



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

May 16, 2018

**H.R. 1972**  
**VA Billing Accountability Act**

*As ordered reported by the House Committee on Veterans' Affairs on May 8, 2018*

**SUMMARY**

H.R. 1972 would allow the Department of Veterans Affairs (VA) to waive the copayments charged for medical care when veterans are not notified of the charges for a significant period of time. CBO estimates that implementing the bill would reduce collections by \$141 million over the 2019-2023 period. Assuming VA continued to provide the same level of health care, additional funding totaling \$141 million would have to be appropriated, and spending would total \$135 million.

Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 1972 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 1972 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary effect of H.R. 1972 is shown in the following table. The costs of the legislation fall within budget function 700 (veterans benefits and services).

	By Fiscal Year, in Millions of Dollars						2019-2023
	2018	2019	2020	2021	2022	2023	
<b>INCREASES IN SPENDING SUBJECT TO APPROPRIATION</b>							
Estimated Authorization Level	0	29	28	28	28	28	141
Estimated Outlays	0	25	27	27	28	28	135

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that H.R. 1972 will be enacted near the beginning of fiscal year 2019 and that the estimated amounts will be appropriated each year. Estimated outlays are based on historical spending patterns for the affected programs.

VA charges copayments to certain veterans for medical care and services authorized by the department. H.R. 1972 would allow VA to waive those copayments for veterans who are notified of their liability more than 180 days after receiving medical care or medication at a department facility or 18 months after an appointment at a non-VA facility. The copayments are deposited in the Medical Care Collections Fund and, subject to appropriation, are spent to provide medical care for veterans. CBO expects that any reduction in collections would require VA to request additional funding in order to provide the same level of health care to veterans.

On the basis of information from VA about its billing practices, CBO estimates that roughly 4 percent of the \$660 million in copayments collected by the department each year would be waived due to delayed notification. As a result of those foregone collections, CBO estimates that implementing this bill and continuing to provide the same level of health care to veterans would cost \$135 million over the 2019-2023 period, assuming appropriation of the necessary amounts.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS**

CBO estimates that enacting H.R. 1972 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

## **MANDATES**

H.R. 1972 contains no intergovernmental or private-sector mandates as defined in UMRA.

**ESTIMATE PREPARED BY**

Federal Costs: Ann E. Futrell

Mandates: Andrew Laughlin

**ESTIMATE REVIEWED BY**

Sarah Jennings

Chief, Defense, International Affairs, and Veterans' Affairs Cost Estimates Unit

Leo Lex

Deputy Assistant Director for Budget Analysis