



Department of
Veterans Affairs

Office of Public Affairs
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News Release

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VA Statement about 2010 Benefits and Programs

WASHINGTON – The Department of Veterans Affairs (VA) wants to inform Veterans and other beneficiaries of the following changes that will take effect in 2010:

- **VA will Freeze Increase in Prescription Copayments:** Any increase in Veterans out-of-pocket payments for pharmaceuticals will be delayed until June 30, 2010. This means the department will delay a scheduled \$1 increase – to \$9 – in the copayments facing Veterans for each 30-day supply of medicine for the treatment of conditions not related to military service. During this period, VA will also keep \$960 as the maximum, annual out-of-pocket payments for pharmaceuticals for non-service-related conditions. The \$960 cap will not apply to Veterans in priority groups seven and eight. The yearly maximum out-of-pocket payment was scheduled to increase to \$1,080. There are no copayments associated with the treatment of conditions related to military service.
- **VA will Distribute Insurance Dividends:** Approximately 900,000 Veterans are in line to share \$286.4 million in annual insurance dividends during 2010. VA operates one of the nation's largest life insurance programs, providing more than \$1 Trillion in coverage to seven million servicemembers, Veterans, and family members. These payments will be made to insurance policy holders on the anniversary date of their policies. Payments will be sent automatically through different payment plans and the amounts will vary based on the age of the Veteran, the type of insurance, and the length of time the policy has been in place. Consistent with private mutual insurance company practice, the VA is returning a portion of premium payments back to policyholders because the agency had strong financial results.

Veterans who have questions about their policies may contact the VA insurance toll-free number at 1-800-669-8477 send an email to VAinsurance@va.gov. They may also visit the Internet at www.insurance.va.gov.

- **No Adjustment in COLA for Disability Compensation + Pension Benefits:**
As a result of negative inflation and the consumer price index going down over the past year the Social Security Administration has announced there will be no COLA this year for Social Security recipients. Under federal law VA's COLAs cannot exceed the Social Security COLAs. Therefore, VA is barred from making a COLA increase for recipients of its benefits.

VA provides compensation and pension benefits to over 3.8 million Veterans and other beneficiaries. Presently, the basic monthly rate of compensation paid to Veterans ranges from \$123 to \$2,673. Annual income limits for disability pension begin at \$11,830 for a Veteran without dependents and increase for Veterans who have dependents, who are housebound, or who need regular aid and attendance.

Veterans who have questions about their benefits may contact the VA's financial benefits toll-free number at 1-800-827-1000 or go to www.vba.va.gov/VBA.

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