

# Non-Service-Connected Pension Benefits

Presented by



a program of United Spinal Association

# Presenter

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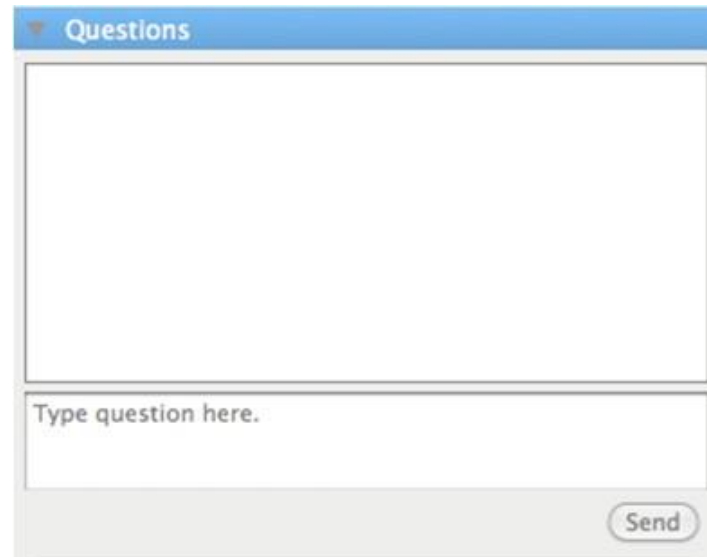
VetsFirst, a program of United Spinal Association

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# Questions

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Questions

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# VetsFirst's History

- Represents over 65 years of service to veterans and their families.
- Provides representation for veterans, their dependents and survivors in their pursuit of VA benefits and health care.
- Fights to ensure all veterans with disabilities have the ability to live and work in their communities and achieve greater independence.

# Our Mission as a VA recognized Veterans Service Organization

- Inform and educate individuals concerning the rights and benefits due veterans and dependents
- Advise claimants of their rights to appeal any adverse VA decisions and assist in the development of such appeals
- Provide professional and clear explanations of the laws and regulations governing veterans benefits
- Provide helpful links for answers to benefits questions at VetsFirst website: [www.vetsfirst.org](http://www.vetsfirst.org)
- Offer free, up-to-date and extensive VetsFirst Knowledge Books for answers to VA benefits questions concerning compensation and pension, educational and healthcare, VA life insurance, burial and survivors benefits, and more
- Provide free assistance, resources, and VA claims representation

# Non- Service Connected Pension



# What is VA Pension?

VA pension was established to help disabled veterans, who need financial assistance to supplement their income. These individuals served in the military during a time of war.

# Overview of Non-Service-Connected Disability Pension Benefits

- Three different VA Pension Programs
- Protected Pension Programs
- Improved Pension Program
  - Basis eligibility criteria
  - Aid and Attendance
  - Housebound
  - Income/Net Worth
- VA Pension Management Centers (PMC)



# VA Pension Programs

- Section 306 Pension
- Old-law Pension
- Improved Pension

# Protected Pension

- Old-law/Section 306
- Can switch to improved pension anytime
- Benefits rates protected, never increase
- Improved pension pays higher monthly benefit
- No additional benefits if eligible for A&A/Housebound

# Improved Pension

- Provides financial benefits to eligible veterans with non-service connected disabilities, or to veterans age 65 or older
- Considers all of the income of the veteran and his or her dependents
- Five basis criteria for eligibility must be satisfied
- Claimant's must provide VA with their SS numbers when applying for pension

# Basic Eligibility Criteria for Improved Pension

- Must have served during a wartime that resulted in a discharge under other than dishonorable conditions;
- Must have served at least 90 days of active duty and at least one (1) day of service must have been during a period of war;
- Be permanently and totally disabled at time of application;
- Permanent and total disability must not be due to willful misconduct of the veteran;
- Must demonstrate a financial need (limited income/net worth)

Note: VA determines need by calculating the income and net worth

# Aid and Attendance

- Amount paid in addition to monthly pension
- Must meet one of these criteria to qualify:
  - Require the aid of another person to perform daily activities of living
  - Be blind or so nearly blind as to have corrected visual acuity of 5/200 or less in both eyes
  - Be a patient in a nursing home due to mental/physical incapacity
  - Be bedridden—meaning condition requires veteran to remain in bed
- The need for aid and attendance must be based on actual requirement of personal assistance from others

# Housebound

- Benefit paid in addition to monthly pension
- Must have a single permanent disability evaluated as 100% disabling, and confined to immediate premises, or; have a single permanent disability evaluated as 100% disabling, and another disability, or disabilities, evaluated as 60% or more disabling

# Income/Net Worth

- Veteran's annual "Income for VA purposes" (IVAP) must be below the improved pension income limits or the maximum annual pension rate (MAPR) set by Congress
- All sources of household income (spouses included) counted minus deductions, such as unreimbursed medical expenses, SSI, certain educational expenses
- If countable annual income is less than MAPR, veteran meets income criteria

## Net Worth cont'd

- Veteran's resources must be determined insufficient to meet their needs without VA support
- Net worth is calculated by totaling the market value of all real and personal property owned by the veteran, minus any outstanding mortgages
- Net worth consists of stocks, bonds, investments, any property other than the veteran's personal residence and a reasonable lot size/personal effects



# What is Countable Income

- Income received by the veteran and dependents from sources such as earnings, disability payments, retirement payments, interests and dividends, farming, business enterprises;
- Proceeds of life insurance policies;
- Inherited shares of marketable stocks

# Excluded Income

- Welfare
- Fire insurance proceeds
- Profit from sale of property (real or personal)
- Unreimbursed medical expenses

# Benefit Amount

- Monthly benefit amounts are determined based upon the veteran's IVAP and MAPR set by Congress
- Veteran's IVAP calculated by totaling all annual household income minus deductions
- IVAP is subtracted from MAPR and difference is the total annual pension amount paid to the veteran
- Total pension amount is divided by 12 to calculate veteran's monthly benefit payment

# Scenario

- Mary, a single Vietnam Era veteran without dependents has an IVAP equal to \$10,000, so her 2013 MAPR would be \$12,465 (amount set by Congress). Mary's monthly pension benefit would be calculated as follows:
  - $\$12,465 - \$10,000 = \$2,465 \div 12 = \$205$
  - 2013 MAPR w/o dependents – Annual IVAP = 2013 annual pension amount  $\div 12 =$  2013 monthly pension payment

# Veteran Pension Rate Table- effective 12/1/12

Standard Medicare Deduction: \$104.90

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## Maximum Annual Pension Rate (MAPR) Amount

If you are a veteran without Spouse or Child: Your yearly income must be less than \$12,465

To be deducted, medical expenses must exceed 5% of MAPR, or, \$ 623

Veteran w/One Dependent: yearly income less than \$16,324

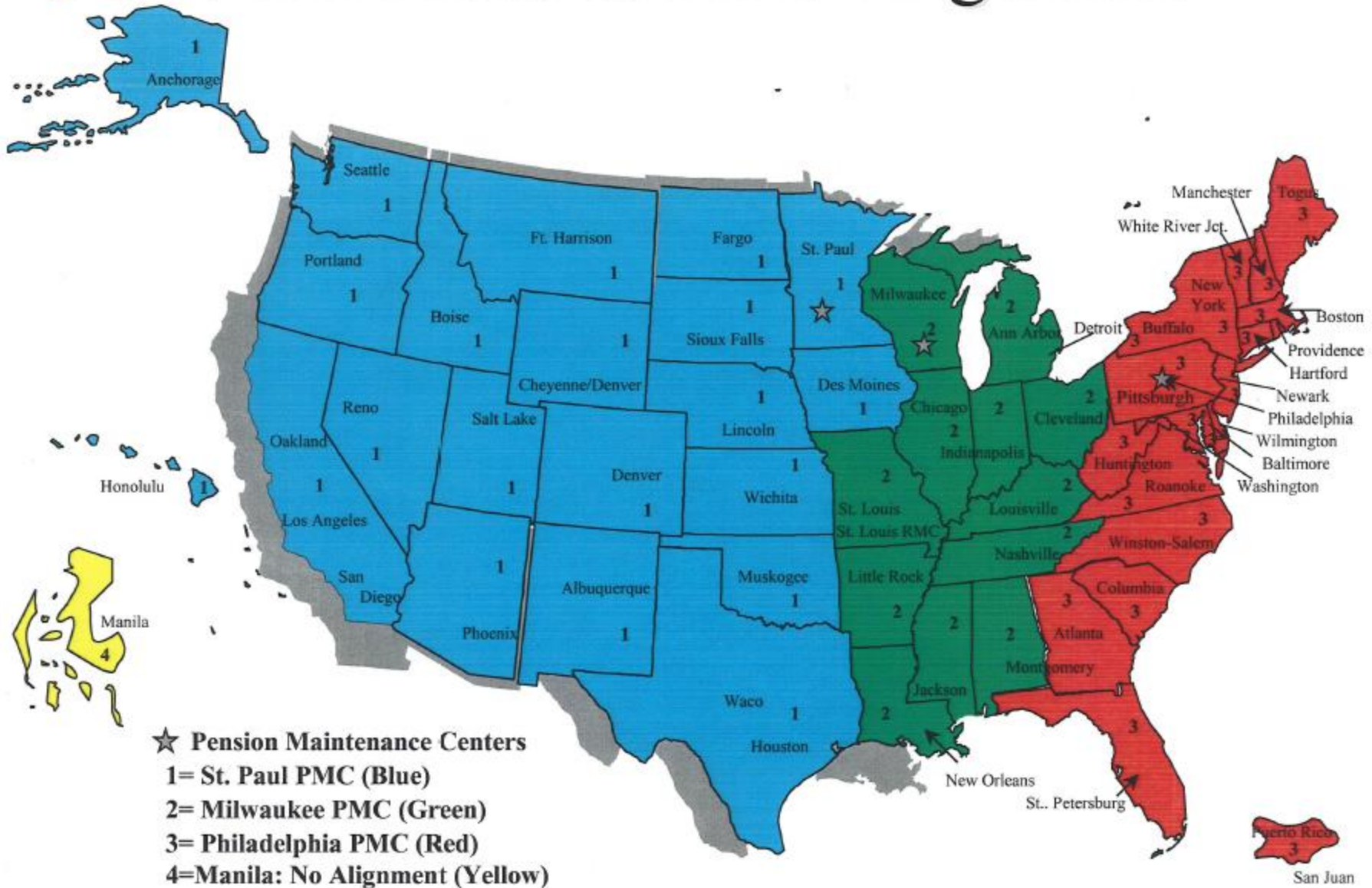
To be deducted, medical expenses must exceed 5% of MAPR, or, \$ 816

Housebound Without Dependents	\$15,233
Housebound With One Dependent	\$19,093
A&A Without Dependents	\$20,795
A&A With One Dependent	\$24,652
Two Vets Married to Each Other	\$16,324

# Pension Management Centers (PMCs)

- Three PMCs
  - Philadelphia, PA
  - Milwaukee, WI
  - St. Paul, MN
- Each PMC receives claims from offices within its jurisdiction

# VBA Areas & PMC Alignment



# Report Changes

Must notify VA  
immediately of marital  
status, dependent, and  
income changes





# Summary

- Social Security Disability (SSDI) payments are considered income and will likely be offset \$ for \$ between SSDI and VA pension
- VA pension does not provide a great deal of income, but it helps
- Veterans eligible for a VA pension should check to see if they qualify for other federal or state benefits, such as those available from Social Security
- Feel free to contact VetsFirst at 1 800 404 2898 with any questions about applying for a non-service connected VA pension or visit your local VA Regional Office for assistance

# Medal of Honor Pension

- VA administers a pension benefit to recipients of the Medal of Honor
- Entitlement is not based on income or level of need
- Congress set the monthly pension at \$1,259 for 2013



# Presentation Resources

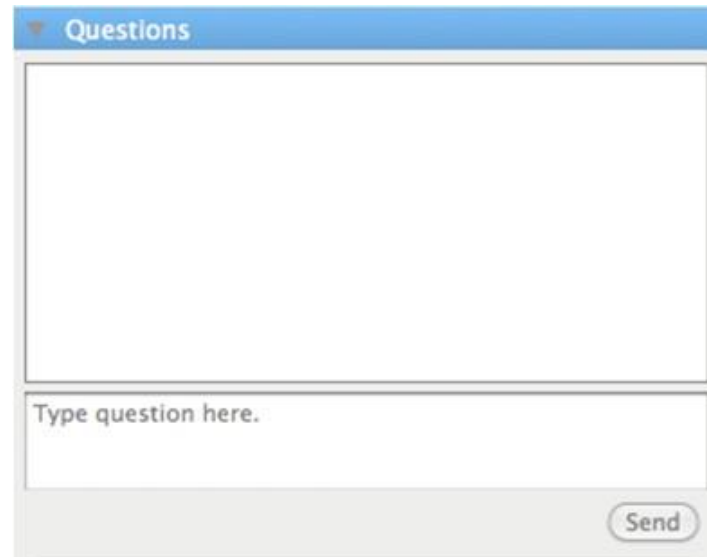
- VetsFirst
  - <http://helpdesk.vetsfirst.org/index>
- Veterans Affairs
  - [www.benefits.va.gov/pension/](http://www.benefits.va.gov/pension/)

VetsFirst thank you for your Service



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