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estate planning

3/9/15 Dear Friends: It is our privilege to assist many Veterans and their widowed spouses with planning that enables them to get help from the VA toward paying for long-term care costs. But now the VA is proposing rules that will make it very difficult for many of those people to qualify and will cause long delays in processing applications. We urge you to join us in voicing your opposition to these proposed changes. Cordially, Wes Coulson

URGENT!! Veterans Face Losing Long-Term Care Lifeline Because of VA Proposed Rule

After the revelations and outrage about long wait times and false recordkeeping that may have led to Veterans dying in a Phoenix Department of Veterans Affairs (VA) hospital, you might be surprised to hear that the VA now seeks to limit a benefit available to wartime Veterans in need of long-term care. The proposed restrictions will no doubt lead to further delays, similar concerns that Congress sought to address in VA's hospital system. Worse yet, these proposed changes would be implemented without Congress even having a say in the matter.

Veterans Pensions: A Long-Term Care Support for a Variety of Settings. Veterans who served during wartime and have either a non-service connected disability or are over age 65 can receive a "Veterans Pension" to help pay for long-term care. A Veteran's spouse can also qualify for a benefit after the Veteran dies. While even the maximum benefit amounts are relatively modest (\$2,120 per month for a married veteran, \$1,788 for a single or widowed one, and \$1,149 for the widowed spouse of a Veteran), they can be of great help toward paying for assisted living and home care costs, and some help toward paying nursing home costs. However, in order to qualify, the applicant needs to meet certain income and asset requirements.

Proposed Changes Harm Veterans and Could Make the Program Irrelevant. The proposed rule imposes a three-year "look-back" period on gifts and other transfers and creates a maximum 10-year penalty waiting period for making those transfers. The rule also imposes numerous other new restrictions that include capping the amount of home health expenses a Veteran can deduct to qualify. As a result, fewer Veterans and their surviving spouses will be able to access these benefits to pay for the high costs of long-term care. Ask yourself these questions and decide whether you think wartime Veterans and their widows deserve this type of treatment:

Do you know an elderly Veteran who tithed or donated to their place of worship in the last three years, or gave money to a family member in a health or other emergency? The proposed rule would penalize them for trying to "game" the system. For calculating the length of the penalty, there is no way to rebut a gift. Period. And Veterans, even those with dementia, will now need to give 36 months of bank statements and tax returns to qualify. This will lead to even more administrative delays, which for many Veterans could lead to further impoverishment, substandard care, and premature death. Moreover, the proposed rule's three-year "look-back" and subsequent penalty period are without authorization from Congress.

Do you know an elderly widow of a WWII or Korean War Veteran in need of care? The proposed rule believes they should suffer a penalty close to double their husband or wife's. Due to the way VA proposes calculating the penalty period, which uses the monthly benefit as the divisor, a spouse's penalty could be nearly double the Veteran's penalty. Worse, this rule unfairly targets women, who at present are more likely to be the widowed spouse of a Veteran than is a man.

Do you know a Veteran living on a farm? The proposed rule thinks they aren't in "actual need." Personal residences are presently exempt when determining need. But, the proposed rule has decided that lots of two acres or larger, regardless of location or value, should now be included as a resource. That means that Veterans in rural America may literally need to sell the farm in order to get help.

Do you know a Veteran with dementia who lives in an independent-living facility? The proposed rule deems their care unworthy. Many individuals in the early stages of dementia and Alzheimer's must move into an independent-living facility because they can no longer drive and need help with managing medications and basic activities like food preparation. But under the proposed rule, these expenses may not be deducted for the purposes of qualifying. This could potentially force many into nursing homes and prematurely onto Medicaid.

Tell VA: Don't Implement a Rule That Harms Our Veterans! Here's how you can take action now: 1. Go online to Regulations.gov. In the blue Search box, write "VA net worth asset transfers." Of the search results, the fourth item will be A073 – Proposed Rule – Net Worth, Asset Transfers and Income Exclusions for Needs-Based Benefits. You can read the proposed rules by clicking on the link, and you can let your opposition be known by clicking on the "Comment Now" button on the right. The VA is especially interested in hearing personal stories about how this would affect Veterans and their widows. The deadline for comments is March 24, 2015. 2. Write to your U.S. Senators and Representative to express your opposition by visiting www.usa.gov and following the straightforward instructions there.

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