



Salute Our Veterans With Quality Care

When families come to our elder law firm regarding the long term care needs of a loved one, we always identify two goals. The first and most important goal is good quality care. The second is to obtain that care in a manner that does not completely impoverish the older person and his or her spouse. In developing a care plan, we try to identify all potential sources of funds to help pay for care. The most overlooked source of help with long-term care costs is a Veterans Affairs (VA) benefit that pays monthly income to veterans and their spouses, as well as to the surviving spouses of deceased veterans. This benefit is commonly known as “Aid and Attendance” benefits.

Veterans who are eligible for Aid and Attendance benefits are veterans who served during a time of war and who now require the “aid and attendance” of another person to assist with their activities of daily living, either in a care facility or in their home. To be a wartime veteran, the veteran is not required to have served in combat or to have sustained a service-connected injury; military service of any kind during a time of war qualifies. Further, although the veteran must have served for at least 90 days total, service during even one day of wartime is sufficient to qualify as a wartime veteran.

In 2022, an unmarried wartime veteran can receive a cash payment of as much as \$2,050 per month. A widow or widower of a deceased wartime veteran can receive up to \$1,318 per month. Married couples where one spouse is a wartime veteran can receive up to \$2,431 per month. Married couples where both spouses are wartime veterans can receive up to \$3,253 per month. While this amount is not enough to pay for 24-hour care, for seniors who wish to stay in their homes, these additional funds can make the difference that allows them to remain as independent as possible. For seniors living in a care facility, these additional funds may reduce their out-of-pocket expenses.

Like Medicaid, the VA Aid and Attendance benefit program is needs-based, meaning an applicant must have limited income and assets to qualify. As of 2022, the net worth limit to qualify is \$138,489, but the limit will increase with the cost of living over time. The VA calculates an applicant’s net worth by adding the value of all of the applicant’s “countable” assets together with the applicant’s annual income. If the applicant is married, his

or her spouse’s assets and income are also included. Certain assets, however, are not considered “countable” and are not included in the net worth calculation, such as the applicant’s primary residence and personal effects, including family vehicles. Additionally, the applicant’s unreimbursed medical expenses, including payments toward health insurance premiums, can be used to offset his or her income. If your unreimbursed medical expenses are higher than your annual income, the VA will treat you as though your annual income is \$0.

Even if a veteran’s net worth currently exceeds the VA’s limit, it may be possible to engage in financial planning which would allow the veteran to obtain Aid and Attendance benefits in the future. However, the VA discourages applicants from giving away assets in order to qualify for Aid and Attendance benefits. In late 2018, new regulations went into effect which established a look-back period of three years for Aid and Attendance benefits. This means that, if a veteran or his or her spouse transfers assets out of his or her name within the three-year period prior to applying for Aid and Attendance benefits, the veteran will be ineligible for Aid and Attendance benefits for a certain period of time. The length of the penalty is determined by dividing the total value of the assets the veteran transferred out of his or her name during the look-back period, divided by the monthly benefit amount for a veteran with one dependent in effect at the time the veteran applies for Aid and Attendance benefits. The maximum length of the penalty period the VA will impose is five years, or 60 months.

Financial planning to obtain VA Aid and Attendance benefits should always be done by an experienced elder law attorney who understands both the VA rules and the Medicaid rules because the veteran may also need to qualify for Medicaid benefits in the future.

Do you know a veteran who served our country during wartime and who could use some extra income to pay for care costs? If so, please give him or her a copy of this article. Planning for Aid and Attendance benefits may be an important part of a veteran’s long-term care plan.

***DISCLAIMER** – The information contained in this article should be used for general purposes and should not be construed as legal advice. Consult with your own attorney if you have specific legal questions.*