



VETERANS BENEFITS *Guide*

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MEMORANDUM REGARDING VETERAN BENEFITS

This memorandum is provided in part as a basic outline of Veteran's Benefits, which, in spite of being a major Federal program, remains one of the least utilized and least understood programs available to those who have served our Country.¹

WHO IS A VETERAN?

A veteran is a person who served as a member of the Army, Navy, Air Force, Marine Corps, or Coast Guard, or as a commissioned officer of the Public Health Service, the Environmental Science Services Administration or the National Oceanic and Atmospheric Administration. The veteran's service must have been full time service, and the veteran's discharge must have been "other than dishonorable."

WHO ADMINISTERS THE PROGRAMS?

This Federal program is divided into three separate areas.

1. Veteran's Health Administration, which provides and oversees all of the Health Care facilities, such as V.A. Hospitals.
2. National Cemetery Administration, which maintains Arlington National Cemetery and provides burial benefits for veterans.
3. Veteran's Benefits Administration, which administers the balance of veteran's benefits, including education, readjustment, disability pensions and compensation.

SECONDARY SERVICE CONNECTION

If a veteran has a service-connected condition, and later develops another condition as a result of the first condition, then the second condition will also qualify as a service-connected disability. One example that commonly occurs is a service-connected foot injury, which later causes a back injury because of the altered gait.

¹ The VA projected that as of September 30, 2024, there were approximately 17.9 million living US veterans.

INCREASED DISABILITY RATINGS

A veteran with a service-connected condition can reapply to the V.A. at any time for an increase in rating based on the condition having become more disabling.

V.A. RATING SYSTEM

For service-connected conditions, the amount of compensation paid is based upon the percentage of disability, as determined by the V.A. This is referred to as the “rating” or the “rating system.” The disability rating assigned by the V.A. can vary from 0% to 100%, in 10% increments. Although a 0% rating would not make the veteran eligible for compensation, it could mean entitlement to other benefits for the veteran, such as pharmacy benefits. Payment for compensation begins with a 10% disability rating.

FINANCIAL REQUIREMENTS FOR SERVICE CONNECTED DISABILITY COMPENSATION

The Service-Connected Disability Compensation Program is not means-tested. The veteran’s income and assets are not related to the receipt of benefits.

PHARMACY BENEFITS

Veterans receiving service-connected disability compensation are eligible for pharmacy benefits. There is a co-pay of \$5.00 - \$11.00 for each 30-day supply for a treatment of conditions that are not service connected for enrolled veterans with a maximum of \$700 per year (for 2025).

Certain veterans have no co-payment and receive free pharmacy services:

- a) Veterans with a service-connected disability rating of 50% or higher
- b) Former prisoners of war,
- c) Certain veterans receiving medication for service-connected conditions,
- d) Veterans exposed to Agent Orange who now suffer from head or neck cancer,
- e) Veterans receiving medication for a V.A. approved research project, and
- f) Veterans whose income is below the maximum annual rate for a V.A. pension.

SERVICE-CONNECTED DISABILITY

A service-connected disability is recognized if the V.A. determines that the veteran's injury, disease, or condition was incurred or aggravated as a result of service in the U.S. Military. The benefits are income tax free.

There are three criteria to be met before a veteran can receive service-connected compensation from the V.A.:

1. There must be a current disability diagnosed by a medical professional. The veteran is presumed to have been in good health when they entered service. If there was a preexisting condition, there is a presumption that such condition was aggravated by the military service.
2. There must be evidence of some precipitating disease, injury or event while in service that is recorded in the military service records.
3. There must be a link between the current disability and the in-service disease, injury or event. The burden of proof is only that "it is as likely as not" that there is a link.

Certain medical conditions have been designated by the V.A. as being presumptively service-connected. For veterans exposed to Agent Orange, diabetes and certain types of cancer are presumptively service-connected. The same presumption exists for World War II veterans exposed to radiation in the Pacific Theatre. Continuity of symptomatology exists when the veteran can demonstrate that a condition that existed during service has been continually treated to the present. This will also establish the required link.

For veterans not entitled to free pharmacy services, the co-pay listed above applies. The V.A. prescription drug formulary has over 1,800 drugs on it and coverage is not subject to any annual deductible. The veteran pays the designated Priority Group co-pay only.

NON SERVICE-CONNECTED PENSIONS

Non service-connected benefits are called "pensions" whereas service-connected benefits are referred to as "compensation." One major difference is that pension benefits are means tested, with income and asset limits, whereas compensation benefits are not limited by income or assets.

MILITARY SERVICE REQUIREMENTS FOR PENSION BENEFITS

Wartime military service is a requirement for pension benefits. The following are the designated periods of wartime within the last hundred years:

- World War II – December 7, 1941 to December 31, 1946
- Korean War – June 27, 1950 to January 31, 1955
- Vietnam War – November 1, 1955 to May 7, 1975 for Veterans who served in Vietnam

-OR-

August 5, 1964 to May 7, 1975 for Veterans who served outside of Vietnam

- Persian Gulf War – August 2, 1990 to date to be determined by Presidential proclamation or law

Eligibility for pension benefits generally depends on the length of active duty service and the date on which the veteran's active duty service started. At a minimum, the veteran will need to have served on active duty for at least one day during wartime. Depending on the date on which the veteran's active duty service started, the veteran will need to have been on active duty for either 90 days, 24 months, or the full period for which the veteran was called or ordered to active duty.

There is no requirement that any of the active duty service be in a combat zone, nor is there any requirement for any of the active duty service to have been performed outside the United States.

HOMESTEAD EXEMPTION FOR PENSION BENEFITS

A single family home, which is the residence of the veteran or their spouse, is an exempt asset as long as land is 2 acres or less. Home contents and personalty are also exempt, and therefore not considered when eligibility for pension benefits is determined.

ASSET LIMITS FOR PENSION BENEFITS

The Veteran (and spouse) cannot have assets in excess of \$159,240 (2025), excluding the homestead to qualify for pension benefits. The value of the assets can no longer be excluded based on an age analysis. The V.A. will consider the liquidity and availability of the assets in order to determine eligibility for the pension.

PENALTY PERIOD ON ASSET TRANSFERS AND PENSION BENEFITS

Asset transfers for less than fair market value that occurred within the three years prior to the filing of a pension claim are subject to a potential penalty period of up to five years.

BASIC PENSION BENEFITS

A veteran who is disabled or is over the age of 65 and meets the above-mentioned service and asset tests can receive a basic monthly pension of up to \$1,413 per month. A married veteran can receive an unrated pension up to \$1,851 per month. These amounts can be reduced by available income on a dollar for dollar basis. Protecting the pension in

spite of available income is discussed below. There is no medical requirement for a basic pension, as long as the veteran is age 65 or older. If under age 65, the veteran must be permanently and totally disabled.

ADDITIONAL ALLOWANCES TO BASIC PENSIONS

There are two allowances to a Basic Pension claim:

1. Aid and Attendance; and
2. Housebound Allowance.

In order to qualify for either allowance, the veteran must meet medical requirements in addition to the service and asset requirements outlined above.

HOUSEBOUND ALLOWANCE

To be eligible for a V.A. rating of a housebound allowance the veteran must be over the age of 65 and substantially confined to the home due to disability. If the veteran is under the age of 65, they must meet the federal standard of being permanently and totally disabled. The V.A. no longer defines housebound as bedbound or requiring that the veteran not leave the home. The current standard allows a veteran to leave the home, with assistance, for medical care or rehabilitation.

The maximum housebound allowance for a married veteran is \$2,165 per month. For an unmarried veteran, the maximum housebound allowance is \$1,727 per month. As with all pensions, the maximum allowance will be reduced on a dollar for dollar basis or completely eliminated if the income exceeds the maximum pension allowance.

AID AND ATTENDANCE

A V.A. rating for aid and attendance is granted only if the veteran meets certain medical requirements. These medical requirements are waived if the veteran is a patient in a nursing home. The basic requirement is that the veteran requires ongoing aid and attendance from someone else for the performance of the activities of daily living (ADLs). These include toileting, feeding and dressing. The current maximum aid and attendance monthly pension amount is \$2,795 for a married veteran and \$2,358 for a single veteran. The maximum monthly amount may be reduced or eliminated by monthly household income. Income offsets to protect the pension are discussed below.

INCOME DISREGARDS

The most notable income disregard is Supplemental Security Income (“SSI”). SSI payments do not count as income for V.A. purposes.

The most significant and valuable income disregard is a category labeled as non-reimbursed medical expenses. One type of non-reimbursed medical expense is the cost

of health insurance. This even includes indemnity policies that don't pay medical bills but pay the insured an amount based on the treatment received.

All non-reimbursed medical expenses will reduce income. The most valuable non-reimbursed medical expense is those that recur on a regular basis. For veterans rated for aid and attendance or a homebound allowance, assisted living expenses, home care expenses, and nursing home expenses are all recurring medical costs. As a recurring cost the V.A. will annualize the cost, in advance of its being paid.

Thus, if a veteran is in an assisted living facility with a non-reimbursed cost of \$3,500 per month, the V.A. will deduct \$42,000 per year from the veteran's annualized income. The same approach is used for non-reimbursed nursing home costs which results in an even higher deduction from income based upon higher nursing home costs. Home care costs incurred by licensed or unlicensed providers, as well as services provided by relatives, can be annualized, and used to reduce income. Home care can include medical and non-medical services such as cooking and house cleaning. The only requirement is that some medical care be provided. Reminding a veteran to take their medicine is defined by the V.A. as medical care.

Relatives and family members must be paid in order for the income to be annualized. The V.A. will view payment to family members who reside in the home with more scrutiny than those who reside outside the home.

ASSISTED LIVING FACILITIES AID AND ATTENDANCE PENSION BENEFITS

The V.A. considers assisted living costs medical expenses. For the vast majority of people, assisted living expenses are non-reimbursed expenses. For rated veterans, these are non-reimbursed medical expenses. With the national median cost of assisted living facilities is projected to be \$5,190 per month for 2025, or roughly \$62,280 annually, the impact of assisted living costs on the veteran's countable income is significant. If the assisted living expenses and the health insurance deductions can reduce the countable income, the aid and attendance pension will be the maximum allowable benefit which the veteran can use toward the cost of the assisted living facility. The veteran can then use the disregarded income to help with the cost of the assisted living or any other living or recreational expenses.

For the veteran who can meet the eligibility requirements of the pension program, the aid and attendance benefit will provide a significant economic advantage. A veteran receiving service related compensation benefits is not eligible for aid and attendance pension benefits.

V.A. FACILITIES

There are 12 Medical Centers in New York State. Additionally, there are a number of VA outpatient clinics throughout the state. These facilities provide hospital care, nursing home care, and out-patient medical care. Together, this system is one of the largest health care providers in the country.

Admission into a V.A. nursing home requires a disability rating of 70% or higher. In spite of this high admission standard, the vacancy rate is under 10% in V.A. nursing homes. Beds are filled as quickly as they are vacated.

There are currently five (5) Veterans Homes in New York State. The two (2) local homes are:

New York State Veterans Home at St. Albans
178-50 Linden Boulevard
Jamaica, New York 11434
(718) 990-0300

Long Island State Veterans Home
100 Patriots Road
Stony Brook, New York 11790
(631) 444-8500

RESOURCES

NASSAU COUNTY

The Nassau County Veteran's Service Agency is an authorized agency that can advise, assist and represent you as your agent in filing for Veteran's Benefits. It is located at 2201 Hempstead Turnpike, Building Q, East Meadow, New York 11554, telephone number (516) 572-6565.

SUFFOLK COUNTY

The Suffolk County Veteran's Service Agency is committed to assisting members of the armed forces, veterans, their dependents and survivors through the pursuance of Veterans benefits. It is located at 100 Veterans Memorial Hwy #3, Hauppauge, New York 11788, telephone number (631)853-8387

NEW YORK CITY

For contact information for the boroughs of New York (and other New York counties) go to <http://veterans.ny.gov> or call 1-888-838-7697.

NOTE: The above is merely informational and not legal advice. This guide was published in April 2025 and based on New York law. You should contact us for any changes or updates in the law or long term care planning. Future changes in law may render the above information inaccurate. If you have any questions regarding this guide, please do not hesitate to call RUSSO LAW GROUP, P.C. at (516) 683-1717 or contact us at www.VJRussoLaw.com.

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