



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

November 27, 2002

**H.R. 4621
Disabled Veterans' Caregiver Compensation Act**

As introduced on April 30, 2002

H.R. 4621 would increase the amount of compensation paid to certain disabled veterans who have an adult dependent providing their care. CBO estimates that enacting H.R. 4621 would increase direct spending by less than \$100,000 each year beginning in 2003 and total about \$1 million over the 2003-2012 period. The bill 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 bill would provide an increase in disability compensation of \$234 per month to veterans who are:

- Receiving disability compensation,
- Rated totally disabled by the Department of Veterans Affairs (VA),
- In need of regular aid and attendance, and
- Receiving care from an unpaid adult dependent.

CBO estimates that, after accounting for expected mortality and additional veterans that would become eligible for the new benefit, about 20 veterans would be eligible for the increase in compensation payments each year between 2003 and 2012. According to VA, there are about 60 veterans who currently receive disability compensation, are rated totally disabled, and receive a monthly payment from VA because they are in need of regular aid and attendance. Based on information provided by VA, CBO estimates that about 60 percent of these veterans have adult dependents. CBO assumes that all of these veterans have care provided by an unpaid adult dependent and that about 60 percent of eligible veterans would apply for the increase in disability compensation.

CBO estimates that each eligible veteran would be eligible to receive a yearly increase in compensation payments of \$2,808 in 2003. These payments would be adjusted annually for increases in the cost of living.

The CBO staff contact for federal costs is Melissa E. Zimmerman. This estimate was approved by Peter H. Fontaine, Deputy Assistance Director for Budget Analysis.