

WELCOME PAGE

Welcome to the "Introduction to VA Compensation" course.

This course will help you, as a Nevada Veterans Advocate (NVA), understand the VA Compensation. You may receive questions about the VHA programs such as:

- What is VA Compensation?
- What types of VA compensation claims are there?
- How does the VA identify the types of claims submitted?
- What is an FDC claim?
- What is Special Monthly Compensation and what award amount does an SMC pay?
- What is Aid and Attendance and how can I qualify for it?
- How can I apply for VA Compensation?

The answer to these and many other questions will be addressed during this course. As an NVA, you will be able to use this course to answer some of the basic questions about VA Compensation and refer veterans to the appropriate Veterans Service Officer, National Veterans Service Organization or Department of Veterans Affairs for additional information.

COURSE CONTENT

VA COMPENSATION

VA Compensation is a tax free monetary benefit paid to Veterans with disabilities that are the result of a disease or injury incurred or aggravated during active military service. Compensation may also be paid for post-service disabilities that are considered related or secondary to disabilities occurring in service and for disabilities presumed to be related to circumstances of military service, even though they may arise after service. Generally, the degrees of disability specified are also designed to compensate for considerable loss of working time from exacerbations or illnesses. If a Veteran has dependents, an additional allowance may be added if the combined disability is rated 30% or greater. Compensation may be offset if the Veteran receives military retirement pay, disability severance pay, or separation incentive payments. More information about disability compensation benefit amounts can be found on the Compensation Rates page.

http://www.benefits.va.gov/COMPENSATION/resources_comp01.asp

To be eligibility for VA Compensation a Veteran must have:

- Service in the Uniformed Services on active duty, **OR**
- Active duty for training, **OR**
- Inactive duty training, **AND**
- Was discharged under other than dishonorable conditions, **AND**
- Rated at least 10% disabled by an injury or disease that was incurred in or aggravated during active duty or active duty for training, or inactive duty training

Note: If a Veteran was on inactive duty for training, the disability must have resulted from injury, heart attack, or stroke.

Evidence required to substantiate a VA Compensation claim

- Medical evidence of a current physical or mental disability, AND
- Evidence of a relationship between your disability and a chronic injury, disease, or event in military service.
- Medical records or medical opinions are required to establish this relationship. The VA calls this a nexus or a link to service.

Types of VA Disability Compensation Claims

There are numerous types of claims that apply to disability compensation. They can be based on disabilities that existed when entering military service, but were made worse, disabilities that occurred during service or disabilities that arose after military service. Additionally, there are claims that are filed for special circumstances.

Pre-Discharge Claims

Service members that are within 180 days of separation or retirement from active duty or full time National Guard duty may file claims for disability compensation.

Claims Based on Pre-Service Disabilities

Individuals may enter military service with a known disability. Should this disability become worse due to military service, the VA may be able to pay compensation. This is known as aggravation; however, compensation can only be paid for the level of aggravation. For example, at entry into military service, an individual has a disabling condition that could be considered 10% disabling. In order for this condition to be considered aggravated, it would have to have worsened due to military service to at least 20% and the VA will only pay based on the difference in the disability, which in this case is 10%.

Claims Based on In-Service Disabilities

These claims are based on disabilities that are a result of an injury or disease that occurred in active service, and in the line of duty. Injuries or diseases as a result of the Veteran's own willful misconduct or abuse of alcohol or drugs are excluded.

Claims Based on Post-Service Disabilities

Claims for post-service disabilities would include claims for disabilities that are a result of disabilities considered to be service-related, even though the disability arose after service. There are various classifications of presumptive disabilities which can be based on location or circumstances of service or just by military service itself.

Claims Based on Special Circumstances

Claims regarding compensation are not always based on an in-service event. In other words, after a disability has been determined to be service connected, there may be other types of claims a Veteran or surviving spouse may wish to file. This might include a claim for a temporary 100% rating due to surgery for a service-connected disability, or additional compensation based on being in need of regular aid and attendance.

VA CLAIMS

Original Claim

An original claim is the first claim an applicant files for compensation from VA. This can be filed by a service member, Veteran or survivors of deceased Veterans.

Reopened Claim

A reopened claim is a claim filed for a benefit that could not be granted and the decision has become final, meaning that it is over one year old and has not been appealed. The VA cannot reopen these claims unless new and material evidence is received. New evidence is evidence that the VA has never before considered in connection with the specific benefit claimed. Material evidence is evidence that is relevant to and has a direct bearing on the issue at hand.

New Claim

A new claim is a claim for a benefit that may or may not have been filed before. Generally, the decision made on the claim is based entirely on new evidence. These may include claims for:

- An increased disability evaluation
- Special monthly compensation
- Individual unemployability a new claim differs from a reopened claim in that a decision on the claim is totally independent of any evidence submitted in connection with an earlier claim.

Secondary Claim

These are claims for disabilities that developed as a result of or were worsened by another service-connected condition. In other words, it is recognized that a service-connected disability may cause a second disability. This second disability may not otherwise be considered service-connected.

Note: It is in the applicant's best interest to seek out the assistance of a VSO or NVSO. VSO and NVSO are trained to assist and advocate for the applicants at no cost, to include preparing and filing original or re-opened claims.

Fully Developed Claim Program

The Fully Developed Claims (FDC) program is an optional new initiative that offers Veterans and survivors faster decisions from VA on compensation, pension, and survivor benefit claims.

Veterans and survivors simply submit all relevant records in their possession, and those records which are easily obtainable, such as private medical records, at the time they make their claim and certify that they have no further evidence to submit. VA can then review and process the claim more quickly.

Standard Claim Process

There are eight distinct steps that most claims for disability compensation follow. These phases may vary in time depending on the complexity of the claim, the amount of evidence that must be gathered to support the claims, and the type of evidence. An applicant is strongly encouraged to submit as much evidence as possible with their claim to help minimize processing time. The eight steps of claims processing are as follows:

Step 1. Claim Received

An applicant's claim has been received by the VA. If the applicant applied online with VONAPP Direct Connect, they should see receipt in their list of Open Claims within one hour. If the applicant applied through the U.S. mail, please allow mailing time plus one week for the VA to process and record receipt of the claim.

Step 2. Under Review

An applicant's claim has been assigned to a Veterans Service Representative and is being reviewed to determine if additional evidence is needed. If the VA does not need any additional information, the claim will move directly to the Preparation for Decision phase.

Step 3. Gathering of Evidence

The Veterans Service Representative will request evidence from the required sources. Requests for evidence may be made of the applicant, a medical professional, a government agency, or another authority. It is common for claims to return to this phase, should additional evidence be required.

Step 4. Review of Evidence

The VA has received all needed evidence. If, upon review, it is determined that more evidence is required, the claim will be sent back to the Gathering of Evidence phase.

Step 5. Preparation for Decision

The Veterans Service Representative has recommended a decision, and is preparing required documents detailing that decision. If more evidence is required, the claim will be sent back in the process for more information or evidence.

Step 6. Pending Decision Approval

The recommended decision is reviewed, and a final award approval is made. If it is determined that more evidence or information is required, the claim will be sent back in the process for more information or evidence.

Step 7. Preparation for Notification

The applicant's entire claim decision packet is prepared for mailing.

Step 8. Complete

The VA has sent a decision packet to the applicant by U.S. mail. The packet includes details of the decision or award. Please allow standard mailing time for the packet to arrive before contacting a VA call center.

How Long Will This Process Take?

The length of time it takes to complete a claim depends on several factors, such as the type of claim filed, complexity of the disability(ies), the number of disabilities claimed, and the availability of evidence needed to decide the claim.

An applicant can track the status of their claim by registering for eBenefits at www.ebenefits.va.gov. An applicant can also visit [VA's ASPIRE web site](#). Here you can find the average processing days for the regional office that is working on the claim. To find the average processing days for a state:

- Find the state on the map, place the cursor within the state and click
- This will open the Veterans Benefits Administration Aspire
- Benefits site. Click "Enter"
- Review the split table. On the left table click on "Compensation"
- This will expand the table. Approximately five rows down is "Rating Claims Processing Time"
- Follow that row to the right until you locate the cell located within the column of the regional office processing the claim.

The number is the average processing days to complete a claim that requires a disability rating. The average is based on completed claims since October 1 in a given fiscal year.

Special Monthly Compensation (SMC)

SMC is an additional tax-free benefit that can be paid to Veterans, their spouses, surviving spouses and parents. For Veterans, Special Monthly Compensation is a higher rate of compensation paid due to special circumstances such as the need of aid and attendance by another person or a specific disability, such as loss of use of one hand or leg. For spouses and surviving spouses, this benefit is commonly referred to as aid and attendance and is paid based on the need of aid and attendance by another person.

The VA uses letters to differentiate the level of disability from K through S awards. Veterans can have more than one SMC. Let's start with the "K" award.

SMC rate is payable for the "K" award for the following disabilities:

Anatomical Loss of Loss of use of:

- One or more creative organs;
- One hand or foot;
- Both buttocks;
- One eye (LPO);
- Hearing – deafness of both ears;
- Speech – complete Aphonia;
- Anatomical loss or partial loss of one or both breasts – for a female only

There is no limit on the number of "K" awards a Veteran can have.

SMC rate is payable for the "L" award for following disabilities:

- Anatomical loss or loss of use of both feet;
- Anatomical loss or loss of use of one hand and one foot;
- Blindness in both eyes with visual acuity of 5/200 or less;
- Being so helpless as to be in the need of regular aid and attendance (A&A) of another person;
- Being permanently bedridden

SMC rate is payable for the "M" award for the following disabilities:

- Anatomical loss or loss of both hands;
- Anatomical loss or loss of use of both legs at a level, or with complications, preventing natural knee action with prosthesis in place;
- Anatomical loss or loss of use of one upper and one lower extremity, preventing natural elbow and knee action with prosthesis in place, due to the level of involvement or with complications;
- Blindness in both eyes having light perception only; or
- Blindness in both eyes leaving the Veteran so helpless as to be in need of A&A

SMC rate is payable for the "N" award for the following disabilities:

- Anatomical loss of or loss of use of both arms at a level, or with complications, preventing natural elbow action with prosthesis in place;
- Anatomical loss of or loss of use of both legs so near the hip as to prevent use of prosthetic appliances;
- Anatomical loss of one arm so near the shoulder to prevent use of a prosthetic appliance with anatomical loss of one leg so near the hip to prevent use of a prosthetic appliance; or
- Anatomical loss of both eyes (enucleation) or blindness without light perception in both eyes

SMC rate is payable for the "O" award for the following disabilities:

- Anatomical loss of both arms so near the shoulder as to prevent use of prosthetic appliances;
- Conditions entitling the Veteran to two or more SMC rates (L through N) with no condition being considered twice;
- Bilateral deafness rated as 60% or more (and the hearing impairment in either one or both ears is SC) in combination with SC blindness with bilateral visual acuity 5/200 or less;
- SC total deafness in one ear or bilateral deafness rated as 40% or more disabling (and the hearing impairment in either one or both is SC) in combination with SC blindness of both eyes having only light perception or less; or
- Paralysis of both lower extremities (paraplegia) together with loss of anal and bladder sphincter control.

SMC rate is payable for the "P" award for following disabilities:

- SMC P is a special paragraph that provides half or Full Step increases of SMC rates based on combinations of various levels of disabilities.
- There are 27 different awards payable under SMC P when certain disabilities or conditions exist. The three we want to focus on are:
- Half-step - increases the SMC rate one half-step for any Veteran entitled to SMC rates L thru N ½ for additional SC disabilities that combine to 50% or more. May not exceed the O rate.
- Full-step - Increases the SMC rate one full-step for any Veteran entitled to SMC rates L thru N for additional single SC condition rated as 100% disabling. May not exceed the O rate.

SMC rate is payable for the "Q" award for the following disabilities:

Inactive Tuberculosis (complete arrest)

- Entitlement to SMC Q was repealed by Public Law 90-49 § 4(a) effective August 19, 1968, 82 Statute 809
- For a Veteran, who was receiving or entitled to receive compensation for Tuberculosis on August 19, 1968, the minimum rate is \$67.
- This minimum special monthly compensation is not to be combined with or added to any other disability compensation
- For a Veteran who was not receiving or entitled to receive compensation for Tuberculosis on August 19, 1968, the special monthly compensation under this section is not payable.

SMC rate is payable for the "R.1" award for the following disabilities:

- A Veteran is entitled to the higher level of A&A) in lieu of the regular A&A allowance when all of the following conditions are met:
- The Veteran is entitled to compensation authorized under SMC O or the maximum rate under SMC P;
- The Veteran meets the requirements for entitlement to the regular A&A under SMC L;
- The Veteran needs a higher level of care than is required to establish entitlement to A&A, without it, the Veteran would require hospitalization, nursing home care or other residential institutional care;
- The Veteran's need for higher level of care is determined by a VA physician

SMC rate is payable for the "R.2" award for the following disabilities:

- Need for a higher level of care is considered to be a need for the personal health-care services provided on a daily basis in the Veteran's home by a professional who is licensed to provide such services or who provides such services under the regular supervision of a licensed health-care professional.
- These services include (but are not limited to) physical therapy, administration of injections, placement of indwelling catheters, changing of sterile dressings, or like

functions which would require professional health-care training or supervision of such to perform

SMC rate is payable for the "S" award for the following disabilities:

- The SMC S rate payable for a Veteran with a single 100% SC disability when either of one of the following apply:
- The Veteran has additional SC disability or disabilities independently ratable at 60% or more, separate and distinct from the 100% disability and involving different anatomical segments or bodily systems; or
- The Veteran is permanently housebound by reason of a SC disability or disabilities

Award Amounts

The rate for a "K" award effective 12/1/14 is \$103.23 per month.

The rate for an "L" award effective 12/1/14 for a single Veteran is \$3,617.02 per month.

The rate for an "M" award effective 12/1/14 for a single Veteran is \$3991.74 per month.

All SMC rates effective 12/1/14 can be seen at:

http://www.benefits.va.gov/COMPENSATION/resources_comp02.asp

Aid and Attendance

Aid and Attendance is an additional monetary benefit (rider) added to an already existing benefit a Veteran is entitled to. In order to qualify for Aid and Attendance, an applicant must first qualify for another VA benefit such as Compensation or Pension. In determining the need for regular A&A the following criteria are considered:

- Dressing/undressing or keep themselves clean or presentable;
- Frequent need for adjust of prosthetic or orthotic device or appliance;
- Inability to feed themselves;
- Inability to attend to the wants of nature; or
- Inability to protect themselves from the hazards or dangers of their daily environment.

Claims for Aid and Attendance should include a completed VA Form 21-2680

<http://www.vba.va.gov/pubs/forms/VBA-21-2680-ARE.pdf> that is completed and signed by a treating Physician.

Calculate Compensation Rates

The amount of basic benefit paid ranges, depending on how disabled Veteran is. The VA makes a determination about the severity of the disability based on the evidence submitted as part of the claim, or that the VA obtains from the Veteran's military records. VA rates disability from 0% to 100% in 10% increments (e.g. 10%, 20%, 30% etc.).

A Veteran may be paid additional amounts, in certain instances, if:

- Veteran has very severe disabilities or loss of limb(s)
- Veteran has a spouse, child(ren), or dependent parent(s)
- Veteran has a seriously disabled spouse

Cost-of-Living Adjustments (COLA)

Periodically, VA makes cost-of-living adjustments (COLAs) to VA compensation and pension benefits to ensure that the purchasing power of VA benefits is not eroded by inflation. Under federal law, the cost-of-living adjustments to VA's compensation and pension rates are the same percentage as for Social Security benefits.

Combined Ratings

If the VA finds that a Veteran has multiple disabilities, the VA uses the Combined Ratings Table <http://www.benefits.va.gov/COMPENSATION/rates-index.asp#howcalc> to calculate a combined disability rating. Disability ratings are not additive, meaning that if a Veteran has one disability rated 60% and a second disability 20%, the combined rating is **not** 80%. This is because subsequent disability ratings are applied to an already disabled Veteran, so the 20% disability is applied to a Veteran who is already 60% disabled. Below you will find the steps VA takes to combine ratings for more than one disability and examples using the Combined Ratings Table to illustrate how combined ratings are calculated.

1. The disabilities are first arranged in the exact order of their severity, beginning with the greatest disability and then combined with use of Combined Ratings Table.
2. The degree of one disability will be read in the left column and the degree of the other in the top row, whichever is appropriate
3. The figures appearing in the space where the column and row intersect will represent the combined value of the two
4. This combined value is rounded to the nearest 10%
5. If there are more than two disabilities, the combined value for the first two will be found as previously described for two disabilities
6. The exact combined value (without rounding yet), is combined with the degree of the third disability
7. This process continues for subsequent disabilities and the final number is rounded to the nearest 10%

Examples of Combining Two Disabilities

If a Veteran has a 50 percent disability and a 30 percent disability, the combined value will be found to be 65 percent, but the 65 percent must be converted to 70 percent to represent the final degree of disability. Similarly, with a disability of 40 percent, and another disability of 20 percent, the combined value is found to be 52 percent, but the 52 percent must be converted to the nearest degree divisible by 10, which is 50 percent.

Apply for VA Compensation

It is highly recommended that all applicants for VA benefits, including Compensation, reach out to a State Veterans Service Officer (VSO) such as the Nevada Department of Veterans Services (NDVS) or a National Veterans Service Organization (NVS) such as the Disabled

American Veterans (DAV), Veterans of Foreign Wars, Paralyzed Veterans of America and many other NVSO offices for advocacy and assistance.

Advocates approved to represent applicants before the Department of Veterans Affairs include Attorneys, Agents and Veteran Service Officers (VSO). To locate an accredited Attorney, Agent or VSO go to:

<http://www.va.gov/ogc/apps/accreditation/index.asp>

Service Organizations that assist applicants with a claim may use VA Form 21-22, "Appointment of Veterans Service Organization as Claimant's Representative."

Attorneys and Agents that assist applicants with a claim may use VAF 21-22a "Appointment of Individual as Claimant's Representative."

Veterans and their family members can apply on their own at any VA Regional Office that offers VA Public Contact, online through eBenefits at

<https://www.ebenefits.va.gov/ebenefits-portal/ebenefits.portal>,

Or by calling 1-800-872-1000. Official VA forms used to file a claim for compensation include: VAF 21-526, VAF 21-526b, VAF 21-526c, VAF 21-526EZ as shown below.

Number (type)	Title	Issue Date	Revision Date	# Pages
21-526  (PDF)	Veterans Application for Compensation and/or Pension (Fillable)	11/19/2014	11/2014	10
21-526b  (PDF)	Veteran's Supplemental Claim for Compensation (Fillable)	6/20/2014	6/2014	1
21-526c  (PDF)	Pre-Discharge Compensation Claim (Fillable)	1/9/2014	1/2014	2
21-526EZ  (PDF)	Application for Disability Compensation and Related Compensation Benefits (Fillable)	1/17/2014	1/2014	8

As a Nevada Veterans Advocate or Veterans Service Officer trainee you should refer all potential applicants to a seasoned Veterans Service Officer or National Veterans Service Organization as the potential beneficiary may be entitled to additional local, state or federal benefits.

END OF LESSON

This concludes the "Introduction to VA Compensation" course.

Important note:

Information provided throughout this course may change over time. It is recommended that all persons completing this course regularly check the websites identified in the course for current information.

You may now proceed to a fifteen (15) question multiple choice [quiz](#).

Upon completion of the quiz, with a passing score of 70% or above, you will be asked to complete a [course evaluation](#).

Once the course evaluation is complete you will be able to print your [Certificate of Completion](#).

Congratulations - end of lesson reached

COURSE QUIZ

1. The VA Special Monthly Compensation award "K" requires "anatomical Loss or Loss of use of which of the following disabilities: _____.

Select one:

- a. Being permanently bedridden
- b. **One or more creative organs**
- c. Anatomical loss of or loss of use of both arms at a level, or with complications, preventing natural elbow action with prosthesis in place
- d. Blindness in both eyes having light perception only

2. Veteran advocates include State Veterans Service Officers (VSO) such as the Nevada Department of Veterans Services (NDVS) or a National Veterans Service Organization (NVS) such as all except the _____.

Select one:

- a. Paralyzed Veterans of America
- b. Veterans of Foreign Wars
- c. **Fraternal Order of the Eagles**
- d. Disabled American Veterans

3. To be eligible for VA Compensation a Veteran must have _____.

Select one:

- a. served in combat
- b. ROTC service
- c. **service in the Uniformed Services on active duty**
- d. served outside of the Continental United States

4. The Fully Developed Claims (FDC) program is _____.

Select one:

- a. a new VA program that provides Veterans and survivors medical examinations for claims processing
- b. **an optional new initiative that offers Veterans and survivors faster decisions from VA on compensation, pension, and survivor benefit claims**
- c. a program that has already completed the claims process fully and the claims are now fully rated by the VA
- d. a medical program associated with the VA claims process that addresses Veteran issues

5. The length of time it takes to complete a VA claim depends on several factors, such as _____.

Select one:

- a. the type of claim filed, complexity of the disability(ies), the number of disabilities claimed, and the availability of evidence needed to decide the claim
- b. the type of DoD forms the Veteran has submitted, availability of VA ratings staff and current law that is in effect at the time the claim was submitted
- c. when the VA receives the claim, how soon the VA can schedule a C&P exam, and if a Veteran can attend the exam or not
- d. None of the above

6. Types of VA Compensation include all except _____.

Select one:

- a. claims based on in-service disabilities
- b. claims based on pre-service disabilities
- c. claims based on ROTC service
- d. pre-discharge claims

7. An active military service member can file a VA Compensation claim 180 days or less prior to discharge using VA Form _____.

Select one:

- a. 21-526EZ
- b. 21-526
- c. 21-526b
- d. 21-526c

8. Veterans can file a claim for VA Compensation on their own _____.

Select one:

- a. by mailing their DD214 to the Department of Defense
- b. at any VA Regional Office that offers VA Public Contact, online through eBenefits or by calling 1-800-827-1000
- c. at any Veterans Administration Medical Center (VAMC)
- d. by contacting their local Military Recruiters Office

9. The reason the VA developed the Fully Developed Claims Program is so they can _____.

Select one:

- a. send the VA letters out quicker
- b. request private medical records more quickly
- c. advise the applicant in a more timely manner
- d. review and process the claim more quickly

10. It is highly recommended that all applicants for VA benefits, including Compensation, _____.

Select one:

- a. contact the Department of Defense Finance and Accounting Office to submit the proper DD forms
- b. promptly go to the applicant's local County Court House
- c. apply for the benefit at the local Post Office
- d. reach out to a State or National Veterans Service Officer

11. VA Compensation is a _____.

Select one:

- a. tax free monetary benefit paid to Veterans with disabilities that are the result of a disease or injury incurred or aggravated during active military service
- b. taxable monetary benefit paid to Veterans with disabilities that are a result of a disease or injury incurred during active military service
- c. benefit that is received by Veterans once they incur medical treatment at a VA Medical Center and apply for travel pay
- d. None of the above

12. Which answer below is not a VA application for Compensation _____?

Select one:

- a. VA Form 21-526
- b. VA Form 21-526EZ
- c. VA Form 21-526b
- d. VA Form 21-526g

13. The eight steps of the VA claims processing include all except _____.

Select one:

- a. Under Review
- b. Claim Received
- c. Appeal Awarded
- d. Gathering of Evidence

14. There are _____ distinct steps that most VA claims for disability compensation follow. These steps may vary in time depending on the complexity of the claim, the amount of evidence that must be gathered to support the claims, and the type of evidence.

Select one:

- a. six
- b. three
- c. eight
- d. twelve

15. VA rates disability from _____.

Select one:

- a. 0% to 100% in 10% increments
- b. 0% to 200% in 20% increments
- c. the beginning of active military service to date of discharge
- d. none of the above