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Department of Veterans Affairs FY2022 Appropriations

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Department of Veterans Affairs FY2022 Appropriations

The Department of Veterans Affairs (VA) administers numerous programs that provide benefits and services to eligible veterans and their families. These benefits include medical care; disability compensation and pensions; education; vocational rehabilitation and employment services; assistance to homeless veterans; home loan guarantees; administration of life insurance, as well as traumatic injury protection insurance for servicemembers; and death benefits that cover burial expenses.

President Joe Biden submitted his formal budget proposal for FY2022 on May 28, 2021. The Administration requested \$268.41 billion for VA. This amount included \$155.44 billion in mandatory funding and \$112.97 billion in discretionary funding—a 10.38% increase compared with the \$243.16 billion enacted in FY2021 (excluding FY2021 funding provided in the American Rescue Plan Act of 2021, P.L. 117-2). The President’s budget also proposed using a Recurring Expenses Transformational Fund, established by the Consolidated Appropriations Act of 2016 (P.L. 114-113), to transfer \$820 million of unobligated balances at the end of FY2021 to supplement the discretionary budget request for FY2022. In addition, the budget request included an advance appropriation request of \$267.87 billion for FY2023 to fund the seven advance appropriations accounts: compensation and pensions, readjustment benefits, insurance and indemnities, medical services, medical community care, medical support and compliance, and medical facilities.

On July 29, 2021, the House passed H.R. 4502, consisting of seven appropriations bills. Division F of H.R. 4502 (H.Rept. 117-81) included the Military Construction, Veterans Affairs, and Related Agencies (MILCON-VA) appropriations bill for FY2022. The House-passed bill provides \$268.59 billion for VA, including \$155.44 billion in mandatory spending and \$113.15 billion in discretionary spending. On August 4, 2021, the Senate Appropriations Committee reported its version of the MILCON-VA bill for FY2022 (S. 2604; S.Rept. 117-35). The Senate Appropriations Committee-reported bill recommends \$268.37 billion for VA for FY2022, including \$155.44 billion in mandatory spending and \$112.93 billion in discretionary spending. Both the House-passed and Senate-reported versions of the MILCON-VA bill for FY2022 include \$267.87 billion in advance appropriations for FY2023. Because none of the regular appropriations bills were enacted at the start FY2022, the President signed into law the Extending Government Funding and Delivering Emergency Assistance Act (H.R. 5305; P.L. 117-43) on September 30, 2021. The act provides continuing appropriations through December 3, 2021. Accounts that received advance appropriations budget authority for FY2022 in Division J of P.L. 116-260 are not affected by the continuing resolution (CR).

Comparative funding levels with amounts enacted for FY2021 (excluding FY2021 funding provided in the American Rescue Plan Act of 2021, P.L. 117-2), amounts requested by the President and provided by the House-passed measure (Division F of H.R. 4502), and amounts recommended by the Senate Appropriations Committee MILCON-VA bill for FY2022 (S. 2604; S.Rept. 117-35) are as follows:

	FY2021 Enacted	FY2022 Request	FY2022 House-Passed	FY2022 Senate Appropriations Committee
Veterans Benefits Administration (VBA, including General Operating Expenses)	\$142.10 billion	\$159.09 billion	\$159.09 billion	\$159.16 billion
Veterans Health Administration (VHA)	\$90.64 billion	\$98.33 billion	\$98.46 billion	\$98.33 billion
National Cemetery Administration (NCA)	\$352 million	\$394 million	\$392 million	\$394 million
Departmental Administration	\$10.06 billion	\$10.59 billion	\$10.65 billion	\$10.48 billion

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November 12, 2021

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Introduction

The Department of Veterans Affairs (VA) provides a range of benefits and services to veterans who meet certain eligibility criteria. These benefits and services include, among other things, hospital and medical care;¹ disability compensation and pensions;² education;³ vocational rehabilitation and employment services;⁴ assistance to homeless veterans;⁵ home loan guarantees;⁶ administration of life insurance, as well as traumatic injury protection insurance for servicemembers; and death benefits that cover burial expenses.⁷

The department carries out its programs nationwide through three administrations and the Board of Veterans Appeals (BVA). The Veterans Health Administration (VHA) is responsible for health care services and medical and prosthetic research programs. The Veterans Benefits Administration (VBA) is responsible for, among other things, providing compensation, pensions, and education assistance. The National Cemetery Administration (NCA)⁸ is responsible for maintaining national veterans cemeteries; providing grants to states for establishing, expanding, and improving state veterans cemeteries; and providing headstones and markers for the graves of eligible persons, among other things. The BVA reviews all appeals made by veterans or their representatives for entitlement to veterans' benefits, including claims for service connection, increased disability ratings, pensions, insurance benefits, and educational benefits, among other things.

Scope and Limitations of This Report

This report provides an overview of the FY2022 President's request for VA and subsequent congressional action. It begins with a discussion of various appropriations and funds that constitute VA's budget, followed by a brief overview of the FY2021 congressional appropriations process and enacted amounts for FY2021, including American Rescue Plan (ARP) Act (P.L. 117-2) funding. It then discusses the President's request for FY2022 for care, benefits, and services for veterans and administration of the department, followed by congressional action on the FY2022 request. The report provides funding levels for the accounts as presented in the Military Construction, Veterans Affairs, and Related Agencies (MILCON-VA) appropriations bill; it does not provide funding levels at the subaccount, program, or activity levels. Generally, VA accounts are purpose specific rather than program specific. For example, VHA's supply chain modernization effort could include funding from the medical support and compliance account and the information technology account. **Appendix B** lists appropriations to VA from FY1995 to FY2021. Funding amounts shown in the appendices of this report may include transfers in and

¹ For more information on programs, see CRS Report R42747, *Health Care for Veterans: Answers to Frequently Asked Questions*.

² For more information on programs, see CRS Report R44837, *Benefits for Service-Disabled Veterans*; and CRS Report RS22804, *Veterans' Benefits: Pension Benefit Programs*.

³ For a discussion of education benefits, see CRS Report R42755, *The Post-9/11 GI Bill: A Primer*.

⁴ For details on VA's vocational rehabilitation and employment, see CRS Report RL34627, *Veterans' Benefits: The Veteran Readiness and Employment Program*.

⁵ For detailed information on homeless veterans programs, see CRS In Focus IF10167, *Veterans and Homelessness*.

⁶ For details on the home loan guarantee program, see CRS Report R42504, *VA Housing: Guaranteed Loans, Direct Loans, and Specially Adapted Housing Grants*.

⁷ For more information on burial benefits, see CRS Report R41386, *Veterans' Benefits: Burial Benefits and National Cemeteries*.

⁸ Established by the National Cemeteries Act of 1973 (P.L. 93-43).

out of accounts as calculated by VA; therefore, those amounts may be different from those shown in **Table 2**, which is based on budget authority amounts shown in the MILCON-VA appropriations bills and accompanying committee reports.

The Department of Veterans Affairs Budget

VA's budget includes both mandatory⁹ and discretionary funding.¹⁰ Mandatory accounts fund disability compensation for veterans, the survivor's Dependency and Indemnity Compensation (DIC) program, pensions, vocational rehabilitation and employment, education, life insurance, housing, clothing allowances, and burial benefits (such as burial allowances, grave liners, outer burial receptacles, and headstones and markers), among other benefits and services. Discretionary accounts fund medical care, medical research, construction programs, information technology, the Office of Inspector General, BVA, and general operating expenses, among other things. These accounts are further supplemented by revolving funds, such as the Canteen Service Revolving Fund and the Pershing Hall Revolving Fund; trust funds, such as the Department of Veterans Affairs Cemetery Gift Fund and the General Post Fund; and special funds, such as the Medical Care Collections Fund and the Capital Asset Fund.¹¹

Advance Appropriations¹²

VA has advance appropriation authority for specified medical care and benefits accounts. In 2009, Congress enacted the Veterans Health Care Budget Reform and Transparency Act of 2009 (P.L. 111-81), authorizing advance appropriations for three of the four VHA accounts: medical services, medical support and compliance, and medical facilities.¹³ In 2014, Congress passed the Consolidated and Further Continuing Appropriations Act, 2015 (H.R. 83; P.L. 113-235), which amended 38 U.S.C. §117 and included three more accounts to the advance appropriations list of accounts. This act authorized advance appropriations for three mandatory VA benefits programs within the Veterans Benefits Administration: compensation and pensions, readjustment benefits, and veterans insurance and indemnities. Beginning with the FY2016 Military Construction and Veterans Affairs, and Related Agencies Appropriations Act (MILCON- VA; P.L. 114-113), those

⁹ Mandatory programs funded through the annual appropriations process are commonly referred to as *appropriated entitlements*. In general, appropriators have little control over the amounts provided for appropriated entitlements; rather, the authorizing statute establishes the program parameters (e.g., eligibility rules, benefit levels) that entitle certain recipients to payments. If Congress does not appropriate the money necessary to meet these commitments, entitled recipients (e.g., individuals, states, or other entities) may have legal recourse. For an overview of mandatory spending, see CRS Report R44641, *Trends in Mandatory Spending: In Brief*.

¹⁰ Funding for discretionary programs is provided and controlled through the annual appropriations process. For more information, see CRS Report R41726, *Discretionary Budget Authority by Subfunction: An Overview*.

¹¹ For more details about these funds, see Department of Veterans Affairs, *FY2016 Congressional Budget Submission*, Supplemental Information and Appendices, vol. 1 of 4, February 2015, pp. Appendix 117-Appendix 126. (This is the last edition in which this information was published.) For definitions about "revolving funds," "trust funds," and "special funds," see Executive Office of the President, Office of Management and Budget (OMB), OMB Circular No. A-11, *Section 20- Terms and Concepts*, available at <https://www.whitehouse.gov/wp-content/uploads/2018/06/a11.pdf>.

¹² In general, advance appropriations refer to budget authority provided in an appropriations act that becomes available for obligation one or more fiscal years after the year covered by the act. For a detailed discussion of advance appropriations, see CRS Report R43482, *Advance Appropriations, Forward Funding, and Advance Funding: Concepts, Practice, and Budget Process Considerations*.

¹³ Codified at 38 U.S.C. §117.

accounts received advance appropriations for the first time in FY2017, in addition to the three VHA accounts already authorized to receive advance appropriations.

Section 4003 of the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (P.L. 114-41) required the establishment of a separate new account for medical community care, beginning with the FY2017 appropriations cycle. The Jeff Miller and Richard Blumenthal Veterans Health Care and Benefits Improvement Act of 2016 (P.L. 114-315) authorized advance appropriations for the medical community care account.

Congress had authorized (through P.L. 111-81, P.L. 113-235, and P.L. 114-315) advance appropriations of new budget authority for these VBA and VHA accounts to prevent potential delays in the delivery of care and benefits to veterans that may have arisen in the event of a funding lapse.

Under present budget scoring guidelines, advance appropriations are scored as new budget authority in the fiscal year in which they become available for obligation, not in the fiscal year the appropriations are enacted and are required to be accommodated within the statutory spending caps for that year.¹⁴ Therefore, throughout the funding tables in this report, advance appropriations numbers are noted by the label “memorandum” and in the corresponding fiscal year column.

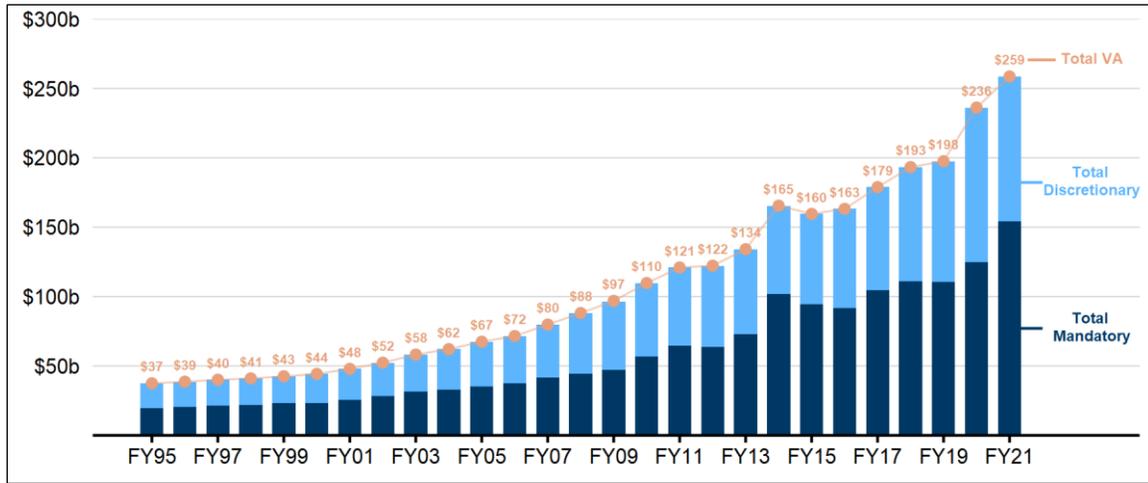
Historical Perspective

Figure 1 provides funding trends for mandatory, discretionary, and total VA-enacted appropriations from FY1995 through FY2021. Between FY1995 and FY2021, total mandatory appropriations grew from \$19.45 billion to \$154.15 billion in nominal dollars, a compound annual growth rate (CAGR) of 8.29%.¹⁵ During this same period, discretionary appropriations grew from \$18.02 billion to \$104.43 billion, a CAGR of 6.99%. The total VA appropriations from FY1995 through FY2021 grew from \$37.47 billion to \$258.58 billion, a CAGR of 7.71%.

¹⁴ Executive Office of the President, Office of Management and Budget (OMB), OMB Circular No. A-11, *Section 20-Terms and Concepts*, available at <https://www.whitehouse.gov/wp-content/uploads/2018/06/s20.pdf>; also see OMB Circular No. A-11, *Appendix A -Scorekeeping Guidelines*, available at <https://www.whitehouse.gov/wp-content/uploads/2018/06/a11.pdf>.

¹⁵ CAGR is annualized average rate of growth between two given years, calculated as $CAGR; \text{ year FY1995 to year FY2021} = [(value \text{ in year } 2021 / value \text{ in year } 1995) ^ { (1/26) - 1}]$.

Figure I.VA Appropriations, FY1995-FY2021



Source: Figure prepared by CRS based on figures from the Department of Veterans Affairs, Office of Management, Office of Budget (see **Appendix B**).

Notes: Amounts in nominal, or noninflation-adjusted, dollars, and discretionary funding excludes offsetting collections deposited in the Medical Care Collections Fund (MCCF).

FY2009: American Recovery and Reinvestment Act (P.L. 111-5) provided supplemental funding, VHA received \$1.0 billion for the medical facilities account, and the \$700 million was for the economic recovery payments. The supplemental \$700 million is not included in the discretionary subtotal but included in overall VA total.

FY2014: Amounts include \$15 billion in mandatory funding provided in the Veterans Choice Act (P.L. 113-146).

FY2021: Amounts include American Rescue Plan (ARP) Act (P.L. 117-2) funding.

FY2021 Budget Summary¹⁶

President Donald Trump submitted his budget proposal for FY2021 on February 10, 2020. The President’s budget requested \$240.25 billion for VA. This amount included \$135.43 billion in mandatory benefits funding and \$104.81 billion in discretionary funding.

On July 9, 2020, the House Appropriations Committee held a markup of the FY2021 MILCON-VA appropriations bill, and the bill was ordered reported to the full House on July 13 (H.R. 7609; H.Rept. 116-445). Subsequently, the text of H.R. 7609 was included in a four-bill appropriations package (H.R. 7608, the State, Foreign Operations, Agriculture, Rural Development, Interior, Environment, Military Construction, and Veterans Affairs Appropriations bill 2021) and passed by the full House on July 24. The House-passed measure (Division D of H.R. 7608) provided a total of \$240.21 billion for VA, which included \$135.43 billion in mandatory funding and \$104.78 billion in discretionary funding.

On November 10, 2020, the chair of the Senate Committee on Appropriations, Senator Richard Shelby, released drafts of all 12 annual appropriations bills along with draft accompanying explanatory statements, including the FY2021 MILCON-VA appropriations bill.¹⁷ The release of

¹⁶ For complete details on FY2021 VA appropriations, see CRS Report R46459, *Department of Veterans Affairs FY2021 Appropriations*.

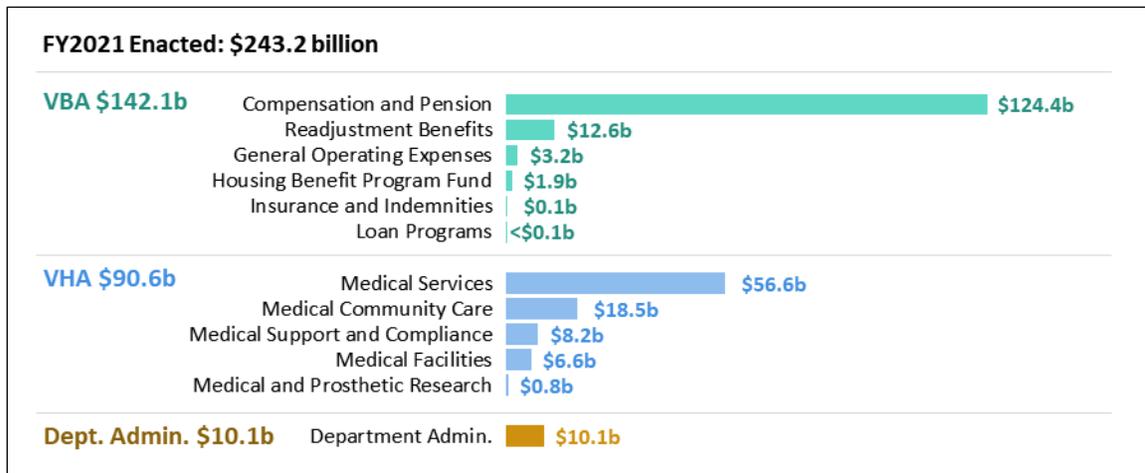
¹⁷ The 12 draft bills and explanatory statements are on the committee’s website, linked to the majority press release, at <https://www.appropriations.senate.gov/news/committee-releases-fy21-bills-in-effort-to-advance-process-produce-bipartisan-results>.

the draft bills was intended to further negotiations on annual appropriations between the House and the Senate.¹⁸ The majority draft FY2021 MILCON-VA appropriations bill recommended \$243.12 billion for VA, including \$138.73 billion in mandatory spending and \$104.39 billion in discretionary spending.

Because no regular appropriations bills were enacted at the beginning of FY2021 on October 1, 2020, certain VA accounts (excluding the seven advance appropriations accounts that received FY2021 budget authority in P.L. 116-94) were funded through a series of continuing resolutions (CRs).

On December 27, 2020, the Consolidated Appropriations Act, 2021 (H.R. 133, P.L. 116-260), was enacted into law. Division J of this act contained the FY2021 Military Construction, Veterans Affairs, and Related Agencies (MILCON-VA) Appropriations Act. The act provided \$243.16 billion for VA for FY2021, which included \$138.73 billion in mandatory funding and \$104.43 billion in discretionary funding. **Figure 2** provides funding levels for VHA, VBA, and Departmental Administration, which includes the following accounts: general administration, BVA, information technology systems (IT systems); veterans electronic health record modernization (EHRM), Office of Inspector General, construction major and minor accounts, grants for construction of state extended care facilities; and grants for the construction of veterans cemeteries.

Figure 2. FY2021 VA-Enacted Appropriations



Source: Figure prepared by CRS based on U.S. Congress, House Committee on Appropriations, *Consolidated Appropriations Act, 2021*, committee print, prepared by House Committee on Appropriations, H.R. 133/P.L. 116-260 [Legislative Text and Explanatory Statement] Book 2 of 2 Divisions G–L, 116th Cong., 2nd sess., 2021 (Washington: GPO, 2021), pp. 1885-1903.

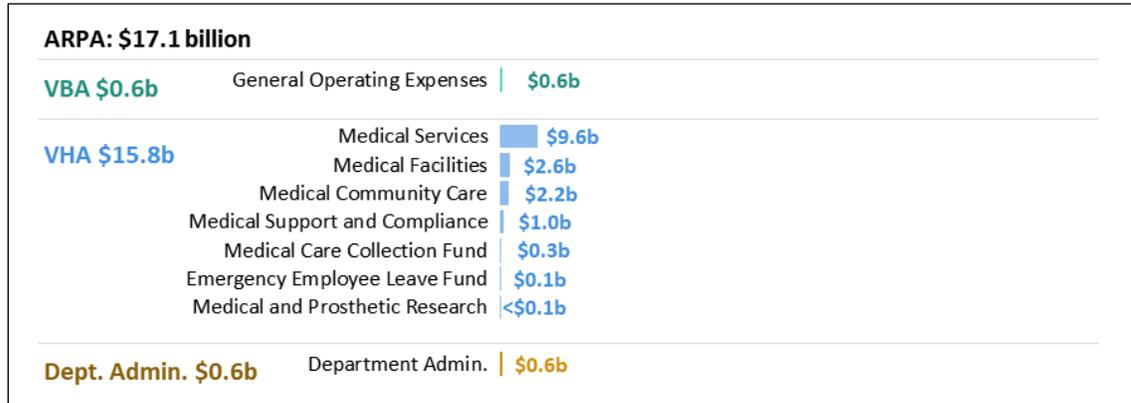
Notes: FY2021-enacted amounts exclude offsetting collections deposited in the Medical Care Collections Fund (MCCF) and American Rescue Plan (ARP) Act (P.L. 117-2) supplemental appropriations.

¹⁸ Ibid. See also the statement from the Senate Appropriations Committee Vice Chair, Senator Patrick Leahy, at <https://www.appropriations.senate.gov/news/minority/senate-approps-vice-chair-leahy-statement-on-the-release-of-the-fy-2021-senate-appropriations-bills->.

American Rescue Plan Act of 2021 (P.L. 117-2)

On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 (P.L. 117-2). This legislation was crafted by authorizing committees, instead of appropriations committees, using the budget reconciliation process.¹⁹ The Veterans’ Affairs Committee provisions (Title VIII of P.L. 117-2) provide approximately \$17.08 billion in mandatory funds for VA programs and activities. The law provided funding based on several broad categories and allowed VA to allocate funding at the account level (see **Figure 3**).

Figure 3. American Rescue Plan Act of 2021 Funding



Source: Figure prepared by CRS based on Department of Veterans Affairs, *FY2022 Budget Submission, Supplemental Information and Appendices*, vol. 1 of 4, May 28, 2021, p. Supplemental Information – 11.

Note: Allocations are estimates and subject to change, based on FY2021 actual spending and changes throughout FY2022.

A summary of VA provisions follows, and **Table 1** provides VA’s estimated allocations by account level. Final FY2022 funding allocations are subject to change based on FY2021 actual spending and changes throughout FY2022.

- Section 8001 provided \$272 million for VBA, general operating expenses account, and the Board of Veterans Appeals, to remain available until September 30, 2023, for processing disability claims and appeals for entitlement to veterans’ benefits.
- Section 8002 provided \$14.48 billion to remain available until September 30, 2023, for allocation to VA medical care accounts. VA established the Veterans Medical Care and Health Fund to execute Section 8002 of P.L. 117-2.
- Section 8003 provided \$100 million to remain available until September 30, 2022, for the supply chain modernization initiative.
- Section 8004 provided \$250 million for a one-time only obligation and expenditure to existing state extended care facilities for payment of per diem payments during March 11, 2021, through September 30, 2022. This section also provided \$500 million to remain available until expended for grants to assist states to acquire, construct, remodel, modify, or alter state extended care facilities.

¹⁹ For background information on the reconciliation process, see CRS Report R44058, *The Budget Reconciliation Process: Stages of Consideration*, and CRS Report R46675, *S.Con.Res. 5: The Budget Resolution for FY2021*.

- Section 8005 provided \$10 million for the Office of Inspector General to remain available until expended.
- Section 8006 provided \$386 million for VBA for the Veterans Rapid Retraining Assistance Program (VRRAP), which was established by the American Rescue Plan Act of 2021.
- Section 8007 provided \$1 billion to remain available until expended to provide for any health care copayment or other cost sharing, and to reimburse any veteran who already paid a copayment or other cost sharing, for care and prescriptions during the period beginning on April 6, 2020, and ending on September 30, 2021.
- Section 8008 provided \$80 million for Emergency Department of Veterans Affairs Employee Leave Fund to remain available from March 11, 2021, through September 20, 2022. The fund would pay for paid leave for VHA employees appointed under Chapter 74 of 38 *United States Code* (U.S.C.) who are unable to work due to the Coronavirus Disease 2019 (COVID-19) pandemic.

Table I. American Rescue Plan Act (P.L. 117-2) Allocations

(\$ in Thousands)

Account	Estimated Allocation
Veterans Benefits Administration (VBA) - General Operating Expenses (GOE)	\$262,000
Board of Veterans Appeals	10,000
<i>Section 8001 Subtotal</i>	<i>272,000</i>
Veterans Medical Care and Health Fund (VMCHF)	
Medical Services	9,020,443
Medical Community Care	1,901,196
Medical Support and Compliance	978,433
Medical Facilities	2,572,928
Medical and Prosthetic Research	9,000
<i>Section 8002 Subtotal</i>	<i>14,482,000</i>
Information Technology	100,000
<i>Section 8003 Subtotal</i>	<i>100,000</i>
Medical Community Care	250,000
Grants for Construction of State Extended Care Facilities	500,000
<i>Section 8004 Subtotal</i>	<i>750,000</i>
Office of Inspector General	10,000
<i>Section 8005 Subtotal</i>	<i>10,000</i>
Veterans Benefits Administration (VBA) General Operating Expenses (GOE)- Veteran Rapid Retraining Assistance Program	386,000
<i>Section 8006 Subtotal</i>	<i>386,000</i>
Medical Services	627,900
Medical Community Care	72,100
Medical Care Collections Fund	300,000

Account	Estimated Allocation
<i>Section 8007 Subtotal</i>	1,000,000
Emergency Department of Veterans Affairs Employee Leave Fund	80,000
<i>Section 8008 Subtotal</i>	<i>80,000</i>
Total TITLE VIII of American Rescue Plan Act (P.L. 117-2)	\$17,080,000

Source: Table prepared by CRS based on Department of Veterans Affairs, *FY2022 Budget Submission, Supplemental Information and Appendices*, vol. 1 of 4, May 28, 2021, p. Supplemental Information – 11; Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021; and information from VA Office of Management, Office of Budget.

Note: VA established the Veterans Medical Care and Health Fund (VMCHF) to execute Section 8002 and Section 8007, with the estimated allocation of funding for copayments not collected.

Budget Request for FY2022 and Congressional Action

President’s Request

On April 9, 2021, President Biden submitted his discretionary funding request for FY2022.²⁰ The formal budget request for FY2022 was submitted on May 28. The President’s budget requests \$268.41 billion for VA. This amount includes \$155.44 billion in mandatory funding and \$112.97 billion in discretionary appropriations. In addition, the Administration is proposing to use \$820 million from the Recurring Expenses Transformational Fund to supplement the discretionary budget request. The Recurring Expenses Transformational Fund was established by the Consolidated Appropriations Act, 2016 (P.L. 114-113, Division J, Title II, Section 243). The law allows unobligated balances of expired discretionary appropriations, in FY2016 or any succeeding fiscal year, to be transferred from the General Fund of the Treasury to VA and deposited in the Recurring Expenses Transformational Fund at the end of the fifth fiscal year after the last fiscal year for which such funds were available. The law stipulates that amounts deposited in the fund may be available for facility infrastructure improvements, including nonrecurring maintenance, at existing VA hospitals and clinics, and information technology systems improvements and sustainment, subject to approval by the Office of Management and Budget (OMB) and House and Senate Appropriations Committees.²¹

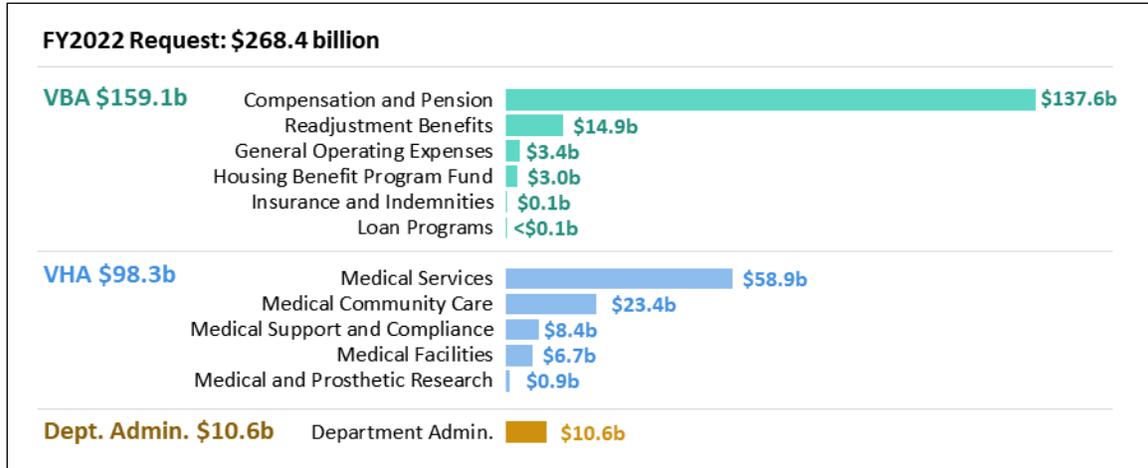
The President’s budget request for FY2022 includes \$159.09 billion for VBA, including general operating expenses; \$98.33 billion for VHA; \$394 million for NCA; and \$10.59 billion for departmental administration, which includes the following accounts: general administration, BVA, and information technology systems (IT systems); veterans electronic health record modernization (EHRM), Office of Inspector General, construction major and minor accounts, and grants for construction of state extended care facilities; and grants for the construction of veterans cemeteries (see **Figure 4**).

²⁰ Office of Management and Budget (OMB), “Office of Management and Budget Releases the President’s Fiscal Year 2022 Discretionary Funding Request,” press release, April 9, 2021, <https://www.whitehouse.gov/wp-content/uploads/2021/04/FY2022-Discretionary-Request-Press-Release.pdf>.

²¹ 38 U.S.C. §313 note.

The President’s budget also requests \$156.59 billion in advance appropriations for FY2023 for VBA mandatory accounts and \$111.29 billion in advance appropriations for FY2023 for VHA discretionary accounts.

Figure 4. FY2022 Budget Request



Source: Figure prepared by CRS based on U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81.

Notes: Total budget authority excludes offsetting collections deposited in the Medical Care Collections Fund (MCCF).

House Action

On June 25, 2021, the House Committee on Appropriations, Subcommittee on Military Construction, Veterans Affairs, and Related Agencies, held a markup of the FY2022 Military Construction, Veterans Affairs, and Related Agencies (MILCON-VA) appropriations bill, and approved the draft bill. On June 30, the House Appropriations Committee held a markup of the FY2022 MILCON-VA appropriations bill, and the bill was ordered reported to the full House on July 2 (H.R. 4355; H.Rept. 117-81). Subsequently, the text of H.R. 4355 was included in a seven-bill appropriations package (H.R. 4502), consisting of the FY2022 Labor, Health and Human Services, Education; Agriculture, Rural Development; Energy and Water Development; Financial Services and General Government; Interior, Environment; Military Construction, Veterans Affairs; Transportation, and Housing and Urban Development appropriations bills (House Committee Print 117-12). H.R. 4502 was passed by the House on July 29. Division F of H.R. 4502 contained the FY2022 MILCON-VA appropriations bill. The full House-passed measure provides \$268.59 billion for VA, including \$155.44 billion in mandatory funding and \$113.15 billion in discretionary appropriations. Division F of H.R. 4502 also provides \$159.09 billion for VBA, including general operating expenses; \$98.46 billion for VHA; \$392 million for NCA; and \$10.65 billion for departmental administration accounts. The House Committee report (H.Rept. 117-81) does not address the Administration’s proposal to use the Recurring Expenses Transformational Fund to supplement VA’s discretionary budget amount.

Senate Action

On August 4, 2021, the Senate Committee on Appropriations held a markup of its version of the FY2022 MILCON-VA appropriations bill (S. 2604; S.Rept. 117-35) and reported it out of

committee.²² The Senate-reported FY2022 MILCON-VA appropriations bill recommends \$268.37 billion for VA. This amount includes \$155.44 billion in mandatory funding and \$112.93 billion in discretionary funding. The Senate Appropriations committee report indicates agreement with the Administration's proposal to use the Recurring Expenses Transformational Fund to supplement VA's discretionary budget amount. According to the committee report, the FY2022 Recurring Expenses Transformational Fund balance is approximately \$842 million, out of which VA proposed to allocate \$820 million, with approximately \$670 million for minor construction projects and the balance for IT systems.²³ S. 2604 (S.Rept. 117-35) also recommends \$159.16 billion for VBA, including general operating expenses; \$98.33 billion for VHA; \$394 million for NCA; and \$10.48 billion for departmental administration accounts.

On October 18, Senate Appropriations Committee Chairman Patrick Leahy released a draft version of the FY2022 Department of Defense Appropriations bill, among other bills. Division C of this draft committee bill included the Military Construction and Veterans Affairs, Additional Appropriations bill. This bill made certain amendments to S. 2604 to comply with the FY2022 budget resolution (S.Con.Res. 14), which grants special budgetary treatment to certain types of spending, essentially exempting such spending from budget enforcement rules. S.Con.Res. 14 applies such special budgetary treatment to veterans' medical care within the Medical Services, Medical Community Care, Medical Support and Compliance, and Medical Facilities accounts of the Veterans Health Administration. The exemption applies to spending provided in excess of \$89,849,000,000, but may not exceed \$7,602,000,000. Accordingly, the Senate bill provides the \$98.33 billion recommended for VHA, with approximately \$7.60 billion provided pursuant to S.Con.Res. 14.

Continuing Appropriations (Extending Government Funding and Delivering Emergency Assistance Act, H.R. 5305; P.L. 117-43)

Because none of the regular appropriations bills were enacted at the beginning of the fiscal year on October 1, Congress passed a continuing resolution (CR), the Extending Government Funding and Delivering Emergency Assistance Act (H.R. 5305; P.L. 117-43), which the President signed into law on September 30, 2021. The act provides continuing appropriations for VA through December 3, 2021, at FY2021 funding levels, with certain exceptions.²⁴ Since seven accounts (compensation and pensions, readjustment benefits, insurance and indemnities, medical services, medical community care, medical support and compliance, and medical facilities) received advance appropriations budget authority for FY2022 in the Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2021 (Division J of P.L. 116-260), these accounts are not affected by the CR.

However, Section 151 of Division A of the Extending Government Funding and Delivering Emergency Assistance Act provides VA with transfer authority to transfer up to \$193.5 million of FY2021 unobligated balances from the medical services account to the following three accounts, specifying that

²² The Subcommittee on Military Construction, Veterans Affairs, and Related Agencies did not hold a planned subcommittee markup on August 2, 2021.

²³ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 67.

²⁴ The FY2021 rate of operations does not apply to transfer authorities of unobligated balances from title X of Division B of the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136), provided in Division J of the Consolidated Appropriations Act, 2021 (H.R. 133, P.L. 116-260).

- up to \$178 million may be transferred to VBA general operating expenses account,
- up to \$5.8 million may be transferred to BVA, and
- up to \$9.7 million may be transferred to the information technology systems account.

These transferred amounts are to be used for expenses related to the processing of disability claims for asthma, rhinitis, and sinusitis on a presumptive basis due to presumed exposure to particulate matter (such as burn pit emissions) during servicemembers' deployment to countries in Southwest Asia and certain other countries.²⁵

The next sections discuss account-level details of the President's FY2022 request and congressional action on regular VA appropriations. Comparisons to FY2021-enacted funding amounts do not include funding from the American Rescue Plan Act (P.L. 117-2).

Mandatory Programs Funding

Major mandatory program funding includes compensation and pensions (VA's disability compensation program; pensions to low-income veterans, their surviving spouses, and dependent children); readjustment benefits (education and vocational rehabilitation assistance); and veterans insurance and indemnities (the provision of life insurance).

Compensation and Pensions

The Compensation and Pensions category includes payments for benefits such as disability compensation; dependency and indemnity compensation (DIC); pension benefits for low-income disabled or elderly wartime veterans and their survivors; burial benefits (allowances, flags, headstones, etc.); and a clothing allowance for certain disabled veterans.

For FY2022, VA requested \$137.58 billion for the Compensation and Pensions account, an increase of \$13.22 billion over the FY2021-enacted level of funding and \$7.3 billion over the FY2022 advanced appropriations request (see **Table 2**).²⁶ The largest portion of the budget is disability compensation, and VA estimates that \$133.8 billion in compensation payments would go to an estimated 5.5 million veterans, 475,146 survivors, and 1,281 children in FY2022. Pension payments are estimated to be \$4.8 billion to approximately 209,355 veterans and 147,472 survivors. Finally, an estimated \$418.0 million would be allocated for burial benefits.²⁷

The funding request increase includes \$3.0 billion in obligations during FY2022 for the three new Agent Orange presumptive conditions identified in P.L. 116-283: Parkinson's-like symptoms, bladder cancer, and hypothyroidism. VA estimates that these new conditions qualifying for disability compensation include approximately \$2.2 billion in retroactive benefits.²⁸ In general,

²⁵ For more information, see CRS Insight IN11724, *VA Now Processing Gulf War Veterans' Disability Claims for New Respiratory Presumptive Conditions*. Also see Department of Veterans Affairs, "Interim Final Rule-Presumptive Service Connection for Respiratory Conditions Due to Exposure to Particulate Matter," 86 *Federal Register* 42724-42733, August 5, 2021.

²⁶ U.S. Department of Veterans Affairs, FY2022 Budget Submission, *Benefits and Burial Programs and Departmental Administration*, vol. 3 of 4, May 2021, p. VBA-52.

²⁷ U.S. Department of Veterans Affairs, FY2022 Budget Submission, *Benefits and Burial Programs and Departmental Administration*, vol. 3 of 4, May 2021, p. VBA-52-53.

²⁸ U.S. Department of Veterans Affairs, FY2022 Budget Submission, *Benefits and Burial Programs and Departmental Administration*, vol. 3 of 4, May 2021, p. VBA-53.

the average payments for benefits, including disability compensation, pension, and survivor benefits, would be expected to increase due to the annual cost-of-living adjustment (COLA).

Division F of H.R. 4502 recommended for FY2021 an appropriation of \$137.58 billion for VA's Compensation and Pensions account, which is the exact amount VA requested (see **Table 2**).²⁹ The House Appropriations Committee, in its report (H.Rept. 117-81), highlighted various areas of interest and directive actions. The committee encourages VA to continue implementing GAO's recommendations to improve regional office processing of claims, increase communication with Veterans Service Organizations (VSOs), and discuss the feasibility of locating satellite congressional offices within VA Medical Centers. In addition, the committee remains concerned with the backlog of disability claims and the processing of dependency and indemnity compensation (DIC) claims when the cause of death is listed as COVID-19. The committee directs VA to provide additional guidance on how a survivor can request a medical opinion to determine if a service-connected illness or disability contributed to the veteran's death, and directs VA to continue providing quarterly reports on the disability backlog.³⁰

In S. 2604, the Senate Appropriations Committee recommends providing \$7.35 billion in additional funding to the \$130.23 billion provided in advanced appropriations for FY2022. This amount provides VA with a total budget of \$137.58 billion, equal to VA's FY2022 request (see **Table 2**).³¹ The committee's report, S.Rept. 117-35, explained that the increase in appropriations reflects the increased obligations VA faces with disability compensation payments, the implementation of new laws, and the requirement to adjudicate disability claims for Blue Water Navy veterans.³²

Readjustment Benefits

The Readjustment Benefits category reflects several benefits related to the transition of servicemembers from active duty status to veteran status, as well as benefits for disabled veterans. Some of these programs include education benefits for veterans, survivors, and dependents; vocational rehabilitation and employment training for service-connected disabled veterans; and helping individual veterans purchase and/or rehabilitate homes.

For FY2022, VA requested appropriations of \$14.95 billion to provide funding for Readjustment Benefits, which is approximately \$2.37 billion more than the amount enacted in FY2021 (see **Table 2**). In addition to the appropriated funds, VA will combine \$174.3 million in offsetting collections from the Department of Defense (DOD), and an estimated unobligated balance of \$3.7 billion from FY2021 to sufficiently provide the benefits required. The increase in readjustment benefits funding is due, in part, to two legislative directives. First, P.L. 116-140, the Student Veteran Coronavirus Response Act of 2020, changed education and VR&E benefits due to the pandemic and required the continuation of benefits paid that otherwise may have stopped due to

²⁹ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 29.

³⁰ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 30-31.

³¹ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 33-34.

³² U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, <LISRef number="35" congress="117" title="*" type="senateReport" url="http://www.congress.gov/cgi-bin/lis/cpquery/R?cp117:FLD010:@1(sr35):" id="3753990749" /> p. 34.

educational institutions closing or the shift to a virtual learning environment.³³ Second, P.L. 116-315, the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020, enhanced and expanded the eligibility for the Edith Nourse Rogers STEM Scholarship and the Fry Scholarship.³⁴

Division F of H.R. 4502 provides \$14.95 billion for Readjustment Benefits in FY2022, the exact amount requested by VA.³⁵ The House Appropriations Committee, in its report (H.Rept. 117-81), highlighted several VA efforts to help veterans transition to civilian life and requested that VA continue and enhance those efforts. The committee believes that VA should increase coordination with the Departments of Defense, Education, and Labor to ensure that veterans can successfully transition into jobs, receive employment training, and understand options available for repayment or forgiveness of student loans. The committee also requests that VA explore possible options to continue the payment of benefits after December 21, 2021, with the possibility of educational institutions continuing with virtual or hybrid programs.

In the same manner as the House Appropriations Committee, the Senate Appropriations Committee recommended \$14.95 billion for Readjustment Benefits in FY2022, the exact amount requested by VA in S. 2604.³⁶ The committee report, S.Rept. 117-35, addressed one program within VA's Readjustment Benefits, the Veteran Employment Through Technology Education Courses (VET TEC) Program. The committee supports this program and calls on VA to consider expanding the program to address increased demand.³⁷

Veterans Insurance and Indemnities (VI&I)

The Veterans Insurance and Indemnities account is the mandatory funding mechanism for several government life insurance programs for veterans. In addition to direct payments made to insured veterans and their beneficiaries, this category includes supplemental funding for National Service

³³ U.S. Department of Veterans Affairs, FY2022 Budget Submission, *Benefits and Burial Programs and Departmental Administration*, vol. 3 of 4, May 2021, p. VBA-78.

³⁴ The Edith Nourse Rogers STEM Scholarship is a program for eligible veterans and dependents who are enrolled in an undergraduate STEM program or who have earned a post-secondary graduate degree and are working toward a certification or are in a clinical training program. The scholarship would allow all beneficiaries to extend their Post-9/11 Bill or Fry Scholarship benefits. The Fry Scholarship is a scholarship for children and spouses of certain veterans who died in the line of duty on or after September 11, 2001, or a member of the Selected Reserve who died from a service-connected disability.

³⁵ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 31.

³⁶ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 34.

³⁷ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, p. 34.

Life Insurance (NSLI),³⁸ Service-Disabled Veterans Insurance (S-DVI),³⁹ and Veterans Mortgage Life Insurance (VMLI).⁴⁰

For FY2022, VA estimates that this account will require \$136.95 million, approximately \$5.58 million more than the FY2021-enacted funding.⁴¹ This funding will help provide life insurance to 5.6 million veterans, servicemembers, and dependents. Provided appropriations would enable VA to transfer \$20,000 to the NSLI program, \$32.3 million to the VMLI program, and \$104.7 million to the S-DVI program. In addition, VA will have an estimated \$6.0 million in collections from premiums, interest on investments, and extra hazard payments from military service branches. VA also requested \$109.87 million in advance appropriations for FY2023.⁴²

In H.R. 4502 and S. 2604, both the House and Senate Appropriations Committees recommend appropriating \$136.95 million to VA's insurance and indemnity account, which is the amount VA requested.⁴³

Medical Care and Medical Research Discretionary Programs Funding

Background

The Veterans Health Administration operates one of the nation's largest integrated direct health care delivery systems.⁴⁴ Although Medicare, Medicaid, and the Children's Health Insurance Program (CHIP) are also publicly funded programs, most health care services under these programs are delivered by private providers in private facilities. In contrast, the VA health care system could be categorized as a veterans-specific national health care system, in the sense that the federal government owns the medical facilities and employs the health care providers.⁴⁵

³⁸ The National Service Life Insurance (NSLI) program was created on October 8, 1940, to handle insurance needs of World War II veterans. These policies were issued until April 24, 1951, and provided a maximum of \$10,000 in coverage. See <https://www.benefits.va.gov/insurance/nsli.asp>.

³⁹ The Service-Disabled Veterans Insurance (S-DVI) program was established on April 25, 1951, and remains open for new policies to service-connected disabled veterans who separated under other than dishonorable conditions. S-DVI provides up to \$10,000 in coverage for which premium relief is available to certain insured veterans. Up to an additional \$30,000 in supplemental coverage may be granted without a waiver of premiums. See <https://www.va.gov/life-insurance/options-eligibility/s-dvi/>.

⁴⁰ The Veterans Mortgage Life Insurance (NSLI) program provides veterans who meet certain requirements, including having received a grant for specially adapted housing with up to \$200,000 of mortgage protection life insurance. This program pays the benefit directly to the bank or lender of the veteran's mortgage. See <https://www.va.gov/life-insurance/options-eligibility/vmli/>.

⁴¹ U.S. Department of Veterans Affairs, *FY2022 Budget Submission, Budget in Brief*, May 2021, p. BiB-28.

⁴² U.S. Department of Veterans Affairs, *FY2022 Budget Submission, Benefits and Burial Programs and Departmental Administration*, vol. 3 of 4, May 2021, p. VBA-129, 131.

⁴³ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 33; and U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 35.

⁴⁴ U.S. Department of Veterans Affairs, *FY 2009 Performance and Accountability Report*, Washington, DC, November 16, 2009, p. I-42. Established on January 3, 1946, as the Department of Medicine and Surgery by P.L. 79-293, succeeded in 1989 by the Veterans Health Services and Research Administration, and renamed the Veterans Health Administration in 1991.

⁴⁵ Adam Oliver, "The Veterans Health Administration: An American Success Story?" *The Milbank Quarterly*, vol. 85,

The VA's health care system is organized into 18 geographically defined Veterans Integrated Service Networks (VISNs). Although policies and guidelines are developed at VA headquarters to be applied throughout the VA health care system, management authority for basic decisionmaking and budgetary responsibilities is delegated to the VISNs.⁴⁶ As of September 30, 2020, the VHA operated 146 hospitals, 134 nursing homes, 775 community-based outpatient clinics (CBOCs),⁴⁷ and 300 Readjustment Counseling Centers (Vet Centers).⁴⁸ In 2009, VA began a pilot Mobile Vet Center (MVC) program to improve access to services for veterans in rural areas, and the department has deployed 83 MVCs to date.⁴⁹

Although VHA provides most health care services to eligible veterans through its integrated network of facilities, it does pay for care in the community under certain circumstances. The Veterans Community Care Program (VCCP) applies eligibility for care in the community broadly to all enrolled veterans based on specific criteria.⁵⁰ VA is authorized to provide care in the community through individual agreements with community providers, called *veterans care agreements*. VA is also authorized to reimburse for emergency care visits if specific criteria are met.⁵¹ Inpatient and outpatient care is provided in the private sector to eligible dependents of veterans under the Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA).⁵² In addition, VHA provides grants for construction of state-owned nursing homes and domiciliary facilities⁵³ and collaborates with the Department of Defense in sharing health care resources and services.

Apart from providing direct patient care to veterans,⁵⁴ VHA's other statutory missions are to conduct medical research,⁵⁵ serve as a contingency backup to the DOD medical system during a national security emergency,⁵⁶ provide support to the National Disaster Medical System and the

no. 1 (March 2007), pp. 5-35.

⁴⁶ Kenneth Kizer, John Demakis, and John Feussner, "Reinventing VA health care: Systematizing Quality Improvement and Quality Innovation," *Medical Care*, vol. 38, no. 6 (June 2000), Suppl. 1:17-116.

⁴⁷ For more information on CBOCs, see CRS Report R41044, *Veterans Health Administration: Community-Based Outpatient Clinics* (archived).

⁴⁸ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-443. Vet Centers are a nationwide system of community-based programs separate from VA medical centers (VAMCs). Client services provided by Vet Centers include psychological counseling and psychotherapy (individual and group), screening for and treatment of mental health issues, substance abuse screening and counseling, employment/educational counseling, and bereavement counseling, among other services.

⁴⁹ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-443.

⁵⁰ For more information on the VCCP and the eligibility criteria, see CRS Report R45390, *VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act of 2018 (VA MISSION Act; P.L.115-182)*.

⁵¹ For more information, see CRS Report R42747, *Health Care for Veterans: Answers to Frequently Asked Questions*.

⁵² For details on CHAMPVA, see CRS Report RS22483, *Health Care for Dependents and Survivors of Veterans*.

⁵³ Under the grant program, VA may fund up to 65% of the cost of these state-owned facilities. States must fund the remaining 35%. The law requires that 75% of the residents in a state extended care facility must be veterans (38 U.S.C. §§8131-8138.) All nonveteran residents must be spouses of veterans or parents of children who died while serving in the U.S. Armed Forces. VA is prohibited by law from exercising any supervision or control over the operation of a state veterans nursing home, including setting admission criteria. Admission requirements are determined exclusively by the state. Also see CRS In Focus IF11656, *State Veterans Homes*.

⁵⁴ 38 U.S.C. §7301(b).

⁵⁵ 38 U.S.C. §7303.

⁵⁶ 38 U.S.C. §8111A.

Department of Health and Human Services as necessary,⁵⁷ and train health care professionals to provide an adequate supply of health personnel for VA and the nation.⁵⁸

The Veteran Patient Population⁵⁹

In FY2021, approximately 9.2 million of the 19.5 million total veterans were enrolled in VA's health care system.⁶⁰ VA estimates that in FY2022, enrollment will grow by approximately 5,000. In FY2021, of the total number of enrolled veterans, VA anticipated treating approximately 7.0 million unique veteran and nonveteran patients.⁶¹ For FY2022, VHA estimates that it will treat about 7.2 million unique veteran patients, or 1.0% over the FY2021 estimate (see **Table A-1** for veteran population, VA enrollees, and VA patients from FY2000 to FY2022).

In addition, VHA estimates that outpatient visits will increase from 114.72 million visits in FY2021 to 118.99 million visits in FY2022, an increase of 4.27 million, or 3.7%. VHA anticipates a decrease in the total number of inpatients treated in all inpatient facilities from 1.05 million patients in FY2021 to 1.03 million patients in FY2022, a decrease of 1.9%.⁶²

President's Request and Congressional Action

The VA's annual appropriations for the medical services, medical community care, medical support and compliance, and medical facilities accounts include advance appropriations that become available one fiscal year after the fiscal year for which the appropriations act was enacted. Therefore, funding levels for FY2022 for these four accounts were provided by the Consolidated Appropriations Act, 2021 (Div. J; P.L. 116-260). However, in any given year the Administration could request additional funding for the upcoming fiscal year and Congress could revise these amounts through the annual appropriations process. Across all four accounts, the President's budget increased by \$3.27 billion over the advance appropriations amount in FY2022.⁶³ This increase from the FY2022 request was driven by readjusted actuarial estimates for the medical community care account. In total, the FY2022 budget request for VHA is \$101.72 billion, including medical care collections (see **Table 2**).⁶⁴

⁵⁷ 38 U.S.C. §8117(e).

⁵⁸ 38 U.S.C. §7302.

⁵⁹ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-38.

⁶⁰ In general, a veteran is required to be enrolled in the VA health care system to receive health care services, and once a veteran is enrolled, that veteran remains enrolled in the VA health care system and maintains access to VA health care services. For more information on enrollment, see CRS Report R42747, *Health Care for Veterans: Answers to Frequently Asked Questions*.

⁶¹ A *unique veteran patient* means each patient is counted only once in each fiscal year. However, there could be multiple visits (clinical encounters) per unique veteran patient in a given fiscal year.

⁶² Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-40.

⁶³ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-11.

⁶⁴ The committees on appropriations include medical care cost recovery collections when considering funding for the VHA. Congress has provided VHA the authority to bill some veterans and most health care insurers for nonservice-connected care provided to veterans enrolled in the VA health care system, to help defray the cost of delivering medical services to veterans. Funds collected from first- and third-party (copayments and insurance) bills are retained by the VA health care facility that provided the care for the veteran. The Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), enacted into law in 1986, established means testing for veterans seeking care for nonservice-connected conditions. The Balanced Budget Act of 1997 (P.L. 105-33) established the Department of Veterans Affairs

As required by the Veterans Health Care Budget Reform and Transparency Act of 2009 (P.L. 111-81), the President's budget requests \$111.29 billion in advance appropriations for the four medical care appropriations (medical services, medical community care, medical support and compliance, and medical facilities) for FY2023, an increase of approximately 14.2% over the FY2022-requested amount of \$97.45 billion for the same four accounts. In FY2023, the Administration's budget request would provide \$70.32 billion for the medical services account, \$24.16 billion for medical community care, \$9.67 billion for the medical support and compliance account, and \$7.13 billion for the medical facilities account (see **Table 2**).

The House-passed version of the MILCON-VA appropriations bill (Division F of H.R. 4502; H.Rept. 117-81) provides a higher VHA appropriation than the President's request (\$123 million higher), while the Senate Appropriations Committee MILCON-VA bill for FY2022 (S. 2604; S.Rept. 117-35) recommends the same amount as the President's request. The sections below detail the amounts requested for each VHA account for FY2022 and the funds provided in the House-passed bill and recommended in the Senate Appropriations Committee bill for each account.

Medical Services

The medical services account covers expenses for furnishing inpatient and outpatient care and treatment of veterans and certain dependents, including care and treatment in non-VA facilities; outpatient care on a fee basis; medical supplies and equipment; salaries and expenses of employees hired under Title 38, *United States Code* (U.S.C.); cost of hospital food service operations;⁶⁵ grants for adaptive sports programs for disabled veterans and members of the Armed Forces, beneficiary travel, prosthetics, Long-Term Services and Supports (LTSS), aid to state veterans' homes; and assistance and support services for family caregivers, and costs associated with activation of newly constructed or leased VA medical care facilities, among other distinct activities.⁶⁶

For FY2022, the President's budget requests \$58.90 billion for the medical services account. This amount is equal to the FY2022 advance appropriated amount. According to VA, when combined with \$9.6 billion of unobligated balances from funding provided in the American Rescue Plan Act, this amount fully funds all resources.

The House-passed version of the MILCON-VA appropriations bill (Division F of H.R. 4502; H.Rept. 117-81) provides \$106 million over the FY2022 President's request. The Senate Appropriations Committee MILCON-VA bill recommendation for FY2022 is the same as the President's request. Both the House-passed bill and the Senate Appropriations Committee bill

Medical Care Collections Fund (MCCF) and gave the VHA the authority to retain these funds in the MCCF. Instead of returning the funds to the Treasury, VA can use them, without fiscal year limitations, for medical services for veterans. In FY2004, the Administration's budget requested consolidating several existing medical collections accounts into one MCCF. The conferees of the Consolidated Appropriations Act of 2004 (H.Rept. 108-401) recommended that collections that would otherwise be deposited in the Health Services Improvement Fund (former name), Veterans Extended Care Revolving Fund (former name), Special Therapeutic and Rehabilitation Activities Fund (former name), Medical Facilities Revolving Fund (former name), and the Parking Revolving Fund (former name) should be deposited in MCCF. The Consolidated Appropriations Act of 2005 (P.L. 108-447, H.Rept. 108-792) provided the VA with permanent authority to deposit funds from these five accounts into the MCCF.

⁶⁵ In its FY2008 budget request to Congress, VA requested the transfer of food service operations costs from the medical facilities appropriations to the medical services appropriations. The House and Senate Appropriations Committees concurred with this request. The cost of food service operations supports hospital food service workers, provisions, and supplies related to the direct care of patients.

⁶⁶ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-306.

provide FY2023 advance appropriations equal to the President's request of \$70.32 billion (see **Table 2**).

Within the total amount provided for medical services in the House-passed bill for FY2022 (\$59.0 billion), the committee provides an additional \$10 million over the request for the whole health initiative (\$83.60 million total), an additional \$1 million for suicide prevention (\$599 million total), an additional \$73 million for gender-specific care for women (\$778.50 million total), and an additional \$2.51 million for mental health (\$13.18 billion total).

Medical Community Care

Section 4003 of the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (P.L. 114-41) required the establishment of a separate new account for medical community care, beginning with the FY2017 appropriations cycle. The Jeff Miller and Richard Blumenthal Veterans Health Care and Benefits Improvement Act of 2016 (P.L. 114-315) authorized advance appropriations for the medical community care account. The account is intended to consolidate all community care programs under a single appropriation, and it is the funding source for care that VHA provides to eligible veterans through community health care providers. These programs include the Veterans Community Care Program (VCCP), the Camp Lejeune Family Member Program (CLFMP), CHAMPVA, the Foreign Medical Program (FMP), the Spina Bifida Health Care Program, the Children of Women Vietnam Veterans Health Care Benefits Program (CWVV), and the Indian Health Service (IHS)/Tribal Health Programs (THP) Reimbursement Agreements Program.

Some expenses related to the community care program are funded through the medical support and compliance account and the Information Technology account. These expenses include administrative expenses related to claims processing performed by the Third Party Administrators (TPAs) and VHA, and software required for information technology (IT) systems related to the community care program.⁶⁷

The President's budget requests \$23.42 billion for the medical community care account. This amount is \$3.27 billion over the FY2022 advance appropriated amount of \$20.15 billion. This increase was largely driven by readjusted actuarial estimates for the medical community care account.⁶⁸

The House-passed version of the MILCON-VA appropriations bill (Division F of H.R. 4502; H.Rept. 117-81) provides \$3.26 million more than the FY2022 advance appropriation amount. This is \$5 million less than the FY2022 request. The Senate Appropriations Committee bill recommends the same amount as the FY2022 request. Both bills provide FY2023 advance appropriation amounts equivalent to the President's request (see **Table 2**).

Medical Support and Compliance

This account provides for expenses related to the management, security, and administration of VA's health care system through the operation of VA medical centers (VAMCs) and other medical facilities, such as community-based outpatient clinics (CBOCs) and Vet Centers. This includes among other things, VMAC leadership teams (Director, Chief of Staff, Chief Medical Officer, and

⁶⁷ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-334.

⁶⁸ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-11.

Chief Nurse) and VAMC support functions, such as “quality of care oversight, security services, legal services, billing and coding activities, acquisition, procurement, and logistics activities, human resource management, logistics and supply chain management, and financial management.”⁶⁹ This account also funds 18 Veterans Integrated Service Network (VISN)⁷⁰ offices, which include network management activities such as the following network leadership teams within each VISN: Network Director, Deputy Network Director, Chief Financial Officer, Chief Medical Officer, and Chief Information Officer.⁷¹ This account also provides for expenses related to VHA Central Office (VHACO) operating units, such as offices of the Assistant Under Secretary for Community Care and Deputy Assistant Under Secretary for Community Care, the Office of the Assistant Under Secretary for Health for Clinical Services and the Chief Medical Officer (AUSH/CS), and the Office of Discovery, Education, and Affiliate Networks (DEAN), among other offices and suboffices.

The President’s budget requests \$8.40 billion for the medical support and compliance account. This amount is equivalent to the FY2022 advance appropriated amount.⁷²

Both the House-passed version of the MILCON-VA appropriations bill (Division F of H.R. 4502; H.Rept. 117-81) and the Senate Appropriations Committee bill provide the same amount as the President’s request (see **Table 2**).

Medical Facilities

The medical facilities account funds expenses pertaining to the operations and maintenance of VHA’s capital infrastructure. These expenses include utilities and administrative expenses related to planning, designing, and executing construction or renovation projects at VHA facilities. It also funds medical facility leases, including clinical space in CBOCs, engineering and environmental management, grounds maintenance, fire protection, nonrecurring maintenance, recurring maintenance and repairs, textile care processing and maintenance, and operating equipment maintenance and repairs, among others.

The President’s budget requests \$6.73 billion for the medical facilities account. This amount is equivalent to the FY2022 advance appropriated amount.⁷³

Both the House-passed version of the MILCON-VA appropriations bill (Division F of H.R. 4502; H.Rept. 117-81) and the Senate Appropriations Committee bill provide the same amount as the President’s request (see **Table 2**).

Medical and Prosthetic Research

As required by law, the medical and prosthetic research program (medical research) focuses on research into the special health care needs of veterans. This account provides funding for many

⁶⁹ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA- 351.

⁷⁰ VISN offices provide management and oversight to the medical centers and clinics within their assigned geographic areas. Each VISN office is responsible for allocating funds to facilities, clinics, and programs within its region and coordinating the delivery of health care to veterans.

⁷¹ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA- 352.

⁷² Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-19.

⁷³ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-19.

types of research, such as investigator-initiated research; mentored research; large-scale, multisite clinical trials; and centers of excellence. VA researchers receive funding not only through this account but also from DOD, the National Institutes of Health (NIH), and private sources. The medical services, medical support and compliance, and medical facilities accounts also provide funds for additional expenses required for VAMCs supporting research activities.

In general, VA's research program is intramural; VA investigators conduct research at VA facilities and in approved off-site space occupied by VA under a legal agreement. Unlike other federal agencies, such as NIH and DOD, VA does not have the statutory authority to make research grants to colleges and universities, cities and states, or any other non-VA entities.

The President's budget requests \$882 million for the medical and prosthetic research account, an increase of \$87 million, or 10.9%, above the FY2021-enacted amount of \$795 million. The VHA's major research priorities in FY2022 include, among others, traumatic brain injury (TBI), military exposures, and Coronavirus-related research and impact, cloud computing and storage, data security/counterintelligence, precision oncology, and collaboration with Department of Energy.⁷⁴

The House-passed version of the MILCON-VA appropriations bill (Division F of H.R. 4502; H.Rept. 117-81) provides \$22 million more than the FY2022 request. The amount recommended by the Senate Appropriations Committee bill for FY2022 is the same as the request (see **Table 2**).

Nonmedical Discretionary Programs Funding

National Cemetery Administration (NCA)

The majority of NCA's discretionary funding falls into the Operations and Maintenance category. VA requested a total of \$394 million in FY2022 for this account (see **Table 2**)—a \$42 million, or 12%, increase for NCA's operations and maintenance expenses over the FY2021-enacted amount. The requested funding will provide for an estimated 136,000 interments, perpetual care of 4 million gravesites, and the operations and maintenance of 158 national cemeteries and 34 additional sites.⁷⁵ The request also includes funding to support hiring an additional 97 full-time equivalents (FTEs), bringing the total number of FTEs from 2,120 in FY2021 to 2,217 in FY2022.⁷⁶

As VA continues to work toward its goal of providing 95% of veterans with access to a cemetery within 75 miles of their homes, the VA request includes \$7.6 million for the continued activation of the rural cemeteries in Fargo, ND; Cheyenne, WY; and Northwoods, WI; and for initial activation of the New York and Indianapolis columbarium-only cemeteries and the Cedar City, UT, rural cemetery. With the addition of these new cemeteries and the increased workload anticipated during FY2022, VA requested \$7.7 million and 35 new FTEs to address these needs.⁷⁷

Within the Operations and Maintenance appropriations category, VA requested funds to support the agency's programs and initiatives to memorialize the veterans in the cemeteries. The funds

⁷⁴ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA-544.

⁷⁵ U.S. Department of Veterans Affairs, *FY2022 Budget Submission, Budget in Brief*, May 2021, p. BiB-32-33.

⁷⁶ U.S. Department of Veterans Affairs, *FY2022 Budget Submission, Budget in Brief*, May 2021, p. BiB-33.

⁷⁷ U.S. Department of Veterans Affairs, *FY2022 Budget Submission, Benefits and Burial Programs and Departmental Administration*, vol. 3 of 4, May 2021, pp. NCA-23, 24.

would be used to continue developing the Veterans Legacy Memorial (VLM) and to incorporate millions of veterans' records from non-VA national cemeteries. To complement NCA's digital efforts, NCA will continue to develop onsite interpretive signs, exhibits, and publications to increase the public's knowledge of NCA's history. To commemorate its 50th anniversary, NCA is to produce a book that would be the "first comprehensive history of NCA highlighting its establishment and transformation to the present."⁷⁸

Division F of H.R. 4502 provides \$392 million for NCA expenses in FY2022, which is \$2 million less than the requested amount but \$40 million over the FY2021-enacted amount (see **Table 2**).⁷⁹ The House Appropriations Committee, in its report (H.Rept. 117-81), explained that NCA should prioritize two key goals: (1) maintaining the current level of services at existing cemeteries and (2) activating new cemeteries to increase burial access. In addition, the committee highlighted two items it would like to see more action on: (1) completing the replacement of the headstones of prisoners of war that have a German insignia on them and (2) pursuing efforts to expand and ensure burial access to veterans in rural communities.⁸⁰

In comparison, the Senate Appropriations Committee, in S. 2604, recommended \$394 million for NCA expenses in FY2022, which is equivalent to the requested amount and \$42 million over the FY2021-enacted amount.⁸¹ The committee report, S.Rept. 117-35, addressed three NCA projects that are in progress. First, the committee directs VA to establish a pilot program to partially or fully enclose committal shelters at national cemeteries located in various climates. Second, the committee is pleased with the progress toward completion of the Western New York National Cemetery and requests a timeline for completion within 60 days after enactment of the act. Finally, the committee supports additional infrastructure at rural cemeteries, but requests VA to also consider any necessary water, sewer, and electric utilities needed for these projects.⁸²

VBA, General Operating Expenses

VA requested \$3.423 billion in funding for VBA general operating expenses for FY2022. This amount was an estimated \$243 million, or 7.6%, increase over the enacted FY2021 budget and will support 25,303 FTEs, an increase of 560 over FY2021 (see **Table 2**).⁸³ In addition, VA's two key priorities for FY2022 are benefits delivery and suicide prevention.⁸⁴ To address these priorities, VA requested \$81.5 million to modernize the Education Service platform to improve claims processing, collaboration with stakeholders, and communications through an online platform. In addition, VA requested \$3.6 million to develop and implement a pilot program that

⁷⁸ U.S. Department of Veterans Affairs, FY2022 Budget Submission, *Benefits and Burial Programs and Departmental Administration*, vol. 3 of 4, May 2021, pp. NCA-25.

⁷⁹ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 72.

⁸⁰ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 73.

⁸¹ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 65-66.

⁸² U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, Report to Accompany, 117th Cong., 1st sess., August 4, 2021, p. 66.

⁸³ U.S. Department of Veterans Affairs, FY2022 Budget Submission, *Benefits and Burial Programs and Departmental Administration*, vol. 3 of 4, May 2021, pp. VBA-147.

⁸⁴ U.S. Department of Veterans Affairs, FY2022 Budget Submission, Budget in Brief, May 2021, p. BiB-28.

would provide employment opportunities to veterans and servicemembers with service-connected disabilities, and to use this program to learn more about ways to assist disabled veterans.⁸⁵

Division F of H.R. 4502 provides \$3.417 billion for VBA General Operating Expenses in FY2022, which is \$5.6 million less than the requested amount but \$237.4 million over the FY2021-enacted amount (see **Table 2**).⁸⁶ The committee stated that “VBA should prioritize use of these funds to process claims, including claims related to new Agent Orange presumptive conditions, and reduce the claims backlog.”⁸⁷ In addition, the committee identifies several areas that it would like VA to address. The committee encourages VA to create a transparent and evidence-based framework to expeditiously establish new presumptions for illnesses and disability associated with toxic exposures. It also directs VA to partner with DOD, TRICARE, private sector health providers, and the Centers for Medicare & Medicaid Services (CMS) to complete a report that examines the total number of veterans who have filed claims for disability compensation related to burn pits, along with the demographic information, medical diagnoses, location of burn pits, and the approval and denial rates and rationale for denials.⁸⁸

In comparison, the Senate Appropriations Committee, in S. 2604, recommends \$3.486 billion for VBA general operating expenses in FY2022. This funding is \$63 million above VA’s requested amount and \$306 million over the FY2021-enacted amount.⁸⁹ The committee report, S.Rept. 117-35, addressed several issues, such as, but not limited to, compensation and pension exams, digitization of military records, and a national training curriculum. The committee expressed its concern about VBA’s increased reliance on contract examiners for compensation and pension exams and urged VA to make these exams available at VA facilities “with the capability to conduct them in a safe and thorough manner.”⁹⁰ The committee also requests VA to work in coordination with the Archivist of the United States to provide an update, in the form of a report, on the progress made by the National Personnel Records Center on improving veterans’ access to military records and on the effort to digitize outstanding personnel records for the year 1990 and earlier. Finally, the committee encourages VA to improve its training of disability claim processors to ensure they are correctly adjudicating claims of veterans suffering from posttraumatic stress disorder (PTSD).⁹¹

⁸⁵ U.S. Department of Veterans Affairs, FY2022 Budget Submission, *Benefits and Burial Programs and Departmental Administration*, vol. 3 of 4, May 2021, pp. VBA-150.

⁸⁶ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 35.

⁸⁷ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany , 117th Cong., 1st sess., July 2, 2021 p. 35.

⁸⁸ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 36-37.

⁸⁹ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 37.

⁹⁰ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 37.

⁹¹ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 38-39.

Board of Veterans' Appeals

The Board of Veterans' Appeals is an agency within VA established in 1933.⁹² The BVA's role is to conduct hearings and make final decisions on behalf of the VA Secretary regarding appeals for veterans' benefits and services from VBA, VHA, and NCA, as well as the Office of General Counsel (OGC), that are presented to BVA for appellate review.⁹³

The FY2022 request for BVA is \$228 million, a \$32 million increase over the FY2021-enacted amount of \$196 million (see **Table 2**). This amount would support 129 new full time equivalent (FTE) staff, including 35 additional Veteran Law Judges (VLJs).

The House-passed version of the MILCON-VA appropriations bill (Division F of H.R. 4502; H.Rept. 117-81) provides \$228 million as requested, along with authority to carry over 10% percent of this funding into FY2023.

The Senate Committee version MILCON-VA bill for FY2022 (S. 2604; S.Rept. 117-35), similar to the House-passed bill, recommends the same amount as the President's request. The committee report, while acknowledging the current appeals backlog, states: "[the] Department is currently experiencing a backlog of disability claims, which has only been exacerbated by the COVID-19 pandemic. The Committee recognizes veterans' expectations regarding timely and accurate appeals processing, and supports full funding of the [BVA] to increase personnel, reduce the backlog of claims and get veterans the timely answers they deserve."⁹⁴

Information Technology

The information technology (IT) account provides funding for department-wide IT activities such as IT and telecommunications support, management of data systems, and acquisition of IT systems and department-wide cybersecurity efforts, among other things.

The President's FY2022 IT budget request is \$4.843 billion, a decrease of \$31.7 million below the 2021-enacted budget (see **Table 2**). Of this amount, \$297 million would be for IT development, such as building new software applications; \$3.13 billion would be for operations and maintenance (O&M); and \$1.414 billion would be for staffing and administrative support services. The Administration's budget is proposing to supplement the IT budget request with \$670 million from the Recurring Expenses Transformational Fund in FY2022.⁹⁵ The budget

⁹² 38 U.S.C. §§ 7101-7113.

⁹³ Department of Veterans Affairs, *Board of Veterans' Appeals Annual Report*, Fiscal Year (FY) 2020, December 2020, p. 5.

⁹⁴ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriation Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p.69.

⁹⁵ The Recurring Expenses Transformational Fund was established by the Consolidated Appropriations Act, 2016 (P.L. 114-113, Division J, Title II, Section 243). The law allows unobligated balances of expired discretionary appropriations, in FY2016 or any succeeding fiscal year, to be transferred from the General Fund of the Treasury to VA and deposited in the Recurring Expenses Transformational Fund at the end of the fifth fiscal year after the last fiscal year for which such funds were available. The law stipulates that amounts deposited in the fund may be available for facility infrastructure improvements, including nonrecurring maintenance, at existing VA hospitals and clinics, and information technology systems improvements and sustainment, subject to approval by the Office of Management and Budget (OMB) and House and Senate Appropriations Committees.

proposes to use the Transformational Fund to support IT infrastructure readiness, Financial Management Business Transformation (FMBT),⁹⁶ and modernizing human resources systems.⁹⁷

The House-passed bill (Division F of H.R. 4502) provides approximately \$4.842 billion for the IT systems account for FY2022, which is approximately \$1 million less than the request (see **Table 2**). Within this total, the House-passed measure allocates \$297 million for IT development, such as building new software applications; \$3.13 billion for operations and maintenance (O&M); and \$1.413 billion for staffing and administrative support services. H.Rept. 117-81 directs the Office of Information Technology (OIT), in coordination with VHA and Office of Electronic Health Records Modernization (OEHRM), to develop end-to-end encrypted communication for telehealth, and to develop a centralized data system to catalog sexual harassment and assault complaint data as part of a comprehensive policy to end sexual assault, including sexual harassment and gender-based harassment, throughout VA.⁹⁸

The Senate Appropriations Committee-reported FY2022 MILCON-VA appropriations bill (S. 2604; S.Rept. 117-35) recommends approximately \$4.843 billion for the IT systems account, the same as the Administration's request (see **Table 2**). Of this amount, the Senate version of the MILCON-VA appropriations bill recommends \$297 million for IT development, \$3.13 billion for operations and maintenance (O&M), and \$1.414 billion for staffing and administrative support services, the same as the President's budget request. The committee also supports the Administration's proposal to allocate Recurring Expenses Transformational Fund funds to supplement funds for IT programs delineated in the Administration's budget proposal for FY2022.⁹⁹

Electronic Health Record Modernization (EHRM)¹⁰⁰

On May 17, 2018, VA signed a contract with Cerner Corporation to modernize its electronic health care record system. This account provides funding for activities required to plan and deploy the Cerner Millennium electronic health care record system at VA medical facilities. This includes the Electronic Health Record (EHR) contract costs, infrastructure readiness, and expenses related to the Project Management Office (PMO). Beginning with the Military

⁹⁶ In 2016, VA embarked on a new financial management modernization program known as the Financial Management Business Transformation (FMBT) program. Funding for the FMBT is derived from multiple accounts. These include the IT appropriation account, general administration appropriation account, and the Franchise Fund appropriation account. For more information on FMBT, see U.S. Government Accountability Office, *Veterans Affairs: Ongoing Financial Management System Modernization Program Would Benefit from Improved Cost and Schedule Estimating*, GAO-21-227, April 20, 2021.

⁹⁷ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. OIT-643.

⁹⁸ The Deborah Sampson Act of 2020 (Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020; P.L. 116-315; 134 STAT. 5022) required the Secretary to establish a comprehensive anti-harassment and anti-sexual assault policy at VA. U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 78.

⁹⁹ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, And Related Agencies Appropriations Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p.70.

¹⁰⁰ P.L. 115-407, Title V, § 503, 132 Stat. 5376 defines "Electronic Health Record Modernization Program" as "any activities by the Department of Veterans Affairs to procure or implement an electronic health or medical record system to replace any or all of the Veterans Information Systems and Technology Architecture, the Computerized Patient Record System, the Joint Legacy Viewer, or the Enterprise Health Management Platform; and any contracts or agreements entered into by the Secretary of Veterans Affairs to carry out, support, or analyze the activities under the [Electronic Health Record Modernization Program]."

Construction, Veterans Affairs, and Related Agencies Appropriations Act for FY2018 (P.L. 115-141), Congress established this new account, which is “intended to be the single source of funding within VA for the electronic health record effort” (H.Rept. 115-673). The Office of the Deputy Secretary is the only office responsible for administering the funds in this account.

On October 24, 2020, VA began initial deployment of the Cerner Millennium EHR at the Mann-Grandstaff VAMC in Spokane, WA, and the West Consolidated Patient Account Center. Due to various implementation challenges, and potential patient safety issues encountered during transition to the new EHR system, as highlighted by the Government Accountability Office (GAO), VA OIG, and medical center staff, on March 19, 2021, Secretary Denis McDonough announced a strategic review of the EHRM program.¹⁰¹ The results of this review were released in July 2021.¹⁰² Based on the results of the strategic review, VA altered the deployment schedule for Cerner Millennium EHR, based on assessing and ensuring readiness at each deployment site.¹⁰³ Previously, the deployment schedule was based on a synchronized DOD and VA regional schedule.

The President’s request for the EHR account for FY2022 is \$2.66 billion (see **Table 2**). The request is further separated into three subaccounts: approximately \$1.43 billion allocated for the Cerner EHR Millennium solution, approximately \$951.8 million allocated for infrastructure readiness, and approximately \$285.7 million allocated for program support.¹⁰⁴

The House-passed measure (Division F of H.R. 4502) provides approximately \$2.64 billion for the EHR account, which is \$26 million less than the Administration’s request (see **Table 2**). Furthermore, the bill stipulates that 25% of funding would not be available until July 1, 2022, and that the release of funds would be based on the certification by the Secretary regarding any changes to the EHRM deployment schedule. The House Committee report (H.Rept. 117-81) further delineates EHR funding at the subaccount level, including approximately \$1.42 billion allocated for the electronic health record contract, approximately \$276.71 million allocated for program management, and approximately \$943.79 allocated for infrastructure support.¹⁰⁵ In addition, “due to the uncertainty of the timing of obligations,” funds in this account would be available for three fiscal years.¹⁰⁶

The Senate Appropriations Committee-reported version of the FY2022 MILCON-VA appropriations bill (S. 2604; S.Rept. 117-35) recommends \$2.5 billion for the EHR account, which is \$163 million below the Administration’s request (see **Table 2**). The committee expresses its displeasure with VA’s EHR deployment: “while the Committee remains supportive of replacing VA’s current EHR with the same system being acquired by DoD, frustrations continue

¹⁰¹ Department of Veterans Affairs, “VA announces strategic review of Electronic Health Record Modernization program,” press release, March 19, 2021, <https://www.va.gov/opa/pressrel/pressrelease.cfm?id=5647>.

¹⁰² Department of Veterans Affairs, *Electronic Health Record Modernization: Comprehensive Lessons Learned Report*, July 2021.

¹⁰³ U.S. Congress, Senate Committee on Veterans’ Affairs, *VA Electronic Health Records: Modernization and the Path Ahead*, Statement of the Honorable Denis McDonough, 117th Cong., 1st sess., July 14, 2021, <https://www.veterans.senate.gov/hearings/va-electronic-health-records-modernization-and-the-path-ahead-07-14-21>

¹⁰⁴ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. EHRM – 609-EHRM – 610.

¹⁰⁵ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 78.

¹⁰⁶ U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81 H.Rept. 117-81, p. 78.

with the delays in execution, as well as with the Department’s poor communication.”¹⁰⁷ Furthermore, similar to the House-passed measure, the bill stipulates that 25% of funding would not be available until July 1, 2022, and that the release of funds would be based on the Secretary providing a plan to the committees regarding “benchmarks and measureable metrics for deployment, and a plan for addressing all required infrastructure upgrades.”¹⁰⁸ Moreover, VA is advised to consult with the Indian Health Service, as the IHS modernizes the Indian Health Service Electronic Health Record system, in order to ensure interoperability between VA and the IHS EHR systems.¹⁰⁹

Construction

Construction accounts include major construction, minor construction, and construction and renovation grants for state extended care facilities, as well as grants for state veterans cemeteries.

The major construction account provides funds for capital projects costing \$20 million or more that are intended to design, build, alter, extend, or improve a VHA facility. Projects identified through the Strategic Capital Investment Planning (SCIP) process are submitted for congressional authorization. Congress reviews, approves, and funds major construction on a project-by-project basis. Typical major construction projects are replacements of hospital buildings, the addition of large ambulatory care centers, and new hospitals or nursing homes.

The minor construction account provides funds for capital projects costing less than \$20 million that are intended to design, build, alter, extend, or improve a VHA facility. The total cost of a minor construction project cannot be greater than this statutory threshold. Minor construction projects are approved by the Office of Capital Asset Management and Support at the VA Central Office through the SCIP process. The grants to the state extended care facilities account provide grants to states for construction or acquisition of state home facilities, including funds to remodel, modify, or alter existing buildings used for furnishing domiciliary, nursing home, or hospital care to veterans. A grant may not exceed 65% of the total cost of the project. Lastly, the grants for construction of the veterans cemeteries account provide grants to states, territories, and federally recognized tribal governments for the establishment, expansion, or improvement of state and tribal veterans cemeteries.

The President’s FY2022 budget request for construction and construction grants is approximately \$2.21 billion. This amount includes \$1.61 billion for the major construction account, \$553 million for the minor construction account, and \$45 million for grants for construction of veterans cemeteries (see **Table 2**). In addition, the budget request proposes \$150 million from the Recurring Expenses Transformational Fund to supplement the minor construction account in FY2022.¹¹⁰ The Administration does not request any funding for grants for state extended care

¹⁰⁷ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, And Related Agencies Appropriations Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 72.

¹⁰⁸ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, And Related Agencies Appropriations Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 72.

¹⁰⁹ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, And Related Agencies Appropriations Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p.73.

¹¹⁰ The Recurring Expenses Transformational Fund was established by the Consolidated Appropriations Act, 2016 (P.L. 114-113, Division J, Title II, Section 243). The law allows unobligated balances of expired discretionary appropriations, in FY2016 or any succeeding fiscal year, to be transferred from the General Fund of the Treasury to VA and deposited in the Recurring Expenses Transformational Fund at the end of the fifth fiscal year after the last fiscal year for which such funds were available. The law stipulates that amounts deposited in the fund may be available for facility infrastructure improvements, including nonrecurring maintenance, at existing VA hospitals and clinics, and

facilities. The department is estimating that it would carry over \$596 million into FY2022 from prior year appropriations and American Rescue Plan (ARP) Act (P.L. 117-2) funding.¹¹¹

The House-passed bill (Division F of H.R. 4502) provides approximately \$2.30 billion for construction and construction grants accounts for FY2022, approximately \$92.1 million above the request. This includes the requested amounts for the construction major and minor accounts, and \$90 million for funding for grants for state extended care facilities (see **Table 2**). According to House Committee report (H.Rept. 117-81): “[s]upporting grants for construction of state extended care facilities has been and will continue to be a priority of the Committee. As such, in order to ensure that VA has the resources required to address priority project applications submitted in April 2021, the bill maintains level funding of \$90 million for fiscal year 2022.”¹¹² Lastly, the House-passed MILCON-VA appropriations bill provides \$47.1 million for grants for construction of veterans cemeteries.

The Senate Appropriations Committee-reported version of the FY2022 MILCON-VA appropriations bill (S. 2604; S.Rept. 117-35) recommends approximately \$2.26 billion for construction and construction grants, approximately \$55 million above the President’s FY2022 request (see **Table 2**). This includes the requested amounts for the construction major and minor accounts. S. 2604 also includes a provision to include \$150 million from the Recurring Expenses Transformational Fund to supplement minor construction account. The committee recommendation includes \$50 million for grants for state extended care facilities, and notes “that additional projects are needed around the country to support the needs of our Nation’s veterans, and VA receives new applications each year. Therefore, the Committee recommends funding in fiscal year 2022 to address applications for additional Priority 1 projects.”¹¹³ S. 2604 also recommends \$50 million for grants for construction of state veterans cemeteries, which is \$5 million above the request.

Asset and Infrastructure Review

Title II of the VA MISSION Act (P.L. 115-182) included the VA Asset and Infrastructure Review (AIR) Act of 2018. The AIR Act establishes a process for realigning and modernizing VHA facilities. Under this process, VA is to develop criteria for selecting VHA facilities to dispose of, modernize, or acquire, so as to better meet the health care needs of veterans.¹¹⁴ VA must then create a list of recommendations based on those criteria and submit it to a newly created Asset and Infrastructure Review Commission (the Commission). This nine-member commission reviews the VA’s recommendations but may not alter them, unless it determines that one or more recommendations are inconsistent with the criteria. The Commission submits the list of recommendations to the President, who either approves the list in its entirety or sends it back to the Commission with the reasons for disapproval. The Commission shall take into account the

information technology systems improvements and sustainment, subject to approval by the Office of Management and Budget (OMB) and House and Senate Appropriations Committees.

¹¹¹ Department of Veterans Affairs, *FY2022 Budget Submission, Medical Programs and Information Technology Programs*, vol. 2 of 4, May 28, 2021, p. VHA – 505.

¹¹² U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81, p. 83.

¹¹³ U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, And Related Agencies Appropriations Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35, p. 76.

¹¹⁴ Department of Veterans Affairs, “Draft Criteria for Section 203 of the MISSION Act,” 86 *Federal Register* 7921, February 2, 2021; and final selection criteria published in Department of Veterans Affairs, “Asset and Infrastructure Review Commission Foreword and Criteria,” 86 *Federal Register* 28932-28935, May 28, 2021.

reasons for disapproval and submit a second report to the President with recommendations for realignment and modernization of VHA facilities. The President may approve or disapprove the revised list. If the President approves the original or revised list, then VA must begin implementation of the recommendations within three years, unless Congress passes a joint resolution of disapproval, in which case the process terminates.¹¹⁵

As required by the AIR Act, VA is conducting market assessments to develop high-performing networks to improve access to care. The market assessment uses information regarding market geography and demographics, current and future market demand, access to care, quality of care, facility conditions, and health care resources that exist in the broader health care market (e.g., DOD, Federally Qualified Health Centers, academic partners, and private community providers).¹¹⁶ The market assessments would receive input from local VA medical facilities staff. Recommendations from the market assessments are to be finalized and submitted by the VA Secretary to the presidentially appointed AIR Commission for consideration. The AIR Commission’s authorized start date is January 1, 2022. The AIR Commission is to submit its recommendations to the President for review and approval, prior to sending to Congress for review and approval in 2023.

For the first time, the Administration’s request for FY2022 is requesting \$5 million in funding for a new Asset and Infrastructure Review account (see **Table 2**). This funding would provide for support staff and necessary day-to-day operational expenses related to the AIR Commission activities, which would be conducted in calendar years 2022 and 2023.¹¹⁷ The versions of the FY2022 MILCON-VA appropriations bill passed by the House and reported by the Senate Appropriations Committee provide \$5 million as requested.

Table 2. FY2021-FY2022 Appropriations and FY2023 Advance Appropriations
(\$ in Thousands)

Program	Consolidated Appropriations Act, 2021 (Div. J; P.L. 116-260)		President’s Request		House (Division F; H.R. 4502)		Senate Committee (S. 2604; S.Rept. 117-35)	
	FY2021	FY2022	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023
Compensation and Pensions	\$118,246,975	—	\$130,227,650	—	\$130,227,650	—	\$130,227,650	—
Over FY2021 Enacted Advance Appropriations	6,110,252	—	—	—	—	—	—	—
Over FY2022 Enacted Advance Appropriations	—	—	7,347,837	—	7,347,837	—	7,347,837	—
<i>Subtotal Compensation and Pensions</i>	<i>124,357,227</i>	<i>—</i>	<i>137,575,487</i>	<i>—</i>	<i>137,575,487</i>	<i>—</i>	<i>137,575,487</i>	<i>—</i>
Readjustment Benefits	12,578,965	—	14,946,618	—	14,946,618	—	14,946,618	—
Insurance and Indemnities	129,224	—	136,950	—	136,950	—	136,950	—
Over FY2021 Enacted Advance Appropriations	2,148	—	—	—	—	—	—	—

¹¹⁵ For a section-by-section summary of AIR Act provisions, see CRS Report R45390, *VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act of 2018 (VA MISSION Act; P.L. 115-182)*.

¹¹⁶ Department of Veterans Affairs, “Draft Criteria for Section 203 of the MISSION Act,” 86 *Federal Register* 7921, February 2, 2021.

¹¹⁷ Department of Veterans Affairs, *FY2022 Budget Submission, Construction, Long Range Capital Plan and Appendix*, vol. 4 of 4, May 28, 2021, p. 6.3-2.

Program	Consolidated Appropriations Act, 2021 (Div. J; P.L. 116-260)		President's Request		House (Division F; H.R. 4502)		Senate Committee (S. 2604; S.Rept. 117-35)	
	FY2021	FY2022	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023
<i>Subtotal Insurance and Indemnities</i>	131,372	—	136,950	—	136,950	—	136,950	—
Housing Benefit Program Fund Credit Subsidy	1,663,000	—	2,781,000	—	2,781,000	—	2,781,000	—
Housing Benefit Program Fund Administrative Expenses	204,400	—	229,500	—	229,500	—	229,500	—
Vocational Rehabilitation Loan Program	34	—	3	—	3	—	3	—
Vocational Rehabilitation Loan Program Administrative Expenses	424	—	429	—	429	—	429	—
Native American Housing Loan Program	1,186	—	1,186	—	1,400	—	1,300	—
General Operating Expenses (VBA)	3,180,000	—	3,423,000	—	3,417,400	—	3,486,000	—
P.L. 116-260 rescission (§254)	-16,000	—	—	—	—	—	—	—
Total, Veterans Benefits Administration (VBA)	142,100,608	—	159,094,173	—	159,090,787	—	159,157,287	—
Medical Services	56,158,015	—	58,897,219	—	58,897,219	—	58,897,219	—
Over FY2021 Enacted Advance Appropriations	497,468	—	—	—	—	—	—	—
Over FY2022 Enacted Advance Appropriations	—	—	—	—	106,000	—	—	—
P.L. 116-260 rescission (§254)	-100,000	—	—	—	—	—	—	—
<i>Subtotal Medical Services</i>	<i>56,555,483</i>	<i>—</i>	<i>58,897,219</i>	<i>—</i>	<i>59,003,219</i>	<i>—</i>	<i>58,897,219</i>	<i>—</i>
Medical Community Care	17,131,179	—	20,148,244	—	20,148,244	—	20,148,244	—
Over FY2021 Enacted Advance Appropriations	1,380,800	—	—	—	—	—	—	—
Over FY2022 Enacted Advance Appropriations	—	—	3,269,000	—	3,264,000	—	3,269,000	—
<i>Subtotal Medical Community Care</i>	<i>18,511,979</i>	<i>—</i>	<i>23,417,244</i>	<i>—</i>	<i>23,412,244</i>	<i>—</i>	<i>23,417,244</i>	<i>—</i>
Medical Support and Compliance	7,914,191	—	8,403,117	—	8,403,117	—	8,403,117	—
Over FY2021 Enacted Advance Appropriations	300,000	—	—	—	—	—	—	—
P.L. 116-260 rescission (§254)	-15,000	—	—	—	—	—	—	—
<i>Subtotal Medical Support and Compliance</i>	<i>8,199,191</i>	<i>—</i>	<i>8,403,117</i>	<i>—</i>	<i>8,403,117</i>	<i>—</i>	<i>8,403,117</i>	<i>—</i>
Medical Facilities	6,433,265	—	6,734,680	—	6,734,680	—	6,734,680	—

Program	Consolidated Appropriations Act, 2021 (Div. J; P.L. 116-260)		President's Request		House (Division F; H.R. 4502)		Senate Committee (S. 2604; S.Rept. 117-35)	
	FY2021	FY2022	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023
Over FY2021 Enacted Advance Appropriations	150,000	—	—	—	—	—	—	—
<i>Subtotal Medical Facilities</i>	<i>6,583,265</i>	—	<i>6,734,680</i>	—	<i>6,734,680</i>	—	<i>6,734,680</i>	—
Medical and Prosthetic Research	815,000	—	882,000	—	904,000	—	882,000	—
P.L. 116-260 rescission (§254)	-20,000	—	—	—	—	—	—	—
<i>Subtotal Medical and Prosthetic Research</i>	<i>795,000</i>	—	<i>882,000</i>	—	<i>904,000</i>	—	<i>882,000</i>	—
Medical Care Collection Fund (MCCF)								—
(Offsetting Receipts)	4,403,000	—	3,386,000	—	3,386,000	—	3,386,000	—
(Appropriations – indefinite)	-4,403,000	—	-3,386,000	—	-3,386,000	—	-3,386,000	—
Total, Veterans Health Administration (VHA)	90,644,918	—	98,334,260	—	98,457,260	—	98,334,260	—
Total VHA with MCCF	95,047,918	—	101,720,260	—	101,843,260	—	101,720,260	—
NCA	352,000	—	394,000	—	392,000	—	394,000	—
Total, NCA	352,000	—	394,000	—	392,000	—	394,000	—
General Administration (including P.L. 116-260 rescission [§254])	353,911	—	401,200	—	396,911	—	401,200	—
Board of Veterans Appeals	196,000	—	228,000	—	228,000	—	228,000	—
Information Technology (including P.L. 116-260 rescission [§254])	4,874,500	—	4,842,800	—	4,841,800	—	4,842,800	—
Electronic Health Record Modernization (EHRM) (including P.L. 116-260 rescission [§254])	2,607,000	—	2,663,000	—	2,637,000	—	2,500,000	—
Inspector General	228,000	—	239,000	—	239,000	—	239,000	—
Construction, major projects	1,316,000	—	1,611,000	—	1,611,000	—	1,611,000	—
Construction, minor projects (including P.L. 116- 260 rescission [§254])	354,300	—	553,000	—	553,000	—	553,000	—
Grants for State Extended Care Facilities	90,000	—	—	—	90,000	—	50,000	—
Grants for State Veterans Cemeteries	45,000	—	45,000	—	47,097	—	50,000	—
Total Construction	1,805,300	—	2,209,000	—	2,301,097	—	2,453,000	—
Asset and Infrastructure Review (AIR) Commission	—	—	5,000	—	5,000	—	5,000	—
Total, Departmental Administration	10,064,711	—	10,588,000	—	10,648,808	—	10,480,000	—

Program	Consolidated Appropriations Act, 2021 (Div. J; P.L. 116-260)		President's Request		House (Division F; H.R. 4502)		Senate Committee (S. 2604; S.Rept. 117-35)	
	FY2021	FY2022	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023
Total, Department of Veterans Affairs (without MCCF)	\$243,162,237	—	\$268,410,433	—	\$268,586,855	—	\$268,365,547	—
Total Mandatory	\$138,730,564	—	\$155,440,055	—	\$155,440,055	—	\$155,440,055	—
Total Discretionary	\$104,431,673	—	\$112,970,378	—	\$113,146,800	—	\$112,925,492	—
Memorandum: Advance Appropriations								
Compensation and Pensions	—	\$130,227,650	—	\$147,569,474	—	\$147,569,474	—	\$147,569,474
Readjustment Benefits	—	14,946,618	—	8,906,851	—	8,906,851	—	8,906,851
Veterans Insurance and Indemnities	—	136,950	—	109,865	—	109,865	—	109,865
<i>Subtotal</i>	<i>—</i>	<i>145,311,218</i>	<i>—</i>	<i>156,586,190</i>	<i>—</i>	<i>156,586,190</i>	<i>—</i>	<i>156,586,190</i>
Medical Services	—	58,897,219	—	70,323,116	—	70,323,116	—	70,323,116
Medical Community Care	—	20,148,244	—	24,156,659	—	24,156,659	—	24,156,659
Medical Support and Compliance	—	8,403,117	—	9,673,409	—	9,673,409	—	9,673,409
Medical facilities	—	6,734,680	—	7,133,816	—	7,133,816	—	7,133,816
<i>Subtotal</i>	<i>—</i>	<i>94,183,260</i>	<i>—</i>	<i>111,287,000</i>	<i>—</i>	<i>111,287,000</i>	<i>—</i>	<i>111,287,000</i>
Total Advance Appropriations	—	\$239,494,478	—	\$267,873,190	—	\$267,873,190	—	\$267,873,190

Source: Table prepared by CRS based on U.S. Congress, House Committee on Appropriations, *Consolidated Appropriations Act, 2021*, committee print, prepared by House Committee on Appropriations, H.R. 133/P.L. 116-260 [Legislative Text and Explanatory Statement] Book 2 of 2 Divisions G–L, 116th Cong., 2nd sess., March 2021 (Washington: GPO, 2021), pp. 1885-1903; U.S. Congress, House Committee on Appropriations, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2022*, report to accompany H.R. 4355, 117th Cong., 1st sess., July 2, 2021, H.Rept. 117-81. Division F of H.R. 4502—Labor, Health and Human Services, Education, Agriculture, Rural Development, Energy and Water Development, Financial Services and General Government, Interior, Environment, Military Construction, Veterans Affairs, Transportation, and Housing and Urban Development Appropriations Act, 2022, and U.S. Congress, Senate Committee on Appropriations, *Military Construction, Veterans Affairs, And Related Agencies Appropriations Bill, 2022*, report to accompany S. 2604, 117th Cong., 1st sess., August 4, 2021, S.Rept. 117-35.

Notes: FY2021-enacted amounts exclude American Rescue Plan Supplemental Appropriations (P.L. 117-2).

Appendix A. Veteran Population, VA Enrollees, and VA Patients, FY2000-FY2022

Table A-I. Veteran Population, VA Enrollees, and VA Patients, FY2000-FY2022

Year	Total Veteran Population	VA-Enrolled Veterans	Patients Using VA Health Care During the Year		
			Veterans	Nonveterans	Total Patients
FY2000	26,745,368	4,936,259	3,462,082	355,191	3,817,273
FY2001	26,092,046	6,073,264	3,890,871	356,333	4,247,204
FY2002	25,627,596	6,882,488	4,246,084	380,320	4,671,037
FY2003	25,217,342	7,186,643	4,504,508	417,023	4,961,453
FY2004	24,862,857	7,419,851	4,713,583	453,250	5,166,833
FY2005	24,521,247	7,746,201	4,862,992	445,322	5,308,314
FY2006	24,179,183	7,872,438	5,030,582	435,488	5,466,070
FY2007	23,816,018	7,833,445	5,015,689	463,240	5,478,929
FY2008	23,442,489	7,834,763	5,078,269	498,420	5,576,689
FY2009	23,066,965	8,048,560	5,221,583	523,110	5,744,693
FY2010	23,031,892	8,343,117	5,441,059	559,051	6,000,110
FY2011	22,676,149	8,574,198	5,582,171	584,020	6,166,191
FY2012	22,328,279	8,762,548	5,680,374	652,717	6,333,091
FY2013	21,972,964	8,926,546	5,803,890	680,774	6,484,664
FY2014	21,999,108	9,078,615	5,955,725	677,010	6,632,735
FY2015	21,680,534	8,965,923	6,047,750	694,120	6,741,870
FY2016	21,368,156	9,124,712	6,168,606	705,743	6,874,349
FY2017	21,065,561	9,247,803	6,277,360	715,928	6,993,288
FY2018	20,333,894	9,178,149	6,170,756	744,740	6,915,496
FY2019	19,928,795	9,237,638	6,271,019	764,777	7,035,796
FY2020	19,541,961	9,190,143	6,211,825	764,006	6,975,831
FY2021	19,162,515	9,210,599	6,265,880	771,698	7,037,578
FY2022	18,792,191	9,216,025	6,317,059	812,674	7,129,733

Source: Total Veteran Population numbers are from VetPop2018 (FY2018-FY2022), available at https://www.va.gov/vetdata/docs/Demographics/New_Vetpop_Model/IL_VetPop2018_National.xlsx, and an archived copy of an earlier version no longer available on the website (FY2000-FY2017). “VA-Enrolled Veterans” numbers and “Patients Using VA Health Care During the Year” numbers were obtained from the Department of Veterans Affairs (VA) and/or the VA budget submissions to Congress for FY2002-FY2021; the number for each fiscal year is taken from the budget submission two years later (e.g., the FY2000 number is from the FY2002 budget submission).

Note: FY2022 total veteran population projected as of September 30, 2020. FY2021 and FY2022 veteran enrollee and patient data are estimates.

Appendix B. VA Appropriations FY1995-FY2021

Table B-I. VA Appropriations FY1995-FY1999

	FY1995 Enacted	FY1996 Enacted	FY1997 Enacted	FY1998 Enacted	FY1999 Enacted
Veterans Benefits Administration (VBA)					
Compensation and Pensions	\$17,626,892	\$18,331,561	\$18,671,259	\$19,932,997	\$21,857,058
Supplemental	—	\$100,000	\$928,000	\$550,000	—
Readjustment Benefits	\$1,286,600	\$1,345,300	\$1,377,000	\$1,366,000	\$1,175,000
Veterans Insurance and Indemnities	\$24,760	\$24,890	\$38,970	\$51,360	\$46,450
Education Loan Program Account	\$196	\$196	\$196	\$201	\$207
Loan Guaranty Program Account	\$78,035	\$75,088	\$47,901	—	—
Guaranty & Indemnity Program Account	\$428,120	\$569,348	\$263,869	—	—
Direct Loan Program	\$1,042	\$487	\$110	—	—
Veterans Housing Benefit Program Fund	—	—	—	\$192,447	\$263,587
Veterans Housing Benefit Program Fund Administrative Expenses	—	—	—	\$160,437	\$159,121
Vocational Rehabilitation Loan Program	\$54	\$54	\$49	\$44	\$55
Vocational Rehabilitation Loan Program Administrative Expenses	\$767	\$377	\$377	\$388	\$400
Native American Veterans Housing Loan Program Administrative Expenses	\$218	\$205	\$205	\$515	\$515
Subtotal VBA	\$19,446,684	\$20,447,506	\$21,327,936	\$22,254,389	\$23,502,393
Veterans Health Administration (VHA)					
Medical Care	\$16,232,756	\$16,564,000	\$17,013,447	\$17,057,396	\$17,306,000
Rescission	-\$84,762	-\$21,250	—	—	-\$35,373
Medical Administration and Miscellaneous Operating Expenses (MAMOE)	\$69,808	\$63,602	\$61,207	\$59,860	\$63,000
Rescission	-\$44	-\$86	—	—	-\$67
Health Professional Scholarships	\$10,386	—	—	—	—
Medical and Prosthetic Research	\$252,000	\$257,000	\$262,000	\$272,000	\$316,000
Rescission	-\$574	-\$322	—	—	-\$348

	FY1995 Enacted	FY1996 Enacted	FY1997 Enacted	FY1998 Enacted	FY1999 Enacted
Medical Care Collections Fund (MCCF)	—	—	—	\$666,579	\$587,000
Subtotal VHA	\$16,479,570	\$16,862,944	\$17,336,654	\$18,055,835	\$18,236,212
National Cemetery Administration (NCA)	\$72,663	\$72,604	\$76,864	\$84,183	\$92,006
Rescission	-\$128	-\$97	—	—	-\$122
Subtotal NCA	\$72,535	\$72,507	\$76,864	\$84,183	\$91,884
Departmental Administration					
General Operating Expenses	\$890,600	\$848,143	\$827,584	\$786,135	\$855,661
Rescission	-\$879	-\$1,127	—	—	-\$1,558
Office of Inspector General	\$31,819	\$30,900	\$30,900	\$31,013	\$36,000
Rescission	-\$32	-\$42	—	—	-\$43
Construction, Major Projects	\$355,612	\$136,155	\$250,858	\$175,000	\$142,300
Rescission	-\$32,337	-\$186	-\$32,100	—	-\$13
Construction, Minor Projects	\$153,540	\$190,000	\$175,000	\$177,900	\$175,000
Rescission	-\$634	-\$260	—	—	-\$16
Supplemental	—	—	—	\$32,100	—
Parking Fund	\$16,300	—	\$12,300	—	—
Rescission	—	—	—	—	-\$23
Grants to Republic of the Philippines	\$500	—	—	—	—
Grants for State Extended Care Facilities	\$47,397	\$47,397	\$47,397	\$80,000	\$90,000
Grants for State Veterans Cemeteries	\$5,378	\$1,000	\$1,000	\$10,000	\$10,000
Subtotal Departmental Administration	\$1,467,264	\$1,251,980	\$1,312,939	\$1,292,148	\$1,307,308
Total Department of Veterans Affairs with MCCF	\$37,466,053	\$38,634,937	\$40,054,393	\$41,686,555	\$43,137,797
Total Department of Veterans Affairs without MCCF	\$37,466,053	\$38,634,937	\$40,054,393	\$41,019,976	\$42,550,797
Total Mandatory	\$19,445,449	\$20,446,674	\$21,327,109	\$22,092,804	\$23,342,095
Total Discretionary with MCCF	\$18,020,604	\$18,188,263	\$18,727,284	\$19,593,751	\$19,795,702
Total Discretionary without MCCF	\$18,020,604	\$18,188,263	\$18,727,284	\$18,927,172	\$19,208,702

Table B-2. VA Appropriations FY2000-FY2004

	FY2000 Enacted	FY2001 Enacted	FY2002 Enacted	FY2003 Enacted	FY2004 Enacted
Veterans Benefits Administration (VBA)					
Compensation and Pensions	\$21,568,364	\$22,766,276	\$24,944,288	\$28,949,000	\$29,845,127
Supplemental	—	\$589,413	\$1,100,000	—	—
Readjustment Benefits	\$1,469,000	\$1,634,000	\$2,135,000	\$2,264,808	\$2,529,734
Supplemental	—	\$347,000	—	—	—
Veterans Insurance and Indemnities	\$28,670	\$19,850	\$26,200	\$27,530	\$29,017
Education Loan Program Account	\$215	\$221	\$65	\$71	\$71
Guaranteed Transitional Housing for Homeless Veterans	\$48,250	—	—	—	—
Veterans Housing Benefit Program Fund	\$282,342	\$165,740	\$203,278	\$437,522	\$305,834
Veterans Housing Benefit Program Fund Administrative Expenses	\$156,958	\$162,000	\$164,497	\$168,207	\$154,850
Rescission	—	-\$356	-\$123	-\$1,093	-\$914
Vocational Rehabilitation Loan Program	\$57	\$52	\$72	\$54	\$52
Vocational Rehabilitation Loan Program Administrative Expenses	\$415	\$432	\$274	\$289	\$300
Rescission	—	-\$1	—	-\$2	-\$2
Native American Veterans Housing Loan Program Administrative Expenses	\$520	\$532	\$544	\$558	\$571
Rescission	—	-\$1	—	-\$4	-\$3
Subtotal VBA	\$23,554,791	\$25,685,156	\$28,574,095	\$31,846,939	\$32,864,636
Veterans Health Administration (VHA)					
Medical Care	\$19,006,000	\$20,281,587	\$21,331,164	\$23,889,304	—
Supplemental	—	—	\$142,000	—	—
Rescission	-\$79,519	-\$46,234	-\$16,084	—	—
Medical Administration and Miscellaneous Operating Expenses (MAMOE)	\$59,703	\$62,000	\$66,731	\$74,716	—
Rescission	—	-\$136	-\$50	-\$486	—
Medical Services	—	—	—	—	\$17,867,220
Rescission	—	—	—	—	-\$103,823
Medical Administration	—	—	—	—	\$5,000,000

	FY2000 Enacted	FY2001 Enacted	FY2002 Enacted	FY2003 Enacted	FY2004 Enacted
Rescission	—	—	—	—	-\$29,500
Medical Facilities	—	—	—	—	\$4,000,000
Rescission	—	—	—	—	-\$23,600
Medical and Prosthetic Research	\$321,000	\$351,000	\$371,000	\$400,000	\$408,000
Rescission	—	-\$772	-\$278	-\$2,600	-\$2,407
Medical Care Collections Fund (MCCF)	\$563,755	\$767,687	\$1,133,214	\$1,474,716	\$1,708,026
Subtotal VHA	\$19,870,939	\$21,415,132	\$23,027,697	\$25,835,650	\$28,823,916
National Cemetery Administration (NCA)	\$97,256	\$109,889	\$121,169	\$133,149	\$144,203
Rescission	—	-\$241	-\$91	-\$865	—
Supplemental	—	\$217	—	—	-\$851
Subtotal NCA	\$97,256	\$109,865	\$121,078	\$132,284	\$143,352
Departmental Administration					
General Operating Expenses	\$912,594	\$1,050,000	\$1,195,728	\$1,254,000	\$1,283,272
Rescission	—	-\$2,382	-\$900	-\$8,151	-\$7,571
Supplemental	—	—	\$2,000	\$100,000	—
Office of Inspector General	\$43,200	\$46,464	\$52,308	\$58,000	\$62,000
Rescission	—	-\$102	-\$39	-\$377	-\$366
Construction, Major Projects	\$65,140	\$66,040	\$183,180	\$99,777	\$273,190
Rescission	—	-\$145	—	-\$649	-\$1,612
Construction, Minor Projects	\$160,000	\$162,000	\$210,900	\$226,000	\$252,144
Rescission	—	-\$366	—	-\$1,469	-\$1,488
Supplemental	—	\$8,840	—	—	—
Parking Fund	—	—	\$4,000	—	—
Rescission	—	-\$14	—	—	—
Grants for State Extended Care Facilities	\$90,000	\$100,000	\$100,000	\$100,000	\$102,100
Rescission	—	-\$220	\$25,000	-\$650	-\$602
Grants for State Veterans Cemeteries	\$25,000	\$25,000	—	\$32,000	\$32,000
Rescission	—	-\$55	—	-\$208	-\$189
Subtotal Departmental Administration	\$1,295,934	\$1,455,060	\$1,772,177	\$1,858,273	\$1,992,878
Total Department of Veterans Affairs with MCCF	\$44,818,920	\$48,665,214	\$53,495,047	\$59,673,147	\$63,824,783

	FY2000 Enacted	FY2001 Enacted	FY2002 Enacted	FY2003 Enacted	FY2004 Enacted
Total Department of Veterans Affairs without MCCF	\$44,255,165	\$47,897,527	52,361,833	\$58,198,431	\$62,116,757
Total Mandatory	\$23,348,376	\$25,522,279	\$28,408,766	\$31,678,860	\$32,709,712
Total Discretionary with MCCF	\$21,470,544	\$23,142,935	\$25,086,281	\$27,994,287	\$31,115,071
Total Discretionary without MCCF	\$20,906,789	\$22,375,248	\$23,953,067	\$26,519,571	\$29,407,045

Table B-3. VA Appropriations FY2005-FY2010

	FY2005 Enacted	FY2006 Enacted	FY2007 Enacted	FY2008 Enacted	FY2009 Enacted	FY2010 Enacted
Veterans Benefits Administration (VBA)						
Compensation and Pensions	\$32,607,688	\$33,897,787	\$38,172,360	\$41,236,322	\$43,111,681	\$47,396,106
Supplemental	—	—	—	—	\$700,000	—
Readjustment Benefits	\$2,556,232	\$3,309,234	\$3,262,006	\$3,300,289	\$3,832,944	\$9,232,369
Veterans Insurance and Indemnities	\$44,380	\$45,907	\$49,850	\$41,250	\$42,300	\$49,288
Veterans Housing Benefit Program Fund	\$43,784	\$64,586	\$66,234	\$17,389	\$2,000	\$23,553
Credit Subsidy	—	—	—	-\$108,000	—	—
Veterans Housing Benefit Program Fund Administrative Expenses	\$154,075	\$153,575	\$154,284	\$154,562	\$157,210	\$165,082
Rescission	-\$1,233	—	—	—	—	—
Vocational Rehabilitation Loan Program	\$47	\$53	\$53	\$71	\$61	\$29
Vocational Rehabilitation Loan Program Administrative Expenses	\$311	\$305	\$306	\$311	\$320	\$328
Rescission	-\$2,865	—	—	—	—	—
Native American Veterans Housing Loan Program Administrative Expenses	\$571	\$580	\$584	\$628	\$646	\$664
Rescission	-\$4,569	—	—	—	—	—
Subtotal VBA	\$35,405,848	\$37,472,027	\$41,705,677	\$44,642,822	\$47,847,162	\$56,867,419

	FY2005 Enacted	FY2006 Enacted	FY2007 Enacted	FY2008 Enacted	FY2009 Enacted	FY2010 Enacted
Veterans Health Administration (VHA)						
Medical Services	\$19,472,777	\$21,322,141	\$25,518,254	\$29,104,220	\$30,969,903	\$34,707,500
Budget Supplemental	\$1,500,000	\$1,225,000	\$466,800	—	—	—
Hurricane Supplemental	\$38,783	\$198,265	—	—	—	—
Pandemic Influenza Supplemental	—	\$27,000	—	—	—	—
Rescission	-\$155,782	—	—	—	—	—
Total Medical Services	\$20,855,778	\$22,772,406	\$25,985,054	\$29,104,220	\$30,969,903	\$34,707,500
Medical Administration	\$4,705,000	\$2,858,442	\$3,177,968	\$3,517,000	\$4,450,000	\$4,930,000
Supplemental	\$1,940	—	\$250,000	—	—	—
Rescission	-\$37,640	—	—	—	—	—
Medical Facilities	\$3,745,000	\$3,297,669	\$3,569,533	\$4,100,000	\$5,029,000	\$4,859,000
Supplemental	\$46,909	—	\$595,000	—	\$1,000,000	—
Rescission	-\$29,960	—	—	—	—	—
Medical and Prosthetic Research	\$405,593	\$412,000	\$413,980	\$480,000	\$510,000	\$581,000
Supplemental	—	—	\$32,500	—	—	—
Rescission	-\$3,245	—	—	—	—	—
Medical Care Collections Fund (MCCF)	\$1,953,020	\$2,170,000	\$2,198,154	\$2,414,000	\$2,544,000	\$2,847,565
Subtotal VHA	\$31,642,395	\$31,510,517	\$36,222,190	\$39,615,220	\$44,502,903	\$47,925,065
National Cemetery Administration (NCA)	\$148,925	\$156,447	\$160,747	\$195,000	\$230,000	\$250,000
Rescission	-\$1,191	—	—	—	\$50,000	—
Supplemental	\$50	\$200	—	—	—	—
Subtotal NCA	\$147,784	\$156,647	\$160,747	\$195,000	\$280,000	\$250,000
Departmental Administration						
General Operating Expenses	\$1,324,753	\$1,410,520	\$1,481,472	\$1,605,000	\$1,801,867	\$2,086,707
Rescission	-\$10,598	—	—	—	—	-\$6,100
Supplemental	\$545	\$24,871	\$83,200	\$100,000	\$157,100	—
Filipino Veterans Equity Compensation Fund	—	—	—	—	\$198,000	—
Office of Inspector General	\$69,711	\$70,174	\$70,641	\$80,500	\$87,818	\$109,000

	FY2005 Enacted	FY2006 Enacted	FY2007 Enacted	FY2008 Enacted	FY2009 Enacted	FY2010 Enacted
Rescission	-\$558	—	—	—	\$1,000	—
Information Technology	—	\$1,213,820	\$1,213,820	\$1,966,465	\$2,489,391	\$3,307,000
Supplemental	—	—	\$35,100	\$20,000	\$50,100	—
Construction, Major Projects	\$458,800	\$607,100	\$399,000	\$1,069,100	\$923,382	\$1,194,000
Rescission	-\$3,670	—	—	—	—	—
Supplemental	—	\$953,419	—	\$396,377	—	—
Construction, Minor Projects	\$230,779	\$198,937	\$198,937	\$630,535	\$741,534	\$703,000
Rescission	-\$1,846	—	—	—	—	—
Supplemental	\$36,343	\$1,800	\$326,000	—	—	—
Grants for State Extended Care Facilities	\$105,163	\$85,000	\$85,000	\$165,000	\$175,000	\$100,000
Rescission	-\$841	—	—	—	\$150,000	—
Grants for State Veterans Cemeteries	\$32,000	\$32,000	\$32,000	\$39,500	\$42,000	\$46,000
Rescission	-\$256	—	—	—	—	—
Subtotal Departmental Administration	\$2,240,324	\$4,597,641	\$3,925,171	\$6,072,477	\$6,817,192	\$7,539,607
Total Department of Veterans Affairs with MCCF	\$69,436,351	\$73,736,832	\$82,013,784	\$90,525,519	\$99,670,165	\$112,582,091
Total Department of Veterans Affairs without MCCF	\$67,483,331	\$71,566,832	\$79,815,630	\$88,111,519	\$96,903,257	\$109,734,526
Total Mandatory	\$35,252,084	\$37,317,514	\$41,550,450	\$44,487,250	\$46,988,925	\$56,701,316
Total Discretionary with MCCF	\$34,184,267	\$36,419,318	\$40,463,334	\$46,038,269	\$51,981,240	\$55,880,775
Total Discretionary without MCCF	\$32,231,247	\$34,249,318	\$38,265,180	\$43,624,269	\$49,214,332	\$53,033,210

Table B-4.VA Appropriations FY2011-FY2015

	FY2011 Enacted	FY2012 Enacted	FY2013 Enacted	FY2014 Enacted	FY2015 Enacted
Veterans Benefits Administration (VBA)					
Compensation and Pensions	\$53,978,000	\$51,237,567	\$60,599,855	\$71,476,104	\$79,071,000
Readjustment Benefits	\$10,396,245	\$12,108,488	\$12,023,458	\$13,135,898	\$14,997,136
Veterans Insurance and Indemnities	\$77,589	\$100,252	\$104,600	\$77,567	\$63,257
Veterans Housing Benefit Program Fund	\$19,078	\$318,612	\$184,859	—	—
Veterans Housing Benefit Program Fund Administrative Expenses	\$165,082	\$154,698	\$157,605	\$158,430	\$160,881
Rescission	-\$330	—	—	—	—
Vocational Rehabilitation Loan Program	\$29	\$19	\$19	\$5	\$10
Rescission	-\$1	—	—	—	—
Vocational Rehabilitation Loan Program Administrative Expenses	\$337	\$343	\$346	\$354	\$361
Rescission	-\$10	—	—	—	—
Native American Veterans Housing Program Administrative Expenses	\$707	\$1,116	\$1,087	\$1,109	\$1,130
Rescission	-\$44	—	—	—	—
Subtotal VBA	\$64,636,683	\$63,921,095	\$73,071,830	\$86,886,074	\$94,753,582
Veterans Health Administration (VHA)					
Medical Services	\$37,136,000	\$39,649,985	\$41,509,000	\$43,557,000	\$45,015,527
Budget Supplemental	—	—	—	\$40,000	209,189
Hurricane Supplemental	—	—	\$21,000	—	—
Rescission	-\$74,272	—	-\$14,937	-\$179,000	-28,829,839
Total Medical Services	\$37,061,728	\$39,649,985	\$41,515,063	\$43,418,000	\$45,195,886.161
Medical Administration	\$5,307,000	\$5,535,000	\$5,746,000	\$6,033,000	\$5,879,700
Rescission	-\$44,546	—	-\$2,039	-\$50,000	-5,609,461

	FY2011 Enacted	FY2012 Enacted	FY2013 Enacted	FY2014 Enacted	FY2015 Enacted
Medical Facilities	\$5,740,000	\$5,426,000	\$5,441,000	\$4,872,000	\$4,739,000
Supplemental	—	—	\$6,000	\$85,000	—
Rescission	-\$26,450	—	-\$1,991	—	-1,999,835
Medical and Prosthetic Research	\$590,000	\$581,000	\$581,905	\$585,664	\$588,922
Rescission	-\$10,162	—	—	—	-409,359
Medical Care Collections Fund (MCCF)	\$2,775,214	\$2,830,302	\$2,903,092	—	—
Subtotal VHA	\$51,392,784	\$54,022,287	\$56,189,031	\$58,031,656	\$59,619,422
National Cemetery Administration (NCA)	\$250,000	\$250,934	\$258,284	\$250,000	\$256,800
Rescission	-\$500	—	-\$341	-\$1,000	-169,500
Supplemental	—	—	\$2,100	—	—
Subtotal NCA	\$249,500	\$250,934	\$260,043	\$249,000	\$256,631
Departmental Administration					
VBA—General Operating Expenses	\$2,622,110	\$2,018,764	\$2,164,074	\$2,465,490	\$2,534,254
Rescission	-\$87,834	—	-\$2,856	—	-2,355,482
General Administration	—	\$416,737	\$424,737	\$415,885	\$321,591
Rescission	—	—	-\$561	-\$2,000	-446,436
Office of Inspector General	\$109,367	\$112,391	\$114,848	121,411	\$126,411
Rescission	-\$585	—	—	—	—
Information Technology	\$3,307,000	\$3,111,376	\$3,323,053	\$3,703,344	\$3,903,344
Rescission	—	—	—	—	-1,066
Supplemental	-\$166,396	—	—	—	—
Construction, Major Projects	\$1,151,036	\$589,604	\$531,767	\$342,130	\$561,800
Rescission	-\$2,302	—	—	—	—
Construction, Minor Projects	\$467,700	\$482,386	\$606,728	\$714,870	\$495,200
Rescission	-\$935	—	—	—	—
Supplemental	—	—	—	511,200	—
Grants for State Extended Care Facilities	\$85,000	\$85,000	\$84,888	\$85,000	\$90,000
Rescission	-\$170	—	—	—	—

	FY2011 Enacted	FY2012 Enacted	FY2013 Enacted	FY2014 Enacted	FY2015 Enacted
Grants for State Veterans Cemeteries	\$46,000	\$46,000	\$45,939	\$46,000	\$46,000
Rescission	-\$92	—	—	—	—
Subtotal Departmental Administration	\$7,529,899	\$6,862,258	\$6,871,298	\$8,403,330	\$8,173,912
Total Department of Veterans Affairs with MCCF	\$123,733,866	\$125,056,574	\$137,020,522	\$168,570,058	\$162,803,546
Total Department of Veterans Affairs without MCCF	\$120,958,652	\$122,226,272	\$134,117,429	\$165,482,068	\$159,579,614
Total Mandatory	\$64,470,912	\$63,764,919	\$72,912,772	\$101,726,176	\$94,591,200
Total Discretionary with MCCF	\$59,262,954	\$61,291,655	\$64,107,750	\$66,843,882	\$68,212,346
Total Discretionary without MCCF	\$56,487,740	\$58,461,353	\$61,204,657	\$63,755,892	\$64,988,414

Table B-5. VA Appropriations FY2016-FY2020

	FY2016 Enacted	FY2017 Enacted	FY2018 Enacted	FY2019 Enacted	FY2020 Enacted
Veterans Benefits Administration (VBA)					
Compensation and Pensions	\$76,865,545	\$86,083,128	\$90,119,449	\$95,768,462	\$109,017,152
Budget Supplemental	—	—	—	\$2,994,366	\$1,439,931
Readjustment Benefits	\$14,313,357	\$16,340,828	\$13,708,648	\$11,832,175	\$14,065,282
Veterans Insurance and Indemnities	\$77,160	\$108,525	\$120,338	\$109,090	\$111,340
Budget Supplemental	—	—	—	—	\$17,620
Veterans Housing Benefit Program Fund	\$509,008	—	—	—	—
Veterans Housing Benefit Program Fund Administrative Expenses	\$164,558	\$198,856	\$178,626	\$200,612	\$200,377
Rescission	—	—	—	—	—
Vocational Rehabilitation Loan Program	\$31	\$36	\$30	\$39	\$58
Rescission	—	—	—	—	—
Vocational Rehabilitation Loan	\$367	\$389	\$395	\$396	\$402

	FY2016 Enacted	FY2017 Enacted	FY2018 Enacted	FY2019 Enacted	FY2020 Enacted
Program Administrative Expenses					
Rescission	—	—	—	—	—
Native American Veterans Housing Program Administrative Expenses	\$1,114	\$1,163	\$1,163	\$1,163	\$1,186
Rescission	—	—	—	—	—
Subtotal VBA	\$91,931,140	\$102,732,905	\$104,128,649	\$110,906,303	\$124,853,348
Veterans Health Administration (VHA)					
Medical Services	\$47,603,202	\$51,673,000	\$44,886,554	\$49,161,165	\$51,411,165
Budget Supplemental	\$2,369,158	1,078,993	\$1,962,984	\$750,000	—
Hurricane Supplemental	—	—	\$11,075	—	—
P.L. 115-31, (Opioid Supplemental)	—	\$50,000	—	—	—
Families First Coronavirus Response Act (P.L. 116-127)	—	—	—	—	\$30,000
CARES Act (P.L. 116-136)	—	—	—	—	\$14,432,000
Rescission	—	-\$7,380,181	-\$751,000	—	-\$350,000
Total Medical Services	\$49,972,360	\$45,421,812	\$46,109,613	\$49,911,165	\$65,523,165
Medical Community Care	—	—	\$9,409,118	\$8,384,704	\$10,758,399
Budget Supplemental	—	7,246,181	\$419,176	\$1,000,000	\$3,906,400
Families First Coronavirus Response Act (P.L. 116-127)	—	—	—	—	\$30,000
CARES Act (P.L. 116-136)	—	—	—	—	\$2,100,000
Total Medical Community Care	—	\$7,246,181	\$9,828,294	\$9,384,704	\$16,794,799
Medical Administration	\$6,144,000	\$6,524,000	\$6,654,480	\$7,239,156	\$7,239,156
Budget Supplemental	—	—	\$100,000	—	\$98,800
Hurricane Supplemental	—	—	\$3,209	—	—
Rescission	—	-\$26,000	—	-\$211,000	-\$10,000

	FY2016 Enacted	FY2017 Enacted	FY2018 Enacted	FY2019 Enacted	FY2020 Enacted
CARES Act (P.L. 116-136)	—	—	—	—	\$100,000
Total Medical Administration	\$6,144,000	\$6,498,000	\$6,757,689	\$7,028,156	\$7,427,956
Medical Facilities	\$4,915,000	\$5,074,000	\$5,434,880	\$5,914,288	\$6,141,880
Supplemental	\$105,312	\$247,668	\$1,707,000	\$890,180	—
Hurricane Supplemental	—	—	\$75,108	\$3,000	—
Rescission	—	-\$9,000	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	\$606,000
Total Medical Facilities	\$5,020,312	\$5,312,668	\$7,216,988	\$6,807,468	\$6,747,880
Medical and Prosthetic Research	\$630,735	\$675,366	\$722,262	\$779,000	\$800,000
Rescission	—	-\$2,000	—	—	-\$50,000
Total Medical and Prosthetic Research	\$630,735	\$673,366	\$722,262	\$779,000	\$750,000
Medical Care Collections Fund (MCCF)	\$3,503,146	\$3,561,642	\$3,515,635	\$3,915,045	\$3,429,116
Subtotal VHA	\$62,270,373	\$68,713,669	\$74,150,481	\$77,825,538	\$100,672,916
Veterans Choice Act Mandatory Funds	—	\$2,100,000	\$7,300,000	—	—
National Cemetery Administration (NCA)	\$271,220	\$286,193	\$306,193	\$315,836	\$329,000
Rescission	—	—	—	—	-\$1,000
Supplemental	—	—	—	—	—
Subtotal NCA	\$271,220	\$286,193	\$306,193	\$315,836	\$328,000
Departmental Administration					
VBA—General Operating Expenses	\$2,707,734	\$2,856,160	\$2,910,000	\$2,956,316	\$3,125,000
Rescission	—	-\$12,000	—	—	-\$258
CARES Act (P.L. 116-136)	—	—	—	—	13,000
General Administration	\$336,659	\$345,391	\$335,891	\$355,897	\$355,911
Rescission	—	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	\$6,000
Board of Veterans Appeals	\$109,884	\$156,096	\$161,048	\$174,748	\$182,000
Rescission	—	-\$500	—	—	-\$8,000

	FY2016 Enacted	FY2017 Enacted	FY2018 Enacted	FY2019 Enacted	FY2020 Enacted
Office of Inspector General	\$136,766	\$160,106	\$164,000	\$192,000	\$210,000
Rescission	—	-\$500	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	\$12,500
Information Technology	\$4,133,363	\$4,278,259	\$4,055,500	\$4,103,000	\$4,371,615
Rescission	—	-\$8,000	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	\$2,150,000
Electronic Health Records Modernization (EHRM)	—	—	\$782,000	\$1,107,000	\$1,500,000
Rescission	—	—	—	—	-\$70,000
Construction, Major Projects	\$1,243,800	\$325,812	\$1,442,750	\$2,503,786	\$1,270,200
Rescission	—	-\$20,322	-\$420,000	—	—
Construction, Minor Projects	\$406,200	\$372,069	\$767,570	\$799,514	\$398,800
Rescission	—	—	—	—	—
Supplemental	—	—	\$4,088	—	—
Grants for State Extended Care Facilities	\$120,000	\$90,000	\$685,000	\$150,000	\$90,000
Rescission	—	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	\$150,000
Grants for State Veterans Cemeteries	\$46,000	\$45,000	\$45,000	\$45,000	\$45,000
Rescission	—	—	—	—	—
Subtotal Departmental Administration	\$9,240,406	\$8,587,571	\$10,932,847	\$12,387,261	\$13,801,768
Total Department of Veterans Affairs with MCCF	\$166,713,139	\$182,420,358	\$196,818,170	\$201,434,938	\$239,656,032
Total Department of Veterans Affairs without MCCF	\$163,209,993	\$178,858,716	\$193,302,535	\$197,519,893	\$236,226,916
Total Mandatory	\$91,765,070	\$104,632,481	\$111,248,435	\$110,704,093	\$124,651,325
Total Discretionary with MCCF	\$74,948,069	\$77,787,876	\$85,569,735	\$90,730,845	\$115,004,707
Total Discretionary without MCCF	\$71,444,923	\$74,226,235	\$82,054,100	\$86,815,800	\$111,575,591

Table B-6. VA Appropriations FY2021-FY2025

	FY2021 Enacted	FY2022 Enacted	FY2023 Enacted	FY2024 Enacted	FY2025 Enacted
Veterans Benefits Administration (VBA)					
Compensation and Pensions	\$118,246,975	—	—	—	—
Budget Supplemental	\$6,110,252	—	—	—	—
Readjustment Benefits	\$12,578,965	—	—	—	—
ARPA (P.L. 117-2)	\$386,000	—	—	—	—
Veterans Insurance and Indemnities	\$129,224	—	—	—	—
Budget Supplemental	\$2,148	—	—	—	—
Veterans Housing Benefit Program Fund	—	—	—	—	—
Veterans Housing Benefit Program Fund Administrative Expenses	\$204,400	—	—	—	—
Rescission	—	—	—	—	—
Vocational Rehabilitation Loan Program	\$34	—	—	—	—
Rescission	—	—	—	—	—
Vocational Rehabilitation Loan Program Administrative Expenses	\$424	—	—	—	—
Rescission	—	—	—	—	—
Native American Veterans Housing Program Administrative Expenses	\$1,186	—	—	—	—
Rescission	—	—	—	—	—
Subtotal VBA	\$137,659,608	—	—	—	—
Veterans Health Administration (VHA)					
Medical Services	\$56,158,015	—	—	—	—
Budget Supplemental	\$497,468	—	—	—	—
Hurricane Supplemental	—	—	—	—	—
P.L. 115-31, (Opioid Supplemental)	—	—	—	—	—

	FY2021 Enacted	FY2022 Enacted	FY2023 Enacted	FY2024 Enacted	FY2025 Enacted
Families First Coronavirus Response Act (P.L. 116-127)	—	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	—
ARPA (P.L. 117-2)	\$627,900	—	—	—	—
Rescission	\$100,000	—	—	—	—
<i>Total Medical Services</i>	<i>\$57,183,383</i>	—	—	—	—
Medical Community Care	\$17,131,179	—	—	—	—
Budget Supplemental	\$1,380,800	—	—	—	—
Families First Coronavirus Response Act (P.L. 116-127)	—	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	—
ARPA (P.L. 117-2)	\$322,100	—	—	—	—
<i>Total Medical Community Care</i>	<i>\$18,834,079</i>	—	—	—	—
Medical Administration	\$7,914,191	—	—	—	—
Budget Supplemental	\$300,000	—	—	—	—
Hurricane Supplemental	—	—	—	—	—
Rescission	-\$15,000	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	—
<i>Total Medical Administration</i>	<i>\$8,199,191</i>	—	—	—	—
Medical Facilities	\$6,433,265	—	—	—	—
Supplemental	\$150,000	—	—	—	—
P.L. 115-141, Section 255	—	—	—	—	—
Hurricane Supplemental	—	—	—	—	—
Rescission	—	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	—
<i>Total Medical Facilities</i>	<i>\$6,583,265</i>	—	—	—	—

	FY2021 Enacted	FY2022 Enacted	FY2023 Enacted	FY2024 Enacted	FY2025 Enacted
Medical and Prosthetic Research	\$815,000	—	—	—	—
Rescission	-\$20,000	—	—	—	—
<i>Total Medical and Prosthetic Research</i>	\$795,000	—	—	—	—
Medical Care Collections Fund (MCCF)	\$2,965,445	—	—	—	—
ARPA (P.L. 117-2)	\$300,000	—	—	—	—
Veterans Medical Care and Health Fund	—	—	—	—	—
ARPA (P.L. 117-2)	\$14,482,000	—	—	—	—
Emergency Employee Leave Fund	—	—	—	—	—
ARPA (P.L. 117-2)	\$80,000	—	—	—	—
Subtotal VHA	\$109,422,363	—	—	—	—
Veterans Choice Act Mandatory Funds	—	—	—	—	—
National Cemetery Administration (NCA)	\$352,000	—	—	—	—
Rescission	—	—	—	—	—
Supplemental	—	—	—	—	—
Subtotal NCA	\$352,000	—	—	—	—
Departmental Administration					
VBA—General Operating Expenses	\$3,180,000	—	—	—	—
Rescission	-\$16,000	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	—
ARPA (P.L. 117-2)	\$262,000	—	—	—	—
General Administration	\$365,911	—	—	—	—
Rescission	-\$12,000	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	—
Board of Veterans Appeals	\$196,000	—	—	—	—
Rescission	—	—	—	—	—
ARPA (P.L. 117-2)	\$10,000	—	—	—	—
Office of Inspector General	\$228,000	—	—	—	—

	FY2021 Enacted	FY2022 Enacted	FY2023 Enacted	FY2024 Enacted	FY2025 Enacted
ARPA (P.L. 117-2)	\$10,000	—	—	—	—
Rescission	—	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	—
Information Technology	\$4,912,000	—	—	—	—
Rescission	-\$37,500	—	—	—	—
ARPA (P.L. 117-2)	\$100,000	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	—
Electronic Health Records Modernization (EHRM)	\$2,627,000	—	—	—	—
Rescission	-\$20,000	—	—	—	—
Construction, Major Projects	\$1,316,000	—	—	—	—
Rescission	—	—	—	—	—
Construction, Minor Projects	\$390,000	—	—	—	—
Rescission	-\$35,700	—	—	—	—
Supplemental	—	—	—	—	—
Grants for State Extended Care Facilities	\$90,000	—	—	—	—
Rescission	—	—	—	—	—
ARPA (P.L. 117-2)	\$500,000	—	—	—	—
CARES Act (P.L. 116-136)	—	—	—	—	—
Grants for State Veterans Cemeteries	\$45,000	—	—	—	—
Rescission	—	—	—	—	—
Subtotal Departmental Administration	\$14,110,711	—	—	—	—
Total Department of Veterans Affairs with MCCF	\$261,544,682	—	—	—	—
Total Department of Veterans Affairs without MCCF	\$258,579,237	—	—	—	—
Total Mandatory	\$154,147,564	—	—	—	—
Total Discretionary with MCCF	\$107,397,118	—	—	—	—

Total Discretionary without MCF	\$104,431,673	—	—	—	—
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