

S. 1040, a bill to amend title 38, United States Code, to expand eligibility for hospital care, medical services, and nursing home care from the Department of Veterans Affairs to include veterans of World War II

As ordered reported by the Senate Committee on Veterans' Affairs on July 28, 2021

By Fiscal Year, Millions of Dollars	2022	2022-2026	2022-2031
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	17	185	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

Under current law, World War II (WWII) veterans with service-connected disabilities or with incomes below certain thresholds are eligible to enroll in the health care system of the Department of Veterans Affairs (VA). S. 1040 would make all WWII veterans eligible for hospital care, medical services, and nursing home care from VA. Veterans who are currently eligible for care solely because of low incomes also would be eligible for care at a higher priority level than they currently receive. They also would be eligible for reduced copayments for care.

CBO expects that most WWII veterans are eligible for Medicare and will continue to rely on that coverage for a significant portion of their health care needs. However, CBO expects that some of those veterans may use VA for some of their health care because of lower copayments for prescription drugs or because they are not satisfied with their current provider.

CBO estimates that in 2022, about 40,000 WWII veterans would be newly eligible or eligible for care at a higher priority and lower copayments under the bill. By 2031, that number would decline to 16,000 veterans because of mortality. On the basis of information from VA, CBO estimates that those veterans would receive an average of \$1,730 in additional health care from VA each year. In total, implementing S. 1040 would cost \$185 million over the

2022-2026 period, after accounting for the gradual enrollment of newly eligible veterans. Such spending would be subject to the availability of appropriated funds.

The costs of the legislation, detailed in Table 1, fall within budget function 700 (veterans benefits and services).

Table 1.
Estimated Increases in Spending Subject to Appropriation Under S. 1040

	By Fiscal Year, Millions of Dollars					2022-2026
	2022	2023	2024	2025	2026	
Health Care						
Estimated Authorization	19	33	43	50	47	192
Estimated Outlays	17	31	41	49	47	185

The CBO staff contact for this estimate is Etaf Khan. The estimate was reviewed by Leo Lex, Deputy Director of Budget Analysis.