CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

October 10, 2007

H.R. 507
Vision Care for Kids Act of 2007

As ordered reported by the House Committee on Energy and Commerce on September 27, 2007

SUMMARY

H.R. 507 would direct the Centers for Disease Control and Prevention (CDC) to administer grants to states to increase examinations of children for vision problems, arrange for treatment of any problems detected, and conduct education to promote detection of vision disorders. For those purposes it would authorize the appropriation of $65 million over the 2009-2013 period. Based on historical patterns of spending for similar activities, CBO estimates that implementing H.R. 507 would cost $38 million over the 2009-2012 period and $65 million over the 2009-2017 period, assuming appropriation of the authorized amount. In addition to those discretionary costs, CBO estimates that the additional eye examinations resulting from H.R. 507 would lead to some additional spending for Medicaid, which pays for vision services for eligible children. Any such increase in Medicaid spending would depend upon future appropriations for the CDC grant program.

The bill contains no intergovernmental or private-sector mandates, as defined in the Unfunded Mandates Reform Act (UMRA). Any costs to states would be incurred voluntarily.

The estimated budgetary impact of H.R. 507 is shown in the following table. The costs of this legislation fall within budget function 550 (health).

	By Fiscal Year, in Millions of Dollars				
	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	0	10	13	14	14
Estimated Outlays	0	4	9	12	13

BASIS OF ESTIMATE

H.R. 507 would authorize the appropriation of $65 million to the CDC for the 2009-2013 period for purposes of detecting and treating vision disorders in children. In particular, the CDC would be directed to administer grants to states for three purposes: (1) providing eye examinations of children with potential eye disorders, as identified by screenings; (2) funding treatment of disorders diagnosed during those examinations; and (3) educating parents, teachers, and health care practitioners on symptoms of eye disorders to improve detection of such diseases. States would be required to seek reimbursement from private and other public payors (such as Medicaid and the State Children's Health Insurance Program) before applying grant funds towards treatment of vision disorders.

Based on historical spending patterns for similar programs at CDC, and assuming appropriation of the authorized amount, CBO estimates that implementing H.R. 507 would cost $38 million over the 2009-2012 period and $65 million over the 2009-2017 period. (There would be no budgetary effect in 2008 because the bill would not authorize appropriations until 2009.)

In addition to the above discretionary costs (arising from appropriations), CBO estimates that H.R. 507 would generate some additional direct spending in the Medicaid program (assuming appropriation of the amount authorized for the CDC grant program). That spending would arise under Title XIX of the Social Security Act, which guarantees coverage for certain forms of vision benefits for certain children eligible for Medicaid. The vision examinations authorized by H.R. 507 would identify some children with vision disorders who would not otherwise be treated, and a portion of those costs would be paid by the Medicaid program. Such costs, which could be significant, would not be directly attributable to this bill because they would only be triggered by a future appropriation. (Spending by the State Children's Health Insurance Program would be unaffected because its total budget authority is capped under current law.)

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 507 contains no intergovernmental or private-sector mandates as defined in UMRA. States that provide services to children for screening and treating vision problems would benefit from grant funds authorized in the bill. Any costs they incur to comply with grant conditions, including matching funds, would be incurred voluntarily.

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