

VA Financial Policies and Procedures
Processing a Request for Waiver - COWC

CHAPTER 4

0401 OVERVIEW.....	2
0402 POLICIES	2
0403 AUTHORITY AND REFERENCES	3
0404 ROLES AND RESPONSIBILITIES.....	3
0405 PROCEDURES	4
0406 DEFINITIONS.....	12
0407 RESCISSIONS.....	13
0408 QUESTIONS	13

0401 OVERVIEW

This chapter provides guidance on the policies and procedures set forth in the statutes and regulations with respect to the waiver of debts due the United States generated from VA activities of the Veterans Benefits Administration (VBA), Veterans Health Administration (VHA), National Cemetery Administration (NCA) and other activities of the agency.

Upon receipt of a request for a VBA, VHA, or NCA waiver, the chairperson of the Committee on Waivers and Compromises (Committee) designates a one-member panel to review the request, if the debt is \$20,000 or less exclusive of interest and administrative costs or a two-member panel, if the debt is greater than \$20,000. If a Committee panel consists of more than one member, then one of those members must have special competence in the subject matter area in which the debt arose. A decision by any panel on the request for waiver will also be the decision of the Committee.

Pension Maintenance Centers (PMCs) located at the Milwaukee, Philadelphia and St. Paul Regional Offices will consider all waiver requests concerning debts arising from compensation, pension, Chapter 31 and erroneous payments of pay and allowances. The St. Paul Committee also considers all Home Loan Program waiver requests. Regional processing offices (RPOs) located in the St. Louis, Atlanta, Muskogee or Buffalo Regional Offices will consider all waiver requests involving educational benefit debts. The St. Louis Committee also considers all Restored Entitlement for Survivors waiver requests. If a regional office Committee system is used, rather than the centralized Committee, see Volume XI, Chapter 1, paragraph 010509B, for the appropriate jurisdiction.

For VHA medical debts, the Secretary of VA delegated the authority to waive copayment debts, both medication and those debts arising in connection with receipt of VHA inpatient, nursing home, or outpatient care, to VHA Fiscal Officers (FO). The FO will follow the waiver policy in accordance with Title 38 C.F.R. 1.965. Requests for copayment debt waivers are to be sent to the FO at the VA medical center where the Veteran incurred the debt. Any medical debt other than the co-pays, including those established because of a Veteran being in a fugitive felon status, are to be considered by VBA.

See Chapter 1 for debts resulting from employee contractual obligations such as recruitment or relocation bonuses.

0402 POLICIES

040201 Basic collection efforts remain a responsibility of VA's various Finance or Business Office entities. For example, VHA debt collection activity for first and third party medical debt collection activity is normally performed by the VHA Business Office, while other debt collection activity is done by VHA Finance.

040202 VHA's FOs have the authority to waive VHA pharmacy and other medical copayment debts

040203 The Committee on Waivers and Compromises has independent decision-making authority.

0403 AUTHORITY AND REFERENCES

040301 [5 U.S.C. 5584](#), Claims for Overpayment of Pay and Allowances, and of Travel, Transportation, and Relocation Expenses and Allowances

040302 [38 U.S.C. 5302](#), Waiver of Recovery of Claims by the United States

040303 [38 U.S.C. 7105](#), Filing of Notice of Disagreement and Appeal

040304 [38 C.F.R. Part 19](#), Board of Veteran's Appeals: Appeals Regulations

040305 [38 C.F.R. 1.956](#), Jurisdiction

040306 [38 C.F.R. 1.962](#), Waiver of Overpayment

040307 [38 C.F.R. 1.965](#), Application of Standard

040308 [38 C.F.R. 17.105](#), Waivers

040309 [38 C.F.R. 19.26](#), Action by Agency of Original Jurisdiction on Notice of Disagreement

040310 [38 C.F.R. 19.29](#), Statement of the Case

040311 [38 C.F.R. Part 20](#), Board of Veteran's Appeals: Rules of Practice

040312 [38 C.F.R. 20.200](#), What Constitutes an Appeal?

040313 [38 C.F.R. 20.201](#), Notice of Disagreement

040314 [38 C.F.R. 20.302](#), Time Limit for Filing Notice of Disagreement

0404 ROLES AND RESPONSIBILITIES

040401 The Assistant Secretary for Management/Chief Financial Officer (CFO), as required by the Chief Financial Officers Act of 1990 and 38 U.S.C. 309, oversees all financial management activities relating to the Department's programs and operations. Specific responsibilities include the direction, management and provision of policy guidance and oversight of VA's financial management personnel, activities and operations. The CFO establishes financial policy, systems and operating procedures

for all VA financial entities and provides guidance on all aspects of financial management.

040402 Under Secretaries, Assistant Secretaries, Chief Financial Officers, Fiscal Officers, Chief Accountants, and other key officials are responsible for ensuring compliance with the policies and procedures set forth in this chapter.

040403 The chairperson assigns the cases to a Committee panel.

040404 The Finance or Business Office entity prepares an accounting of the debt or request for information. The loan guaranty officer prepares an accounting when dealing with a loan program debt.

040405 Fiscal officers at VHA facilities are authorized to waive Veterans' debts arising from medical care copayments (38 U.S.C. §17.105(c)). The same standards and procedures cited for VBA benefits debts will apply to pharmacy and other medical care copayment debts, except that waiver authority for these debts is delegated to VHA FOs.

040406 Panel members will follow the policies and procedures set forth in this chapter.

0405 PROCEDURES

040501 VHA Waiver Requests

The Secretary of Veterans Affairs has delegated waiver authority to VHA FOs for copayment debts relating to VHA hospital and outpatient care, long term care, and medications. The FO will follow the waiver policy in accordance with Title 38 C.F.R. 1.965. Requests for medical copayment debt waivers are to be sent to the FO at the VA medical center where the Veteran incurred the debt.

(1) The FO is responsible for reviewing and making a decision on each request for waiver and may waive copayment debts when it is determined that collection action is against "Equity and Good Conscience." FOs must apply the standards of equity and good conscience as set forth in Title 38 Code of Federal Regulations (CFR) 1.965. The FO will use VA Form 1837, "Decision on Waiver of Indebtedness" to record the decision.

NOTE: These waiver requests are not to be processed by the established Committees on Waivers and Compromises of the Veterans Benefits Administration.

(2) Each notification of copayment indebtedness, sent by the FO or designee to a Veteran, must include the following statement: "Waiver of Copayment Charges: You may request a waiver of your copayment charges. You may also request an oral hearing on the waiver request. Under certain circumstances, we can grant a request to waive all or a portion of these charges. A waiver means that all or part of the charges may be forgiven. Your right to request a waiver only lasts for 180 calendar days. For

charges incurred prior to the first statement on which this notice appears, the 180-day limit begins with the date of the statement. For charges incurred after that date the limit runs from the date of the statement on which these additional charges first appear. Your waiver request must be in writing and any request for an oral hearing must be included in the written request. A waiver is precluded if any indication of fraud, misrepresentation or bad faith is found with any part of the waiver request. When considering a waiver request, VA can consider your current and anticipated income in the determination rather than just your prior year income.”

(3) If a waiver request is denied, the FO must advise the debtor of the right to appeal the decision. The process for appealing a denial of a request for waiver, can be obtained in the Appeals Procedure Guide and VHA Directive 2008-039, Health Benefit Appeals Processing, which can be found at:
<http://vaww1.va.gov/CBO/policy/policyguides/index.asp?mode=infomap&id=VII.01.4.A.1>
http://vaww1.va.gov/vhapublications/ViewPublication.asp?pub_ID=1728

040502 Committee Action on Request for Waiver

A. Assignment of Panel

1. The case may be assigned immediately by the chairperson to a Committee panel for review, even if the case is not accompanied by a financial status report. If the debtor has not requested a hearing, the panel may begin its review and may render its decision without referring to a financial status report. This situation might occur when, for example, the Committee determines that fraud, misrepresentation or bad faith existed in the creation of the debt. However, if the debtor is initially determined to be without fraud, misrepresentation or bad faith, the Committee must delay further review until the financial status report is received or the time expires for receipt of the form.

2. Correspondence from the debtor shall be thoroughly examined to ensure that the debtor is actually requesting a waiver. If the debtor simply states his or her refusal to pay the debt or comments only on the validity of the debt itself, then the correspondence shall not automatically be considered a request for waiver. The correspondence does not necessarily have to contain the word "waiver" for it to be considered a request for waiver. At a minimum, a request for waiver should indicate that the debtor does not consider himself/herself culpable for the creation of the debt or that collection of the debt would be unfair or would create a financial hardship. The chairperson shall be aware that some correspondence referred to a Committee for waiver consideration is, in fact, a dispute or appeal of the debt itself. Waiver consideration is not appropriate in such a situation, because the debtor has questioned the validity of the debt by appealing or disputing it. A request for waiver technically acknowledges the validity of the debt, but seeks forbearance of collection for equitable reasons. Only after the dispute is reviewed by the appropriate division or service will the case be referred again to the Committee for waiver consideration.

3. When a debtor simultaneously disputes the validity of the debt and also requests a waiver, the case will be referred immediately to the station's division or service of jurisdiction (e.g., adjudication officer, loan guaranty officer, etc.) for resolution. If the validity of the debt is upheld, the case will be referred, along with the written determination of the appropriate division or service concerning the validity of the debt, to the Committee on Waivers and Compromises for a determination on the request for waiver. If the debt is not waived in full, then the debtor will be sent VA Form Letter 4-326, which will provide the Committee's reasons for waiver denial, as well as the written determination of the appropriate division or service on the validity of the debt. See Chapter 3, paragraph 030404 for further detail.

If the debtor subsequently submits a Notice of Disagreement (NOD) concerning both the validity of the debt and the waiver denial, then the case will again be referred, initially to the appropriate division or service for review of the validity of the debt issue. If the validity of the debt is upheld, the Committee will then review the waiver issue. If the Committee upholds the initial decision not to grant a full waiver, then any Statement of the Case (SOC) will address both the validity of the debt and the reasons for not waiving it. The SOC will be prepared jointly by the Committee and the division or service responsible for the determination on the validity of the debt.

4. In Precedent Opinion 21-95 (August 24, 1995), the General Counsel stated that a recipient of VA benefits who has been notified of his or her right to request a waiver of indebtedness arising from an overpayment of benefits must again be notified of waiver rights when an additional overpayment is established based on a separate and distinct transaction.

5. In any waiver decision involving a debt under the Debt Management Center's (DMC) jurisdiction when timeliness of the waiver request is at issue, the DMC will provide verification of the date when it dispatched the initial notice of indebtedness and waiver rights to the debtor. Verification will be in the form of DMC management's signed, written certification identifying the date of dispatch. The DMC will also provide a printout of the screen from the Centralized Accounts Receivable Online System (CAROLS) that indicates the date of dispatch. An explanation of the details on the screen will accompany the printout. In addition, the DMC will provide a copy of the type of form letter sent to the debtor. Finally, the DMC will provide a copy of any correspondence received from the debtor in response to the initial notice of indebtedness and waiver rights. The written declaration, the CAROLS screen printout and explanation, the copy of the VA form letter and the copy of the debtor's response will all be made part of the permanent record by the Committee. The Committee will refer to these items in any decision concerning the timeliness of the debtor's waiver request.

6. If offset from payments due the debtor (e.g., benefit payments, final salary, lump-sum, CSRS, FERS, etc.) is delayed because the debtor filed his/her request for waiver within the stipulated time limit to defer offset, then offset shall commence once the Committee has rendered its initial decision to deny, or partially deny, the request for waiver, even if the debtor has filed an appeal of that decision.

7. On November 9, 2000, the Veterans Claims Assistance Act of 2000 (VCAA), Public Law 106-475, 114 Stat. 2096 (2000) (codified as amended at 38 U.S.C. 5102 and 5103) became law. This law redefined the obligations of VA with respect to the duty to assist and included an enhanced duty to notify a claimant of the information and evidence necessary to substantiate a claim for VA benefits. This law also eliminated the concept of a well-grounded claim and superseded the decision of the United States Court of Appeals for Veterans Claims in *Morton v. West*, 12, Vet. App. 477 (1999), which held that VA could not assist in the development of a claim that was not well grounded. This change in law is applicable to all claims filed on or after the date of enactment of the VCAA or filed before the date of enactment and not yet final as of that date. However, the VCAA does not apply to claims for waiver of indebtedness due to an overpayment. In *Barger v. Principi*, 16 Vet. App. 132 (2002), the U.S. Court of Appeals for Veterans Claims determined that VCAA is not applicable to waiver requests, because the statutory provisions regarding the waiver of recovery of indebtedness themselves require that notice be provided to debtors, which thus implies that these waiver-notice provisions obviate the notice provisions of VCAA. When the Committee receives a case remanded by the Board of Veterans Appeals (BVA) and the remand includes an order to comply with the VCAA, the Committee will comply with the remand, except for applying VCAA to waiver requests. The Committee is to return the remand to the Board with an explanation that the VCAA does not apply to waiver requests because of the holding in *Barger*.

B. Decision

1. A Committee may deny waiver or grant waiver, in whole or in part, on the facts before the panel.
2. A decision by a panel composed of a single member or a unanimous decision by a two-member panel will also be the Committee decision. If the two-member panel cannot reach a unanimous decision, the disagreement will be indicated on the decision (VA Form 4-1837) by a signature and the word "Disagree." "No Decision—Referred to Three-Member Panel" will be stamped or written across the form. The chairperson will assign a third member to the panel or assign a new three-member panel, whose majority decision or unanimous decision will then be the Committee decision. The original VA Form 4-1837 signed by the two-member panel will be attached to the VA Form 4-1837 signed by the three-member panel.

C. Record of Decision

1. Preparation and Signature. The reporting member will be responsible for preparation of the formal record of the decision which will be signed by the participating members.
2. Decision

(a) Form Decision. Waiver decisions (except those in erroneous payment of pay and allowances cases) will be recorded on VA Form 4-1837, Decision on Waiver of Indebtedness. Each completed decision will reflect a determination (item 14) of the elements considered that formed the basis for the decision (38 C.F.R. 1.965). Should the obligor allege fault on the part of VA, the issue must be discussed and resolved in item 14 on the form.

(b) Narrative Decision. When the decision requires a lengthy discussion of the facts or involves a case of erroneous payment of pay or allowances, a narrative format similar to that used for an SOC may be used.

D. Disposition. Unanimous panel decisions will be signed only by panel members. The chairperson will record the Committee decision and release it to the Committee administrative control function to notify the debtor and representative, if any. If a waiver is granted, the debtor will be informed of any resulting charges to entitlement.

E. Representative. The name of the representative (accredited service organization, attorney, agent, if any, or other person authorized to represent the debtor before the agency) will be recorded in the appropriate folder upon receipt of a request for waiver. It is necessary to furnish the representative with copies of letters and notification of each action taken relating to the request for waiver and appeal. However, in his/her declaration of representation, a private attorney may direct that all communications with the attorney's client be sent directly to the attorney and that VA is not to communicate with the client. This request must be honored.

040503 Committee Action on Notice of Disagreement

A. Notice of Disagreement. An appeal to the Board of Veterans Appeals is initiated by a "Notice of Disagreement" (38 U.S.C. 7105; 38 C.F.R. 20.200 and 20.201). A written statement from a debtor or representative expressing dissatisfaction or disagreement with a determination on waiver will be accepted as a NOD. The notice will be in terms that can be reasonably construed as a desire for review of that determination. It need not be stated in specific language, nor are allegations of error of fact or law required. Such notice will, in most instances, state or imply a belief that the waiver application was improperly disallowed, in part or in full, by reason of erroneous finding of fact or conclusion of law. A complaint letter will not automatically be considered a NOD. A mere inquiry or general complaint, in most cases, can be disposed of by a letter of explanation. Such a letter will conclude with advice that the time provided for filing a NOD is not extended. However, should a claimant indicate a desire for appellate review, the claimant must be furnished a copy of the SOC. It is not material that contentions may appear to have no merit. Also, when a NOD is filed, a determination will be made as to any development, and this will be accomplished promptly by the Committee.

B. Manner of Disposition

1. If the debtor submits a statement indicating disagreement with the waiver decision, the chairperson will assign the matter to a new panel, with different member(s) from the one that considered the original waiver request. The new panel may affirm, modify or reverse the initial determination made by the original panel. Where a one-member panel initially denied the original request for waiver, the chairperson will assign the disagreement to a different one-member panel. Likewise, where a panel of more than one member denied the original request, the chairperson will assign the disagreement to an equal-numbered panel of new members. These assigned panel members will also conduct any hearings the debtor requests with the NOD, unless a hearing before BVA is requested.

2. The record of decision on review of a NOD will be either a new VA Form 4-1837, when the previous decision is either reversed or modified, or a memorandum of affirmation of the previous decision.

(a) When the previous decision is either reversed or modified, the new Committee decision must not only specifically state the reasons for the new decision, but must also specifically state why the original decision to deny waiver has now been reversed or modified. If after review of a NOD, there is a partial grant of a waiver, the Committee can no longer provide the Veteran notice of the right to file another NOD when it issues its new decision. Instead, the Committee must issue the decision to the debtor with a letter/notification that states: "If you would like to withdraw your appeal at this time, please let us know in writing within 60 days. If we do not hear from you to the contrary, your appeal will be certified to the Board of Veterans Appeals." The debtor must then specifically state in writing that he/she is satisfied with the partial grant of waiver; otherwise, the appeal process must continue. The Committee may not withdraw an appeal on its own motion.

(b) A memorandum of affirmation is required by BVA. It will be from the panel member(s) who reviewed the NOD to the chairperson of the Committee. It will be signed by the panel member(s) and contain the statement, "I/We have reviewed and affirm the attached decision of the Committee on Waivers and Compromises." The memorandum will be placed in the debtor's claims folder and also in the loan docket, if applicable. The reporting member will then prepare an SOC, as described in the next paragraph.

C. Statement of the Case. When the decision on reconsideration remains denial of waiver, the reporting member will prepare the SOC in narrative form, in accordance with procedures in [38 C.F.R. 19.26](#) and [38 C.F.R. 19.29](#). Any copies of the SOC not needed will be destroyed as duplicate and unnecessary material. Only the original SOC will be signed. The signatures of the reporting member and the chairperson, as the approving official, will be placed on the last page immediately following "Reasons for Decision." The original SOC will be filed in the claims folder; in loan cases, an additional copy will be filed in the loan folder. The finance activity will be notified by the chairperson of the date of issuance of the SOC. Other copies of the SOC will be forwarded to the debtor and representative, if any, by the chairperson, who will sign the letter of transmittal.

With the SOC, VA will furnish the debtor with information on his/her right to file a substantive appeal and the deadline for filing. VA Form 9, Appeal to Board of Veterans Appeals, will also be enclosed.

1. Purpose and Form. The purpose of the SOC is to give the claimant and representatives notice of the facts pertinent to the waiver issue and the basis for the decision, to permit proper exercise of the right to appeal and to assist the claimant in developing and presenting the appeal. It is important that the SOC be complete and contain pertinent facts, including citations of the applicable law, regulations or other criteria and adequate reasons for the decision. This will enable the claimant to proceed with the appeal on an informed basis. VA Form 4-1837 will not be used as a modified SOC. An SOC and Supplemental Statement of the Case (SSOC) will be in narrative format.

2. Preparation of Statement of the Case

(a) Summary of Evidence. All available relevant information and evidence pertinent to the issue(s) raised by claimants and their representatives shall be included in the narrative SOC. Quotations may be used for clarity and accuracy, as indicated. VA Form 5655, Financial Status Report, may be incorporated by reference.

(b) Pertinent Law, Regulations and Other Applicable Criteria. Included in the SOC will be the appropriate provisions of the United States Code, regulations and other applicable criteria, with appropriate citation of "U.S.C.," "C.F.R.," etc.

(c) Decision. The decision shall succinctly report the Committee's conclusion on which the NOD is based. The decision will not interject any new matter. Any comments as to the reasons for the decision will be included in the Reasons for Decision.

(d) Reasons for Decision. This is the area in which we can be the most help to the appellant and to the Government. Analysis and explanation of how the governing criteria relate to the evidence and the issues in disagreement will be presented in simple terms, so that the appellant and representative will understand the basis for the decision. All substantive arguments advanced by the claimant will be adequately answered. A statement to the effect that "the Veteran does not meet the requirements of the applicable regulation governing waiver determinations cited above" adds nothing to the "Decision" content of the SOC or to the knowledge of the appellant or representative as to why waiver was denied and, therefore, shall be avoided. In short, well-explained "Reasons" may satisfy the claimant to the degree that he/she does not further prosecute the appeal, but if he or she does, issues are better defined for clear-cut appellate resolution. Either result will improve public relations.

(e) If a compromise offer is received while the appeal is being considered, the Committee will consider it, as it indicates a change in the debtor's thinking. If the Committee accepts the offer, the debtor will be notified of the acceptance and the

discontinuance of further appellate action. If the compromise offer is rejected by the Committee the appeal of the waiver denial will be processed.

040504 Committee Action on Appeal

A. If appellate review by BVA is still desired after receiving an SOC, the appeal is completed by filing a substantive appeal (VA Form 9 or equivalent in correspondence). (See [38 C.F.R. 20.302](#) for information on the time limit for filing a substantive appeal.) Upon receipt by the chairperson of the formal appeal, procedures similar to the NOD process (see 040502 and 040503) will be followed. However, the chairperson may assign the substantive appeal, and any subsequent SSOC, to the same Committee member(s) who considered the NOD and prepared the SOC.

1. Supplemental Statement of the Case. A narrative SSOC, so designated, will be prepared and furnished to the claimant and representative, if any, when subsequent actions are taken, new evidence is received, a material defect is discovered or other reasons exist, such that the original statement is inadequate to affect the letter and intent of the law. These will be only the essential changes in, or additions to, the original statement that will give the appellant complete information. The prior statement need not be repeated in its entirety. The first page of the SSOC shall be prepared, signed by the chairperson, and used to transmit the SSOC to the appellant and representative. An SSOC need not be furnished, however, to advise an appellant of evidence he or she submitted after the SOC was forwarded. The requirement in the law that the appellant must be advised of the "reasons" for the denial can be met by a simple letter describing the action taken on the evidence. In most instances, this can be accomplished by adding a sentence to the Notice to Claimant of Transmittal of Appeal to BVA, explaining why waiver continues to be denied. Of course, when additional evidence is received from sources other than the appellant, and after an SOC has been furnished, an SSOC is required.

2. Substantive Appeal. For consideration as a substantive appeal, the receipt of an adequately executed VA Form 9, Appeal to the Board of Veterans Appeals, , or its equivalent in correspondence, is required. Allegations as to error of fact or law must be construed in a liberal manner. It must be remembered that the vast majority of appellants are not familiar with the technicalities of the law and that it is practically impossible for many of them to make a statement of "mistake of fact or error of law." Barring unusual circumstances, an appeal that is otherwise ready for certification to the board will not be delayed because of a perceived unsatisfactory statement of error of law or mistake of fact. When the appellant has failed to answer this question in apparent ignorance of a proper answer, certification should not be held up if the appellant's belief as to mistake of fact or error of law is expressed or implied in some form in correspondence or other records. The Chairperson will review all cases for new and material evidence pertaining to the issue of waiver, prior to certification to BVA. If new and material evidence exists, the Chairperson will refer the case back to the panel members who issued the SOC for further review and possible preparation of an SSOC. If the record reveals other new and material evidence that goes to the validity of the

debt, the chairperson will refer the matter to the appropriate service or division for review and action before certifying the waiver appeal issue to BVA. In addition, the chairperson must always notify the fiscal activity of the date of issuance of any SSOC, as well as the date when a case is referred to BVA.

3. Substantive Appeal Procedure. When the appellant or representative files an application for review on appeal (VA Form 9 or its equivalent in correspondence), the Committee will review such application, together with the entire record, and take appropriate action as follows:

- (a) Grant the waiver, in whole or in part; or
- (b) Affirm denial and certify the case to the Board of Veterans Appeals; or
- (c) Develop further information, if necessary, before referral to the Board of Veterans Appeals; or
- (d) Prepare a Supplemental Statement of the Case, if necessary.

4. Hearings (See chapter 1, paragraph 010504.)

5. Veteran Records. Appeals will be added to the BVA docket immediately following receipt of a substantive appeal (VA Form 9) at the field station, without requiring BVA to physically take possession of the related claims folder and/or loan docket. The field station will mail accumulated photocopies of substantive appeals to BVA on at least a weekly basis. Upon receipt of these documents, BVA will assign a docket number and provide notice to the appellant explaining the docket process. The related claims folder and/or loan docket will remain at the field station until BVA is ready to actually begin appellate review of the case. Docketing of appeals is explained fully in M21-1, Part IV, Chapter 8, Subchapter VI, paragraphs 8.19 – 8.28.

6. See [38 C.F.R. Parts 19](#) and [20](#) for detailed BVA appellate policy and procedures.

7. In the event that BVA remands a case to a Committee, the Committee must prepare a decision based on the remand. If the Committee determines that the basis of the remand is sufficient to reverse its previous denial and grant a waiver, then it shall prepare a new VA Form 4-1837 to that effect. If the Committee continues to deny the waiver request, but its rationale is changed based on the remand, then a new VA Form 4-1837 will be prepared, citing the effects of the remand on the decision. A Supplemental Statement of the Case will be prepared for the debtor. If the Committee's rationale remains unchanged on remand, then a memorandum of affirmation shall be prepared to that effect, along with a Supplemental Statement of the Case.

0406 DEFINITIONS

040601 Debt. A claim for money made by or owed to the Government, generated from VA activities. It includes overpayments ([38 C.F.R. 1.962](#)).

040602 Waiver. VA's decision to give up the right to collect a valid debt, including interest and other late payment charges, which falls under the applicable statutes (38 U.S.C. 5302 and 5584) and regulations.

040603 Compromise. Acceptance of less than the full amount of a debt in settlement and full satisfaction of the debt.

040604 Reporting Member. The individual who is designated by the chairperson to be the presiding officer over a panel. The duties are stated in paragraph 010406 and elsewhere throughout this chapter.

040605 Chairperson. The individual who manages the work of the Committee. The duties are stated in paragraph 010405 and elsewhere throughout this chapter.

040606 Member. The individual who participates on the panel to review waiver requests and compromise offers. The individual has special competence and familiarity with one or more of the debt claim areas (i.e., compensation, pension, education, insurance, loan guaranty, etc.)

040607 Committee. The particular decision-making body, which may be composed of a one-person panel ([38 C.F.R. 1.955\(d\)](#)) or a two- to three-person panel . The Committee may be part of a centralized system or a regional office Committee system.

040608 Administrative Control Function. The finance and fiscal operations, as well as any other activity designated with administrative control, at the local station Committee on Waivers and Compromises.

040609 Fiscal Officer. The fiscal officer is the official directly responsible to the facility Director (or equivalent executive) for the performance of fiscal operations.

0407 RESCISSIONS

This chapter rescinds MP-4, Part I, Chapter 8, Section D., Processing a Request for Waiver.

0408 QUESTIONS

Questions concerning these financial policies and procedures will be directed as shown below:

VBA
All Others

VAVBAWAS/CO/FINREP (Outlook)
OFP Accounting Policy (Outlook)