

*Providing WIPA Services to  
Veterans with Disabilities  
Part 2*

Virginia Commonwealth  
University  
WIPA NTC

# Work Incentives Counseling for Veterans with Disabilities

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***Reminder – only veterans who are already receiving SSA disability benefits are eligible for WIPA services!***

When you get calls from veterans who are not receiving SSA disability benefits, encourage them to apply and offer additional information & referral services as needed.

# Verify all Veterans Benefits Before Offering Advice!

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- There is no TPQY or BPQY equivalent in the DoD/VA system.
- Most veterans will know what type of VA benefits they receive, but always verify by checking correspondence and paperwork.
- Use a separate veterans questionnaire to make sure you know ALL the special benefits and services received, the disability rating and whether dependents are also getting benefits (see handout)

# Types of Cash Benefits Available to Veterans with Disabilities

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- Military retirement due to disability provided by the US Department of Defense (DoD)
- Veteran's Administration (VA) benefits
  - VA Disability Compensation
  - VA Disability Pension
- Disability benefits provided by the Social Security Administration (SSA)
  - Title II disability benefits (SSDI)
  - Supplemental Security Income (SSI)

## Medical Benefits Available to Veterans with Disabilities

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- Military retirement comes with TRICARE medical coverage <http://www.tricare.mil/>
- Veteran's receiving VA benefits due to disability may access the VA health care system
- Medicare coverage comes with Social Security Disability Insurance (SSDI) after a waiting period
- Medicaid coverage is provided to all SSI recipients
- Multiple forms of medical coverage may be accessed simultaneously

# Healthcare Considerations for Veterans

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- Don't assume that vets know all the options available to them for healthcare!
- Make sure you ask if healthcare needs are being met.
- Provide counseling on Medicare Parts B and D – don't forget Medicare Savings Programs and the Part D low-income subsidy.
- Medicaid programs like spend-down or Medicaid buy-in are also options to explore.

# Interface between Medicare and DoD/VA Health Care Benefits

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- Enrollment in Medicare has NO impact on VA healthcare benefits. In most cases, veterans should be encouraged to enroll in both!
- TRICARE participants who are eligible to enroll in Medicare are **required** to enroll in some instances. For more info go to:

<http://tricare.mil/mybenefit/home/overview/Eligibility/WholsEligible/MedicareBeneficiaries?>

## Military Retirement Due to Disability

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- Military retirement benefits are administered by US department of Defense (DoD), not the VA.
- Military retirement is available to persons with 20+ years of active service in the military
- Individuals may retire as “disabled” regardless of % level of disability if found unfit for service by reason of **physical disability**.

# More on Military retirement due to disability

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- Individuals with less than 20 years of active service at the time they are removed from the military by reason of physical disability are generally “separated”, not retired
- Benefits may be dispensed as either a monthly check (retirement) or as a lump-sum severance payment (separated)
- Some variance in how the branches of the military handle retirement and separation

## Advantages of Military Retirement due to Disability

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- Recipients of these benefits are NEVER subject to a review of their disability rating
- Retired veterans with disabilities get the same benefits as all other military retirees including use of commissaries, military hospitals, and Tricare coverage for themselves and family members
- Military retirement benefits are NOT affected by paid employment in any way!

## VA Disability Benefits – How to Apply

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- Most veterans apply for VA benefits when they are first separated from the military due to being “unfit for active duty”
- Veterans’ may apply at any point after this by completing VA Form 21-526 – Veteran’s Application for Compensation or Pension
- Veterans may also apply online at:  
<http://vabenefits.vba.va.gov/vonapp/main.asp>
- Questions? Call toll free 1-800-827-1000

# Disability Evaluation under the VA System

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- Disability is assessed using a percentage system in intervals of ten from 0% - 100%
- The higher the disability rating, the higher the monthly disability benefit payment
- The rating was originally intended to represent the degree to which a veteran's earnings capacity is diminished by the disability
- Determinations are based on the VA Schedule for Rating Disabilities or VASRD

# More about the VA Rating System

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- The VA considers all service-connected disabilities and the totality of the changes in the person's medical condition that occurred during military service. DoD only considers physical disabilities
- Unlike the DoD, the VA process permits reevaluation of service-connected disabilities if a condition worsens or improves over time
- The DoD and VA use different rating systems – it is possible for a veterans two have two different ratings from the two agencies

# Rating Designations

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- Total disability based on 100% disability rating
- Total disability based on “individual unemployability”
- Permanent and total disability

***These designations are important because they allow higher benefits to be paid, and may entitle veterans to additional benefits!***

# VA Disability Compensation

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- Disability must be “service connected” - incurred or aggravated during active military service
- Separation or discharge from the military must be under conditions other than dishonorable
- VA Compensation is an entitlement program and is not means-tested in any way!
- VA Compensation benefits may be reduced if certain DoD benefits such as military retirement or disability severance pay are received

## More About VA Disability Compensation

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- Vets with ratings of 30% or more are eligible for additional allowances for dependents
- Vets with certain types of disabilities (loss of limb or use of organs) may be eligible for “Special Monthly Compensation” (SMC) in addition to regular VA compensation
- Vets with 100% ratings who are “housebound or bedridden” may get an additional SMC payments known as “Aid and Attendance and Housebound Allowance”

# VA Disability Pension

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- Available to veterans with non-service connected disabilities
- Must have at least 90 days of active military service, with at least one day during a period of war – some vets must serve longer
- Disability designation of permanent and total
- Separation or discharge must have been under conditions other than dishonorable and disability must not be due to willful misconduct

# More about VA Disability Pension

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- VA pension is intended to bring the veteran's total income up to a minimum level set by Congress
- Eligibility is based on strict income and asset guidelines
- Payments are reduced dollar-for-dollar by the amount of countable income of the veteran, the spouse, or dependent children

## Other VA Benefits for Veterans with Disabilities

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- Specially adapted housing grants
- Service-disabled veteran's insurance
- Assistance with adapting an automobile to meet disability needs
- Annual clothing allowance
- Aid and attendance for house-bound veterans

# Where to Get More Information about VA Benefits

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- A Handbook for Injured Service Members & Their Families  
<http://www.fallenheroesfund.org/common/page.php?ref=familyinfo>
- Federal Benefits for Veterans and their Dependents  
[http://www1.va.gov/opa/vadocs/current\\_benefits.asp](http://www1.va.gov/opa/vadocs/current_benefits.asp)
- Veterans Benefits Explained  
<http://www.military.com/benefits/veteran-benefits/veterans-benefits>

## How Employment Affects DoD and VA Disability Benefits

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- Military retirement due to disability is never affected by earned income
- VA Disability Compensation is not affected by earned income EXCEPT that it is possible for employment to trigger a disability rating review
- VA Disability Pension is reduced dollar-for-dollar by earned income and gross income is what counts

# Employment and VA Disability Ratings

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## **Employment does NOT cause a review of disability rating for individuals who are:**

- Elderly (age 69 or older)
- Designated as being totally disabled (100% schedular rating or designated as having permanent & total disability)
- Designated as being totally disabled due to “individual unemployability” for a period of 20 or more years continuous years

## Employment and VA Disability Rating

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**Persons with potential risk of reduced disability rating due to employment include:**

- Veterans under age 69 with schedular ratings under 100%
- Veterans who are rated as being totally disabled based on individual unemployability who have been on benefits for less than 20 consecutive years and who are working in a “substantially gainful occupation”

# What is a Substantially Gainful Employment?

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“Substantially Gainful Employment is defined as employment at which non-disabled individuals earn their livelihood with earnings comparable to the particular occupation in the community where the veteran resides.”

(M21-1MR, Part IV, Subpart ii, Chapter 2, Section f)

# Substantially Gainful Employment is NOT.....

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- Marginal employment. Marginal employment exists when a veterans' earned income does not exceed the current Federal Poverty Guidelines for a household of one.
- Earnings can go over the FPG and still not be considered substantial if the work occurred in a protected environment such as a family business, a sheltered workshop, or when supported employment services are provided.

## Furthermore...

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- Effective Jan 1985 a veterans total disability rating based on IU may not be reduced solely on the basis of having secured substantially gainful employment unless the veterans maintains the occupation for 12 consecutive months.
- In some cases, completing a program of vocational rehabilitation may cause a reduction in the rating if there is evidence of marked improvement or recovery

# Adding SSA Disability Benefits to the Picture

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- Vets disabled while on active military service after Oct 1, 2001 get expedited claims processing from SSA
- Military pay is subject to FICA, so many vets will have insured status for title II disability benefits
- Active duty status and receipt of military pay does not necessarily prevent payment of disability benefits.
- See <http://www.ssa.gov/woundedwarriors/>

# How VA and SSA Disability Benefits Interact

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- VA Disability Compensation is not affected by receipt of SSA disability benefits in any way! Many veterans would be eligible for SSDI and are encouraged to apply
- VA Disability Pension would count SSA title II benefits (SSDI) as income. This income could cause ineligibility for VA Pension benefits, or would cause a dollar-for-dollar reduction in VA Pension payments. SSI payments do NOT count against VA Pension!

## How VA and SSA Disability Benefits Interact Continued...

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- Receipt of DoD/VA benefits does not affect a veteran's eligibility for SSA title II disability benefits
- SSDI payments are not reduced by VA disability benefits (PDB offset), but may be reduced when military retirement payments based on disability are received
- SSI is means-tested and would count DoD/VA cash benefits as unearned income – the \$20 GIE does NOT apply to VA Pension payments

# Special VA Programs Disregarded by the SSI Program

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- Aid and Attendance or Housebound allowance
- Disability compensation payments resulting from unusual medical expenses
- Benefits paid on the basis of a Medal of Honor or special act of Congress
- Payments made as part of the VA Vocational Rehabilitation & Employment Program
- Most Compensated Work Therapy (CWT) payments except those received in supported employment
- VA clothing allowance

# VA Appeals Process

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- Almost any decision made by the VA can be appealed
- One year limit on appeals from date notice of decision was mailed
- No required form – just file a written statement called “Notice of Disagreement” at local VA office

## State Veterans Benefits

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- Many states offer additional benefits to veterans- what is offered varies by state
- Benefits may include educational assistance, discounts on taxes and/or fees, home loans, free hunting or fishing privileges, and more
- A Directory of State Veterans programs can be found at:

<http://www.military.com/benefits/veteran-benefits/state-veterans-benefits-directory>

## Some things to understand about the disability system for vets....

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- The disability evaluation system is really complicated and slow. It can take years to get your disability rating
- The system is not transparent – it is very difficult to find the regulations
- The way that employment affects certain VA benefits is unclear and there can be a great deal of subjectivity involved in ratings determinations

# Final Words

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- Make sure you know which benefits a veteran gets before you offer advice
- Encourage veterans to apply for SSA disability benefits
- Make sure veterans are aware of the myriad programs they may be eligible for thru the VA
- Recognize the limits of your knowledge about benefits for veterans – find local sources of assistance and support!