Fighting Pension Poaching Scams

Veterans Benefits Protection Project

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Veterans Aid and Attendance

*Is not a scam!*
The VA’s Aid and Attendance Benefit

The VA has a benefit called the Aid and Attendance benefit. This benefit acts as a lifeline for low-wealth veterans and their spouses if they cannot afford to pay for medical supplies, assisted living, or in-home care workers.

For more information:
https://www.benefits.va.gov/pension/aid_attendance_housebound.asp
Treatment of Assets

THERE IS NO ASSET LIMIT SET BY LAW AND THE DETERMINATION OF ELIGIBILITY IS MADE AT THE DISCRETION OF A VA CASE WORKER

The net worth value of the senior’s assets affects eligibility. High net worth will prevent a senior from qualifying for the benefit.

Exempt Assets:
- The home
- All household goods
- All personal effects
Veterans Aid and Attendance Scam (aka “Pension Poaching”)

Tired of Declining Seminar Attendance?

Little-Known Veterans Benefit Rule Attracts Prospects with $350,000 in Assets — and Your Seminar is 100% PAID FOR!

Veterans have $350,000 in Assets on average*
Veterans Aid and Attendance Scam (aka “Pension Poaching”)

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  • These “experts” may or may not be insurance agents, and they often self-identify as volunteers or retired County Veterans Service Officers.

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• Also, the elder may not be able to qualify for Medicaid.
WHY are veterans targeted?
HOW are they targeted?
Latest trends...

Loans
Home care
Hospice
Latest & Greatest in California Senior Veteran Protections

Expands deceptive advertising prohibitions in SB 1170 to include seals, emblems and insignias that would imply a federal, state or local government connection.

SB 1184 (Corbett): Veterans Benefits / Senior Insurance (2013)
Prohibits insurance agents from assisting senior veterans in obtaining government benefits unless there is no direct financial benefit to the agent.

SB 1170 (Leno): Veterans Benefits / Advertising (2013)
Prohibits deceptive marketing and sales practices associated with those who assist veterans in obtaining government benefits. Prohibits use of words or symbols in advertisements that would imply sponsorship or endorsement by a veterans organization or Department of Veterans Affairs. **ALSO** prohibits delivery of legal trusts by insurance agents.
Proposed Veterans Affairs Department Rule Changes

1) 36 month look back  
2) 10 year penalty
Kern County Case

Senior scam case settled, Ally Senior Care patients transferred to other agencies

• McWilliams would charge up to $2,000 each month for services, but only provide $300-$500 worth of services.
• Some of the victims tried to cancel their contract with the companies owned by McWilliams, when they saw what was happening. He then turned them into the VA for fraud.
• "About a half dozen of these individuals got letters from the VA telling them that they owed up to $13,000 and they were going to have to pay that back," Mitchell said.

More than 100 Kern County residents were affected by the scam.
Ally Senior Care, Senior Veterans Benefit Advocates and Ally Care Group, all run by Michael McWilliams, would administer minimum care and charge the Department of Veterans Affairs the maximum amount.

ENTER... The San Francisco Veterans Benefits Protection Project!

• Coalition to educate elders about veterans benefits scams, including how to avoid them

• Direct elders who have already been scammed to legal and/or regulatory resources

• Connect elders who wish to apply for the Veterans Aid and Attendance benefit to the local County Veterans Service Office (CVSO)
VBPP Key Stakeholders

Institute on Aging
• San Francisco Department of Aging and Adult Services
• San Francisco County Veterans Service Office
• California Advocates for Nursing Home Reform
• California Department of Insurance
• California Attorney General’s Office
• San Francisco Ombudsman’s Office
Veterans Aid and Attendance Benefit—Pension Poaching

How it should work:
- Client becomes aware of benefits
- Contacts and works directly with Veterans Affairs or County Veterans Service Office (CVSO) to review qualifications
- CVSO assists with filling in all forms and application submission
- VA approves benefit
- Veteran receives benefit

The scam:
- Scammer does direct mail, phone calls, or seminars for veterans
- Client is interested in benefits
- Scammer establishes credibility
- Scammer has veteran reallocate assets to prepare for application
- Client is assisted with application process
- VA may approve benefit
- Veteran receives benefit
- Veteran cannot access the reallocated assets
- VA Audit
- Veteran ineligible for other government benefits
- Report scammers and file complaints to:
  - San Francisco Adult Protective Services: (415) 355-6700
  - San Francisco Ombudsman: (415) 751-9788
  - California Department of Insurance (CDI): (800) 927-4357; http://www.insurance.ca.gov/01-consumers/101-help/
  - CA Attorney General’s Office (AG): https://oag.ca.gov/consumers

What to watch out for:
- “Non Profit Volunteer”
- “VA Attorney”
- Sales representatives at Senior Centers & Assisted Living Facilities
- Irrevocable trusts
- Deferred or Immediate Annuity
- Gifting
- Scammers move on to their next victims
- Incident occurs money is needed
- Suspicious transactions uncovered
- Interferes with other government benefits

For help, contact the County Veterans Service Office:
San Francisco: (415)934-4200
Nationally: (800)807-5799

For more information, call the Institute on Aging’s Elder Abuse Prevention Program at (415) 750-4187 or California Advocates for Nursing Home Reform (CANHR) at http://www.canhr.org/
Your local County Veterans Service Office (all counties have one) does not charge to apply for the Aid and Attendance Benefit and their services are free.

**Warning:** If a vet is found to have wrongfully obtained a benefit then he or she will have to pay it back.
Resources

Institute on Aging’s Veterans Benefits Protection Project webpage
http://www.ioaging.org/vbpp

Fact Sheets on the VA’s Aid and Attendance Benefit
www.consumer.ftc.gov/articles
www.benefits.va.gov
www.canhr.org
QUESTIONS?

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