A variety of programs and benefits are available to servicemembers and veterans of military service: disability payments, educational assistance, health care, vocational rehabilitation, survivor and dependents benefits, life insurance, burial benefits, special loan programs, and hiring preference for certain jobs. Most of the veterans programs are administered by the Department of Veterans Affairs (VA).

### Monetary Benefits

Two major cash benefit programs are available for veterans. The first program provides benefits to veterans with service-connected disabilities and, on the veteran's death, benefits are available for eligible surviving spouses, children, and dependent parents. These benefits are payable regardless of other income or resources. The second program provides benefits to needy veterans who have non-service-connected disabilities. These benefits are means tested.

### Compensation for Service-connected Disabilities

Disability compensation is a monetary benefit paid to veterans who are disabled by injury or disease incurred in or aggravated during active military service. Individuals discharged or separated from military service under dishonorable conditions are generally not eligible for compensation payments. The amount of monthly compensation depends on the degree of disability, rated as the percentage of normal function lost. Payments in 2007 range from $115 a month for a 10 percent disability to $2,471 a month for total disability. Veterans who have at least a 30 percent service-connected disability are entitled to an additional dependent's allowance. The amount is based on the number of dependents and degree of disability.

### Pensions for Non-service-connected Disabilities

Monthly benefits are provided to wartime veterans with limited income and resources who are totally and permanently disabled because of a condition not attributable to their military service. To qualify for these pensions, a veteran must have served in one or more of the following designated war periods: The Mexican Border Period, World War I, World War II, the Korean Conflict, the Vietnam Era, or the Gulf War. The period of service must have lasted at least 90 days, and the discharge or separation cannot have been dishonorable. Service less than 90 days is acceptable if the veteran was discharged with a service-connected disability.

Pension payments are reduced by countable income. Some medical and other expenses are allowed as deductions from countable income. Veterans aged 65 years or older who meet service, net worth, and income requirements are eligible for a pension, regardless of current physical condition.

Effective December 1, 2006, maximum benefit amounts for non-service-connected disabilities range from $911 per month for a veteran without a dependent spouse or child to $1,801 per month for a veteran who is in need of regular aid and attendance and who has one dependent. For each additional dependent child, the pension is raised by $156 per month.

### Benefits for Survivors

The dependency and indemnity compensation (DIC) program provides monthly benefits to the surviving spouse, children (under age 18, disabled, or students), and certain parents of service persons or veterans who die as the result of an injury or disease incurred while in or aggravated by active duty or training, or from a disability otherwise compensable under laws administered by the Department of Veterans Affairs.

DIC payments may also be authorized for survivors of veterans who were totally disabled by service-connected conditions at the time of death, even though their service-connected disabilities did not cause their deaths.

Eligibility for survivor benefits based on a non-service-connected death of a veteran with a service-connected disability requires a marriage of at least a 1-year duration before the veteran's death. A surviving spouse is generally required to have lived continuously with the veteran from marriage until his or her death.

Entitlement for death benefits ends with the surviving spouse's remarriage but may be restored upon termination of the remarriage. A surviving spouse receiving DIC benefits who remarries on or after December 16, 2003, and on or after attaining age 57 is entitled to continue to receive DIC.

The monthly benefit amount payable to surviving spouses of veterans who died before January 1, 1993, depends on the last pay rate of the deceased service person or veteran. In 2007, for pay grades E-1 through E-6, a flat monthly rate of $1,067 is paid to surviving spouses. Monthly benefits for grades E-7 through E-9 range between $1,104 and $1,312. For veterans who died after January 1, 1993, surviving spouses receive a
flats $1,067 a month. An additional $228 a month will be paid to supplement the basic rate if the deceased veteran had been entitled to receive 100 percent service-connected compensation for at least 8 years immediately preceding death. VA also adds a transitional benefit of $250 to the surviving spouse’s monthly DIC if there are children under age 18. The amount is based on a family unit, not individual children, and is paid up to a maximum of 2 years. The amounts payable to eligible parents are lower and depend on (1) the number of parents eligible, (2) their income, and (3) their marital status.

Pensions for Non-service-connected Death

Pensions are paid on the basis of need to surviving spouses and dependent children (under age 18, disabled, or students) of deceased veterans of the wartime periods specified in the disability pension program. For a pension to be payable, the veteran generally must have met the same service requirements established for the non-service-connected disability pension program, and the surviving spouse must meet the same marriage requirements as under the dependency and indemnity compensation program.

The pension amount depends on the composition of the surviving family and the physical condition of the surviving spouse. In 2007, pensions range from $611 a month for a surviving spouse without dependent children to $1,165 a month for a spouse who is in need of regular aid and attendance and who has a dependent child. The pension is raised by $156 a month for each additional dependent child. Pension payments are reduced by countable income. Some medical and other expenses are allowed as deductions from countable income.

Hospitalization and Other Medical Care

The Department of Veterans Affairs (VA) provides a nationwide system of health care through a system of hospitals and community-based outpatient clinics to eligible veterans.

Enrollment and Provision of Hospitalization and Outpatient Medical Care to Veterans

To receive health care, veterans generally must be enrolled with the VA and may apply for enrollment at any time. Veterans do not have to be enrolled if they (1) have a service-connected disability of 50 percent or more, (2) want care for a disability that the military determined was incurred or aggravated in the line of duty but that the VA has not yet rated during the 12-month period following discharge, or (3) want care for a service-connected disability.

Enrolled veterans and those not subject to enrollment are eligible to receive comprehensive medical benefits, which include basic and preventive care.

Eligibility Requirements

Basic eligibility for hospital care and outpatient medical services are based on a veteran’s character of discharge from active military service. Veterans discharged prior to September 7, 1980, for other than dishonorable conditions have basic eligibility for care. However, veterans discharged after September 7, 1980, must have completed 24 consecutive months of active-duty service. Reservists who were called or ordered to active duty may also be eligible for care as a veteran if they complete the full period for which they were called or ordered to active duty. The 24-month minimum service time requirement does apply to veterans who were discharged for reasons of early-out under Title 38, U.S.C. 1173, discharged for a disability incurred or aggravated in the line of duty, was awarded VA compensation, or is in need of care for an adjudicated service-connected disability.

Care for Dependents and Survivors

The dependents and survivors of certain veterans may be eligible for medical care under the Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) if not eligible for medical care under Tricare or Medicare. Tricare (formerly known as CHAMPUS) is the health program administered by the Department of Defense for dependents of active-duty personnel and military retirees and their dependents.

Beneficiaries covered by CHAMPVA may be treated at Department facilities when space is available. Usually, however, the person with CHAMPVA coverage is treated at a community hospital of his or her choice. The Department of Veterans Affairs pays for a part of the bill, and the beneficiary is responsible for any required copayment.

Nursing Home Care

A veteran seeking nursing home care must meet the established eligibility requirements for admission to a Department of Veterans Affairs nursing home. The Veterans Millennium Health Care and Benefits Act (P.L. 106-117, passed by Congress on November 30, 1999) made amendments to the original authority for nursing home placement. The new law requires that the VA:

- Provide nursing home care to any veteran in need of such care for a service-connected disability;
- Provide nursing home care to any veteran who is in need of such care and who has a service-connected disability rated at 70 percent or greater;
• Provide nursing home care, either directly or through contracts when clinically indicated for eligible veterans;
• Facilities will determine the need for nursing home care based on a comprehensive interdisciplinary assessment.

Other Medical Benefits

Other Department of Veterans Affairs programs and medical benefits are available to certain veterans. Veterans do not need to be enrolled in the VA health care system to be eligible for any of the following benefits, although there may be restrictions: domiciliary care, alcohol and drug dependency treatment; prosthetic appliances; modification in certain veterans’ homes when so ordered by his or her physician, subject to cost limitations; compensation and pension examinations; care as part of a VA-approved research project; readjustment counseling and treatment for Vietnam veterans; sexual trauma counseling for veterans suffering from trauma of a sexual nature during active military service; counseling; vocational rehabilitation counseling; special registry examinations and dental care.

Educational Assistance

The post-Vietnam Veterans’ Educational Assistance Program (VEAP) is a voluntary contributory matching program for persons entering service after December 31, 1976. To be eligible, the servicemember must have initially contributed to VEAP before April 1, 1987. The Montgomery GI Bill–Active Duty program provides education benefits for individuals entering military service on or after July 1, 1985, and for certain other individuals. Servicemembers entering active duty have their basic pay reduced $100 a month for the first 12 months of their service unless they specifically elect not to participate. An educational assistance program is also available for individuals who enter the Selected Reserve on or after July 1, 1985.

The Department of Veterans Affairs also pays educational assistance for dependents if a veteran is permanently and totally disabled from a service-related cause, or dies as a result of service, or while completely disabled from service-related causes.

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