



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

March 25, 2009

H.R. 1377

A bill to amend title 38, United States Code, to expand veteran eligibility for reimbursement by the Secretary of Veterans Affairs for emergency treatment furnished in a non-Department facility, and for other purposes

As ordered reported by the House Committee on Veterans' Affairs on March 25, 2009

H.R. 1377 would require the Department of Veterans Affairs (VA) to pay for the emergency care that certain veterans receive at non-VA medical facilities, or to reimburse veterans if they have paid for that care. It also would permit VA, subject to the Secretary's discretion, to reimburse veterans for emergency treatment that was provided prior to the date of enactment. CBO estimates that implementing the bill would cost \$5 million over the 2010-2014 period, assuming appropriation of the estimated amounts. Enacting the bill would not affect direct spending or revenues.

Under current law, VA has the authority to reimburse certain veterans or pay for emergency treatment of a nonservice-connected condition, if VA is the payer of last resort. Veterans who have recourse against a third party that would partly cover those medical expenses are ineligible for reimbursement from VA. H.R. 1377 would remove that requirement and make them eligible for such reimbursements.

Based on information from VA, CBO estimates that under the bill VA would approve about 700 new claims a year over the 2010-2014 period and about 2,000 claims for emergency treatment provided over the 2005-2009 period. (CBO assumes that few veterans retain records for emergency treatment provided before 2005.) CBO estimates that VA would pay an average of \$730 per claim in 2010, rising to about \$900 per claim in 2014, for total costs of \$1 million a year.

H.R. 1377 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Sunita D'Monte. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.