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**Chapter 7 – Waiver Diaries**

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**7.01 TYPES OF DIARIES**

The two primary types of waiver diaries are pending diaries and review diaries.  All waiver diaries are non-freeze diaries.  A pending diary is inserted on the pending transaction field in the electronic master record at the time a claim for disability insurance benefits is received. These diaries are used to control the processing of new waiver applications. Review diaries are used to provide information for controlling the release of questionnaires used to obtain information necessary to perform periodic reviews of active waiver cases. Review diaries contain codes representing disabilities, the effective date of disability, and the next review date.  Both pending and review diaries are discussed in detail below.

**7.02 PENDING DIARIES**

1. When a request for waiver is received in any format, Clerical Support or Veterans’ Claims Examiner (VCE) will insert a pending diary.  The Transaction Type used to insert a pending diary is TT008.
2. VA Insurance releases a waiver receipt confirmation letter upon receipt of a claim for disability insurance benefits.

**7.03 PENDING DIARY ENTRIES - DESCRIPTION**

1. The pending waiver diary will appear on the VA Insurance electronic master record.  The three pending diaries are as follows:
2. Basic Waiver Diary:  Created when a waiver application is received.  Also used in certain current S-DVI and waiver application combination cases.
3. Premature Claim Diary (PRMCL):  Created when Veteran requests waiver but has not been totally disabled for six months or more. VA Insurance systems will convert the basic waiver diary to PRMCL diary.
4. Full Waiver Diary:  Created upon waiver approval.  VA Insurance systems automatically process this action, with the exception of an allotment or deduction from benefits.
5. Pending Waiver diaries include the following information:
6. Trans. Type-Always "978."
7. Call-up Date-Month, day, and year that the system will initiate action.
8. Call-up Type-Always "MSC 4" indicating a miscellaneous pending transaction.
9. Diary Control Character-Always "5" indicating a pending waiver application.
10. Call-up Code Type-Always "944" indicating Insurance Claims Division follow-up action.
11. Application Receipt Date- the month, day, and year shown in this field is the date the claim for waiver was received by VA.

**7.04 PENDING CLAIM**

1. When a claim for waiver of premiums is filed prematurely, within six months of the beginning date of total disability, the pending diary should be changed to indicate the status of the claim.

1. The VCE will prepare the necessary transactions for the system to convert the Basic Waiver Diary to a Premature Claim Diary.
2. At the end of the 6-month period, the PRMCL message will be removed when the 1565 is processed and the waiver has been approved or denied.

**7.05 WAIVER - SYSTEM PROCESSING OF 1565, DECISION DISABILITY INSURANCE**

 **BENEFITS**

1. When a claim for waiver of premiums is approved or denied, the VCE will complete the electronic 1565 within VA Insurance systems.
2. Upon the VCE’s completion of the 1565, the task is referred to Internal Controls for verification.  Once Internal Controls verifies the task, the 1565 is processed overnight and the waiver is established.

**7.06 WAIVER APPROVAL-MANUAL PROCESSING OF 1565**

If the VCE is processing a basic S-DVI application and determines that the Veteran is approvable for the basic insurance and waiver or premium, the VCE will manually prepare the 1565.

**7.07 REVIEW DIARY ENTRIES-DESCRIPTION**

1. The pending waiver diary is changed to a review diary at the time a claim for waiver is approved. The review diary will appear as follows:
2. An explanation of the review diary as it appears in the Pending Transactions area is given below:
3. Trans. Type-Always "978" (denotes diary).
4. Callup Date-Month, day, and year the system will initiate action.
5. Callup Type-Always "MSC 4" indicating a miscellaneous pending transaction.
6. Diary Control Character-A one-digit numeric or alpha code indicating the type of action involved. An explanation of these codes and their functions will be found in paragraph 7.13.
7. Effective Date of Disability-Month, day and year total disability began.
8. Callup Type-Always "944" indicating Insurance Claims Section follow-up action.
9. Severity Code A one-digit numeric code which, in conjunction with the diary control character, controls system generation of VA Form 29-8313, Disability Benefits Questionnaire. An explanation of these codes and their functions can be found in paragraph 7.13.
10. Review Date Month, day, and year of the next regular review.
11. Primary Classification Codes A four-digit number is used to represent the primary disability classification code. A complete listing of disability codes may be found in paragraph 7. 13.

***NOTE****: Only the primary disability code will be completed unless EVID6MOS or PRMCL appears in the diary message area. Then enter "0000" in the secondary disability code field.*

**7.08 TYPES OF REVIEWS**

1. There are four types of review actions: regular, interim, 19th year, and 20th year.  Both review actions are taken by VCEs or Senior VCEs.
2. When a regular review or interim review action is completed, the decision is entered into VA Insurance System notes on the Veteran’s policy. If no changes will take place on the Veteran’s waiver status eligibility, the VCE will update the review date on the electronic 565. If the review findings determine that the Veteran is no longer eligible, they will be sent a letter informing them of the decision to terminate waiver of premiums and request they submit an alternate method of payment within 30 days to keep the policy current and active.
3. The third type of review action is the 19th-year review. On the anniversary of the 19th year of total disability, an RPO with reason code STAREV will be generated. The VCE will review the claim and inforce record to ensure that all is in order and verify the beginning of total disability on the electronic 1565. After verifying the beginning date of total disability, the VCE will prepare inputs to change the call-up date to agree with the next review date, which is 20 years from the effective date of total disability.
4. The final type of review action is the 20th-year review. On the anniversary of the 20th year of total disability, an RPO will be generated with reason code STAREV and the message STATUTORY in the call-up date field of the waiver diary. The VCE will review the claim and inforce record to ensure that the beginning date of total disability is correct. After verifying the date, the VCE will amend the electronic 1565 to reflect no additional reviews are required, if the review date is still present. The VCE will also make a note in VA Insurance Systems that the Veteran is Statutory by time. (See M29-1, pt. 1, Ch. 31, para. 31 and 32.)

**7.09 SCHEDULING AND CONTROL OF REVIEWS**

1. VA Form 29-8313 will be released by the system for interim or regular reviews when a call-up date is reached, and the diary control is "0."
2. The VA Form 29-8313 generated for an interim review will have the next regular review date printed on the front of the form. On the VA Form 29-8313 released for regular reviews, the words "Regular Review" will appear.
3. When the system releases VA Form 29-8313, a call-up date of 45 days will be established. If, at the end of the 45 days, the VA Form 29-8313 has not been returned by the insured, a follow-up RPO will be generated. Follow-up RPO's generated for interim reviews will bear the legend NORESP; those generated for regular reviews will have the legend REGREV.

1. When follow-up action is taken on an interim review within 60 days of the next regular review, the second request should be treated as a regular review; i.e., the second request VA Form 29-8313 will be noted "Regular Review."

**7.10 WAIVER TERMINATION**

1. When medical or employment evidence indicates that the insured is no longer totally disabled for insurance purposes, the VCE will notify the Veteran of the decision to discontinue waiver of premiums and request the Veteran select their preferred method of payment within 30 days to keep the policy active.
2. The VA Form 29-1565 must be processed manually if any of the following conditions exist:
3. The account is frozen.
4. The first premium due after termination of waiver is in the next renewal period.
5. There are three or more policies in the master record.
6. There are two policies with different due dates.
7. A two-policy case and the How Paid Code is "0" on one policy.
8. If none of the above conditions exist, the VCE will prepare inputs to initiate automatic processing by the system. The system will automatically:
9. Change the How Paid Code to "9."
10. Update the policy, premium and optional segment.
11. Delete the waiver diary.

**7.11 WAIVER DIARY CODES**

1. There are several categories of codes that are used in waiver diaries to direct the action required by the system.
2. These codes are used singly or in combination with other codes or dates to enable the computer to arrive at a particular action to be taken on a call-up date that is either supplied manually or computed automatically by the system. These codes and their functions are outlined below:
3. Diary Control Characters (DCC)

**CODE                                                           PURPOSE**

1. Triggers release of VA form 29-8313 unless another call- up action intervenes.

                1                   Indicates a VA Form 29-8313 has been released or NO
                                     MAIL or review RPO has been generated. New call-up
                                     date will be calculated.

                2                   Indicates 19th year of disability. Statutory review is
                                     next call-up. Will release repetitive RPO's until a new
                                     call-up date is clerically furnished.

                3                   Indicates 19th year of statutory review has been made,
                                     or that claim is statutory because of "loss of or loss of
                                     use of." This code will terminate repetitive follow-up
                                     RPO's.

                4                   Indicates second RPO follow-up (45 days) since release
                                     of a VA Form 29-8313.

                5                   Indicates a waiver application pending. Repetitive RPO's
                                     will be generated every 45 days unless call-up is changed
                                     with manual inputs.

6 through 9        Upon receipt of an RPO with a DCC 4, if manual action is not taken to change the DCC, repetitive RPO's will be generated every 45 days. A DCC 4 will be incremented by 2 and additional RPO's will reflect a DCC incremented by 1 until a maximum of 9 is attained.

NOTE: When the DCC appears as a letter instead of a number, it is an indication that the RPO was generated after the review date appearing in the waiver diary. The presence of a letter in the record will provide a different RPO reason code on the next printout (a regular review as opposed to a no response RPO).

1. Severity Codes. The severity code is used by the system to compute a call-up date for the release of a VA Form 29-8313 or to indicate that a waiver is statutory. The system will compute the VA Form 29-8313 call-up date from the current processing date, only if the DCC is a "0." When an award comes up for a regular review, the severity code should be reviewed by the VCE and changed whenever necessary. Severity codes and their meanings are shown below:

            **CODE                DESIGNATION                     FORM 29-8313**

0                       Statutory                              None
1                       Monthly                                Monthly
2                       Quarterly                              Quarterly
3                       Semiannually                       Semiannually
4                       Three-quarterly                    Every 9 months 5                       Annually                               Every 12 months
6                       Sesquiannually                     Every 18 months
7                       Biennially                              Every 24 months

9                      No Mail                                 None

(RPO will be generated on each anniversary of the total disability effective date).

1. Action Codes. Used for initial awards or terminations. The code is used by the system to take the action indicated. Listed below are the codes and meanings:

**CODES                  MEANING** 1                   Award approved
 2                   Award terminated

 3                   Award approved and terminated (How Paid code will
                      not be changed)
 4                   To change information in a diary without adding to

the approved or disapproved

5                   Partial denial

 6                   Award terminated (XC case)

1. Disability Classification Codes. The disability classification code indicates the impairment involved. Only the primary disability classification code will be completed, except when the diary message is EVID6MOS or PRMCL, then enter 0000 in the secondary disability code block. The code that represents a disability which is statutory pursuant to the provisions of 38 U.S.C. 1914 and 1958 will be reflected in the primary block. Statutory codes take precedence over all others. When statutory impairments are involved, the code representing the effect rather than the cause will prevail. When a disability becomes statutory or when an award comes up for a regular review, the disability classification code should be reviewed by the VCE and changed or corrected whenever necessary. Disability classification codes are shown below:
2. Statutory (Anatomical Loss or Loss of Use of)
* One foot-one hand             5116
* One foot-one eye               5117
* One hand-one eye              5118
* Both hands                        5159
* Both feet                         5199
* Both eyes (Statutory)         6099
* Total loss of hearing in both ears (Statutory)   6277
* Organic loss of speech (aphonia or laryngectomy) (Statutory)  6590
* Combination of two or more of above - For example,
 a quadruple amputee (multiple impairments)  6599
1. See VA Schedule of Rating Disabilities for Other Codes at <https://www.benefits.va.gov/warms/topic-compensation-pension.asp>