

## ***"Planning for Eldercare" April 18, 2007***

### **Veterans Long Term Care Benefits**

The Department of Veterans Affairs provides three types of long term care benefits for veterans.

#### **The first type is benefits provided to veterans who have service-connected disabilities.**

These medically necessary services include home care, hospice, respite care, assisted living, domiciliary care, geriatric assessments and nursing home care. In order to receive the services, a veteran must be enrolled in VA's health care system. Veterans with service-connected disabilities have priority for health care enrollment acceptance.

Some of these services may be offered to veterans in the health care system who do not have service-connected disabilities but who may qualify because of low income or because they are receiving pension income from VA. These recipients may have to provide out-of-pocket co-pays or the services may only be available if the regional hospital has funds to cover them.

Currently, veterans desiring to join the health care system may be refused application because their income is too high or they do not qualify under other enrollment criteria. Increased demand in recent years for services and lack of congressional funding have forced VA to allow only certain classes of veterans to join the health care system.

#### **The second type of benefit is state veterans homes.**

The Veterans Administration in conjunction with the states helps build and support state veterans homes. Money is provided by the Federal Government to help with construction, and a subsidy of a little more than \$63 a day is provided for each veteran using these nursing homes. These homes are generally available for any veteran and sometimes the non-veteran spouse and are run by the states, often with the help of contract management. There may be waiting lists in some states.

Most state homes offer nursing home care but some may offer assisted living, domiciliary (a form of supported independent living), and adult day care

State veterans homes are not free but are subsidized and the cost could be significantly less than a comparable facility in the private sector. Some of these homes can accept Medicaid payments.

#### **The third type of benefits for veterans is disability payments.**

These include Compensation, Pension, survivors death benefits associated with compensation and Death Pension.

**Compensation** is designed to award the veteran a certain amount of monthly income to compensate for potential loss of income in the private sector due to a disability or injury or illness incurred in the service. In order to receive compensation a veteran has to have evidence of a service-connected disability. Most veterans who are receiving this benefit were awarded an amount based on a percentage of disability when they left the service.

However, some veterans may have record of being exposed to extreme cold, having an in-service non-disabling injury, having tropical diseases, tuberculosis or other incidents or exposures that at the time may not have caused any disability but years later have resulted in medical problems. In addition, some veterans may be receiving compensation but their condition has worsened and they may qualify for a higher disability rating. Veterans mentioned above may qualify for a first-time benefit or receive an increase in compensation amount. Applications should be made to see if they can receive an award. There is no income or asset test for compensation and the benefit is nontaxable.

**Pension** is available to all active-duty veterans who served at least 90 days during a period of war. There is no need to have a service-connected disability to receive pension. To be eligible the applicant must be totally disabled if he or she is younger than 65. Proof of disability is not required for applicants age 65 or over. Apparently, being old is evidence in itself of disability.

The purpose of this benefit is to provide supplemental income to disabled or older veterans who have a low income. If the veterans income exceeds the pension amount then there is no award. However, income can be adjusted for unreimbursed medical expenses and this allows veterans with household income larger than the pension amount to qualify for a monthly benefit.

Compensation and pension claims are submitted on the same form and VA will consider paying either benefit. Generally, for applications associated with the cost of home care, assisted living or nursing home care, the pension benefit is a better option.

All active-duty veterans who served at least 90 days during a period of war are eligible for pension and additional disability allowances -- aid and attendance or housebound allowances. Surviving single spouses of these veterans are also eligible for lesser benefits and for the allowances.

Veterans' service would include World War II, the Korean Conflict, the Vietnam Conflict Period and the Gulf War conflict.

Pension can pay up to \$1,800 a month to help offset the costs associated with home care, assisted living, nursing homes and other unreimbursed medical expenses. The amount of payment varies with the type of care, recipient income and the marital status of the recipient. There are income and asset tests to qualify.

VA claims this benefit is only for low income veterans but a quirk in the way the benefit is calculated for recurring medical expenses (long term care costs associated with home care, assisted living or nursing homes) could allow veteran households earning between \$2,500 and \$5,000 or more a month to qualify.

Estimates are that up to 30% of all Americans over the age of 65 might be eligible for a pension benefit.