



1

---

---

---

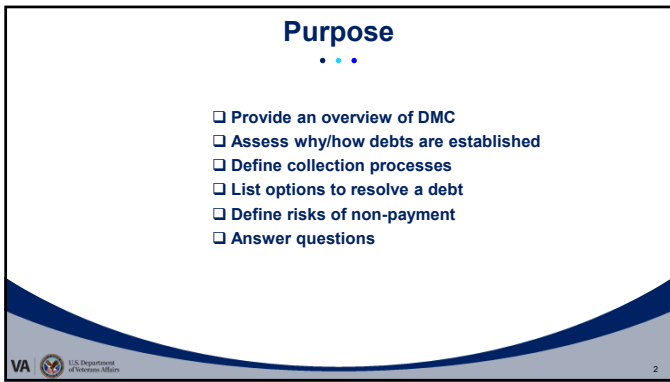
---

---

---

---

---



2

---

---

---

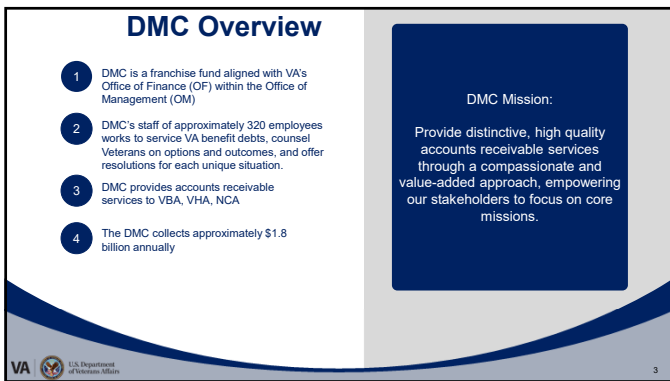
---

---

---

---

---



3

---

---

---

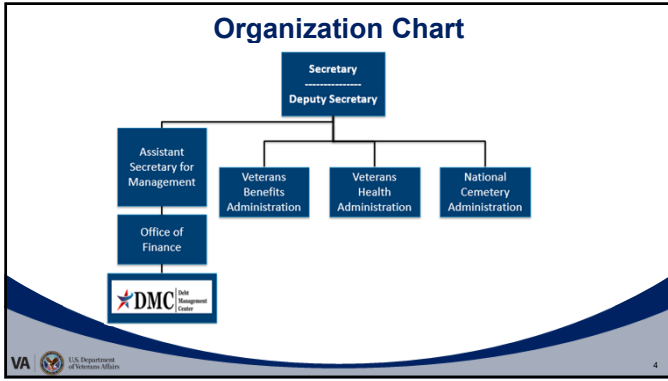
---

---

---

---

---



4

---

---

---

---

---

---

---

---

**KNOWLEDGE CHECK**

DMC provides accounts receivable services to

- a. VBA
- b. VHA
- c. NCA
- d. All the above

VA U.S. Department of Veterans Affairs 6

5

---

---

---

---

---

---

---

---

**KNOWLEDGE CHECK**

DMC provides accounts receivable services to

- a. VBA
- b. VHA
- c. NCA
- d. All the above

VA U.S. Department of Veterans Affairs 7

6

---

---

---

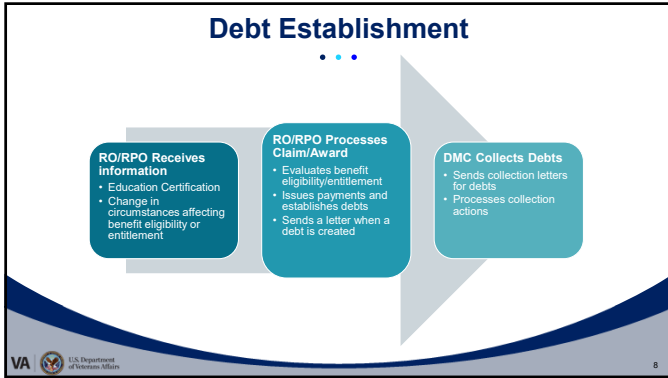
---

---

---

---

---



7

---

---

---

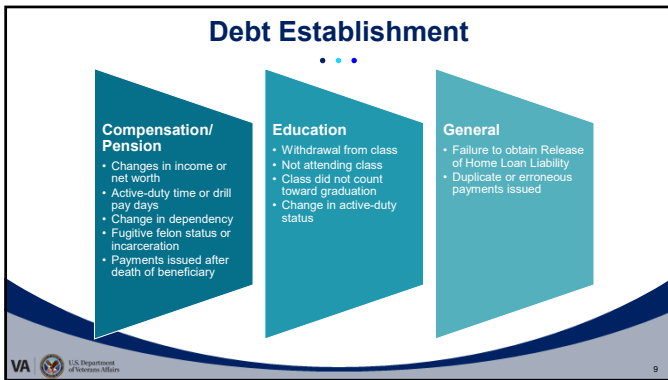
---

---

---

---

---



8

---

---

---

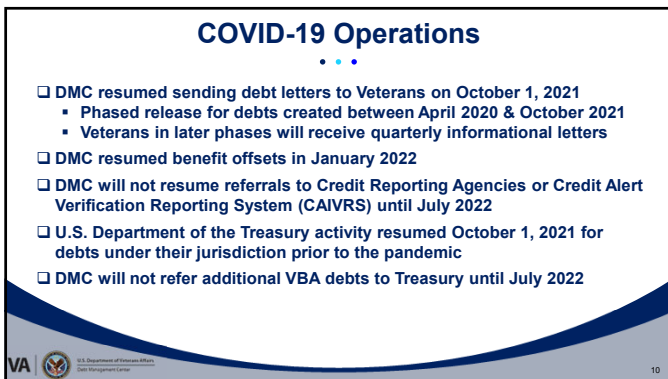
---

---

---

---

---



9

---

---

---

---

---

---

---


---

### COVID-19 Debt Relief Options

• • •

If Veterans are experiencing financial hardship, DMC is providing continued relief options:

- Extending repayment plans
- Requesting debt forgiveness through the waiver process
- Submitting a compromise offer to settle the debt for less than the full amount
- Requesting a temporary hardship suspension of repayment until September 30, 2022




11

10

---

---

---

---

---

---



---

---

### Process Enhancements

• • •

- Compensation and Pension debtors with VA benefits will not be offset for 90 days after their due process letter
- Automated 36-month payment plan for Compensation and Pension debts
- No Financial Status Report required for payment plans up to 60 months
- Veterans with VBA debts created prior to April 6, 2020 not under Treasury jurisdiction received additional notification letters
- Partnered with VA Suicide Prevention Program to support at risk Veterans
- Established a threshold for reporting to Credit Reporting Agencies that will reduce referrals by 99%
- Implemented post call survey to obtain customer experience feedback

12

11

---

---

---

---

---

---



---

---

### VA Debt Portal for Veterans

• • •

- Debt Portal: <https://www.va.gov/manage-va-debt/>
  - Veterans can log in to view balances and DMC letters
  - FAQs
  - Email notifications
  - Online VA Form 5655 Financial Status Report (FSR)
  - More enhancements to come

13

12

---

---

---

---

---

---

---

---



**KNOWLEDGE CHECK**

**VA resumed debt notifications to Veterans:**

- a. April 6, 2021
- b. September 30, 2022
- c. October 1, 2021**
- d. None of the above

VA U.S. Department of Veterans Affairs 17

16

---

---

---

---

---

---

---

---

---

---

### Initial Debt Notification

Compensation/Pension	Education
Address information comes from Regional Office (RO) or Pension Center	Address information comes from Education Regional Processing Office (RPO)
Letter is sent 10 days after DMC receives debt	Letter is sent 10-30 days after DMC receives debt
If debtor has active benefits, letter notifies benefits will be offset in 90 days	Education benefit offset can begin 30 days after debt created
If debtor is not receiving benefits, letter advises debtor to contact DMC	If Ed benefits not available, DMC provides 60 day notice before offset of other benefits
	If debtor is not receiving benefits, letter advises debtor to contact DMC

VA U.S. Department of Veterans Affairs 18

17

---

---

---

---

---

---

---

---

---

---

### Collection Process

DMC sends Notice of Indebtedness letters, monitors accounts, and advises debtor of any delinquency, including the requirement to refer their account to Treasury

```

    graph TD
      A[DMC Sends 1st NOI] --> B[DMC Sends 2nd NOI]
      A --> C[DMC Sends 3rd NOI]
      B -- 30 or 90 days --> C
      C -- 60 days --> D[Debt is Referred to Cross Servicing]
      C -- 60 days --> E[Debt is Referred to Treasury Offset Program]
      F[If DMC receives payment, next collection letter is deferred] --> A
  
```

Note: Cross Servicing and TOP Referrals are paused until July 2022

VA U.S. Department of Veterans Affairs 19

18

---

---

---

---

---

---

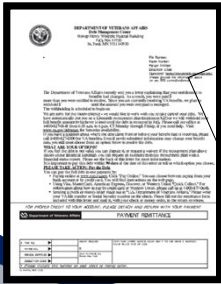
---

---

---

---

### Notification Letters



File Number:  
 Payee Number:  
 Person Entitled:  
 Deduction Code:  
 Questions? <https://ask.va.gov/>  
 (Please provide the information above on any related correspondence)

---

---

---

---

---

---

---

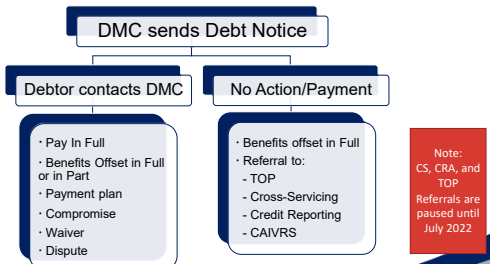
---

---

---

19

### Notification Letters




---

---

---

---

---

---

---

---

---

---

20

### Pay in Full

- Pay by check: mail the check, payment coupon(s) and/or letter to:
  - VA Debt Management Center
  - Bishop Henry Whipple Federal Building
  - P.O. Box 11930
  - St. Paul, MN 55111-0930
- Pay online: [www.pay.va.gov](http://www.pay.va.gov)
- Pay by telephone: 800-827-0648

---

---

---

---

---

---

---

---

---

---

21

### Withholding VA Benefits

- Automatic 36-month repayment plan for compensation and pension debts (effective October 2021)
- Full amount of benefit payment will be withheld until debt is paid in full for education debts
- If debtors have financial hardships, they must contact the DMC
- VA Form 5655, Financial Status Report, is required for any reduced withholding arrangement beyond 60 months

VA U.S. Department of Veterans Affairs 23

22

---

---

---

---

---

---

---

---

### Compromise Offer

- Debtors should send letter to DMC indicating "compromise offer" and specifying amount
- Offer should be a "lump sum"
- Offer must include VA Form 5655
- DMC refers offers to the Committee on Compromises

\*\*\* Payment should not be sent until the debtor receives a decision accepting the offer\*\*\*

VA U.S. Department of Veterans Affairs 24

23

---

---

---

---

---

---

---

---

### Waiver

- Debtors have 180 days from date of first NOI letter to request waiver
- Request can be based on financial hardship and/or explain why not responsible for repaying debt
- Request must be:
  - Made in writing and submitted to DMC
  - Include VA Form 5655 Financial Status Report
  - If received in the first 30 days for Education or 90 days for C&P debt, collection action is suspended
- If the decision is less than a full grant, debtors have one year from the date of decision to appeal
  - Collection action continues during appeal process

VA U.S. Department of Veterans Affairs 25

24

---

---

---

---

---


---

---

---

## Dispute

- ❑ Debtors can dispute the existence or amount of the debt created by VBA
- ❑ Dispute must be in writing
- ❑ DMC forwards disputes to the Regional Office/Regional Processing Office of jurisdiction



26

25

---

---

---

---

---


---

---

---

## Federal Debt Collection Laws

- ❑ **The Debt Collection Act of 1982**
  - Authority for collection by administrative offset
- ❑ **The Debt Collection Improvement Act (DCIA) of 1996**
  - Agencies required to refer delinquent non-tax debts to the Department of Treasury at 180 days
- ❑ **Digital Accountability and Transparency Act (DATA) of 2014**
  - Changed referral requirement for delinquent non-tax debts from 180 days to 120 days



27

26

---

---

---

---

---

---

---


---

## What if Payment is not Made?

No Action/Payment

- Benefits Offset in Full
- Referral to:
  - TOP
  - Cross-Servicing
  - Credit Reporting
  - CAIVRS

- ❑ Future VA benefits awarded will be withheld to satisfy debt
- ❑ Department of Treasury
  - Offset of Federal payments
  - Referral to private collection agencies
  - Administrative Wage Garnishment Program
- ❑ Credit Alert Interactive Voice Response System (CAIVRS): system alerts lenders of VA debt and impacts federal home loan underwriting



28

27

---

---

---

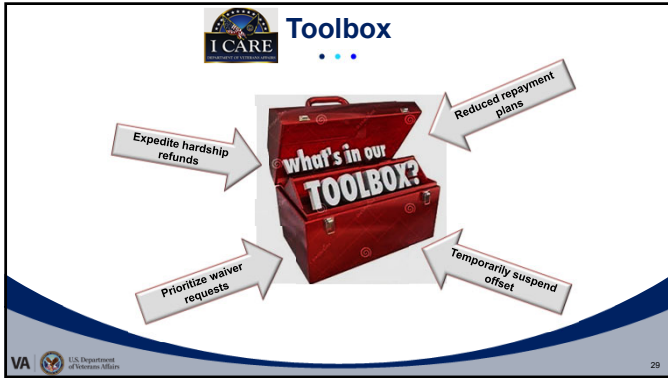
---

---

---

---

---



28

---

---

---

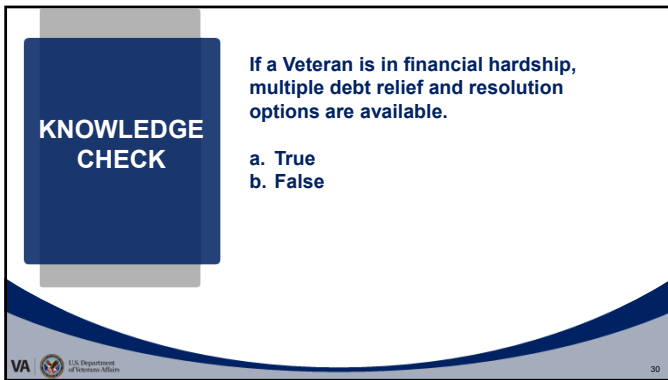
---

---

---

---

---



29

---

---

---

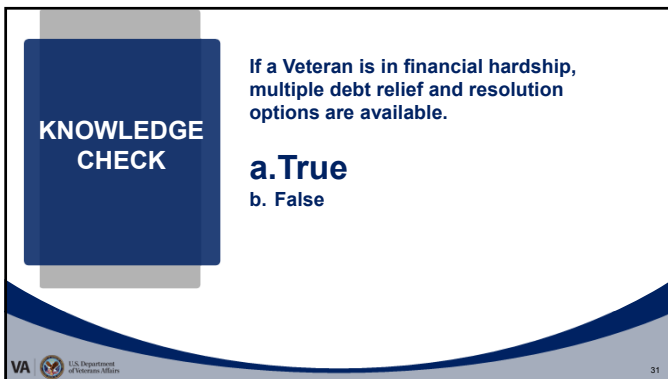
---

---

---

---

---



30

---

---

---

---

---

---

---

---

### VHA Debts

- For questions about medical care and pharmacy services copayment debt, contact the Health Resource Center: 1-866-400-1238
- VA has options for Veterans who suffer from difficult financial circumstances and struggle to pay VA copayments:
  - Health Resource Center: 1-866-400-1238
  - [https://www.va.gov/COMMUNITYCARE/revenue\\_ops/Financial\\_Hardship.asp](https://www.va.gov/COMMUNITYCARE/revenue_ops/Financial_Hardship.asp)

VA U.S. Department of Veterans Affairs 32

31

---

---

---

---

---

---

---

---

### At Risk Veterans

If Veterans are homeless or facing eviction, please let us know when you contact DMC

 <b>Veterans Crisis Line</b> 1-800-273-8255 PRESS 1	Text 838255 <a href="http://www.VeteransCrisisLine.net">www.VeteransCrisisLine.net</a> (online chat)
Veterans having difficulty with a VA-guaranteed home loan can call <b>1-877-827-3702</b> to reach the nearest Loan Guaranty office	 <b>National Call Center for Homeless Veterans</b> <b>877-424-3838</b> <small>va.gov/homeless</small>

VA U.S. Department of Veterans Affairs 33

32

---

---

---

---

---

---

---

---

### Ask VA (AVA) – DMC tips

- AVA offers both an option to sign in and an option to start your message without signing in
  - We need users to **sign in** if they want to discuss specific account details
- Options to reach DMC are found under “Veteran Affairs- Debt” category and then topics are used to select the type of debt for proper routing

Tell us about your question

Which category best describes your question? \* **(Required)**

Veteran Affairs - Debt

Which topic best describes your question? \* **(Required)**

Compensation Debt

VA U.S. Department of Veterans Affairs 34

33

---

---

---

---

---

---

---

---

### Become a Debt Superstar (Contact DMC)

• • •

<a href="https://www.va.gov/manage-va-debt/">https://www.va.gov/manage-va-debt/</a>	Veteran Debt Portal
<a href="https://ask.va.gov">https://ask.va.gov</a>	Online inquiry system
800-827-0648	DMC Veteran Toll Free Line
612-970-5688	Fax
612-970-5737	DMC VSO Only Line



VA  U.S. Department of Veterans Affairs  
1615 Montgomery Avenue, Alexandria, VA 22304-6122

35

---

---

---

---

---

---

---

---


34

### DMC Presentation Survey

• • •

DMC values your time and feedback on our presentation. We would appreciate it if you're able to complete the survey below.

<https://www.surveymonkey.com/r/DMCVSO>

VA  U.S. Department of Veterans Affairs  
1615 Montgomery Avenue, Alexandria, VA 22304-6122

36

---

---

---

---

---

---

---

---

35