

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

CHAPTER 200 – Income: Aged, Blind and Disabled (ABD) Categories

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200.07.09 DEPARTMENT OF VETERANS AFFAIRS PAYMENTS (VA BENEFITS)

The Department of Veterans Affairs (VA) has numerous programs that make payments to recipients and their families. Treatment of those VA payments for SSI/Medicaid purposes depends on the nature of the payments. The most common types of VA payments discussed in this section are:

- Pensions
- Compensation
- Educational Assistance
- Aid and Attendance Allowance
- Housebound Allowance
- Clothing Allowance
- Payment Adjustment for Unusual Medical Expenses
- Payments to Vietnam Veterans' children with Spina Bifida
- VA Caregiver Payments

Explore the possibility of receipt of, or potential eligibility for, a VA payment whenever it becomes known an applicant or recipient is:

- A veteran
- The child or spouse of a disabled or deceased service person or veteran
- An unmarried widow or widower of a deceased service person or veteran
- The parent(s) of a service person or veteran who died after December 31, 1956 from a service-connected cause

Mississippi Laws Concerning Veterans Benefits

Mississippi state laws require or allow the following to assist a veteran in applying for VA benefits:

- Each county in Mississippi may employ a County Veterans Service Officer to assist veterans and/or their family members apply for VA benefits with the federal Department of Veterans Affairs.
- The Mississippi Department of Health, Bureau of Vital Statistics, must furnish copies of birth and death certificates, without charge, when needed to establish claims for dependency, disability or survivors benefits for any veterans who are legal residents of Mississippi or their claimants.

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Mississippi Laws Concerning Veterans Benefits (Continued)

- Chancery and Circuit Clerks must furnish, without charge, copies of marriages licenses, divorce decrees, adoption decrees and any and all other records when needed to establish claims for dependency, disability or survivors benefits for any veterans who are residents of Mississippi or their claimants.
- Chancery Clerks must record, without cost, all certificates of service of any and all members of the Armed Forces of the U.S. Certified copies must be furnished without cost to the service member or veteran, his/her authorized representative or his/her dependents.

VA and the Utilization of Benefits Provision

An applicant or recipient, who is potentially eligible for VA pension or compensation benefits must be advised in writing to apply for those benefits as a condition of eligibility, if it will result in a new or increased benefit that will count as income.

When making a referral to file an application for VA benefits, observe the following rules:

- Pension payments are only paid to or on behalf of veterans (living or deceased) with eligible wartime service. Refer to policy for “VA Pension Payments” below. Do not refer veterans or surviving spouses or children of veterans to apply for pension benefits as a condition of eligibility if the veteran served outside of an eligible wartime period. Accept the veteran or surviving spouse’s statement regarding dates of service. If declared to be outside of an eligible wartime period, accept the declaration. If services dates are unknown, require a certificate of service or other documentation so that the worker can determine if an application is required. Advise the veteran or spouse that an application will be required absent information on dates of service.
- For at-home COE’s, if a veteran or surviving spouse of a veteran who served during a wartime period has never applied for a pension, refer the individual to apply through the VA or the County Veterans Service Officer. The VA uses various income limits to determine pension benefits, based on family size and income. Accept a letter from the VA or County Veterans Service Officer as proof of a pending application or accept a statement from either source that no pension benefits are payable.

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VA and the Utilization of Benefits Provision (Continued)

- If an application for pension or compensation benefits has previously been filed and denied, accept a previously issued letter from the VA or a statement from the County Veterans Service Officer that such benefits are not payable.
- If a veteran or surviving spouse of a veteran is in a nursing facility and is subject to the reduced pension, as described in policy below, refer the individual to apply for the reduced pension as a courtesy only. It is not a required benefit under the Utilization of Other Benefits provision.
- Divorced and re-married spouses of veterans do not qualify for any VA benefits as a former spouse of a veteran. Do not refer these individuals to apply for any benefits on the veteran's record.
- If the ineligible (living) spouse is the veteran, do not require the ineligible spouse to apply for any type of VA benefit.
- VA Aid & Attendance or Housebound benefits are not a required benefit under the Utilization of Other Benefits provision. Eligible individuals should be advised to apply for A&A or Housebound benefits, if appropriate, but there is no penalty for failing to apply when either benefit is the only benefit involved.

DOM-312, Notice of Potential Eligibility for VA Benefits, is used to notify the client of the requirement to file and follow through with an application. Allow 30 days for the individual to file the VA application, if required as a condition of eligibility. Set appropriate ticklers to require proof of filing and subsequent follow up on the decision to approve or deny benefits.

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200.07.09A VA PENSION PAYMENTS

VA Pension payments are based on a combination of service, age or disability or death. With a few rare exceptions that are noted below, VA pension payments are federally-funded income based on need (IBON), which means the \$50/\$20 general exclusion is not applied to the payment. Pensions are usually paid monthly; however, when the payment due is less than \$19, VA will pay quarterly, bi-annually or annually. VA may also make an extra payment if an underpayment is due. Pensions, per the VA, are tax free monetary benefits payable to low-income wartime veterans or to low-income un-remarried spouses and/or unmarried children of a deceased veteran with *wartime* service.

Eligible Wartime Periods, under current VA law, are determined to be:

- Mexican Border Period (May 9, 1916 – April 5, 1917 for Veterans who served in Mexico, on its borders, or adjacent waters)
- World War I (April 6, 1917 – November 11, 1918)
- World War II (December 7, 1941 – December 31, 1946)
- Korean conflict (June 27, 1950 – January 31, 1955)
- Vietnam era (February 28, 1961 – May 7, 1975 for Veterans who served in the Republic of Vietnam during that period; otherwise August 5, 1964 – May 7, 1975)
- Gulf War (August 2, 1990 – through a future date to be set by law or Presidential Proclamation)

If a veteran served *outside* of any of the eligible periods shown above, *do not require* the individual to apply for a VA pension under the Utilization of Other Benefits provision.

The payment amount is based on the veteran's own income and the income of his/her spouse and children. Maximum annual pension rates are established by Congress. Disability pension payments take dependents' needs into account when determining the payment; however, the VA normally will not make a payment directly to a dependent during the lifetime of the veteran. Instead, the VA increases the amount of the veteran's basic pension if the veteran has dependents.

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VA PENSION PAYMENTS (Continued)

The VA pension payment increased for dependents is an augmented VA payment. A VA pension payment paid directly to the dependent of a living veteran is an apportioned payment. A VA augmented or apportioned pension applies to disability pension payments, surviving spouse pension payments and Special Acts of Congress pensions but does not apply to surviving child or Medal of Honor pensions, as described below.

1. Disability Pension Payments

- Improved disability pension payments – When a veteran is eligible for a disability pension, he or she will receive benefits under the VA improved disability pension program which was established on January 1, 1979. A veteran is eligible for the improved pension when he or she has at least 90 days of active duty service with at least 1 day of service during a wartime period. A veteran who entered active duty after September 7, 1980, must have served at least 24 months or the full period ordered to active duty with at least 1 day of service during a wartime period. The veteran must have been discharged from military service honorably and also be 1) age 65 or over; or 2) totally and permanently disabled; or 3) a patient in a nursing home receiving skilled care; or 4) receiving Social Security disability benefits or SSI.
- Protected disability pension payments – Prior to the VA improved disability pension program, disability pensions were called Old Law and Section 306 disability pensions. These protected pensions were phased out and replaced by the improved disability pension program. Any pension recipient who elected to remain on the protected pension continued to receive the payment rate received when the program was phased out with no cost of living adjustments to the payment. Medicaid applicants in receipt of old law pension are required to apply for improved disability pension payments if it will result in an increased pension payment under the Utilization of Other Benefits provision.

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VA PENSION PAYMENTS (Continued)

2. Surviving Spouse Pension Payments

- Surviving spouse improved death pension payments – When a surviving spouse is eligible for a death pension, he or she will receive benefits under the VA surviving spouse's improved death pension program established on January 1, 1979. The VA provides this pension to low-income surviving spouses and unmarried children of deceased veterans with wartime service. To be eligible, spouses must not have remarried. For children to be eligible they must be under age 18 or under age 23 if attending a VA-approved school, or determined to be permanently incapable of self-support because of a disability before age 18.
- Surviving spouse protected death pension payments – Prior to the VA surviving spouse improved death pension program, the previous pension programs were called Old Law and Section 306 death pensions. These pensions were phased out with the improved pension program in 01/01/1979; however, spouses could elect to continue to receive a protected pension payment at the rate received when the program was phased out with no cost of living adjustments to the pension payments. Medicaid applicants in receipt of old law pension payments must apply for improved surviving spouse pension benefits if it will result in an increased payment under the Utilization of Other Benefits provision.
- NOTE: Divorced spouses and remarried spouses do not qualify for any VA benefits as a former spouse of a veteran. Do not refer divorced or remarried spouses of veterans to apply for VA benefits under the Utilization of Other Benefits provision.

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VA PENSION PAYMENTS (Continued)

3. Surviving Child Improved Death Pension Payments

The VA provides pensions to low-income, unmarried surviving children of wartime veterans who are independent of the veteran's surviving spouse (e.g., the surviving child is no longer in the custody of the surviving parent or the surviving parent is deceased). An independent child receives VA benefits on his or her own award. The independent child must be under age 18 or under age 23 if attending a VA-approved school or determined to be permanently incapable of self-support because of a disability before age 18.

4. Medal of Honor and Special Act of Congress Pension Payments – Pensions NOT Based on Need

- A veteran who received a Medal of Honor is eligible to receive a special monthly pension payable as either a single entitlement or with another entitlement in a combined award. This type of pension is payable only to the recipient of the Medal of Honor.
- Special Act of Congress pensions are made to individuals in recognition of special acts. When awarded, the terms of the award set the rate, begin date and duration of the payment and whether cost of living adjustments will be applied to the payment.

5. Aid and Attendance and Housebound Benefits (Special Monthly Pension)

Veterans and surviving spouses who are eligible for VA pensions are eligible for higher maximum pension rates if they qualify for aid and attendance or housebound benefits. An eligible individual may qualify if he or she requires the regular aid of another person in order to perform personal functions required in everyday living, or is bedridden, a patient in a nursing home, or is substantially confined to his/her immediate premises because of a disability. VA Aid & Attendance and Housebound Benefits are not income and are excluded from the total VA payment when determining eligibility and Medicaid Income (if applicable). In addition, these payments are not considered third party medical payments.

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VA PENSION PAYMENTS (Continued)

6. Unreimbursed Medical Expenses (UME)

When computing some needs-based pension payments, VA deducts unreimbursed medical expenses from countable income. The VA considers expenses, which exceed 5% of the maximum annual VA pension payment, as UME. This computation may result in an increase in a pension payment or in an extra payment. An increase or extra payment resulting from VA's consideration of UME is not income and is excluded from the total VA payment when determining eligibility and Medicaid Income (if applicable). UME is not countable as income for institutionalized individuals eligible under an Income Trust.

Unspent VA payments resulting from UME are resources if retained into the month following the month of receipt.

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200.07.09B VA COMPENSATION PAYMENTS

VA pays compensation payments based on a service-connected disability or death.

1. Disability Compensation

Veterans are eligible for disability compensation when they have disabilities that result from diseases or injuries incurred or aggravated during active military service. The disability compensation benefit amount is graduated according to the degree of a veteran's disability on a scale from 10 to 100 percent (in increments of 10). VA disability compensation benefits are *not* based on need.

2. Surviving Spouse Dependency Indemnity Compensation (DIC)

The VA provides monthly surviving spouses and surviving children of veterans who died during military service or after discharge from military service as a result of a service-connected disability. Surviving spouse DIC payments are *not* based on need.

3. Surviving Child DIC

The VA provides monthly surviving child DIC payments to independent surviving children of veterans who died during military service or after discharge from military service as a result of a service-connected disability. Independent surviving child means one who is no longer in the custody of the surviving spouse of the deceased veteran who receives VA benefits on his/her own award. To be eligible, a child must be under age 18 or under age 23 if attending a VA-approved school or determined permanently incapable of self-support because of a disability before age 18. Surviving child DIC payments are *not* based on need.

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VA COMPENSATION PAYMENTS (Continued)

4. Parents' DIC

The VA provides a needs-based monthly benefit to surviving parent(s) of a deceased veteran whose death was service-connected. A surviving parent can be single, married to the deceased veteran's other surviving parent, or remarried to the deceased veteran's step-parent. To be eligible, the VA must determine the surviving parent(s) financially dependent on the deceased veteran. Parents' DIC payments *are income based on need*.

5. Unreimbursed Medical Expenses (UME) Included in Compensation Payments

For needs-based compensation (Parents' DIC), VA may deduct unreimbursed medical expenses from any countable income. The VA considers expenses, which exceed 5% of the maximum annual VA pension payment, as UME. This computation may result in an increase in a compensation payment or in an extra payment. An increase or extra payment resulting from VA's consideration of UME is not income and is excluded from the total VA payment when determining eligibility and Medicaid Income (if applicable). UME is not countable as income for institutionalized individuals eligible under an Income Trust.

Unspent VA payments resulting from UME are resources if retained into the month following the month of receipt.

6. Special Monthly Compensation (SMC)

Veterans with certain specific, very severe disabilities can receive a higher monthly compensation rate that is above the 100% disability rating. The VA calls this payment Special Monthly Compensation (SMC) and it is paid for the veteran's need of daily aid and attendance or regular health services. SMC is not income and is excluded from the total VA payment when determining eligibility and Medicaid Income (if applicable).

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VA COMPENSATION PAYMENTS (Continued)

The VA will take dependents' needs into account when determining compensation for the veteran or surviving spouse compensation payments, resulting in increased allowances for dependents. An increase in a payment for dependent(s) is an augmented payment. A payment made directly to the dependent(s) is an apportioned payment. There is no increased allowance for dependents for surviving child and parents' DIC payments.

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200.07.09C VA EDUCATIONAL BENEFITS

VA provides educational assistance under a number of different programs, including vocational rehabilitation. Depending on the nature of the program, different SSI/Medicaid income and resource policies apply. Generally, veterans have up to ten years after leaving the service to complete their education and twelve years to complete a program of vocational rehabilitation. Dependents and survivors of veterans may also be eligible for educational benefits.

Frequency of Payment

Payments are usually made monthly for months the veteran is in school or according to the school year (quarter, semester, other). However, payments may be made less frequently if school attendance is less than full time.

“Contributory” Programs

Some programs are “contributory”. That is, the money is contributed by the veteran to an educational fund while the veteran is in service and the VA matches the money when it is withdrawn to pursue an education. The veteran has a right to withdraw as a lump sum the funds he has contributed.

If payments are made under a contributory program or the nature of the program is in question, obtain the amount of the veteran’s contributions remaining in the fund that can be withdrawn as a lump sum and the portion of any VA educational benefit payment that is a withdrawal of the veteran’s contributions to the fund.

Treatment of VA Educational Benefits

The following are not considered in determining VA income:

- **Vocational Rehabilitation** - Payments made as part of a VA program of vocational rehabilitation are not income, including any augmentation for dependents. Subsistence allowances received during vocational rehabilitation may be augmented, but the augmentation is not income.
- **Withdrawal of Contributions** – Any portion of a VA educational benefit that is a withdrawal of the veteran’s own contributions is conversion of a resource and is not income.

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VA EDUCATIONAL BENEFITS (Continued)

The following must be considered in determining countable VA educational income:

- Any VA educational benefit payment or portion of such a payment funded by the government that is not part of a program of vocational rehabilitation is unearned income.
- Any portion of the VA educational benefit used to pay for tuition, books, fees, tutorial services, or other necessary educational expenses is excluded from income.
 - For SSI/Medicaid purposes, only the portion of an educational payment that is income to the veteran obtaining the education is subject to the educational expenses exclusion. The augmented portion, which is income to the dependent, is not subject to the educational expenses exclusion.
- The \$50/\$20 general income exclusion applies to countable VA educational assistance and these payments are subject to deeming.

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200.07.09D AUGMENTED BENEFITS

As previously indicated, VA often considers the existence of dependents when determining a veteran's or veteran's surviving spouse's eligibility for pension, compensation and educational benefits. If dependents are involved, the amount of the benefit payable may be larger. However, the presence of dependents does not necessarily mean a payment will be augmented.

Apportionment

Apportionment is direct payment of the dependent's portion of VA benefits to a dependent spouse or child. On a case-by-case basis, the VA decides whether and how much to pay by apportionment. Apportionment reduces the amount of the augmented benefit payable to the veteran or the veteran's surviving spouse. The portion of a VA benefit paid by apportionment to a dependent spouse or child is VA income to the dependent spouse or child. It is not a support payment from the designated VA beneficiary.

Augmentation

An augmented benefit is an increase in benefit payment to a veteran or a veteran's surviving spouse or higher VA income eligibility limits because of a dependent. An augmented payment includes a designated VA beneficiary's portion and one or more dependent portions. The augmented payment is usually issued as a single payment to the veteran or veteran's surviving spouse.

The designated beneficiary's portion is that part of an augmented benefit that is attributable to the veteran or the veteran's surviving spouse. It is VA income to the designated beneficiary.

The dependent's portion is VA income to the dependent, provided the dependent resides with the designated beneficiary. The dependent's portion is not a support payment from the designated beneficiary.

An absent dependent's portion of an augmented VA benefit is not VA income to either the dependent or the designated beneficiary. This is true even if the designated beneficiary continues to receive the absent dependent's portion. The dependent's portion of a VA benefit is not VA income to an absent dependent unless he receives it directly as an apportioned payment. Any portion of the benefit retained by the designated beneficiary is a countable resource.

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AUGMENTED BENEFITS (Continued)

Example: Raymond Jones is a Medicaid recipient. He has one dependent, Robert Jones, 17, who does not reside with him. Mr. Jones' VA pension is \$450 per month, which includes a portion for Robert. The VA verified Mr. Jones' portion of the VA payment as \$400. This is the amount of VA income counted for Mr. Jones. The \$50 augmented payment is not counted.

Under the Utilization of Benefits provision, the applicant who is an absent dependent of a veteran or veteran's surviving spouse receiving VA compensation, pension or educational benefits may be required to file for an apportioned (direct) payment as a condition of eligibility unless apportionment has been denied since the dependent began living apart from the designated beneficiary.

Other Payments to Absent Dependents

Any payment made from the designated beneficiary directly to an absent dependent is unearned income in the form of a gift, a support payment, or other income, not VA income.

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200.07.09E VA BENEFITS AND INSTITUTIONAL RULES

1. Reduction in VA Pension for Veterans and Surviving Spouses in Nursing Facilities

Medicaid eligible veterans in nursing facilities without a dependent spouse or child and Medicaid eligible surviving spouses without a dependent child are subject to a maximum VA pension that can be paid of \$90. The maximum payment is \$90 but the payment can be less. The reduced pension is considered Aid and Attendance and is not countable as income for eligibility or Medicaid Income, which includes recipients eligible under an Income Trust.

Federal law prohibits counting the reduced pension toward the veterans' cost of care (Medicaid Income). The Personal Needs Allowance (PNA) for all recipients receiving a reduced pension is equal to the pension payment received, usually \$90.

If a veteran or surviving spouse is receiving a VA pension payment upon admission to a nursing facility, refer the individual to the VA to determine if their pension is subject to the \$90 maximum. Set appropriate ticklers to check with the VA to determine the case action needed.

For individuals who do not receive a VA pension upon admission to a nursing facility but who may be eligible for the reduced pension due to wartime service, there is no requirement to apply for the benefit but it will result in the individual having a higher Personal Needs Allowance if they file for it. Make a referral to file for the reduced pension as appropriate but do not require it under the Utilization of Other Benefits provision since it will not result in a benefit that will count.

2. IS/CS Cases with UME and/or A&A

If the institutional client (IS) receives non-countable income from UME or A&A, the community spouse (CS) will be allowed to receive the IS' payment attributable to UME or A&A in addition to the CS allocation amount computed in the Medicaid Income computation.

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VA BENEFITS AND INSTITUTIONAL RULES (Continued)

If the CS is not entitled to Medicaid, the extra income will have no impact. However, if the CS is Medicaid-eligible at home, the income that represents the UME (or A&A) payable to the IS is income to the CS. UME (and A&A) is disregarded as income only to the one entitled to the payment. When it becomes income available to the CS, it is income to the CS. If the income is given to anyone else, the possibility of a transfer of resources exists.

If the CS does not receive the income attributed to UME (or A&A), the possibility of excess resources building up for the IS exists. In this case, resources must be monitored closely.

3. VA Contract Patients in Nursing Facilities

Certain veterans qualify for VA contract payments which cover nursing home care for one to six months. The contract period begins with the date of the nursing home placement and covers the date of admission, but not the date the contract expires. For example, if a veteran is placed in a nursing facility under VA contract effective January 12, the contract will expire July 15 and VA will not reimburse the facility for the day of July 15.

It is possible for a service-connected veteran to be under VA contract in a nursing facility for an indefinite length of time. These individuals are not subject to the six-month limit for a VA contract as are nonservice-connected veterans.

Eligibility for Medicaid benefits other than nursing home reimbursement can begin prior to the date a VA contract expires, depending on the date the application is filed and provided the individual is eligible on all other factors. Reimbursement cannot begin until the date the VA contract expires.

Do not count VA money paid to the nursing home as income to the Medicaid applicant. Although a VA contract payment is a third party medical payment, it is not a payment subject to recovery by Medicaid. The veteran's ongoing VA benefits may be reduced during the VA contract period and returned to the full amount following expiration of the contract. When verifying VA income for eligibility purposes during a VA contract period, determine if reduced benefits are involved and determine when full benefits will resume. Benefits are usually raised in the month following the month the contract ends.

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200.07.09F VA CLOTHING ALLOWANCE

A lump sum clothing allowance is payable in August of each year to a veteran with a service-connected disability for which a prosthetic or orthopedic appliance, including a wheelchair, is used. The allowance is intended to help defray the increased cost of clothing due to wear and tear caused by the use of such appliances. A VA clothing allowance is not income for eligibility or Medicaid Income purposes.

200.07.09G PAYMENTS TO VETERANS' CHILDREN WITH CERTAIN BIRTH DEFECTS

These VA payments are made to, or on behalf of, the natural children of veterans, regardless of age or marital status, who are in the following categories:

- Vietnam veterans' children for any disability resulting from spina bifida;
- Korea service veterans' children for any disability resulting from spina bifida;
- Women Vietnam veterans' children for certain birth defects.

These payments are excluded from income and resources. The interest earned on unspent funds is excluded effective July 2004.

NOTE: While individuals receiving these payments are children of veterans, many would not meet the SSI definition of "child". They may be applicants/recipients and/or have spouses or children who are applicants/recipients.

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200.07.09H DEEMING RULES FOR VA PENSION AND COMPENSATION PAYMENTS WITH AND WITHOUT A&A AND UME

Under the deeming provision, the income of an ineligible spouse or parent who receives income based on need is not deemed to an eligible spouse or child in at-home cases. Needs-based pension and needs-based compensation payments are non-deemable along with any other income of the ineligible. However, if an ineligible spouse or parent receives a VA payment that is solely attributed to UME, the receipt of such payment will result in deeming the remaining income of the ineligible to the eligible.

For example, if an ineligible spouse receives Social Security and VA that is attributed solely to UME, the ineligible's Social Security would be deemable to the eligible. However, if the ineligible receives a VA needs-based pension or needs-based compensation payment in addition to payment for UME, all income of the ineligible is non-deemable to the eligible person.

200.07.09I VA CAREGIVER PAYMENTS

VA provides family caregivers a monthly stipend payment to provide personal care to eligible veterans who have serious post-9/11 injuries and elect to receive their care in a home setting. To be eligible for the VA caregivers program, the veteran must have:

- Been medically discharged from service;
- A serious injury that was aggravated in the line of duty on or after 9/11/2001;
- Need of personal care because of the inability to perform one or more activities of daily living; and
- Been enrolled in VA health services.

Eligible caregivers include a parent, spouse, child, a step-family member, an extended family member or someone who lives with the veteran but is not a member of the family of the veteran.

VA caregiver payments are unearned income to which the \$50/\$20 general exclusion applies. The monthly stipend is compensation to the caregiver for providing personal care services to the eligible veteran.

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200.07.09J VA BENEFIT ALLOCATED TO A SPOUSE RECEIVING IBON

When the **spouse** of an applicant or recipient receives Income Based on Need (IBON), the source of the IBON may count a portion of the VA benefit as income to the spouse receiving the IBON. When this occurs, a deduction will be made from the VA benefit of the Medicaid client equal to the amount counted as income by the IBON source.

Verify from the source of the IBON (not VA) the amount of the VA benefit counted as income to the spouse. This amount will be deducted from the countable VA benefit verified by VA.

Example: An applicant receives a VA pension and his spouse receives SSI. SSI verifies \$50 of the VA pension is the spouse's income in the SSI computation; therefore, \$50 is deducted from the client's verified VA pension.

200.07.09K DETERMINING THE AMOUNT OF VA PAYMENTS

Whether or not an entire VA payment is counted as income depends on the type of VA payment being made and the policy in effect in the month of payment.

Overpayments recovered from VA benefits are included as income in determining eligibility and Medicaid Income. Refer to the discussion in Overpayment Recovery for specific policy governing overpayments withheld from unearned income.

In cases where VA "suspends" VA Improved Pension benefits for failure to verify medical expenses, it is not correct to adjust the VA benefit to zero. VA benefits are only temporarily suspended and will be restored back to the date suspended when verification is received. The benefit in effect prior to the suspension date continues to count as income until VA benefits are restored because the recipient remains entitled to the VA benefit. Any lump sum retroactive VA payment to restore suspended benefits is not counted as income since the income has already been counted.

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200.07.09L VERIFICATION OF VA PAYMENTS

Verification of benefits paid by the VA is obtained by writing the appropriate VA Center. Written verification is obtained by use of the VA verification form. These forms are mailed to:

Veterans' Service Division
VA Regional Office
1600 E Woodrow Wilson Drive
Jackson MS 39216

To obtain written verification of VA Insurance benefits, write to:

VA Center
P O Box 8079
Philadelphia PA 19101

VA Insurance payments do not change once the benefit amount has been determined. Once this benefit amount has been verified, it is not necessary to re-verify the benefit amount.