

IOWA COMMISSION OF VETERANS AFFAIRS

Iowa Veterans Trust Fund 2011 Report

Iowa Code 35A.13

Annual Report to the Iowa General Assembly

January 15, 2012

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OVERVIEW OF THE IOWA VETERANS TRUST FUND

This report fulfills the requirements of Iowa Code 35A.13, section 9:

The commission shall submit an annual report to the general assembly by January 15 of each year concerning the veterans trust fund created by this section. The annual report shall include financial information concerning the moneys in the trust fund and shall also include information on the number, amount, and type of expenditures, if any, from the fund during the prior calendar year for the purposes described in subsection 7.

Veterans must meet specific income and asset guidelines to qualify for Trust Fund assistance. Initially, the veteran and their family must have less than \$15,000 in liquid assets and have a household income below 200% of the Federal Poverty Guidelines (FPG). Some areas of assistance have a lower qualifying asset level. This is to prevent over utilization of the fund and to ensure that the veteran has either contributed some of their assets to their situation, or are truly in need.

Some veterans are only eligible for one category of assistance, such as unemployment assistance, while other applicants apply for and are eligible for multiple areas of assistance based on their needs. For example, a veteran requesting housing repair could also qualify for dental assistance. Applications for assistance may be deferred because the veteran has not provided sufficient evidence to warrant approval or denial, but have indicated they will provide the needed eligibility evidence.

The Iowa General Assembly has determined areas of eligible expenditures for Iowa veterans:

- Travel expenses for service-related medical care;
- Unemployment or underemployment assistance due to service-related causes,
- Job training or tuition assistance;
- Assistance with vision, hearing, dental care, durable medical equipment, and prescription drugs;
- Counseling and substance abuse services;
- Emergency vehicle and housing repair;
- Transitional housing in an emergency;
- Emergency room and ambulance transportation assistance;
- Funding to determine whether a deceased veteran is the father or mother of a child;
- Funding for family support groups;
- Grants for providing honor guard services at veteran's funerals; and
- Matching funds to veterans service organizations to provide for accredited veteran service officers.

Trust Fund applications have substantially increased, due in part to the current economic conditions and publicity from the Iowa Lottery. Consequently, the interest balance has been depleted. The Commission has continued to review and approve applications, implemented a waiting list, and suspended some categories of assistance.

During the 2008 Legislative Session, HF 2359 was signed into law. This bill authorized the creation and sale of four new Iowa Lottery tickets to benefit the Iowa Veterans Trust Fund. In early July of 2008 the first scratch-off ticket was introduced and later that month the first pull tab ticket was introduced. First quarter sales met expectations, and in October 2008, \$992,771.80 was deposited into the principle balance of the Trust Fund account. It is anticipated that these tickets will provide between \$2 - \$3 million dollars annually in additional principle revenue.

The following information is provided by the Iowa Lottery:

Lottery Proceeds To Iowa Veterans Trust Fund Top \$9 Million

In just three years, more than \$9 million has been raised to help Iowa veterans and their families from the sale of Iowa Lottery tickets.

Lottery tickets dedicated to veterans' causes debuted in July 2008 and have continued to be released each year since then. Legislation approved during the 2008

session had authorized the Iowa Lottery to create two new instant-scratch games and two additional pull-tab games each year, with all proceeds from the games dedicated to the Iowa Veterans Trust Fund.

"It is so gratifying for us at the lottery to be able to raise money for such a worthy cause," said Iowa Lottery CEO Terry Rich. "The public is incredibly supportive of veterans-benefit tickets because they understand who is helped by the proceeds raised."

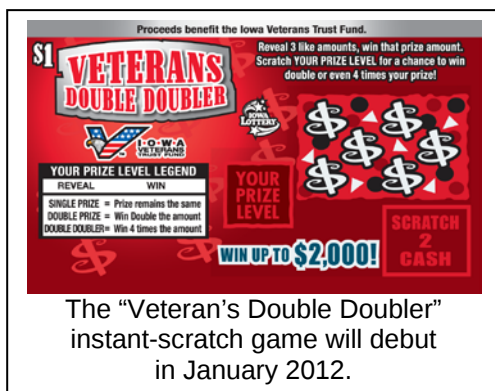
The lottery has worked hard through the years to vary the theme and price point of the veterans-benefit

tickets to keep a fresh mix of games in the marketplace and spur customer interest. Lottery officials had predicted when the concept was initially discussed that veterans-benefit games could raise between \$2 million and \$3 million annually, and the proceeds total from the games has met or exceeded that goal each year.

The newest instant-scratch game dedicated to veterans' causes will be released on Jan. 6, 2012. Called "Veterans Double Doubler," it will be a \$1 game. The next pull-tab game for the cause will be released Jan. 9. "Bold & Brave" also will be a \$1 game. All tickets that benefit veterans' causes feature the Veterans Trust Fund logo in their design.

The Iowa Lottery has released seven instant-scratch games and seven pull-tab games dedicated to the Veterans Trust Fund since the program began in 2008.

Lottery funds are deposited in the Veterans Trust Fund on a quarterly basis. Here are the lottery proceeds raised for the Trust Fund up to and including the most recent quarterly deposit in October 2011:



The "Veteran's Double Doubler" instant-scratch game will debut in January 2012.



The "Bold & Brave" pull-tab game also will begin sales in January 2012.

<u>Game Name:</u>	<u>Release Date:</u>	<u>Game Type:</u>
All American	July 2008	Pull-tab
Stars & Stripes	July 2008	Instant-scratch
Freedom Rings	January 2009	Instant-scratch
Land Of Liberty	January 2009	Pull-tab
Red White & Blue	January 2009	Pull-tab
The Freedom Rock	July 2009	Instant-scratch
Star Spangled Bucks	January 2010	Pull-tab
Veterans Cash	January 2010	Instant-scratch
Blaze Of Glory	July 2010	Pull-tab
Veterans Hot 7's	July 2010	Instant-scratch
American Pride	December 2010	Pull-tab
Give Me \$20	January 2011	Instant-scratch
Veterans Pride	January 2011	Pull-tab
Veterans Hot \$50	July 2011	Instant-scratch

DEPOSITS

	<u><i>Principle Deposits (not spendable)</i></u>	
CY09 Deposits		\$2,783,376.85
CY10 Deposits		\$2,661,553.94
CY11 Deposits		
1/27/2011		\$662,687.01
1/28/2011		\$27,724.50
4/27/2011		\$924,129.96
7/28/2011		\$562,599.15
10/29/2011		<u>\$799,315.88</u>
Total		\$2,976,456.50
Current Balance As of Dec. 30,2011		\$14,626,797.12

	<u><i>Interest Income (spendable)</i></u>	
CY09 Deposits		\$111,561.45
CY10 Deposits		\$64,086.32
CY11 Deposits		\$28,470.53
	1/28/2011	\$3,662.83
	2/25/2011	\$2,686.32
	3/30/2011	\$1,096.23
	4/29/2011	\$1,578.64
	5/30/2011	\$1,284.81
	6/29/2011	\$1,559.50
	7/28/2011	\$2,739.76
	8/26/2011	\$1,972.25
	9/28/2011	\$4,199.73
	10/28/2011	\$4,042.67
	11/30/2011	\$3,647.79
	12/30/2011	\$3,419.23
Current Balance		\$4,612.39

EXPENDITURES

Trust Fund expenditures can be separated into three separate categories: (1) Veteran Service Officer grants, (2) Honor Guard reimbursement, and (3) assistance to veterans in need. In April 2009, the Iowa Veterans Commission temporarily suspended several areas of assistance due to lack of funding. These categories of assistance are not regularly requested. As interest grows in the Trust Fund, suspended areas of assistance will be reviewed by the Iowa Commission of Veterans Affairs.

Assistance categories are established in **Iowa Code 35A.13** and defined in **Iowa Administrative Code 801, Chapter 14**. (See Appendix A)

A breakdown of assistance per category is illustrated in the table below:

Table 1: 2009 Expenditures

Assistance Category	Approved area of assistance	Total \$ Spent in 2009
Unemployment	30	\$42,500.00
Housing Repair	20	\$47,384.17
Dental	48	\$76,420.00
Vehicle Repair	3	\$3,522.23
Education/ Tuition Assistance	1	\$963.00
Emergency Room *	0	\$0.00
Durable Equipment	2	\$1,232.00
Transitional Housing	1	\$171.03
Hearing	0	\$0.00
DNA testing *	0	\$0.00
Travel Assistance *	0	\$0.00
Vision	3	\$837.95
Counseling Services *	0	\$0.00
Prescription Drugs *	0	\$0.00
Benefit for the child of a disabled or deceased veteran *	0	\$0.00
	108	\$173,030.38

Table 2: 2010 Expenditures

Assistance Category	Approved area of assistance	Total \$ Spent in 2010
Unemployment	11	\$15,000.00
Housing Repair	11	\$16,281.84
Dental	40	\$57,539.00
Vehicle Repair	8	\$13,016.56
Education/ Tuition Assistance *	0	\$0.00
Emergency Room *	0	\$0.00
Durable Equipment *	0	\$0.00
Transitional Housing	1	\$400.00
Hearing	0	\$0.00
DNA testing *	0	\$0.00
Travel Assistance *	0	\$0.00
Vision	2	\$413.42
Counseling Services *	0	\$0.00
Prescription Drugs *	0	\$0.00
Benefit for the child of a disabled or deceased veteran *	0	\$0.00
	73	\$102,650.82

Table 3: 2011 Expenditures

Assistance Category	Approved area of assistance	Total \$ Spent in 2011
Unemployment	3	\$6,500.00
Housing Repair	5	\$13,150.00
Dental	10	\$16,628.00
Vehicle Repair	4	\$5,569.63
Education/ Tuition Assistance *	0	\$0.00
Emergency Room *	0	\$0.00
Durable Equipment	0	\$0.00
Transitional Housing	0	\$0.00
Hearing	0	\$0.00
DNA testing *	0	\$0.00
Travel Assistance *	0	\$0.00
Vision	0	\$0.00
Counseling Services *	0	\$0.00
Prescription Drugs *	0	\$0.00
Benefit for the child of a disabled or deceased veteran *	0	\$0.00
	22	\$41,847.63

Table 4: Current Waiting List

Assistance Category	Approved area of assistance	Total \$ Approved pending available funding 2011
Unemployment	2	\$3,500.00
Housing Repair	9	\$19,992.01
Dental	27	\$49,694.00
Vehicle Repair	15	\$17,742.31
Education/ Tuition Assistance *	0	\$0.00
Emergency Room *	0	\$0.00
Durable Equipment	1	\$377.00
Transitional Housing	0	\$0.00
Hearing	0	\$0.00
DNA testing *	0	\$0.00
Travel Assistance *	0	\$0.00
Vision	2	\$905.00
Counseling Services *	0	\$0.00
Prescription Drugs *	0	\$0.00
Benefit for the child of a disabled or deceased veteran *	0	\$0.00
	56	\$92,210.32

*These areas have been temporarily suspended since April 2009 due to lack of funding.

Approved applications pending funding are on a waiting list. The waiting list began in April 2011.

APPENDIX A

Unemployment or underemployment assistance during a period of unemployment or underemployment due to prolonged physical or mental illness or disability resulting from military service - *Maximum monthly benefit - \$500, maximum in a 12 month period - \$3,000, lifetime maximum benefit - \$6,000.*

This assistance is available to veterans only who are unemployed for reasons that are related to their service. This category has been especially helpful for veterans who are unemployed and awaiting a decision of service connected compensation from the Federal VA. A claim with the VA can take up to 12 months to be adjudicated and this assistance helps veterans bridge the gap.

Underemployment assistance is available to veterans who are experiencing diminished income due to their service related injury. Veterans applying for underemployment must have an income below 200% FPG to qualify. An example of underemployment would be a trained mechanic with a service connected shoulder injury. Due to his shoulder he can only work 20 hours per week before fatigue begins. He is therefore under-employed due to a service connected reason.

Emergency vehicle repair, emergency housing repair, and emergency transitional housing assistance - *The maximum amount that may be paid for any consecutive 12 month period may not exceed \$2,500 for vehicle repair, \$3,000 for housing repair, and \$1,000 for transitional housing. Liquid assets cannot exceed \$3,000.*

Vehicle Repair: Vehicle repair is available when a vehicle is needed for travel to and from work related activities or for individuals over the age of 65. Assistance will not be provided for damage caused during the commission of a crime, for cosmetic needs, for damage resulting in an auto accident when automobile insurance has not been purchased, or for routine maintenance.

Housing Repair: Housing repair is limited to repairs that are required to improve the conditions and integrity of the home and are necessary for the safety and security of the residents. In situations where a home is damaged beyond repair, assistance under this subrule is available to assist the applicant in purchasing a new home. This area of assistance was utilized by many flood victims in Cedar Rapids, Palo, and Waterloo.

Transitional Housing: Assistance for transitional housing may be provided to applicants who are displaced from their home during a period of repairs related to a disaster, vandalism, home accident, or other reason that make staying in the home hazardous to the health of the residents.

Dental, vision, hearing, and prescription drug assistance for veterans - *Maximum benefit for dental care - \$2,500, vision care - \$500, hearing care - \$1,500 per ear, and prescription drugs - \$1,500 in a twelve month period. Liquid assets cannot exceed \$5,000.*

These areas of medical assistance are available for veterans and their eligible dependents. Dental care has been a frequently funded area of assistance because the Federal VA is limited in the dental care they provide. Hearing, vision, and prescription drug assistance is available in

cases where the VA does not provide the need. Payments are made directly to the medical provider for medical needs not covered by Medicaid, Medicare, private insurance, or VA.

Job training or college tuition assistance - *Total lifetime assistance - \$3,000.* Education assistance is provided to improve the skills of lower income veterans and can be applied to universities, community colleges, or trade schools. Assistance will be paid to the institution the veteran is attending and after the application of any scholarship or grant funding. *This area of the Trust Fund has been temporarily suspended due to lack of funding.*

Ambulance and emergency room services for veterans who are trauma patients - *Total lifetime assistance - \$5,000.* This assistance is available to veterans for expenses related to ambulance trips, including air ambulance transportation and emergency room visits for veterans. VA healthcare patients that cannot communicate to emergency personnel that they are to be presented to a VA medical center may also be eligible if the VA has denied a request to pay their bill. Payment will be made directly to a healthcare provider. *This area of the Trust Fund has been temporarily suspended due to lack of funding.*

Durable equipment to allow a veteran to remain in their home or to fully utilize their home - *Lifetime maximum - \$2,500. Liquid assets cannot exceed \$5,000.*

This assistance is for adaptive housing such as hand rails in showers, wheel chair ramps, etc. The purpose of this assistance is to provide the means to improve a veteran's house so they can fully utilize their home and to remain independent of skilled care for as long as possible.

Travel expenses for wounded veterans or visiting spouse, directly related to follow-up medical care. *Maximum in a 12 month period - \$1,000.*

Travel expenses include the unreimbursed cost of airfare, lodging, and a per diem of \$25 per day for required out-of-state medical travel that exceeds 125 miles from the veteran's home. Spouses may be reimbursed for in-state lodging (\$90 maximum per night) and a per diem of \$25 per day when visiting a veteran who is in a hospital for follow-up medical care related to a service connected disability when traveling to a VA Medical Center that exceeds 100 miles from the veteran's home. *This area of the Trust Fund has been temporarily suspended due to lack of funding.*

Individual or family counseling and substance abuse programs - *Total benefits cannot exceed \$5,000 per family in a 12 month period, with reduced limits based on the following: Individual veteran counseling services - \$2,500 maximum. Individual veteran substance abuse treatment and counseling combined - \$3,500 maximum. Family counseling services that may also include individual counseling and substance abuse services - \$5,000. Liquid assets cannot exceed \$5,000.*

Veterans who are eligible for VA healthcare must initially access VA psychiatric care and may use the Trust Fund to supplement that care if it will occur with a greater frequency or is closer than VA care. For non-VA services, payment is available up to \$150 per hour and \$75 per half-hour for outpatient counseling visits. For group counseling, the payment rate is \$40 per hour.

Expenses related to establishing a minor child is a dependent of a deceased veteran - Total lifetime assistance - \$2,500.

Families of veterans who are killed while serving on active federal service, may apply for assistance for expenses related to paternity or maternity tests and/or the cost of procuring additional DNA samples from the deceased veteran. This assistance is available to determine whether a child is eligible for United States Department of Veteran Affairs war orphan benefits. Applicants receiving assistance under this subrule where the deceased veteran is not the parent of the child will be required to repay the assistance as provided in 801 - 14.6.

Family support group programs or programs for children of members of the military

The maximum amount of aid payable in a consecutive 12-month period under this subrule to a family readiness/support group is \$500.

The commission may award grants to unit family readiness/support groups, family support offices, and other such organizations providing support and programs to families and children of family members.

The grant shall be only for projects or programs which are not funded from any other source. The commission shall determine if the applicant's proposed project or program will provide the intended support. In making its determination, the commission shall consider whether the proposed program will provide anticipated favorable results.

Veteran Service Organization grants

Veteran service organizations who maintain an office at the Des Moines Regional Office are eligible for 20% of the accrued interest during the fiscal year or \$150,000, whichever is less. This year that figure was \$53,631.00. The American Legion, Veterans of Foreign Wars, and Vietnam Veterans of America applied for the grant, and were each awarded \$17,877.00. In order to receive a service officer grant, organizations must have maintained an office at the Des Moines Regional Office the previous year and be willing to submit expenditure reports to the Commission. The Commission requires expenditure reports for the previous year and for the year in which the grant was received to ensure the organization did not supplant organizational funds with Trust Fund grant dollars. *This area of the Trust Fund has been temporarily suspended due to lack of funding.*

Honor Guard Reimbursements

In general, an honor guard that includes a firing detail is reimbursed at \$50 and a funeral without a firing detail is reimbursed at \$25. Veteran organization posts are eligible for a maximum of \$500 in a twelve-month period. *This area of the Trust Fund has been temporarily suspended due to lack of funding.*