Benefits Received by Veterans and Their Survivors: 2017

INTRODUCTION

This brief discusses several benefits that the U.S. Department of Veterans Affairs (VA) provides to veterans and their survivors, as well as complementary programs administered by other branches of the federal government. Veterans are individuals who previously served on active duty in the U.S. armed forces. After leaving the military, veterans and their survivors are eligible for a variety of cash and noncash benefits. The receipt of these benefits is the focus of this brief.

In 2017, almost one-half of veterans (46.7 percent) received at least one benefit (Figure 1).

This report uses data from the 2018 Survey of Income and Program Participation (SIPP). The SIPP is a nationally representative survey of the civilian, noninstitutionalized population of the United States.

As such, it does not typically include active-duty service members. However, the SIPP does include and collect information about veterans of the armed forces and their families.

1 This report is based on data from the 2018 Survey of Income and Program Participation public use file and did not require review for unauthorized disclosure of confidential information.
3 This report does not include former reservists or National Guard unless they reported being on active duty in the past.
4 Eligibility also depends on not having been dishonorably discharged.
5 If an interviewed household contains a combination of active-duty service members and civilians, the household will be interviewed, and the survey will collect individual data for the service member. More information about Census Bureau-wide data limitations about veterans and active-duty service members is available at <www.census.gov/topics/population/veterans/guidance/data-limitations.html>.
This report is divided into several sections. The first section provides context to better understand the veteran population. The second section describes the noncash benefits that veterans may be eligible to receive, while the third section focuses on cash benefits. The fourth section looks at the employment status of working-age veterans who start a second career after leaving the military, with additional attention paid to veteran involvement in the National Guard or reserves. The final section discusses programs available to the families of veterans who have died.

CONTEXTUALIZING THE VETERAN EXPERIENCE

While the population of the United States is fairly evenly divided between males and females, men are comparatively overrepresented in the armed forces: 91.3 percent of veterans in the SIPP were male in 2017.6 Veterans, on average, were also older than nonveterans. More than 90 percent of veterans were aged 35 and over, and many of that group were aged 65 and over (52.8 percent). Additionally, compared with similarly aged nonveterans, veterans were more likely to be non-Hispanic White and less likely to be Hispanic (Table 1).

Veterans differed from their nonveteran counterparts across several key measures in 2017 (Table 1). For example, veterans, by definition, had left a career by separating from the armed forces. While most adults over age 65 were retired, veterans were disproportionately represented among those under age 65 who were ever retired. Veterans were more likely than nonveterans to have some college or an associate degree, while one-third of veterans and nonveterans had a college degree. Marriage and separation or divorce were more common among veterans than nonveterans. Rates of homeownership and health insurance coverage were also higher among veterans than nonveterans.

Many of these differences are tied to the veteran experience in combination with the programs that support veterans after they return to civilian life. For example, most individuals join the military at an age when many civilians are in college. In part to compensate veterans for a career path that disrupts their educational trajectory, the United States sponsors the GI Bill, which pays for secondary education and job training for veterans. Similarly, veterans are eligible for both health insurance and mortgage loans through the VA, both of which facilitate the transition from military service to civilian life. Notably, the VA operates the largest integrated health care network in the United States, which covers 9 million veterans each year. This likely explains the differential health insurance coverage of America’s veterans.7 Recognizing the risks that come with military service and the need for longer term assistance for some veterans and their survivors, the VA provides disability compensation to cover combat veterans who have been injured, as well as pensions to low-income veterans.8

NONCASH BENEFITS

This section of the brief focuses on several types of noncash benefits that veterans may receive.

Health Insurance

Veterans have the option of getting health insurance through a variety of programs. Two main programs are VA health benefits and the Civilian Health and Medical Program of the Department of Veterans Affairs.8

WHAT IS SIPP?

The Survey of Income and Program Participation (SIPP) is a nationally representative panel survey administered by the U.S. Census Bureau. It collects information on the short-term dynamics of employment, income, household composition, and eligibility and participation in government assistance programs. It is a leading source of information on topics related to economic well-being, family dynamics, education, wealth and assets, health insurance, child care, and food security. Each SIPP panel follows individuals for several years, providing monthly data that measure changes in household and family composition and economic circumstances over time. For more information, visit the SIPP Web site at <www.census.gov/sipp>.

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7 More information is available at <www.va.gov/about.va/index.asp>.
8 The VA’s Veteran Pension program is different from military retirement payments received by veterans who served for at least 20 years, both are discussed in more detail later in this brief.
Table 1.  
Selected Characteristics of Veterans and Nonveterans Aged 17 and Over: 2017  
(Numbers in thousands)

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Individuals aged 17 and over</th>
<th>Veterans aged 17 and over</th>
<th>Nonveterans aged 17 and over</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Margin of error2 (±)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>252,300</td>
<td>100.0</td>
<td>Z</td>
</tr>
<tr>
<td><strong>Sex</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>121,700</td>
<td>48.2</td>
<td>Z</td>
</tr>
<tr>
<td>Female</td>
<td>130,600</td>
<td>51.8</td>
<td>Z</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average age in years</td>
<td>46</td>
<td>X</td>
<td>Z</td>
</tr>
<tr>
<td>17 to 24</td>
<td>34,220</td>
<td>13.6</td>
<td>0.1</td>
</tr>
<tr>
<td>25 to 34</td>
<td>44,150</td>
<td>17.5</td>
<td>Z</td>
</tr>
<tr>
<td>35 to 44</td>
<td>40,170</td>
<td>15.9</td>
<td>Z</td>
</tr>
<tr>
<td>45 to 54</td>
<td>41,560</td>
<td>16.5</td>
<td>Z</td>
</tr>
<tr>
<td>55 to 64</td>
<td>41,890</td>
<td>16.6</td>
<td>Z</td>
</tr>
<tr>
<td>65 and over</td>
<td>50,310</td>
<td>19.9</td>
<td>Z</td>
</tr>
<tr>
<td><strong>Race and Hispanic Origin</strong></td>
<td>6,814</td>
<td>2.7</td>
<td>0.1</td>
</tr>
<tr>
<td>White, not Hispanic</td>
<td>160,300</td>
<td>63.5</td>
<td>0.1</td>
</tr>
<tr>
<td>Black, not Hispanic</td>
<td>29,680</td>
<td>11.8</td>
<td>0.1</td>
</tr>
<tr>
<td>Asian, not Hispanic</td>
<td>14,670</td>
<td>5.8</td>
<td>0.2</td>
</tr>
<tr>
<td>All other race groups, race combinations</td>
<td>6,814</td>
<td>2.7</td>
<td>0.1</td>
</tr>
<tr>
<td>Hispanic (any race)</td>
<td>40,820</td>
<td>16.2</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Marital Status</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Never married</td>
<td>75,980</td>
<td>30.1</td>
<td>0.3</td>
</tr>
<tr>
<td>Married</td>
<td>129,400</td>
<td>51.3</td>
<td>0.4</td>
</tr>
<tr>
<td>Divorced or separated</td>
<td>32,330</td>
<td>12.8</td>
<td>0.3</td>
</tr>
<tr>
<td>Widowed</td>
<td>14,630</td>
<td>5.8</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Educational Attainment</strong></td>
<td>71,810</td>
<td>28.5</td>
<td>0.4</td>
</tr>
<tr>
<td>No high school diploma</td>
<td>29,790</td>
<td>11.8</td>
<td>0.1</td>
</tr>
<tr>
<td>High school diploma or GED</td>
<td>68,450</td>
<td>27.1</td>
<td>0.4</td>
</tr>
<tr>
<td>Some college or associate degree</td>
<td>52,020</td>
<td>50.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Bachelor's degree or higher</td>
<td>82,250</td>
<td>32.6</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Ever Retired From Military or Civilian Employment</strong></td>
<td>11,760</td>
<td>5.8</td>
<td>0.2</td>
</tr>
<tr>
<td>Aged 30 to 64</td>
<td>40,440</td>
<td>80.4</td>
<td>0.6</td>
</tr>
<tr>
<td>Aged 65 and over</td>
<td>218,400</td>
<td>86.6</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Health Insurance Coverage</strong></td>
<td>103,700</td>
<td>41.4</td>
<td>0.6</td>
</tr>
<tr>
<td>Residence is owned or being bought</td>
<td>165,300</td>
<td>66.0</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Federal Housing</strong></td>
<td>20,334</td>
<td>7.1</td>
<td>0.5</td>
</tr>
<tr>
<td>Administration</td>
<td>7,334</td>
<td>7.1</td>
<td>0.5</td>
</tr>
<tr>
<td>VA</td>
<td>23,960</td>
<td>23.1</td>
<td>0.8</td>
</tr>
<tr>
<td>Other3</td>
<td>52,020</td>
<td>50.2</td>
<td>1.0</td>
</tr>
<tr>
<td>None of these</td>
<td>82,250</td>
<td>32.6</td>
<td>0.4</td>
</tr>
<tr>
<td>Residence is rented</td>
<td>80,040</td>
<td>32.0</td>
<td>0.4</td>
</tr>
<tr>
<td>Residence is occupied without payment of rent</td>
<td>4,989</td>
<td>2.0</td>
<td>0.2</td>
</tr>
</tbody>
</table>

**Note:** Numbers may not sum to total due to rounding.  
Source: U.S. Census Bureau, 2018 Survey of Income and Program Participation (SIPP) public use file.
Another health care option available to most veterans is TRICARE, which is a Department of Defense health care program.\(^9\)

Nearly all veterans had health insurance in every month of 2017 (94.9 percent) with coverage through a variety of public and private health insurance sources. For example, just over one-half of veterans had private insurance. Almost two-fifths of veterans had military health care benefits. Among veterans with this type of coverage, just over one-half had VA health benefits, while just under one-half had TRICARE or CHAMPVA.\(^11\) Additionally, about one-half had Medicare, a program providing health care coverage to people aged 65 and over who have a history of employment or qualify through a current or former spouse. These shares show that some veterans had more than one type of health insurance at the same time, which is called concurrent receipt. One-third of veterans aged 65 and over had concurrent receipt of Medicare and military insurance (Table 2).

### Home Loans

Veterans and surviving spouses are eligible to apply for home loans through the VA. These loans are provided by private lenders, but the VA can negotiate better terms with the lender because they guarantee part of the loan. Advantages of VA home loans include no down payment, no mortgage insurance, and lower interest rates.\(^12\)

Just over three-quarters of veterans own or are in the process of purchasing their home. Among veterans with a mortgage, one-third have a loan secured through the VA (Table 1).

### Education Benefits

The VA has programs that allow veterans to pursue educational opportunities that may have been missed due to their time in the military. These benefits also help to recruit and retain members of the military. There are several different educational benefits available to veterans, their spouses, and their children.

According to the VA, the program that serves the largest number of veterans is the Post-9/11 GI Bill, with 755,000 veterans or family members receiving assistance for tuition, books, and other school-related expenses totaling almost $12 billion in 2017.\(^13\)

Other programs include the All-Volunteer Force Educational Assistance Program, Educational Assistance for Members of the Selected Reserve (Montgomery GI Bill-Selected Reserve), Survivors’ and Dependents’ Educational Assistance.

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\(^9\) More information about these programs is available at <www.va.gov/health-care/family-caregiver-benefits/>.

\(^10\) TRICARE was formerly called Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). More information about TRICARE is available at <www.tricare.mil/>.

\(^11\) More information is available at <www.va.gov/communitycare/programs/dependents/champva/champva_faq.asp>.

\(^12\) The VA also offers cash out refinance loans, which allow veterans to take cash out of their home’s equity and can be used for paying off debt, home improvements, or funding their education. The SIPP does not collect information on these loans. More information is available at <www.va.gov/housing-assistance/home-loans/loan-types/purchase-loan/>.


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**POST-9/11 GI BILL EDUCATIONAL ASSISTANCE**

According to the VA, the Post-9/11 GI Bill is an education benefit program for individuals who served on active duty after September 10, 2001. This education benefit became effective on August 1, 2009.

Features of the Post-9/11 GI Bill include:

- Tuition and fees, monthly housing allowance, and a monthly stipend for books and supplies.
- 36 months of full-time education benefits.
- Ability to transfer educational benefit to dependent if individual meets Department of Defense eligibility criteria.

Requirements for receiving benefits include:

- Minimum of 90 days of aggregate active duty after September 10, 2001, or a service-connected disability discharge after 30 continuous days of service.
- Honorable discharge from the armed forces or remain on active duty.
- For veterans who left active duty on or after January 1, 2013, there is no time limit to use benefits.
- Veterans who left active duty before January 1, 2013, have 15 years from last discharge to use benefits.
(Dependents’ Educational Assistance—DEA), and Post-Vietnam Era Veterans Educational Assistance Program (VEAP).

In the SIPP, the median monthly value of school-related expenses covered by the GI Bill was $1,547 in 2017 (Table 2).

**CASH BENEFITS**

Veterans may be eligible for a variety of cash benefits after they leave the armed forces. This section of the brief focuses on cash benefits that veterans may receive.

**Disability Compensation Payments**

To be eligible for VA disability compensation benefits, veterans...
must have been injured during their time in service. That injury (or those injuries) must be severe enough to have been assigned a disability rating of 10 percent or more. To receive a disability rating, veterans must complete an application that requires evidence of service-connected health issues and complete a VA exam. Using the information from the application and exam, the VA rates the disability from 0 percent to 100 percent disabled based on the degree that a service-connected condition affects veterans’ “overall health and ability to function.”

Monthly disability compensation payments vary by the disability rating a veteran received. According to the VA, monthly payments for veterans with a 10 percent rating were $136 in December 2017, while a veteran with a 100 percent rating and no dependents received $2,974. For veterans with ratings of 30 percent or more, the monthly payment increases with the number of qualified dependents living with them including spouses, children, and parents. However, payments may be reduced when veterans begin receiving retirement payments.

In 2017, nearly 3.9 million veterans (19.5 percent) received disability compensation payments. The median monthly payment was $724 (Table 2).

### Retirement Payments
Military retirement is primarily a defined benefit, commonly referred to as a pension. It is funded by the government, which means members of the military do not make contributions toward their future pension while serving in the armed forces. To retire from the military, an individual must have served for 20 years or qualify for the disability retirement program.

Military retirees begin receiving monthly payments at the time of their retirement. Monthly payments vary based on time served and basic pay at or near retirement. An annual cost of living adjustment (COLA) aims to keep the payments in line with inflation.

In 2017, almost 1.5 million veterans (7.3 percent) received military retirement benefits with median monthly payments of $1,756 (Table 2). The share of veterans receiving retirement payments was similar for veterans under age 65 and those aged 65 and over.

### Pension Payments
The VA’s Veteran Pension program provides payments to low-income veterans who served in the military but did not qualify for military retirement pay from the armed forces. It was established by Congress in 1858 and is given to veterans who meet the eligibility requirements.

Along with payments, veterans may receive additional benefits such as educational support and healthcare, depending on their needs.

To be eligible for a veteran’s pension, an individual must have been honorably discharged from the armed forces and have annual family income and net worth below limits set by Congress. Additionally, eligible veterans must have served for at least 90 days of active duty with at least one day of wartime and be either age 65 or over or permanently and totally disabled. Surviving spouses can also be eligible to receive veteran’s pensions.

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15 More information about how disability ratings are assigned is available at <www.va.gov/disability/about-disability-ratings/>.
17 Exceptions are periodically available through the Temporary Early Retirement Authority (TERA). More information is available at <https://fas.org/sgp/crs/misc/RL34751.pdf>.
18 Depending on when veterans joined the military, there are different retirement plans that have slight variations in how pay is valued. More information is available at <https://fas.org/sgp/crs/misc/RL34751.pdf>.
19 A second component of military retirement is a defined contribution plan offered through the Thrift Savings Plan (TSP), which began after the SIPP data collection. Beginning in January 2018, service members were required to contribute 1.0 percent of their salary, with a match by the military of up to 4.0 percent. Even if service members separate before retiring, they may receive retirement payments from a TSP account if they contributed to one during the time they served.
20 This estimate is below the reported amount for 2017 available at <https://fas.org/sgp/crs/misc/RL34751.pdf> (see Table 1 of that report). The SIPP sample consists of the noninstitutionalized population, so it does not include people living in VA homes, nursing homes, hospitals, or other institutionalized settings in which veterans may reside.
21 Military retirement and veteran pensions are collected in separate batteries of the SIPP instrument. Less than 1 percent of respondents in the SIPP received both.
22 More information about eligibility is available at <www.va.gov/pension/eligibility/>.
The SIPP estimates show that more than 600,000 veterans received veterans pension payments in 2017, and the median payment was $1,087 per month (Table 2).²³

**WHAT HAPPENS WHEN VETERANS LEAVE THE MILITARY?**

Service members can retire after 20 years of service. Making it to this milestone makes veterans eligible for lifetime pension payments. Most individuals in the armed forces, however, leave with fewer years of service. Many veterans pursue careers outside the armed forces after they leave the military.

**Labor Force Participation of Prime Working-Age Veterans**

Employment outcomes were similar among prime working-age veterans and nonveterans. More than 80 percent of adults aged 25 to 54, regardless of veteran status, worked at some point in the year, while roughly two-thirds were employed full-time all year long (Figure 2).²⁴

However, there were differences in employment when accounting for disability among prime age workers. One-quarter of all veterans aged 25 to 54 had a work-preventing or other disability, which was higher than the rate among similarly aged nonveterans.²⁵

Not all disabilities prevent work though. Among prime working-age veterans and nonveterans with any disability, veterans were more likely to have worked during the year and to have worked all year (Figure 2).

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²³ The maximum annual pension rate (MAPR) for veterans who did not qualify for housebound benefits or aid and attendant benefits in 2018 was $13,166, while it was $17,241 for comparable veterans with at least one dependent. An additional $2,250 is added to the MAPR for each additional dependent. More information is available at <www.va.gov/pension/veterans-pension-rates/past-rates-2018/>.


²⁵ Authors’ calculation based on the 2018 Survey of Program and Participation public use file. Results not shown but are available by request.
National Guard and Reserves

Many veterans join the National Guard or military reserves after leaving the armed forces, but no prior military experience is needed. Members, who are paid for their service, train one weekend per month and two weeks every summer. While both are under presidential control, reserve units are under federal command while the guard is operated at the state level by governors. Veterans comprised one-half of individuals receiving income from the National Guard or reserves in 2017.26

WHAT ABOUT THOSE LEFT BEHIND?

Benefits are not exclusively received by veterans. In 2017, there were some 450,000 “survivor” households receiving benefits in the SIPP, meaning a household without a veteran that received benefits.27 Recipients of survivor benefits can include a veteran’s spouse, children, or parents. The monthly payment amount received is dependent on several factors, including the year the veteran died, if he or she had a disability, and the number of children. Among survivor households that received VA benefits, two-fifths received payments from a veterans’ compensation or pension (Figure 3).

Another valuable benefit for survivors is comprehensive health care benefits through either CHAMPVA or TRICARE depending on their circumstances.28 In 2017, one-half of the households that received survivor benefits had coverage through these health care plans. Additionally, 7 percent of these households had a mortgage through the VA (Figure 3).

CONCLUSION

This brief discusses several benefits the VA provides to veterans and their survivors, as well as complementary programs administered by other branches of the federal government. As shown in this brief, these benefits allow

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26 Authors’ calculation based on the 2018 Survey of Program and Participation public use file. Results are not shown but are available by request.
veterans and their survivors to pursue post-secondary education, buy homes, access affordable health care, and meet monthly living expenses.29

SOURCE AND ACCURACY
Statistics from surveys are subject to sampling and nonsampling error. All comparisons presented in this report have taken sampling error into account and are significant at the 90 percent confidence level, unless otherwise noted. This means the 90 percent confidence interval for the difference between the estimates being compared does not include zero. Nonsampling errors in surveys may be attributed to a variety of sources, such as how the survey was designed, how respondents interpret questions, how able and willing respondents are to provide correct answers, and how accurately the answers are coded and classified. To minimize these errors, the U.S. Census Bureau employs quality control procedures throughout the production process, including the overall design of surveys, wording of questions, review of the work of interviewers and coders, and the statistical review of reports.

Additional information can be found on the main SIPP Web site at <www.census.gov/programs-surveys/sipp.html>; the SIPP Users’ Guide at <www.census.gov/programs-surveys/sipp/guidance/users-guide.html>; and the SIPP Source and Accuracy Statements at <www.census.gov/programs-surveys/sipp/tech-documentation/source-accuracy-statements.html>.


CONTACTS
For more information on the SIPP, including data and methodology, please contact the SIPP Coordination and Outreach staff at <census.sipp@census.gov> or 1-888-245-3076. For further information on the content of this report, contact Katherine Giefer or Tracy Loveless of the Census Bureau’s Social, Economic, and Housing Statistics Division at 301-763-6685.

SUGGESTED CITATION