

WISCONSIN STATE
LEGISLATURE
COMMITTEE HEARING
RECORDS

1995-96

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on
Veterans and
Military Affairs
(AC-VMA)

Sample:

Record of Comm. Proceedings ... RCP

- 05hr_AC-Ed_RCP_pt01a
- 05hr_AC-Ed_RCP_pt01b
- 05hr_AC-Ed_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

➤ Miscellaneous ... Misc

➤ **95hr_AC-VMA_Misc_pt06**

➤ Record of Comm. Proceedings ... RCP

➤ **



**VETERANS
AFFAIRS**

**REPORT OF STUDIES
ON ELIGIBILITY
FOR VETERANS PROGRAMS
AND THE HEALTH CARE
AID GRANT**

**CONDUCTED PURSUANT TO
1993 ACT 254**

Submitted by Raymond G. Boland
Secretary
Department of Veterans Affairs

January 31, 1995

REPORT OF STUDIES ON ELIGIBILITY FOR VETERANS PROGRAMS AND THE HEALTH CARE AID GRANT CONDUCTED PURSUANT TO 1993 ACT 254

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STUDY EFFORTS

In June of 1992 this department created the Program Development Plan Committee (PDPC), consisting of representatives of all of the state's veterans organizations, members of the veterans community at large, legislative staff and department staff. The PDPC was asked to make recommendations on what the needs of Wisconsin's veterans would be in the next five to ten years, and what programs needed to be modified or created to meet those needs. Many of the recommendations of the 1992 PDPC were incorporated into the department's 1993-1995 biennial budget request or 1993 Assembly Bill 619 and were ultimately signed into law by Governor Thompson. A chart illustrating the 1992 PDPC's findings is attached as Appendix 1. The PDPC is the foundation of the department's strategic planning process.

In July of 1994, the department brought the PDPC back together to assist with the study required by 1993 Act 254. The 1994 PDPC met over the course of several months and was broken down into three discussion groups - one group dealt with issues related to eligibility criteria, one group dealt with issues related to qualification criteria and one group dealt with the health care aid grant. The groups discussed who the various programs were currently serving, who the programs should be serving, whether the current rules allowed those persons to be served, and, if necessary, how the rules should be changed. Each discussion group forwarded its tentative recommendations to the full PDPC, which in turn made its final recommendations and forwarded them to the department. The final report of the 1994 PDPC is attached as Appendix 2.

The department has reviewed the final recommendations of both the 1992 and 1994 Program Development Plan Committees. Based upon the work of those committees and other efforts undertaken by the department, this report contains the information requested in Act 254.

CURRENT RULES FOR VETERANS PROGRAMS

The Wisconsin Department of Veterans Affairs offers over a dozen different benefit programs to Wisconsin veterans. For a veteran to apply for a particular benefit requires that he or she be both eligible for and qualify for the benefit.

Eligibility

A person is considered eligible for a program if he or she meets the definition of "veteran" for that particular program. There are currently six different definitions of "veteran" in the Wisconsin Statutes for the various programs administered by the department. For example, to be eligible for most department programs, one must have served on active duty for a minimum

of 90 days during a wartime period under honorable conditions, or have received an Armed Forces, Navy or Marine Corps Expeditionary Medal. In addition, one must have been a resident of Wisconsin at time of entry or reentry into active military service and a resident at the time of application for the benefit, or a resident of Wisconsin for at least 10 years immediately prior to time of application. Other programs, however, require only five years of residency immediately prior to application for the benefit. Still others require 90 days of active duty, with a minimum of one day during a wartime period. Finally, the new Tuition and Fee Reimbursement program has no wartime period requirement. A list of the eligibility requirements for the various programs in ch. 45 is part of Appendix 3.

Qualifications

A person who is eligible for a particular program must also qualify for that program before he or she can apply for the benefit. Qualification rules vary by program, but generally fall into two categories - income/asset limits that applicants must meet, and limitations on the purposes for which the benefit can be used. For example, a person may be considered an eligible veteran for a program but still not qualify if he or she exceeds the income limit for the program or, in the case of home improvement loans, wants to use the loan for a pool or fireplace. The department is making a number of recommendations of changes to the qualification rules for veterans benefits in Wisconsin.

UTILIZING A STANDARD DEFINITION OF "VETERAN"

As illustrated above, the current eligibility requirements for Wisconsin veterans benefits are confusing and need to be simplified. 1993 Act 254 directs the department to consider the "desirability of using the federal definition of 'veteran'..." The legislative history of Act 254 indicates that the Special Legislative Council Committee on the Veterans Trust Fund, which drafted the legislation that became 1993 Assembly Bill 619 and ultimately Act 254, believed that there is one standard definition of "veteran" used by the federal government. In fact, the federal government has as many, if not more, different definitions of "veteran" as Wisconsin does, again depending upon which federal program one is considering. For example, many United States Department of Veterans Affairs (USDVA) benefits require that a person must have served at least two years of active duty and be discharged under other than dishonorable conditions. Other benefits, such as the GI Bill, require that the person need have served only 181 days on active duty. Still other benefits require that the active duty service must have been performed during a wartime period.

It is clear, however, that the Special Committee considered the "federal" definition of "veteran" to be the one most common for USDVA benefits. In fact, in defining an eligible veteran for purposes of the Tuition and Fee Reimbursement program, which was created in Act 254, the Special Committee utilized that definition. A veteran eligible for the Tuition and Fee Reimbursement program is one who, among other things:

"served on active duty under conditions other than dishonorable in the U.S. armed forces for 2 years or more or the full period of their initial service obligation, whichever is less. An individual discharged for reasons of hardship or a service-connected disability or released due to a reduction in the U.S. armed forces prior to completion of the required period of service is eligible, regardless of the actual time served." (S. 45.25(2)(b), Stats.)

As a result, the department has used the same definition in determining (1) the desirability of using the "federal" definition of "veteran", (2) determining who would be made eligible for Wisconsin veterans programs through the adoption of this definition of "veteran" and those who are currently eligible, but may become ineligible if the definition is adopted, and (3) the fiscal effects on each program of the adoption of this definition of "veteran".

Desirability Of Using The "Federal" Definition Of "Veteran"

The department strongly believes that it is desirable for the state to simplify the eligibility requirements for state veterans benefits. However, it does not recommend adoption of a single, uniform definition of "veteran" for all its programs. Instead, the department recommends that there be distinct eligibility requirements for the distinct categories of veterans programs offered by the state.

For those programs that provide funding directly to veterans, either through a loan or a grant, as well as for admission to the Wisconsin Veterans Home and burial in a state veterans cemetery, the department recommends adopting the "federal" definition of "veteran" and extending eligibility to all veterans who served on active duty under conditions other than dishonorable in the U.S. armed forces for 2 years or more. Individuals discharged for reasons of hardship or a service-connected disability or released due to a reduction in the U.S. armed forces prior to completion of the required 2 year period of service or who died in service should also be eligible, regardless of the actual time served. The programs that would utilize this eligibility requirement are as follows: Primary Mortgage Loan program, Home Improvement Loan program, Economic Assistance Loan program, Veterans Business Loan program, Health Care Aid Grant program, Subsistence Aid Grant program, Retraining Grant program, Part-time Study Grant program, Wisconsin Veterans Home and state veterans cemeteries.

The department makes this recommendation because the service of "peacetime" veterans, i.e., those that did not serve during a wartime period, is no less important than service of "wartime" veterans. The period during which "peacetime" veterans served is usually a function of their age, not a function of their willingness to sacrifice. Many "wartime" veterans did not serve under circumstances any more dangerous or arduous than those under which many "peacetime" veterans served and, furthermore, "peacetime" veterans are always prepared for combat duty, should it be necessary.

For those programs that provide assistance to veterans, i.e., the Claims Service and the Veterans Rehabilitation Program, the department recommends that the eligibility requirements currently in place for the Claims Service be used. Under current law, any person who served in the U.S. armed forces or in forces incorporated as part of the U.S. armed forces, as well as their widows and dependents, are eligible for assistance by the Claims Service. (The department does not recommend that widows and dependents of veterans eligible for the Veterans Rehabilitation Program be made eligible as well.)

As evidenced by current law, the Legislature recognizes that it is in the state's best interest to assist as many veterans as possible in filing and pursuing claims with the U.S. Department of Veterans Affairs. Successful claims recognize the sacrifices veterans have made for their country and provide compensation for those sacrifices to veterans in Wisconsin. Similarly, the department believes that a program that assists homeless veterans transition back into the workforce should be available to as many veterans as possible.

Finally, the department recognizes that the Reserve Component of our armed forces has taken on an increasingly more important role in the defense of our nation. As evidenced by the Persian Gulf War and the downsizing of the Active Component, National Guard and Reserve soldiers will more frequently be called to active duty in times of armed conflict than they have in the past. The department believes that state veterans benefits should be extended to members of the National Guard and Reserve who serve on active duty during armed conflict. The length of service and conditions under which the National Guard and Reserve members must serve to be eligible for veterans benefits needs to be addressed by policymakers. As a minimum, however, the department recommends that the statutes require at least 90 days of active duty during a wartime period, or receipt of an Expeditionary Medal, for which there is basis in current state law. Further, the department recommends that policymakers review previously passed legislation making eligible those National Guard and Reserve soldiers who have served as little as a few days of active duty service during the Persian Gulf war and make state law consistent as it relates to the service of Reserve Component soldiers.

Who Would Be Made Eligible/Ineligible For Veterans Programs Through Adoption Of The "Federal" Definition Of "Veteran"

Should the state choose to adopt only the "federal" definition of "veteran", approximately 119,000 new veterans would become eligible for department programs by virtue of having served at least 2 years on active duty under conditions other than dishonorable. At the same time, approximately 2,500 veterans who are currently eligible would become ineligible, primarily members of the National Guard and Reserve. These veterans would become ineligible because they do not have at least two years of active duty service.

Fiscal Effects Of Adoption Of The "Federal" Definition Of "Veteran"

Recent VA statistics indicate that, of the 520,000 veterans in Wisconsin, approximately 119,000 (23%) are "peacetime" veterans. If they became eligible for Veterans Trust Fund benefits, the

cost to the Trust Fund during the first year following passage would be approximately \$1.65 million. Of that amount, almost \$1.26 million would be in the form of loans, which are initially a drain on the Trust Fund but which eventually serve as a source of replenishment.

Because the veterans made eligible under the "federal" definition would be considered "disenfranchised" for purposes of the Primary Mortgage Loan program, the fiscal impact of adopting this definition on the disenfranchised home loan program would be approximately \$25.6 million and approximately \$442,000 on the Home Improvement Loan program. Further, the department expects little, if any, impact on the demand for nursing home services at the Wisconsin Veterans Home or burials in veterans cemeteries in the short term. In addition, these fiscal estimates would not materially change if the law also allowed those who are currently eligible to remain eligible.

An analysis of the fiscal impact of the adoption of the "federal" definition of "veteran" on the department's loan and grant programs is attached as Appendix 4.

"Peacetime" Veterans Who Died In Service

Currently, most state veterans benefits available to veterans are also available to the unremarried surviving spouses and minor or dependent children of deceased veterans who would have been eligible under current law (i.e., those who served during a wartime period). Should the "federal" definition of "veteran" outlined above not become law, the department recommends that eligibility for veterans programs be extended to dependents of "peacetime" veterans who died while in service, provided that the death was not a result of the veteran's willful misconduct (i.e., the dependent qualifies for Dependency and Indemnity Compensation from the USDVA).

The department forwards this recommendation because dependents of a veteran who dies while in service are often left in dire straits, whether or not the veteran dies during a wartime period. This change would affect a small number of people and the department estimates that the cost to the Veterans Trust Fund would be approximately \$16,000 annually.

OTHER ELIGIBILITY RULE CHANGE RECOMMENDATIONS

As noted above, in addition to meeting the service period and character of discharge requirements, an individual must also meet other requirements to be eligible for state veterans benefits. The department is recommending a number of changes in these eligibility rules so that there is consistency between programs.

Reduced Residency Requirement

Generally, a person who enters military service from a state other than Wisconsin, then moves to Wisconsin at some time following service and applies for a state veterans benefit, has to document that he or she has lived in the state for at least ten years prior to the date of

application for the benefit. Applicants for department housing loan programs have only a five year residency requirement. For purposes of consistency, the department recommends that state law be amended to require residency of five years before application for all loan and grant programs, if the person enters military service from a state other than Wisconsin.

This change would have a minimal cost (approximately \$230,000) to the Veterans Trust Fund during the first year after passage, but the annual cost would decline rapidly thereafter until there would be no cost after five years.

Establishing Residency Only Once

Generally, each time a veteran who entered service from a state other than Wisconsin applies for a state veterans benefit, he or she must reestablish that they have lived in Wisconsin for the five or ten years immediately prior to the date of application. The department believes that once "out-of-state" veterans establish eligibility, they should not have to reestablish it each time they apply for a benefit. Thus, they would be treated the same as veterans who entered service from Wisconsin after their eligibility was first established.

The estimated cost of this change would be negligible; perhaps only \$1,000 per year.

Active Duty For Training

Under current state law veterans who meet the other eligibility requirements and whose service was active duty for training for at least 90 days during a specified wartime period or during the period between the Korean conflict and the Vietnam war are eligible to apply for housing loan benefits (but not other benefits), unless their service was during the Vietnam War. Vietnam era veterans without sufficient active duty service other than active duty for training are not eligible.

Further, while members of the Reserves who performed sufficient active duty for training during a wartime period (except Vietnam) or during the period between the Korean conflict and the Vietnam war and who meet the other eligibility requirements are eligible for the housing loan programs, members of the National Guard are not.

Because there is no defensible reason to treat Vietnam veterans differently from veterans of other wartime periods, and because there is no defensible reason to treat members of the National Guard who performed active duty for training differently from members of the Reserves, the department recommends that state law be amended to remove these inconsistencies.

The estimated fiscal impact on the Veterans Mortgage Loan Repayment Fund of making eligible those whose service was active duty for training during the Vietnam war would be approximately \$2 million annually. The estimated fiscal impact on that Fund of making eligible members of the National Guard who performed the requisite amount of active duty for

training would be approximately \$5.4 million. National Guard members would be considered disenfranchised for purposes of the housing loan programs.

It should be noted that "active duty for training" differs from the definition of active duty the department is using in its recommendation above requiring 2 years of active duty service for eligibility purposes. Policymakers should carefully consider the differences among those who are called up to serve during time of crisis and those who serve brief periods for routine training purposes.

Dependent Child Of A Deceased Veteran - Age Limit

Current state law provides that a "dependent" of a deceased eligible veteran includes "any child of the veteran under 18 years of age, or if in full attendance at a recognized school of instruction ..." This means that a child of a deceased eligible veteran may apply for department benefits at any age provided they are currently enrolled in school full-time. The department believes that it would be reasonable and would more accurately reflect legislative intent to cut off eligibility for a dependent child of a deceased veteran at age 26. That would allow enough time for most students to achieve an advanced degree and also achieve some independence. There would not be any additional cost if this recommendation were enacted and there might be a slight savings.

Character Of Discharge Eligibility For Housing Loans

Currently any person whose service on active duty with the U.S. armed forces makes that person eligible for general U.S. Department of Veterans Affairs benefits is deemed to have served under honorable conditions for purposes of eligibility for most state veterans benefits. That is not the case for the department's housing loan programs. For the sake of consistency, the department recommends that state law be amended so that veterans whose service on active duty with the U.S. armed forces makes that person eligible for general U.S. Department of Veterans Affairs benefits are deemed to have served under honorable conditions for purposes of eligibility for the department's housing loan programs. This change is not necessary if the department's recommendation that the "federal" definition be adopted is enacted.

The estimated annual fiscal impact of this change to the Veterans Mortgage Loan Repayment Fund would be approximately \$625,000. There would be no additional cost to the Veterans Trust Fund.

Ending Date For The Vietnam War - Housing Programs

The Wisconsin statutory ending date for the Vietnam war is July 1, 1975. Federal law requires veterans to have served before January 1, 1977 in order to qualify for loans for which the funding source is tax exempt bonds (e.g., the Primary Mortgage Loan program). Thus, veterans may be "qualified" under federal law for the purposes of receiving a Primary Mortgage Home Loan, but may not be eligible under state law because their service was not

during a wartime period. In order to eliminate confusion for the relatively small number of veterans who are affected, the department recommends amending state law to make the relevant Vietnam war ending date January 1, 1977.

This recommendation affects only the housing loan programs and the department estimates that the annual cost to the Veterans Mortgage Loan Repayment Fund would be \$1.8 million.

RECOMMENDED CHANGES TO CURRENT STATE VETERANS PROGRAMS

Act 254 requires the department to review current state programs for veterans, including the eligibility criteria, income limits, usage and purposes for each program. Act 254 further requires the department to make recommendations as to whether the programs should be continued, with or without modifications.

Attached as Appendix 3 is a program by program listing of the eligibility and qualification criteria, usage rates, purposes and other information about each department program. Recommendations on changes that should be made to existing veterans benefit programs are listed below. Recommendations on changes to the Health Care Aid Grant program are covered in the next section of this report.

Home Improvement Loan Program - Remove Income Limit

Under current law, a veteran and his or her spouse must have a combined income of less than \$47,500 to qualify for a Home Improvement Loan. Because loan programs generate revenue for the department and help support the department's grant programs, it is in the best interest of the department to make as many loans as possible. To that end, the department is recommending that the income limit on the Home Improvement Loan program be eliminated so that more veterans qualify for the program.

The estimated cost to the Veterans Mortgage Loan Repayment Fund of implementing this recommendation is approximately \$504,000 annually.

Home Improvement Loan Program - Remove Artificial Restrictions

Wisconsin law states that a Home Improvement Loan can be used to improve a home, but cannot be used for the construction of a deck or patio, construction of a fireplace, fencing or landscaping, or the purchase of home appliances. These restrictions were initially taken from federal law. However, the department may not use bond proceeds to fund Home Improvement Loans. Because of this, and because it is in the best interest of the department to make as many loans as possible, the department is recommending that these artificial restrictions be removed from the program.

The estimated fiscal impact on the Veterans Mortgage Loan Repayment Fund should this recommendation be enacted is approximately \$67,000 annually.

Home Improvement Loan Program - Third Mortgages

Current law allows Home Improvement Loans to be secured by first and second mortgages. In order to increase the number of loans that can be made, the department is recommending that third mortgages be allowed as well. The department's security position will be assured by the equity position of 10% currently required.

The anticipated fiscal impact on the Veterans Mortgage Loan Repayment Fund is \$151,000 annually.

Economic Assistance Loan Program - Eliminate Need For Two Co-Signers

Current administrative rules governing the Economic Assistance Loan program require that, if the veteran does not have sufficient security for the loan, the veteran can obtain the loan if he or she has two other individuals co-sign as guarantors of the loan. The department's experience indicates that one co-signer on the loan would be sufficient, as long as that individual resides in Wisconsin. Eliminating the need for two co-signers will simplify the application procedure for veterans but will not jeopardize the department's ability to collect on the loan.

The annual fiscal impact on the Veterans Trust Fund will be approximately \$254,000 if this recommendation is enacted.

Economic Assistance Loan Program - Increase Maximum Loan Amount

Under current statutory law the maximum Economic Assistance Loan the department can provide is \$4,500. This amount was set in 1989. The department is recommending that the maximum amount be increased by \$500 to \$5,000 to reflect the increase in the cost of living since 1989. Further, the department is recommending that changes to this amount be automatically tied to changes in the Consumer Price Index or some other relevant indicator.

The cost to the Veterans Trust Fund for this change is estimated to be \$250,000 annually.

Veterans Business Loan Program - Eliminate 75% Requirement

Under the Veterans Business Loan program, state law restricts the department from providing more than 20% of the amount needed by the veteran for the purpose for which the loan is made. In addition, state law requires that the veteran must provide at least 5% of the total amount needed for the business purpose from the applicant's own funds. As a practical matter, this requires that a veteran must provide and/or borrow from other sources 80% of the amount needed. The department has found that this requirement severely restricts the number of veterans who qualify for a Business Loan. Therefore, the department is recommending that state law be changed to provide only that an applicant for the Business Loan must provide at least 5% of the total amount needed. The department will impose sufficient security

requirements to ensure that its investment is protected.

The department anticipates that with this change the Business Loan program will provide approximately \$450,000 in loans annually.

Veterans Business Loan Program - Create Deferred Payment Plan

When a business initially starts up, it is often difficult to meet cash flow requirements. A deferred payment plan would assist the veteran by allowing him or her to defer payments on his or her Business Loan in the early months of the business, and have the payments added on to the end of the loan. The department recommends amending the Administrative Code to allow for such a deferred payment plan for the first 12 months of a Business Loan.

Because the loan will be paid back in full, albeit a few months later, there will be no cost to implement this recommendation.

Part-Time Study Grant Program - Increase Per Course Reimbursement

Current law limits reimbursement under the Part-Time Study Grant program to a maximum of \$300 per course and \$1,100 per fiscal year. The department is recommending indexing the maximum per course amount to the average cost of a 3 credit UW-Madison course (currently \$343.50) with the maximum fiscal year reimbursement amount being limited to 5 times that amount. This ensures that the veterans utilizing the Part-Time Study Grant receive reasonable reimbursement for the courses they take and obviates the need for the department to request statutory changes each time the average cost of a course increases.

The estimated fiscal impact on the Veterans Trust Fund for this recommendation is approximately \$85,000 annually.

Retraining Grant Program - Remove Six-Month Employment Restriction

Under the Administrative Code, a veteran applying for a Retraining Grant must demonstrate a work history of at least 6 consecutive months of employment with one employer or in the same or similar occupations. The department believes that imposing this requirement is not relevant to a determination of whether the veteran is in need of retraining. As a result, the department recommends eliminating this restriction.

The estimated fiscal impact of this change on the Veterans Trust Fund is approximately \$56,000 annually.

Retraining Grant Program - Allow Certain Employed Individuals

For a veteran to qualify for the Retraining Grant program, the veteran must be unemployed or have received a notice of termination. Many individuals who lose their employment must

obtain other employment quickly to maintain their homes, etc. These individuals are often willing to be "underemployed" while they seek suitable employment rather than be unemployed altogether. Because those who are underemployed often need retraining as much as those who are unemployed, the department is recommending that state law be changed to allow the Retraining Grant to be used by veterans who, through no fault of their own, are forced to become underemployed while looking for suitable employment. The department will develop language in the Administrative Code to define "underemployed".

Further, individuals who serve part-time in the National Guard or Reserves are considered employed, and therefore are now ineligible for the Retraining Grant program. Serving one's nation in the Reserve Component one weekend per month can hardly be considered enough employment to support an individual, let alone a family. In addition, veterans leaving active duty and seeking employment may be dissuaded from joining the National Guard or Reserves if they know they would then be ineligible for a Retraining Grant. As a result, the department is recommending that veterans whose only employment is part-time in the Reserve Component be made eligible for this program.

The fiscal impact on the Veterans Trust Fund of allowing underemployed veterans to be eligible for the Retraining Grant program is approximately \$298,000 annually. The fiscal impact of making part-time National Guard and Reserve members eligible is approximately \$30,000 annually.

Veterans Rehabilitation Program - Provision Of Grants

Current law does not allow the department to provide grants to individuals for the provision of services for the Veterans Rehabilitation Program. Instead, persons performing services must be employees of the department or be acting under a personal services contract. One of the primary objectives of the program is to assist homeless veterans regain the experience of working, and there are a number of services that need to be performed for the program that could be performed by program participants. Allowing the department to provide grants to these individuals for the provision of services for the program will allow the veterans to begin to regain the experience of working for a paycheck without requiring the department to hire them as employees or enter into a contract with them.

There is no anticipated fiscal impact with this recommendation as the services must be paid for anyway.

RECOMMENDED CHANGES TO THE HEALTH CARE AID GRANT PROGRAM

Act 254 required that the department conduct a study of the Health Care Aid Grant program, including a review of, and development of recommendations for, improving coverage and delivery of health care aid under the program. As mentioned above, one subcommittee of the Program Development Plan Committee looked exclusively at this program and, after determining that the program should be continued, forwarded to the department

recommendations on how it could be improved.

All of the department's recommendations for this program can be accomplished through changes in the Administrative Code. As with the other recommendations in this report, some will have little or no fiscal impact and should be implemented as soon as is practicable. Others have a significant fiscal impact on the Veterans Trust Fund and can be implemented only with increased revenue to or reallocation of revenue within the Trust Fund.

No Contact With Applicant

Under current law, a Health Care Aid Grant is automatically denied if there has been no contact from the applicant or his or her representative in 120 days. The department believes that any responsible applicant, or his or her representative, after being warned of the need to respond within 30 days, would not ignore that warning. The department believes that 60 days is a more reasonable limit and will help the department concentrate on those applicants who are concerned enough to maintain contact. The department will allow the denial to be successfully appealed if the applicant can show good cause as to why contact was not made within 60 days.

There will be no fiscal impact with this change.

Dates Of Medical Care On Bills

Current Administrative Code provisions require that a bill submitted for payment under the Health Care Aid Grant program be itemized. The department is recommending changing the Administrative Code to allow submission of a bill which is not itemized if the dates of service are listed, and certified as correct, by the County Veterans Service Office. The time saved gathering and mailing pages of itemized bills (and the cost to the patient if a second or third set of bills must be produced by the provider) is notable.

There is no anticipated fiscal cost with this change.

Payment For Medication Costs

Payment of the costs of medications is technically allowed. However, because the grant is limited to 30 treatment days in a 12 month period, and because each day a medication is used counts against that limit, applicants typically withdraw such requests to preserve the "treatment days" for more costly care. As a result, the department recommends changing the Administrative Code to prohibit payment of outpatient medications.

There is no anticipated fiscal impact with this change. Elimination of this provision would harm almost no one and would speed processing.

Low Income Applicants

The Administrative Code requires counting all liquid assets, uncommitted income, funds which become uncommitted as existing non-medical debts are paid in full within 24 months, income currently spent for religious or entertainment purposes, and funds made available through use of the department's Economic Assistance Loan program. The Health Care Aid Grant is awarded primarily to low income people (just over \$13,000/year average), and was designed originally to help just such people. Qualification is cumbersome and time consuming and some of the neediest people simply give up. Removing the requirements noted above for low income people would eliminate the common perception that the grant does not work. Low income would be defined as follows: single applicants whose income is below \$900/month and married couples whose income is below \$1,300/month. There would also be a \$125/month add-on for each additional dependent. Further, the department recommends that these amounts be tied to the Consumer Price Index.

The anticipated fiscal effect of this change is \$74,600 annually.

Eliminate The \$350 "Signature Loan" As A Source Of Other Aid

Currently, applicants who cannot qualify for a regular Economic Assistance Loan because they cannot provide security for the loan (do not own property and cannot obtain co-signers) are told they must apply for the "\$350 Signature Loan" if they can afford the \$10/month payment. The paperwork created and the time and effort spent by the applicant, County Veteran Service Office and department staff is not worth the "savings" to the Trust Fund. As a result, the department recommends eliminating this requirement.

The estimated fiscal impact of this change is \$10,500 annually.

Financial Information

Under current law, the department requires periodic financial updates from the applicant until a check is ordered. However, the Health Care Aid Grant program is the only department program which has these unusual standards. Other need-based state, federal, and county programs use information available on the date of the application when deciding whether to award a benefit. As a result, the department recommends changing the Administrative Code so that the applicant's financial picture is considered only on the date of application. The applicant would have the right to submit updated information if he or she desired.

The estimated annual cost of this change is \$20,000.

Students And The Economic Assistance Loan

The department currently requires that an applicant for the Health Care Aid Grant, who is a full time student, first apply for the Economic Assistance Loan. However, if the student is

forced to use the Economic Assistance Loan for medical expenses, it will not be available for school costs. As a result, the department recommends eliminating this requirement.

The estimated cost for this change is \$20,000 per year.

Retained Assets

Current law requires the department to count all available liquid assets. Applicants are not allowed to retain any assets, even for emergencies. However, other department programs have retained asset allowances and even welfare programs (AFDC and Food Stamps) have substantial allowances. Therefore, the department recommends that applicants be allowed \$1,000 in retained (not counted) assets. Further, the department recommends that the amount be tied to the Consumer Price Index.

The estimated fiscal impact of this recommendation is \$207,000 annually.

1992 Program Development Plan Committee's Findings

APPENDIX 1

Age Groups	20-35	30-50	40-55	55+
<p>Functional Areas of Need (Priority Order)</p>	<ol style="list-style-type: none"> 1. Education 2. Employment 3. Housing 	<ol style="list-style-type: none"> 1. Housing 2. Employment 3. Consumer Loans 	<ol style="list-style-type: none"> 1. Housing 2. Consumer Loans 3. Health care 	<ol style="list-style-type: none"> 1. Housing 2. Health care 3. Burial
<p>Current Programs that Address those Needs</p>	<p>Tuition and Fee Reimbursement Grant Part Time Study Grant Economic Assistance Loan Veterans Rehabilitation Program Primary Mortgage Loan Program</p>	<p>Primary Mortgage Loan Program Home Improvement Loan Program Veterans Rehabilitation Program Retraining Grant Economic Assistance Loan Business Loan</p>	<p>Primary Mortgage Loan Program Home Improvement Loan Program Veterans Rehabilitation Program Economic Assistance Loan Health Care Aid Grant</p>	<p>Veterans Rehabilitation Program Wisconsin Veterans Home Health Care Aid Grant Cemeteries</p>
<p>Unmet Demand in Areas of Need</p>	<p>Educational Assistance for Guard & Reserve</p>	<p>Low Income Housing Loan Program for Consumers (not Home Loans)</p>	<p>Low Income Housing Health Care "Reform"</p>	<p>Single Room Occupancy Low Income Housing Health Care "Reform"</p>



STATE OF WISCONSIN, DEPARTMENT OF VETERANS AFFAIRS

30 West Mifflin Street, P. O. Box 7843, Madison, WI 53707-7843
Tommy G. Thompson, Governor
Raymond G. Boland, Secretary

October 11, 1994

Raymond G. Boland
Secretary
Wisconsin Department of Veterans Affairs
30 W. Mifflin Street
Madison, Wisconsin 53702

Dear Secretary Boland:

I am hereby submitting the final report of the 1994 Program Development Plan Committee (PDPC) for the department's consideration. The report consists of the final reports of the PDPC's three subcommittees. The recommendations in the subcommittees' reports were approved by the entire PDPC at its last meeting.

The extensive work done by the PDPC will serve the department well as it looks to fulfill the mandate in 1993 Act 254 (AB 619) to provide the Governor and Legislature a study of the current state programs for veterans and of the use of the federal definition of "veteran" for determining eligibility for all veterans programs under ch. 45 of the statutes, as well as a study of the Health Care Aid Grant program.

As facilitator for this study effort, I want to thank all the members of the PDPC for their work on this project, as well as the department staff who assisted the committee members by preparing information necessary for them to make the decisions embodied in this report.

On behalf of the 1994 Program Development Plan Committee, thank you for the opportunity to assist in the ongoing efforts of the department to provide valuable benefits to Wisconsin's veterans.

Sincerely,

CHARLES B. HOSLET
Executive Assistant

Attachments



VETERANS AFFAIRS

STATE OF WISCONSIN, DEPARTMENT OF VETERANS AFFAIRS

30 West Mifflin Street, P. O. Box 7843, Madison, WI 53707-7843
Tommy G. Thompson, Governor
Raymond G. Boland, Secretary

Memo

Date: October 11, 1994

To: 1994 Program Development Plan Committee

Fr: 1994 PDPC Subcommittee on Eligibility
Tony Eulo, Paul Fine, Marvin Freedman, John Fuhrman, Tom Gilbert,
A.J. Halverson, Jacquelyn Lahn, Robert Munro, Leo Neu, Don Reichard and
Jimmy Stewart

Re: Final Report and Recommendations

The Program Development Plan Subcommittee on Eligibility focused its attention on the various statutory definitions of "veteran" in Chapter 45, Wisconsin Statutes. The goal of the subcommittee's recommendations is to eliminate inconsistencies between those definitions where appropriate and to make the laws as equitable as possible.

As long as the laws result in the exclusion of even one former service person, there will be grounds for complaint about their fairness, but the Subcommittee recognizes that there is a reasonable basis for differentially rewarding certain persons based on the character, duration or active duty status of their military service and on the person's residency in Wisconsin. Veterans' benefits are not an entitlement; they are compensation for a person's valuable service to their country. Nevertheless, the recommendations listed below would, if effected, create eligibility for many former service persons and their dependents who may be just as deserving as any veteran who is currently eligible.

The 11 recommendations of the Subcommittee were unanimously endorsed. They are not listed in priority order except that the first two are placed ahead of the others owing to the Subcommittee's recognition of their far greater importance. They are the only two which would result in large Veterans Trust Fund (VTF) expenditures. The Subcommittee recognizes that, in the short term, the VTF could not absorb significantly increased costs, but wishes for the Department to consider the first two recommendations for whatever future date they would be feasible. The other nine changes listed would have relatively little or no fiscal impact.

1. Limited eligibility for "peacetime" veterans - Currently, eligibility for most state veterans' benefits requires that the applicant must have served 90 days of active duty military service during a wartime period as defined by law. We recommend extending eligibility to all "peacetime" veterans who served at least two years of active duty service, or the full period of their

initial active duty obligation or, if having served less than two years or the full period of their initial active duty obligation, were discharged for a service-connected disability or for a disability subsequently adjudicated to have been service-connected or who died in service.

Justification: The justification for this proposal is equity and is a response to the demands of the veteran community. Most "peacetime" veterans do not feel that the service they performed was any less important than service of veterans during a wartime period. They tell us over and over that they should not be penalized simply because they happened to serve when they did. The dates that they served are usually a function of their age, not a function of their willingness to sacrifice. Many "wartime" veterans did not serve under circumstances any more dangerous or arduous than those under which many "peacetime" veterans served and, furthermore, "peacetime" veterans are always prepared for combat duty, should it be necessary.

The recommended change would require an amendment to s. 45.35(5), Wisconsin Statutes (VTF benefits). For consistency, we recommend that s.45.17(16)(a) (housing loans) and s.45.37(1a) (King) also be changed. The veterans who would be made eligible would be "disenfranchised" for the purposes of the housing loan programs.

Estimated cost: Recent VA statistics indicate that, of the 520,000 veterans in Wisconsin, approximately 119,000 (23%) are "peacetime" veterans. If they became eligible for VTF benefits (Economic Assistance Loans, Veterans Business Loans, Health Care Aid Grants, Subsistence Grants, Retraining Grants and Part-Time Study Grants), the cost (to the VTF) during the first year following passage would be approximately \$1.5 million. Of that amount, almost \$1.2 million would be in the form of loans, which are initially a drain on the VTF, but which eventually serve as a source of replenishment. The number of "peacetime" veterans in Wisconsin is decreasing fairly rapidly at present (as recently as 1991, the VA estimated that there were 146,000 "peacetime" veterans in Wisconsin) and the fiscal impact of the proposed change is falling as well.

2. Reduced residency requirement - Currently, under s. 45.35(5), a person who enters military service from a state other than Wisconsin, then moves to Wisconsin at some time following service and applies for a state veterans' benefit (other than housing loans), has to document that he/she has lived in the state for at least ten years prior to the date of application for the benefit. Applicants for WDVA housing loan programs have only a five year residency requirement. We recommend that ss.45.35(5) and 45.37(3)(b), Stats. be amended to require residency before application of only five years.

Justification: The change would result in greater consistency and, we feel, would be reasonable.

Estimated cost: The change would have a substantial cost (\$1.3 million) during the first year after passage, but the annual cost would decline rapidly thereafter until there would be no cost after five years. The reason is that, upon passage, five years' worth of in-migrating veterans who did not enter service from Wisconsin would become eligible at once.

The following recommendations are in no particular order and are numbered only for easier reference.

3. Active duty for training - Currently, under s. 45.71(16) (housing loans), veterans who meet the other eligibility requirements and whose service was active duty for training are eligible to apply for housing loan benefits unless their service was during the Vietnam War. Vietnam veterans without sufficient active duty service other than active duty for training are not eligible. We recommend that s. 45.71(16)(a)9. be amended to make the requirements the same for Vietnam War veterans as for others.

Justification: Equity. There is no defensible justification for imposing the restriction on only Vietnam War veterans.

Estimated cost: We estimate that there are approximately 36,000 persons who would be made eligible by this change. If they applied for Primary Mortgage Loans and HILP loans in the same proportions that veterans who are currently eligible have, the annual cost would be approximately \$20,200,000 of which approximately \$135,000 would be for HILP loans. It should be noted that, since we expect to approve Primary Mortgage Loans each year which will total the amount of our volume cap whether or not this change is made, the additional veterans would only cause the money to be used faster.

4. "Peacetime" veterans who died in service - Currently, "the benefits available to veterans are also available to the unremarried surviving spouses and minor or dependent children of deceased veterans ...," s.45.35(5). This applies only to dependents of deceased veterans who would have been eligible under current law, which essentially means wartime veterans. We recommend that eligibility also be extended to dependents of "peacetime" veterans who died while in service provided that the death was not a result of the veteran's willful misconduct (i.e., the dependent qualifies for Dependency and Indemnity Compensation from the VA).

Justification: If a veteran dies while in service, it is equally hurtful to the dependents of that veteran whether or not the veteran was serving during a wartime period.

Estimated cost: This would affect a small number of people and we estimate that the VTF cost would be no more than \$20,000 annually.

5. Part-Time Study Grant eligibility for spouses of service-connected disabled veterans - Currently, under s. 45.35(5), only spouses of deceased veterans may be eligible for benefits. We recommend that the law be amended to extend eligibility for the PTSG to spouses of veterans who are at least 70% service-connected disabled or who are eligible to apply for certification for unemployability by the VA.

Justification: The justification is that the dependents who would be affected may very likely have a need for training in order to obtain employment or obtain better employment.

Estimated cost: We estimate the fiscal impact to be approximately \$25,000 annually.

6. Establishing residency only once - Currently, each time a veteran who entered service from a state other than Wisconsin applies for a state veteran's benefit, he/she must reestablish that they have lived in Wisconsin for the five or ten years immediately prior to the date of application. We feel that once an "out-of-state" veteran establishes eligibility, he/she should not have to reestablish it. Thus, they would be treated the same as veterans who entered service from Wisconsin after their eligibility was first established.

Justification: We feel that the new procedure would be fairer and it would certainly save considerable time and frustration on the part of veterans, CVSOs and the WDVA eligibility specialist.

Estimated cost: We estimate that the cost would be negligible; perhaps only \$1,000 per year.

7. Eligibility for veterans with a "general" discharge - Currently, s. 45.35(5), Stats. provides that a "veteran" is a person who, along with other requirements, served "under honorable conditions." It also provides that "any person whose service on active duty with the U.S. armed forces ... makes the person eligible for general U.S. department of veterans affairs benefits shall be deemed to have served under honorable conditions for the purpose of this subsection" Since we know that a "general" discharge will make a veteran eligible for certain USDVA benefits, the WDVA eligibility specialist treats that type of discharge the same as an honorable discharge. In either case, if the veteran is otherwise eligible, he/she is also eligible based on the character of their service.

Justification: We recommend that the statute be amended to reflect the reality of WDVA practice.

Estimated cost: There would be no cost.

8. Dependent child of a deceased veteran - age limit - Currently, s. 45.35(5m), Stats. provides that a "dependent" of a deceased eligible veteran includes "any child of the veteran under 18 years of age, or if in full attendance at a recognized school of instruction" This means that a child of a deceased eligible veteran may apply for WDVA benefits at any age provided they are currently enrolled in school full-time. We feel that it would be reasonable and would more accurately reflect legislative intent to cut off eligibility for a dependent child of a deceased veteran at age 26. That would allow enough time for most students to achieve an advanced degree and also achieve some independence.

Justification: It would be more reasonable and, we feel, would reflect legislative intent.

Estimated cost: There could not be any additional cost and there might be a slight savings.

9. Ending date for Vietnam War - Housing programs - Currently, the Wisconsin statutory ending date for the Vietnam War is July 1, 1975. Federal law requires veterans to have served before January 1, 1977 in order to qualify for loans for which the funding source is tax exempt bonds (like our Primary Mortgage Home Loan Program). Thus, veterans may be "qualified" for the purposes of receiving a Primary Mortgage Home Loan, but may not be eligible because their service was not during a wartime period. In order to eliminate confusion for the relatively small number of veterans who are affected, we recommend amending the statute (s.45.71(16)(a)9.) to make the relevant Vietnam War ending date January 1, 1977.

Justification: The change would eliminate confusion regarding the qualified/disenfranchised and eligible/ineligible distinctions for the small number of veterans who would be made eligible.

Estimated cost: This would only affect the housing loan programs and we estimate that the annual cost would be \$1,800,000 of which approximately \$1,730,000 would be for Primary Mortgage Loans.

10. Eligibility for burial in Wisconsin veterans' cemeteries - There is a cemetery for veterans at the Wisconsin Veterans Home at King, Wisconsin. Eligibility for burial there requires that the veteran either was living in Wisconsin on the date of his/her death or lived in Wisconsin for 15 consecutive years at some time during his/her life (s. 45.37(15)(a), Stats.). Two new veterans' cemeteries will be established in Wisconsin in the near future and we feel that eligibility for burial at the new cemeteries should be consistent with King. We also feel, however, that the residency requirement should be consistent with the "out-of-state" veterans' residency requirement for benefits (i.e., five years). Thus, we recommend amending s. 45.37(15)(a), Stats. and using the same eligibility requirement for the new cemeteries.

Justification: Consistency.

Estimated cost: The 15 year restriction very rarely affects an applicant for burial (none in the past 3 years) since almost all veterans who request to be buried in the King cemetery are currently living in Wisconsin. Thus, the estimated cost is zero.

11. Character of discharge eligibility for housing loans - As explained in recommendation number 7 above, s. 45.35(5) provides that "any person whose service on active duty with the U.S. armed forces makes the person eligible for general U.S. department of veterans affairs benefits shall be deemed to have served under honorable conditions" The same language is not part of s. 45.71(16)(a) (housing loans).

Justification: For the sake of consistency, we feel that the language should be the same for the housing loan programs.

Estimated cost: We estimate that there would be approximately 10 additional Primary Mortgage Loans and 2 additional HILP loans approved annually for a total cost of \$625,000. There would be no Veterans Trust Fund cost.

We realize that several of the recommendations overlap and that one change might be made unnecessary if another change is effected. Likewise, a combination of changes might have a different fiscal impact than just the sum of the impacts shown. Nevertheless, we considered each change as a separate matter with no assumptions about the others.

Finally, this subcommittee discussed and debated another suggested change at length, found merits and potential drawbacks and, ultimately, decided not to recommend it at this time. Currently, extending eligibility to a new group of Wisconsin veterans based on their service during a wartime period requires separate legislation which identifies the dates of the period. Following the Persian Gulf War, federal legislation created a wartime period during which active military service satisfied eligibility requirements for federal benefits regardless of the location of the service. Wisconsin, meanwhile, extended eligibility to only those veterans who served in the Middle East or in support of Desert Shield/Desert Storm. Subsequently, with the passage of AB 619, the inconsistency was corrected. The subcommittee considered whether it would be desirable to have a Wisconsin law providing that, upon federal creation of a wartime period, Wisconsin would automatically adopt the same period. Concerns were expressed that doing so would eliminate the desirable publicity resulting from legislative discussion of war period dates. Also, Wisconsin war periods have often (World War II, Vietnam, Persian Gulf) been longer than federal periods. A counter argument was made that the law could

be written so as not to preclude amending the dates after the period is established. Some felt that there was a possibility that, if the suggested change was made, the state legislature would be reluctant to legislate improvements over and above federal law. In other words, they would be satisfied with wartime periods set by federal law and would consider amending the dates to be unnecessary extravagance. Also, they might be reluctant to create eligibility for military conflicts or actions such as Somalia as they have done in the past, but which the federal lawmakers have not.



VETERANS AFFAIRS

STATE OF WISCONSIN, DEPARTMENT OF VETERANS AFFAIRS

P.O. Box 7843, 77 N. Dickinson St., Madison, WI 53707

To: 1994 Program Development Plan Committee

From: 1994 PDPC Subcommittee on the Health Care Aid Grant
Chancey Dunday, Naomi Horwitz, Bob Hovland, Gary McGoey, Joe Pastor,
John Ruud, John Schnabel, Anthony Vrana & WDVA Facilitator Rich Uttke

Re: Final Report and Recommendations

Although the legislature eliminated this benefit (as of July 1, 1995), it also asked WDVA to conduct a study and develop recommendations for improving coverage and delivery of aid. Therefore, for discussion purposes, the Health Care Aid Grant subcommittee assumed the program would be "resurrected". In addition, the subcommittee used current law/rules as a starting point.

In discussing and prioritizing the recommendations, the subcommittee gave more weight to those items that would streamline the program and the application process than to those items that provided equity. The easy recommendations were those with a very limited fiscal impact on the Veterans Trust Fund (in many cases there was no cost) and those that would simply cost too much.

Twenty recommendations were categorized and ranked. The subcommittee put 7 items into a separate category because the cost to implement all of them was only \$1,000. The remaining 14 items were discussed in detail and ranked in order of preference.

A. RECOMMENDATIONS - MAINTAIN STATUS QUO

1. THOSE SERVED Continue to serve veterans, widows/widowers, children of deceased veterans, and spouses and children of living veterans.
2. OFFERS TO PROVIDERS Maintain the percentages of payment (currently 75% if collectible and 50% if un-collectible).
3. \$200 MINIMUM Maintain current department practice of paying a bill in full if it is less than \$200, rather than making an offer, and of offering no less than \$200 even though standard percentage calculations would bring the offer below this lower limit.

B. RECOMMENDATIONS - CHANGE RULES. Implement all as cost is low.

1. NO CONTACT WITH APPLICANT Change the Administrative Code so that a denial is issued after 60 days, rather than the current 120 days, if interest in the grant has not been maintained (if the department does not hear from the veteran, the spouse, a family member, a lawyer, a CVSO or other veteran's representative).

JUSTIFICATION - The group believes that any responsible applicant, or his/her representative, after being warned of the need to respond within 30 days, would not ignore that warning. They feel 60 days is a reasonable limit and would help the department concentrate on those applicants who are concerned enough to maintain contact.

ESTIMATED COST - none.

2. CHILD SUPPORT VERIFICATION Eliminate the department's practice that all applicants verify the amount of child support they pay.

JUSTIFICATION - Verified amounts do not currently vary significantly from reported amounts. The department does not routinely verify other expenses listed by the applicant.

ESTIMATED COST - less than \$1,000 annually.

3. DIVISION OF HANDICAPPED CHILDREN PROGRAMS Change the Administrative Code (and the application, WDVA 2013 - Part 5) to eliminate these programs from consideration as an "available resource".

JUSTIFICATION - Medical Assistance already covers a sick child with a chronic illness. To the department's knowledge, this program has not saved VTF funds by paying the bills of a veteran's child in at least the last two bienniums.

ESTIMATED COST - none.

4. CONVENTIONAL LOAN Change the Administrative Code (and Procedural Guideline 38) to eliminate the requirement that the department determine whether the applicant can afford to make payments on a conventional loan.

JUSTIFICATION - The department already assesses the ability to repay an Economic Assistance Loan. An applicant denied an EAL would be a potential candidate for a conventional loan but only if over the EAL income and/or asset limits. Such an applicant, in good shape financially, is already turned away from the Health Care Aid Grant at the County Veterans Service Office (CVSO). The department has not had to make such a determination in at least 2 bienniums.

ESTIMATED COST - none.

5. DATES OF MEDICAL CARE ON BILLS Change the Administrative Code to allow submission of a bill which is not itemized if the dates of service are listed and certified as correct by the CVSO.

JUSTIFICATION - The time saved gathering and mailing pages of itemized bills (and the cost to the patient if a second or third set of bills must be produced by the provider) is notable.

ESTIMATED COST - none.

6. **MEDICATIONS** Change the Administrative Code to prohibit payment of outpatient medications.

JUSTIFICATION - Payment of outpatient medications is technically allowed. However, because the grant is limited to 30 treatment days in a 12 month period, and because each day a medication is used counts against that limit, applicants typically withdraw such requests.

ESTIMATED COST - none. The savings in time spent sending messages back and forth is significant, however.

- C. **RECOMMENDATIONS - CHANGE RULES.** Effect, as budget allows, in order as listed.

1. **LOW INCOME APPLICANTS** Change the Administrative Code to waive all usual grant requirements except the rule on assets, for applicants whose income is below the following \$900/month for a single person and \$1300/month for a married couple and allow a \$125/month add-on for each additional dependent. Insure that these amounts are tied to the Consumer Price Index.

JUSTIFICATION - the HCAG is awarded primarily to low income people (just over \$13,000/year average). It was designed originally to help just such people. Qualification is cumbersome and time consuming and some of the neediest people simply give up. Removing all of the hurdles except assets would eliminate the common perception that the grant does not work.

ESTIMATED COST - \$74,600. It is estimated that 20 people per year would have given up and another 20 additional will apply after hearing that the barriers have been removed. The average grant is \$1865.

2. **ELIMINATE THE \$350 "SIGNATURE LOAN" AS A SOURCE OF OTHER AID** Currently, an applicant who cannot qualify for a regular Economic Assistance Loan because they cannot provide security for the loan (do not own property and cannot obtain cosigners) are told they must apply for the "\$350 Signature Loan" if they can afford the \$10/month payment.

JUSTIFICATION - The paperwork created and the time and effort spent by the applicant, CVSO and department staff is not worth the "savings" to the VTF.

ESTIMATED COST - \$10,500. An estimated 30 applicants per year at \$350 each.

3. **FINANCIAL INFORMATION** Change the Administrative Code so that the applicant's financial picture is considered only on the date of application (rather than requiring periodic financial updates until a check is ordered). The HCAG is the only department program which has these unusual standards.

JUSTIFICATION - Other need-based state, federal, and county programs use information available on the date of the application when deciding whether to award a benefit. The HCAG is perceived as unfair & unjust.

ESTIMATED COST - \$20,000. While most applicants apply while ill, only a small percentage of them find jobs before the grant is awarded and report the change in income. In addition, some applicants report a decrease in income. Therefore, the fiscal impact should be small.

4. TRANSFER TO A VA HOSPITAL Eliminate the Administrative Code requirement that a veteran at a private hospital be transferred to a federal VA facility.

JUSTIFICATION - It is unfair as the decision to transfer is made by the doctor and is almost always beyond the veteran's control. Currently, any amount incurred after transfer is not paid by WDVA. Any amount made eligible by this change would fall under the statutory provision which requires providers to take WDVA's offer on a bill as payment-in-full for that bill. In some cases this would increase the size of WDVA's offer.

ESTIMATED COST - \$22,500. There are 225 average approvals per year and an estimated 10% where the transfer requirement now applies. The estimated increase per approval is \$1000.

5. MEDICAL ASSISTANCE Change the Administrative Code, for those applicants applying only for (a) glasses/contacts, (b) hearing aids, and/or (c) dentures, to eliminate the requirement that they apply for Medical Assistance.

JUSTIFICATION - Few qualify for Medical Assistance because of the low federal income limits. The deductible created is large enough to make qualifying difficult or impossible. Many drop their HCAG request when forced to apply.

ESTIMATED COST - \$93,250. It is estimate that, once the word gets out, perhaps 50 additional applications will be approved. The average grant is \$1865.

6. HILL BURTON FUNDS Change the Administrative Code and Procedural Guideline 31 to eliminate the federal Hill Burton program as an "available" resource.

JUSTIFICATION - The federal Hill Burton program is, by federal law, a program of last resort and WDVA should not make applying for HB funds a prerequisite to receiving a HCAG. WDVA must keep track of these providers and check each application to determine if the provider has such funds available. Verification is required from any out-of-state provider unless they are on the list WDVA must maintain.

ESTIMATED COST - \$10,000. As federal law requires informing patients of the availability of the HB program, most applicants are aware of the funds and have already applied when applying for the HCAG. The cost to the VTF will be minimal.

7. STUDENTS & THE E.A.L. Eliminate the requirement that an applicant, who is a full time student, apply for the Economic Assistance Loan.

JUSTIFICATION - If the student is forced to use the EAL for medical expenses, it will not be available for school costs.

ESTIMATED COST - \$20,000 per year.

8. DEDUCTIBLE CALCULATIONS Change Procedural Guideline 38. Shorten the department's 24 month calculation period to 12 months thereby reducing the applicant's deductible.

JUSTIFICATION - The 24 months is completely arbitrary (as is the 12 months). Applicants and CVSOs see 24 months as unreasonable. The department uses this to calculate the applicant's deductible. Example: a 57 year old female veteran with \$5/per week in surplus income, applies for a HCAG for glasses for herself (\$259) and her spouse (\$260). The department would multiply the \$5 times 4.33 and then times 24 months to arrive at a \$519 deductible. Result: denial. With the change, at least the spouse would have the cost of the glasses paid by the HCAG.

ESTIMATED COST - \$31,250. It is estimated that 25 applicants would be affected (their deductible would be halved). If the average deductible is \$2500, it would be reduced to \$1250.

9. PROPERTY TAXES Change Procedural guideline 15. Currently, money in a property tax escrow account (mandatory or voluntary) at a bank or savings and loan, is ignored by the department as the money is not considered an "available" liquid asset. The same amount set aside in a non-escrow account (to be used to pay property taxes) is counted as an asset and considered "available" for the payment of medical/dental bills.

JUSTIFICATION - This policy is perceived as unfair by applicants, CVSOs and others.

ESTIMATED COST - \$30,000. Many applicants do not have assets and among those that do, only a small percent have saved enough to pay property taxes. It is estimated that this change would affect 20 applicants at \$1500 each.

10. MATERNITY Change the Administrative Code to eliminate the language which bars payment for maternity costs (currently only costs "due to a medical emergency" are eligible for consideration).

JUSTIFICATION - The department has not had such applications as most eligible females are beyond child bearing age but there may be a few applications in the future from Desert Storm veterans and/or spouses.

ESTIMATED COST - \$10,000 per year.

11. RETIREMENT FUNDS AS ASSETS Eliminate IRAs, Keoghs and other retirement funds from the definition of assets when determining financial need.

JUSTIFICATION - These funds are exempt from many other WDVA and non-WDVA programs. Penalties, both immediate and future (tax), are experienced if IRAs etc. are "cashed in" early. These funds are presumably saved over a lifetime to supplement available Social Security benefits. Many feel it is inequitable to ask that these funds be used to pay medical bills when employer-held retirement accounts of other veterans are exempt from the "available" asset rule.

ESTIMATED COST - \$102,575. A survey of 11 CVS0's reveals that 44 applicants/year are currently turned away. It is estimated that these counties represent 80% of the applications.

12. RETAINED ASSETS Allow \$2500 in retained (not counted) assets and insure that the amount is tied to the Consumer Price Index.

JUSTIFICATION - Other WDVA programs have retained asset allowances and even "welfare" programs have similar limitations.

ESTIMATED COST - \$207,000. Applicants with significant assets are usually dissuaded at the county level. A survey of 11 CVS0's reveals that 89 applicants/year are currently turned away. It is estimated that these counties represent 80% of the applications.

13. URGENT vs NON-URGENT CARE Change the Administrative Code, for care which occurs 120 days prior to the receipt of the application, to eliminate the legal distinction between urgent and non-urgent care.

JUSTIFICATION - With the \$5,000 limit on expenditures, there is no longer grounds for this distinction. (Prior authorization, and thus payment at the 100% rate, would still be possible when requested).

ESTIMATED COST - \$358,080. A survey of 11 CVS0's reveals that 154 applicants/year are currently turned away. It is estimated that these counties represent 80% of the applications.

IDEAS CONSIDERED BUT REJECTED

1. ASSETS WHICH GENERATE INCOME Allow retention of assets if those assets are generating the income used by the applicant for normal living costs (set a limit on the amount of income that can be generated).
2. ROOT CANALS & CROWNS Allow payment in addition to items allowed by current law (extractions, fillings dentures and denture repair).
3. GLASSES Eliminate the need to give Prior Authorization for glasses/contacts (simply allow payment for one pair per year unless broken).
4. OFFERS TO PROVIDERS Eliminate making offers when the total of the bills is under the \$5,000 statutory limit. Pay the bills in full.
5. CROSS-CHECKING Eliminate the analyst's practice of comparing the figures reported to social services (which generally show up on the Notice of Decision) to the amounts reported to WDVA.
6. INPATIENT CARE ONLY Limit care to inpatient treatment only except for glasses/contacts, dentures and hearing aids.
7. OUTPATIENT CARE Eliminate payment for outpatient visits or eliminate payment for those that are not connected to an inpatient stay.
8. REDUCE THE 120 DAY LIMIT Allow payment for care only if it occurred within 90 (or 60) days prior to receipt of the application.
9. 30 TREATMENT DAYS Reduce the number of eligible treatment days to 20 or 10.
10. CARE FOR CHILD OF LIVING VET Don't pay.
11. SMALL BILLS Don't pay a medical/dental bill if less than \$100.
12. RENTAL OF EQUIPMENT Don't pay.
13. WHEELCHAIR RAMPS Don't pay.
14. BAD CREDIT HISTORY Disallow grants to veterans who have been a serious collection problem in the past 5 years.
15. EXPENSES LISTED SEEM HIGH Eliminate current practice of requiring an explanation and/or verification when the analyst feels amounts listed are high.
16. 120 DAY LIMIT Change to 6 months (180 days).
17. \$5,000 LIMIT Raise to \$7,500.
18. FUNDAMENTAL CHANGES Various proposals to create a new program more limited in scope - serve a different group of people and/or provide fewer services or both - were discussed.



VETERANS AFFAIRS

STATE OF WISCONSIN, DEPARTMENT OF VETERANS AFFAIRS
30 West Mifflin Street, P.O. Box 7843, Madison, WI 53707-7843

CORRESPONDENCE/MEMORANDUM

Date: October 11, 1994

To: 1994 Program Development Committee

From: 1994 PDPC Subcommittee on Qualifications

Harry Alvey	Bob Piaro
Gary Bethke	Larry Smerling
Larry Dewane	Tom Wynn
Don Eggert	Paul Bialk
Brian Elliott	Jess Jespersion
Phyllis Perk	

Subject: Final Report and Recommendations

The following are the top three recommended changes to WDVA qualifications and rules listed by program.

A. Primary Mortgage Loan Program (PMLP)

1. Remove all income limits and impose a \$250,000 mortgage cap.

JUSTIFICATION: The committee felt that the income limit that exists for disenfranchised veterans is inequitable and should be removed. However, in view of the funding requirements, it was felt that the removal of this income limit was realistically only possible if funds were increased. The imposition of a \$250,000 mortgage cap was the committee's effort to make sure that the removal of the income limit did not result in excessive mortgage amounts.

ESTIMATED COST: \$46,303.295

2. Apply income limit only to the veteran.

JUSTIFICATION: If insufficient funds are available to remove the income limit completely, applying it only to the veteran and not to the veteran's spouse will provide some relief from the inequity of the income limit provision.

ESTIMATED COST: \$12,864,592

3. Amend the Statutes to extend Viet Nam Era from July 1, 1975 to January 1, 1977 to be consistent with federal bond laws.

JUSTIFICATION: This allows the department to utilize bond proceeds to fund Primary Mortgage Loans to all veterans eligible under federal law.

ESTIMATED COST: \$1,731,772

B. Home Improvement Loan Program (HILP)

1. Remove income limit if increased funding is made available.

JUSTIFICATION: Once again the equity issue regarding income limits was the justification and realistically only if increased funding is available could this limit be removed.

ESTIMATED COST: \$229,080

2. Apply income limit only to veteran.

JUSTIFICATION: If insufficient funds are available to remove the income limit completely, applying it only to the veteran and not to the veteran's spouse will provide some relief from the inequity of the income limit provision.

ESTIMATED COST: \$152,720

3. Reduce equity requirement from 10% to 5%.

JUSTIFICATION: Since the Primary Mortgage Loan Program requires only a 5% downpayment or equity requirement, the committee felt that the same should be applicable to the Home Improvement Loan Program.

ESTIMATED COST: \$85,905

4. Remove artificial restrictions (i.e. prohibition against swimming pools, spas, etc.).

JUSTIFICATION: These restrictions were imposed on the department as a result of anticipation of obtaining tax exempt bond proceeds. Since the department has been unable to utilize bond proceeds for this program, it was felt that the restrictions should be removed.

ESTIMATED COST: \$66,815

C. Economic Assistance Loan Program (EAL)

1. Eliminate need for two co-signers -- require only one and accept co-signers who live outside Wisconsin. If the co-signer resides outside Wisconsin, any additional cost of obtaining credit report must be borne by the veteran applicant.

JUSTIFICATION: The committee felt that 2 co-signers was an unnecessary hardship and that today many family members live outside the geographic confines of Wisconsin and to require them to live within Wisconsin was unreasonable.

ESTIMATED COST: \$781,660

2. Remove asset limit.

JUSTIFICATION: The equity argument that a person's assets were not relative to whether a person should qualify for a loan program was a major justification. Also, many retired veterans have a need to retain assets since they do not have substantial income coming into their household.

ESTIMATED COST: \$299,200

3. Increase maximum loan amount to \$5,000.

JUSTIFICATION: The committee felt that a \$500 incremental raise in the maximum loan amount was appropriate at this time due to the cost of living and other factors.

ESTIMATED COST: \$417,686

4. Exclude service-connected disability income from income calculations for the maximum income limit for EAL. However, income may be used to qualify the applicant.

JUSTIFICATION: The committee feels that this would be equitable with the Primary Loan Program.

ESTIMATED COST: Not available at this time.

D. Veterans Business Loan Program (VBL)

1. Eliminate requirement that 75% of business funds be borrowed elsewhere and impose a requirement that the veteran have 10% of the requested loan amount as equity in the business in the form of cash or equity. NOTE that the program requires additional security in the form of guarantors or real estate.

JUSTIFICATION: It was felt by the committee that the 75% requirement was an unnecessary imposition on business entrepreneurs and that this caused the majority of business loans to be unworkable.

ESTIMATED COST: \$10,000

2. Increase loan amount from \$10,000 to \$15,000.

JUSTIFICATION: The committee felt that \$10,000 was insufficient for Business Loan purposes and that \$15,000 would be a more appropriate amount for any type of business loan.

ESTIMATED COST: \$10,000

3. Create a graduated payment plan for the first 12 months (i.e. 50% payment for first six months, 75% next six months and then full payment).

JUSTIFICATION: The committee members felt that when a business initially starts up, it is very difficult to meet cash flow requirements and therefore a deferred payment plan would assist the business operator. The deferred payments will be added to the end of the loan repayment.

ESTIMATED COST: \$0

E. Part Time Study Grant Program (PTSG)

1. Increase maximum per course amount from \$300 to the average cost of a UW-Madison course (currently \$343.50) with the maximum annual grant amount limited to 5 times that amount (i.e. maximum being 2 fall semesters, 2 spring and 1 summer).

JUSTIFICATION: The committee felt that instead of a \$300 maximum per course grant amount, the amount should be indexed to the UW-Madison per course amount for fairness and that the maximum annual amount should then be indexed to five times the course amount. We then would not have to continually change the amounts by revising the law.

ESTIMATED COST: \$105,270

2. Remove income limit.

JUSTIFICATION: Again, the committee feels that income limits are inequitable and that they should be removed if there are funds available to provide the grants without regard to income limit.

ESTIMATED COST: \$159,963

3. Apply income limit only to veteran.

JUSTIFICATION: Again, the committee felt that if there must be an income limit, then it should apply only to the veteran and not to the veteran's spouse. The issue again is one of fairness.

ESTIMATED COST: \$138,450

4. Exclude service-connected disability income from income calculations for the maximum income limit for Part Time Study Grant.

JUSTIFICATION: The committee concurs with Resolution No. F9402 of the CVSO Assn. of Wisconsin that it is inequitable to include service-connected compensation as a disqualifying factor for part-time study grants.

ESTIMATED COST: Not available at this time.

F. Retraining Grant Program (RTG)

1. Remove the six month employment restriction.

JUSTIFICATION: The committee felt that imposing a requirement that the veteran must be employed in the same job for a minimum of six months was not necessarily relevant to the determination of whether an individual should or should not obtain a Retraining Grant. Basically, the committee felt that this was an unnecessary imposition that disallowed certain individuals from obtaining a Retraining Grant that might otherwise be eligible.

ESTIMATED COST: \$56,680

2. Allow individuals who are underemployed to be eligible for Retraining Grants. Underemployed to be defined by Federal Income guidelines.

JUSTIFICATION: The committee felt that individuals working for minimum wage or low salaries should be eligible to receive the Retraining Grant.

ESTIMATED COST: \$297,570

3. Allow individuals whose only employment is part-time with the Reserves or National Guard to be eligible for Retraining Grants.

JUSTIFICATION: The committee felt that part-time employment in National Guard or Reserves should not disqualify a veteran from receiving the grant.

ESTIMATED COST: \$14,170

4. Require that a portion of the grant funds be made payable to the school to insure that tuition is paid before additional funds are released to veteran.

JUSTIFICATION: The committee was concerned that there might be abuse of the funds and one way to avoid any potential abuse was to possibly have the tuition payment made payable to the school where the veteran is being retrained. Basically, the intent is to avoid abuse of the program.

ESTIMATED COST: \$(152,100) - Reduction.

G. Subsistence Aid Grant (SAG)

1. Motor vehicle expenses should be considered as an essential cost under the SAG program.

JUSTIFICATION: Motor vehicle operating expense is an essential cost and should be allowable.

ESTIMATED COST: Not available at this time.



STATE OF WISCONSIN, DEPARTMENT OF VETERANS AFFAIRS
30 West Mifflin Street, P.O. Box 7843, Madison, WI 53707-7843

CORRESPONDENCE/MEMORANDUM

Date: October 11, 1994

To: 1994 Program Development Committee

From: 1994 PDPC Subcommittee on Qualifications
Harry Alvey Bob Piaro
Gary Bethke Larry Smerling
Larry Dewane Tom Wynn
Don Eggert Paul Bialk
Brian Elliott Jess Jespersen
Phyllis Perk

Subject: Additional Recommendations not Included in the Final Report and not
Prioritized

A. Primary Mortgage Loan Program (PMLP)

1. Allow the veteran to borrow against equity in the form of assets held by the veteran.

JUSTIFICATION: The committee felt that although the present law does not allow a veteran to borrow funds for downpayment or closing costs, it was believed that as long as the veteran borrowed against equity it really wasn't the same as borrowing funds and should not disqualify a veteran applicant.

2. Eliminate any type of funding fees.

JUSTIFICATION: The committee believes that funding fees only create confusion and that fees of this nature end up being paid by the veteran applicant anyway so they should not be imposed.

3. Eliminate firm price construction contract requirement.

JUSTIFICATION: Many builders have difficulty in complying with the department's requirement for a firm price contract and when this is enforced, it means that veterans are not able to use the program to provide financing for construction.

B. Home Improvement Loan Program (HILP)

1. Provide Home Improvement Loan financing to a veteran's surviving spouse.

JUSTIFICATION: The committee felt that since surviving spouses are eligible for veteran benefits, the Home Improvement Loan Program should be made available to such individuals.

2. Increase loan amount to \$20,000.

JUSTIFICATION: The committee felt that home improvements might exceed the \$15,000 limit and we should increase the amount to \$20,000.

3. Allow a third mortgage lien under the Home Improvement Loan Program.

JUSTIFICATION: If sufficient equity is available, the department should be able to make a loan to such veteran. Presently, many veterans already have second mortgage liens so this would make the program available to other veterans.

4. Make it optional for the CVSO to do title searches.

JUSTIFICATION: This would allow counties that wish to do a title search to perform them to save money for the veteran.

C. Economic Assistance Loan Program (EAL)

1. Permit the program to be used for a spouse education.

JUSTIFICATION: It is felt that this is an appropriate use of the program.

2. Allow the purpose of the loan to be for purchase of a vehicle.

JUSTIFICATION: It was felt that vehicles are no longer considered a luxury and such a purpose should be allowable.

D. Retraining Grant Program (RTG)

1. The only additional recommendation made was to expand the present Retraining Grant Program to include any type of additional training which was necessary to obtain or maintain state certification for a particular profession or type of work.

JUSTIFICATION: The committee felt that this would expand the use of the Retraining Grant Program to veterans who might otherwise not be eligible.

The above recommendations were discussed and in general agreed upon by the committee members, however, they did not make the top three or four priority recommendations that constituted the committee's final report.

WDVA Programs - Eligibility, qualifications, purposes.

Primary Mortgage Home Loan, Home Improvement Loan, Economic Assistance Loan, Veterans Business Loan, Health Care Aid Grant, Subsistence Aid Grant, Retraining Grant, Part-Time Study Grant, Tuition and Fee Reimbursement Grant, Wisconsin Veterans Home, Claims Service for USDVA Benefits, Veterans Rehabilitation Program, Wisconsin Veterans Cemetery.

	<u>Primary Mortgage Home Loan</u>	<u>Home Improvement Loan (HILP)</u>
<u>Description</u>	Home purchase, construction, purchase/improvement or purchase/rehabilitation.	Repairs, alterations and improvements to the veteran's home.
<u>Eligibility</u> (see last page)	Standard except "peacetime" service (2/1/55 - 8/4/64) & 5 yrs. residency. Widows & dependent child. not elig.	Same as Primary Mortgage Home Loan.
<u>Statute</u>	S. 45.70.	S. 45.70.
<u>WI Admin Code</u>	VA 4.	VA 4.
<u>Maximum Benefit</u>	The loan may not exceed 2.5 times annual income of vet and spouse.	\$15,000 (\$3,000 minimum)
<u>Use Again?</u>	Yes. Prior loan must be paid.	Yes. One at a time.
<u>Income Limit</u>	\$47,500 comb. (vet & spouse). No limit for "qualified."*	\$47,500 comb. (vet & spouse).
<u>Asset Limit</u>	None.	None.
<u>Interest Rate</u>	Varies w/ current bond issue.	Varies. Currently 6.25%.
<u>Repayment Terms</u>	30 yr. term or less.	Min. term 1 yr., Max 15 yrs.
<u>Security</u>	1st mort. on purchased prop.	1st or 2nd on improved prop.
<u>Need Criteria</u>	No other criteria.	No other criteria.
<u>Ap. Deadline</u>	None.	None.
<u>Other</u>	5% minimum downpayment (no maximum), no prepayment penalty, veteran must occupy home as principal residence.	Can't be used for decks, patio, fireplace, saunas, pool, etc. Veteran may also have Primary Mortgage Loan.

*"Qualified" veterans are those who first served on active duty prior to January 1, 1977 and who completed their service on active duty 30 years or less before the date of their loan application.

	<u>Economic Assistance Loan</u>	<u>Veterans Business Loan</u>
<u>Description</u>	Low interest loan for debt consolidation, home improve, education, business, mobile home.	Low interest loan for business start-up, expansion, or purchase.
<u>Eligibility</u> (see last page)	Standard.	Standard.
<u>Statute</u>	S. 45.351(2).	S. 45.351(2a).
<u>WI Admin Code</u>	VA 3.	VA 11.
<u>Maximum Benefit</u>	\$4,500.	\$10,000 (amt. borrowed can't exceed 20% of amt. needed). Vet must invest 5% from own funds. Remaining 75% from conventional lender.
<u>Use Again?</u>	Yes. One at a time.	Yes. One at a time.
<u>Income Limit</u>	\$36,600 annual income (vet & spouse) plus \$500 for each dependent in excess of two.	Same as EAL. Limit for 100% service-connected disabled vet is \$51,240 plus \$700.
<u>Asset Limit</u>	\$2,500 plus 6 month's living expenses.	No asset limit.
<u>Interest Rate</u>	Currently 6%.	Currently 7.5%.
<u>Repayment Terms</u>	Normal term is 5 years. Max. is 8 years.	Normal term is 5 years.
<u>Security</u>	Real estate mortgage on vet's home or guarantor(s).	Same as EAL.
<u>Need Criteria</u>	No other criteria.	No other criteria.
<u>Ap. Deadline</u>	None.	None.
<u>Other</u>	Can be used for vet's child's education (not spouse). Can't be used for non business motor vehicles or luxury or entertainment purposes. Must be 3 signers on guarantor secured loans.	Vet must intend to devote full time to the business.

	<u>Health Care Aid Grant</u>	<u>Subsistence Aid Grant</u>
<u>Description</u>	Emergency assistance for the payment of medical bills.	Emergency assistance for the payment of basic costs for a vet who loses income because of illness or injury.
<u>Eligibility</u> (see last page)	Standard.	Standard.
<u>Statute</u>	S. 45.351(1)(a).	S. 45.351(1)(b).
<u>WI Admin Code</u>	VA 2.01.	VA 2.01.
<u>Maximum Benefit</u>	Up to \$5,000 per medical condition, per person, per year.	No limit; whatever is necessary to pay basic costs up to the amt. of income lost.
<u>Use Again?</u>	Yes.	Yes, but only up to 3 months in a 12 month period.
<u>Income Limit</u>	None.	None.
<u>Asset Limit</u>	Applicants must use all available assets first.	Same as for HCAG.
<u>Need Criteria</u>	All other forms of aid such as Medicare, Medical Assist., Hill Burton, insurance and VA medical services must be ruled out. If applicant can use WDVA EAL, must apply.	All other forms of assistance must be ruled out. Those with dependents under 18 must apply for AFDC.
<u>Ap. Deadline</u>	Aid for emergency care can only be provided for care received in the period 120 days before receipt of ap.	Application must be made while need is still evident.
<u>Other</u>	Non emergency treatment requires prior authorization from WDVA. Dental care is limited to extractions, fillings, dentures & denture repairs. Special rules exist for treatment of Agent Orange related illnesses. Only emergency maternity costs may be paid.	Can be used to pay for items lost or damaged in a disaster such as a fire or tornado. Vets suffering from PTSD don't need to have a loss of income to qualify. Grant checks are usually made payable to providers of essential services (e.g. landlord, utilities).

	<u>Retraining Grant</u>	<u>Part-Time Study Grant</u>
<u>Description</u>	Assistance to a recently unemployed veteran who has financial need while being retrained for employment.	Reimbursement for the costs of tuition, fees and books for part-time study at accredited schools.
<u>Eligibility</u> (see last page)	Standard.	Standard.
<u>Statute</u>	S. 45.397.	S. 45.396.
<u>WI Admin. Code</u>	VA 2.03.	VA 2.02.
<u>Maximum Benefit</u>	\$3,000 for a one year period.	\$300 per course & \$1,100/yr.
<u>Use Again?</u>	Two times total.	No limit other than the annual limit shown above.
<u>Income Limit</u>	\$36,600 plus \$500 for each dependent in excess of two.	\$47,500 plus \$500 for each dependent in excess of two.
<u>Asset Limit</u>	Not per se, but assets in excess of \$2,500 plus 6 month's living expenses will be counted for need.	No.
<u>Need Criteria</u>	Living expense budget is calculated to establish the applicant's unmet need.	Grant can't be approved if it duplicates aid from another source.
<u>Ap. Deadline</u>	Must be submitted before or during the retraining period.	Application must be received at WDVA within 60 days following completion of class
<u>Other</u>	"Recently unemployed" means within the year prior to the date of application. Schools must be accredited and must be in Wisconsin. The retraining program must be scheduled for completion within 2 years. A check will be mailed to the CVSO at the time of approval to be given to the veteran. Often, the total grant will be disbursed in more than 1 installment. Loss of employment can't be voluntary. Six months consecutive employment required.	"Part-time study" means 11 credits or less for a student without a bachelor's degree, 8 credits or less for a student with a bachelor's degree. Generally, only accredited schools in Wis. qualify. UW schools, Wis. Technical Colleges, UW Extensions and Wis. high schools qualify. The courses must relate to the applicant's educational, occupational or professional goals.

	<u>Tuition & Fee Reimbursement</u>	<u>Wisconsin Veterans Home</u>
<u>Description</u>	Reimbursement of up to 25% of the cost of tuition and fees paid by the veteran to UW institutions and centers and WI Technical Colleges.	Veterans retirement home and skilled nursing care facility in King, Wisconsin.
<u>Eligibility</u>	2 years (or initial service obligation, if less) of other than dishonorable service in the U.S. armed forces and courses must end within 6 years after separation from active duty. Resident of WI at time of entry into active duty or for 5 years immediately prior to application. Widows and dependents are not eligible.	Honorable service in U.S. armed forces for at least 90 days on active duty with at least 1 day of active duty service during a wartime period or in a qualifying military conflict. Resident of Wis. at time of entry into service or for 10 years prior to date of application for admission and a resident of Wis. on date of admission.
<u>Statute</u>	S. 45.25.	S. 45.37.
<u>WI Admin. Code</u>	VA 2.04.	Chapter VA 6.
<u>Maximum Benefit</u>	Up to 25% reimbursement for 8 semesters (no more than 4 at WI technical college).	Residency.
<u>Income Limit</u>	\$47,500 plus \$500 for each dependent in excess of 2.	No limit but financial statement required.
<u>Asset Limit</u>	None.	None.
<u>Need Criteria</u>	Just the income limit.	Income and assets over medical assistance maximums have to be applied to cost of care.
<u>Ap. Deadline</u>	Application must be received at WDVA within 60 days following end of semester.	None.
<u>Other</u>	Applicant must be enrolled as undergraduate, must satisfactorily complete the semester, must take courses relevant to degree, certificate or diploma, may only be paid if other aid is not available to pay tuition and fees and may not receive for same semester that Part-Time Study Grant was received.	Basic qualification includes permanent incapacitation from gainful employment due to disability or age, age in excess of 49 years or if under 50 if disabled and federal VA cannot provide care, no conviction for certain crimes or evidence of reformation, and can't be chronic drug addict, alcoholic, psychotic, or tubercular unless proper care is available.

Claims Service

Description

Service office in Milwaukee at the U.S. Department of Veterans Affairs Regional Office. WDVA personnel advise and assist veterans and their dependents in filing and pursuing claims with the USDVA (VA).

Eligibility

The Claims Office will assist any person who has served in the U.S. armed forces and their widows and dependents.

Other

A claimant must give the Claims Office his or her power of attorney before they may legally pursue claim activity with the USDVA. All USDVA services, benefits and determinations may be pursued for the claimant except discharge upgrade which will be handled by other WDVA employees.

Vets Rehabilitation Program

Safe shelter and support services for homeless veterans and veterans at risk of becoming homeless at regional sites. Current sites are located at Fort McCoy in Monroe county, Milwaukee and a third site will be selected in the north east part of the state.

Honorable service in U.S. armed forces for at least 90 days of active duty with at least 1 day of active duty service during a wartime period or in a qualifying military conflict.

The VRP offers housing, job training, education, counseling, health care through a local USDVA medical facility including treatment of Post Traumatic Stress Disorder, alcohol and drug abuse problems and legal advice. Clients may live at the VRP until they are ready for independent living or they may participate on a days only basis.

Wisconsin Veterans Cemetery

Description

Currently there is one Wisconsin state veterans cemetery and it is located at the Wisconsin Veterans Home at King, Wisconsin. Sites for two new state veterans cemeteries are under consideration for the southeast and northwest parts of Wisconsin.

Eligibility

The veteran must have honorable service in U.S. armed forces for at least 90 days of active duty with at least 1 day of active duty service during a wartime period or in a qualifying military conflict and have been a resident of Wisconsin at the time of his or her death or have been a resident of the state for at least 15 consecutive years at some time. Burial shall also be provided for the parent, spouse or surviving spouse of a veteran, even if the parent, spouse or surviving spouse is not a member of the Home at the time of death, if the parent, spouse or surviving spouse is a resident of this state at the time of death or was a resident of the state for at least 15 consecutive years.

Eligibility

Eligibility for WDVA programs requires that the applicant meet the definition of "veteran" for the program in question. Current definitions of "veteran" are found in Wisconsin statutes, s.45.35(5) [pertaining to general or standard eligibility for WDVA programs], 45.37(1a) through (7) [pertaining to membership at the veterans home at King], and 45.71(16) [pertaining to the housing loan programs]. Also, section 45.34 provides detail about post Vietnam conflict locations and time periods and s. 45.25(2)(b)(c) and (d) defines eligibility for the Tuition and Fee Reimbursement Program.

"Standard" or "general" eligibility for WDVA programs requires at least 90 days of honorable active duty (other than active duty for training) service in the U.S. armed forces during a war period or receipt of an Armed Forces, Navy or Marine Corps Expeditionary Medal. Veterans with less than honorable discharges, but who qualify for federal VA benefits may still be eligible.

Veterans must be residents of and living in Wisconsin when applying for benefits unless they are currently serving on active duty outside of Wisconsin.

The veteran must have entered service from Wisconsin or must have resided in Wisconsin for 10 years immediately prior to the date of application for WDVA benefits.

If the veteran served less than 90 days of active duty service but was discharged for a service-connected disability or for a disability subsequently adjudicated to have been service-connected or who died in service, eligibility may still be established.

If the person had more than one qualifying term of service, at least one term of service must have been under honorable conditions or have been terminated by an honorable discharge.

The benefits available to veterans are also available to the unmarried surviving spouses and minor or dependent children of deceased eligible veterans if they are living in Wisconsin at the time of application.

Guard and Reserve personnel who were called up and served on active duty in support of Operations Desert Shield/Storm are eligible.

Veterans who served honorably on active duty for more than 6 consecutive months during the period February 1, 1955 to August 4, 1964 are eligible for the Primary Mortgage Home Loan and the Home Improvement Loan (HILP).

Widows and dependents are not eligible to apply for the Primary Mortgage Home Loan, HILP or the Tuition and Fee Reimbursement Grant.

Spouses, surviving spouses and parents of eligible veterans may be eligible for membership at the Wisconsin Veterans Home.

OFFICE OF POLICY, PLANNING, AND BUDGET
 FISCAL ESTIMATE WORKSHEET: IMPACT OF ADOPTING FEDERAL DEFINITION OF ELIGIBLE VETERAN FOR WDVBA BENEFITS
 (Expand eligibility to include "peacetime" veterans with two or more years of active duty service)

FORECAST BASED UPON CURRENT PROGRAM CONFIGURATION AND HISTORIC USAGE

PROGRAM BENEFIT	NEWLY ELIGIBLE POPULATION (1)	NEWLY INELIGIBLE POPULATION (2)	NET NEW POPULATION (3)	PROGRAM USE RATE (4)	ADJUSTMENT FACTOR(S) (5)	AVG. BEN. COST PER PERSON (6)	FISCAL ESTIMATE (7)	
VTF PROGRAMS								
BUS LOAN PROG	119,300	2,521	116,779	0.000005	1	\$10,000.00	\$5,838.95	
ECON LOAN PROG	119,300	2,521	116,779	0.002505	1	\$4,200.00	\$1,228,631.86	
RE-TRAINING GRANT	119,300	2,521	116,779	0.000256	1	\$2,900.00	\$86,696.73	
SUB AID GRANT	119,300	2,521	116,779	0.000595	1	\$630.00	\$43,774.61	
HLTH CR AD GRANT	119,300	2,521	116,779	0.000456	1	\$2,200.00	\$117,152.69	
PT TM STDY GRANT	119,300	2,521	116,779	0.005122	1	\$220.00	\$131,591.25	
TUTION REIMB	0	0	0	0	1	\$0.00	\$0.00	
VTF TOTAL							\$1,613,686.09	
MRTGGE PROGRAMS								
QUALIFIED	0				1	\$83,850.00	\$0.00	
DISENFRANCHISED	119,300	2,521	116,779	0.00329	1	\$63,800.00	\$24,512,145.66	
HM IMP LN PROG	119,300	2,521	116,779	0.000352	1	\$10,291.29	\$423,035.91	
MORTGAGE PROGRAM TOTAL							\$24,935,181.57	

Footnotes:

- (1) USDVA, Population Projections as of July of 1994, received December 13, 1994
- (2) Wisconsin Dept. of Military Affairs reports that 1,167 National Guardsman and 2,899 Reservists were called to active duty from Wisconsin in support of the Persian Gulf War. It's estimated that 62% of this population had insufficient prior active duty to meet the two years of active duty requirement of the federal eligibility definition of "Veteran."
- (3) The subtraction of the newly ineligible population from the newly eligible population equals the net newly eligible veteran population.
- (4) Likely use rates were established based upon a review of five years of program history and the current program environment.
- (5) No adjustments in use or size of benefit were made.
- (6) Likely average benefit amounts were established based upon five years of program history and the current program environment.
- (7) Columns 3x4x5x6=column 7

Prepared By: Doug Bingenheimer

January 25, 1995

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