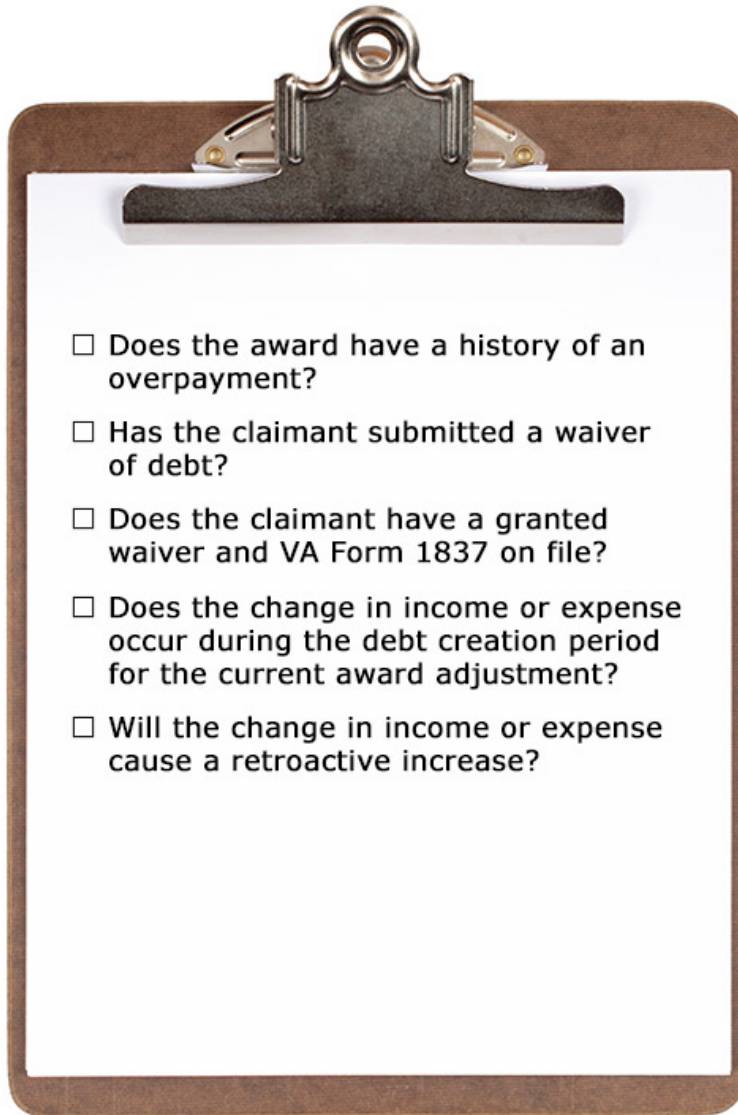
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PowerPoint Slides	Notes
<p>Retroactive Award Increase Example</p> <p>Appendix A: Veteran Barbara Richardson—Part 3</p>	
<p>Avoiding Duplicate Payment of Benefits</p> <ul style="list-style-type: none">• To avoid processing a duplicate payment of benefits, the PMC VSR must withhold the amount previously waived before any retroactive benefit can be paid• Waiver withholding calculations are very complex• Novice PMC VSRs are not expected to calculate the waiver withholding amount without the assistance of an Intermediate/Journey-level PMC VSR	
<p>Questions?</p> 	

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PowerPoint Slides	Notes
<p data-bbox="154 296 440 327">Lesson Summary</p>  <ul data-bbox="224 573 609 856" style="list-style-type: none"><input type="checkbox"/> Does the award have a history of an overpayment?<input type="checkbox"/> Has the claimant submitted a waiver of debt?<input type="checkbox"/> Does the claimant have a granted waiver and VA Form 1837 on file?<input type="checkbox"/> Does the change in income or expense occur during the debt creation period for the current award adjustment?<input type="checkbox"/> Will the change in income or expense cause a retroactive increase?	

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PowerPoint Slides	Notes
What's Next Phase 5: Part 5b Knowledge Check Preparation	