











IOWA COUNTY VETERANS NEWSLETTER



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WINTER, 2021

COLA SUMMARY 2022

Retirement, VA Disability, SBP and SS Recipients Military retirees and veterans receiving disability payments from the Department of Veterans Affairs (VA) will see their paychecks go up by 5.9% for 2022, triggered by inflation and an annual adjustment to the federal Cost of Living Allowance (COLA). That annual adjustment has averaged around 1.5% for the last 10 years. The Social Security Administration announced the adjustment rate. The VA is required by law to alter disability payment rates by that amount. While military retirement is not legally required to follow suit, the change is traditionally the same. For 2022, retired military members will see a \$59 increase for each \$1,000 of military retirement pension they receive each month. Retirees who entered military service on or after Aug. 1, 1986, and opted for the Career Status Bonus (CSB/Redux retirement plan) have any COLA increases reduced by 1%, so they will see a smaller increase in 2022. They should see a monthly increase of only \$49 per \$1,000. Survivors receiving Survivor Benefit Plan payments will see the same increase of \$59 per \$1,000 in their monthly payments. Disabled veterans will also get a bump. The average VA disability check will go up about \$8.50 per month for those with a 10% rating, and \$185.65 for those rated at 100%. Military retirees and VA beneficiaries are not the only ones who benefit from the COLA increase. Civil Service retirees and Social Security recipients also will see the 5.9% jump in their monthly checks. For Social Security recipients, the monthly increase will mean an extra

\$91 per month for the average beneficiary. Each year, military retirement pay, Survivor Benefit Plan Annuities, VA Compensation and Pensions, and Social Security benefits are adjusted for the rate of inflation. The Department of Labor determines the annual COLA by measuring the Consumer Price Index (CPI), which is a measurement of a broad sampling of the cost of consumer goods and expenses. The CPI is compared to the previous year; if there is an increase, there is a COLA. If there is no increase, there is no COLA. The COLA affects about one in every five Americans, including Social Security recipients, disabled veterans, federal retirees and retired military members. Retirees saw a 1.3% increase in 2021. The COLA increase was 1.6% in 2020.

VA CLAIMS BACKLOG

Veterans Affairs leaders are bringing on more than 2,000 claims processors to deal with an expected spike in overdue cases that could push the department's claims backlog to its highest level in seven years. Department officials are also planning to use mandatory overtime for thousands of alreadyworking claims staff and emergency coronavirus pandemic funding to help stem the problem. Even with that, Veterans Benefits Administration officials expect it to take two and a half years to bring the backlog back down to pre-pandemic levels. They also are asking veterans waiting on their claims to be processed not to panic. "We don't want people to worry when they see that number," said Mike Frueh, VA's Principal Deputy Under Secretary for Benefits. "We want veterans to keep filing their claims." As of the end of September, the claims backlog — the number of cases that have been pending for more

than four months — was at 208,000. That's almost triple the typical monthly backlog total from before the start of the coronavirus pandemic in early 2020. Officials said office closures caused by the pandemic steadily drove up the backlog total for much of last year. The problem was further exacerbated by several court decisions and new laws mandating additional benefits for troops exposed to Agent Orange during the Vietnam War, which added to the total volume of cases being added to the VA system. That's also why VA officials know another backlog spike is coming. About 70,000 claims related to new benefits rules for Parkinsonism, bladder cancer and hypothyroidism linked to poisoning from the chemical defoliant were due to hit the four-month mark at the end of October. Frueh said officials estimate the backlog will reach more than 260,000. Frueh said officials are processing cases at a record rate, and do not expect the backlog to reach the same challenges as in 2013, when an influx of new benefits swelled the total to more than 600,000. Thousands of those cases lingered in the VA system for years without resolution. Officials don't expect the same difficulties this time, although Frueh acknowledged it will likely take until early 2024 to fully return to pre-pandemic levels. "We are the front door to VA benefits and services," he said. "This is a natural consequence of people filing more claims." The department processed more than 1.5 million claims in fiscal 2021, the most ever. However, about 1.7 million claims were received, and the number is expected to rise even higher with the recent benefits changes. The short-term hiring of 2,000 new claims workers — the largest such effort by the department ever — will provide long-term relief to the claims processing problems. However, it will take months before those staff are fully trained and able to handle standard workload amounts. Since May, the benefits administration required 20 hours of mandatory overtime a month to deal with the backlog spikes. Those requirements will continue for the foreseeable future, Frueh said. In a statement, VA Secretary Denis McDonough said the department remains "committed to ensuring timely access to benefits and services for all veterans".

VA BLUE WATER CLAIMS

A sampling of thousands of VA claims filed primarily by veterans who served in the waters off Vietnam showed about 46% were inaccurate, resulting in over- or underpayments to a group

familiarly known as Blue Water Navy veterans. Of the 4,600-claim sample highlighted in a 43 page report by the VA's Office of Inspector General, 2,100 veterans "had inaccurate decisions," the report states. This resulted in \$25.2 million in overpayments and \$12 million in underpayments. The bulk of the errors – 95% – "involved Veterans Benefits Administration employees not following general rating policies, such as inaccurately assigning retroactive effective dates for evaluations." The report's authors recommended the VA clarify portions of its Blue Water Navy claims process, including how staffers should address potential discrepancies in data generated by the department's Ship Locator Tool, which uses digitized deck logs to help determine a veteran's benefit eligibility. Service members aboard vessels operating as far as 12 nautical miles from the Vietnam coast, as well as those who served in the Korean Demilitarized Zone, are presumed to have been exposed to herbicides. These veterans may be eligible for benefits connected to conditions related to that exposure. VA officials also said staffers underwent additional training on the claims process. That training wrapped up in the spring of 2021, after the report's authors analyzed the sample cases. Veterans with improperly processed claims will receive notification from the VA. Underpaid veterans can expect a letter stating they'll receive retroactive payments via the same method they receive their regular VA compensation. Overpaid veterans will get a letter explaining the error and giving them 60 days to reach out to the VA's Debt Management Center to arrange a repayment plan. If the center doesn't hear from the veteran in 60 days, it will send a letter notifying the veteran of plans to recoup the funds. The report also found the VA had "met the outreach requirements" of the 2019 law, doing so via radio and television ads, letters, social media messaging, and other lines of communication. The Blue Water Navy Vietnam Veterans Act of 2019 was signed into law in June 2019 after failing to clear Congress in previous sessions. A January 2019 Federal Circuit court ruling granted presumptive exposure to Blue Water Navy veterans, the bill further codified and expanded the presumption.

POST-COVID VA DEBT COLLECTION PLAN

The Department of Veterans Affairs officials announced in a 4 OCT release it will resume collecting debts from overpaid veterans, ending the

nearly 18-month-long suspension of debt collection put into place because of the COVID-19 pandemic. All debt collection by the VA has been suspended since April 6, 2020 pursuant to an executive order by then-President Donald Trump. President Joe Biden extended that suspension until Sept. 30, 2021. Veterans also have been exempt from medical-care copayments for medications and services provided by the VA from April 6, 2020, until Sept. 30, 2021, under the provisions of the American Rescue Plan Act of 2021. However, the moratorium on debt collection and the exemption of medical-care copayments have expired. This means that any medical debts incurred by veterans before April 6, 2020, will now be subject to collection. In addition, any debts for benefits such as compensation, or GI Bill payments, are now subject to collection. VA officials did not say how many veterans are impacted. The VA has begun sending out debt notification letters to affected veterans. Steps will be taken to withhold debts from benefit payments beginning Jan. 1, 2022, if veterans do not make payment arrangements before that date. Debt notification letters will include options to request debt relief for those who continue to experience financial loss because of the impacts of the COVID-19 pandemic. Options could include a repayment plan, compromise offer or waiver, according to the VA. Veterans with more questions about medical or pharmacy debts should contact the Health Resource Center at 1-866-400-1238. Those with benefitrelated debt can call the Debt Management Center at 1-800-827-0648 visit https://www.va.gov/manage-va-debt.

GOOD REASON TO GET A DRIVER'S LICENSE W/VET DESIGNATION ON IT

Wisconsin offers a veteran's designation on the driver's licenses, and if you want to get your full benefits as a veteran, you will want to make sure you get yours. Having your driver's license updated with your veteran status ensures you easily can get special veteran's-only discounts and other benefits that are offered by private businesses as well as state and local governments.

To make it easy to get these discounts, you can apply for a veteran's ID card from the Department of Veterans Affairs, but having to carry an additional ID card can be a hassle. That's why it's always good to get that veteran's designation on your driver's license. Either your VA ID card or your state-issued ID or license with a veteran designation is usually all you need to take advantage of the discounts several businesses offer. It never hurts to ask whether the business offers a veterans discount when you are shopping around for services. In addition, many states offer discounts and other benefits for veterans that you may not be aware of, and having an easily accessible veteran's ID card can make it much simpler for you and your family to receive them. Contact the veterans service office if you would like to have the veteran indicator added to your driver's license. Dodgeville DMV service office is open on Tuesdays and Thursdays.

<u>VETERAN SERVICE ORGANIZATION</u> HAPPENINGS

Arena VFW Post #9336 is offering their Steak Feed throughout the winter months. Carryout meals are available, call (608)753-2225 to order. Dine-in is also available Dates are listed below:

Arena VFW Post #9336

December 11, 2021 February12, 2022 March 12, 2022 April 9, 2022 May 14, 2022

Ridgeway American Legion Post #257

Ridgeway will be having their steak feeds again this winter season. The Post is located at 307 W Farwell St., Ridgeway, WI.

November 20, 2021 February 19, 2022 March 19, 2022 April 16, 2022

Be sure to step out and let one, or both, of these posts take care of the Saturday night cooking. Any Iowa County Veterans Service Organization is welcome to have events listed in the newsletter. Contact the Veterans Service Office at (608)930-9865 and I will add the information to the upcoming quarterly newsletter.

Information in the newsletter is compiled from various news sources and press releases.

Iowa County Veterans Service Office 303 W. Chapel Street – Suite 1300 Dodgeville, WI 53533



IMPORTANT DATES

Friday, December 24th – Christmas Eve Saturday, December 25th – Christmas Day Friday, December 31st – New Year's Eve Saturday, January 1, 2021 – Happy 2022

VETERANS SERVICE OFFICE CLOSINGS

Christmas Eve Holiday Christmas Holiday New Year's Day Friday, December 24th Monday, December 27th Friday, December 31, 2021