The American Legion

bulletin

Joe Hovish

NATIONAL VETERANS AFFAIRS AND REHABILITATION COMMISSION

1608 K STREET, N.W. ★ WASHINGTON, D. C. 20006

For God and Country

THOMAS CADMUS, *Chairman*
MICHIGAN

CARROLL WILLIAMS, *Director*
MARYLAND

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ERRATA

On page 2 of Bulletin 14-00, dated July 18, 2000, states that veterans with service-connected disabilities are exempt from all co-payments, as are low-income veterans. There are two exceptions to this. Zero percent non-compensable service-connected veterans with income and net worth above the established means test threshold are not exempt. Also, service-connected veterans are required to make co-payments for medications received for the treatment of nonservice-connected conditions unless they are rated 50% or greater service-connected or a veteran whose annual income does not exceed the maximum annual rate of pension. *

VA ENCOURAGES VETERANS TO SETTLE DELINQUENT DEBTS

The Department of Veterans Affairs (VA) is sending letters to about 270,000 veterans to remind them that they owe the federal government and that money can be taken from other federal checks to settle their debts.

For the first time, portions of a monthly Social Security check can be withheld by the Department of the Treasury to settle debts that veterans owe to VA. Veterans affected by the withholding will always receive the first $750 of each month's Social Security payment. Only 15 percent of the amount greater than $750 can be withheld.

Deductions will begin in the spring of 2001. Veterans can avoid any loss of Social Security or other federal payments by voluntarily settling their debts with VA.

Federal law says that when veterans owe more than $25 to VA and the debts are more than 90 days overdue, VA officials must report the debts to the U. S. Treasury Department.

The Treasury Department is responsible for collecting the debts from other income the veterans receive from the federal government, including income tax refunds, federal salary or federal retired pay, military pay or military retired pay, Social Security (but not Supplemental Security income), Railroad Retirement Board benefits (but not "Tier 2" benefits), Black Lung Program payments (Part B) and other federal payments to individuals.

Many of the veterans affected by the mailing have been treated in VA medical facilities for health care conditions not related to their military service. For that care, they are responsible for co-payments. Co-payments range from $2 for a 30-day supply of a drug to hundreds of dollars as the veteran's share of hospitalization costs.

* Veterans with service-connected disabilities are exempt from all co-payments, as are low-income veterans. Purple Heart recipients without service-connected disabilities are exempt from all co-payments except pharmacy costs.

In VA's mailing on July 14, each letter listed the amount of the veteran's debt and provided a local contact for the veteran, encouraging him or her to request a hearing or make payment arrangements to avoid further action. Veterans will have several months to make arrangements with their local VA medical centers before the Treasury Department takes further action.

Historically, VA has collected debts by withholding money from VA payments such as disability compensation and pension. In the spring of 2001, those offsets will also come from Social Security payments.

Veterans with questions about whether they have VA debts should contact the VA medical centers where they received care.

CARROLL WILLIAMS, Director