

UNDERSTANDING VA PENSION BENEFITS

Larimer County Senior Law Day

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THERE IS MONEY AVAILABLE FOR

- ✘ Wartime veterans
- ✘ Surviving spouses of wartime veterans

The key is to qualify!



V.A. DISABILITY COMPENSATION

Veteran **suffered** a service-related injury



Veteran's injury is rated as a percentage of loss
10%, 20%, 100%

V.A. Disability Compensation (cont.)

- Disability compensation is not limited by Veteran's income or assets
- Surviving Spouse/ Dependents may be eligible for Dependency and Indemnity Compensation (DIC)



Another Type of Benefit

VA Pension

- No service-connected injury
- Available to veterans and surviving spouses
- Money is paid directly to the veteran or surviving spouse

Extra Money for Veterans

Wartime veterans with spouses may be eligible for up to \$2,120/month



Extra Money for Spouses

A surviving spouse may be eligible for up to \$1,149/month.



Requirements for Extra Money

- Wartime Service (or widow of wartime Veteran)
- Medical expenses
- Based on household income and assets
- Assistance needed
- There are three classifications for Pension
 - Basic
 - Housebound
 - Aid and Attendance

Service Requirements

- Served at least 90 days (if before 1980; 24 months if after 1980) of actual duty
- Served at least one day during a war period
- Other than dishonorable discharge



Age And Medical Criteria

- Over age 65 unless 100% disabled
- After medical expenses must have less income than pension benefit
- Amount of pension will depend on medical needs of veteran or widow

TYPE OF SERVICE	TOTAL BILLED
Medical visit	138
Testing X-ray Lab	
Surgery	
TOTAL THIS CLAIM	

What Aid And Attendance Means



- Inability to dress/undress
- Inability to keep oneself presentable
- Inability to bathe oneself
- Inability to take medications
- Inability to feed oneself

What “Housebound” Means

- Cannot leave house without assistance
- Does not mean they cannot take care of self within the house
- Cannot drive



Determining Eligibility



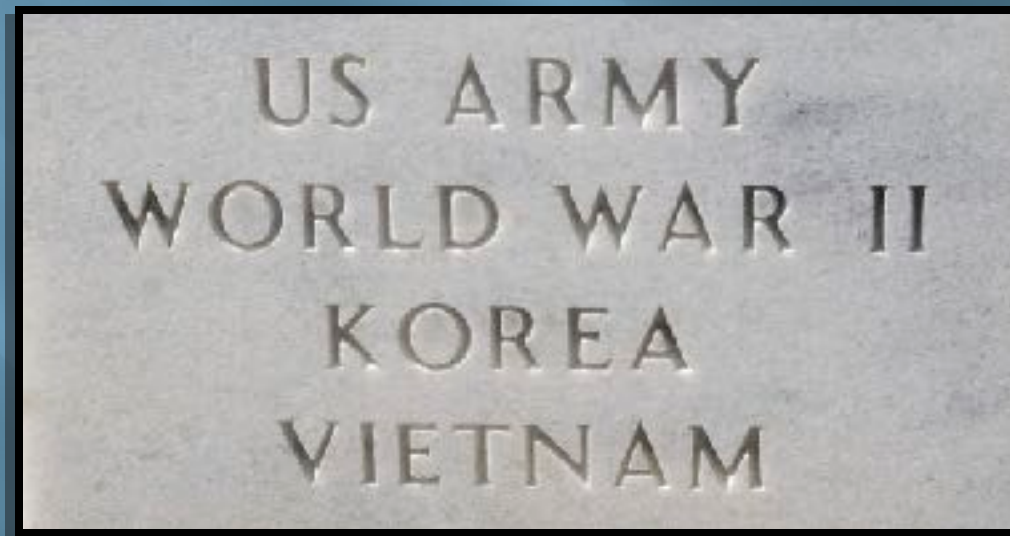
Gross Household Income
—Out of Pocket Medical

Income for VA
purposes (IVAP)

Income for Veteran Administration Purposes (IVAP)

Maximum Available Pension Resource (MAPR)

MAPR is the maximum available pension
depending on the need of the claimant



Monthly Benefit For Veterans Age 65 Or Older OR Permanently And Totally Disabled

	MAPR	Maximum Monthly Pension
Basic Pension	\$12,867	\$1,072
with dependent	\$16,850	\$1,404
Housebound	\$15,724	\$1,310
with dependent	\$19,709	\$1,642
Aid and Attendance	\$21,465	\$1,788
with dependent	\$25,447	\$2,120

Death Pension Rates Paid To Veteran's Surviving Spouse

	MAPR	Maximum Monthly Pension
Basic Pension	\$8,629	\$719
Housebound	\$10,547	\$878
Aid and Attendance	\$13,793	\$1,149

Married veteran in need of A&A

- ▣ MAPR is \$24,239
- ▣ If IVAP is zero or less
- ▣ Veteran qualifies for entire amount



Couple's Gross Income:	\$45,000
UME (Unreimbursed Medical Expenses):	<u>-49,000</u>
IVAP:	(\$ 4,000)
MAPR:	<u>-24,239</u>
Maximum Pension Allowed:	\$ 24,239

What If UME Was Less Than Their Income?

- If IVAP is greater than MAPR
- Benefit to Veteran will be reduced



Couple's Gross Income:	\$45,000
UME:	<u>-35,000</u>
IVAP:	\$10,000
MAPR:	<u>-24,239</u>
Maximum Pension Allowed:	\$ 14,239

Additional Benefits

FREE VA medical (no co-pay) and FREE prescription through VA pharmacies for formulary drugs



Limits On Net Worth

The VA doesn't provide a limit,
and they don't allow much!

This is where the greatest need
for planning exists.



Assets VA Does Not Count



- Residence
- Burial Policies/plans
- Small life insurance policies
- Personal property

Determining How Much Is Too Much

There is no exact limit, but a VA accredited attorney will do the analysis for you!

However, instead of worrying about how much we can leave them we need to be planning on how little we can leave them.

Also, the transfer of assets must consider the effect on Medicaid eligibility.



The Dangers of Giving Assets Away to Qualify

- 1) Negative tax consequences.
- 2) The person you give money to could pass away or get sued.
- You may give away more than you needed to.

There are other options available that provide the same result, but have fewer (or no) consequences.

What Does An Elder Law Attorney Do?

- Discuss long term care planning options
- Review the healthcare options
- Determine the income tax consequences of your options
- Develop the appropriate plan for your situation
- Assist you with the application



WHERE To GET Help

- Veteran's Service Officers
 - Debbie Pierson – for Larimer County 970-498-7390
 - Deon Harris – for Weld County 970-400-3444
 - Karen Townsend for Boulder County 720-864-6663
- Contact our office via phone, fax or email:
 - Phone: 970-532-4183
 - Fax: 970-532-4186
 - Email: KRS@cjlordlaw.com
- Visit our website: www.cjlordlaw.com



Thank You!

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