Pension and Fiduciary Service

PMC VSR Intermediate Core Course
Phase 5: Proficiency Development
Part 2: Process a Claim

**Overview of the Matching Program**

Trainee Guide

July 2024

Overview of the Matching Program

Lesson Overview

| Topic | Description |
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| Time Estimate: | 1 hour |
| Purpose of the Lesson: | This lesson is part of the entry-level course for PMC VSRs. Although positioned within the Advanced Phase, this course remains an entry-level course and its purpose is to introduce PMC VSRs to processing ancillary benefits.  |
| Prerequisite Training Requirements: | Prior to taking the **Overview of the Matching Program** lesson, trainees must complete the entry-level courses: * Phases 1-5.1.d.
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| Target Audience: | This lesson is for entry-level PMC VSRs. |
| Lesson References: | * 38 CFR 3.217 Submission of Statements or Information Affecting Entitlement to Benefits
* M21-1 XIV.1.2.a. (PMC Responsibility)
* M21-1 XIV.2.A.1.c. (Social Security Income Match)
* M21-1 XIV.2.A.2.d. (Corrective Award Action Necessary Based on SSA Matches)
* M21-1 XIV.2.B.1.b. (Automatic Establishment of EP 130 and 600)
* M21-1 XIV.2.B.2.h. (DMF Match Identifies the Veteran’s Spouse)
* M21-1 XIV.2.b.2.i. (Removing a Dependent Based on DMF Match)
* M21-1 XIV.4.A.1.b. (Definition: FTI)
* M21-1 XIV.4.C.1.d.(Hines ITC Filtering of Matches)
* M21-1 XIV.4.D.1.a. (Processing IVM Reports)
* M21-1 XIV.7.1.c. (Individuals that Data Matching Identifiers)

M21-1 XIV.7.2.b. (Caveat About the Data Match With SSA)* M21-1 XIV.8.1.d. (OIG Responsibilities Regarding the Match)
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| Technical Competencies: | * VBA Applications (PMC VSR)
* Program Benefits and Eligibility (PMC VSR)
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| Knowledge Check: | Phase 5.2 Overview of the Matching Program Knowledge Check |
| Lesson Objectives: | By the end of this training, you should be able to* Discuss the PMC’s responsibility in processing reports from the matching program
* Explain the purpose of the matching program
* Determine if an adjustment to VA benefits is required based on the reports received from the matching program
* Determine which end product (EP) to establish
 |
| What You Need: | * Trainee Guide
* Access to the CPKM
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| PowerPoint Slides | Notes |
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| Overview of the Matching Program |  |
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| Why It Matters!The Overview of the Matching Program course matters because VA receives information on a regular basis from several Federal agencies, which is used to determine the status of VA beneficiaries and may be used to adjust VA benefit payments. |  |
| Definition: Ancillary Benefits* Matching is the process of receiving regular updates from other Federal agencies and cross-referencing it with data contained within VA records to determine discrepancies or contradictions that may impact the entitlement of VA beneficiaries.
* The Social Security Administration (SSA) compiles death information into one system of records known as the death master file (DMF).
* *Federal tax information* (FTI) is any return or return information received from the IRS or secondary source, such as SSA.
* The *post award audit*(PAA) is an income match with the Internal Revenue Service (IRS) and the Social Security Administration (SSA) that allows the Department of Veterans Affairs (VA) to ensure a beneficiary continues to be entitled to VA benefits.
 |  |
| **Matching: Who’s Responsible*** The PMCs in Philadelphia, St. Paul and Milwaukee are responsible for receiving and processing all reports from matching programs involving pension and Dependency and Indemnity Compensation (DIC) recipients, including reports from:
	+ Federal tax information match, including
		- upfront verification
		- the income verification match, and
		- post award audits (PAA)
	+ Social Security Administration (SSA) verification match
	+ Social Security number (SSN) match, and
	+ prison and fugitive felon match
 |  |
| Social Security Income Match* An end product (EP) 150 *PMC-Soc Sec Admn Match* with special issue *Upfront Verification* will be established by the system when a case is identified that requires correction based on a match with SSA payment data.
* Upon review of an income match, claims processors must pull detailed SSA payment data for the beneficiary and any applicable dependents through the SSA Inquiry in VBMS.
	+ If additional rates are needed to complete the review, use the SSA Retro Calculator, located on the  [**Pension and Fiduciary’s Intranet page**](https://vbaw.vba.va.gov/pensionandfiduciary/pension/index.asp) to determine earlier rates.
 |  |
| **Social Security Income Match – Higher Resulting in Decreased Benefits** * If the verified Social Security rate is higher than the rate VA counted by $10 or more and correcting the rate(s) will result in decreased VA benefits,
	+ calculate income for VA purposes (IVAP) based on the verified Social Security rate(s) effective the date of the income change, or the date the award began, whichever is later
	+ **clear** the EP 150 **and** establish EP 600 *PMC-SSA Match*, with special issue *Upfront Verification*, follow the due process procedures to include notice of proposed adverse action, and
	+ advise the payee of the monthly Social Security rate(s) that SSA has reported, and on which VA benefits have been paid
 |  |
| Social Security Income Match – Higher with No Overpayment * If the verified Social Security rate is higher than the rate VA counted by $10 or more and using the verified rate will not result in an overpayment or decreased VA benefits,
	+ use the verified rate to calculate IVAP
	+ use the EP 150 to update the award with the verified Social Security rate, and
	+ inform the beneficiary of the action taken
 |  |
| **Social Security Income Match – Lower Rate (1 of 2)**If the verified Social Security rate is lower than the rate VA counted and the **claimant reported** a Social Security rate that is a reason for the discrepancy, * + continue to use the rate reported by the beneficiary and the corresponding VA calculated cost-of-living adjustments (COLAs) where applicable to compute IVAP, and
	+ provide notice to the beneficiary with
		- information about the Social Security rate used to calculate benefits
		- information about the discrepancy with income reported by SSA, and
		- the appropriate standard form for reporting an income change
 |  |
| **Social Security Income Match – Lower Rate (2 of 2)*** If the verified Social Security rate is lower than the rate VA counted and the VA computed SS COLA is the only reason for the discrepancy,
	+ calculate IVAP based on the verified Social Security rate
	+ use the EP 150 to update the award with the verified Social Security rate
	+ if applicable, increase VA benefits, and
	+ provide notice to the beneficiary

**NOTE**: Do not contact SSA for income information via fax, e-mail, telephone, etc., unless the claimant submits a written request that VA do so. |  |
| ****Social Security Death Master File (DMF) Match: Automation (1 of 2)****For beneficiary death matches with the contentions *SSA Death C&P Matched, SSA Death DOB Mismatch*, and *SSA Death Name Mismatch*, the system will * + establish an EP 130 *Social Security Match*or EP 130 *PMC-Social Security Match,*
	+ suspend the beneficiary’s award and any recurring payment (to include apportionments),
	+ and generate and mail a letter providing notice to the beneficiary’s address that the award is suspended.
 |  |
| ****Social Security Death Master File (DMF) Match: Automation**** (2 of 2)* For dependent death matches with the contentions, *Dep Death C&P Matched, Dep Death DOB Mismatch*, and *Dep Name Mismatch*, the system will
* establish an EP 600 PMC – *Dependency Death Match* or EP 600 *Dependency Death Match*, and
* generate and mail a due process letter to the beneficiary proposing the removal of the identified deceased dependent
* If action has been completed and the termination or adjustment was incorrect, determine what corrective actions are needed, and process the actions under EP 930.
* If there is no evidence that action has been taken as a result of the DMF match, determine whether the individual identified by the DMF match is in fact the VA payee or dependent spouse, child, or parent, and take appropriate action.
 |  |
| DMF: Conflicting Evidence* If the claims folder contains conflicting evidence regarding the beneficiary’s or dependent’s possible death by advising the beneficiary to
	+ furnish a signed statement that clearly identifies them as the beneficiary and confirm that the identified deceased individual is alive
	+ confirm the SSN of the identified deceased individual, and
	+ furnish a current telephone number
* As an alternative to sending a letter, call the beneficiary, and make a report of telephone contact on [VA Form 27-0820, Report of General Information](http://vbaw.vba.va.gov/bl/20/cio/20s5/forms/VBA-27-0820-ARE.pdf), for the claims folder as outlined in [38 CFR 3.217](http://www.ecfr.gov/cgi-bin/text-idx?SID=17acbed18433913ad862083bda608388&mc=true&node=se38.1.3_1217&rgn=div8)
 |  |
| DMF: Deceased Dependent* If the person identified by the DMF match is the Veteran’s current spouse, but was not identified through the Dependent Death Match and therefore not automatically issued a due process letter, send a letter advising the Veteran that evidence has been received from SSA indicating that their spouse may be deceased.
* Ask the Veteran to provide information regarding the death of the spouse, using either the death certificate, statement, or [**VA Form 21-686c, Application Request to Add and/or Remove Dependents**](http://www.vba.va.gov/pubs/forms/VBA-21-686c-ARE.pdf), and furnish notice of proposed adverse action.
* If the Veteran or surviving beneficiary **does not respond**, remove the dependent and their income effective the **first of the month after the month of death**, for current-law pension, or DIC, or **year following the year of death**, for Section 306 and Old-Law Pension reported by SSA
 |  |
| Matching: Is Due Process Required* The Social Security Administration (SSA) death master file match allows VA to
	+ suspend the beneficiary’s award, and
	+ generate a contemporaneous notice of the suspension to the beneficiary’s last known address
 |  |
| Federal Tax Information (FTI) Match – 1 of 2* FTI includes any information created by the recipient (in this case, VA) from the return or return information (for example: due process letters or upfront verification development letters).
* FTI is not
	+ information provided directly by the taxpayer or third party (to include payer), including an *IRS Form W-2, Wage and Tax Statement*, or *1040, U.S. Individual Income Tax Return*, or
	+ VA letters received by the claimant or beneficiary and subsequently returned to VA
 |  |
| Federal Tax Information (FTI) Match – 2 of 2* The match excludes dependent spouses and children on Veterans' awards.
* Earned and unearned income will be combined under one screen view using the VETERAN and S/P tabs.
* There must be *no*active, suspended, or terminated Veterans Pension, Survivors Pension, Death Compensation, or DIC award existing for that beneficiary.
* The IRS/SSA return data should also be considered when processing substitution and accrued claims when an original or initial claim for pension, is pending at the time of the claimant’s death.
 |  |
| Post Award Audit (PAA)* PAA is an income match with the IRS and the SSA conducted only after a grant of benefits and only if there is a current award, and unlike upfront verification, without the initiation of a claim from a Veteran or survivor.
* For those matches not excluded, Hines ITC automatically establishes an EP 154 with the claim label, *Post Award Audit* for those beneficiaries without a fiduciary, or *Post Award Audit – Fid Review* for those beneficiaries with a fiduciary.
	+ Only one EP 154 is allowed per beneficiary record.  If an EP 154 is pending and the beneficiary is selected for a subsequent PAA match, cancel the newest EP(s) and adjudicate the award using the earliest established EP 154.
	+ Leave the EP pending until final action is taken
 |  |
| FTI: Income Verification Match (IVM)* If upon review of the IVM report the PMC discovers that benefits will be reduced or terminated based on the results of the development
	+ initiate due process for pension-related issues under 154 EP, or
	+ refer the case involving IU to the station of jurisdiction (SOJ) for due process and any necessary rating action
* If upon review of the IVM report the PMC discovers that benefits will not reduce or terminate based on the results of the development
	+ clear the appropriate EP 154 or 314
	+ remove the IVM file indicator, and
	+ send a decision letter to the beneficiary advising that benefits will remain unchanged
 |  |
| Matching: Duplicate Payment (1 of 2)* Some individuals may receive VA benefits under more than one claim number, depending on their eligibility and status as a claimant. For example, a Veteran may receive
	+ disability compensation or Veterans Pension under one claim number based on their status as a Veteran
	+ survivors benefits under another claim number based on their status as the surviving spouse of a deceased Veteran, and
	+ Parents’ Dependency and Indemnity Compensation (PDIC) under another claim number based on their status as the parent of a deceased Veteran
 |  |
| Matching: Duplicate Payment (2 of 2)* If an individual is entitled to PDIC based on the death of one Veteran-child and a separate award of PDIC based on the death of a different Veteran-child, make sure VA is counting PDIC as other income or other retirement income on both awards, and paying the same monthly rate under both awards.
	+ If the monthly rates are different, make sure VA correctly counted and calculated all income on the awards, and the matched SSNs on the list of potential duplicate payment cases belong to the *parent* (not one of the deceased Veteran-children).
	+ If the matched SSNs on the list of potential duplicate payment cases belong to one of the deceased Veteran-children, update the corporate record (through a BIRLS update) to reflect the Veteran’s correct SSN, if they have an SSN
 |  |
| Automobile and Adaptive Equipment Allowance * For matches identifying a Veteran, dependent, or survivor as incarcerated, the system generates worksheets indicating, *VA and Federal BOP Computer Match*, or *VA and SSA State Prisoner Computer Match,* anduploads a copy of the worksheet into the appropriate electronic claims folder (eFolder) and establishes an 800 series work item.
* If automatic upload of the worksheet does not occur, claims processors must manually upload a copy of the worksheet into the appropriate eFolder.
* VA beneficiary or dependent on a *VA and SSA State Prisoner Computer Match* worksheet does not always necessitate a corresponding award adjustment.
	+ take no action on a match if the prisoner is/was incarcerated in a facility that does not hold sentenced offenders, such as a city jail, or felons, in a compensation/DIC case
 |  |
| Matching Program: Fugitive Felon* The objectives of the fugitive felon match are to
* assist law enforcement agencies in the apprehension of fugitives, and
* prevent payment of benefits to or for fugitive felons
* The Office of the Inspector General (OIG) is responsible for
	+ entering into computer matching agreements with law enforcement agencies
	+ matching lists of individuals with a felony arrest warrant, against VA records to identify beneficiaries and dependents of beneficiaries that might be fugitive felons
	+ investigating each matched case to determine whether the individual with the felony arrest warrant and the VA beneficiary or dependent are the same person, and
	+ referring matched cases, electronically, to the Veterans Benefits Administration (VBA), on *Form FFP-3, VA Investigative Summary Form*
 |  |
| Knowledge Check: Lesson Summary ReviewTime Allowed: 10 minutes |  |
| What’s Next* Complete the Overview of the Matching Program course evaluation: TMS ID: 4649168
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