



## 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**

Lesson Plan

June 7, 2017

Version 1.0

**Lesson 6: Introduction to Overpayments and Waiver Withholdings**  
**Lesson Plan**

**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, trainees 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 <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>• VA Form 1837 (Decision of Waiver of Indebtedness)</li> <li>• VA Form 5655 (Financial Status Report)</li> <li>• M21-1 III.vi.2.A.3.a. (Processing a Claimant’s Disagreement With an Overpayment)</li> <li>• M21-1 III.vi.2.A.4.a. (Description of COWC)</li> <li>• M21-1 III.vi.2.B.2.a. (Reviewing Awards for Indebtedness)</li> <li>• M21-1 III.vi.2.B.2.b. (Debt Management)</li> <li>• M21-1 III.vi.2.C. (Debt Collection)</li> <li>• M21-1 III.vi.2.C.1.a. (General Information About Requests for Waiver of a Debt)</li> <li>• M21-1 V.iii.1.H.1.g. (Time Limit to Submit Amended Income Information to Reduce an Overpayment)</li> <li>• <b>Processing an Award Adjustment</b> job aid</li> <li>• <b>Time Limits</b> job aid</li> </ul>

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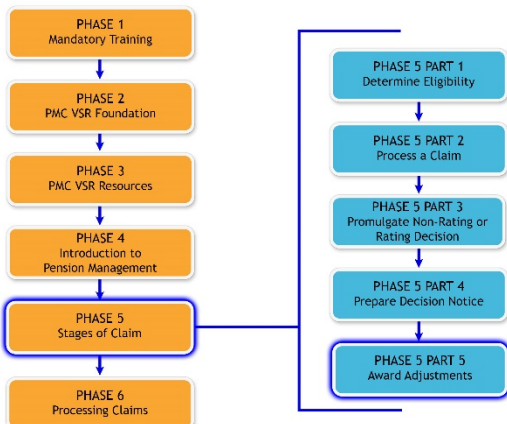

Topic	Description
Technical Competencies:	<ul style="list-style-type: none"> <li>• Income Counting and Net Worth</li> <li>• VBA Applications (PMC VSR)</li> </ul>
Knowledge Check:	Phase 5: Stages of a Claim, Part 5b Award Adjustments Knowledge Check
Lesson Objectives:	<p>Recognize whether a waiver withholding is required.</p> <ul style="list-style-type: none"> <li>• Recognize whether an overpayment was created.</li> <li>• Recognize a retroactive award increase.</li> <li>• Recognize whether a waiver has been granted.</li> <li>• Recognize whether a retroactive award increase occurs during the debt creation period.</li> </ul>
What You Need:	<ul style="list-style-type: none"> <li>• Lesson Plan</li> <li>• <b>Master Course Map</b> learning aid</li> <li>• Appendix A—Overpayment and Waiver Withholding Scenario</li> <li>• Appendix B—Waiver Documents</li> <li>• Slides</li> <li>• Projector</li> <li>• Access to CPKM</li> <li>• Access to VBMS-A academic mode</li> <li>• Access to the following job aids from VSR Assistant: <ul style="list-style-type: none"> <li>○ <b>Processing an Award Adjustment</b> job aid</li> <li>○ <b>Time Limits</b> job aid</li> </ul> </li> <li>• Claim 1 (pmc_vsr_excerpt_AA)—include overpayment and granted waiver documents <ul style="list-style-type: none"> <li>○ Waiver grant letter</li> <li>○ VA Form 1837, Decision of Waiver of Indebtedness VA Form</li> </ul> </li> <li>• Claim 2(pmc_vsr_excerpt_BB)—overpayment that has been repaid by claimant</li> </ul>

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#### **Instructor Notes**


This lesson provides trainees with the information, resources, and references to introduce the rules for overpayments and waiver withholdings. The job aids in this lesson will provide additional guidance on award adjustments.

<b>PowerPoint Slides</b>	<b>Instructor Activities</b>
<p><b>Lesson 6: Introduction to Overpayments and Waiver Withholdings</b></p>	<p><b>DISPLAY</b> slide</p> <p><b>1.</b> "Lesson 6: Introduction to Overpayments and Waiver Withholdings"</p> <p><b>INTRODUCE</b> yourself as the instructor.</p> <p><b>INTRODUCE</b> the lesson.</p>
<p><b>You Are Here</b></p> 	<p><b>DISPLAY</b> slide</p> <p><b>2.</b> "You Are Here"</p>  <p><b>REFER</b> to the <b>Master Course Map</b> learning aid in the Trainee Guide.</p> <p><b>INFORM</b> trainees that this lesson is a part of Phase 5, Part 5: Award Adjustments.</p>

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PowerPoint Slides	Instructor Activities
<p><b>Why It Matters!</b></p> <p>Access Veteran Barbara Richardson’s scenario Part 1 in Appendix A</p>	<p><b>DISPLAY</b> slide</p> <p>3. “Why It Matters!”</p>  <p><b>REFER</b> trainees to <b>the</b> Veteran Barbara Richardson scenario, Part 1 in Appendix A.</p> <p><b>SELECT</b> one of the trainees to read the Veteran Barbara Richardson—Part 1 of the scenario aloud.</p> <p><b>NOTE:</b> Overpayment and adjustments for Barbara Richardson will be explained as they progress through the lesson. For this slide, only Part 1 is relevant.</p> <p><b>EXPLAIN</b> to trainees that this scenario is an example of the creation of an overpayment due a retroactive reduction in the benefit. It shows when and how a debt is created and owed. This debt has to be repaid or may be waived. An overpayment by VBA is a debt owed by the payee, unless the payee requests, and is granted, a waiver.</p> <p><b>NOTE:</b> Later in this lesson, the trainees will learn to recognize when a change in income or expenses results in a retroactive award increase and when that retroactive increase needs to be withheld because it occurs during the waiver period.</p>
<p><b>Technical Competencies</b></p> <ul style="list-style-type: none"> <li>• Income Counting and Net Worth</li> <li>• VBA Applications (PMC VSR)</li> </ul>	<p><b>DISPLAY</b> slide</p> <p>4. “Technical Competencies”</p> <p><b>EXPLAIN</b> that this lesson prepares them for counting income and net worth, and using VBA applications competencies.</p>

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PowerPoint Slides	Instructor Activities
<p><b>Lesson Objectives</b></p> <p>Recognize whether a waiver withholding is required.</p> <ul style="list-style-type: none"> <li>Recognize whether an overpayment was created.</li> <li>Recognize a retroactive award increase.</li> <li>Recognize whether a waiver has been granted.</li> <li>Recognize whether a retroactive award increase occurs during the debt creation period.</li> </ul>	<p><b>DISPLAY</b> slide</p> <p><b>5.</b> "Lesson Objectives"</p> <p><b>PRESENT</b> the objectives for the lesson.</p>
<p><b>Knowledge Check</b></p>	<p><b>DISPLAY</b> slide</p> <p><b>6.</b> "Knowledge Check"</p> <p><b>EXPLAIN</b> to the trainees that they will be assessed on this content in the Phase 5, Part 5b Knowledge Check.</p>  <p><b>REFER</b> to the <b>Master Course Map</b> learning aid, <i>Lessons by Phase</i> section, to review the lessons included within the Knowledge Check.</p>

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PowerPoint Slides	Instructor Activities
<p><b>Award Adjustments</b></p> <p>Award Adjustments:</p> <ul style="list-style-type: none"> <li>• Determine Dependency Adjustments</li> <li>• Apply/Issue Due Process Provisions</li> <li>• <b>Introduction to Overpayments and Waiver Withholdings</b></li> </ul>	<p><b>DISPLAY</b> slide</p> <p>7. "Award Adjustments"</p> <p><b>REMINDE</b> trainees that they previously learned about dependency adjustments due process provisions.</p> <p><b>EXPLAIN</b> to trainees that this lesson will introduce them to indebtedness which includes overpayments and waiver withholdings.</p> <p><b>EMPHASIZE</b> to trainees that as a novice PMC VSR that he or she will not be performing waiver withholding calculations without the assistance of an Intermediate/Journey-level PMC VSR. The entry-level PMC VSR should be proficient in the following:</p> <ul style="list-style-type: none"> <li>• Identify retroactive increase</li> <li>• Identify all initiating cues for this task (i.e., waiver flash, waiver grant letter, and VA Form 1837)</li> <li>• Identify whether retroactive increase is during the debt creation period</li> <li>• Determine whether a waiver withholding is required</li> </ul> <p><b>NOTE:</b> Let trainees know that overpayments and waiver withholdings are complicated concepts and this lesson is only an introduction.</p>



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PowerPoint Slides	Instructor Activities
<p><b>Key Terms Used for Indebtedness</b></p> <p>The following are key terms used when reviewing awards for indebtedness:</p> <ul style="list-style-type: none"><li>• Overpayment</li><li>• Debt creation period</li><li>• Waiver of debt</li></ul>	<p><b>DISPLAY</b> slide</p> <p><b>8.</b> "Key Terms Used for Indebtedness"</p> <p><b>EXPLAIN</b> to trainees that in order to understand the concept of indebtedness in award adjustments, it is important to understand the following key terms:</p> <ul style="list-style-type: none"><li>• Overpayment</li><li>• Debt creation period</li><li>• Waiver of debt</li></ul>



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PowerPoint Slides	Instructor Activities
<p><b>Overpayment</b></p> <p>What is an overpayment?</p>	<p><b>DISPLAY</b> slide</p> <p>9. "Overpayment"</p> <p>TRANSITION to defining key concepts. We have completed the introductory material and are now going to learn the VA definitions for overpayment, debt creation period, waiver of debt, Debt Management Center (DMC), and the Committee on Waivers and Compromises (COWC).</p> <p></p> <p><b>ASK</b> trainees: What is an overpayment?</p> <ul style="list-style-type: none"> <li>• <i>Overpayments are created when VA pays a claimant more benefits than what is entitled.</i></li> </ul> <p><b>EXPLAIN</b> to trainees that the term overpayment and debt are used interchangeably—an overpayment by VA is a debt owed by the payee to VA.</p> <p></p> <p><b>REFER</b> trainees to the M21-1 III.vi.2.C.1.a. (General Information About Requests for Waiver of a Debt). Have a trainee read the first sentence aloud.</p> <p><b>INFORM</b> trainees that because medical expenses can be submitted any time throughout the calendar year, overpayments are often created. This is due to the up and down nature of medical expenses and income.</p> <p><b>EXPLAIN</b> that VBMS-A automatically calculates how much to pay or how much of an overpayment to create.</p>




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PowerPoint Slides	Instructor Activities
<p><b>Overpayments Demo</b></p> 	<p><b>DISPLAY</b> slide  <b>10.</b> "Overpayments Demo"</p>  <p><b>DEMONSTRATE</b> to the trainees what an overpayment looks like in both the:</p> <ul style="list-style-type: none"> <li>• SHARE Corporate Record, Award Information tab under Receivables Balance</li> <li>• VBMS-A award print screen in the VBMS e-folder</li> </ul> <p><b>USE</b> the Claim 1 for the overpayment example.</p>
<p><b>Debt Creation Period</b></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><b>DISPLAY</b> slide  <b>11.</b> "Debt Creation Period"</p> <p><b>EXPLAIN</b> that the next key concept is the debt creation period which is used to calculate how much of an overpayment is owed to the VA.</p> <p><b>EXPLAIN</b> to trainees that the 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><b>REMIND</b> trainees of the scenario presented earlier in the lesson.</p>  <p><b>REFER</b> trainees to Veteran Barbara Richardson's scenario Part 1 in Appendix A.</p> <p><b>DIRECT</b> trainees to read the scenario again.</p>  <p><b>ASK:</b> What is the debt creation period for Veteran Barbara Richardson?</p>

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PowerPoint Slides	Instructor Activities
<p><b>Debt Creation Period Answers</b></p> <p>What is the debt creation period for Veteran Barbara Richardson?</p> <ul style="list-style-type: none"><li>• <i>The debt creation period is from 10/01/15 to 04/30/17</i></li></ul>	<p><b>DISPLAY</b> slide <b>12.</b> "Debt Creation Period Answers"</p> <p><b>PROVIDE</b> the answer to question. The debt creation period is from 10/01/15 to 04/30/17.</p> <p><b>EXPLAIN</b> to trainees that the October date is the payment date (financial decision effective date) for this adjustment based on the increase in income. Remind trainees of the pension rate adjustment on October 1, 2015.</p> <p><b>REMIND</b> trainees that they learned about income adjustments earlier in Phase 5, Part 5.</p> <p><b>EXPLAIN</b> that the April date is the last day of the month in which the claim was processed. Remind trainees that the award was processed April 28, 2017.</p>



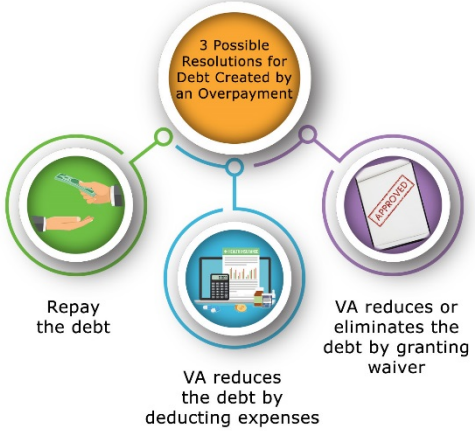
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PowerPoint Slides	Instructor Activities
<p><b>Waiver of Debt</b></p> <p><b>Scenario:</b> Veteran Barbara Richardson has the opportunity to submit a waiver of her debt.</p>	<p><b>DISPLAY</b> slide  <b>13.</b> "Waiver of Debt"</p> <p><b>EXPLAIN</b> that the next new concept is waiver of debt. PMC VSRs need to know what a waiver of debt is used for in order to process a waiver withholding.</p> <p style="text-align: center;"></p> <p><b>ASK</b> trainees: What is a waiver of debt?</p> <ul style="list-style-type: none"> <li>• <i>When an overpayment occurs on a claimant's account, the claimant has the right to request a waiver of the debt.</i></li> </ul> <p style="text-align: center;"></p> <p><b>REFER</b> trainees to M21-1 III.vi.2.C.1.a. (General Information About Requests for Waiver of a Debt).</p> <p><b>INFORM</b> trainees that the claimant needs to submit the request for a waiver of debt using VA Form 5655, Financial Status Report.</p> <p style="text-align: center;"></p> <p><b>REFER</b> trainees to the sample VA Form 5655 for the scenario in Appendix B.</p> <p><b>EXPLAIN</b> to trainees that they will <b>not</b> be responsible for reviewing and approving waiver of debts.</p>

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<p><b>Indebtedness Organizations</b></p> <ul style="list-style-type: none"> <li>• Debt Management Center (DMC) is responsible for: <ul style="list-style-type: none"> <li>○ VA's debt collection</li> <li>○ Processing requests for waiver of overpayments</li> </ul> </li> <li>• Committee on Waivers and Compromises (COWC) is responsible for deciding: <ul style="list-style-type: none"> <li>○ The validity of a debt</li> <li>○ Whether to grant or deny a payee's request for waiver or compromise</li> </ul> </li> </ul>	<p><b>DISPLAY</b> slide  <b>14.</b> "Indebtedness Organizations"</p> <p><b>INFORM</b> trainees that the two agencies that manage issues of indebtedness are the Debt Management Center (DMC) and the Committee on Waivers and Compromises (COWC):</p> <ul style="list-style-type: none"> <li>• DMC is responsible for: <ul style="list-style-type: none"> <li>○ VA's debt collection</li> <li>○ Processing requests for waiver of overpayments</li> </ul> </li> <li>• Committee on Waivers and Compromises (COWC) is responsible for deciding: <ul style="list-style-type: none"> <li>○ The validity of a debt</li> <li>○ Whether to grant or deny a payee's request for waiver or compromise</li> </ul> </li> </ul> <p><b>EXPLAIN</b> to trainees that PMC VSRs are <i>not</i> responsible for processing waivers. The DMC receives the waiver request and the COWC makes a determination of whether to grant or deny the waiver request. COWC also completes VA Form 1837, Decision of Waiver of Indebtedness and notifies the DMC. Then, the DMC sends a grant or denial letter to the claimant and eliminates the debt. The PMC VSR will use the information in the VA Form 1837 when processing claims involving a waiver.</p>

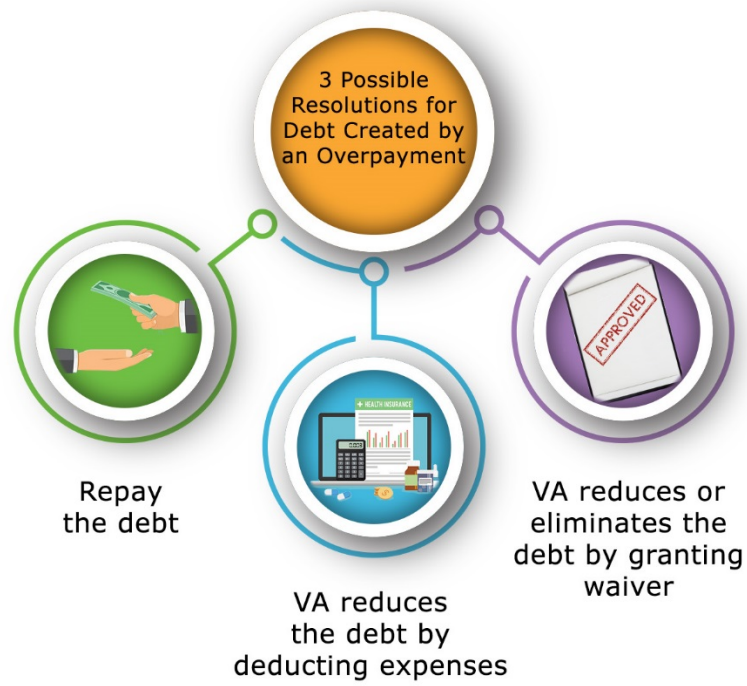
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PowerPoint Slides	Instructor Activities
<p><b>Questions?</b></p> 	<p><b>DISPLAY</b> slide  <b>15.</b> "Questions"</p>  <p><b>ASK</b> trainees if they have any questions or concerns regarding the key terms. Use this time to clear up any confusion or misconceptions about the information presented.</p>
<p><b>Reducing or Eliminating Overpayments</b></p> 	<p><b>DISPLAY</b> slide  <b>16.</b> "Reducing or Eliminating Overpayments"</p> <p><b>TRANSITION</b> to how the key concepts of overpayments, debt creation period, and waiver of debts are used to reduce or eliminate an overpayment.</p> <p><b>REMIN</b>d trainees that PMC VSRs are not responsible for handling repayment of debt. They are responsible for processing award adjustments for expenses and income.</p> <p><b>EXPLAIN</b> to trainees that there are three possible resolutions for the debt created by an overpayment:</p> <ul style="list-style-type: none"> <li>• Payee repays the debt</li> <li>• VA reduces the debt by incorporating expense information incurred during the debt creation period provided by the payee</li> <li>• VA reduces or eliminates the debt by granting waiver</li> </ul> <p><b>EXPLAIN</b> to trainees that the next sets of slides explain in greater details these three possible resolutions.</p>

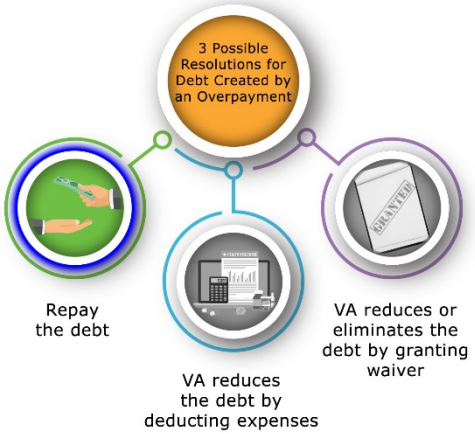

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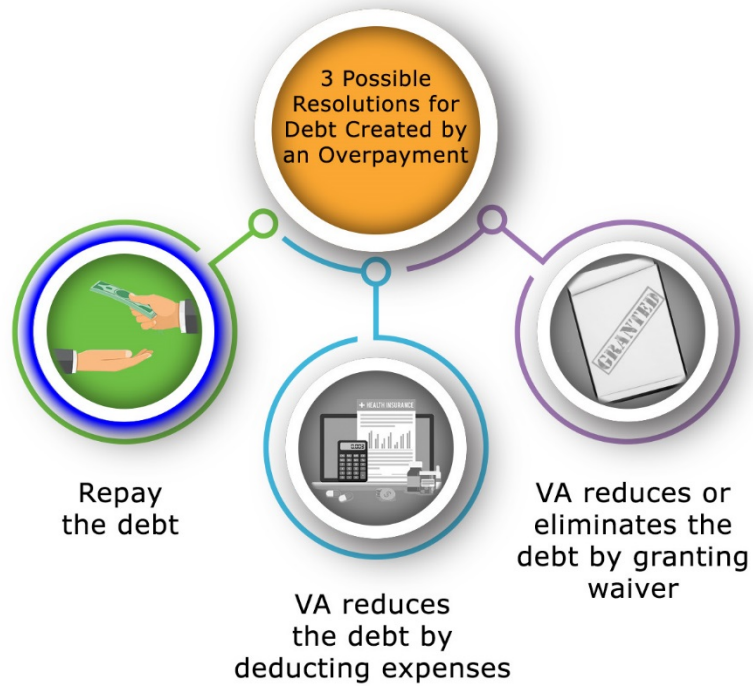
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PowerPoint Slides	Instructor Activities
<p><b>Payee Repays the Debt</b></p> 	<p><b>DISPLAY</b> slide  <b>17.</b> "Payee Repays the Debt"</p> <p><b>TRANSITION</b> to the resolution: Payee Repays the Debt. PMC VSRs need to be aware of overpayment on the claimant's account and whether the debt is being repaid.</p> <p><b>EXPLAIN</b> to trainees that the VA gives the Veteran the opportunity to repay the debt.</p>  <p><b>REFER</b> trainees to M21-1 III.vi.2.A.4.a. (Description of COWC). Have one of the trainees read the reference aloud.</p> <p><b>REMIND</b> trainees that the COWC is responsible for handling repayment offers. PMC VSR can verify this information when processing an award adjustment.</p>



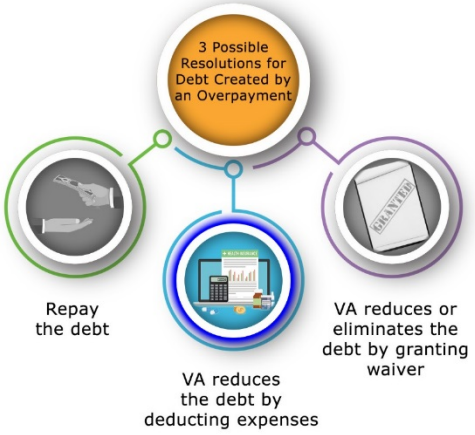

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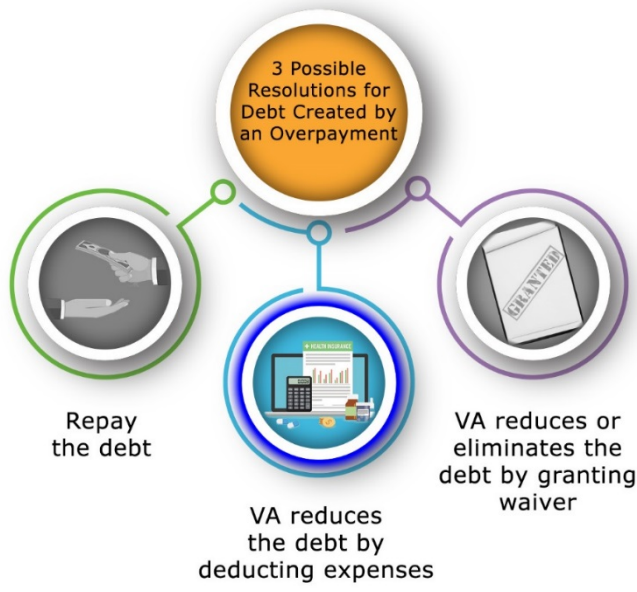
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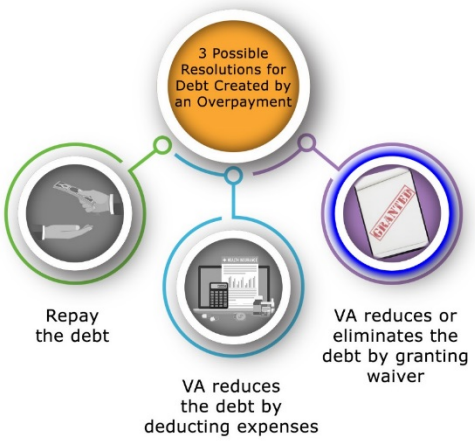
PowerPoint Slides	Instructor Activities
<p><b>Payee Repays the Debt Demo</b></p> 	<p><b>DISPLAY</b> slide  <b>18.</b> "Payee Repays the Debt Demo"</p>  <p><b>DEMONSTRATE</b> how the PMC VSR can verify that a payee has repaid the debt in SHARE Corporate Record, Receivables Balance. Use Claim 2 as the example for repayment.</p>

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PowerPoint Slides	Instructor Activities
<p><b>Reduce the Debt by Deducting Expenses (1 of 2)</b></p>  <p>The diagram features a central orange circle with the text '3 Possible Resolutions for Debt Created by an Overpayment'. Three lines radiate from this central circle to three surrounding circles. The left circle is green and contains an icon of a hand handing a document to another hand, with the text 'Repay the debt' below it. The bottom circle is blue and contains an icon of a computer monitor with a bar chart and a calculator, with the text 'VA reduces the debt by deducting expenses' below it. The right circle is purple and contains an icon of a document with the word 'GRANTED' written on it, with the text 'VA reduces or eliminates the debt by granting waiver' below it.</p>	<p><b>DISPLAY</b> slide  <b>19.</b> "Reduce the Debt by Deducting Expenses (1 of 2)"</p> <p><b>TRANSITION</b> to the resolution: VA reduces the debt by incorporating expense information incurred during the debt creation period provided by the payee. PMC VSRs are able to reduce the debt by adjusting the award based on reported medical, final, or educational expenses.</p> <p><b>REMIN</b>d trainees that they previously learned how expenses can be used to lower IVAP.</p>  <p><b>REFER</b> trainees to M21-1 V.iii.1.H.1.g. (Time Limit to Submit Amended Income Information to Reduce an Overpayment). Have one of the trainees read the reference.</p> <p><b>EXPLAIN</b> to trainees that expenses can be submitted by the claimant to reduce the amount of the overpayment for only the debt creation period.</p>

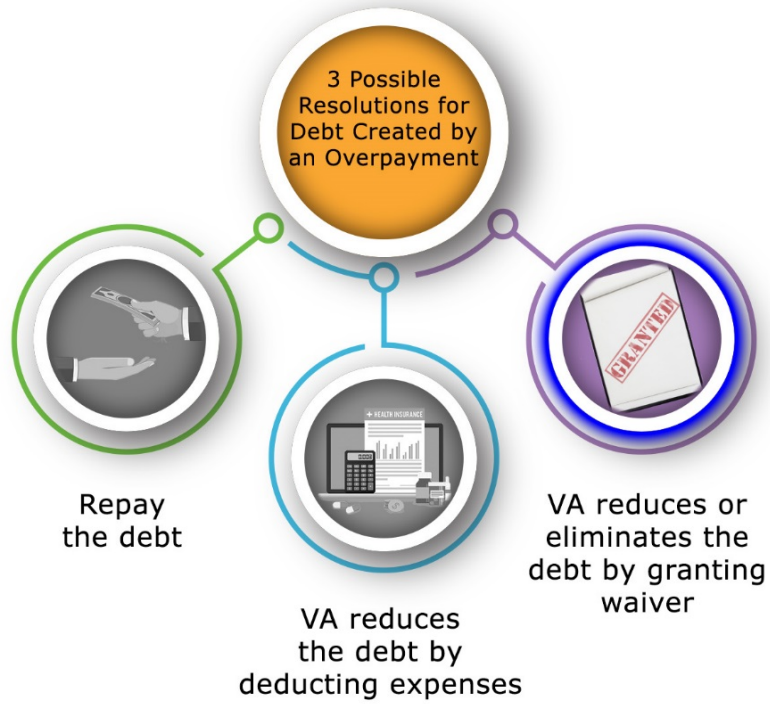


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PowerPoint Slides	Instructor Activities
<p><b>Reduce the Debt by Deducting Expenses (2 of 2)</b></p> <p><b>Scenario:</b> Veteran Lark Kerman has had a running award since 2011. Mr. Kerman has no reported income. On May 25, 2016, Mr. Kerman reports 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><b>DISPLAY</b> slide  <b>20.</b> "Reduce the Debt by Deducting Expenses (2 of 2)"</p> <p><b>DIRECT</b> one of the trainees to read the scenario aloud.</p> <p><b>DISCUSS</b> the scenario with the trainees. Focus on the dates the income increased and when the medical expenses were submitted.</p>
<p><b>Granted Waiver (1 of 2)</b></p>  <p style="text-align: center;">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>	<p><b>DISPLAY</b> slide  <b>21.</b> "Granted Waiver (1 of 2)"</p> <p><b>TRANSITION</b> to the resolution: reduce or eliminate the debt by a granted waiver. PMC VSRs are not responsible for processing the waiver. However, PMC VSRs check that a granted waiver is on file when processing an award adjustment.</p> <p><b>EXPLAIN</b> to trainees that if the waiver is granted then the debt can be reduced or eliminated.</p> <p><b>INFORM</b> trainees that if a waiver is granted, then the PMC VSR checks the Corporate Record in SHARE for the waiver flash. The waiver flash will show if the following documents are on file:</p> <ul style="list-style-type: none"> <li>• Waiver grant letter</li> <li>• VA Form 1837, Decision of Waiver of Indebtedness</li> </ul>

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PowerPoint Slides	Instructor Activities
<p><b>Granted Waiver (2 of 2)</b></p> <ul style="list-style-type: none"> <li>• Check the Corporate Record in SHARE for the waiver flash</li> <li>• The waiver flash will show if the following documents are on file: <ul style="list-style-type: none"> <li>○ Waiver grant letter</li> <li>○ VA Form 1837, Decision of Waiver of Indebtedness</li> </ul> </li> </ul>	<p><b>DISPLAY</b> slide  <b>22.</b> "Granted Waiver (2 of 2)"</p> <p><b>REMIN</b>D trainees of the Veteran Barbara Richardson's scenario presented earlier.</p> <p><b>EXPLAIN</b> to trainees that Ms. Richardson has submitted a request for a waiver of her debt on May 15, 2017.</p>  <p><b>REFER</b> trainees to Appendix B to look over the waiver documents for Ms. Richardson.</p> <p><b>DISCUSS</b> the waiver documents in Appendix B. Use the following questions to guide your discussion:</p> <ul style="list-style-type: none"> <li>• What waiver documents are included with Appendix B?</li> <li>• Has Ms. Richardson's waiver been granted?</li> <li>• What does the VA Form 1837 show?</li> </ul>


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PowerPoint Slides	Instructor Activities
<p><b>Granted Waiver (2 of 2) Answers</b></p> <ul style="list-style-type: none"> <li>• What waiver documents are included with Appendix B? <ul style="list-style-type: none"> <li>○ <i>VA Form 5655</i></li> <li>○ <i>Waiver grant letter</i></li> <li>○ <i>VA Form 1837, Decision of Waiver of Indebtedness</i></li> </ul> </li> <li>• Has Ms. Richardson's waiver been granted? <ul style="list-style-type: none"> <li>○ <i>Yes, the debt has been eliminated</i></li> </ul> </li> <li>• What does the VA Form 1837 show? <ul style="list-style-type: none"> <li>○ <i>VA Form 1837 shows the debt creation period and amount that was eliminated</i></li> </ul> </li> </ul>	<p><b>DISPLAY</b> slide  <b>23.</b> "Granted Waiver (2 of 2) Answers"</p> <p><b>PROVIDE</b> the answers to the questions. Refer to the waiver documents in Appendix B.</p> <p><b>DISCUSS</b> what to look for on these different forms with the trainees.</p> <ul style="list-style-type: none"> <li>• VA Form 5655 shows the claimant's request for a waiver.</li> <li>• Waiver grant letter provides the date the waiver was granted and whether the whole debt or partial debt was granted.</li> <li>• VA Form 1837 provides additional information regarding the debt, including the debt creation period and the amount that was reduced or eliminated.</li> </ul>
<p><b>Questions?</b></p> 	<p><b>DISPLAY</b> slide  <b>24.</b> "Questions"</p>  <p><b>ASK</b> trainees if they have any questions or concerns regarding granted waivers. Use this time to clear up any confusion or misconceptions about the information presented.</p>

**Lesson 6: Introduction to Overpayments and Waiver Withholdings**  
**Lesson Plan**





PowerPoint Slides	Instructor Activities
<p><b>Retroactive Award Increase</b></p> <p>When processing an award adjustment, consider the following:</p> <ul style="list-style-type: none"> <li>• Does the award have a history of an overpayment?</li> <li>• Has the claimant submitted a waiver of debt?</li> <li>• Does the claimant have a granted waiver and VA Form 1837 on file?</li> <li>• Does the change in income or expense occur during the debt creation period?</li> <li>• Will the change in income or expense cause a retroactive increase?</li> </ul>	<p><b>DISPLAY</b> slide  <b>25.</b> "Retroactive Award Increase"</p> <p><b>EXPLAIN</b> that they learned how to recognize existing overpayments and waivers in a claimants file. Now, you will learn how to recognize whether a retroactive award increase occurs during the debt creation period.</p> <p style="text-align: center;"></p> <p><b>EMPHASIZE</b> to trainees that when processing an award adjustment, they will have to consider the following:</p> <ul style="list-style-type: none"> <li>• Does the award have a history of an overpayment?</li> <li>• Has the claimant submitted a waiver of debt?</li> <li>• Does the claimant have a granted waiver and VA Form 1837 on file?</li> <li>• Does the change in income or expense occur during the debt creation period?</li> <li>• Will the change in income or expense cause a retroactive increase?</li> </ul> <p><b>EXPLAIN</b> to trainees that they are responsible for recognizing whether the amended income or expense is within the debt creation period. If it is within the debt creation period, then they are also responsible for recognizing if the amended income or expense will cause a retroactive increase.</p> <p><b>NOTE:</b> Trainees will learn <b>why</b> it is important to recognize whether a retroactive award increases occurs during the debt creation period.</p>

**Lesson 6: Introduction to Overpayments and Waiver Withholdings**  
**Lesson Plan**

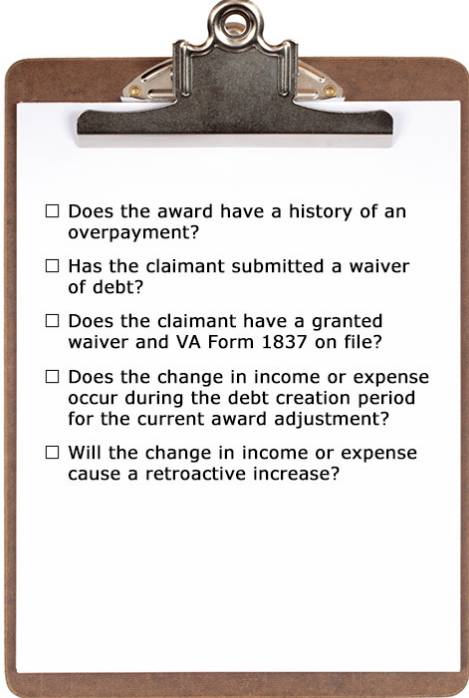

PowerPoint Slides	Instructor Activities
<p><b>Retroactive Award Increase Example</b></p> <p>Appendix A: Veteran Barbara Richardson—Part 3</p>	<p><b>DISPLAY</b> slide 26. "Retroactive Award Increase Example"</p>  <p><b>REFER</b> trainees to the scenario in Appendix A: Veteran Barbara Richardson—Part 3. Have one of the trainees read Part 3 aloud.</p> <p><b>EXPLAIN</b> to trainees that in this part of the scenario, there has been a change to the income and medical expenses.</p> <p><b>REMINDE</b> trainees that they learned about income and expense adjustments earlier in Phase 5 Part 5.</p> <p><b>DISCUSS</b> Ms. Richardson's scenario with the trainees. Focus on the debt creation period for the retroactive increase.</p> <p><b>REMINDE</b> trainees that the:</p> <ul style="list-style-type: none"><li>• Debt creation period is from 10-01-15 to 04-30-17</li><li>• Waiver was granted</li><li>• Grant waiver letter and VA Form 1837 are on file</li></ul>



**Lesson 6: Introduction to Overpayments and Waiver Withholdings**  
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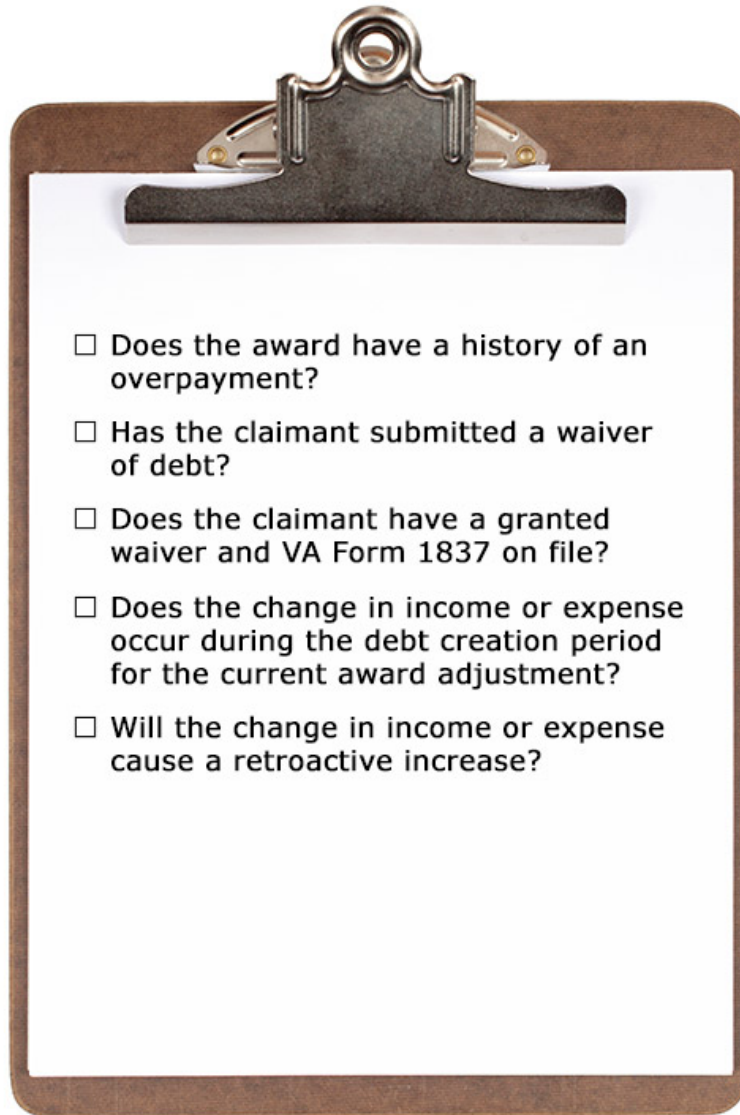
PowerPoint Slides	Instructor Activities
<p><b>Avoiding Duplicate Payment of Benefits</b></p> <ul style="list-style-type: none"> <li>• To avoid processing a duplicate payment of benefits, the PMC VSR must withhold the amount previously waived before any retroactive benefit can be paid</li> <li>• Waiver withholding calculations are very complex</li> <li>• Novice PMC VSRs are <b>not</b> expected to calculate the waiver withholding amount without the assistance of an Intermediate/Journey-level PMC VSR</li> </ul>	<p><b>DISPLAY</b> slide  <b>27. "Avoiding Duplicate Payment of Benefits"</b></p> <p style="text-align: center;"></p> <p><b>ASK</b> trainees: Why do think it is important to recognize whether the retroactive increase occurs within the debt creation period?</p> <ul style="list-style-type: none"> <li>• <i>Because the retroactive payment would cause a duplicate payment of benefits.</i></li> </ul> <p><b>EXPLAIN</b> to trainees that in order to avoid processing a duplicate payment of benefits, the PMC VSR must withhold the amount previously waived before any retroactive benefit can be paid. This is referred to as the waiver withholding amount.</p> <p style="text-align: center;"></p> <p><b>EMPHASIZE</b> to trainees that calculating the waiver withholding amount is very complex.</p> <p>As novice PMC VSRs, they are <b>not</b> expected to calculate the waiver withholding amount without the assistance of an Intermediate/Journey-level PMC VSR.</p>
<p><b>Questions?</b></p> <p style="text-align: center;"></p>	<p><b>DISPLAY</b> slide  <b>28. "Questions"</b></p> <p style="text-align: center;"></p> <p><b>ASK</b> trainees if they have any questions or concerns regarding overpayments and waiver withholdings. Use this time to clear up any confusion or misconceptions about the information presented.</p>

**Lesson 6: Introduction to Overpayments and Waiver Withholdings**  
**Lesson Plan**

PowerPoint Slides	Instructor Activities
<p><b>Lesson Summary</b></p>  <ul style="list-style-type: none"><li><input type="checkbox"/> Does the award have a history of an overpayment?</li><li><input type="checkbox"/> Has the claimant submitted a waiver of debt?</li><li><input type="checkbox"/> Does the claimant have a granted waiver and VA Form 1837 on file?</li><li><input type="checkbox"/> Does the change in income or expense occur during the debt creation period for the current award adjustment?</li><li><input type="checkbox"/> Will the change in income or expense cause a retroactive increase?</li></ul>	<p><b>DISPLAY</b> slide <b>29.</b> "Lesson Summary"</p> <p><b>REVIEW</b> the key terms for indebtedness:</p> <ul style="list-style-type: none"><li>• Overpayment</li><li>• Debt Creation period</li><li>• Waiver of debt</li></ul>  <p><b>EMPHASIZE</b> to trainees that they are responsible for recognizing if:</p> <ul style="list-style-type: none"><li>• An overpayment is in VBMS-A</li><li>• Claimant has submitted a waiver of debt</li><li>• Granted waiver and VA Form 1837 is on file</li><li>• Change in income or expense occurred during the debt creation period for the current award adjustment</li><li>• Change in income or expense caused a retroactive increase</li></ul> <p><b>REMIND</b> trainees that if a retroactive increase occurs with the debt creation period, then waiver withholding amount needs to be calculated to avoid a duplicate payment of benefits.</p> <p>As novice PMC VSRs, they are <b>not</b> expected to calculate the waiver withholding amount without the assistance of an Intermediate/Journey-level PMC VSR.</p>

**Lesson 6: Introduction to Overpayments and Waiver Withholdings**  
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PowerPoint Slides	Instructor Activities
<p><b>What's Next</b>            Phase 5: Part 5b Knowledge Check Preparation</p>	<p><b>DISPLAY</b> slide  <b>30.</b> "What's Next"  <b>DISCUSS</b> the upcoming Phase 5: Part 5b Knowledge Check Preparation</p>