Improved Pension Program
for Veterans, Their Surviving Spouse, and Dependent Children

What is the Improved Pension Program (IPP)?
Department of Veterans Affairs pays IPP to “veterans” who:
- served during a period of “war” AND
- are “permanently and totally disabled” from a “nonservice-connected disability” OR are over age 65

We explain the terms in quotation marks below.

Who can get IPP?
- Eligible veterans.
- Their dependents.
- Their surviving spouses.

Who is eligible?
You must be a veteran and meet all these:
1. You served in the active military (Army, Navy, Air Force, or Marines). Veterans also include, but are not limited to, persons who served in the National Guard, Coast Guard, U.S. Merchant Seamen who served on Blockships, WWII American Merchant Marine, WWII Civilian Navy IFF Technicians, Public Health Service, Coast and Geodetic Survey and its successor agencies the Environmental Science Services Administration and National Oceanic and Atmospheric Administration.
2. You served at least one day during a period of war and were discharged or released from that service for a “service-connected disability;” OR you served a minimum of 90 consecutive days, and at least one day during a period of war; OR you served for a total of 90 days or more during at least one period of war.
3. Your discharge was under other than dishonorable conditions.
4. You are 65 or older, OR you are “permanently and totally disabled” from a non-service connected disability not due to your “willful misconduct.”
5. You meet the financial need requirement.
6. If you enlisted after September 8, 1980, generally you must have served either 24 months in a row of active duty OR the full period for which they ordered you to active duty. Some exceptions apply.

You should apply even if you are unsure about your eligibility. There is no cost to apply. Answer all questions honestly.
What are the allowable periods of war for purposes of eligibility?

- **Persian Gulf War** – starting August 2, 1990, until the President or law declares the war’s end.
- **World War II** – December 7, 1941 through December 31, 1946. If you were in the service on December 31, 1946, continuous service before July 26, 1947 counts as World War II service.
- **World War I** – April 6, 1917 through November 11, 1918.

What is a nonservice-connected disability?

That means when you left the service you were healthy. After that, you got a disability that is unrelated to an injury or illness you had when you were in the military. To be eligible for IPP, your disability may not be caused by willful misconduct. Alcoholism or addiction to illegal drugs may count as “willful misconduct.”

What does “permanently and totally disabled” mean?

It means a disability makes it impossible for you to work AND this is likely to last the rest of your life. They may consider age in determining the degree of disability.

What is the financial need requirement?

The VA reviews your income and net worth. If you have a spouse or dependents, the VA also considers their income and net worth.

**You must report all income.** The VA looks at all your income. They count only some types of income. Some examples of “countable income” are:

- Disability.
- Retirement.
- Dividends and interest.
- Earned income.

Some examples of income the VA does not count are:

- Welfare or public assistance.
- SSI.
- Maintenance provided by a friend or relative.
- VA pensions.
- Reimbursement for casualty loss.
- Profit from the sale of real or personal property.
- Funds in a joint account acquired from the other joint owner’s death.

The VA can deduct some of your unreimbursed medical expenses. Some education expenses may be deductible.
What is my net worth and why does it matter?

This means the value of such things as property you own, financial accounts, stocks and bonds, and so on. When countable income plus the net worth of you and your spouse are enough to make it reasonable that you could spend some of your assets on veteran’s maintenance, the VA may deny you IPP.

Here are some things the VA considers in determining if it should consider part of your estate or your spouse’s estates for maintenance:

- If you can convert the property into cash at no substantial sacrifice.
- Life expectancy.
- How many dependents you have.
- The potential rate of depletion of the asset, including unusual medical expenses.

How much of a cash benefit can I get?

The VA subtracts your countable income from the Maximum Annual Pension Rate (MAPR). Congress sets this pension amount each year. The amount left is your IPP cash benefit. If your countable income is more than the MAPR, the VA will deny you IPP.

The 2017 MAPR for a veteran on pension without a spouse or child is $12,907 yearly. A veteran who is married or has dependents has a higher MAPR rate. The VA adds the spouse and dependents’ income to the veteran’s income, and deducts it from MAPR to get the pension amount.

Aid and Attendance Benefits

MAPR is more if the veteran needs “aid and attendance.” You may need this if:

- You are blind or nearly blind.
- You are in a nursing home because of medical or physical incapacity.
- You cannot dress or keep clean, need frequent adjustments to special prosthetic appliances, cannot attend the wants of nature, or need regular help to protect from hazards of the daily environment.

The 2017 MAPR for a veteran without dependents on aid and attendance is $21,531 yearly.

Housebound Benefits

MAPR is more if you are “housebound.” You may be eligible for these benefits if:

- You have a single permanent disability evaluated as 100-percent disabling and, due to such disability, you are permanently and substantially confined to your immediate premises OR
- You have a single permanent disability evaluated as 100-percent disabling, and another disability, or disabilities, evaluated as 60 percent or more disabling.
The 2017 MAPR for a veteran without dependents on housebound benefits is $15,773 yearly.

- Congress typically raises IPP cash benefit amounts each December.

What is the Improved Death Pension for low-income surviving spouses and surviving dependent children?

A deceased veteran’s surviving spouse or dependent might be eligible for cash benefits. The veteran must have met the eligibility requirements of items 1 and 2 above for IPP. The surviving spouse or dependent child does not have to be disabled.

A veteran’s widow/er must qualify as a surviving spouse to establish basic entitlement to the death pension. The spouse must have proof of marriage. The spouse must also show they were living together or otherwise the veteran’s dependent. The 2017 maximum cash benefit (MAPR) for a surviving spouse is $8,656 yearly if there are no children; $11,330 yearly with one child; and $2,205 yearly for each additional child.

What if the surviving spouse is housebound or in need of aid and attendance?

A veteran’s surviving spouse who meets housebound or aid and attendance requirements may qualify for an additional financial award. The 2017 yearly cash amount for a surviving spouse who qualifies for Housebound benefits is $10,580, and for Aid and Attendance is $13,836.

How do I apply for the Improved Pension Program?

Call your local VA office or 1-800-827-1000. Ask to apply. You can also apply online at the U.S. Department of Veterans Affairs website: http://www.va.gov/. You must fill out VA Form 21-526. Many veterans’ organizations help with these applications.

They denied me Improved Pension benefits. Can I appeal?

Yes. You appeal an adverse decision by filing a Notice of Disagreement with the Board of Veterans Appeals. You can have a lawyer or an accredited representative of a veterans’ service organization represent you.

What if I need legal help?

The NJP Veterans Project provides legal advice, representation in some cases, and referrals on some civil (not criminal) legal issues, to low-income veterans with any discharge status. Areas of assistance include:

- Child support (modification and arrears forgiveness)
- Suspended driver’s license
- Vacating criminal convictions/records
- Consumer law
- Housing issues, including VASH vouchers
- Termination or garnishment of pension benefits
- State public health benefits
- Discharge upgrades (under 15 years old)

If you are a veteran and need help with a civil legal problem, call NJP’s Veterans Project. The statewide toll free number is 1-855-NJP-VETS (855-657-8387).

There is more info on legal resources for veterans at nwjustice.org/veterans.

This publication provides general information concerning your rights and responsibilities. It is not intended as a substitute for specific legal advice. This information is current as of August 2017.

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