State of California—Health and Human Services Agency
Department of Health Care Services

TOBY DOUGLAS
Director

EDMUND G. BROWN JR.
Governor

March 27, 2012

TO: ALL COUNTY WELFARE DIRECTORS Letter No. : 12-15
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALIST/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: POST 9/11 VETERANS EDUCATIONAL ASSISTANCE ACT OF 2008
(Reference: All County Welfare Directors Letter Number: 87-34)

The purpose of this letter is to provide counties with guidance regarding the treatment of "Post 9/11 GI Bill" veterans' educational benefits received by Medi-Cal beneficiaries. The Veterans Administration (VA) currently provides educational benefits under three educational assistance programs; Veterans Educational Assistance Program (VEAP), GI Bill, and the new Post 9/11 GI Bill. Continue to treat VEAP and GI Bill payments in accordance with All County Welfare Directors Letter number 87-34.

The Post-9/11 Veterans Educational Assistance Act of 2008 is Title V of the Supplemental Appropriations Act of 2008, Public Law (P.L.) 110-252, H.R. 2642, which became law on June 30, 2008. The act amended Part III of Title 38, United States Code to include the new Chapter 33 benefit, which expands educational benefits for military veterans, who served since September 11, 2001. The original Post 9/11 GI Bill provisions went into effect on August 1, 2009. The Post 9/11 Veterans Educational Assistance Act of 2010, P.L. 111-137, signed into law on January 4, 2011, expands coverage and makes changes to payments authorized under the original bill. These changes took effect October 1, 2011. Payment changes include a new reduced housing stipend for online (distance learning) learners and prorates housing allowance payments based on the number of enrolled units taken by the veteran.

There are three payments associated with the Post 9/11 GI Bill:

- Tuition and Fees
- Monthly Housing Allowance
- Annual Books and Supplies Stipend of $1,000.

Treatment of Post 9/11 Payments

Tuition and fees are paid directly to the educational institution and, therefore, these payments are not counted as income to the veteran. This treatment applies to all Medi-Cal programs.

The monthly housing allowance is paid directly to the veteran on a monthly basis. The monthly housing allowance is treated as unearned income for all Medi-Cal programs.

The annual books and supplies stipend of $1,000 is paid directly to the veteran on a proportional basis based on enrolled units. Two different treatments apply:

- Aid to Families with Dependent Children/Medically Needy(MN) and 1931(b) treatment. The annual books stipend is excluded to the extent that the proceeds are used to meet the non-tuition educational expenses identified in Title 22, CCR, Section 50547(a).
- Aged Blind and Disabled/MN and Supplemental Security Income/State Supplementary Payment treatment. The annual books stipend is excluded as income.

Post-9/11 GI Bill payments are identified as VA-CH 33 payments. The VA award letter is acceptable evidence to be used to document type, amount, and frequency of payments.

Counties may have incorrectly exempted this income. Therefore, counties shall re-evaluate eligibility and share-of-cost (SOC) as appropriate and issue corrected notices of action whenever:

- A case was assessed an incorrect SOC and it becomes known to the county.
- A case is processed at reapplication, a change in circumstances or annual redetermination.
- When reopening a case that was closed since August 1, 2009.

If you have questions concerning the receipt of 9/11 GI Bill educational assistance payments, please contact Harold Higgins at (916) 327-0412 or by e-mail at Harold.Higgins@dhcs.ca.gov.

Original signed by Robert Sugawara

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