VA HEALTHCARE -

Priority Groups.

How does Tricare impact it?

What is the role of Medicare?

What about the Affordable Care Act?

Enrollment Priority Groups

Priority Group 1

- Veterans with VA Service-connected disabilities rated 50% or more.
- Veterans assigned a total disability rating for compensation based on unemployability.

Priority Group 2

- Veterans with VA Service-connected disabilities rated 30% or 40%.

Priority Group 3

- Veterans who are former POWs.
- Veterans awarded the Purple Heart Medal.
- Veterans awarded the Medal of Honor.
- Veterans whose discharge was for a disability incurred or aggravated in the line of duty.
- Veterans with VA Service-connected disabilities rated 10% or 20%.
- Veterans awarded special eligibility classification under Title 38, U.S.C., § 1151, "benefits for individuals disabled by treatment or vocational rehabilitation."

Priority Group 4
• Veterans receiving increased compensation or pension based on their need for regular Aid and Attendance or by reason of being permanently Housebound.
• Veterans determined by VA to be catastrophically disabled.

Priority Group 5
• Nonservice-connected Veterans and noncompensable Service-connected Veterans rated 0%, whose annual income and/or net worth are not greater than the VA financial thresholds.
• Veterans receiving VA Pension benefits.
• Veterans eligible for Medicaid benefits.

- Veterans eligible for Medicaid benefits.

Priority Group 6

- Compensable 0% Service-connected Veterans.
- Veterans exposed to ionizing radiation during atmospheric testing or during the occupation of Hiroshima and Nagasaki.
- Project 112/SHAD participants
- Veterans who served in the Republic of Vietnam between January 9, 1962 and May 7, 1975.
- Veterans of the Persian Gulf War that served in the Southwest Asia theater of combat operations between August 2, 1990, and November 11, 1998.
- Veterans who served in a theater of combat operations and discharged from active duty on or after January 28, 2003, for five years post discharge.

Priority Group 7

- Veterans with incomes below the geographic means test (GMT) income thresholds and who agree to pay the applicable copayment.

Priority Group 8

Priority Group 8

Veterans with gross household incomes:

- **above the VA Means Test thresholds who were enrolled as of January 16, 2003 and who agreed to pay the applicable copayment;**

— or —

- **not exceeding the VA Means Test thresholds or GMT income thresholds by more than 10% and who agree to pay the applicable copayment -- effective June 15, 2009.**

<u>Veterans not eligible for enrollment</u>:

Subpriority e: Noncompensable 0% service-connect

Subpriority g: Nonservice-connected

Annual Income Limits - Health Benefits

2018 VA National and Priority Group 8 Relaxation Income Thresholds

Income Thresholds for Cost-Free Health Care, Medications and/or Beneficiary Travel Eligibility

Based on Income Year 2017

VA HEALTH CARE Defining EXCELLENCE in the 21st Century

Veteran with:	VA National Income Threshold	VA Priority Group 8 Relaxation Threshold	VA Housebound Threshold	VA Pension with Aid and Attendance Threshold	VA Pension Threshold	Medical Expense Deductible
0 dependents	$32,715 or less	$35,986 or less	$16,089	$21,962	$13,166 or less	$645
1 dependents	$39,259 or less	$43,185 or less	$20,166	$26,036	$17,241 or less	$845
2 dependents	$41,509 or less	$45,660 or less	$22,416	$28,286	$19,491 or less	$955
3 dependents	$43,759 or less	$48,135 or less	$24,666	$30,536	$21,741 or less	$1,066
4 dependents	$46,009 or less	$50,610 or less	$26,916	$32,786	$23,991 or less	$1,176
For each additional dependent add:	$2,250	$2,250	$2,250	$2,250	$2,250	5% of the maximum allowable pension rate from the previous year
Child Earned Income Exclusion: $10,650						

For certain Veterans the VA National Income Threshold (based on previous year's gross household income) and/or net worth, is used to determine eligibility for Priority Group 5 assignment and cost-free VA health care. Applicable VA pension income thresholds are used to determine eligibility for cost-free medications and/or beneficiary travel benefits.

For Geographic-Based financial assessment (means test) information refer to http://www.va.gov/healthbenefits/resources/gmt

Note: Unreimbursed Medical expenses (what you paid out of pocket after medical insurance pays) may be deducted from your total gross household income. Unreimbursed medical expenses include: travel expenses, cost of a long term care institution or assisted living, health related insurance premiums (including Medicare premiums), diabetic supplies, private caregivers, incontinence supplies, prescriptions and dialysis not covered by any other health plan. Only the

HealthBenefits http://nationalincomelimits.vaftl.us/LegacyGMTThresholds/Index?FiscalYear=2018&PGLevel=8

2018 GMT Tables Priority Group Level 8

Fiscal Year: 2018 Priority Group 8 State: -- Select State --

county name	msa name	median income family of 4	veteran only	+ 1 dependent	+ 2 dependent	+ 3 dependent	+ 4 dependent	+ 5 dependent	+ 6 dependent	+ 7 dependent
Abbeville County	Abbeville County, SC	$47,100	$29,040	$33,220	$37,345	$41,470	$44,825	$48,125	$51,425	$54,780
Acadia Parish	Acadia Parish, LA HUD Metro FMR Area	$46,000	$29,095	$33,220	$37,400	$41,525	$44,880	$48,180	$51,535	$54,835
Accomack County	Accomack County, VA	$51,100	$32,890	$37,565	$42,240	$46,915	$50,710	$54,450	$58,190	$61,930
Ada County	Boise City, ID HUD Metro FMR Area	$64,300	$39,655	$45,320	$50,985	$56,595	$61,160	$65,670	$70,180	$74,745
Adair County	Adair County, IA	$60,700	$39,380	$44,990	$50,600	$56,210	$60,720	$65,230	$69,740	$74,250
Adair County	Adair County, KY	$48,100	$29,645	$33,880	$38,115	$42,350	$45,760	$49,170	$52,525	$55,935
Adair County	Adair County, MO	$58,500	$36,080	$41,195	$46,365	$51,480	$55,605	$59,730	$63,855	$67,980
Adair County	Adair County, OK	$40,900	$33,220	$37,950	$42,680	$47,410	$51,205	$55,000	$58,795	$62,590
Adams County	Denver-Aurora-Lakewood, CO MSA	$83,900	$51,700	$59,070	$66,440	$73,810	$79,750	$85,635	$91,575	$97,460
Adams County	Adams County, IA	$58,700	$39,380	$44,990	$50,600	$56,210	$60,720	$65,230	$69,740	$74,250
Adams County	Adams County, ID	$48,300	$34,045	$38,885	$43,725	$48,565	$52,470	$56,375	$60,225	$64,130
Adams County	Adams County, IL	$61,800	$38,115	$43,560	$49,005	$54,395	$58,795	$63,140	$67,485	$71,830
Adams County	Adams County, IN	$59,300	$36,575	$41,800	$47,025	$52,195	$56,375	$60,555	$64,735	$68,915
Adams County	Adams County, MS	$37,500	$28,105	$32,120	$36,135	$40,150	$43,395	$46,585	$49,830	$53,020
Adams County	Adams County, ND	$63,000	$48,455	$55,385	$62,315	$69,190	$74,745	$80,300	$85,800	$91,355
Adams County	Adams County, NE	$69,300	$42,735	$48,840	$54,945	$60,995	$65,890	$70,785	$75,680	$80,520
Adams County	Adams County, OH	$43,400	$35,530	$40,590	$45,650	$50,710	$54,780	$58,850	$62,920	$66,990
Adams County	Gettysburg, PA MSA	$73,900	$45,100	$51,535	$57,970	$64,405	$69,575	$74,745	$79,915	$85,030
Adams County	Adams County, WA	$49,900	$36,575	$41,800	$47,025	$52,250	$56,430	$60,610	$64,790	$68,970
Adams County	Adams County, WI	$54,300	$38,610	$44,110	$49,610	$55,110	$59,565	$63,965	$68,365	$72,765
Addison County	Addison County, VT	$73,400	$45,210	$51,700	$58,135	$64,570	$69,740	$74,910	$80,080	$85,250
Adjuntas Municipio	Puerto Rico HUD Nonmetro Area	$15,800	$14,795	$16,940	$19,030	$21,120	$22,825	$24,530	$26,235	$27,885
Aguada Municipio	Aguadilla-Isabela, PR HUD Metro FMR Area	$18,700	$15,565	$17,765	$19,965	$22,165	$23,980	$25,740	$27,500	$29,260
Aguadilla Municipio	Aguadilla-Isabela, PR HUD Metro FMR Area	$18,700	$15,565	$17,765	$19,965	$22,165	$23,980	$25,740	$27,500	$29,260

U.S. Department of Veterans Affairs

Search

Health | Benefits | Burials & Memorials | About VA | Resources | Media Room | Locations | Contact Us

VA Health Care » Health Benefits » Determine Cost of Care » Annual Income Limits

Annual Income Limits - Health Benefits

Threshold Data For Calendar Year 2018 with 1 Dependents Residing in Deltona-Daytona Beach-Ormond Beach, FL HUD Metro FMR Area

Benefit	Threshold Used	Threshold Amount
Eligible for Cost Free Meds and Beneficiary Travel - Veterans not Receiving Aid & Attendance or Housebound Benefits	Pension Threshold	$17,241
Eligible for Cost Free Meds and Beneficiary Travel - Veterans Receiving Housebound Benefits	Household Benefit	$20,166
Eligible for Cost Free Meds and Beneficiary Travel - Veterans Receiving Aid & Attendance Benefits	Aid & Attendance Threshold	$26,036
Eligible for Cost Free Medical Care	National Means Test Threshold	$39,259
Eligible for reduced inpatient copays (80% reduction) - http://www.va.gov/HEALTHBENEFITS/cost/copays.asp	GMT Threshold	$35,750
Eligible for new enrollment, if agree to pay full inpatient and outpatient copays - http://www.va.gov/HEALTHBENEFITS/cost/copays.asp	EITHER THE NATIONAL MEANS TEST THRESHOLD OR THE GEOGRAPHIC MEANS TEST THRESHOLD + 10% (whichever is higher)	$39,325
Existing Enrollee must agree to pay full inpatient and outpatient copays - http://www.va.gov/HEALTHBENEFITS/cost/copays.asp	EITHER THE NATIONAL MEANS TEST THRESHOLD OR THE GEOGRAPHIC MEANS TEST THRESHOLD + 10% (whichever is higher)	$39,325

http://nationalincomelimits.vaftl.us/CustomGMTMTThresholds

Priority 8:

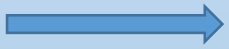
•Veterans with gross household incomes above the VA national income threshold and the geographically-adjusted income threshold for their resident location and who agrees to pay copays

Veterans eligibility for enrollment: Noncompensable 0% service-connected and:

- ○Subpriority a: Enrolled as of January 16, 2003, and who have remained enrolled since that date and/ or placed in this subpriority due to changed eligibility status.
- ○Subpriority b: Enrolled on or after June 15, 2009 whose income exceeds the current VA National Income Thresholds or VA National Geographic Income Thresholds by 10% or less

Veterans eligible for enrollment: Nonservice-connected and:

- ○Subpriority c: Enrolled as January 16, 2003, and who remained enrolled since that date and/ or placed in this subpriority due to changed eligibility status
- ○Subpriority d: Enrolled on or after June 15, 2009 whose income exceeds the current VA National Income Thresholds or VA National Geographic Income Thresholds by 10% or less

10% relaxation rule 

Veterans not eligible for enrollment: Veterans not meeting the criteria above:

- ○Subpriority e: Noncompensable 0% service-connected
- ○Subpriority g: Nonservice-connected

The Affordable(?) Care Act

Questions and Answers about Health Care Information Forms for Individuals (Forms 1095-A, 1095-B, and 1095-C)

The Basics

Will I receive any health care tax forms in 2018 to help me complete my tax return?

In early 2018, you may receive one or more forms providing information about the health care coverage that you had or were offered during the previous year. Much like Form W-2 and Form 1099, which include information about the income you received, these health care forms provide information that you may need when you file your individual income tax return. Also like Forms W-2 and 1099, these forms will be provided to the IRS by the entity that provides the form to you.

The forms are:

Form 1095-A, *Health Insurance Marketplace Statement*. The Health Insurance Marketplace (Marketplace) sends this form to individuals who enrolled in coverage there, with information about the coverage, who was covered, and when.

Form 1095-B, *Health Coverage*. Health insurance providers (for example, health insurance companies) send this form to individuals they cover, with information about who was covered and when.

Form 1095-C, *Employer-Provided Health Insurance Offer and Coverage*. Certain employers send this form to certain employees, with information about what coverage the employer offered. Employers that offer health coverage referred to as “self-insured coverage” send this form to individuals they cover, with information about who was covered and when.

What do I need to do with these forms?

You will use the information on these forms to verify that you, your spouse and any dependents had coverage for each month during the year.

Like last year, if you and your family members had minimum essential coverage for every month of the year, you will check a box on your return to report that coverage. If you or any family members did not have coverage for the entire year, a coverage exemption may apply for the months without coverage. If you or any family members did not have coverage or an exemption, you may have to make an individual shared responsibility payment.

If you or anyone in your family receives a Form 1095-A from the Marketplace, you will use the information on the form to complete a Form 8962 to reconcile any advance payments of the premium tax credit or to claim the premium tax credit.

Do not file these forms with your tax return. Keep them in your records with your other important tax documents.

Questions & Answers -

TRICARE and the Affordable Care Act

Will the new legislation transfer TRICARE into another government health care program?

No. The Patient Protection and Affordable Care Act leaves TRICARE under sole authority of the Defense Department and the Secretary of Defense, and we are governed by an independent set of statutes. "For the Department of Defense, and specifically for our 9.6 million TRICARE beneficiaries, this law will not affect the TRICARE benefit. Eligibility, covered benefits, copayments and all other features of our TRICARE program remain in place." - Assistant Secretary of Defense (Health Affairs) Dr. Charles Rice

What does deeming TRICARE as "qualifying coverage" mean?

It ensures that TRICARE beneficiaries will not be impacted by the new legislation's requirement that people without qualifying coverage will have to pay a financial penalty.

Is TRICARE For Life considered "qualifying coverage" under the new law?

Yes, TFL is deemed qualifying coverage under the legislation already passed by both the House and Senate.

Can I expect my TRICARE enrollment fee, premiums, deductibles or co-pays to go up because of this legislation?
There is nothing in the legislation that would change any TRICARE fees.

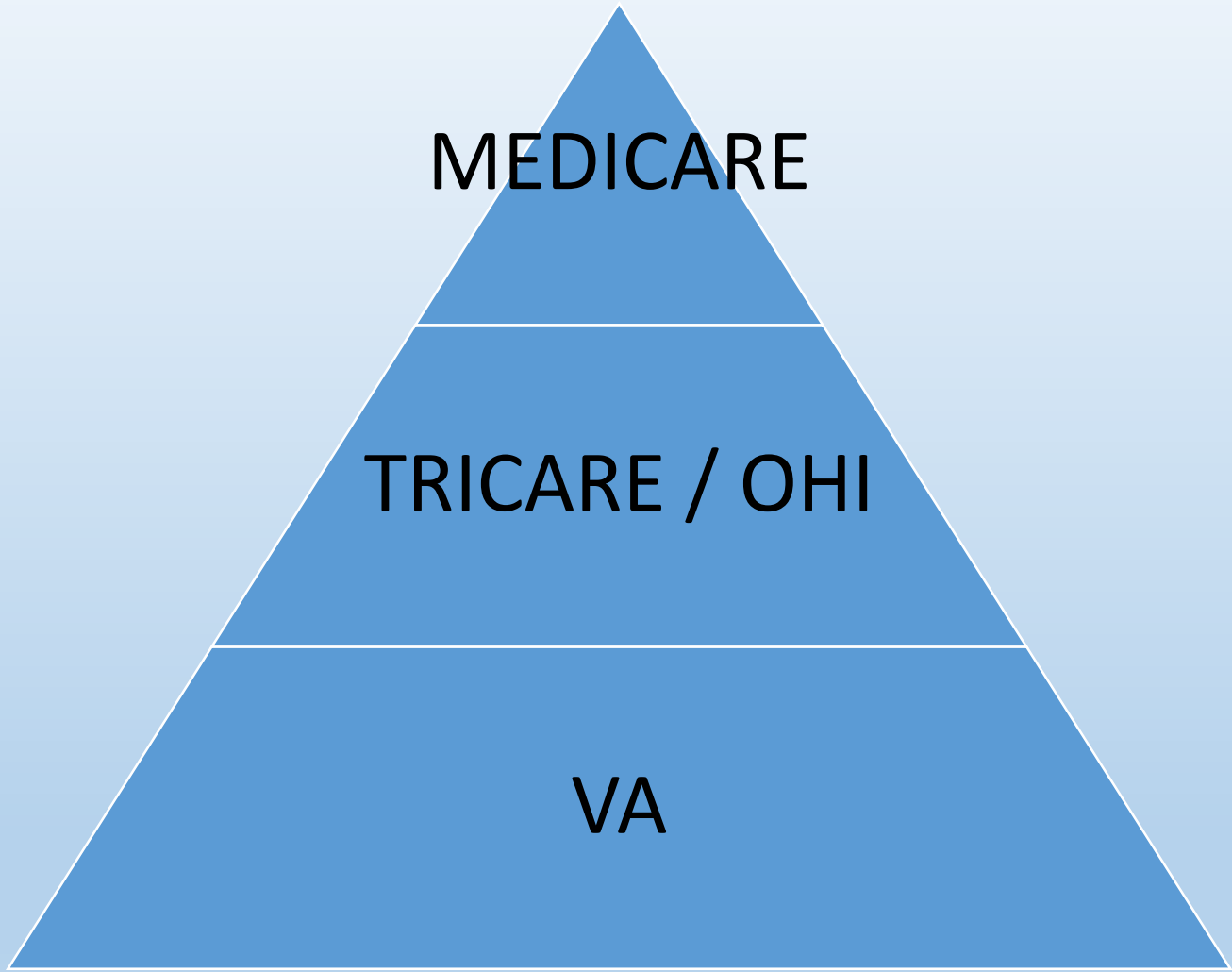
The new health care bill allows adult children to stay on their parent's health care plan until age 26 if their employers don't offer insurance. Will TRICARE adopt this policy?
Many beneficiaries with dependent children are very interested on how the Act will impact their children age 26 and younger. Our current age limits - 21, or age 23, if the dependent is in a full-time school program - are set by statute, so separate legislation would be required to change them. If changes are made to the statues governing TRICARE, then, like any other legislative initiative, time will be required for us to implement the changes. Until that time, the benefit remains unaffected by the Patient Protection and Affordable Care Act.

* Hey Jeff, tell Regina to flip to the other slide pack now.

So, Who pays first?

Who pays first?

Rule of thumb: VA always pays last if you have other means.



VA healthcare – How is Tricare impacted? It's not, however, VA healthcare is impacted by TRICARE in that TRICARE is considered Other Health Insurance (OHI) and TRICARE would be first payer.

Similarly, Medicare is also considered OHI and must act as first payer. MEDICARE eligibility starts at 65.

And TRICARE automatically converts to TRICARE for Life (TFL) at age 65. MEDICARE then becomes first payer and TRICARE becomes the MEDICARE supplement, covering all copays so that there is no cost to the veteran.

These "reimbursements" to the VA healthcare system should be transparent to the Veteran.

HOWEVER...

Let's take a *Staab* at this!

March 13, 2017

THE STAAB CASE: THE TENSION BETWEEN CONGRESSIONAL MANDATE AND FUNDING OF VETERANS' BENEFITS

The Staab Decision

Richard Staab was an Air Force veteran living in Minnesota who qualified to participate in the VA health care system. In 2015, Staab suffered a heart attack and stroke. He was rushed to a nearby, non-VA hospital and received treatment. A portion of the care was covered by Medicare, but Staab ultimately paid about $48,000 in out-of-pocket medical expenses. He submitted a claim to the VA for reimbursement of these expenses. The VA denied claim on the basis of a 2009 regulation found at 17 C.F.R. § 17.1002(f). Under this regulation, the VA will only reimburse a veteran if the "veteran has no coverage under a health-plan contract for payment or reimbursement, in whole or in part, for the emergency treatment." So, because some of Staab's expenses were partially covered by Medicare, the VA denied his claim for reimbursement of the remaining amount.

Staab appealed the VA's decision to the Court of Appeals for Veterans Claims. He pointed out that the VA's regulation conflicted with a change in the law made by Congress in 2010. That change modified the language of 38 U.S.C. § 1725, which is the statute upon which the VA's regulation is based. As noted by the court, the purpose of this amendment was to "allow the VA to reimburse veterans for treatment in a non-VA facility if they have a third-party insurer that would pay a portion of the emergency care."

H.R. 1377 would modify current law so that a veteran who has outside insurance would be eligible for reimbursement in the event that the outside insurance does not cover the full amount of the emergency care. VA would be authorized to cover the difference between the amount the veteran's insurance will pay and the total cost of care. In essence, VA would become the payer of last resort in such cases. This would keep the veteran from being burdened by medical fees with no insurance with which to pay them.

The Fallout from Staab

The fact that the Court struck down the VA's regulation had a far-reaching impact. Staab was certainly not the only veteran who sought reimbursement for emergency, private healthcare. The VA appealed the decision of the Court of Appeals for Veterans Claims to the next highest level — the US Court of Appeals for the Federal Circuit. The case remains pending at the Federal Circuit, but the VA is clearly nervous about the economic impact of the decision by the Veteran's Court.

On February 17, 2017, the VA filed a motion to stay the precedential effect of the Veterans Court's decision. In its written argument, the VA informed the court that is had suspended adjudication of 373,000 claims for reimbursement of emergency, private health services until it could figure out how to deal with the effect of the *Staab* decision. The agency estimated that, unless overturned by the Federal Circuit, the *Staab* decision would result in a financial cost of up to $273 million in 2017, and over $6.5 billion over the next decade.

Two business days later the court summarily denied the motion.

For his part, Dr. Shulkin informed the senate that he "does not believe that the court interpreted the statute correctly … and so we will see what happens. But in the meantime, I am not going to allow veterans to be put in the middle like we have been continuing to [do.] We are going to move forward and we will do it with speed to make sure we start paying these bills as soon as we possibly can."

Senator Rounds then asked the million dollar question (or, in this case, the $10 billion dollar question): "You don't have the money in your budget. Are you prepared to ask Congress for appropriate funds to get the bill paid[?]"

Appearing to sense the difficult position he was in, Dr. Shulkin responded that, "if we do not get additional funds authorized, that money will come from the services we provide today to veterans and they will have less health care available. So yes, we will come to you and ask you to help support with additional funding this new benefit if it is not overturned in an appeal by the Department of Justice. **But make note that it was a benefit directed by Congress."**