The American Legion

For God and Country

bulletin

National Veterans Affairs and Rehabilitation Commission
1608 K Street, N.W. • Washington, D.C. 20006
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New Means Test Thresholds

Public Law 107-135, the Department of Veterans Affairs Health Care Programs Enhancement Act of 2001, directed the Department of Veterans Affairs (VA) to implement a Geographic-based Means Test (GMT) (see 38 U.S.C. Section 1705(a)(7)). VA uses the Department of Housing and Urban Development's (HUD) ``low-income'' geographic-based income limits as the thresholds for VA's GMT. A veteran's income from the previous year is compared with the appropriate GMT threshold for the previous fiscal year to determine if the veteran should be placed in priority category 7. The ``low income'' geographic-based income thresholds for FY 2006 can be found at: http://www.va.gov/healtheligibility/Library/pubs/GMTIncomeThresholds/

The following new Means Test Thresholds are effective January 1, 2007, through December 31, 2007:

(1) Veterans with No Dependents:
- (a) Below Means Test Threshold: $27,790
- (b) Above Means Test Threshold: $27,791

(2) Veterans with One Dependent:
- (a) Below Means Test Threshold: $33,350
- (b) Above Means Test Threshold: $33,351

(3) Veterans with Two Dependents:
- (a) Below Means Test Threshold: $35,216
- (b) Above Means Test Threshold: $35,217

(4) Veterans with Three Dependents:
- (a) Below Means Test Threshold: $37,082
- (b) Above Means Test Threshold: $37,083

(5) Veterans with Four Dependents:
(a) Below Means Test Threshold: $38,948
(b) Above Means Test Threshold: $38,949

(6) Veterans with Five Dependents:
(a) Below Means Test Threshold: $40,814
(b) Above Means Test Threshold: $40,815

c. Dependent Threshold Amount Increase (above two dependents): $1,866

d. Child Income Exclusion: $8,750

e. Medicare Deductible: $992

f. Income and/or Asset threshold for Net Worth Development: $80,000

g. Maximum Annual Rate of Pension: Base rate

(1) The base rate for a single veteran with no dependents is $10,929.

Note: This rate is also used to determine if certain veterans are subject to co-payments for Extended Care Services.

(2) The base rate with one dependent is $14,313.

(3) Add $1,866 for each additional dependent.

h. The Medication Co-payment Threshold effective date is January 1 of each year.

``**Below the means test threshold**'' is defined as those veterans whose attributable income and net worth are such that they are unable to defray the expenses of care; therefore, they are not subject to co-payment charges for hospital and outpatient medical services. Within the Veterans Health Information Systems and Technology Architecture (VistA) system such veterans are designated as ``Means Test Copay Exempt.''

``**Above the means test and GMT threshold**'' is defined as those veterans whose attributable income and net worth are such that they are able to defray the expenses of care; therefore they must agree to pay a co-payment for hospital care and outpatient medical services. Within the VistA system these veterans are designated as ``Means Test Copay Required.''

``**Above the means test and below the GMT threshold**" is defined as those veterans whose attributable income and net worth are such that they are able to defray the expense of care, but whose inpatient medical care co-payments are reduced 80 percent. These veterans must also agree to pay a co-payment for hospital care and outpatient medical services. Within the VistA system these veterans are identified as ``GMT Copay Required."

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