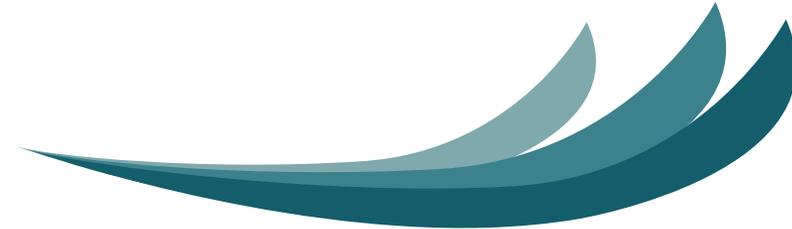




LAW OFFICE OF



Amy B. Van Fossen, P.A.

A close-up, slightly blurred image of the American flag, showing the stars and stripes. The flag is positioned on the right side of the slide, with the stars field visible in the upper right and the stripes in the lower right. The background of the slide is a dark, solid color.

Veterans' *Benefits*

What Types of Benefits Does the VA Offer?



- **Disability**
- **Health Care**
- **Life Insurance**
- **Burial**
- **DIC (Dependent Indemnity Compensation)**
- **Pension (Housebound / Aid & Attendance)**

Aid & Attendance



- A special monthly pension
- Non-service connected benefit
- Available to a veteran, a surviving spouse, or a dependent child

Why Do We Care About “Aid & Attendance”?

- A&A is *tax free* and can be used for a variety of purposes. It can also be used to pay for medical expenses, home care, assisted living, memory care, nursing home, etc.
- Can extend financial resources to allow the Veteran and/or their surviving spouse to continue their current lifestyle.
- Unlike Medicaid, Aid & Attendance is paid directly to the claimant and will never have to be paid back!

VA Aid & Attendance Benefit Amounts

(Monthly – Effective December 1, 2019)

Surviving Spouse = \$1,228

Single Veteran = \$1,911

Married Veteran &
Veteran Needs A&A = \$2,266

Married Veteran &
Spouse Needs A&A = \$1,500

Two Vets Married &
One Needs A&A = \$2,266

Two Vets Married &
Both Need A&A = \$3,032

Net Worth Limit = \$129,094

(As of December 1, 2019)



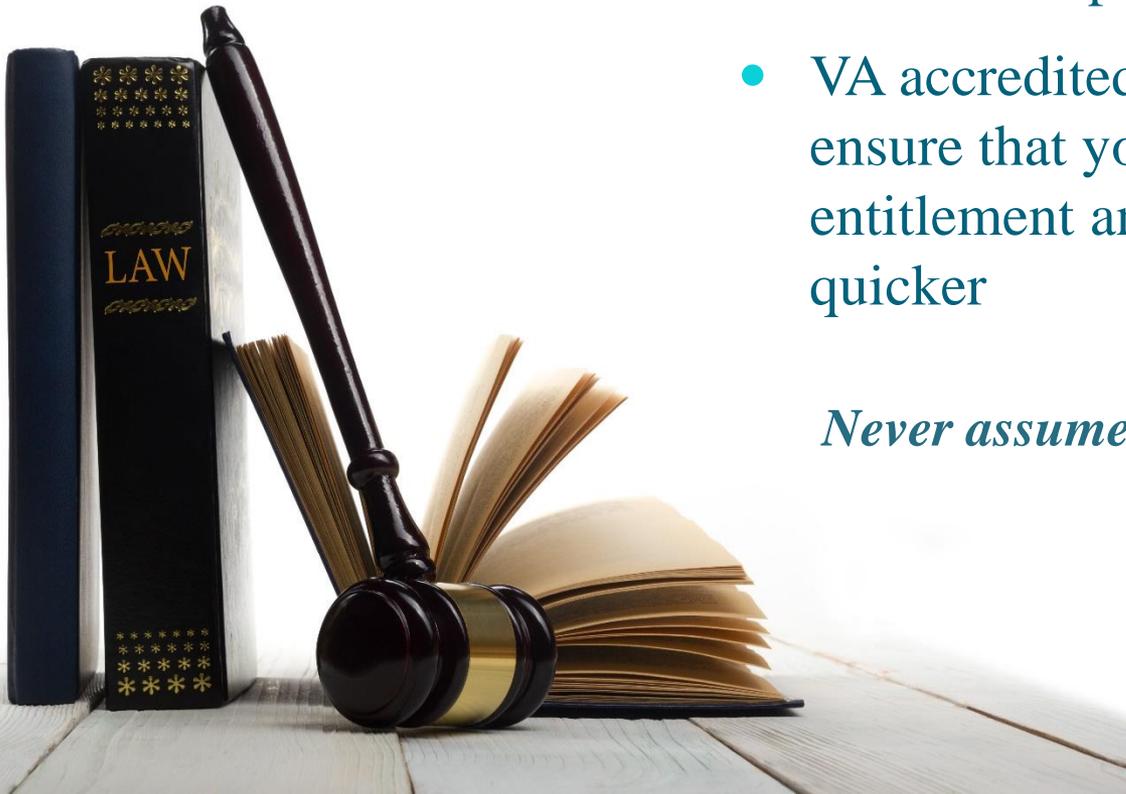
Veterans cannot receive both
**Disability Compensation and Aid
and Attendance Pension.**

However, they can receive the
higher benefit of the two programs.

Why Do I Need An Attorney?

- Discuss long term care planning options and their expected effects
- VA accredited attorneys can help to ensure that you receive the maximum entitlement and process your claim quicker

Never assume your loved one is not eligible!



Aid & Attendance

Facts

①

Roughly one-third of assisted living or skilled nursing facility clients would qualify for the A&A benefit.

②

Most do not even know about the benefit or how to obtain it.

③

VA offers more flexibility with long-term care options.



Requirements For Aid & Attendance



90 days of consecutive active duty (if before 1980)
(At least one of those 90 days served during a “period of conflict”)



Received a discharge other than dishonorable



Have medical need



Meet the asset test



Meet the income test



Periods of Conflict

WWI: April 6, 1917 – November 11, 1918

WWII: Dec. 7th, 1941 – December 31, 1946

Korean Conflict: June 27th, 1950 – January 31, 1955

Vietnam Conflict: August 5th, 1964 * – May 7th, 1975

** Feb. 28, 1961 if “boots on ground” or on certain ships*

Gulf War: August 2, 1990 – Date TBD**

***Future date to be set by law or Presidential Proclamation*

If you entered active duty after September 7, 1980, generally you must have served at least 24 months or the full period for which you were called or ordered to active duty, with at least one day during a wartime period.

Medical Requirement

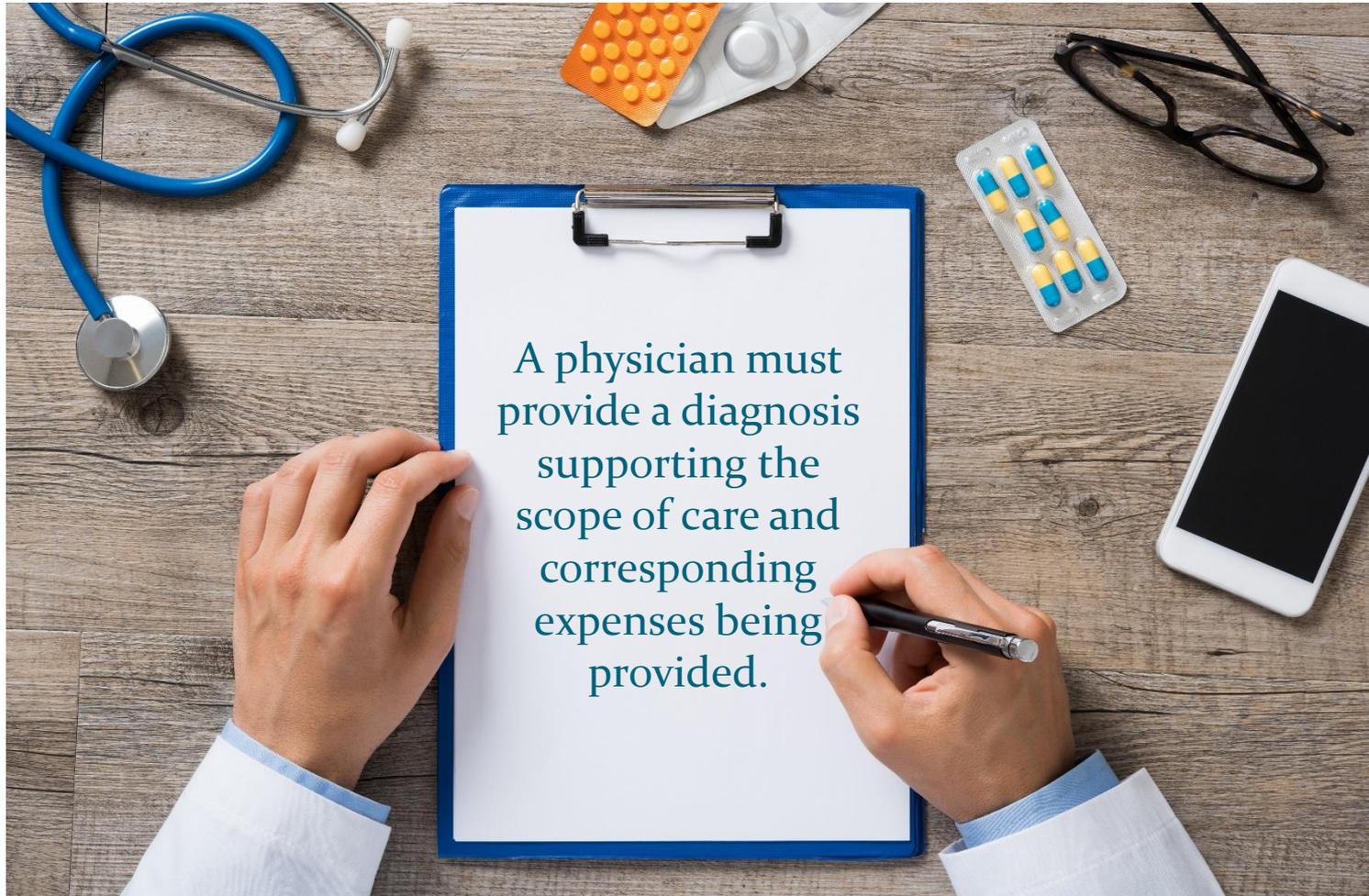
- Must be 65 or older OR permanently and totally disabled
- Person must need assistance with at least two activities of daily living, such as:
 - bathing or showering
 - dressing
 - eating
 - transferring
 - toileting, and
 - ambulating within the home or living area



or

- Doctor certifies claimant's need for a “protected environment” (protect from hazards of daily living)

Diagnosis & Proof of Medical Expenses



Net Worth Limit

Net Worth * < \$129,094

2020 Rate – Effective December 1, 2019

- Excludes home (with a residential lot area) and car
- Attorneys can assist in transfers under the law through VA approved means

*Net Worth calculation disclosed on next slide



The Importance of Calculating Income



- MAPR is the “Maximum Available Pension Rate” depending on the need of the claimant.
- **“Net Worth” = “covered assets” a/k/a countable assets plus one year’s “Income for VA Purposes” (IVAP).**
- No benefit results if IVAP is equal to or greater than the “Maximum Available Pension Rate” (MAPR).

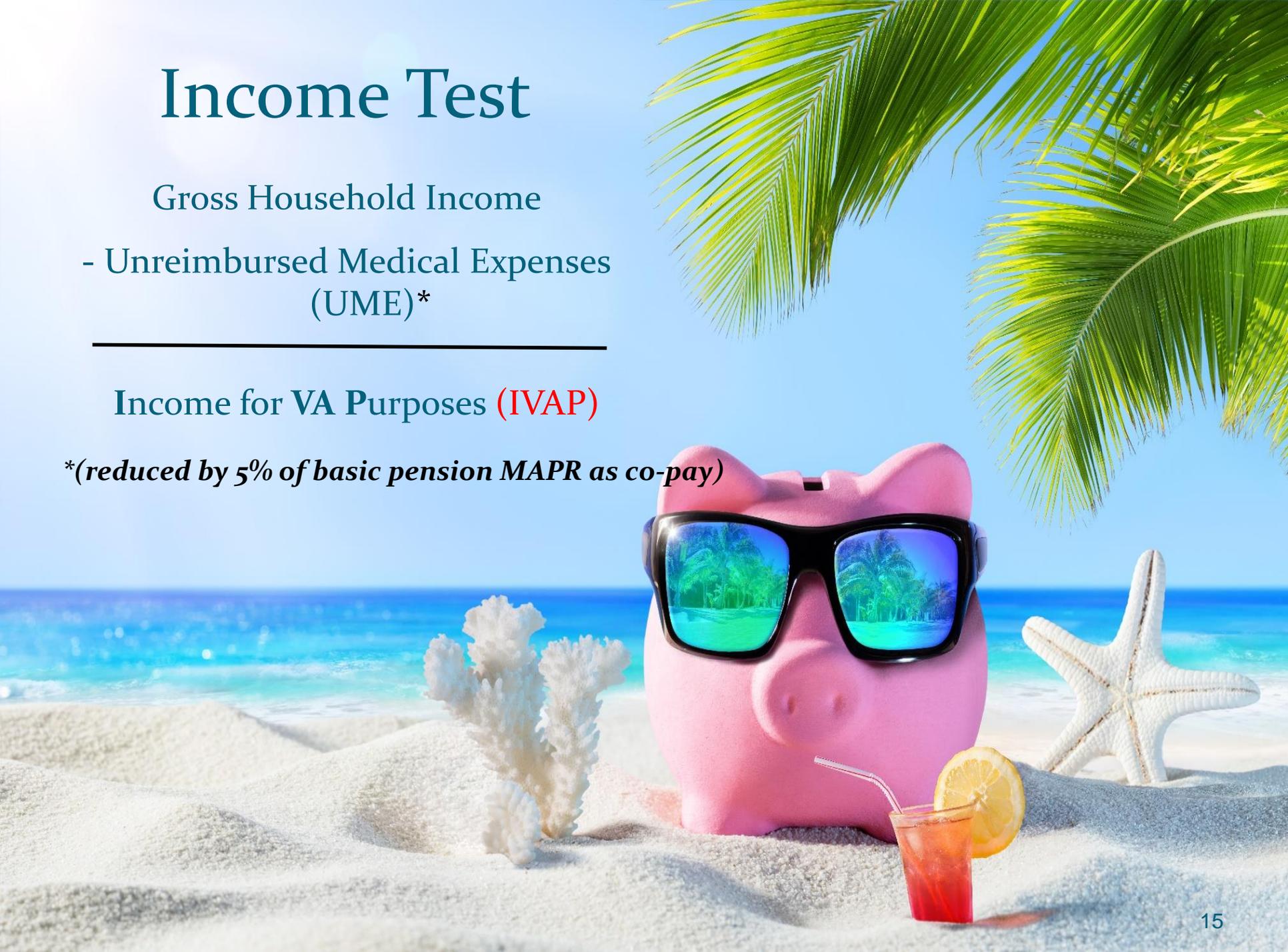
Income Test

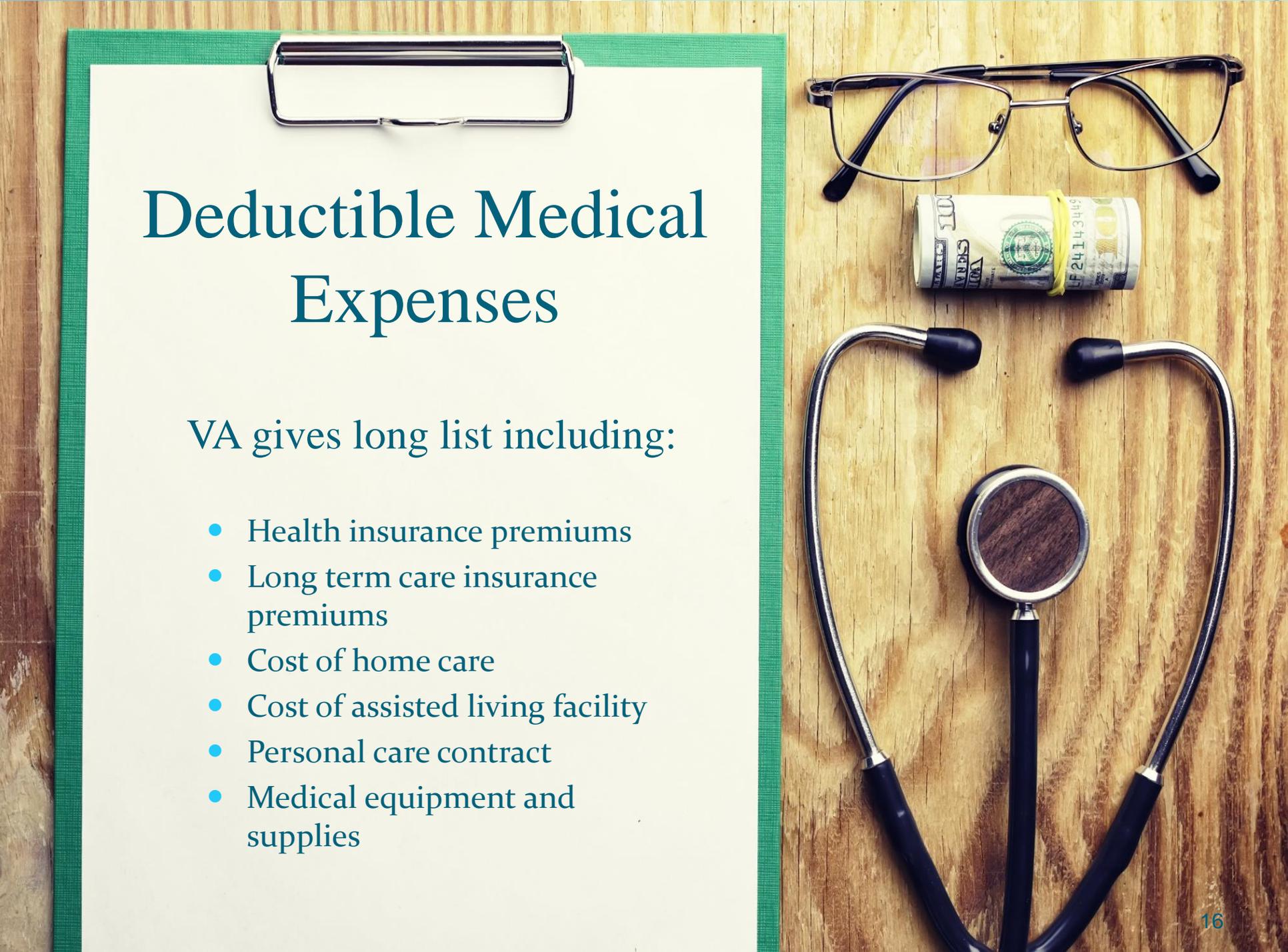
Gross Household Income

- Unreimbursed Medical Expenses
(UME)*

Income for VA Purposes (IVAP)

**(reduced by 5% of basic pension MAPR as co-pay)*





Deductible Medical Expenses

VA gives long list including:

- Health insurance premiums
- Long term care insurance premiums
- Cost of home care
- Cost of assisted living facility
- Personal care contract
- Medical equipment and supplies



CASE STUDY #1

(Single Veteran With No Dependents)



John Doe lives in an Assisted Living facility. He owns one bank account with \$110,000 and has countable income of \$30,000 per year. His unreimbursed medical expenses (UMEs) are his Assisted Living fees of \$40,000 per year.

- Thus said, John would be eligible for the maximum benefit of **\$1,911** per month or **\$22,939** per year.

CASE STUDY # 2

(Married Veteran)



Ralph Rich is living at home with his spouse. They have \$100,000 in assets and an annual income of \$42,000. They pay their daughter \$40,000/year to provide help with Ralph's ADLs and pay \$5,000/year for insurance premiums. Their total unreimbursed medical expenses (UMEs) are \$45,000 per year.

- Thus said, Ralph Rich would be eligible for the maximum benefit of **\$2,266** per month or **\$27,195** per year.

20192 Rates – Effective December 1, 2019

Application Process & Required Documentation

- Discharge Certificate
- Birth Certificate
- Marriage Certificate
- Death Certificates (if applicable)
- Proper documentation from doctor
- Verification of assets and income



Timeframe is usually 6-9 months from date of application (but will get retro lump sum payment)

VA Rule Change



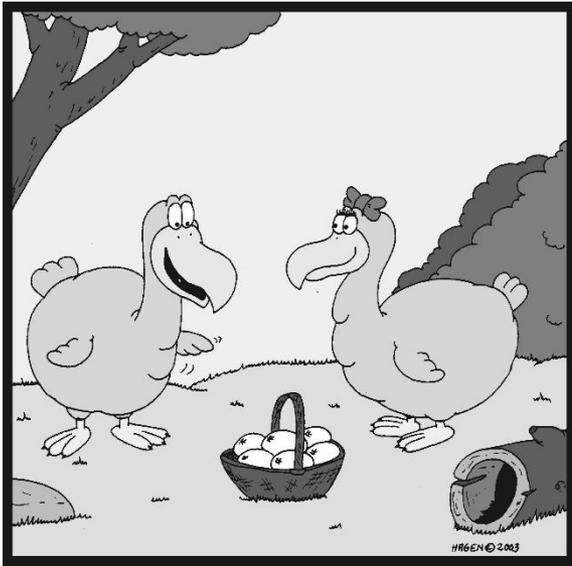
As of October 18, 2018, the Department of Veterans Affairs implemented its final changes to the eligibility rules.

Why It's Important To Start Planning Now

- The sooner we start, the sooner we can get you qualified
- To review and support your health care options and choices under government programs
- There are other planning needs that need to be addressed, not just VA pension



Dangers of Simply Giving Assets Away to Qualify without Careful Planning



We are the last Dodos on the planet, so I've put all of our eggs safely into this basket...

1. Potential adverse tax consequences.
2. The person you give assets to could pass away, divorce, or get sued.
3. You may give away too much.
4. You may fail to consider the best planning options.
5. I don't trust your kids.

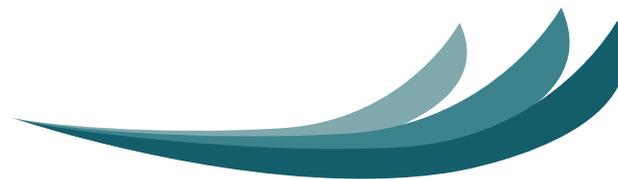
Certain planning techniques can provide the same or greater benefits, but reduce risks of adverse consequences.



Thank You!



LAW OFFICE OF



Amy B. Van Fossen, P.A.

1696 W. Hibiscus Blvd., Suite A, Melbourne, FL 32901

Phone 321-345-5945 Fax 321-345-5417

www.AmyBVanFossen.com