



The New World of VA Pension Planning

What are VA Pension Benefits?

- Monthly cash benefit paid to eligible wartime Veterans or their surviving spouses
- Meant to help defray care costs
- Must meet financial and medical requirements to qualify

Why Do I Need An Attorney?

- The qualification process can be complicated (and about to get worse)
- There are legal strategies that can help you qualify faster
- There are other planning needs that need to be addressed, not just VA pension

Current Rules

- You can transfer any amount of money and not be penalized (unlike with Medicaid)
- Example: Fred, an unmarried Vietnam War Veteran, owns a home and total liquid assets of \$250,000. Fred has a caregiver who visits daily to help him bathe, dress, and to help with household chores. Fred's income is \$2,500/month and he pays the caregiver \$3,000/month
 - Fred has too much to qualify for VA pension (which would pay him up to \$1,830/month)

Current Rules: Fred's case

- Fred could set up an irrevocable trust and put his home plus \$200,000 into it
 - His kids could have access to the funds (or anyone else he wished) but he could not
 - He could then qualify for VA pension and receive up to \$1,830/month to help pay for the caregiver
 - He is no longer using all of his income for the caregiver, and we left \$50,000 out of the irrevocable trust for Fred's other expenses

New Rules

- Beginning October 18, 2018, if Fred transferred \$200,000 to an irrevocable trust (or to anyone else) the VA could penalize him for up to 5 years
 - No VA pension benefits for that time period
- There are ways to minimize the penalty period for Fred, but if we can get him qualified now without a penalty, why wait?

What to Do Now

- Make an appointment to see us – we've reserved times this week

If You Can't Act Now

- That's ok – there will still be ways to get you or a loved one qualified – it will just take longer
- The sooner we start, the sooner we can get you qualified

Thank You!
