

S. 3541, Health Care for Burn Pit Veterans Act

As passed by the Senate on February 16, 2021

By Fiscal Year, Millions of Dollars	2022	2022-2026	2022-2031
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	146	2,125	7,643
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

Under current law, combat veterans who were discharged from active duty on or after January 28, 2003, may receive enhanced health care benefits from the Department of Veterans Affairs (VA) for 5 years after separating from the military, regardless of whether they have disabilities connected to military service, whether their income exceeds certain thresholds, or whether they receive other benefits from VA. Enhanced benefits include substantially lower copayments and higher priority for care.

S. 3541 would extend the period of eligibility to 10 years after separation. Some veterans who separated between 5 and 10 years before enactment of the act would become immediately eligible for those health care benefits. Other veterans who are in the 5-year period of eligibility in current law would become eligible for additional benefits over the 2022-2026 period, and service members who separate over the next five years would become eligible for additional benefits over the 2027-2031 period. In addition, the act would allow veterans who were discharged from active duty between September 11, 2001, and January 28, 2003, to enroll for those enhanced benefits during a 1-year period beginning on October 1, 2022. Implementing the act would cost \$2.1 billion over the 2022-2026 period (see Table 1) and \$7.6 billion over the 2022-2031 period, CBO estimates. Such spending would be subject to the appropriation of the estimated amounts.

Because S. 3541 would extend the period of eligibility for enhanced benefits, CBO expects that more veterans would newly enroll in the VA health care system. Moreover, some

veterans who are ineligible under current law because of their income would gain eligibility under the act. Other veterans who did not take advantage of the opportunity to enroll during the initial 5-year period could enroll under the act's 10-year period. CBO also expects that under current law many veterans who have enrolled will significantly reduce or stop using VA for health care after the 5-year period expires because they will be subject to higher copayments or become ineligible because of their incomes. CBO expects that under the act, most of those veterans would continue to use VA health care.

Using data from VA, CBO estimates that under S. 3541, about 19,000 veterans would newly enroll or start using VA health care in 2022; by 2026, enrollment would increase to 66,000. Based on health care costs for current enrollees in the same priority group for care, CBO estimates that, on average, newly enrolled veterans would receive \$6,600 in VA health care each year.

CBO estimates that in 2022, about 56,000 veterans enrolled within the period provided under current law would continue to use VA health care as a result of the additional 5 years of eligibility for benefits provided under S. 3541. By 2026, that number would increase to 200,000. Because lower copayments would be expected to lead veterans to schedule additional visits and to receive more prescriptions for medicine, CBO estimates that VA would provide those veterans with about \$1,000 more in health care per year, on average.

In total, providing additional health care under the act would cost \$2.1 billion over the 2022-2026 period, CBO estimates.

S. 3541 would require VA to conduct four studies related to health trends, cancer rates, and medical conditions related to toxic exposure among post-9/11 veterans and to prepare five onetime reports and one recurring report on those topics. Based on costs for similar activities, CBO estimates that satisfying those requirements would cost \$15 million over the 2022-2026 period.

The act also would require VA to inform veterans about the changes to the period of eligibility for enhanced benefits, develop processes to screen veterans for exposure to toxic substances during their military service, and train VA staff to use those processes. Based on costs for similar activities, CBO estimates that meeting those requirements would cost \$5 million over the 2022-2026 period.

In total, CBO estimates, implementing the bill would cost \$2.1 billion over the 2022-2026 period.

The costs of the legislation, detailed in Table 1, fall within budget function 700 (veterans benefits and services).

Table 1.
Estimated Increases in Spending Subject to Appropriation Under S. 3541

	By Fiscal Year, Millions of Dollars					2022-2026
	2022	2023	2024	2025	2026	
Health Care						
Estimated Authorization	164	315	449	577	706	2,211
Estimated Outlays	145	294	428	555	683	2,105
Outreach and Training						
Estimated Authorization	*	1	1	1	1	5
Estimated Outlays	*	1	1	1	1	5
Studies and Reports						
Estimated Authorization	*	4	4	4	2	15
Estimated Outlays	*	4	4	4	2	15
Total Changes						
Estimated Authorization	165	320	454	582	709	2,231
Estimated Outlays	146	299	433	560	686	2,125

Components may not sum to totals because of rounding; * = between zero and \$500,000.
In addition to the amounts shown here, implementing the bill would increase spending subject to appropriation in years after 2026. CBO estimates that the total over the 2022-2031 period would be \$7.6 billion.

On February 28, 2022, CBO transmitted [a cost estimate for H.R. 3967](#), the Honoring our PACT Act of 2021, as posted on the website of the House Committee on Rules on February 18, 2022. S. 3541 is similar to section 111 of H.R. 3967, and CBO’s estimates of the cost of implementing them are the same.

The CBO staff contact for this estimate is Etaf Khan. The estimate was reviewed by Leo Lex, Deputy Director of Budget Analysis.