

Data on the Socioeconomic Status of Veterans and on VA Program Usage



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OVERVIEW

- **Socioeconomic Status**
 - Current Socioeconomic Characteristics
 - Some Special Needs Veterans

- **Selected VA Programs**

- **Implications**

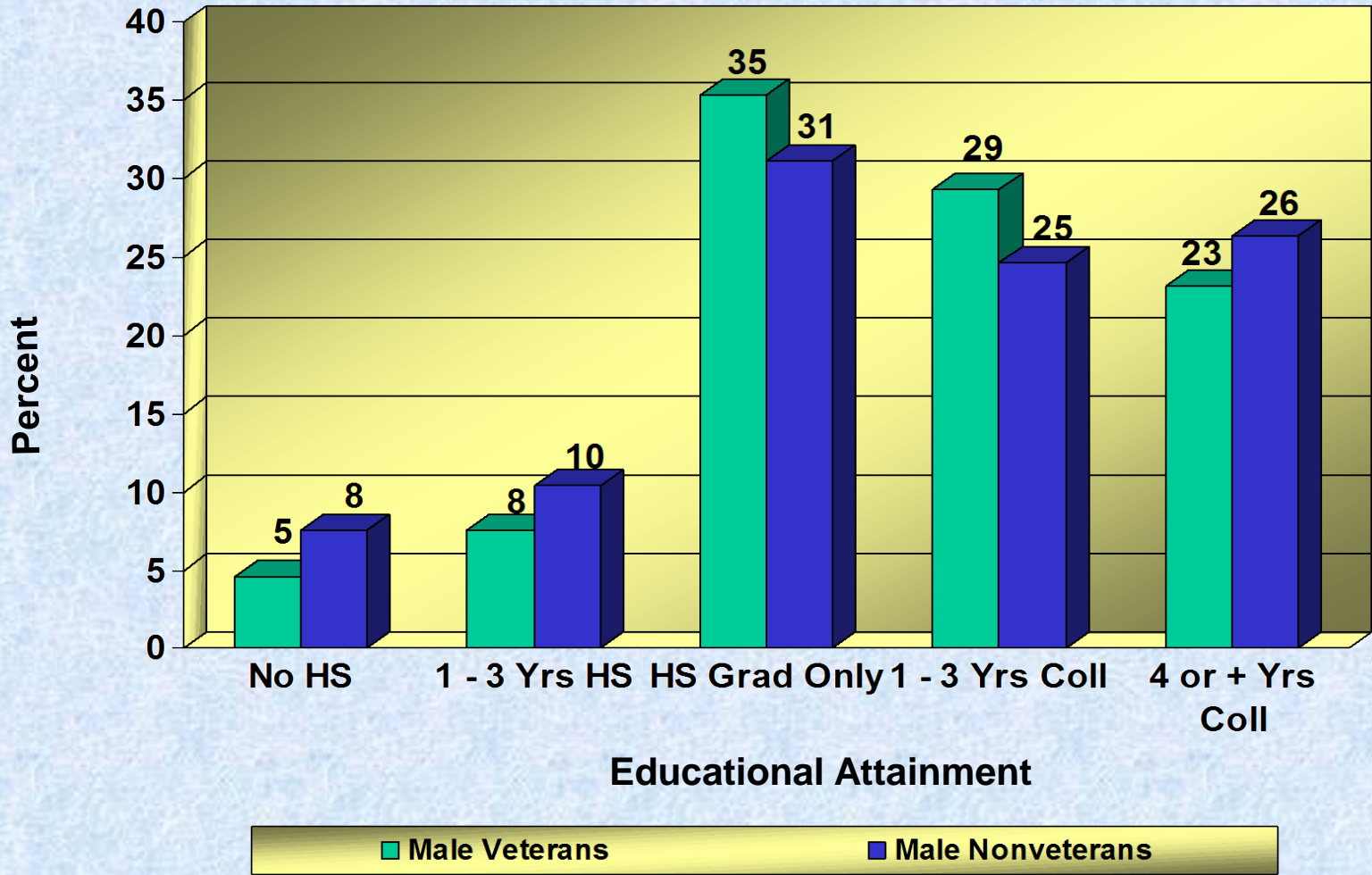
Socioeconomic Status

A major goal of VA programs and services for veterans is to provide for equity between veterans and nonveterans on various socioeconomic measures, such as educational attainment, median personal income, unemployment rate, and poverty status .

Veterans compare favorably to their nonveteran counterparts on several measures of socioeconomic status.

Socioeconomic Status

Education Male Veterans and Nonveterans*



* Age 20 and Over

Source: Current Population Survey, March 1999

Socioeconomic Status

Education:

- In 1999, significant differences existed between male veterans and nonveterans in their highest level of education attained:
 - 12% of male veterans had not graduated from high school compared to 18% for male nonveterans.
 - A higher proportion of male veterans (65%) than male nonveterans (56%) had at least a high school education or had completed 1 to 3 years of college.
 - Male nonveterans are more likely than male veterans to have completed 4 or more years of college (26% vs. 23%).

Source: Current Population Survey, March 1999

Socioeconomic Status

Education

Male Veterans and Nonveterans by Age

Description	TOTAL	Percentage					
		High School			College		
		None	1 to 3 Yrs.	4 yrs. ⁽¹⁾	1 to 3 Yrs.	4 yrs. or more ⁽²⁾	At least some
Veterans age "20 or over".....	100%	4.7	7.6	35.3	29.3	23.1	52.4
Nonveterans age "20 or over"....	100%	7.6	10.4	31.1	24.6	26.3	51.0
Veterans age "20-39".....	100%	0.4	2.2	43.4	40.4	13.6	54.0
Nonveterans age "20-39".....	100%	4.3	10.7	33.3	28.0	23.7	51.7
Veterans age "40-54".....	100%	0.8	4.2	34.5	35.9	24.6	60.5
Nonveterans age "40-54".....	100%	5.8	8.3	28.9	24.3	32.8	57.1

(1) Only includes high school grads; nongrads. are represented in the 1 to 3 yrs. category.

(2) Only includes college graduates with at least a Bachelor's degree; nongraduates are represented in the 1 to 3 years category.

Note: Total includes all but "At least some" college.

Socioeconomic Status

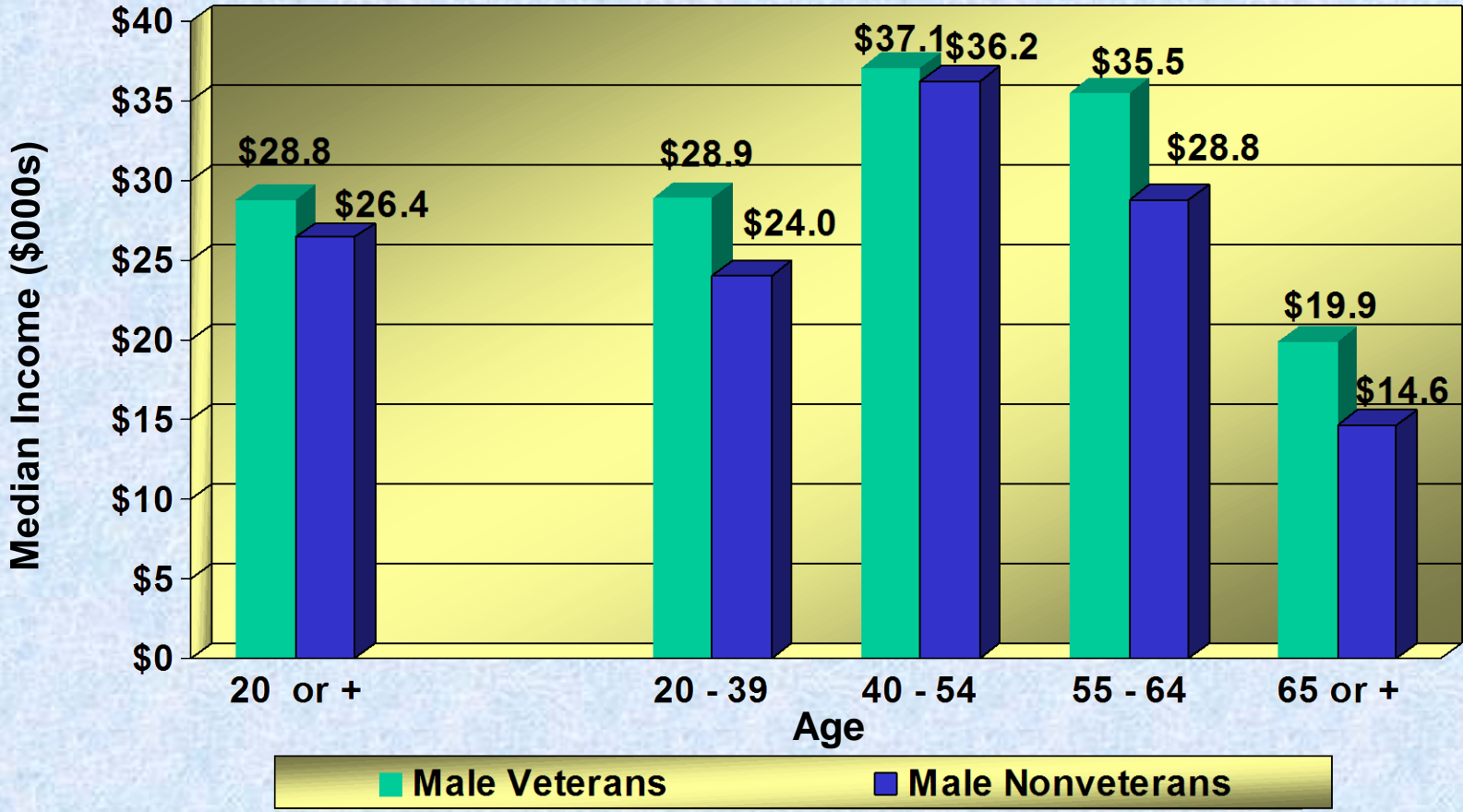
Education (Cont'd):

- About the same percentage of male veterans as male nonveterans had at least some college (52% vs. 51%).
- However, a higher percentage of male veterans “40-54” (mostly Vietnam era) than male nonveterans of that age had at least some college (61% vs. 57%).
- Also, a higher percentage of male veterans age “20-39” (post-Vietnam and Gulf War era) than similarly aged male nonveterans had at least some college (54% vs. 52%).

Source: Current Population Survey, March 1999

Socioeconomic Status

Median Personal Income of Male Veterans and Nonveterans by Age March 1999



Source: Current Population Survey, March 1999

Socioeconomic Status

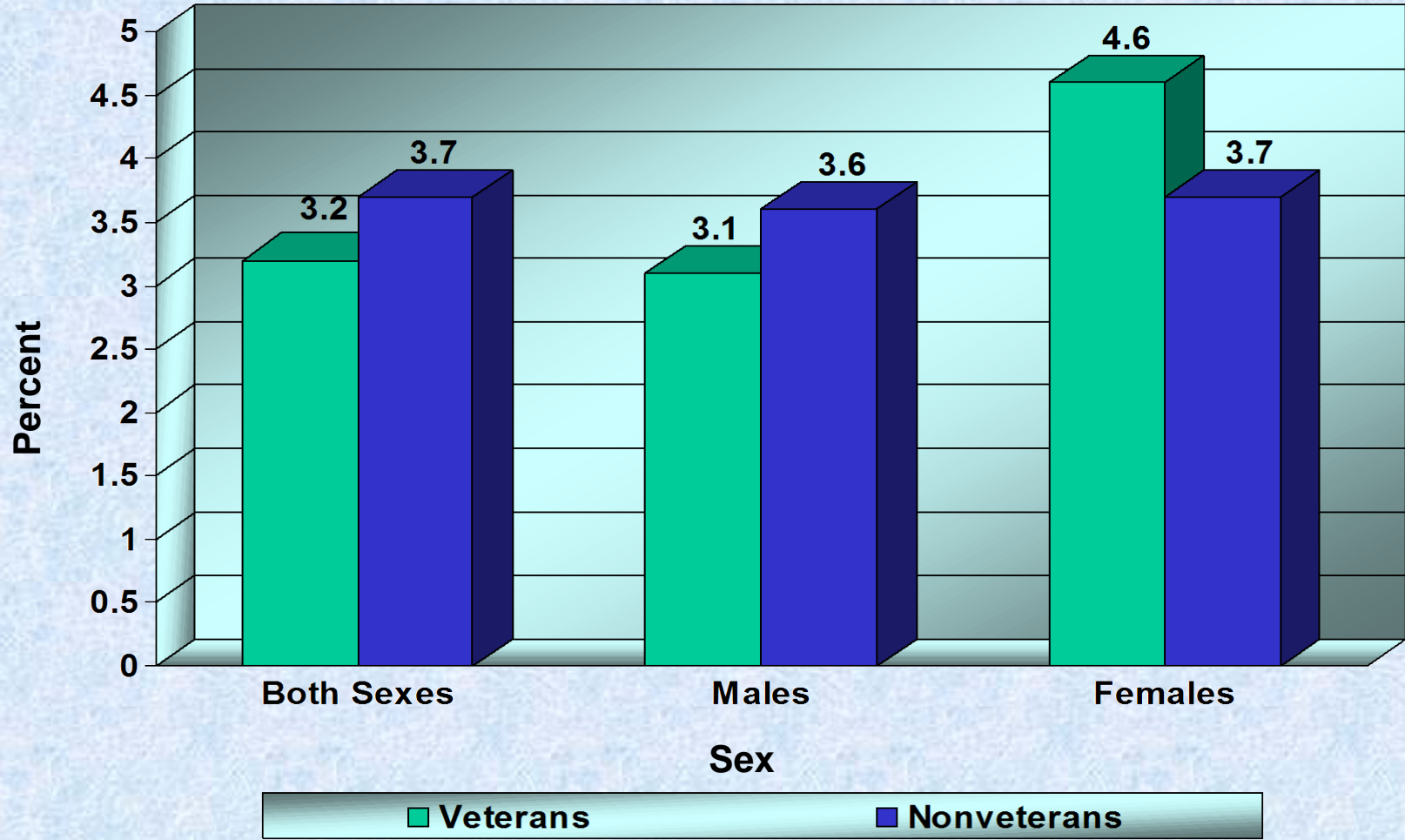
Personal Income:

- In general, personal income in 1999 was higher for male veterans than male nonveterans due, in part, to differences in their age and to possible differences in job skills and training.
- The median income of \$28,800 for male veterans was 9% higher than the median of \$26,400 for their male nonveteran counterparts.
- The median income of \$37,100 for male veterans age “40 -54” (Vietnam era) was the highest, and the median of \$14,600 for male nonveterans age “65 or over” was the lowest.

Source: Current Population Survey, March 1999

Socioeconomic Status

Unemployment Rates for Veterans and Nonveterans by Veteran Status and Sex, Jan. 1, 1999 - Dec. 31, 1999



Source: Data are annual averages from the monthly Current Population Survey, 1999

Socioeconomic Status

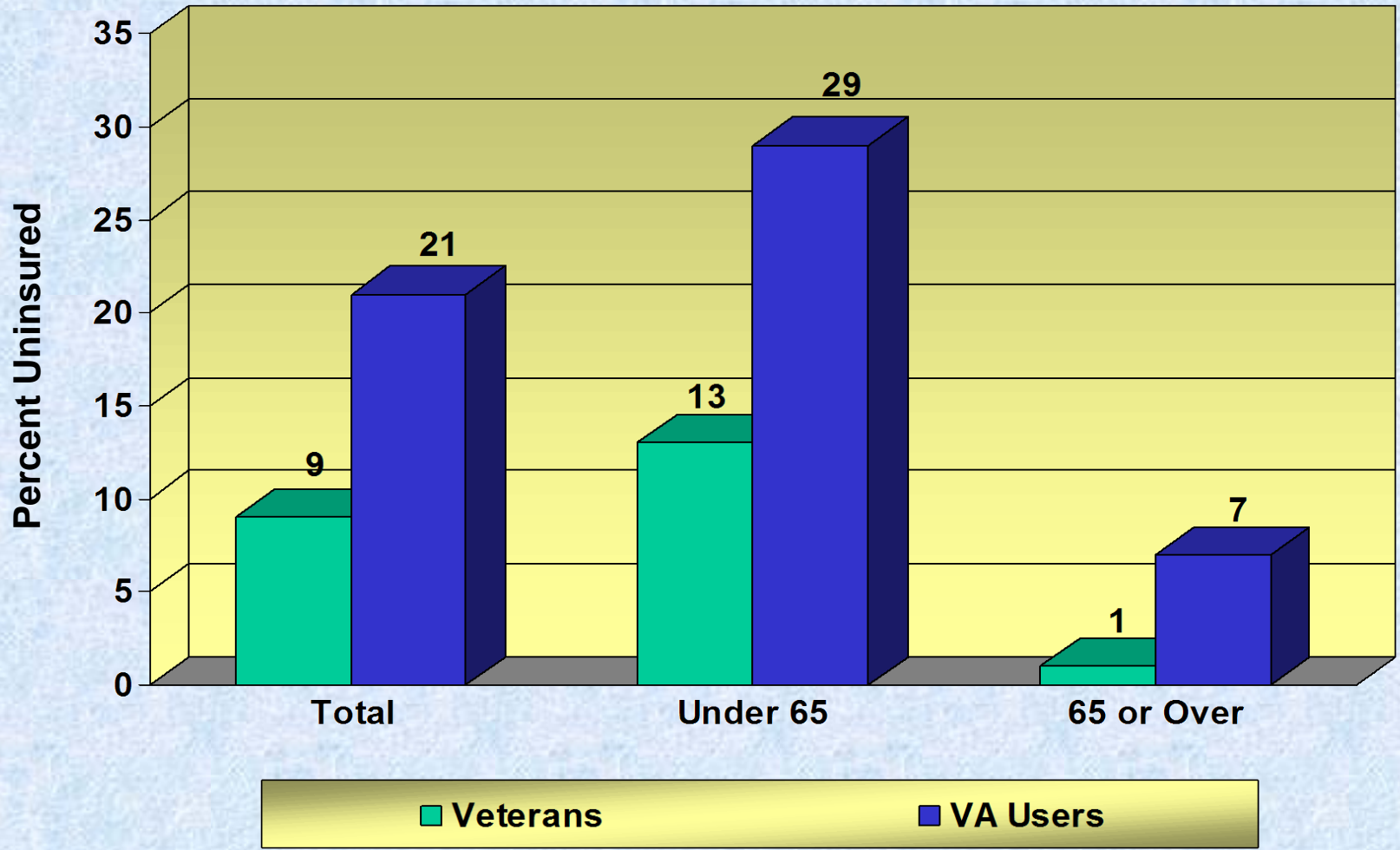
Unemployment:

- In 1999, the annual average (of the monthly data for January through December 1999) unemployment rate of 3.2% among veterans was lower than the 3.7% rate for their nonveteran counterparts.
- Similarly, the 3.1% unemployment rate among male veterans was lower than the 3.6% rate among male nonveterans.
- However, the 4.6% unemployment rate for female veterans was higher than the 3.7% rate for their female nonveteran counterparts.

Source: Current Population Survey data for CY 1999

Socioeconomic Status

Uninsurance Among Veterans and VA Users 1993



Source: 1993 National Survey of Veterans

Socioeconomic Status

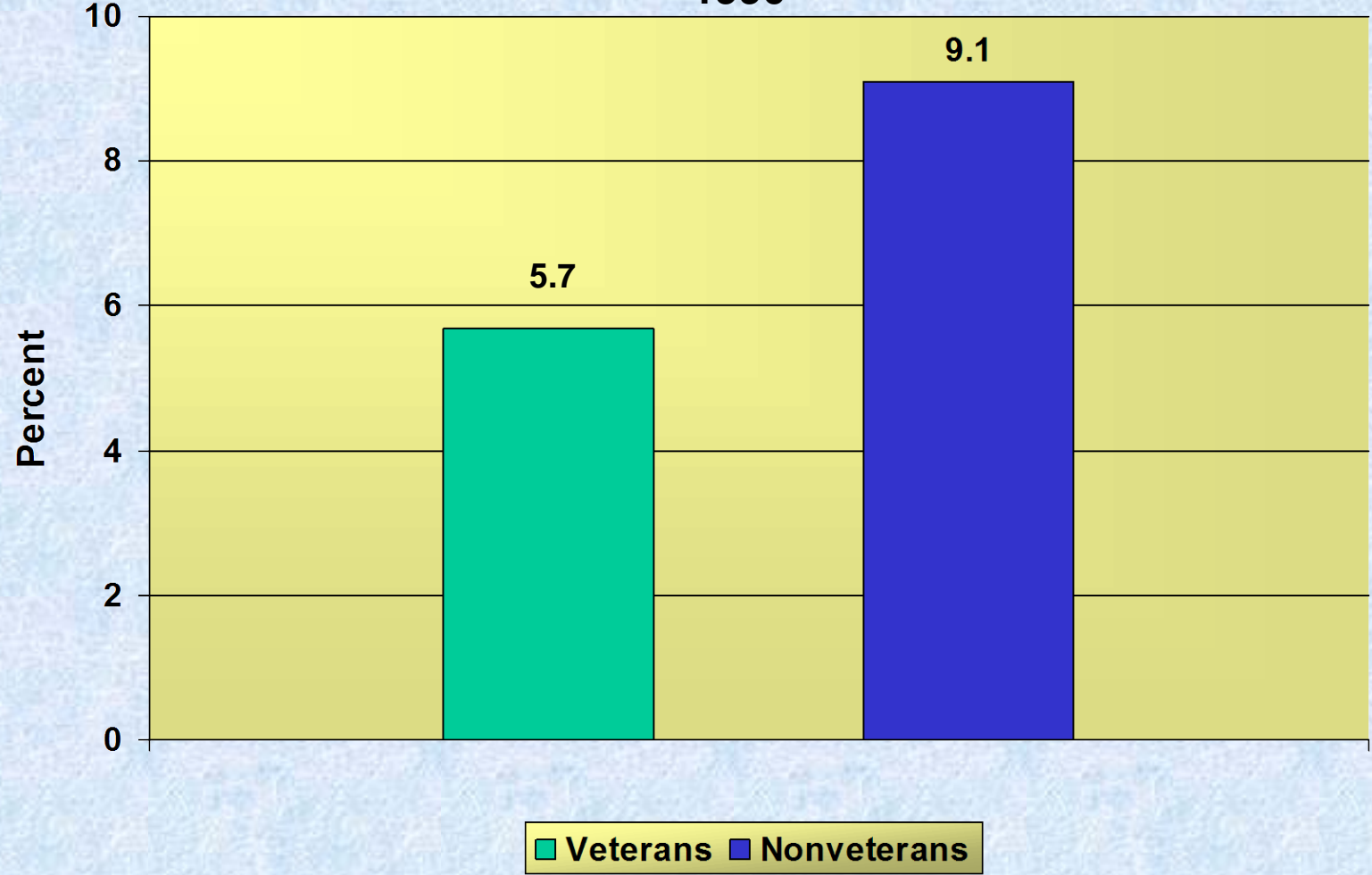
Health Insurance:

- VA users of inpatient and outpatient care have greater health insurance coverage problems than veterans in general.
- About 9% of all veterans, most of whom are male, were uninsured at the time of the National Survey of Veterans interview in 1993. This compares to 21% of VA users.
- Among veterans “under 65”, 13% were uninsured in 1993, while among VA users “under 65”, 29% were uninsured.
- Nearly all veterans age “65 or over” are covered by Medicare; only about 1% are not. However, among VA users age “65 or over” about 7% are uninsured.

Socioeconomic Status

Special Needs Veterans

Percent of Male Veterans and Nonveterans in Poverty 1990



Source: 1990 Decennial Census

Socioeconomic Status

Special Needs Veterans

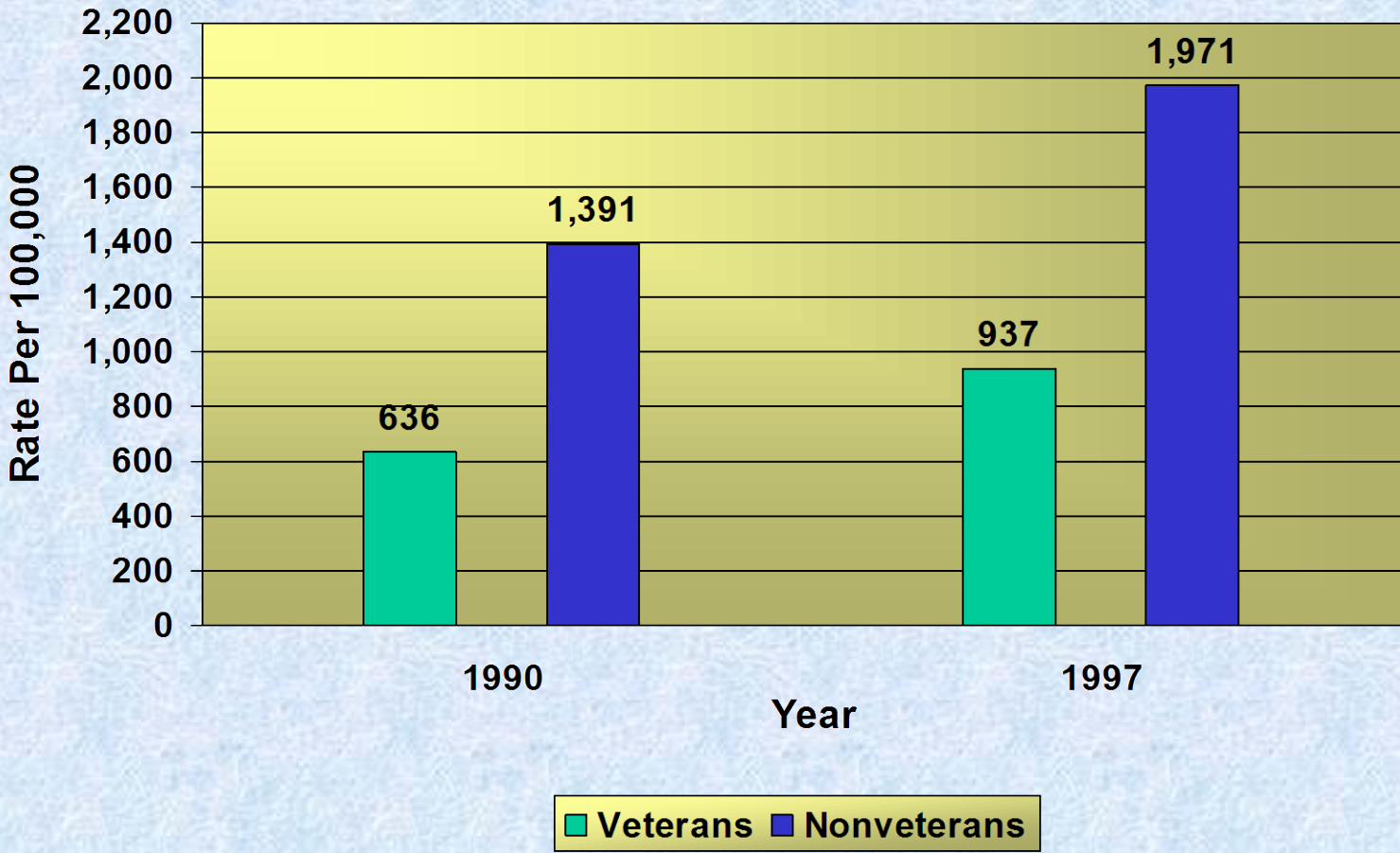
Poverty:

- In March 1990, only 5.7% of all veterans were at or below the poverty level compared to 9.1% of all adult U.S. males.
- Most states with poverty rates above 5.7% among veterans were in the South and Northwest. Generally, states in New England and the Mid-Atlantic had the lowest veteran poverty rates.

Source: 1990 Decennial Census

Socioeconomic Status

Incarcerated Veterans Male Veterans and Nonveterans in Correctional Institutions 1990 and 1997



Source: 1990 Decennial Census and Bureau of Justice Statistics

Socioeconomic Status

Special Needs Veterans (Cont'd)

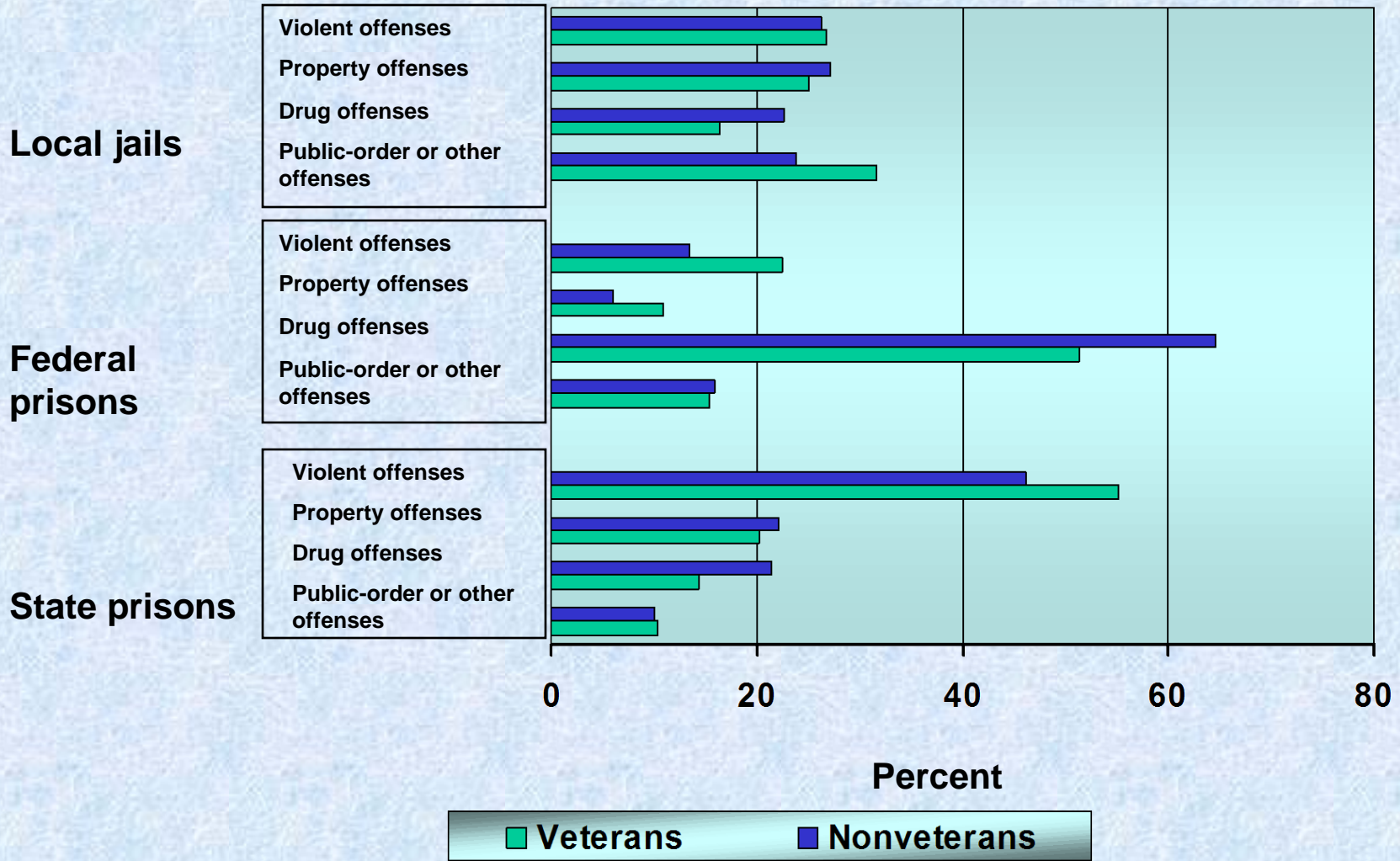
Incarceration:

- In March 1990, about 166,000 male veterans were in prisons. This represents a rate of 636 per 100,000 veterans, half the rate of nonveteran adult males.
- By 1997, the rates of incarceration increased for both male veterans and nonveterans, but the rate for veterans was still about half that of nonveterans.
- The lower rate for veterans is explained in part by a smaller proportion of veterans in the young age groups which make up most of the prison population.

Source: 1990 Decennial Census

Socioeconomic Status

Inmates of Federal, State, and Local Correctional Facilities by Veteran Status



Source: Bureau of Justice Statistics data

Socioeconomic Status

Special Needs Veterans (Cont'd)

Incarceration (Cont'd):

- More recently, the Bureau of Justice Statistics in the Department of Justice sponsored surveys in 1996 and 1997 on inmates in state, federal, and local correctional facilities. Data on veterans were included.
- In 1997, 225,700 veterans, or less than 1% of all veterans, were in prisons and jails.
- Males made up most of the prison population. Among veterans in all correctional facilities, 99% were male compared to 89% of nonveterans in jail, 92% of nonveterans in federal prisons, and 93% of nonveterans in state prisons.

Source: Bureau of Justice Statistics

Socioeconomic Status

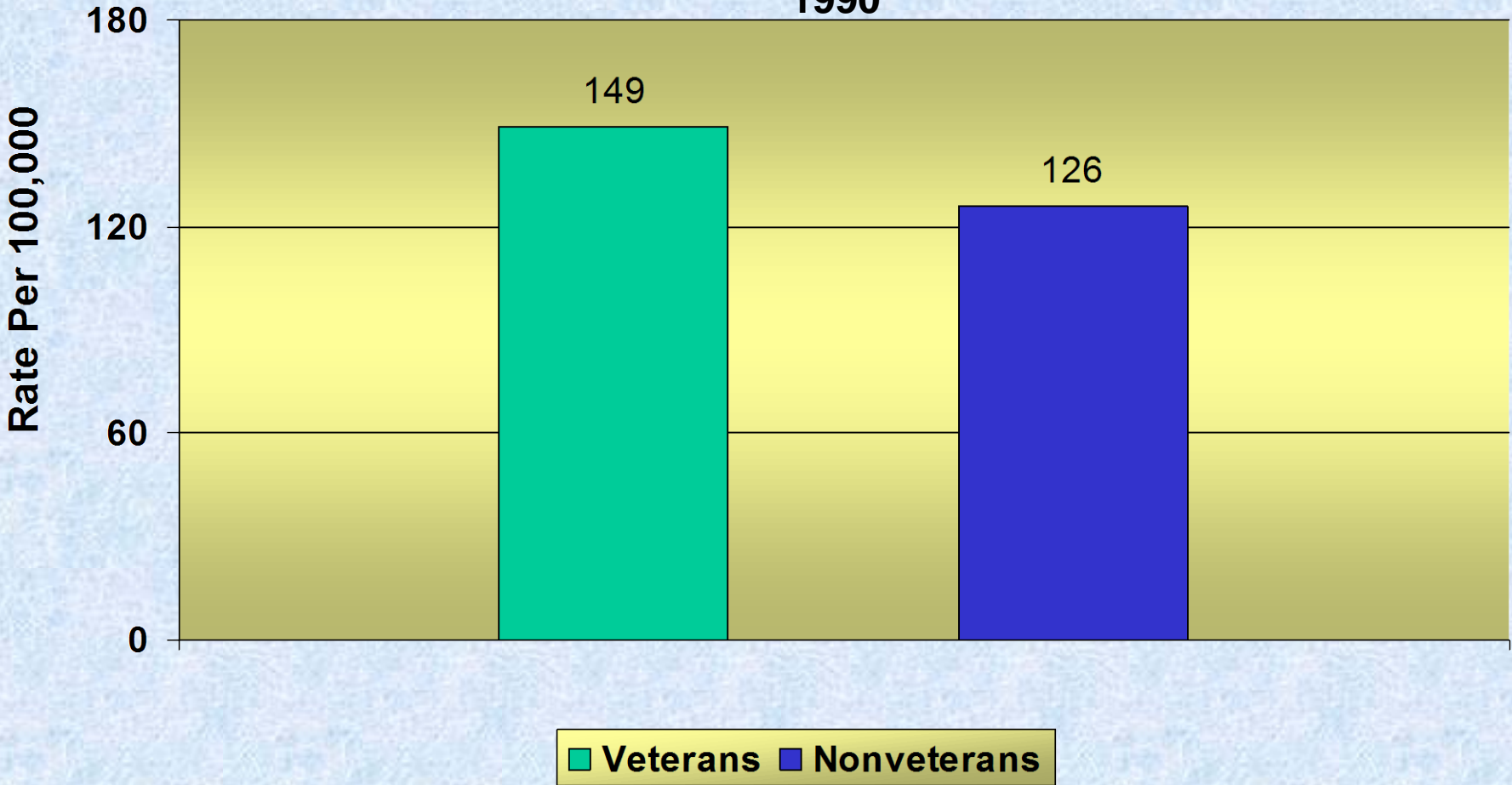
Special Needs Veterans (Cont'd)

Incarceration: (Cont'd):

- Most veterans in state prisons, 55%, were sentenced for violent offenses, compared to 46% of nonveterans.
- Most veterans (51%) as well as most nonveterans (65%) in federal prisons were sentenced for drug offenses.
- The most frequent offenses for veterans in local jails were public order or other offenses (31%), and for nonveterans they were property offenses (27%).
- Age and socioeconomic differences account in part for the differences in types of offense committed by male veterans and nonveterans. Because male veterans are, on average, older and more likely to be employed before imprisonment, they are more likely to be sentenced for violent crimes and less likely for drug and property crimes than their nonveteran counterparts.

Socioeconomic Status

Homelessness Male Veterans and Nonveterans in Shelters 1990



Source: 1990 Decennial Census

Socioeconomic Status

Special Needs Veterans (Cont'd)

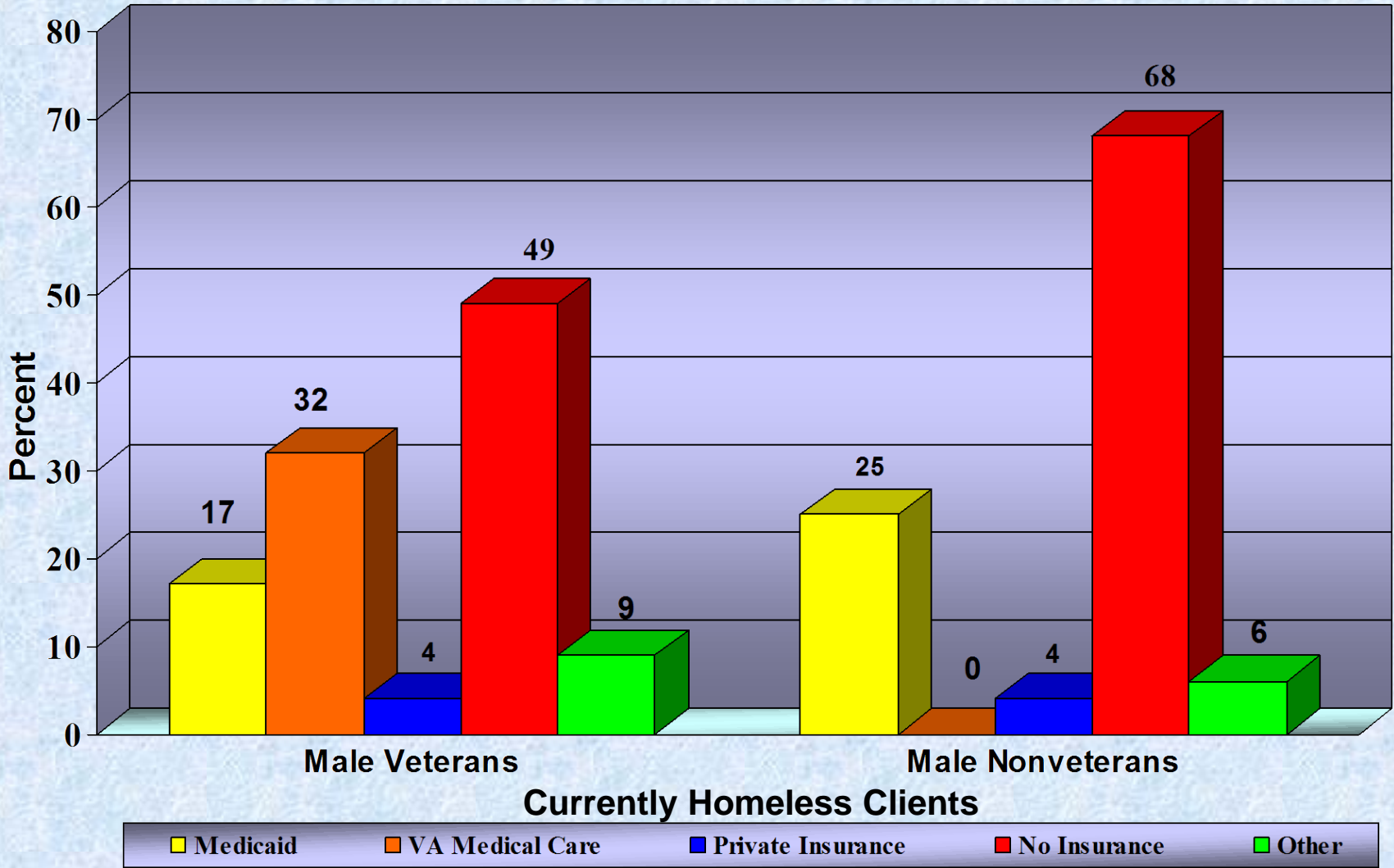
Homelessness:

- Hard data on the homeless population are difficult to obtain. The last Census counted 39,000 male veterans in emergency homeless shelters in March 1990. This understates the extent of the problem because many homeless do not reside in shelters.
- The total *number* of male veterans in homeless shelters was about half the number of adult male nonveterans in shelters.
- But the *rate* of residence in shelters was higher for male veterans (149 per 100,000) than for adult male nonveterans (126 per 100,000).
- The rates were also higher for Black veterans than for White and Hispanic veterans.

Source: 1990 Decennial Census

Socioeconomic Status

Type of Medical Insurance for Homeless Veteran & Nonveteran Clients of Homeless Assistance Programs and Services



Source: 1996 National Survey of Homeless Assistance Providers and Clients (1999), Urban Institute, Washington, DC

Socioeconomic Status

Special Needs Veterans (Cont'd)

Homelessness (Cont'd):

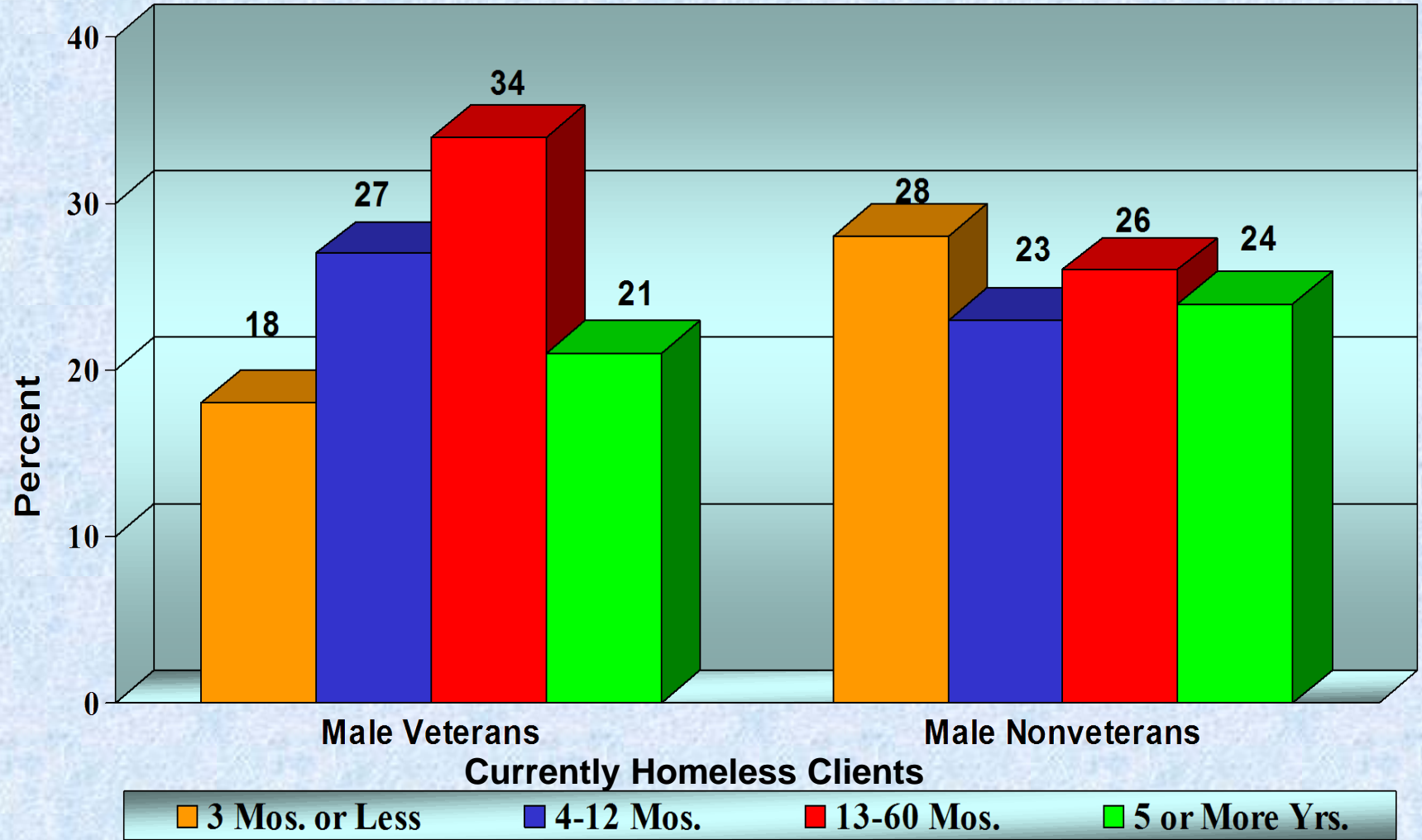
Currently Homeless Male Veteran and Nonveteran Clients of Homeless Assistance Programs and Services

- Among the findings of the 1999 HUD report “Homelessness: Programs and the People They Serve”, which is the result of the 1996 National Survey of Homeless Assistance Providers and Clients, were:
 - 49% of currently homeless male veteran clients of homeless assistance programs and services reported having no health insurance, compared to 68% of their male nonveteran counterparts.
 - The large difference is due to the role of VA. 32% of currently homeless male veteran clients of homeless assistance programs and services reported that their “type of medical insurance” was “VA medical care”.

Source: 1996 National Survey of Homeless Assistance Providers and Clients

Socioeconomic Status

Length of Current Period of Homelessness Veteran and Nonveteran Clients of Homeless Assistance Programs & Services



Source: 1996 National Survey of Homeless Assistance Providers and Clients (1999), Urban Institute, Washington, DC

Socioeconomic Status

Special Needs Veterans (Cont'd)

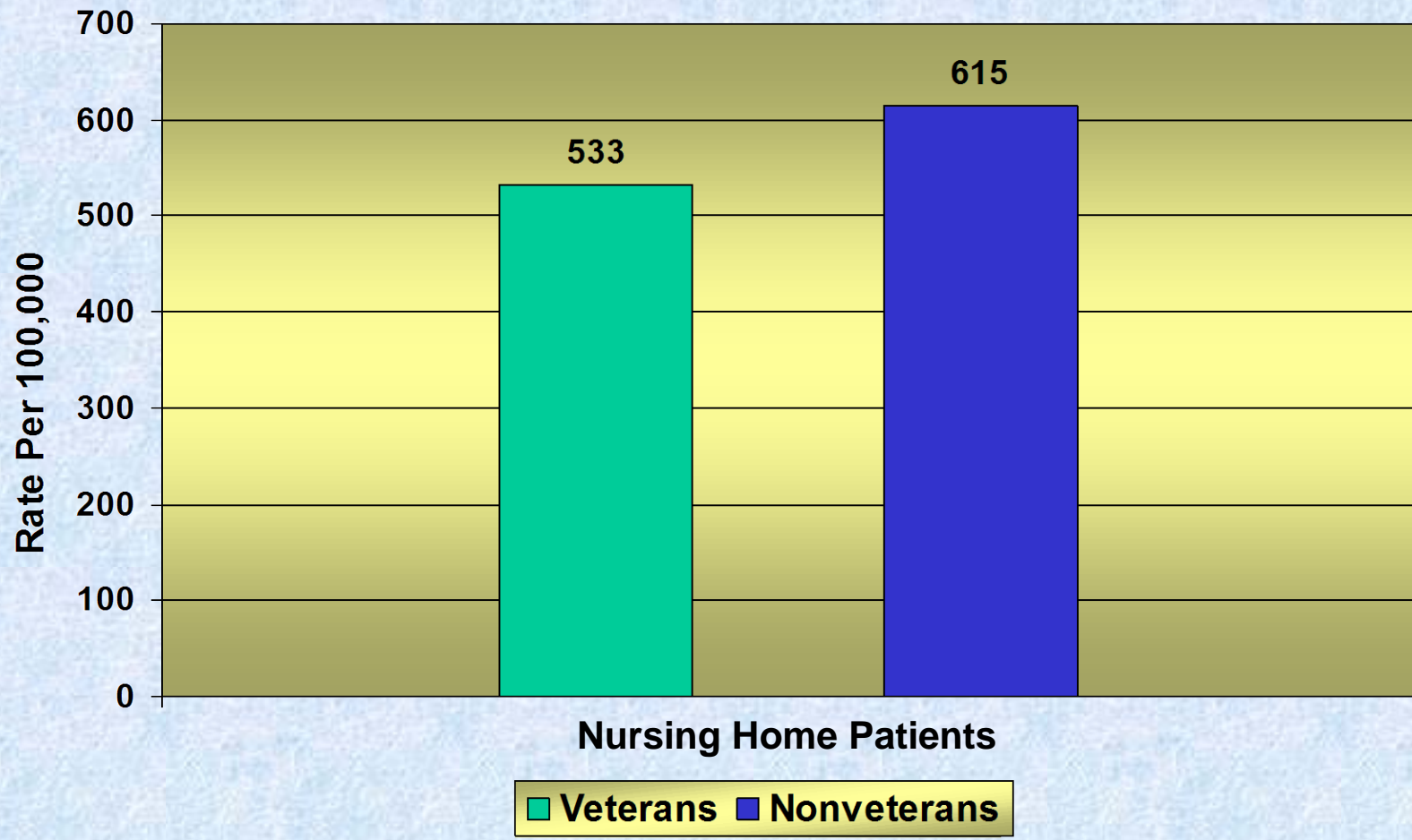
Homelessness: (Cont'd):

- 55% of currently homeless male veteran clients of homeless assistance programs and services reported that their latest homeless episode lasted 13 or more months, compared to 50% of their male nonveteran counterparts.
- Only 18% of currently homeless male veteran clients of homeless assistance programs and services reported that their latest episode of homelessness lasted 3 months or less, compared to 28% of their male nonveteran counterparts.

Source: 1996 National Survey of Homeless Assistance Providers and Clients

Socioeconomic Status

Male Veterans and Nonveterans in Nursing Homes 1990



Source: 1990 Decennial Census

Socioeconomic Status

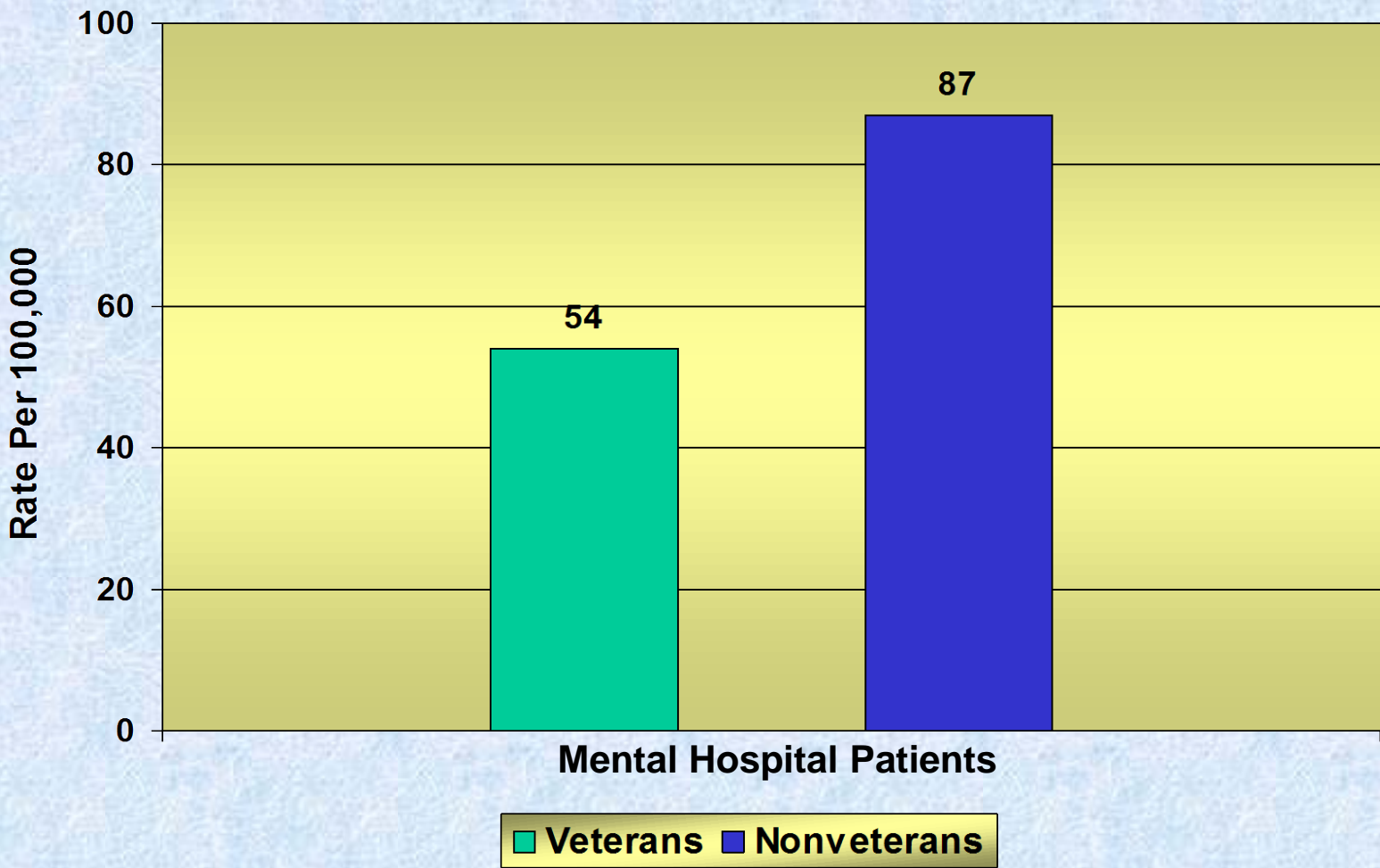
Special Needs Veterans (Cont'd)

Nursing Homes:

- In March 1990, 139,000 male veterans were in nursing homes compared to 351,000 adult male nonveterans.
- The rate of residence in nursing homes was 533 per 100,000 for male veterans compared to 615 per 100,000 for adult male nonveterans.
- This reflects, in part, the larger number of male nonveterans, and, perhaps, the “healthy veteran” effect, i.e., the selection bias towards healthy persons entering the military.
- In 1990, nearly 25% of male veterans in nursing homes were under age 65 compared to 19% of adult male nonveterans.
- The median age of male veterans in nursing homes was 73 compared to 80 for male nonveterans.

Socioeconomic Status

Mental Illness Male Veterans and Nonveterans in Mental Hospitals 1990



Source: 1990 Decennial Census

Socioeconomic Status

Special Needs Veterans (Cont'd)

Mental Illness:

- The 1990 census counted 14,000 male veterans in mental hospitals compared to 50,000 adult male nonveterans.
- For every 100,000 male veterans in the veteran population in 1990, there were 54 male veterans in mental hospitals compared to 87 per 100,000 adult male nonveterans.
- Veterans under age 40 are somewhat more likely to be in mental hospitals than male nonveterans of that age; at age “40 or over”, however, male veterans are less likely than male nonveterans to be in mental hospitals.

Source: 1990 Decennial Census

Selected VA Programs

VA administers many programs for eligible veterans including, among others, healthcare, education, VA Compensation for service-connected veterans, and VA Pension for low-income and totally disabled veterans with other than dishonorable wartime service.

Data in this section identify and help to clarify certain trends in relation to selected programs and services for veterans.

Selected VA Programs

Healthcare Enrollment

- VA Healthcare Enrollment is a new system providing access to a comprehensive package of VA healthcare services.
- Under the Veterans Healthcare Eligibility Reform Act of 1996, veterans must be enrolled in order to obtain VA healthcare but, once enrolled, and assigned to one of seven priority groups, veterans will have eligibility for healthcare services in a universal benefits package.
- Veterans do not have to enroll if they: (i) have a VA service-connected Compensation rating of 50% or greater, (ii) have been discharged in the past year for a compensable disability that VA has not yet rated; or (iii) want care for a service-connected disability.

Source: Veterans Health Administration data

Selected VA Programs

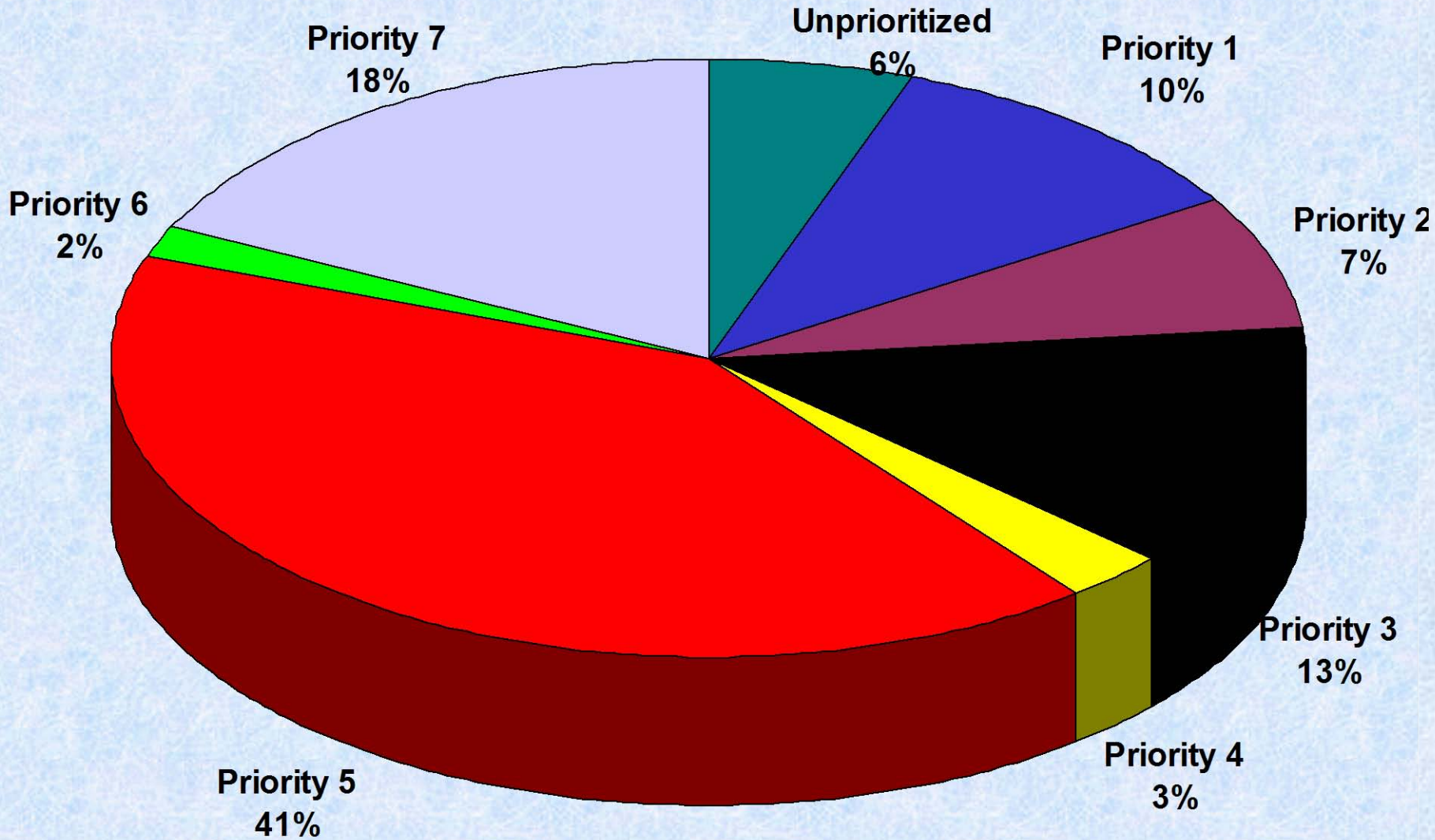
Healthcare Enrollment (Cont'd)

The seven priority groups of veterans for VA healthcare enrollment are those who are:

1. Compensably service-connected at 50% or greater.
2. Compensably service-connected at 30-40%.
3. Former POWs, or who are compensably service-connected at 10-20%, or who were discharged from active duty for compensable conditions, or awarded special eligibility for disabilities incurred in treatment.
4. Receiving Aid and Attendance or Housebound benefits, and, who have been determined by VA to be catastrophically disabled.
5. Nonservice-connected or compensably service-connected at 0%, and whose income and net worth are below established thresholds.
6. Not required to make copayments for their care, including: (i) WW I and Mexican Border War veterans, (ii) veterans receiving care for exposure to toxic substances or environmental hazards while in service, or (iii) compensable 0% service-connected veterans.
7. Nonservice-connected and noncompensated 0% service-connected with income and net worth above established thresholds and who agree to make copayments.

Selected VA Programs

Current Enrollees



Source: Veterans Health Administration Data

Note: Total Current Enrollees = 4,068,965; excludes "ineligible", "declined", and "deceased".

Selected VA Programs

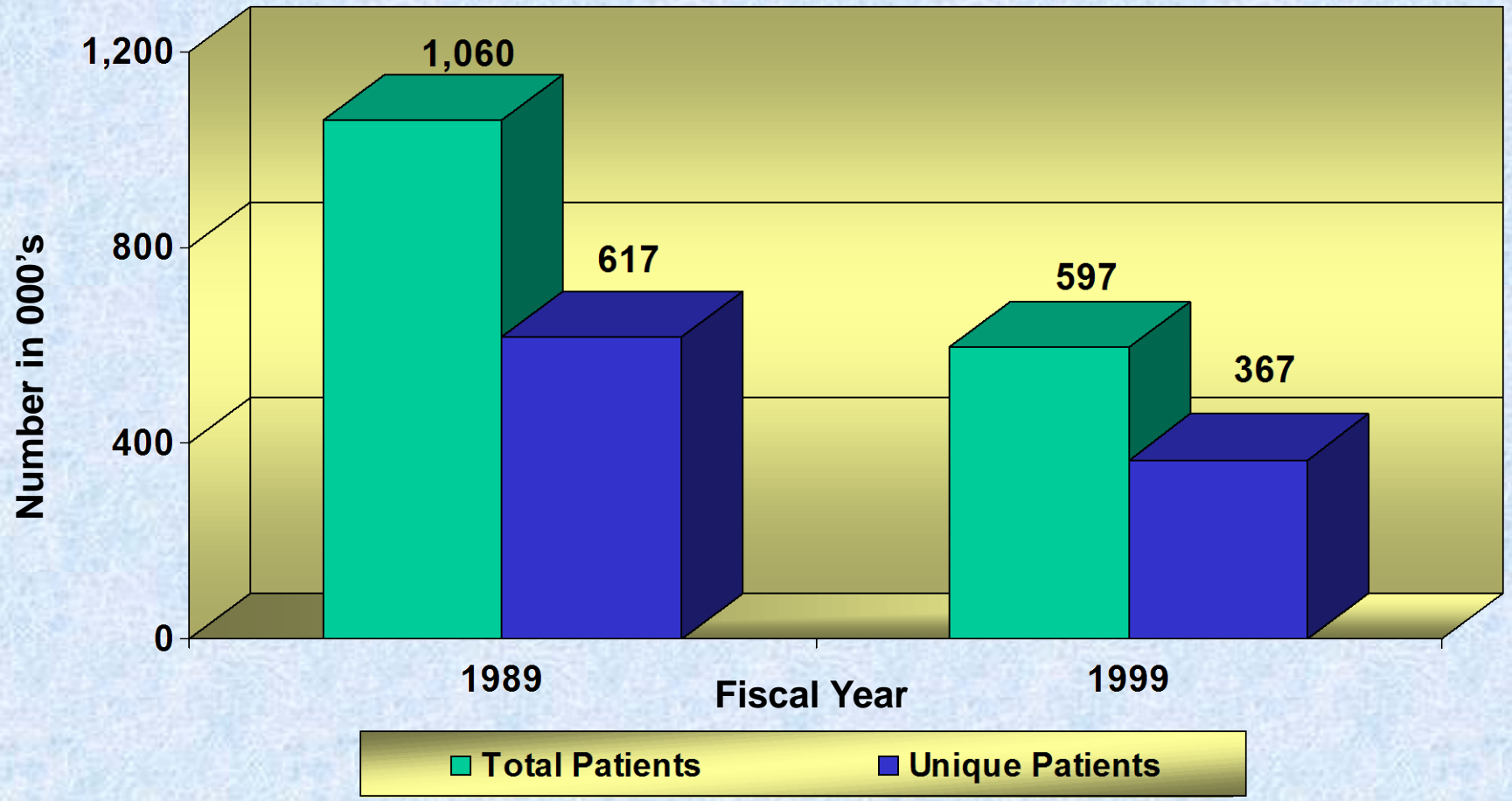
Healthcare Enrollment (Cont'd)

Current Enrollees:

- As of September 27, 1999, there was a total of 4,068,965 veterans enrolled in the VA Healthcare Enrollment Program.
- Priority Groups 5 and 7, which include nonservice-connected veterans, account for about 59% of all enrollees.
- More than 80 percent of enrolled veterans belong to Priority Groups which require no copayment.
- Total enrollment is expected to peak in the near future.

Selected VA Programs

Total and Unique Patients Treated * in VA Hospitals



Sources: FY'89 & FY'99 VA Patient Treatment Files; FY'89 & FY'99 VA Annual Patient Census Files
*Patients treated includes discharges, deaths, and patients in hospital on Sept. 30 of the fiscal year.

Selected VA Programs

Patients Treated

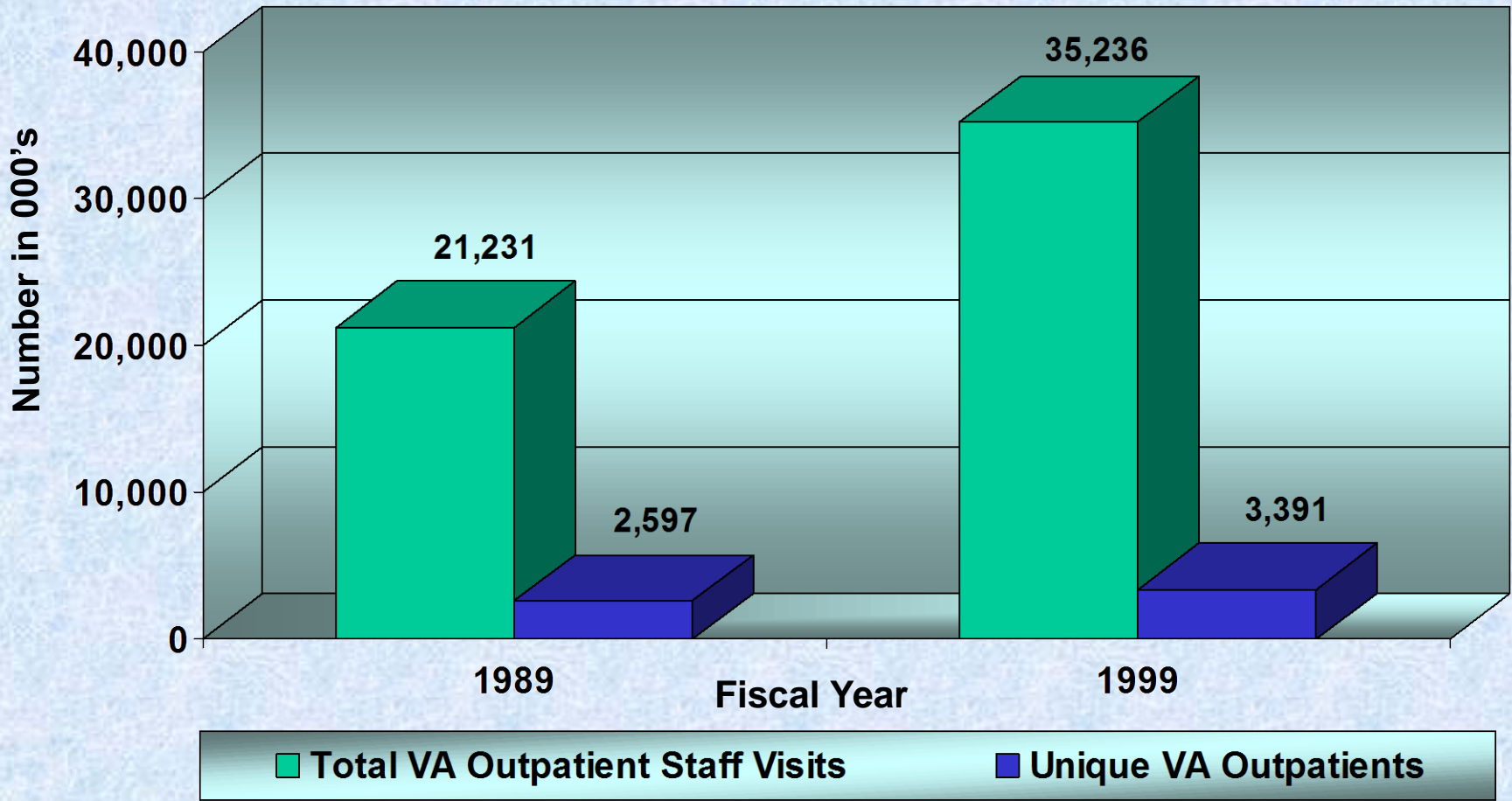
VA Inpatient Care:

- Over the past decade, there have been many changes in VA healthcare. One of the most notable is the shift in emphasis from inpatient care to outpatient care.
- From FY 1989 to FY 1999 the total number of patients treated (episodes of care provided) in VA hospitals decreased 44%, from 1,059,979 to 597,259.
- Over the same time period, the total number of unique patients treated as hospital inpatients (individuals with multiple episodes counted only once) decreased 40%, from 617,288 to 367,486.
- In FY 1989 and in FY 1999, the total number of VA hospitals was 172.

Sources: FY 1989 and FY 1999 VA Patient Treatment Files, Annual Patient Census Files, and Annual Reports of the Secretary of Veterans Affairs

Selected VA Programs

Total VA Outpatient Staff Visits and Unique VA Outpatients



Sources: FY 1989 and FY 1999 VA Outpatient Treatment Files

Selected VA Programs

Patients Treated

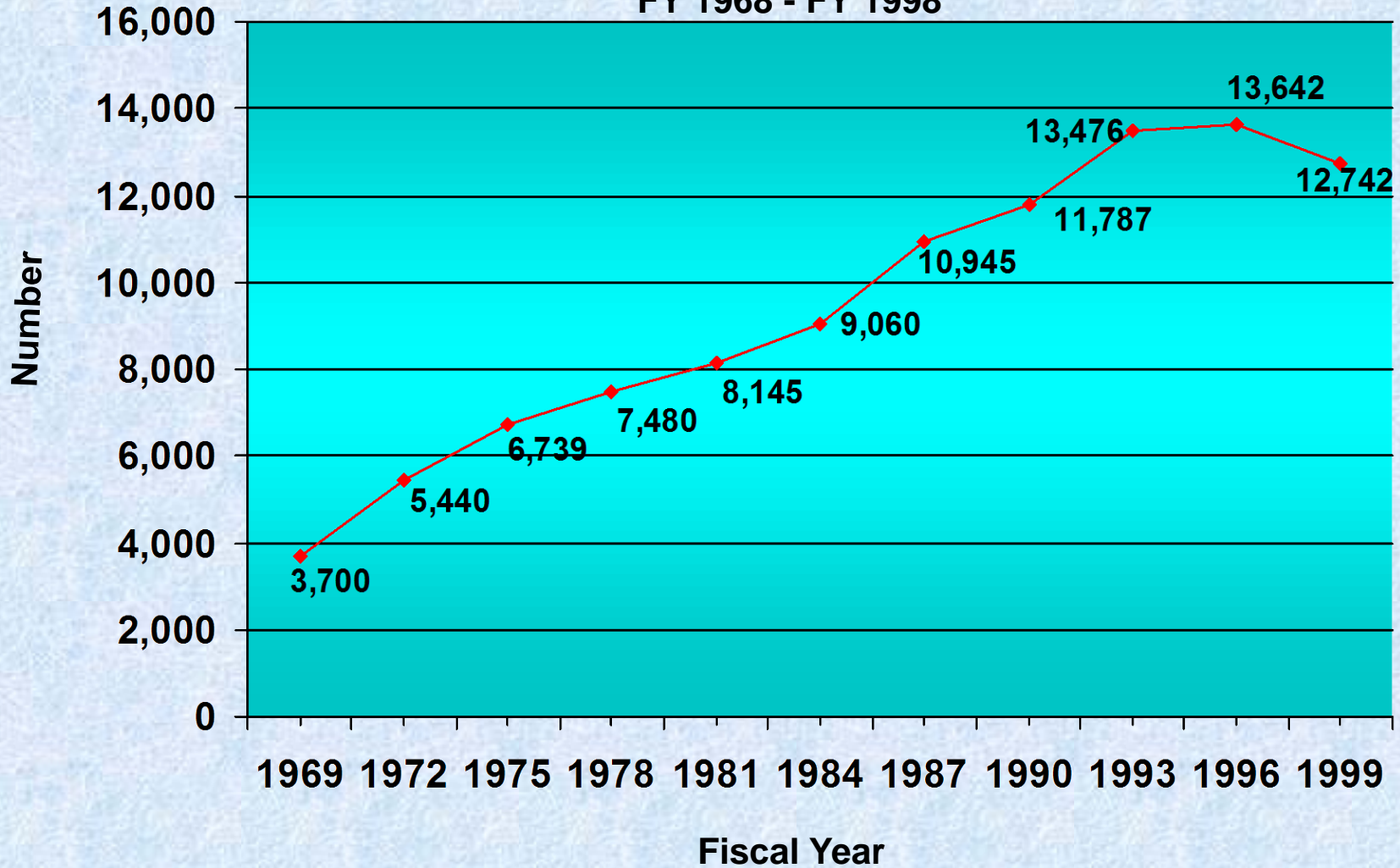
VA Outpatient Care:

- From FY 1989 to FY 1999 the total number VA outpatient staff visits (excludes non-VA outpatient visits, paid for by VA) increased 66%, from 21,230,674 to 35,235,948.
- Over the same time period, the total number of unique VA outpatients (individuals with multiple visits to VA clinics counted only once) increased 31%, from 2,596,756 to 3,391,276.
- Between FY 1989 and FY 1999, the total number of VA hospital-based or satellite outpatient clinics increased 128%, from 231 to 527.

Sources: FY 1989 and FY 1999 VA Patient Treatment Files and Annual Patient Census Files

Selected VA Programs

VA Nursing Home Care Average Daily Census FY 1968 - FY 1998



Source: Trend Data 1969 - 1993, Trend Data 1970 - 1995, and Office of Planning and Analysis Data

Selected VA Programs

Patients Treated

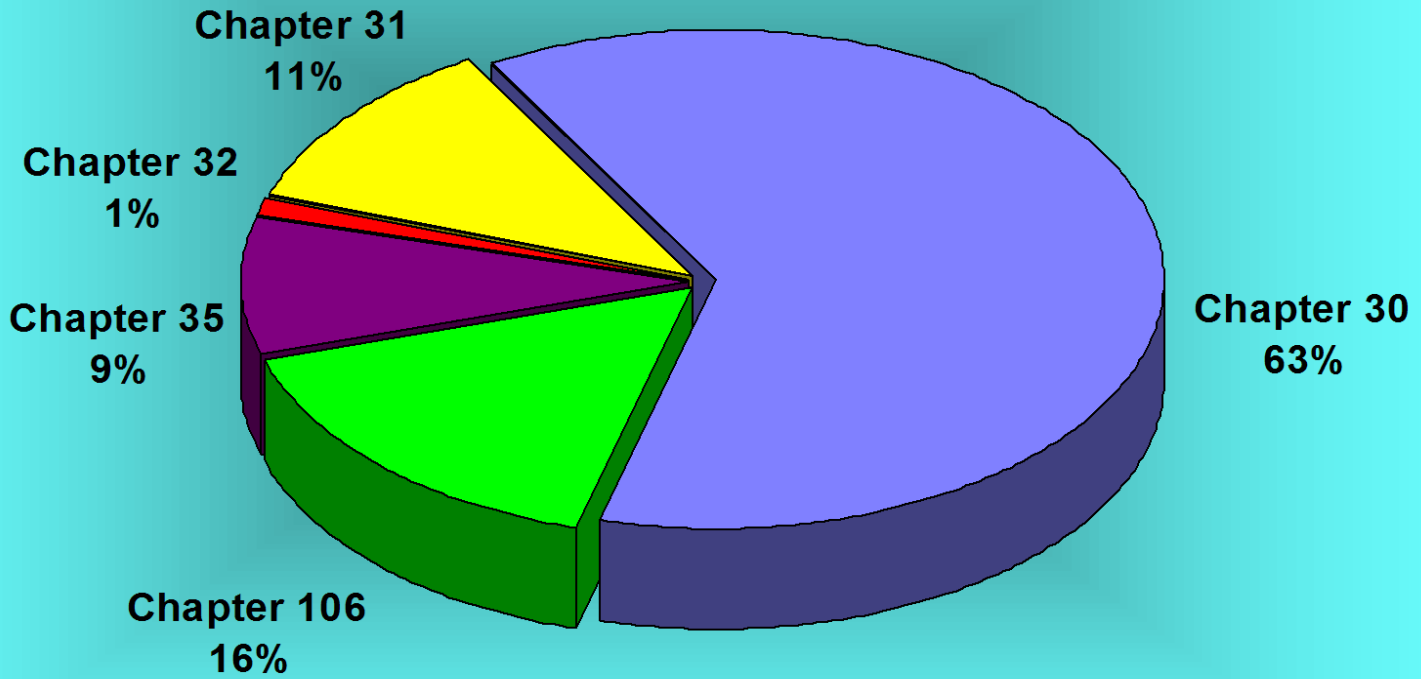
Nursing Home Care:

- Through FY 1996, the average daily census of patients in VA Nursing Homes continued historic annual increases (from FY 1965), attaining to a new peak of 13,642. The average daily census of patients in VA Nursing Homes decreased to 12,742 in FY 1999 (after decreasing for the first time in FY 1997 and increasing again in FY 1998).
- Recent fluctuations in the average daily census of patients in VA Nursing Homes are concomitant with VHA's continuing emphasis upon State Home Nursing Home grants and a de-emphasis on care in Community Nursing Homes. Although the total number of VA Nursing Homes attained a new peak of 134 in FY 1999, long-term care policy changes are contributing to fluctuations in the VA Nursing Home Care average daily census count.

Sources: 1963 - 1987 and 1970 - 1995 Trend Data, and Office of Planning and Analysis Data

Selected VA Programs

Education Programs Persons Trained During FY 1998 by Type of Entitlement (Percentage Distribution)



Source: Veterans Benefits Administration Data
Note: Total Trainees = 474,049

Selected VA Programs

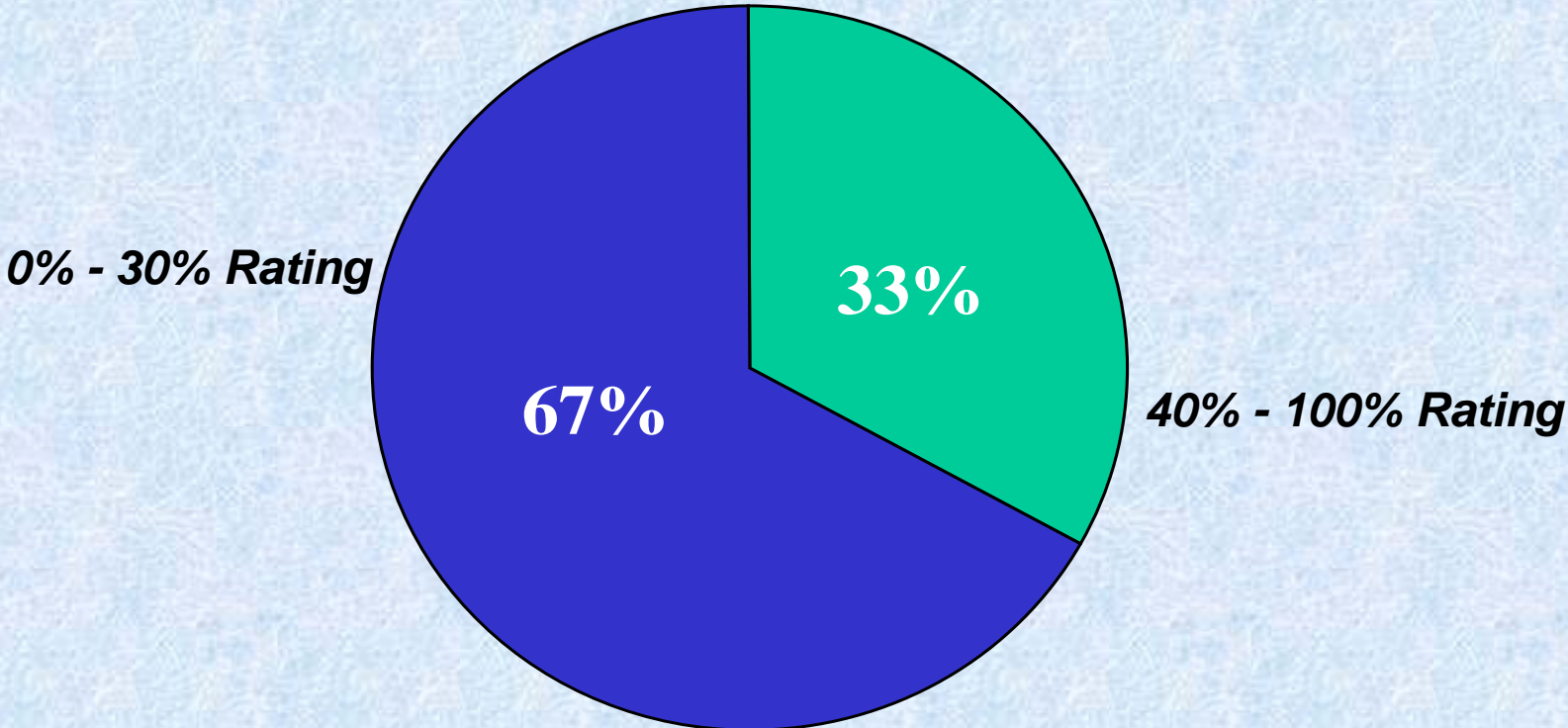
Education:

- A total of 474,049 persons trained in one of the five VA-sponsored educational assistance programs during FY 1998.
- The largest percentage (63%) of trainees trained under 38 USC Chapter 30, the Montgomery GI Bill - Active Duty; and the second largest percentage (16%) trained under 38 USC Chapter 106, the Montgomery GI Bill - Selected Reserves.
- Another 11% of all trainees during FY 1998 trained under 38 USC Chapter 31, Vocational Rehabilitation Program for Disabled Veterans; and 9.0% of all trainees trained under 38 USC Chapter 35, Educational Assistance for Spouses or Children of Totally Disabled or Deceased Veterans.
- Lastly, about 1% of all trainees during FY 1998 trained under 38 USC Chapter 32, Post-Vietnam Era Veterans' Educational Assistance Program.

Selected VA Programs

Service Connected Compensation Veterans Receiving Monthly Disability Payments (Percentage Distribution as of December 31, 1999)

*Service-Connected Veterans by
Combined Degree*



Selected VA Programs

Service-Connected Compensation:

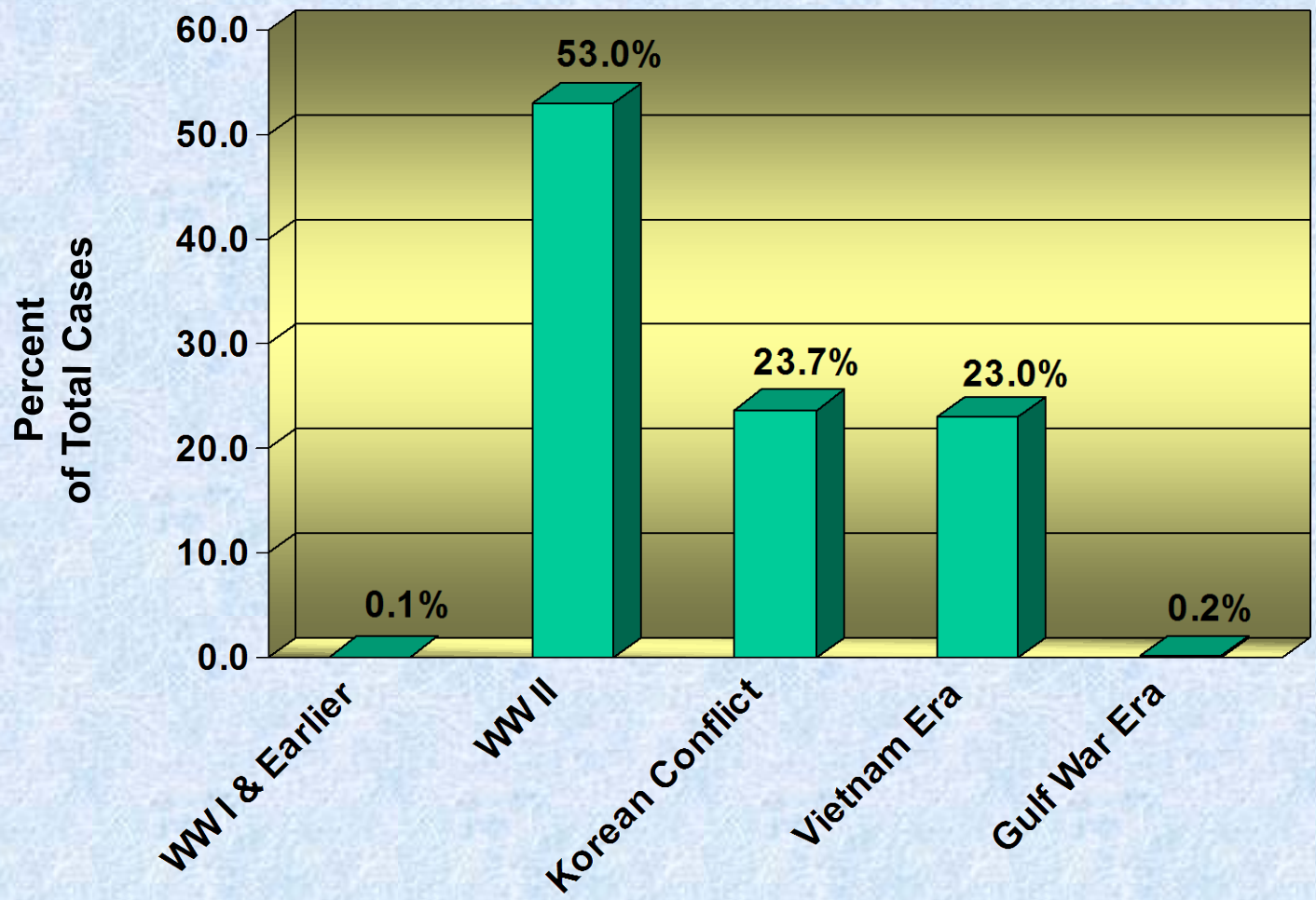
- Disability compensation payments are paid to veterans who are disabled by disease or injury incurred or aggravated during military service. If a veteran has an other than dishonorable discharge, he or she may be eligible for monthly disability compensation payments that vary by combined degree of disability and number of dependents.
 - As of December 31, 1999, there were 2,297,311 total veterans in receipt of monthly VA compensation payments.
 - The total number of compensably service-connected veterans has remained fairly constant over the years. As of the end of each fiscal year since FY1973, the total figure has remained in the 2.2 M to 2.3 M range.
 - As of December 31, 1999, about two-thirds (67%) of service-connected veterans have combined degree of disability ratings of from 0% to 30%.
 - The remainder, about one-third (33%) of all service-connected veterans, have combined degree of disability ratings of from 40% to 100%.

Source: Veterans Benefits Administration Data

Selected VA Programs

VA Pension Cases by Period of Service

September 30, 1998



Source: Veterans Benefits Administration Data

Note: Total Cases = 390,978

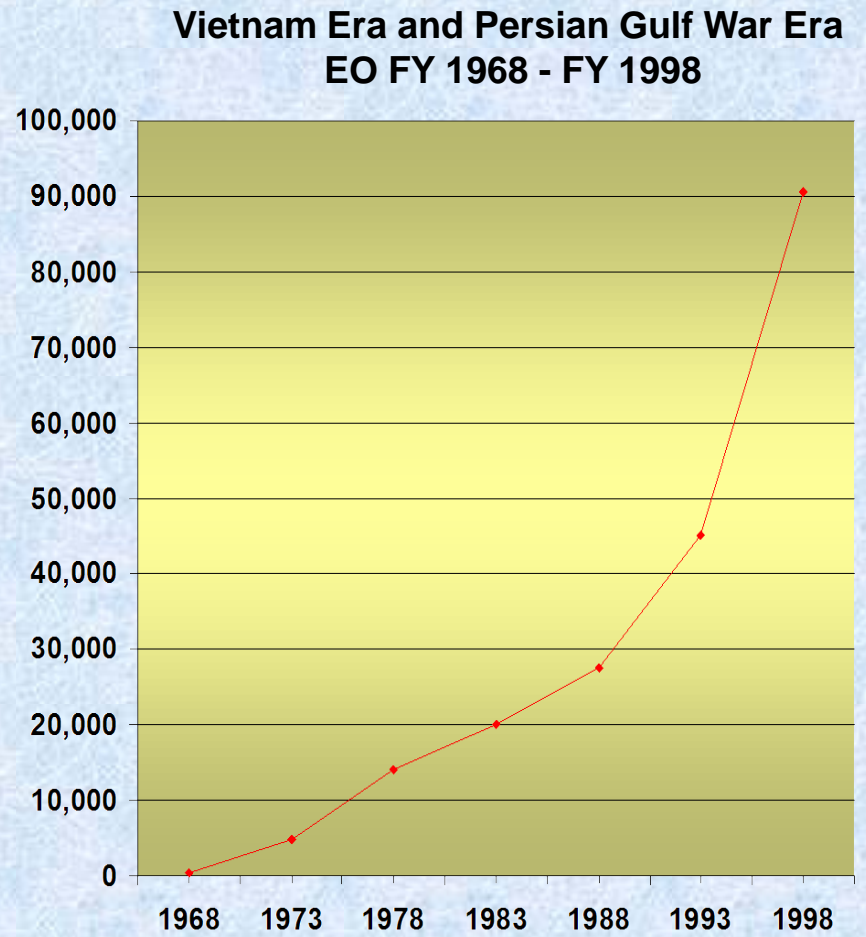
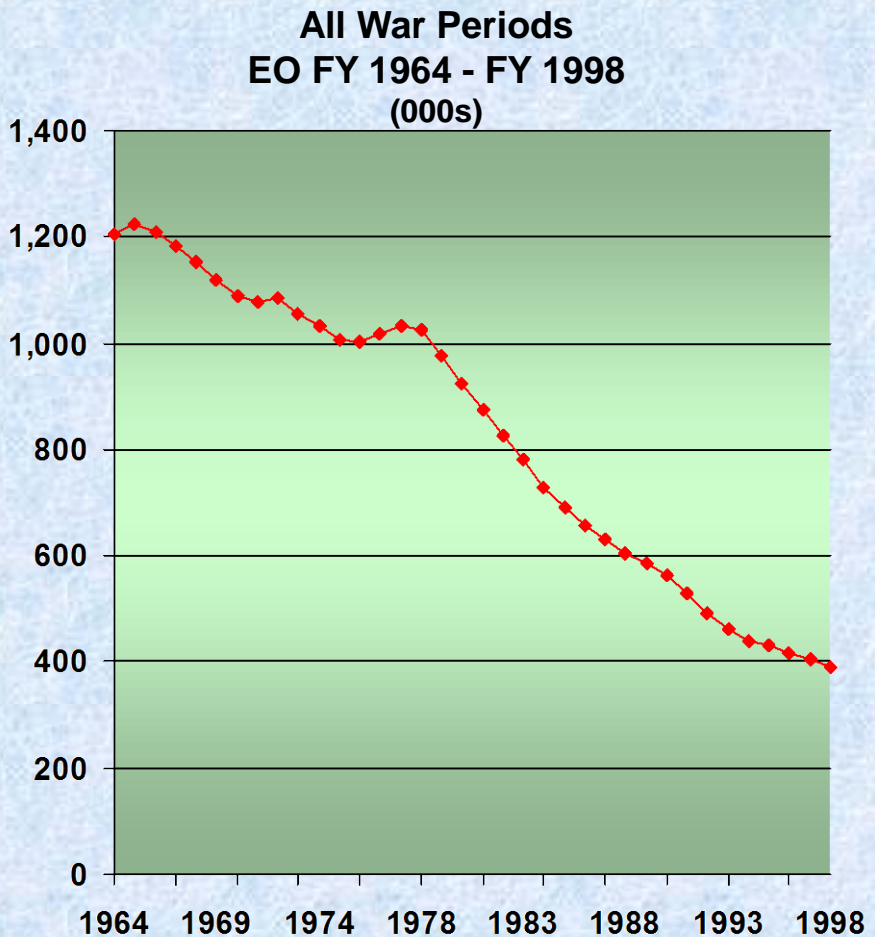
Selected VA Programs

Pension:

- Veterans with low incomes may be eligible for monetary support from VA if they have 90 days or more of active military service, at least one day of which was during a period of war, if they have a discharge that is other than dishonorable, and if they are permanently and totally disabled for reasons not traceable to willful misconduct.
 - A total of 390,978 persons were in receipt of VA nonservice-connected disability pension payments as of September 30, 1998.
 - 53% of VA Pension recipients as of September 30, 1998 were World War II veterans.
 - The average monthly pension amount as of September 30, 1999 was \$473 (or \$5,677 annually).
 - The total number of veterans receiving VA nonservice-connected disability pension payments has decreased steadily for decades. But, as the previous chart suggests, there may be a “Pension Wave”, as fewer veterans from earlier periods of service and more veterans from later periods of service receive VA Pension payments. Also, the full impact of the fact that the Gulf War era remains open is yet to be realized.

Selected VA Programs

Veterans Receiving Nonservice-Connected Disability Pension Selected Fiscal Years



Sources: Trend Data 1969 - 1993, Trend Data 1970 - 1995, FY 1998 Annual Report of the Secretary of Veterans Affairs

Selected VA Programs

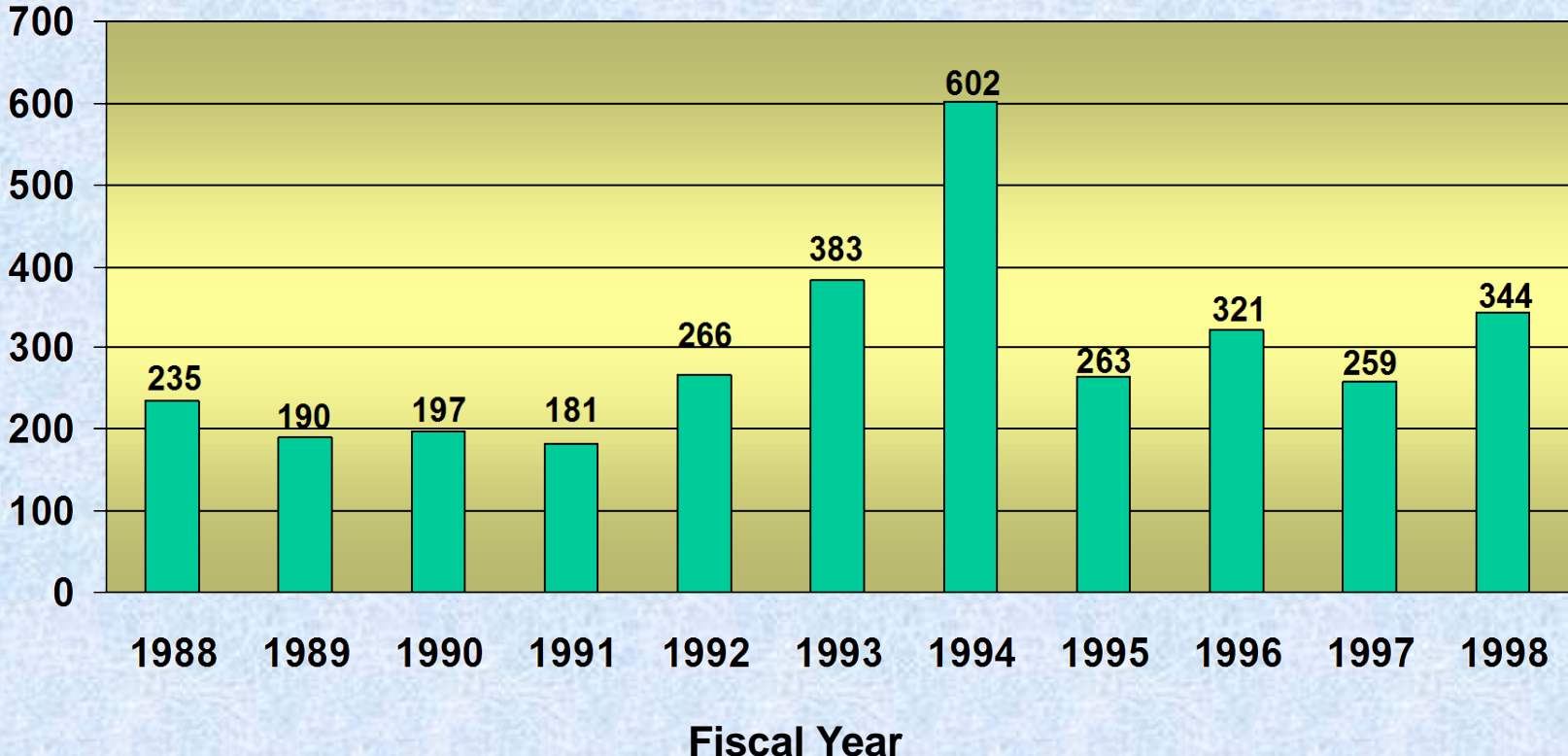
Pension(Cont'd):

- The total number of VA Pension recipients continues a long decline after a peak of 1,223,692 at the end FY 1965. At that time, 80% of VA Pension recipients were WW I veterans and 17% were WW II veterans. (However, the number of WW I veteran VA pensioners peaked in FY 1963 at a total of 1,104,108 out of a total for all periods of 1,161,765).
- Since FY 1973, World War II veterans have outnumbered all other VA Pension recipients, and the number of World War II veteran VA pensioners peaked in FY 1978 at 691,045 (out of a total of 1,024,064).
- Currently, fewer veterans from earlier periods of service and more and more veterans from later periods of service receive VA Pension payments. In particular, the numbers of Vietnam era and Gulf War era VA Pensioners are increasing, evidencing a new “Pension Wave”.
- The full impact of the aging of the Vietnam era veteran population and the impact of the fact that the Persian Gulf War Era remains open have yet to realized.

Sources: Trend Data 1969 - 1993, Trend Data 1970 - 1995, FY 1998 Annual Report of the Secretary of Veterans Affairs

Selected VA Programs

Home Loan Guaranty Loans Guaranteed FY 1988 - FY 1998 (000s)



Sources: FY 1988 - FY 1998 Annual Reports of the Secretary of Veterans Affairs
Note: Data include both home and manufactured home origination.

Selected VA Programs

Home Loan Guaranty:

- The VA Home Loan Guaranty Program provides housing credit assistance to veterans and certain servicepersons to build or purchase a home, to refinance an existing home loan, or to improve a home. The number of VA-guaranteed home loans has fluctuated over the years, based on a variety of factors.
 - The program set new records in FY 1994 for the number of loans guaranteed and the total dollar volume of such loans. During FY 1994, VA guaranteed 602,220 home loans, which surpassed the previous record of 600,507 home loans set in 1956.
 - Reasons for the peak in FY 1994 included: the lowest interest rates in 20 years; FY 1994 was the first full year of implementation of sweeping changes in the VA Home Loan Guaranty Program; and VA conducted a massive letter writing campaign in January and February of 1994 that informed veterans of opportunities to refinance at lower rates.
 - The VA home Loan Guaranty program remains healthy, with 343,954 home loans guaranteed in FY 1998.

Sources: FY 1988 - FY 1998 Annual Reports of the Secretary of Veterans Affairs

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