

CHAPTER 3: DISABILITY RATING SYSTEM

Introduction

As was discussed in *Chapter 2, Disability Evaluation System*, the DES process will result in a disability rating based on the service member's injuries. If a service member is unfit and separated from the military, this "military disability rating" will determine whether or not the service member is eligible for DoD disability retirement pay. Service members must have an aggregate disability rating of 30% or higher to qualify for disability retirement pay from the military. Service members with military disability ratings less than the 30% necessary for the military's disability retirement pay will receive severance pay upon discharge from the military and may still be eligible for disability benefits from the Department of Veterans Affairs (VA). See *Chapter 4, DoD and VA Disability Compensation*, for more information on VA and DoD disability benefits.

In addition to the military disability rating, a service member who is separated from the military will also receive a disability rating from the VA. The VA disability rating is used to determine eligibility for VA benefits. In evaluating the service member's medical condition and generating the VA disability rating, the VA considers the totality of the changes in the service member's medical condition that occurred during military service. Because the VA considers all of a service member's medical conditions, the VA disability rating may be higher than the military disability rating.

Both the military and the VA use the Veterans Administration Schedule for Rating Disabilities (VASRD) to evaluate service members' disabilities. The following is a basic discussion of the VASRD and how it is applied by both the military and the VA to assign disability ratings.

The Veterans Administration Schedule for Rating Disabilities

What is the Veterans Administration Schedule for Rating Disabilities?

The VA established the VASRD, often referred to as the "disability rating schedule," to aid in the evaluation of disabilities resulting from disease or injury incurred during or incidental to military service. It contains a list of codes that correlates injuries or illnesses to percentage ratings that estimate the reduction in earning capacity resulting from the disability.

What does the VASRD require of a service member?

A service member must undergo a comprehensive medical examination in connection with his or her separation from the military. The application of the VASRD when assigning a VA disability rating requires a high level of completeness and accuracy in these medical

The VASRD is published in the *Federal Register* at 38 C.F.R. 4 (2003) and is available online at

www.access.gpo.gov/nara/cfr/waisidx_03/38cfr4_03.html and the VA website at www.vba.va.gov/bln/21/Reference/index.htm



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examinations. Subsequent changes in the law, medical knowledge or the service member's medical condition may require that the service member undergo additional medical examinations and seek revised ratings.

Service members should be aware that the assignment of a disability rating will not automatically result in benefits. Rather, the service member must submit an application for the benefits they are seeking. For more information on VA disability benefits, see the section titled "VA Disability Benefits" in *Chapter 4, DoD and VA Disability Compensation*.

Differences Between Military and VA Disability Ratings

Do the military and the VA disability rating processes differ?

The VASRD is the standard used by both the VA and the military to quantify a service member's disability. PEBs use the VASRD to assign a disability rating when the PEB finds a service member unfit. As described in Chapter 2, the military's disability rating is used to determine eligibility for certain military benefits such as separation pay and medical retirement. The VA uses the VASRD to assign a disability rating when determining a veteran's eligibility for VA benefits.

Not all general policy provisions in the VASRD are applicable to the military departments, and, consequently, a service member may receive a disability rating from the VA that differs from the rating assigned by the military. More specifically, the military will only consider the service member's physical conditions that make him or her unfit for continued service. In contrast, the VA will consider all service-connected disabilities when assigning a disability rating. In addition, the VA process permits reevaluation of service-connected disabilities if a condition worsens over time, if medical science permits an improved evaluation or if there is a change in the law governing the assignment of disability ratings. As a consequence, a VA disability rating generally is expected to be equal if not higher than the military disability rating, and it may increase after the service member's separation from the military.

PEB Disability Rating Assignment

How is a disability rating assigned?

Once it has been determined that a service member is unfit, the PEB must assign a disability rating to the service member's conditions. Using the VASRD and the codes the VASRD assigns to specific medical conditions, the PEB evaluates the conditions and assigns a disability rating percentage based on the severity of the disability. Disability ratings can range from 0% to 100%, rising in increments of 10%. Total disability, or a 100% disability rating, is deemed to apply when the service member's condition is severe enough to make gainful civilian employment impossible for an average person suffering from the same condition.

What if there is no VASRD code corresponding to the service member's diagnosed condition?

When a service member has a condition that is not listed in the VASRD, the PEB may assign a disability rating by analogy to a closely related disease or injury.



Will a disability rating increase if a service member has multiple, related conditions?

When a service member has multiple, related conditions, the conditions generally are merged into one single VASRD code that covers all the conditions. However, in certain cases, multiple ratings for the same body part may be permitted if the symptoms from the separate conditions do not overlap.

How will an overall disability rating be determined if a service member has multiple, compensable disabilities?

When a service member has multiple, compensable disabilities, generally his or her overall disability rating is based not on adding the multiple disability percentages, but rather on the combination of the percentages. This means that if a service member has one disability rated at 40% and another rated at 30%, the overall disability rating generally is not added to give an overall disability rating of 70%. Instead, the first disability is considered to reduce the service member's total fitness from 100% (i.e., a whole person without any disability) to 60% ($100\% - 40\% = 60\%$). The second condition is considered to reduce that remaining 60% total fitness by 30%, or a reduction of 18% ($60\% \times 30\% = 18\%$), yielding a combined total fitness of 42% and a combined overall disability rating of 60% (the mathematical combined disability rating is 58%, or $100\% - 42\%$, however, final disability ratings are always rounded to the nearest 10%, i.e., a 58% disability rating is rounded up to a 60% disability rating).

This combination process, which applies whenever a service member has more than one compensable disability, is carried out in order of the most serious disability to the least serious, ensuring that the service member receives the highest possible disability rating for the combined conditions.

Will a medical condition that existed prior to military service affect a service member's disability rating?

A medical condition that existed prior to military service will not be given a disability rating unless the medical condition is permanently aggravated through service. Permanent service aggravation is considered to exist when military service permanently worsens a preexisting medical condition beyond that condition's natural progression. Where permanent service aggravation to a preexisting condition occurs, a disability rating will be assigned, but the rating generally will only reflect the increase of the degree of disability over that which existed at the time the service member joined the military.



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