



Recession Proof Your Law Practice With VA Pension Planning

By: James B. Swain, JD, MBA



In today's economy, estate planning practices are under tremendous stress to maintain revenue sources. With the many problems going on in our country, this is a tough time to be an estate planner. Our clients are worried about layoffs and how to cut discretionary spending, and there are more attorneys than ever. Also, most clients have no real urgency in getting their planning completed unless something catastrophic happens.

The one constant that is especially beneficial to the VA Pension Planner is that everyone is getting older, and the concern and worry about how to pay for long term care expenses is foremost in the minds of seniors and their children.

VA pension planning is not subject to most of the issues that are hurting your estate planning practice. Why? Because you are **selling money** and a **solution** to an immediate problem. VA Pension clients have an urgency about getting their planning completed. This area is tremendously underserved by the legal community as well as the government. Therefore, you could be the only person in your community discussing these benefits.

The VA pension is a benefit available through the Department of Veterans Affairs to assist veterans and their widows in paying for medical expenses. It is only available to veterans, or widows of veterans, who served during a war period, such as World War II, Korea, Vietnam, or the Gulf War.

There are income and asset limitations as well as service requirements that must be met. Unlike Medicaid, there are no penalties for gifting away assets. The benefit can be very substantial to a family as it can amount to as much as \$23,388 per year of tax free income.

There are approximately 24 million people that could qualify for the VA pension benefit, but most will never learn of it. However, for those who do learn of it, you could be

their salvation. You have the solution as to how to pay for their medical expenses.

In order to assist them in qualifying, you must consider the income, gift, and estate tax consequences of any proposed action. In assisting them, there are many services that you can charge fees to provide, such as

- analysis of options available concerning the income, gift and estate tax consequence, the appropriate actions for their situations, and the effect on Medicaid eligibility
- new legal documents
- administration of trusts
- review of investments

If trusts are needed for qualification, fees are generally two to four times the average estate planning fees.

Wherever you live there will be a significant part of the elder population who will be a veteran or a widow of a veteran. Not all of these people will qualify for this benefit, but they all will most likely have a relative, friend, or acquaintance who is a veteran or the widow of a veteran.

I ask every prospect I meet, even business clients, if they have a family member or a friend that is a veteran or a widow of a veteran who served during a war period. I find this creates goodwill and instant credibility, as well as generates new clients.

This concept of networking is unique as you can get many groups who have never referred anyone to you to market your services. I have many different groups marketing my services, such as assisted living homes, senior residences, home health care agencies, churches, retirement communities, funeral homes, pre-need planners and retirement groups. Because this subject is so little known and there is such a great need for it, you should have no trouble getting your local newspaper to provide coverage or allow you

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to write an article for them. One local paper wrote up my presentation to a large rotary club and two and a half years later I'm still getting calls from that article. I estimate that I have earned in excess of \$200,000 just from that one newspaper article.

Should you decide to incorporate VA Pension Planning into your practice, you will benefit financially and provide a great service to your community.

James Swain is the founder and CEO of the Academy of VA Pension Planners and Swain Law Firm. He is a co-presenter at the ElderCounsel VA Pension Course. He is a frequent speaker on VA Pension, Wealth Preservation and Estate Planning to Financial Planners, Attorneys and Public Forums.