Non-Service-Connected Pension
References

- 38 Code of Federal Regulations (CFR)
- 3.2 Periods of War
- 3.3 Definition of pension
- 3.23 Improved Pension Rates
- 3.271-3.277 Computation of Income
Lesson Objectives

- Basic eligibility requirements necessary to establish entitlement to improved disability pension and death pension.

- Information necessary to develop a disability pension claim.
Eligibility for a Disability Pension

- Wartime service
- Character of service “other than dishonorable”
- A certain length of service
- Family income under a certain limit
- Net worth is not excessive
- Veteran is permanently and totally disabled
**War Time Periods**

- **Gulf War/OIF/OEF/OND**: August 2, 1990 through date to be prescribed by Presidential Proclamation or law

- **Vietnam**: August 5, 1964 through May 7, 1975
  - Earlier date of February 28, 1961 for veterans who served in the Republic of Vietnam
War Time Periods

- **Korea**: June 27, 1950 through January 31, 1955
- **World War II**: December 7, 1941 through December 31, 1946
- **World War I**: April 6, 1917 through November 11, 1918
  - If the vet served with the U.S. military in Russia, ending date is April 1, 1920
Basic Service Requirements

- Veteran served at least 90 consecutive days, one day of which was during a period of War.  
  
  **OR**

- Served any amount of time and was discharged for a disability incurred or aggravated in service.
Length of Service

- **Enlisted** personnel who originally enlist after September 7, 1980 must have 24 months of continuous active duty or the full period for which they were called to active duty.

- **All persons**, including officers, who enter active duty after October 16, 1981 must have 24 months of continuous active duty.
Income Requirements

- VA counts income of veteran and all dependents except parents.

- Income is classified two ways: **earned** and **unearned**.

- In general, all income is countable unless specifically excluded by 38 CFR 3.272
What Counts?

- Gifts and inheritances
- Gains from gambling
- Income from joint accounts
- Income from earnings
- Life Insurance
- Unemployment compensation
What Doesn’t…

- Welfare and SSI
- Income Tax refunds
- **Interest** on Individual Retirement Accounts (IRA)
- VA Burial Benefits
Are you stressed...
Common Deductible Expenses

- Medicare premiums
- Private Medical Insurance premiums
- **Out-of-Pocket Un-reimbursed** Medical expenses
  - 5% deductible . . .
  - 5% of the maximum pension rate including additional benefits for dependents
    - not including additional benefits at the Housebound or Aid and Attendance levels
Current Income Limits

12-01-2013

Improved Pension

- single veteran = $12,642.84  ($1053.57)
- single veteran HB = $15,456.48  ($1288.04)
- single veteran with A&A = $21,095.76 ($1757.98)
- Higher amounts for veterans with dependents

Website: www.vba.va.gov
Pension Levels

- Pension – only requires permanent and total disability
- Housebound – requires assistance to leave home
- Aid and Attendance – requires the care of another person on a daily basis
Net Worth

- The **market value** of **all assets** owned by the veteran
  - Except his/her home and reasonable personal belongings

- **Minus** debt owed on these assets
Evaluating Net Worth

- Are the veteran’s financial resources sufficient to meet his/her basic needs without assistance from the VA?

- If a claimant’s assets are sufficiently large, the claimant is expected to use these assets to pay for living expenses ($80,000).

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Part V Pension and Parents DIC
Subpart III Authorization Issues
Chapter 1 Effect of Income and Net Worth
Section J Net Worth
70. Denial Due to Excessive Net Worth
Net Worth Includes

- Stocks, Bonds, Bank Deposits.
- Real Estate (other than the veteran’s primary residence).
- Investment property such as an antique car or coin collection.
Incarcerated Veteran

A veteran who is in receipt of pension and is incarcerated in excess of 60 days for a misdemeanor or a felony will have his/her benefit terminated. The benefit may be reinstated when the veteran is released. The veteran MUST submit an EVR and supporting documentation to get the pension reinstated.
Effective September 17, 2001, the VA presumes permanent and total disability if a veteran is:

- A patient in an approved nursing home for long-term care due to disability, or
- Receives Social Security Disability benefits, or
- Is age 65 or older when VA application is received
Submitting a Claim for Pension

- For an original claim, completely fill out 21-526
- Make sure income, net worth, and dependency sections are complete
- If veteran has previously filed a claim for compensation or pension, submit 21-527 or 21-527EZ
Forms???

- **21-526**
  (application for comp and/or pension)

  OR

- **21-527 or 527EZ** (application for pension)

  AND

- **21-22** (power of attorney)

- **21P-8416** (un-reimbursed medical expenses)
Submitting a Claim for Pension

- Submit evidence of military service - certified DD-214 or discharge.
- Make sure veteran signs the application.
Current Pension Programs

- Old Law
- 306
- Improved Pension
  (All new claims)
- If in receipt of 306 and claiming HB or A&A, must elect Improved Pension
Conclusion

– Eligibility

● Wartime Service
● Honorable service
  – 90 days or 24 months or ‘full period’
● Income and net worth within limits and…
Conclusion

- Complete dependency information.
- Medical evidence of permanent and total disability if veteran is under age 65, not in a nursing home, and not receiving Social Security Disability benefits.