

**2418 - VA INCOME**

<b>POLICY STATEMENT</b>	The Veteran's Administration (VA) may provide financial benefits to many veterans and/or their spouses/dependents.
<b>BASIC CONSIDERATIONS</b>	<p>Individuals potentially eligible for VA benefits include:</p> <ul style="list-style-type: none"><li>• Any veteran</li><li>• Child or spouse of a disabled or deceased veteran</li><li>• Unmarried widow(er) of a deceased veteran</li><li>• Parents of a veteran who died before 1/1/57 from a service-connected cause.</li></ul> <p>These benefits may consist of:</p> <ul style="list-style-type: none"><li>• VA pension which is a benefit paid to an aged, blind or disabled veteran and/or dependents who are in need (not military retirement).</li><li>• VA Compensation which is a benefit paid to veterans/dependents who have a military related injury/disability or death. This also includes Dependency and Indemnity Compensation (DIC), also referred to as Happy Widow(er)'s Pension. The DIC paid to the veteran's widow(er) may continue even if the widow(er) subsequently remarries and is now widowed again.</li><li>• VA Aid and Attendance (A&amp;A) which is a payment made to veterans and certain dependents for medical and remedial care in their own home or a nursing home (NH).</li><li>• Housebound allowance which is a payment made to veterans and certain dependents who do not require the aid and attendance of another person but who are permanently housebound due to disability.</li><li>• Unusual Medical Expense (UME) which is a reimbursement paid to some veterans for high medical costs. VA takes into account Medicaid payments and reduces UME payments accordingly.</li></ul>

## BASIC CONSIDERATIONS (cont.)

- Continuing Medical Expenses (CME) which is a monthly prospective payment for out-of-pocket medical expenses for veterans and their spouse who are in a personal care home or nursing facility. It is considered as a reimbursement.
- Clothing Allowance which is a benefit paid to some veterans with a service connected disability who use prosthetic or orthopedic appliances.
- Augmented VA Benefits which are an increase, or augmentation, of VA benefits to meet the needs of the veteran's dependents.
- VA Educational Benefits which may include benefits paid under/from:
  - A program of vocational rehabilitation
  - Veteran's own contributions
  - Augmentation for dependents.

## PROCEDURES

### Budgeting Requirements

Budget VA income in the eligibility and PL/CS process as follows: Also refer to [Section 2499, VA Benefits](#).

UME/CME reimbursements and A&A are not considered in determining patient liability and cost share and are never considered as income for determining Medicaid eligibility. A&A is not considered for protection or diversion purposes in the patient liability budget.

Any portion of a VA lump sum check that is not VA A & A, UME/CME reimbursement or is not augmented for a dependent is counted as unearned income for the month of receipt in both the eligibility and PL/CS budgets.

Consider any remaining portion of the A & A lump sum as a resource beginning with the first month following the month of receipt.

A & A lump sums or UME/CME reimbursements are not reported to the DMA Third Party Liability Unit.

- If the A/R is the beneficiary (payee) of an augmented VA check, exclude as income to the A/R any portion augmented for dependents. If the A/R is a dependent of a beneficiary and the beneficiary's check includes an augmentation for the A/R, count the augmented

**PROCEDURES****Budgeting  
Requirements  
(cont.)**

portion as income to the A/R if the A/R lives in the same household as the beneficiary. If the A/R lives apart from the beneficiary and the beneficiary does not give the A/R his/her augmented portion, use the following procedures:

- Count the augmented portion of the beneficiary's check as income to the A/R for eligibility.
- Require the A/R to apply for an apportionment (his/her own check).
- Continue to count the augmentation as in(his/her own check).
- Continue to count the augmentation as in come for eligibility until VA denies apportionment.
- If VA approves apportionment, include the apportionment as unearned income.

If the A/R is in a NH and the beneficiary refuses to give the A/R his/her augmented portion of the VA benefit, require the A/R to apply for an apportionment. If the A/R is not receiving his/her augmented portion, do not include the augmented portion in the PL/CS budget until such time as the apportionment is approved. However, continue to include the augmented portion in the eligibility budget until VA approves or denies the apportionment.

The maximum pension benefit for a veteran in a NH with no dependents is the same as the personal needs allowance (PNA) allowed in the PL budget. If the only VA income received is up to \$90 that is the A/R's PNA. Do not allow this PNA until the VA income has decreased to \$90. If an A/R is receiving the DIC and elects to receive the \$90 while in the NH, the DIC will not resume if the A/R then leaves the NH. The veteran does not receive an additional \$50 PNA. Refer to [Appendix I](#), "To Have a \$90 PNA for a NH A/R with VA Income".

If an A/R who has **countable** income in excess of the monthly Medicaid billing rate for the NH in which s/he resides, enter PL income in the system which will equal the Medicaid billing rate after all pertinent PL deductions are allowed. Refer to [Appendix I](#), "When L01 A/R's Income Exceeds the Monthly Medicaid Billing Rate".

**Verifications**

Verify the amount of monthly VA by submitting the Form 970, VA Communicator, to the address shown on the form.

**Note:** Be sure the Form 970 includes the veteran's file number.

Appropriately enter the verified amount of VA in the system.

A/R's can call VA to get verification of their benefit amounts by calling one of the following numbers:

VA Telephone Assistance Service -1-800-827-1000

VA National Pension Hotline- 1-877-294-6390