Pension and Fiduciary Service

PMC VSR Advanced Core Course Phase 6: Processing Claims

Process Initial vs Supplemental Claims

Trainee Guide

March 2024

Process Initial vs Supplemental Claims

Lesson Overview

| Topic | Description |
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| Time Estimate: | 6 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 new or reconsidered claims through demonstration, practice, and feedback. |
| Prerequisite Training Requirements: | Prior to taking this course, you must complete the entry-level courses found in Phases 1–5. |
| Target Audience: | This lesson is for entry-level PMC VSRs. |
| Lesson References: | * M21-1 II.iii.1.A.1.a (Requirements for a Complete Claim Received on or After March 24, 2015) * M21-1 II.iii.1.C (Screening Applications for Substantial Completeness and Notification Requirements) * M21-1 II.iii.2.B.1.a (Definition: Supplemental Claim) * M21-1 II.iii.2.B.1.e (Requirements for Potentially New Evidence) * M21-1 X.ii.2.A.1.a (Requesting Readjudication of a Previously Decided Claim) * M21-1 X.ii.2.A.2.a (Duty to Provide Section 5103 Notice) * M21-1 X.ii.2.A.2.c (Definition: New and Relevant) * M21-1 X.ii.2.A.3 (Effective Dates for Previously Decided Claims) * M21-4 Appendix B (End Product Codes and Work-Rate Standards for Quantitative Measurements) |
| Knowledge Check: | Phase 6: Process Initial vs Supplemental Claims |
| Lesson Objectives: | **Demonstration:** Instructors will provide claim scenarios and corresponding questions for trainee review. The instructors will then discuss the claims review process from start to finish under each claim demonstration with opportunities for trainee questions.  **Guided** **Practice:** Trainees are assigned live claims to process. While reviewing live claims, the trainee will be able to:   * Recognize indicators of initial and supplemental claims. * Confirm claim characteristics assigned by a Claims Assistant. * Screen claim to determine if claim may be decided without development. * Determine if evidence is sufficient to process initial claims. * Determine if evidence is new or relevant to process supplemental claims. * Identify and develop for any missing information or evidence. * Determine whether the claim is ready to rate, if rating activity is required. * Decide the award actions in VBMS-A. * Prepare a decision notice including required elements and favorable findings. * Submit the claim to Authorization activity. |
| What You Need: | * Lesson Plan and PPT Slides * **Time Limits** Job Aid * Applicable VBA applications used in job aids * Live or sample cases for demonstration: * Demonstration: Claim 1-Processing Initial Claim * Demonstration: Claim 2-Supplemental Claim * Mixture of live initial and supplemental claims to assign to VSR work ques in VBMS. |

| PowerPoint Slides | Notes |
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| **Process Initial vs Supplemental Claims** |  |
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| Why it Matters!   * The Appeals Modernization Act (AMA) was signed into law on August 23, 2017 and took effect on February 19, 2019. This law changed VBA’s claims and appeals processes. It also changed decision notice requirements. * AMA features three decision review lanes when dissatisfied with VA’s decision on their claim including Supplemental claims, Higher-level reviews or Board appeal directly to BVA. * Accurately determining whether a claim is considered an initial or a supplemental claim determines effective date protections for continuously pursued claims. |  |
| Initial vs Supplemental Claims Recap: Definitions  Initial Claim: Any complete claim, other than a supplemental claim, for a benefit on a form prescribed by the Secretary.   * Initial claims include: * Original claim for benefits (first filing by a claimant).   + EP Codes: 140, 160, 165, 180, 190, or 290 |  |
| * Subsequent claim filed by a claimant based on a new benefit or disability claimed.   + EP Codes: 020, 120, 130, 150, or 160 * Subsequent claim filed by a claimant based on a claim for increase due to a change in circumstance.   + EP Codes: 020, 120 or 150 * Initial claims have an open evidentiary record and require VA to assist in the gathering of evidence. However, they do not count as continuously pursing a claimed issue that has been decided. |  |
| Initial vs Supplemental Claims Recap: Definitions  **Supplemental Claim:** Requests for review with new and relevant evidence, submitted by a claimant or their authorized representatives based on a disagreement with a prior VA decision. (EP Code: 040)   * AMA Supplemental Claims have an open evidentiary record and require VA to assist in the gathering of evidence. * A supplemental claim must be received on a substantially complete VA Form 20-0995, Decision Review Request: Supplemental Claim and can be filed at any time. However, the request must be filed within one year of the date of notice of the prior decision on the issue(s) to maintain entitlement to earliest possible effective date. |  |
| Initial vs Supplemental Claims Recap: Definitions  Substantially Complete Supplemental Claims:   * Identify the benefit type for which a new decision is requested, * Include or identify new and relevant evidence and * Must be properly signed.   **Note:** If the supplemental claim is not substantially complete, return it under an EP 400. The claimant will have either 60 days or the remainder of the year from the date of the decision (whichever is later) to substantiate the claim and consider it continuously pursued. |  |
| **New and Relevant Evidence:**   * ***New*** evidence is evidence not previously part of the actual record before agency adjudicators. * ***Relevant*** evidence is information that tends to prove or disprove a matter at issue in a claim and includes evidence that raises a theory of entitlement that was not previously addressed.   **Note:** When determining if evidence is relevant, consider whether the evidence:   * Relates to an element for which the claim was previously denied, or * Raises a theory of entitlement not addressed by the previous decision. |  |
| **Processing Initial vs Supplemental Claims: Scenario 1**  VA received an application for Survivors Pension benefits from Ms. Sheila on 08/15/21. The application indicates she and the Veteran were only married once to each other, and she hasn’t remarried since the death of the Veteran on 06/30/21. The claimant’s only source of income is her Social Security income of $473.50 monthly. She claimed medical expenses of $148.50 monthly paid for Medicare Part B premiums verified by VA when pulling a Social Security data match through VBMS.  No death certificate was submitted with the application, nor was any death information listed when reviewing potential CAPRI records. The VSR sent a development letter to Ms. Sheila on 09/09/21, requesting a copy of the Veteran’s death certificate showing the cause of death.  As of 10/28/21, VA had not received a response from Ms. Sheila. Therefore, the claim was denied on that date for failure to prosecute since the claimant failed to provide the required death certificate. |  |
| Scenario 1: Processing Questions   1. If Sheila submits a supplemental claim on 04/03/22, what entitlement date would be provided? 2. If Sheila submits a supplemental claim on 11/08/22, what is her entitlement date? |  |
| 1. If she submits a new initial claim on 07/14/22, what is her effective date based on? |  |
| Processing Demonstration: Claim 1  **Indicates you should demonstrate an action**  **Demonstration of Processing an Initial Claim.**  Instructor demonstrates the claims review process from start to finish with opportunities to discuss trainee questions. ​ |  |
| **Processing Initial vs Supplemental Claims: Scenario 2**  VA received an application for Veterans Pension with special monthly pension benefits from Mitch Veteran on 01/12/22. The application shows the Veteran is widowed. The VA Form 21P-0969, Income and Asset Statement in Support of Claim for Pension or Parents’ Dependency and Indemnity compensation (DIC), submitted with the application indicates Mitch receives Military retirement income of $2,185.00 monthly which was confirmed through verification within VA systems. Additionally, the Veteran receives retirement income from IBM of $1,923.00 monthly and $1,655.50 monthly in Social Security income as verified through a data match with Social Security within VBMS. |  |
| The Veteran’s claimed medical expenses include Medicare Part B premiums of $148.50 monthly and in-home care provided by the Veteran’s son totaling $1,500.00 monthly. The Veteran has no assets, doesn’t own his home, nor did he transfer any assets within the past 3 calendar years.  VA denies the claim on 02/15/22 due to the Veteran’s income for VA purposes exceeding the maximum annual pension rate for a single Veteran with additional aid and attendance allowance. The Veteran was notified of this decision on 02/16/22. |  |
| **Scenario 2: Processing Questions**   1. If the Veteran submits a supplemental claim on 12/02/22, what is his entitlement date? 2. If Mitch submits a supplemental claim on 05/21/23, what would his entitlement date be? 3. If he submits a new initial claim on 02/27/23, what is his entitlement date? |  |
| **Processing Demonstration: Claim 2**  **Indicates you should demonstrate an action**  **Demonstration of processing a Supplemental Claim.** |  |
| Instructor demonstrates the claims review process from start to finish with opportunities to discuss trainee questions. |  |
| **Guided Practice**  Instructions:   * **Instructors assign initial and supplemental claims to trainees.** * **Trainees review pending claims and take necessary action.** * **Use the job aids, references, and systems available.** * **Consult with instructors for assistance with processing questions.** |  |
| **Lesson Summary**  Reminders:   * **The receipt of an application for a benefit is considered an initial claim, even if the same benefit has been previously adjudicated.** * If nothing has changed, decide the claim based on the same reasoning as the prior decision, to include using previously done ratings if applicable. * Do not return a non-original initial claim as incomplete for no new and relevant evidence as that is a supplemental claim criteria. * **It is possible to have an 040 pending for one issue (ex. DIC) and another EP for another initial claim (ex. Survivors Pension). Please review the documents on file to make sure your claim is** |  |
| **controlled by the correct EP.**   * **Effective dates based on income and net worth are also governed by 38 CFR 3.660. Therefore, a claim may be outside time limits to be considered continuously pursued but still be within income and net worth reporting time limits. The effective date of such claims is governed by 38 CFR 3.660.** |  |
| **Knowledge Check: Lesson Summary Review**    **Time Allowed**: **10 minutes** |  |
| **Questions?**  This icon prompts you to ask trainees a discussion question or to ask trainees if they have any questions before proceeding with instruction. |  |
| **What’s Next?**   * Complete the Initial vs Supplemental Claims course evaluation. TMS ID# **4627550** |  |