



DEPARTMENT OF VETERANS AFFAIRS
Veterans Benefits Administration
Washington, D.C. 20420

August 27, 2007

Director (00/21)
All VA Regional Offices

In Reply Refer To: 211B
Fast Letter 07-19

SUBJ: Procedures for Handling Extraordinary Awards

Background

The Compensation and Pension (C&P) Service Bulletin dated June 2007 discussed new procedures for regional offices (ROs) to follow in cases involving awards with an effective date retroactive eight or more years or that result in a lump-sum payment of \$250,000 or more. These awards require a review by the C&P Service prior to award authorization. This fast letter (FL) provides more detailed guidance for handling these types of cases.

Responsibility for Identifying These Cases

The Rating, Appeals, and Post-Determination Teams are responsible for identifying cases that meet these criteria.

Procedures for Appeals and Rating Teams

Whenever a rating decision grants service connection with an effective date retroactive eight or more years, the claims folder must be flashed to alert the authorization activity of the extraordinary award. This instruction also applies whenever an earlier effective date of eight or more years is granted for a previously service-connected disability. After flashing the folder, forward the case to the Post-Determination Team. *Do not offer these rating decisions to any veteran's representative for review until the C&P Service makes a final determination regarding the propriety of the decision.*

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Procedures for Post-Determination Teams

Rating Veterans Service Representatives (RVSRs) and Decision Review Officers (DROs) should be the first to identify a case involving an effective date retroactive eight or more years. However, Veterans Service Representatives (VSRs) and Senior Veterans Service Representatives (SVSRs) on the Post-Determination team are ultimately responsible for

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identifying these cases, as well as any awards involving a lump-sum payment of \$250,000 or more. If using VETSNET Awards, the application will automatically calculate the retroactive amount.

The VSR or SVSR who identifies a rating decision meeting the established criteria will prepare the referral memorandum for the Veterans Service Center Manager (VSCM) to request an administrative review by the C&P Service (see enclosed). The VSCM will then review the decision and sign the memorandum if he or she agrees with the decision. Signature responsibility may only be delegated to an individual serving as VSCM in an acting capacity. For additional information on requesting an administrative review, please refer to M21-1MR, Part III, Subpart vi, Chapter 1, Section A, Topic 3.

Please note: Do not leave any of these awards in GAP'd status or authorize them until the C&P Service concurs with the Veterans Service Center (VSC) decision.

Procedures for Transferring the Claims Folder to C&P Service

After completing the memorandum and attaching it to the file, the VSC will send the claims folder via Federal Express to:

C&P Service (211B, Advisory Review)
810 Vermont Ave, NW
Washington, DC 20420

Reflect a temporary transfer of the claims folder in COVERS and update the suspense accordingly. In addition, before the claims folder leaves the RO, add the claimant flash "250K Retro Review" via the VETSNET Participant Profile application. The C&P Service will review these cases and return them to the VSC by Federal Express within five days of receipt.

Procedures Upon Return of the Claims Folder From C&P Service

If the C&P Service concurs with the VSC decision, the veteran's representative (if applicable) will then be allowed to review the decision prior to its promulgation.

These new procedures do not replace the three-signature requirement for awards exceeding \$25,000 (whether processed through BDN or VETSNET). The VSC must still follow the three-signature award procedures as outlined in M21-1, Part V, 9.01(b).

If the C&P Service determines the decision is improper, it will provide specific corrective action.

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Cases Involving BVA or CAVC Decisions

Ratings based on decisions by the Board of Veterans' Appeals (BVA) or the U.S. Court of Appeals for Veterans Claims (CAVC) will be excluded from the C&P Service review only when BVA or CAVC assigns the effective date and/or the retroactive increased evaluation. Otherwise, when processing decisions by BVA or CAVC, follow the procedures outlined in this FL whenever the rating decision involves an effective date retroactive eight or more years or the award results in a lump-sum payment of \$250,000 or more.

Cases Processed Under the *Nehmer* Court Order

Cases processed under the *Nehmer v. U.S. Veterans' Administration* court order are exempt from the provisions of this FL because these cases are already being reviewed by the C&P Service.

Questions

Questions concerning this fast letter should be submitted to VAVBAWAS/CO/21Q&A.

/s/
Bradley G. Mayes
Director
Compensation and Pension Service

Enclosure: Sample Memorandum

**Department of
Veterans Affairs**

Memorandum

Date:

From: Veterans Service Center Manager, _____ Regional Office

Subj: Administrative Review-Retroactive Effective Date/Lump-Sum Payment

File number: _____

To: Director, Compensation and Pension Service

Issue(s)

At issue in this case is whether the effective date and/or amount of payment are appropriate.

Background

Please see rating decision in claims folder dated _____.

Conclusion

We propose to (Propose a recommendation for each issue cited in the first paragraph. *Example:* "We propose to pay \$275,000.00 retroactive benefits for the period 07/01/97 to 08/01/07.") Your concurrence is requested.

Signature

CONCUR

DO NOT CONCUR: See attached.

Director, Compensation and Pension Service

Date