



VCF Reauthorization

The following topics were discussed in the meeting with law firms held on January 27, 2016. The meeting covered important updates related to the December 18, 2015 reauthorization of the VCF.

Background Information

The Reauthorization is a huge benefit to claimants. Claimants will not only receive full payment on their claim, but they will receive the payments more than one year earlier than under the previous statute. Although this poses some operational challenges, we are glad that claimants will receive full, 100% payments going forward, and that additional claimants will have the opportunity to register and file claims in the next five years.

This is also an opportunity to assess our operations, including our claim forms, website, and claims processing procedures. The statute requires several changes to our policies and procedures, and others may change because during our review, we find that there are more efficient ways we can be doing things. We appreciate your patience as we work to get everything in place for the next five years.

We have posted a [timeline](#) to our website showing the expected activities over the next 9 months. When reviewing the timeline, please note that activities related to paying Group A claims reflect not just the time required for the Special Master to authorize the payments, but also the parts of the process handled by DOJ and Treasury. Please make sure your clients understand the expected timeframe and refer them to the website as needed. Please also encourage them not to contact the Helpline asking when they are going to be paid. You should be able to tell what group they are in from the timeline. We want to keep our Helpline resources free for other necessary functions.

Policy Updates

Please carefully read the information we have posted to the website and shared with you via email. We will continue to notify you when new information is posted, which we expect will be done on a frequent basis over the next few months.

It is very important that your clients understand that the law dictates which claims fall into Group A and Group B, the timing for filing new claims, and when funding becomes available for Group B. Within these requirements, we have established the following policies:

- **Definition of Group A:** The statute defines the groups based on the date the Special Master “postmarks and transmits” a final award determination to the claimant. The VCF has interpreted this language to mean the date of the letter from the Special Master indicating the total loss amount calculated for a claim. Group A claims are therefore those claims for which a loss determination was issued on or before December 17, 2015.

Although a claim is in Group A, portions of the claim can be evaluated and decided under Group B if an amendment is filed, as explained in the scenarios below:

- **Appeals:** If a claimant appeals the Group A loss calculation, the appeal remains in Group A. If there is a revised loss determination as a result of the appeal, that determination will be in Group A. For this reason, we need to process Group A appeals as quickly as possible because our number one priority is to finish making all Group A payments. We will provide a minimum of 21 days’ notice of your scheduled hearing date (as opposed to our prior practice of one month).
- **Corrections:** We have a number of claimants who received a supplemental lawsuit payment that was not included in their loss calculation. We have received information on these payments and are reviewing these claims and will issue corrections where applicable. We must do this before we can start payment on these claims. These corrections will be in Group A.
- **Amendments:** If the Group A claim has an amendment that has not yet been reviewed and a determination issued, the amended portion of the claim is considered a new claim and will be part of Group B. The Group A portion of the



claim will be paid in full, but any additional loss determinations will be evaluated and paid in Group B. If the amendment was dispositioned and a loss determination was issued on or before December 17, 2015, that amendment is part of Group A.

- **Expedite Requests:** We understand that law firms get a lot of requests from claimants to deem the claim expedited and we appreciate that you use your judgment and discretion to only send us requests that meet our expedite criteria. We cannot pay Group B claims – including expedited claims - until all Group A payments are made. Please make sure your Group B claimants understand this aspect of the statute.

There are three types of expedite requests you may be receiving now:

- Group A claimants: We expect to make all Group A payments in the coming months. Claimants who were previously identified as expedites will be pushed to the front of our payment queues for processing. Our goal is to authorize all Group A expedited claim payments by the end of January.
 - Group B claimants whose claims have already been filed: You can inform us of the expedite request, and if the claim meets the requirements for expedited treatment, the claim will be prioritized for evaluation and then for payment as soon as Group B claims can be paid. We will issue expedited eligibility decisions when possible.
 - Group B claimants who have not yet filed claims: As dictated by the statute, we cannot begin accepting new claims until our updated regulations are finalized. Please hold onto these claims until that time. Once you file, you can notify us of the expedite request. We recommend that you work with your client now to prepare a complete claim so you can submit it as soon as the regulations are published.
- **Communications:** We are starting to copy all represented claimants on letters that include decisions and information about payments. When you receive revised loss calculation letters, follow up correspondence to missing information loss calculation letters, and payment letters, your clients will be copied on this correspondence. This is in part because we are hearing from claimants that they want to be informed, and partly because we have found that it helps expedite responses we need.

Please check CMS to confirm that your claimants' contact information is entered in the "Claimant Details" section. Our staff have reported seeing attorneys' contact information where claimants' phone numbers, email addresses, and mailing addresses are supposed to be entered. Our systems are set up to address mail to claimants in care of your offices, but we also must have the claimant's actual contact information in our records.

- **Group B claims filed before December 18, 2015:** We are continuing to review claims received prior to the reauthorization for which a decision on the claim had not yet been rendered.
 - Eligibility Review: The new law does not change the VCF's eligibility criteria and we are continuing to review eligibility submissions and render Eligibility decisions. We will contact you if we need any additional information in order to determine a claimant's eligibility to receive compensation. If you receive a letter from us requesting missing information and you have not yet responded, please do so within the timeframe requested in the letter or the claim may be denied.
 - Compensation: The new law includes several changes to how compensation is determined. As a result, we cannot render a loss determination until the new regulations and procedures are published. However, we will continue to review the compensation information that has already been submitted, and will contact you if any required information is missing. If you receive a letter from us requesting missing information and you have not yet responded, please do so



within the timeframe requested in the letter. By continuing to do this review now, our goal is to have all of the relevant information in the claim file when the time comes to begin calculating the loss and rendering decisions for Group B claims.

- **Updated loss calculation methodology and Regulations:** The law requires specific changes to the way in which we calculate loss. Specifically, the law caps annual gross income at \$200,000, it removes future medical expenses, it will affect some non-economic loss awards, and it removes minimum (\$10,000) awards. We are working to operationalize these changes and update our methodology accordingly.

The law also requires that we post updated regulations. As part of the process leading to the final rule being posted in the Federal Register, we will post draft regulations for the required public comment period and then review all of the submitted comments and publish the final regulations.

Payment

Our number one priority is paying every Group A claim in full as quickly as possible. We expect to make over 9,000 payments in the next few months and are processing them in the following order:

1. *Claims that were already in the payment process for their initial 10% payment when the new law was signed* – virtually all of these payments have been authorized unless the claim had an issue that prevented payment
2. *Claims that have been designated by the Special Master as “Expedited” due to terminal illness or extreme financial hardship* – these claimants will be the first to receive their full payment and our goal is to authorize all of these payments by the end of January
3. *Claimants who have already received their 10% initial payment* – we will begin processing the remaining 90% payments on these claims working from the oldest to the most recent loss determinations
4. *Claimants who have not yet received any payment on their claim* – we will make one payment for the full loss amount on these claims
5. *Claimants who received a loss calculation letter that included a request for missing information that is required in order to make payment on the claim* – Once we receive and process the missing information, we will begin processing the full payment on these claims once the groupings of claimants listed above have been paid
6. *Claims in the appeals process* – these payments will be processed based on the groupings described above once the hearing is held and a post-appeal decision is issued
7. *Claimants who received a supplemental payment from a 9/11-related lawsuit* – once we review each claim to confirm the payments are properly reflected in the loss calculation, we will issue a revised determination (where applicable) and process the payment based on the groupings described above.

You will receive a letter as each of your claims enters the payment process. The letter will include the amount of the payment and expected timing to receive the payment. Please remember that after we process a payment, it goes through additional steps at the Department of Justice and the United States Treasury. For this reason, we cannot tell you exactly when you will receive these payments. We are dedicating additional resources to our payment team to move through these payments quickly, and DOJ and Treasury are doing the same.

It is our expectation that you disburse payments to your claimants immediately once the money is deposited into your account. **You are obligated to disburse payments you receive in no more than thirty days.** Under no circumstance should a claimant wait longer than 30 days for you to disburse their money. If you receive payment for a claim and cannot locate the claimant to disburse the payment, you must notify the VCF.

If you have a Missing Information - Loss Calculation Letter that you haven't responded to yet, you need to respond with the missing information immediately or contact us to discuss why the



document is not available. We do not want these claims to hold up Group B payments and may deem the claims abandoned if we cannot pay them due to the missing document. For requests that are more than 30 days old, we are sending follow up letters reinforcing this message.

Claims Management System

In order to update our claims system to reflect the reauthorization, we are making interim changes to our claimant portal. These changes will be effective January 30 and include the following:

- You **will not** be able to create or submit any new eligibility and compensation claims, file a new amendment, or edit any existing claim forms. This information will be “read only.”
- You **will** be able to:
 - Create new registrations, although Bulk Upload will no longer be available - Registration deadlines still apply, although we expect few claimants will need to register between now and when the new claim forms are available
 - Upload supporting documents through the upload function in Claimant Search (not through the document checklists within the claim forms)
 - View all information in a previously initiated claim, including amendments, supporting documents, etc.
 - View all correspondence from the VCF for the claim
 - Update contact information for a claimant or authorized/personal representative
 - Update your account information, reset passwords, and delegate claims
 - Print a PDF version of the claim
 - View current claim status
- You will also see updates to the text and instructions on many of the “main” pages within the system.

We are also looking at the system to see what we can do to incorporate changes related to reauthorization and to facilitate the workflow and simplify the initial claim filing process. We will be seeking input from certain law firm users who we believe have an experience representative of the larger group. We will reach out to you if we need input from you or your team. If you don't hear from us and have feedback about the system that you would like to share, you can contact Colleen King.

Claim Forms

We are working to revise the forms to reflect the current needs of the program. The original forms were developed before we were able to negotiate ways to receive data from third parties, so some of the questions are obsolete. We also have noted that some questions are either not answered or the answers reflect a misunderstanding of the question. We will be seeking input from several law firm users who we believe have an experience representative of the larger group. We will reach out to you if we need input from you or your team. If you don't hear from us and have feedback about the claim forms that you would like to share, you can contact Colleen King.

Important Reminders

The following are important reminders of existing policies:

- **Personal Injury (“PI”) claimants who pass away:** We continue to get a lot of questions and see a lot of problems for claims where a PI claimant passes away. We also have learned of claimants who received a PI loss determination and have since passed away. Please help us identify these claimants so we can work with you to gather what is needed to pay the claim.



If you have a claimant in Group A who has passed away, and we have not yet validated the PR, or you know there are limitations on the Letters of Administration that affect the VCF claim, we are reviewing those claims to identify what is needed in order to authorize payment. We will contact you once we complete our review so we can work together to resolve any issues. Also, if we have already sent you a letter requesting expanded Letters of Administration and you have not yet obtained them but are actively working on it, please let us know.

If you have not yet submitted a PR amendment on these claims, you should do so before January 30! It is much easier for us if you submit the amendment online – even if you need to upload the supporting documents later – so we have the basic information about the PR. If the claimant passed away of a 9/11-related condition, you should complete Part I of the Eligibility Form for Deceased Individuals before January 30.

Please carefully review the information in this [document](#) to understand what is needed when a PI claimant passes away.

- **Distribution Plans:** In some deceased claims, we have not approved a proposed distribution plan. This generally occurs when we identify beneficiaries who are not accounted for in the plan (such as beneficiaries in a will or that are entitled under state law). In some cases, we can pay the PR without an approved distribution plan because the PR is obligated to distribute in accordance with state law. However, that generally will not work if we have offsets that need to be applied to different beneficiaries. We cannot give you a single “hard” rule on this issue but we will work with you so that we can get the information needed to process payments.
- **Cause of Death:** We need to know the cause of death in order to know if it was due to an eligible condition. Please help us by providing documents that explain the cause of death in a way we can easily understand. Sometimes, the longer form death certificate can provide the information, or you can provide medical records leading to the death or a letter from the doctor explaining the cause. We need to know whether or not the death was related to 9/11 so please consider this as you are compiling information for the claim. Please look at what you are submitting, and if it doesn’t tell the “true cause,” please look for other documents that may better explain what led to the decedent’s death.
- **Update on New York Office Hours:** Office hours continue be held at our 290 Broadway office every Wednesday afternoon. Contact Colleen King to schedule.