

From: Greenwood, Gary M. (DMC St. Paul)
Sent: Wednesday, November 22, 2023 3:37 PM
Subject: Special Letter to Pension Debtors

Greetings from the VA Debt Management Center (DMC),

DMC is sending out special letters to Veterans and beneficiaries who had debts created because of the income verification issue identified in the attached press release. A copy of the letter verbiage is attached for your reference. These letters are currently in the process of being printed and mailed and should arrive to reassure debtors before the Thanksgiving holiday.

As critical partners in serving this vulnerable population and their families, we wanted you to have awareness of the letter. We appreciate your assistance in re-iterating the message that no action is currently required on these debts, and that additional updates will be forthcoming from VA.

DMC will continue to share updates with this group, including during our next VSO Stakeholder call on December 12th.

Sincerely,

The VA Debt Management Center Outreach Team

VA Pension Debt Notification

VA provides [pension payments](#) to wartime Veterans of low income and their survivors. These payments are based on income level, which is self-reported by the Veteran or family member who receives the payments. In addition to this self-reporting, VA has traditionally verified the recipients' self-reported income using data matching.

Between 2011 and 2022, due to discrepancies in data matching, VA was unable to reliably verify the self-reported federal income of Veterans and survivors receiving pensions. When income verification resumed in July 2022, roughly 9,900 beneficiaries were determined to have higher income levels than self-reported. This resulted in VA pension overpayments which – in some cases – spanned many years.

As legally required, VA established debts for these Veterans and survivors – meaning that VA determined that the amount of the overpayments was due back to VA. There are also approximately 30,000 additional Veterans and survivors who may have pension debts that have not yet been established. Many of these Veterans and survivors are elderly, and all are low-income, so these debts represent a significant hardship.

Recognizing the hardship and distress that these pension debts may cause, VA has paused the collection of all established pension debts and the establishment of new pension debts while we determine the path forward. Because this is a particularly vulnerable population of Veterans and survivors, VA is pursuing all available options to provide as much pension debt relief as possible. We will be reaching out directly to affected Veterans and survivors to let them know that pension debt collection has been paused while we pursue options for relief – and we will keep them updated throughout every step of this process. Additionally, to prevent issues like this from happening in the future, VA will be conducting a review to understand why the data discrepancies occurred and why it took so long to address.

We apologize to affected Veterans and their survivors for any distress that these pension debt notifications may have caused. For questions about debt management, we encourage these Veterans and survivors to visit our [debt management website](#) or call us at [800-827-0648](tel:800-827-0648).



DEPARTMENT OF VETERANS AFFAIRS
Debt Management Center
Bishop Henry Whipple Federal Building
P.O. Box 11930
St. Paul, MN 55111-0930

File Number:
Payee Number:
Person Entitled:
Deduction Code:
(Please provide the information above
on any related correspondence)

The Department of Veterans Affairs sent you a letter explaining that your entitlement to pension benefits changed which created a debt due to an overpayment. However, as a result of a recent legislative change, your case is being reviewed to determine if further action may be taken to provide debt relief. Collection of this debt is temporarily suspended. If you have already made payments, the review will determine if a refund is warranted. We regret the inconvenience this situation may have caused and look forward to providing you more information as appropriate.

WHAT YOU CAN DO NOW

You are not required to take any action on the debt at this time. You will be notified of any further action required, if necessary, and the status of your debt when the review is completed.

WHAT HAPPENS IF YOU HAVE ALREADY TAKEN ACTION

- A refund may be issued for payments or offsets applied to this account once the review is complete.
- If your case has been previously decided, it will automatically be reviewed to assure you receive additional consideration for relief based upon implementation of the legislative changes.
- If your case has not been decided, replies from VA will be withheld until the review process is completed.

WHOM TO CONTACT

1. If you have questions, please call the Debt Management Center at 1-800-827-0648 from 6:30 a.m. to 6:00 p.m. CT, Monday through Friday.
 - a. Translation services are available in over 200 languages and dialects
2. Ask VA (AVA) at <https://ask.va.gov/>. In AVA, please sign in to start your secure message. Select "Veterans Affairs – Debt" as the category and the subject that best relates to ensure proper routing.
3. Veterans may also visit the Debt Portal at www.va.gov/manage-va-debt for account information.
4. Please note, the Debt Management Center does not create debts. For information on why your pension debt was created, please contact the VA benefits hotline at 1-800-827-1000 or the National pension call center at 1-877-294-6380.

HOW TO MANAGE FINANCIAL STRESS

Taking care of your well-being, including your mental health, is essential. Everyone handles stress differently. Visit [Mental Health Home \(www.mentalhealth.va.gov\)](http://www.mentalhealth.va.gov) to learn more about mental health support. As a recipient of VA benefits, we want you to be aware of available resources intended to help you in making wise financial decisions. We encourage you to visit www.veteransbenefitsbanking.org, www.mymoney.gov and www.consumer.gov for helpful financial information.

If you or someone you know is having thoughts of suicide, contact the Veterans Crisis Line to receive free, confidential support and crisis intervention available 24 hours a day, 7 days a week, 365 days a year. Call 988 then press 1, or text 838255. To chat online visit veteranscrisisline.net.

Thank you for allowing us to serve you.

Respectfully,

Debt Management Center
U.S. Department of Veterans Affairs