



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 7, 2001

### **H.R. 1541** **Vietnam Veterans Children's Disability Act**

*As introduced on April 24, 2001*

#### **SUMMARY**

The Vietnam Veterans Children's Disability Act would provide benefits for children of Vietnam veterans with certain diseases associated with parental exposure to herbicide agents. CBO estimates that enacting H.R. 1541 would not have a significant budgetary impact in any of the next 10 years. Because the bill would affect direct spending, pay-as-you-go procedures would apply, but any such effects would be negligible.

H.R. 1541 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

H.R. 1541 would raise both direct spending and spending subject to appropriation by less than \$500,000 a year, at least through 2011. The costs of this legislation would fall within budget function 700 (veterans benefits and services).

Under current law, certain children of Vietnam veterans with spina bifida and other birth defects are eligible for health benefits, vocational training, and a monetary allowance from the Department of Veterans Affairs (VA). H.R. 1541 would provide similar benefits for children, regardless of age or marital status, with certain diseases associated with parental exposure to herbicide agents, specifically Agent Orange. The bill would allow VA to identify which diseases would be covered but requires that acute myelogenous leukemia (AML) be included. Other diseases may be added to the list of those covered by this bill as the Institutes of Medicine determines possible causal links with herbicide exposure, but CBO has no basis for determining which diseases would be chosen.

AML incidence rates for people under the age of 65 are very low, and CBO estimates that fewer than 100 individuals out of the eligible population have ever been diagnosed with AML. This covers the time period from the mid-1960s to the present. The survival rate for AML for this age group is less than 40 percent, and the bill does not provide for death benefits. As this population ages, however, it is likely that costs could increase dramatically within 40 to 50 years. AML incidence rates for those over age 65 are much higher, and treatment of older adults can be more complicated and more expensive.

### **Spending Subject to Appropriation**

CBO estimates that implementing H.R. 1541 would increase discretionary spending by less than \$250,000 a year over the 2002-2006 period, assuming appropriation of the necessary amounts. This estimate represents the cost of the health benefits covering treatment and prescription drugs. CBO assumes an average of three people a year from this eligible population will contract AML, that only half of those would seek health care through VA, and that survivors may need to take immunosuppressive drugs indefinitely. Because there are few detrimental physical effects from the disease or treatment, CBO assumes no vocational training costs.

### **Direct Spending**

This bill also contains provisions for a monetary allowance based on a schedule similar to one for those with spina bifida. CBO assumes that all recipients would be eligible for the maximum amount during treatment and for six months after. CBO estimates that implementing H.R. 1541 would increase direct spending by an insignificant amount over the 2002-2011 period.

### **PAY-AS-YOU-GO CONSIDERATIONS**

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. CBO estimates that enactment of this bill would result in additional outlays from direct spending of less than \$500,000 a year through 2011.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 1541 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

### **ESTIMATE PREPARED BY:**

Federal Costs: Michelle S. Patterson and Sam Papenfuss  
Impact on State, Local, and Tribal Governments: Susan Sieg Tompkins  
Impact on the Private Sector: Sally Sagraves

### **ESTIMATE APPROVED BY:**

Peter H. Fontaine  
Deputy Assistant Director for Budget Analysis