

JONES ELDER LAW AND ESTATE PLANNING *Update*

“Secret Dollars”: Vet Benefit for Long-Term Care Revealed

One of the Veteran Administration’s best kept secrets, which is an excellent potential source of funds for long-term care (either at home or in an assisted living facility) are veteran’s benefits for a non-service connected disability. Most VA benefits and pensions are based on a disability which was incurred during a veteran’s wartime service. There is another benefit, however — a pension program — available for individuals who are disabled due to the issues of old age, such as Alzheimer’s, Parkinson’s, multiple sclerosis, and other physical disabilities. For those veterans and widows/widowers who are eligible, these benefits can be a blessing for the disabled individual who is not yet ready for a nursing home.

There is a specific portion of the pension program which is of particular importance. This program is Aid and Attendance “A and A” and is available to a veteran who is not only disabled, but has the additional requirement of needing the aid and attendance of another person in order to avoid

the hazards of his or her daily environment (in other words, someone needs to help you to prepare meals, to bathe, to dress and otherwise take care of yourself).

Under this program, a veteran can receive a maximum of \$1,644 per month in benefits and a widow or widower can receive up to \$1,056 as a maximum benefit for A and A in

2009. The applicant must be determined to be “permanently and totally disabled.” The applicant does not need to be helpless, he/she need only show that he/she is in need of aid and attendance on a regular basis. Someone who is housebound or is in an assisted living facility and over the age of 65 is

presumed by the Veterans Administration to be in need of aid and attendance.

This particular program has limitations related to the income and assets that are held by the applicant. However, in computing the income of the applicant, certain items can be deducted. Specifically, unreimbursed medical expenses paid by an individual may be used to reduce the applicant’s income.



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is \$1,600/month and he is paying caregivers \$3,300/month. Rather than deplete his savings of \$45,000, he applies for a service pension through the VA. The VA considers the \$3,300/month he is paying to his caregivers unreimbursed medical expenses and “subtracts” the amount from his income. In other words, when calculating his pension, the VA considers his income to be negative \$1,700. He applies for benefits and is eligible for the full benefit of \$1,644/month to help him with his bills!

Home attendants or aides are an allowable medical expense deduction, as long as that attendant is providing some medical or nursing services for the disabled person. The cost of an assisted living facility, and even part or all of the cost of an independent living facility, can also be an allowable medical deduction to reduce your gross income to a much lower net countable income that may qualify you for veterans’ benefits.

Simplified Example: Bill Thomas is a 66 year old veteran and a widower. Due to his health needs, Bill has caregivers coming to his home for several hours each day. His income

To file a claim for this benefit, it is wise to seek the involvement of a trained Veteran’s Service Officer. A Veteran’s Service Officer is critical to the filing of an application with the local VA regional office. It is also important to seek the guidance of an experienced elder law attorney who is familiar with estate planning, disability, Medicaid and veterans’ benefits. An attorney skilled in elder law can provide a veteran and the veteran’s family with appropriate pre-filing consultations to determine the appropriate steps that must be taken to be able to determine if it would be right to apply for this VA benefit.



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