

Disability compensation changes being looked at

Approximately three million veterans—about two million of whom are under age 65—receive compensation from the Department of Veterans Affairs (VA) for their service-connected disabilities.

The amount is based on a rating of an impairment's effect on a veteran's earnings capacity, on average; disability ratings range from zero to 100%. Additional allowances are paid to veterans whose disabilities are rated 30% or higher and who have dependent spouses, children, or parents. Veterans with disabilities may also qualify for cash payments from other sources, including workers' compensation; private disability insurance; means-tested program benefits, such as Supplemental Security Income; and, for veterans under 65, the Social Security Disability Insurance (DI) program.

About 146,000 veterans who receive disability compensation from VA also receive DI payments.

When Social Security beneficiaries are eligible for disability benefits from more than one source, ceilings usually limit combined disability benefits from public sources to 80% of a recipient's average pre-disability earnings.

Those DI payments—after any reduction—are adjusted periodically to reflect changes in the cost of living and in national average wages. Veterans' compensation payments for disabilities are not considered for that purpose, however, and thus do not apply toward limits. That same exclusion applies to means-tested benefits and to some benefits that are based on public employment.

The Congressional Budget Office (CBO) has provided to Congress an option to reduce government spending that would limit disability compensation for veterans who receive VA disability benefits and DI payments.

The option would reduce VA's disability compensation by the amount of the DI benefit. Applying that change to current and future recipients of veterans' compensation would affect an estimated 153,000 recipients in 2010, saving almost \$1.8 billion that year and approximately \$9.6 billion between 2010 and 2014.

Applying the change only to veterans who are newly awarded compensation payments or DI payments would affect an estimated 3,000 recipients in 2010, saving about \$40 million in outlays that year and about \$1.1 billion through 2014.

A rationale in favor of this option is that it would eliminate duplicate public compensation for a single disability. An argument against it is that the change would subject veterans' disability benefits to a form of means-testing (VA benefits are considered entitlements). Moreover, to the extent that this option applied to current DI recipients, some disabled veterans would have their income reduced.



October 3-4, 2009 — Rummage sale at the Vets Hall presented by AVVA, 2nd Floor, Sat. 10-6, Sun. 8 a.m. to Noon

October 4, 2009 — American Legion Pancake Breakfast, 8-11 a.m., Sonora Veterans Memorial Hall, Washington Street. Best \$5 breakfast in the county.

October 6, 2009 — VVA-391 Board of Directors meeting.

October 7, 2001 — Operation Enduring Freedom (Military Phase) begins

October 9, 1951 — Invasion of North Korea.

October 12, 2009 — Columbus Day

October 12, 2000 — Bombing of USS COLE

October 13, 1775 — Navy Birthday

October 13, 2009 — Pot Luck and General meeting 6 p.m. at the Sonora Veterans Hall. A-G brings a salad, H-M brings a main dish. N-Z brings a dessert. Bring enough for 8-10 people. Refreshments will be provided. Pot Luck is at 6 p.m. and the meeting at 7 p.m. everyone is welcome to attend the pot luck and/or the meeting. The meeting will be shortened so that we may have a seminar about PTSD.

October 21, 1797 — Frigate USS CONSTITUTION launched at Boston.

October 24, 2009 — California State Council Meeting

October 27, 2009 — Navy Day
October 31, 2009 — Halloween



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