

At a Glance

S. 514, Deborah Sampson Act

As reported by the Senate Committee on Veterans' Affairs on September 15, 2020

By Fiscal Year, Millions of Dollars	2021	2021-2025	2021-2030
Direct Spending (Outlays)	70	1,140	3,755
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	70	1,140	3,755
Spending Subject to Appropriation (Outlays)	91	827	not estimated

Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	> \$5 billion	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

The bill would

- Make it easier for veterans to establish that their mental health conditions were caused by sexual trauma during their military service
- Provide counseling in retreat settings to veterans and their dependents
- Expand primary care for female veterans
- Provide child care for veterans receiving mental health care

Estimated budgetary effects would primarily stem from

- Increasing disability compensation for veterans determined to have mental health conditions caused by sexual trauma
- Expanding eligibility for counseling in retreat settings at additional locations
- Subsidizing child care for veterans

Areas of significant uncertainty include

- Estimating the number of veterans affected by the bill and the change in their disability rating
- Estimating the number of physicians the Department of Veterans Affairs would hire to provide primary care services for female veterans and the amount of time needed to hire those people

Detailed estimate begins on the next page.

Bill Summary

S. 514 would require the Department of Veterans Affairs (VA) to ease the standard of proof for veterans to establish that their mental health conditions were caused by military sexual trauma (MST), a term used to refer to psychological trauma resulting from physical assault of a sexual nature, battery of a sexual nature, or sexual harassment experienced during military service. The bill also would require VA to operate a counseling program in retreat settings for veterans and their families, provide child care to certain veterans receiving mental health care at VA medical facilities, and expand other medical services.

Estimated Federal Cost

The estimated budgetary effects of S. 514 are shown in Table 1. The costs of the legislation fall within budget function 700 (veterans' benefits and services).

Table 1. Estimated Budgetary Effects of S. 514						
	By Fiscal Year, Millions of Dollars					2021-2025
	2021	2022	2023	2024	2025	
	Increases in Direct Spending					
Estimated Budget Authority	70	155	245	300	370	1,140
Estimated Outlays	70	155	245	300	370	1,140
	Increases in Spending Subject to Appropriation					
Estimated Authorization	101	139	178	203	231	852
Estimated Outlays	91	134	173	201	228	827

S. 514 would increase direct spending by \$3,755 million over the 2021-2030 period.

Basis of Estimate

For this estimate, CBO assumes that the legislation will be enacted in the first quarter of fiscal year 2021 and that the estimated amounts will be appropriated each year. Estimated outlays are based on historical spending patterns for the affected programs.

Direct Spending

Section 501 would lower the evidentiary burden for veterans who apply for disability compensation for mental health conditions related to MST and expand the definition of MST to include sexual harassment perpetrated through the use of technology. In total, CBO estimates those changes would increase direct spending by \$3.8 billion over the 2021-2030 period (see Table 2).

Table 2.
Estimated Increases in Direct Spending Under S. 514

	By Fiscal Year, Millions of Dollars										2021-2025	2021-2030
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030		
	Increases in Direct Spending Outlays											
Standards of Evidence	70	150	235	285	350	390	445	490	535	580	1,090	3,530
Technological Abuse	0	5	10	15	20	25	30	35	40	45	50	225
Total Changes in Direct Spending	70	155	245	300	370	415	475	525	575	625	1,140	3,755

Budget authority equals direct spending outlays shown here.

Standards of Evidence. Under current law, veterans are eligible for disability compensation for conditions related to MST, including post-traumatic stress disorder, anxiety, and depression. Disability compensation is a monthly cash benefit paid to veterans who have disabilities or diseases that VA determines are connected to their military service. VA assigns a disability rating to veterans depending upon the severity of their condition. The ratings range from zero to 100 percent and increase in increments of 10 percent; veterans with higher ratings receive more disability compensation.

VA considers several types of evidence in evaluating compensation claims related to MST:

- Official service records and documents from the Department of Defense (DoD);
- Reports from law enforcement agencies or hospitals; and
- Documentation from DoD, claimants, or others of behavioral changes, such as a degradation in work performance or evidence of substance abuse, or requests for a change in duty assignment.¹

Other evidence, called lay evidence (for example, statements from counselors, family members, roommates, and fellow service members), also can be considered. Under current law, however, that evidence is insufficient on its own to establish a service-connected disability. After reviewing a claim on the basis of all the evidence, VA can grant disability compensation or require a medical examination to further evaluate a claim. Once all results are available, VA can either grant or deny the claim.

Under S. 514, lay evidence along with a diagnosis from a mental health professional asserting a link between a veteran’s military service and his or her mental health condition

1. Some types of evidence are not considered when evaluating disability claims for certain conditions.

would be sufficient to require VA to grant the veteran's claim and to award compensation. The bill would limit VA's ability to evaluate and adjudicate claims by requiring disputes or conflicting evidence to be resolved in favor of the veteran. As a result, the bill would make it easier for veterans to connect their mental health conditions to their military service and to have their claims approved. CBO expects that under the bill many claims denied by VA under current law would instead be approved, that more veterans would apply for disability compensation, and that more of those additional claims would be approved. CBO estimates that payments for disability compensation would increase direct spending by \$3.5 billion over the 2021-2030 period.

To estimate the effects of section 501, CBO analyzed claims in different cohorts: Those that we expect will be denied under current law, new claims that would be submitted in light of the broader definition, and previously denied claims that would be resubmitted for review. There is significant uncertainty about how many veterans' claims from each cohort would be approved as a result of the bill. For the purpose of this estimate, CBO generally assumed that 50 percent of each cohort would see their claims approved.

Claims Denied Under Current Law. According to VA, 4,000 veterans' claims, on average, have been denied annually in recent years because the department determined that claimants' conditions did not meet the criteria for MST. Under the bill, CBO expects half of such claims would be granted as a result of the changes to the standards and processes for adjudicating disability claims. Using information from VA, CBO estimates that 40 percent of granted claims would be from veterans who are receiving disability compensation for the first time, and that 60 percent would be from veterans who already receive disability compensation for other conditions and will see an increase to their monthly benefit. As a result, CBO anticipates about 800 granted claims each year would be for first-time disability compensation and about 1,200 would result in a higher disability rating for veterans who already receive disability compensation.

CBO estimates that about 20,000 veterans whose claims we expect will be denied under current law would receive additional benefits by 2030. Using the average disability rating for mental health conditions related to sexual trauma, CBO estimates that annual payments to veterans who received a new disability rating would average \$13,000 over the 2021-2030 period. CBO estimates that veterans who have disability ratings for other conditions would see those ratings increase by an average of 30 percent. Payments to those veterans would increase by an average of \$16,000 over that period. After accounting for planned increases in the rates of disability compensation and growth in the number of people receiving compensation, CBO estimates that those additional payments would total \$1.7 billion over the 2021-2030 period.

New Claims. CBO estimates that enacting section 501 would increase the number of applications for disability compensation for MST-related conditions, compared with the

number under current law. According to VA, on average, about 11,200 veterans each year receive a new rating for mental health conditions related to MST. CBO estimates that 1,100 additional veterans would apply for compensation each year as a result of the bill and that half would receive disability compensation. CBO estimates that of those newly granted claims, about 220 (40 percent) each year would be for new recipients and about 330 (60 percent) of those claimants would already be receiving disability compensation for other conditions and would have their current rating increased. By 2030, CBO estimates, about 5,500 additional veterans would be receiving additional compensation. CBO estimates that payments to veterans who received new disability ratings would average \$13,000 and payments to veterans whose disability rating increased would average an additional \$16,000. CBO estimates costs for disability compensation for veterans resulting from an increase in applications for MST would total \$470 million over the 2021-2030 period.

Previously Denied Claims. Between 2015 and 2020 VA denied about 34,000 compensation claims for conditions arising from sexual trauma. CBO estimates that half of those claimants who were previously denied would reapply, and that half of those applicants, or 8,450 would have claims granted. Using information provided by VA, CBO estimates that 5,500 of those claimants (65 percent) would be newly eligible for compensation and that 2,950 (35 percent) would see an increase in their disability rating. Both groups would begin receiving compensation within the 2021-2030 period. CBO estimates that a total of 8,300 veterans whose previous claims were denied would receive additional benefits by 2030. Payments to veterans who received a new disability rating would average \$13,000; payments to those with increased ratings would average an additional \$16,000. CBO estimates that those additional payments would total \$1 billion over the 2021-2030 period.

CBO expects that some veterans who were previously denied compensation for mental health conditions, but did not originally claim that those conditions were caused by sexual trauma, would reapply using MST as a basis. According to VA, between 2015 and 2020, about 697,000 such veterans whose claims were denied had not claimed a connection to MST. CBO estimates that about 7,000 of those veterans would reapply with an MST claim, and that half, or 3,500, would begin receiving compensation within the 2021-2025 period. CBO estimates that of those claimants, 2,275 would be new recipients and that 1,225 would already be receiving compensation and would have their disability rating increased. CBO estimates that about 3,400 veterans whose previous claims were denied would receive additional benefits by 2030 and that payments to veterans with a new disability rating would average \$13,000, payments to veterans with a higher disability rating would average \$16,000. CBO estimates that costs for disability compensation previously denied for mental health conditions not related to MST claims would total \$410 million over the 2021-2030 period.

Technological Abuse. MST can be caused by sexual harassment which under current law is defined as “repeated, unsolicited verbal or physical contact of a sexual nature which is

threatening in character.” S. 514 would expand the definition of MST to include technological abuse—sexual harassment perpetrated through social media, the Internet, and cell phones, for example. CBO anticipates that more veterans would receive disability compensation as a result.

According to VA, about 11,200 veterans receive a new disability rating each year for compensation for MST. Using information about the number of people in the United States who experience sexual harassment via technology and the prevalence of resulting mental health conditions, CBO estimates that the number of veterans newly receiving compensation for MST would increase by about 340 (3 percent) each year beginning in 2021 and that 3,200 additional veterans would receive compensation by 2030. CBO estimates that those veterans would receive \$13,000 each year, on average, over the 2021-2030 period. In total, CBO estimates, expanding the definition of MST would increase direct spending by \$225 million over the 2021-2030 period.

Implementing Section 501 would also affect discretionary spending. Details of those effects are described under the heading “Spending Subject to Appropriations.”

Spending Subject to Appropriation

CBO estimates that implementing the bill would expand mental health care and support services for veterans, thereby increasing spending on VA medical care that would be subject to appropriation. Those costs would total \$827 million over the 2021-2025 period (see Table 3).

Counseling in Retreat Settings. Section 104 would require VA to establish a permanent program, beginning in 2021, to provide counseling in group retreat settings to veterans enrolled in the VA health care system and to the eligible survivors and dependents of veterans. Participants would receive services such as financial, occupational, and mental health counseling. The bill also would require VA to report to the Congress every two years on the program’s results.

At the end of fiscal year 2020, VA completed a pilot program to provide similar services to female veterans. According to the department, roughly 70 women participated each year at retreat settings in three states, at an average cost of \$3,500 per participant. On the basis of information about participation rates in the pilot program, the number of female veterans in the United States, and enrollment in the VA healthcare system, CBO expects that the department would establish a permanent national program to serve about 15,000 enrolled veterans and dependents annually. After accounting for anticipated inflation, CBO estimates that implementing that program would cost \$272 million over the 2021-2025 period.

Disability Claims Processors. CBO estimates that VA would need additional resources to handle the expected increase in claims for disability compensation related to MST, while maintaining current levels of service. Using information from VA, CBO estimates that the

workload of VA's compensation claims processors would increase by about 90 full-time-equivalent positions in 2021 and by an average of 280 such positions each year over the 2021-2025 period. CBO expects that VA would need additional computers and other resources as well. (Details of increases in claims are described under "Direct Spending.") CBO estimates that the costs for personnel and other resources would total \$179 million over the 2021-2025 period.

Primary Care for Female Veterans. Section 201 would require VA to provide primary care services to female veterans at each of the department's medical centers and outpatient clinics. According to the department, 96 of VA's roughly 1,000 outpatient clinics do not have primary care physicians who focus on women's health care. CBO expects that VA would hire 96 full-time physicians in 2021 to fill that gap. At average annual compensation of \$370,000, CBO estimates, employing those physicians would cost \$153 million over the 2021-2025 period.

Child Care. Section 107 would require VA to provide child care assistance to veterans receiving mental health care at VA medical facilities within five years of enactment. VA could provide a stipend to veterans for child care similar to the amounts it provides to employees, offer child care services at VA's facilities or at other federal facilities, or directly pay child care providers in the community. The bill also would require VA to operate a two-year pilot program to provide such assistance to veterans receiving readjustment counseling in three regions of the VA health care system.

In 2019, VA spent \$1 million on a yearlong pilot program to provide child care services to veterans receiving mental health care at four locations in the states of New York, Washington, and Texas. Using the costs of that program, CBO estimates that providing child care at all 170 VA medical facilities would cost \$45 million annually by 2025. After factoring in a gradual implementation period and inflation, CBO estimates that providing those services would cost \$130 million over the 2021-2025 period.

Using information on the costs to operate a similar program, CBO estimates that conducting the two-year pilot program would cost \$2 million over the 2021-2025 period. In total, CBO estimates, implementing section 107 would cost \$132 million over the 2021-2025 period.

**Table 3.
Estimated Increases in Spending Subject to Appropriation Under S.514**

	By Fiscal Year, Millions of Dollars					2021-2025
	2021	2022	2023	2024	2025	
Counseling in Retreat Settings						
Estimated Authorization	47	47	63	63	64	284
Estimated Outlays	41	46	60	62	63	272
Disability Claims Processors						
Estimated Authorization	10	23	38	48	60	179
Estimated Outlays	10	23	38	48	60	179
Primary Care for Female Veterans						
Estimated Authorization	17	34	35	37	38	161
Estimated Outlays	15	31	34	36	37	153
Child Care						
Estimated Authorization	9	18	26	36	46	135
Estimated Outlays	8	17	25	36	46	132
Intimate Partner Violence and Sexual Assault						
Estimated Authorization	5	5	5	6	6	27
Estimated Outlays	4	5	5	6	6	26
Treatment of MST						
Estimated Authorization	1	2	4	6	10	23
Estimated Outlays	1	2	4	6	9	22
Renovation of Medical Facilities						
Authorization	4	4	4	4	4	20
Estimated Outlays	4	4	4	4	4	20
Sexual Harassment and Assault						
Estimated Authorization	1	2	2	2	2	9
Estimated Outlays	1	2	2	2	2	9
Medical Residency Program						
Authorization	1	1	1	1	1	5
Estimated Outlays	1	1	1	1	1	5
Reports, Studies, and Other Administrative Requirements						
Estimated Authorization	6	3	*	*	*	9
Estimated Outlays	6	3	*	*	*	9
Total Changes						
Estimated Authorization	101	139	178	203	231	852
Estimated Outlays	91	134	173	201	228	827

Components may not sum to totals because of rounding; MST = military sexual trauma; * = between zero and \$500,000.

Intimate Partner Violence and Sexual Assault. Section 304 would require VA to conduct a two-year pilot program to provide assistance to veterans who have experienced intimate partner violence or sexual assault. Intimate partner violence can include physical violence, stalking, or psychological aggression. Since 2014, VA has operated the Intimate Partner Violence Assistance Program, which coordinates access to benefits, including medical treatment, counseling, and housing assistance. In 2018, VA spent \$20 million for the program and provided a total of 143 coordinators to manage the program, train staff, and conduct outreach at most of its medical centers.

Currently, the program does not serve veterans who are victims of sexual assault by someone other than an intimate partner; the bill would require VA to establish a pilot program to do so. On the basis of information from VA and the Centers for Disease Control and Prevention, CBO expects that VA would permanently increase staffing in the program by 25 percent, hiring an additional 35 coordinators. At an average compensation of \$152,000, CBO estimates employing those coordinators would cost \$26 million over the 2021-2025 period.

Treatment of Military Sexual Trauma. Section 301 would require VA to provide mental health counseling to members of the National Guard who experience sexual assault or sexual harassment during state active duty and to former service members who are not enrolled in the VA health care system, were discharged under other-than-honorable conditions, and experienced MST. Under current law, VA provides mental health care to veterans who experienced MST on active duty, active duty for training, or inactive-duty training.

On the basis of information from VA and the Department of Defense, CBO estimates that roughly 2,700 additional National Guard members and former service members would receive treatment from VA each year at an average cost of \$4,000 per patient. After factoring in a gradual implementation period, CBO estimates that implementing the section would cost \$22 million over the 2021-2025 period.

Renovation of Medical Facilities. Section 102 would authorize appropriations of \$20 million for VA to renovate its medical facilities to better support health care for female veterans. CBO estimates that implementing this section would cost \$20 million over the 2021-2025 period.

Sexual Harassment and Assault. Section 303 would require VA to address sexual harassment and assault that occurs at the department's facilities. It would require VA to appoint an employee at each facility to monitor and compile data from reports of sexual assault and harassment. Under current law, VA is required to provide training to its employees on reporting sexual assault. Section 303 would require VA to also train employees on the need to report incidents of sexual harassment and on methods for intervening when they witness sexual harassment.

Using information from VA and studies regarding the prevalence of sexual assault and harassment in the workplace, CBO estimates that VA would need to hire the equivalent of 10 full-time staff at an average compensation of \$180,000 to monitor incidents at department facilities. CBO estimates that updating the training curriculum and preparing the required reports would not significantly increase costs. In total, implementing section 303 would cost \$9 million over the 2021-2025 period, CBO estimates.

Medical Residency Program. Section 202 would authorize annual appropriations of \$1 million for a residency program focused on providing health care to female veterans at VA facilities. CBO estimates that implementing the section would cost \$5 million over the 2021-2025 period.

Reports, Studies, and Other Administrative Requirements. The bill would require VA to produce about a dozen studies and reports (two recurring) and to perform administrative duties tied to providing health care and services to female veterans. Based on the costs of similar activities, CBO estimates that meeting those requirements would cost \$9 million over the 2021-2025 period.

Uncertainty

The estimated cost of providing disability compensation arising from section 501 is subject to considerable uncertainty. It is difficult to predict how many veterans would apply for compensation and to anticipate how VA would adjudicate those claims. For the purpose of this estimate, CBO generally assumed that 50 percent of each cohort that applied for the benefit would see their claims approved. The number of veterans who receive additional compensation could differ substantially from CBO's projections, and costs could be significantly higher or lower than estimated. Other factors, such as the number of veterans who would receive disability compensation for the first time when compared to the number who would have their current benefit increase, would cause actual costs to vary from CBO's projections, though by considerably less than the potential differences arising from differences attributable to the number of beneficiaries receiving disability compensation.

Pay-As-You-Go Considerations

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The

changes in outlays that are subject to those pay-as-you-go procedures are shown in Table 2.

Increase in Long-Term Deficits

CBO estimates that enacting S. 514 would increase on-budget deficits by more than \$5 billion in at least one of the four consecutive 10-year periods beginning in 2031.

Mandates: None.

Previous CBO Estimate

On November 8, 2019, CBO transmitted a [cost estimate for H.R. 3224](#), the Deborah Sampson Act, as ordered reported by the House Committee on Veterans' Affairs on October 29, 2019. Section 104 of S. 514 is similar to section 203 of H.R. 3224. CBO estimated that implementing section 203 of H.R. 3224 would cost \$11 million over five years to provide counseling in retreat settings. The estimated costs for implementing similar requirements in S. 514 are significantly higher, however, because CBO now expects that the program would be expanded to medical facilities nationwide. In addition, sections 201, 202, 303, and 304 of S. 514 are similar to sections 201, 106, 321, and 325 of H.R. 3224. Differences in CBO's cost estimates for those sections reflect a later expected date of enactment.

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