

RATING REDUCTION PROCESS FLOWCHART

Follow the process from review trigger to proposal, response, final action, and review options.



FIRST SPLIT Would current payment decrease?	PROPOSAL RESPONSE 30-day hearing and 60-day evidence	FINAL ACTION Read the new decision and effective date
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RULE FILE

Not every lowered individual evaluation uses the same notice procedure. The formal proposal process in 38 CFR 3.105(e) applies when the lower evaluation would reduce or discontinue compensation payments currently being made.

FLOW 01 | BEFORE THE PROPOSAL

HOW A REDUCTION ISSUE DEVELOPS

- 1

VA reviews current severity
A reexamination, claim-related examination, treatment evidence, or identified error may place an evaluation under review.

Review is not yet a reduction
- 2

VA decides a lower evaluation may be warranted
VA must apply the rating criteria and any five-year, total-rating, or other applicable safeguard.

Check the age and basis of the rating
- 3

Would compensation payments decrease?
If yes, section 3.105(e) generally requires a proposed rating. If no, the formal proposal procedure may not apply.

Payment impact controls this branch

FLOW 02 | PROPOSAL ROUTE

IF VA ISSUES A PROPOSED REDUCTION

- 4

Read the proposed rating
Identify every issue, the evidence relied on, the proposed evaluation, and the stated effective-date sequence.

Proposal, not final action
- 5

Request a hearing if appropriate
VA must receive the predetermination hearing request within 30 days of the notice.

30 days from proposal notice
- 6

Submit responsive evidence
Use the 60-day evidence period to address the exact improvement theory and every applicable protection.

60 days from proposal notice
- 7

VA makes a final determination
VA considers the response and issues written notice explaining the evidence, reasons, and final action.

A new decision follows

FLOW 03 | AFTER FINAL ACTION

IF THE REDUCTION IS FINALIZED

DATE Check the payment effective date For section 3.105(d) or (e) actions, the reduction generally takes effect at the end of the month containing the 60th day after notice of final action.	REVIEW Choose the review lane Read the final decision and use the lane that matches the error, evidence need, and deadline.	MONEY Track withheld compensation Preserve notices and payment history for restoration and retroactive-payment calculations if the reduction is reversed.
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PROPOSAL IS NOT FINAL

Do not file an ordinary appeal from a proposal as if it were a final decision. Use the proposal response process, then review the final decision if VA completes the reduction.

