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“Service For Those That Served and Their Families”

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Quick Fact Sheet: Department of Veterans Affairs (VA) Pensions (Housebound/ Aid & Attendance)

VA Pensions Simplified

1. VA pensions are based on:
 - a. your war time service,
 - b. your disability/medical condition
 - c. combined family income and net worth less out-of-pocket medical expenses
1. The types of pensions are based on the claimant’s medical condition. (i.e. Non-Service connected, Homebound, and Aid & Attendance)
2. The pension is based on the veterans need, not the spouses, it is only applicable to the spouse once they are an unmarried widow/er in most circumstances.
3. Dependents matter in the equation as does their income & medical expenses.
4. You can own your own home as long as it is your permanent residence.
5. Out of pocket medical expenses can be deducted to decrease your income so that you may qualify.
6. It is possible to gift assets away to someone, (this can affect your Medicaid benefit so be careful). The allowable amount of net-worth is generally \$80,000 or what the VA determines as “excessive net worth.”
7. You must report the entire amount within joint accounts simply because you have access to it.
8. You should (always) report everything to the VA; the VA will “count what is countable” and “not count what is not” and if VA makes a mistake we can argue with them about it later –MUCH simpler than having an overpayment and then having to pay them back from Soc. Sec.
9. No one formula fits all; everyone should sit down and figure out what their particular circumstance is to see if they are eligible. One of our representatives will help you with this.
10. Dependency and Indemnity Compensation (DIC) is a pension for a spouse where the veteran died during active duty service or died due to a service connected disability. **Income does not matter for DIC.**

Items most commonly needed

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| ✓ VA Form 21-526 or 21-534 (widow/er) | ✓ Marriage certificates |
| ✓ VA Form 21-22 | ✓ Death certificate |
| ✓ VA Form 21-4142 | ✓ All income statements and financial records showing NET Worth |
| ✓ VA Form 21-2680 (Doctors Form) | ✓ Out-of-pocket medical expenses |
| ✓ *VA Form 21-0779 (Nursing Home Form) | ✓ *Birth certificates if you have dependent children |
| ✓ *In-home healthcare provider affidavit | |
| ✓ DD-214 (Discharge) | |

*Not always required

11. You may have to provide additional information to the VA on a yearly basis, usually the first quarter of the year, if requested. Every year the VA also will do an IRS/SS audit so your income and expenses must be up to date or they will discontinue your benefit and bill you for what you owe them.
12. It is recommended that you consult your financial advisor if you have any questions about investments during this process. Also your attorney can provide the needed legal advice during the process. *Then come back and have one of our representatives help you fill out the application. We are an accredited VA representative most financial planners and attorneys are not.*

***If you have any questions at all do not hesitate to ask us, that is what we are here for. We are accredited to help you with all Department of Veterans Affairs issues and it is **FREE** of charge.

Benefit Description

1. VA offers two broad categories of Pension benefit programs:
 - a. **Veterans Pension:** Tax-free monetary benefit payable to low-income wartime Veterans.
 - b. **Survivors' Pension:** Tax-free monetary benefit payable to a low-income, un-remarried surviving spouse and/or unmarried child(ren) of a deceased Veteran with wartime service.
2. Veterans and survivors who are eligible for Pension benefits and are **housebound** or require the **aid and attendance** of another person may be eligible to receive additional monetary amounts.

Eligibility Requirements

Pension benefits are needs-based and your "countable" family income must fall below the yearly limit set by law. Veterans must have at least 90 days of active duty, including one day during wartime period. If the active duty occurred after September, 1980, you must have serviced at least 24 months or the full period that you were called up (with some exceptions). You must also be:

- Age 65 or older with limited or no income, **OR**
- Totally and permanently disable, **OR**
- A patient in a nursing home receiving skilled nursing care, **OR**
- Receiving Social Security Disability Insurance, **OR**
- Receiving Supplemental Security Income

The Veteran must have met the service requirements above for surviving spouses and children applying for the Survivor's' Pension

What is countable income for veteran's pension eligibility purposes?

This includes income received by the veteran and his or her dependents if any, from most sources. It includes earnings, disability and retirement payments, interests and dividends, and net income from farming or business.

There is a presumption that all of a child's income is available to or for the veteran. VA may grant an exception in hardship cases.

What about net worth?

Net worth means the net value of the assets of the veteran and his or her dependents. It includes such

assets as bank accounts, stocks, bonds, mutual funds and any property other than the veteran's residence and a reasonable lot area. There is no set limit on how much net worth a veteran and his dependents can have, but net worth cannot be excessive. The decision as to whether a claimant's net worth is excessive depends on the facts of each individual case. All net worth should be reported and VA will determine if a claimant's assets are sufficiently large that the claimant could live off these assets for a reasonable period of time. VA's needs-based programs are not intended to protect substantial assets or build up an estate for the benefit of heirs.

Are there any exclusions to income or deductions that may be made to reduce countable income?

Yes, there are exclusions. The following are examples of what may be excluded:

- Public assistance such as Supplemental Security Income is not considered income.
- Many other specific sources of income are not considered income; however, all income should be reported. VA will exclude any income that the law allows.
- A portion of unreimbursed medical expenses paid by the claimant after VA receives the claimant's pension claim may be deducted. (These are expenses you have paid for medical services or products for which you will not be reimbursed by Medicare or private medical insurance.)
- Certain other expenses, such as a veteran's education expenses, and in some cases, a portion of the educational expenses of a child over 18 are deductible.

How Does VA calculate your pension?

Your annual pension is calculated by first totaling all your countable income. Then any deductions are subtracted from that total. The remaining countable income is deducted from the appropriate annual pension limit which is determined by the number of your dependents, if any, and whether or not you are entitled to housebound or aid and attendance benefits. This amount is then divided by 12 and rounded down to the nearest dollar. This gives you the amount of your monthly payment.

What are Aid and Attendance and Housebound benefits?

- **Aid and Attendance (A&A)** is a benefit paid in **addition** to monthly pension. This benefit may not be paid without eligibility to pension. A veteran may be eligible for A&A when:
 1. The veteran requires the aid of another person in order to perform personal functions required in everyday living, such as bathing, feeding, dressing, attending to the wants of nature, adjusting prosthetic devices, or protecting himself/herself from the hazards of his/her daily environment, **OR**,
 2. The veteran is bedridden, in that his/her disability or disabilities requires that he/she remain in a bed apart from any prescribed course of convalescence or treatment, **OR**,
 3. The veteran is a patient in a nursing home due to mental or physical incapacity, **OR**,
 4. The veteran is blind, or so nearly blind as to have corrected visual acuity of 5/200 or less, in both eyes, or concentric contraction of the visual field to 5 degrees or less.

- **Housebound** is paid in addition to monthly pension. Like A&A, Housebound benefits may not be paid without eligibility to pension. A veteran may be eligible for Housebound benefits when:
 1. The veteran has a single permanent disability evaluated as 100-percent disabling **AND**, due to such disability, he/she is permanently and substantially confined to his/her immediate premises, **OR**,
 2. The veteran has a single permanent disability evaluated as 100-percent disabling **AND**, another disability, or disabilities, evaluated at 60 percent or more disabling.

A veteran cannot receive both Aid and Attendance and Housebound benefits at the same time.

How to Apply for Aid and Attendance and Housebound:

- You should **include copies of any evidence**, preferably a report from an attending physician validating the need for Aid and Attendance or Housebound type care.
- The report should be in sufficient detail to determine whether there is disease or injury producing physical or mental impairment, loss of coordination, or conditions affecting the ability to dress and undress, to feed oneself, to attend to sanitary needs, and to keep oneself ordinarily clean and presentable.
- **In addition**, it is necessary to determine whether the claimant is confined to the home or immediate premises.
- Whether the claim is for Aid and Attendance or Housebound, the **report should indicate how well the individual gets around**, where the individual goes, and what he or she is able to do during a typical day.

If I am already receiving monthly payments for a service-connected disability can I get a VA pension too?

You cannot receive a VA non-service connected pension and service-connected compensation at the same time. However, if you apply for pension and are awarded payments, VA will pay you whichever benefit is the greater amount.

What if I am already on MEDICAID?

For veterans and survivors receiving MEDICAID the maximum payment is \$90 per month.

Periods of War for VA Benefits Eligibility

Under current law, VA recognizes the following wartime periods to determine eligibility for VA Pension benefits:

- World War I (April 6, 1917-November 11, 1918)
- World War II (December 7, 1941-December 31, 1946)
- Korean conflict (June 27, 1950-January 31, 1955)
- Vietnam era (February 28, 1961-May 7, 1975 for Veterans who served in the Republic of Vietnam during that period; otherwise August 5, 1964-May 7, 1975)
- Gulf War (August 2, 1990- through a future date to be set by law or Presidential Proclamation)