

# DATE: October 2, 2024 OPERATIONS MEMORANDUM #24-10-01

**SUBJECT:** Exclusion of Veterans’ Benefit Payments from Income and Resources for Commonwealth Programs

**TO:** Executive Directors

**FROM:** Robert Hixson Director

Bureau of Operations

# PURPOSE

To inform County Assistance Offices (CAOs) that veterans’ benefit payments will be excluded as income and resources for all Commonwealth programs funded in full with state funds.

# BACKGROUND

Act 27 of 2024 was approved on June 17, 2024, and will take effect 60 days from the approval date. It provides for the one hundred percent exclusion of veterans’ benefit payments from income and resources for all Commonwealth programs funded in full with state funds.

Veterans’ benefit payments are defined as compensation or payment received by a veteran that is directly related to or the result of the veteran’s service-connected disability as determined by the United States Department of Veterans Affairs or veterans’ benefits provided to a veteran by a Commonwealth agency or authorized under the laws of this Commonwealth. This exclusion shall also apply to veterans’ benefit payments paid upon the death of a veteran to the surviving spouse who remains unmarried for any compensation or payment the unmarried surviving spouse is entitled to receive. The exclusion of veterans’ benefit payments does not apply to the federally- funded programs Temporary Assistance for Needy Families, the Supplemental Nutrition Assistance Program, non-Modified Adjusted Gross Income (MAGI) Medical Assistance (MA) categories, the Children’s Health Insurance Program, Long-Term Care, or the

Low-Income Home Energy Assistance Program.

Department of Human Services | Office of Income Maintenance

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# DISCUSSION

Veterans’ benefit payments will be excluded as income and resources beginning with the month of August 2024 for State Supplementary Payment (SSP)-Only categories (A/J/M 44) and State Blind Pension (SBP 80 and 00). Act 27 will also provide an income and resource exclusion for General Assistance (GA)-related categories (PD and TD) and the Medical Assistance for Workers with Disabilities (MAWD) Workers with Job Success (WJS) categories (PW/PI 01, 02, and 03).

Veterans’ benefit payments are currently excluded as income for MAGI MA categories. Veteran’s benefit payments will continue to be counted for all other non- MAGI MA categories.

# PROCEDURES

Veterans’ benefit payments will be excluded as income and resources from Central Unit SSP and SBP computations. The CAO will also exclude veterans’ benefit payments from income and resources when determining eligibility for GA-related MA and MAWD WJS.

Veteran’s benefit payments can be entered with Exemption Code 01 – Exempt for MA, to exclude the income or resource for GA-related MA and MAWD WJS only cases. If the income or resource should be counted for other MA budgets on the case, a manual override must be completed to exclude it for GA-related MA and MAWD WJS.

# NEXT STEPS

1. Share and review this information with appropriate staff members.
2. Direct questions regarding this Operations Memorandum to your Area Manager.
3. This Operations Memorandum will become obsolete when the changes to procedures are updated in the handbooks.