



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

July 24, 2007

H.R. 2623

A bill to amend title 38, United States Code, to prohibit the collection of copayments for all hospice care furnished by the Department of Veterans Affairs

*As ordered reported by the House Committee on Veterans' Affairs
on July 17, 2007*

H.R. 2623 would prohibit the Department of Veterans Affairs (VA) from collecting copayments from veterans receiving hospice care. This would apply to care received at both inpatient and outpatient facilities. Depending upon where veterans get hospice care, copayments range from \$15 per day to a maximum of \$97 per day. Most veterans receiving this type of care from VA are not charged copayments—only veterans whose disabilities are unrelated to their military service and whose incomes are above a certain level are required to make copayments.

Based on information from VA that 435 veterans made copayments averaging about \$800 last year for hospice care, CBO estimates that implementing H.R. 2623 would decrease collections by less than \$500,000 each year and by about \$2 million over the 2008-2012 period. Those collections are considered to be offsets to discretionary appropriations. As part of the annual appropriations process, the Congress gives VA authority to spend those collections. Therefore, if it wished to maintain the same level of health care services for veterans, the Congress would need to appropriate additional funds each year to make up for the loss of copayments under this bill. Under those circumstances, implementing H.R. 2623 would cost about \$2 million over the 2008-2012 period. Enacting this bill would not affect direct spending or receipts.

H.R. 2623 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Michelle S. Patterson. This estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.