

December 29, 2009

MEANS TEST AND GEOGRAPHIC-BASED MEANS TEST THRESHOLDS FOR CALENDAR YEAR 2010

1. PURPOSE: This Veterans Health Administration (VHA) Directive provides the Means Test (MT) Thresholds, Medicare Deductible Rate, and Child Income Exclusion for calendar year 2010. In addition, this Directive provides an Internet link to the United States (U.S.) Housing and Urban Development's (HUD) income limits for Fiscal Year (FY) 2009 for use by VHA in calendar year 2010. *NOTE: The new means test, net worth, and Geographic-based Means Test (GMT) threshold rates are effective January 1, 2010.*

2. BACKGROUND

a. Title 38 United States Code (U.S.C.) Section 1722(c) requires that on January 1 of each year, the Secretary of Veterans Affairs increase the means test threshold amounts by the same percentage the maximum rates of pension benefits were increased under 38 U.S.C. Section 5312(a) during the preceding calendar year. Under the provisions of 38 U.S.C. Section 5312, the Department of Veterans Affairs (VA) is required to increase the benefit rates and income limitations in the pension and parents' Dependency and Indemnity Compensation (DIC) Program by the same percentage and effective date as increases in the benefit amounts payable under Title II of the Social Security Act.

b. The Veterans Benefits Administration (VBA) has announced that there will be no increase in VA pension for 2010. Thus, there will be no increase in VA Means test thresholds in Calendar Year 2010.

c. Public Law 107-135, the Department of Veterans Affairs Health Care Programs Enhancement Act of 2001, directed VA to implement a geographic means test (GMT) (see 38 U.S.C. Section 1705(a)(7)). VA uses HUD's "low-income" geographic-based income limits as the thresholds for VA's GMT. *NOTE: The Health Eligibility Center (HEC) controls the GMT for VA and will install updates before January 1, 2010. The "low income" geographic-based income thresholds for FY 2009 are at:*
<http://www.va.gov/healtheligibility/library/pubs/gmtincomethresholds>.

d. **Combat Veterans.** Veterans who qualify under Title 38 U.S.C. 1710(e)(1)(D) as combat Veterans are not required to report their financial information for conditions potentially related to their combat service. However, unless otherwise exempted, combat Veterans must either provide their financial information or decline to provide their financial information and agree to make applicable co-payments for hospital and outpatient care that VA determines to have resulted from a cause other than their combat service. *NOTE: While income disclosure by a recently discharged combat Veteran is not a requirement, this disclosure may permit VA to determine if the Veteran is eligible for additional benefits such as beneficiary travel reimbursement, cost-free medication and/or cost-free outpatient or hospital care for services unrelated to combat.*

THIS VHA DIRECTIVE EXPIRES DECEMBER 31, 2011

VHA DIRECTIVE 2009-072
December 29, 2009

e. On May 15, 2009, the Department of Veterans Affairs (VA) published a rule in the Federal Register which added additional sub-priorities within enrollment priority category 8. This rule became effective on June 15, 2009, and required VA to begin enrolling Veterans into priority category 8 whose income exceeded VA's National or geographically-based income thresholds by 10 percent or less

f. **Definitions**

(1) **“Below Means Test Threshold.”** Veterans with this household income amount or less are generally eligible for enrollment in Priority Group 5.

(2) **“Above Means Test Threshold.”** *Veterans with household income of this amount or above are not eligible for enrollment in Priority Group 5.*

(3) **“GMT Income Threshold.”** “GMT income threshold” refers to the household income amount that is below the geographically-based income threshold for their resident location.

(4) **“Income Above Means Test or GMT Threshold By 10 Percent or Less.”** Veterans with household income above the Below Means Test Threshold or the GMT income threshold for their resident location by 10 percent or less are eligible for enrollment in priority group 8.

NOTE: *The GMT thresholds can be located at:*

<http://www.va.gov/healtheligibility/library/pubs/gmtincomethresholds>

3. POLICY: It is VHA policy that all VA health care facilities must install patches DG*5.3*818, EAS*1.0*98, and IB*2.0*425 before January 1, 2010.

4. ACTION

a. **Medical Facility Director.** Before January 1, 2010, each medical facility Director, or designee, is responsible for installing patches DG*5.3*818, EAS*1.0*98, and IB*2.0*425.

b. **Means Test Thresholds.** The following new MT Thresholds are effective January 1, 2010, through December 31, 2010:

(1) **Veterans with No Dependents**

(a) Below MT Threshold: \$29,402.

(b) Above MT Threshold; \$29,403

(c) Above MT Threshold by 10 Percent or Less: \$32,342.

(d) Above MT Threshold by more than 10 Percent: \$32,343

(e) Above GMT Threshold by more or less than 10 Percent: Calculate using GMT Threshold at GMT Web site.

(2) Veterans with One Dependent

(a) Below MT Threshold: \$35,284.

(b) Above MT Threshold: \$35,285

(c) Above MT Threshold by 10 Percent or Less: \$38,812.

(d) Above MT Threshold by more than 10 Percent: \$38,813

(e) Above GMT Threshold by more or less than 10 Percent: Calculate using GMT Threshold at GMT Web site.

(3) Veterans with Two Dependents

(a) Below MT Threshold: \$37,304.

(b) Above MT Threshold: \$37,305.

(c) Above MT Threshold by 10 Percent or Less: \$41,034.

(d) Above MT Threshold by more than 10 Percent: \$41,035

(e) Above GMT Threshold by more or less than 10 Percent: Calculate using GMT Threshold at GMT Web site.

(4) Veterans with Three Dependents

(a) Below MT Threshold: \$39,324.

(b) Above MT Threshold: \$39,325.

(c) Above MT Threshold by 10 Percent or Less: \$43,256.

(d) Above MT Threshold by more than 10 Percent: \$43,257.

(e) Above GMT Threshold by more or less than 10 Percent: Calculate using GMT Threshold at GMT Web site.

(5) Veterans with Four Dependents

(a) Below MT Threshold: \$41,344.

(b) Above MT Threshold: \$41,345.

(c) Above MT Threshold by 10 Percent or Less: \$45,478.

VHA DIRECTIVE 2009-072

December 29, 2009

(d) Above MT Threshold by more than 10 Percent: \$45,479.

(e) Above GMT Threshold by more or less than 10 Percent: Calculate using GMT Threshold at GMT Web site.

(6) Veterans with Five Dependents

(a) Below MT Threshold: \$43,364.

(b) Above MT Threshold: \$43,365.

(c) Above MT Threshold by 10 Percent or Less: \$47,700.

(d) Above MT Threshold by more than 10 Percent: \$47,701.

(e) Above GMT Threshold by more or less than 10 Percent: Calculate using GMT Threshold at GMT Web site.

c. **Dependent Threshold Amount Increase (above two dependents):** \$2,020.

d. **Child Income Exclusion:** \$9,350.

e. **Medicare Deductible:** \$1,068.

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 \$11,830. **NOTE:** *The base rate alone is used to determine if certain Veterans are subject to co-payments for Extended Care Services. The base rate plus increases for eligible dependents and for Aid and Attendance (A&A) and Housebound Benefits (HB) is used to determine if certain Veterans are exempt from co-payments for Outpatient Medication and to establish eligibility for Beneficiary Travel.*

(2) The base rate with one dependent is \$15,493.

(3) Add \$2,020 for each additional dependent.

h. Pension Plus A&A Rate:

(1) The base rate for a single Veteran with no dependents is \$19,736.

(2) The base rate with one dependent is \$23,396

(3) Add \$2,020 for each additional dependent.

i. **Pension Plus HB Rate:**

- (1) The base rate for a single Veteran with no dependents is \$14,457.
- (2) The base rate with one dependent is \$18,120.
- (3) Add \$2,020 for each additional dependent.

5. REFERENCES

a. Title 38 U.S.C. Sections 1705(a) (7) and 1722.

b. Title 38 Code of Federal Regulations (CFR) Sections 17.36(b)(7), 17.36(b)(8), 17.47(d), and 17.47(f). Expansion of Enrollment in the VA Health Care System, 74 FR 22832.

6. FOLLOW-UP RESPONSIBILITY: The Chief Business Office (16) is responsible for the contents of this Directive. Questions may be addressed to 202-461-1591.

7. RESCISSIONS: VHA Directive 2008-083 expires December 31, 2009. This VHA Directive expires December 31, 2011.

Gerald M. Cross, MD, FAAFP
Acting Under Secretary for Health

DISTRIBUTION: E-mailed to the VHA Publication Distribution List 12/29/09