#### Department of Veterans Affairs M21-1MR, Part III, Subpart iii

**Veterans Benefits Administration May 28, 2014**

**Washington, DC 20420**

#### Transmittal Sheet

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| Changes Included in This Revision | The table below describes the changes included in this revision of Veterans Benefits Manual M21-1MR, Part III, “General Claims Process,” Subpart iii, “General Development and Dependency Issues.”***Notes***: * The term regional office (RO) also includes pension management center (PMC), where appropriate.
* Minor editorial changes have also been made to
* update incorrect or obsolete hyperlink references
* make updates that reflect the use of eFolders in lieu of claims folders
* update the term “veteran” to “Veteran”
* update obsolete terminology, where appropriate
* update section and topic titles to more accurately reflect their content
* clarify block labels and/or block text, and
* bring the documents into conformance with M21-1MR standards.
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| Reason(s) for the Change | Citation | Page(s) |
| * To reorganize the blocks within (old) topics 10, 11, 12, 13, and 15 into a more logical order.
* To reduce the information previously contained in these five topics down to three topics and renumber the remaining topics accordingly.
 | M21-1MR, Part III, Subpart iii, Chapter 3, Section B, Topics 10-12 | 3-B-2 through 3-B-16 |
| To rewrite to reflect the replacement of *SSA Form 828-U4*, *Request for Medical Information From Records of the Department of Veterans Affairs*, with *Form SSA-827*, *Authorization to Disclose Information to the Social Security Administration (SSA)*. | III.iii.3.B.10 and 11 | 3-B-2 through 3-B-9 |
| To remove Medal of Honor Pension as a benefit the Social Security Administration (SSA) considers income for SSA purposes. | III.iii.3.B.12.c | 3-B-12 |
| To create a new block explaining that although SSA is interested in knowing whether a Department of Veterans Affairs (VA) beneficiary receives Medal of Honor Pension or educational benefits, neither are considered VA income for SSA purposes. | III.iii.3.B.12.d | 3-B-13 |
| To add a block that discusses calculations in III.iii.3.B that result in a negative amount of VA income for SSA purposes. | III.iii.3.B.12.i | 3-B-16 |

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| To change the end product from 400 to 290. | III.iii.3.B.12.j | 3-B-16 |
| * To relocate (old) III.iii.3.B.17.
* Ro reorganize the blocks in this topic into a more logical order.
 | III.iii.3.B.13 | 3-B-17 through 3-B-18 |
| To split (old) III.iii.3.B.17.b into two blocks. | III.iii.3.B.13.a and b | 3-B-17 and3-B-18 |
| * To correct inaccuracies regarding the deductions and withholdings SSA does and does not count as VA income.
* To consolidate (old) III.iii.3.B.17.f and the latter half of (old) III.iii.3.B.17.b (which listed specific deduction codes for deductions SSA recognizes as VA income for VA purposes).
 | III.iii.3.B.13.b | 3-B-18 |
| * To consolidate (old) III.iii.3.B.17.a and d.
* To add a list of withholdings that SSA does not count as VA income.
 | III.iii.3.B.13.c | 3-B-18 |
| To add a block stating that (with two exceptions) the additional benefits VA pays a beneficiary for his/her dependents, as well as the benefits VA apportions to dependents, must be excluded from the calculation of a beneficiary’s VA income for SSA purposes.  | III.iii.3.B.14.a | 3-B-19 |
| * To relocate (old) III.iii.3.B.19.c.
* To add SSA’s requirement to insert the word “apportionee” before the name of any dependent that receives an apportionment when completing Part II, Section D, of *SSA Form L1103*, *SSI Request for Information*.
 | III.iii.3.B.14.b | 3-B-20 |

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| Reason(s) for the Change | Citation | Page(s) |
| * To consolidate all the blocks within (old) III.iii.3.B.16.
* To replace (old) III.iii.3.B.16.g with a hyperlink to III.iii.3.B.22. This topic discusses the calculation of VA income for SSA purposes when the benefit is “current-law pension” (formerly known as “Improved Pension”), including the effect of a beneficiary’s entitlement to special monthly pension (SMP) on the calculation of his/her VA income for SSA purposes.
* To remove reference to the order in which different exclusions from a beneficiary’s VA income for SSA purposes should be considered, as this information is now explained within the instructions for calculating VA income in the remaining topics of this section.
 | III.iii.3.B.15.a | 3-B-26 |
| To consolidate (old) III.iii.3.B.18.a, b, and c. | III.iii.3.B.16.a | 3-B-29 |
| To add an example of the principle described in (old) III.iii.3.B.18.d. | III.iii.3.B.16.b | 3-B-30 |
| To add an example of the results of the procedure described in III.iii.3.B.17.c. | III.iii.3.B.17.d | 3-B-37 |
| To add a block containing instructions for calculating VA income for SSA purposes when the benefit is Old Law Pension to a child or children | III.iii.3.B.17.e | 3-B-37 |
| * To combine the content of (old) III.iii.3.B.21.b and c.
* To create individual blocks that discuss the calculation of VA income for SSA purposes
* when the benefit is Section 306 *Disability* Pension, and
* when the benefit is Section 306 *Death* Pension.
* To delete as unnecessary the *Note* regarding the income of children in Section 306 Pension cases.
 | III.iii.3.B.18.b and d | 3-B-40 and3-B-48 |
| To add an example of the results of the procedure described in III.iii.3.B.18.b. | III.iii.3.B.18.c | 3-B-47 |
| To add an example of the results of the procedure described in III.iii.3.B.18.d. | III.iii.3.B.18.e | 3-B-53 |
| To add a block containing instructions for calculating VA income for SSA purposes when the benefit is Section 306 Death Pension to a surviving child or children. | III.iii.3.B.18.f | 3-B-53 |

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| To state that the additional Dependency Indemnity Compensation (DIC) VA pays under 38 U.S.C. 1311(f) is considered VA income for SSA purposes. | III.iii.3.B.20.a | 3-B-59 |
| To split (old) III.iii.3.B.23.d into two separate blocks. | III.iii.3.B.20.c and e | 3-B-63 and3-B-65 |
| To remove reference to children/apportionees, as none of the surviving spouses in receipt of death compensation are currently entitled to additional benefits for children. | III.iii.3.B.20.g | 3-B-67 |
| To add a block containing instructions for determining the amount of additional disability compensation to which a Veteran is entitled for his/her dependent(s). | III.iii.3.B.21.a | 3-B-70 |
| To replace (old) III.iii.3.B.16.c and d, and III.iii.3.B.25.a, d, and e, with four blocks containing instruction from SSA regarding the new procedures for determining VA income for SSA purposes when the benefit is current-law pension. | III.iii.3.B.22.a, b, d, and e | 3-B-77 3-B-80 3-B-93, and3-B-96 |
| To add a block that discusses the calculation of VA income for SSA purposes when the beneficiary is a child in receipt of current-law pension. | III.iii.3.B.22.g | 3-B-107 |
| To add an example of the results of the procedure described in III.iii.3.B.22.g. | III.iii.3.B.22.h | 3-B-110 |
| * To consolidate (old) III.iii.3.B.25.h, i, and j.
* To delete reference to the “early war bonus,” as SSA does not count this as VA income and there are no remaining beneficiaries that receive it.
 | III.iii.3.B.22.i | 3-B-110 |
| To add a block that provides instructions for calculating VA income for SSA purposes when the benefit is current-law pension to two Veterans that are married to one another and have at least one child. | III.iii.3.B.22.j | 3-B-114 |
| To add an example of the results of the procedure described in III.iii.3.B.22.j. | III.iii.3.B.22.k | 3-B-124 |
| To remove reference to the Civil War and Indian Wars, as there are currently no surviving spouses receiving benefits based on a Veteran’s service during these two wars. | III.iii.3.B.23.a | 3-B-125 |
| To add instructions for determining VA income for SSA purposes of children for whom a surviving spouse is receiving additional service pension. | III.iii.3.B.23.b | 3-B-126 |

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| To delete as unnecessary and potentially confusing (old) III.iii.3.B.12.b. | --- | --- |
| To delete as unnecessary (old) III.iii.3.B.12.f. (Supplemental requests for medical evidence are handled no differently than original requests.) | --- | --- |
| To delete as unnecessary (old) III.iii.3.B.13.a. | --- | --- |
| To delete (old) III.iii.3.B.14 because VA no longer uses *VA Form 21-4184, Certification of Contents of Document(s) or Record(s)*. | --- | --- |
| To delete the second paragraph in (old) III.iii.3.B.16.d, as its content is no longer accurate. | --- | --- |
| To delete as unnecessary and potentially confusing (old) III.iii.3.B.17.e. | --- | --- |
| To delete as unnecessary (old) III.iii.3.B.19.a and b. | --- | --- |
| To delete as unnecessary (old) III.iii.3.B.20.a. | --- | --- |
| To delete as unnecessary the example in (old) III.iii.3.B.23.g. (None of the surviving spouses in receipt of death compensation are currently entitled to additional benefits for children.) | --- | --- |
| To delete (old) III.iii.3.B.25.b and c, as the information in these blocks now duplicates the information in III.iii.3.B.14. | --- | --- |
| To delete as unnecessary (old) III.iii.3.B.26.a. | --- | --- |

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| Rescissions | None |

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| Authority | By Direction of the Under Secretary for Benefits |

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| Signature | Thomas J. Murphy, DirectorCompensation Service |

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