**Section E. Processing of Claims for and Correspondence Affecting a Beneficiary’s Entitlement to Additional Compensation Benefits for Dependents**

**Overview**

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| **In This Section** | This section contains the following topics: |

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| **Topic** | **Topic Name** |
| 1 | Screening and Intake Procedures Specific to Claims for and Correspondence Affecting a Beneficiary’s Entitlement to Compensation Benefits for Dependents |
| 2 | Responsibility for Processing Claims for and Correspondence Affecting a Beneficiary’s Entitlement to Compensation Benefits for Dependents |

**1. Screening and Intake Procedures Specific to Claims for and Correspondence Affecting a Beneficiary’s Entitlement to Compensation Benefits for Dependents**

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| **Introduction** | This topic describes the screening and intake procedures specific to claims for and correspondence affecting a beneficiary’s entitlement to benefits for dependents, including   * Veterans Benefits Administration (VBA) contract for processing claims for and correspondence affecting entitlement to benefits for dependents * screening and sorting incoming claims and correspondence, and * placing claims and correspondence under end product (EP) control. |

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| **a. VBA Contract for Processing Claims for and Correspondence Affecting Entitlement to Benefits for Dependents** | The Veterans Benefits Administration (VBA) has entered into a professional services contract for the processing of certain claims for and correspondence affecting a beneficiary’s entitlement to benefits for dependents.  In combination with the Rules Based Processing System (RBPS), the professional services contract   * allows regional offices (ROs) to allocate more resources to the reduction of claims in their inventory that require a rating decision, and * ensures timely award adjustments for the addition or removal of dependents from a beneficiary’s award.   ***Note***: The contractor works in VBA’s Central Office (CO). Locating the contractor in CO allows Compensation Service and other entities to work with the contractor to troubleshoot processing issues as they arise.  ***Reference***: For more information about RBPS, see M21-1, Part III, Subpart i, 4.D. |

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| **b. Screening and Sorting Incoming Claims and Correspondence** | Intake Analysts (IAs) at individual stations of origination (SOOs)   * screen incoming claims and correspondence that involve benefits payable to or for a beneficiary’s dependents, and * sort them into the categories displayed in the table below: |

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| **Type of Claim/Correspondence** | **Category** |
| * claim/correspondence pertaining to an apportionment of benefits * claim to add a dependent parent to an award * claim/correspondence involving a child permanently incapable of self-support * claim to add a dependent when an original claim for disability compensation is pending * claim/correspondence from a beneficiary in receipt of pension or death benefits | Excluded |
| * request to remove a child from an award * claim to add an adopted child to an award * *VA Form 21-0538,* *Status of Dependents Questionnaire* (to include the work item created when a beneficiary fails to return *VA Form 21-0538*) * claim involving a beneficiary or dependent that resides in a foreign country | Category A |
| claim or correspondence that   * involves a beneficiary’s entitlement to benefits for his/her dependent(s), and * falls under neither of the previous categories referenced in this table.   ***Examples***:   * Request to remove a spouse from a Veteran’s award. * Claim to add a school child to a Veteran’s award. | Category B |

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| ***Note***: The contractor is authorized to contact claimants by telephone to obtain any information that is missing from the application. Therefore, do ***not*** exclude (from processing by the contractor) a claim to add a dependent to an award solely because the claimant left blank some of the fields (such as fields for the dependent’s date of birth and Social Security number (SSN)) on the corresponding application.  ***Reference***: For more information on initial screening policies, see M21-1, Part III, Subpart ii, Chapter 1. |

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| c. Placing Claims and Correspondence Under EP Control | Follow the instructions in the table below for placing under end product (EP) control the claims and correspondence referenced in M21-1, Part III, Subpart i, 4.E.1.b. |

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| If the claim or correspondence ... | Then ... |
| falls under Category A | establish EP 138.  ***Exceptions***:   * Follow the instructions in M21-1, Part III, Subpart iii, 5.K.2.a for placing *VA Form 21-0538* under EP control. * Follow the instructions in M21-1, Part III, Subpart iii, 5.K.4.a for placing the work item generated when a beneficiary fails to return *VA Form 21-0538* under EP control.   ***Notes***:   * If an EP 138 is already pending, add a note under the existing EP 138 indicating that a new Category A claim/correspondence was received and requires processing. * If the Veteran only has an electronic claims folder (eFolder), add the note in the Veterans Benefits Management System (VBMS). Otherwise, add the note in Modern Awards Processing – Development (MAP-D). |
| falls under Category B | establish EP 139.  ***Notes***:   * If an EP 139 is already pending, add a note under the existing EP 139 indicating that a new Category B claim/correspondence was received and requires processing. * If the Veteran has an eFolder only, add the note in VBMS. Otherwise, add the note in MAP-D. |
| is excluded from contractor processing | place the claim under EP control according to the instructions in M21-1, Part III, Subpart iii, Chapter 5. |

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| ***Reference***: For more information on adding notes in   * VBMS, see the [*VBMS User Guide*](http://vbaw.vba.va.gov/VBMS/Resources_Technical_Information.asp), or * MAP-D, see the [*MAP-D User’s Guide*](http://vbaw.vba.va.gov/VetsNet/Claims_Docs/webhelp/Claim_Development1.htm). |

**2. Responsibility for Processing Claims for and Correspondence Affecting a Beneficiary’s Entitlement to Benefits for Dependents**

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| **Introduction** | This topic identifies the entities responsible for processing claims for and correspondence affecting a beneficiary’s entitlement to benefits for a dependent, including   * responsibilities of SOOs, Compensation Service, and the VBA contractor, and * batch generation and release of decision notices that reflect a denial of entitlement to additional benefits. |

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| a. Responsibilities of SOOs, Compensation Service, and the VBA Contractor | Compensation Service and the VBA contractor referenced in M21-1, Part III, Subpart i, 4.E.1.a are responsible for processing claims/correspondence for which an EP 139 exists.  SOOs are responsible for processing claims/correspondence under their jurisdiction for which an EP 130 through 138 (130-series of EPs) exists.  ***Exceptions***: SOOs are responsible for processing claims/correspondence for which an EP 139 exists   * if priority processing of a claim/correspondence associated with an EP 139 is necessary, or * if a rating decision is ready for promulgation, and the evidence necessary to process the claim/correspondence associated with the EP 139 is of record.   ***Important***: Although Compensation Service and the contractor are generally responsible for processing claims/correspondence associated with an EP 139, SOOs remain responsible for responding to inquiries they receive through the Inquiry Routing and Information System (IRIS) or from members of Congress regarding such claims/correspondence. |

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| **b. Batch Generation and Release of Decision Notices That Reflect a Denial of Entitlement to Additional Benefits** | Compensation Service periodically releases batches of decision notices that reflect a denial of entitlement to additional disability compensation for a dependent when the claimant is a Veteran with a combined disability rating that is *less* than 30 percent ***and***   * a 130-series EP is pending *without* a concurrently pending rating EP, ***or*** * an EP 020 and a 130-series EP are concurrently pending.   Upon release of a decision notice, the system that generated the notice   * clears the 130-series EP, and * uploads a copy of the decision notice into the Veteran’s eFolder.   ***Reference***: For information about rating EPs, see M21-4, Appendix B, Section II. |