

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Be Adopted
Vote:	5 - 0 - 0
Yeas:	Bates, Kruse, Morrisette, Morse, Monnes Anderson
Nays:	0
Exc.:	0
Prepared By:	Robert Shook, Administrator
Meeting Dates:	5/14

WHAT THE MEASURE DOES: Urges Congress to change the funding mechanism of the Veterans Affairs health care system from discretionary to permanent and direct entitlements in order to ensure all veterans health care is covered.

ISSUES DISCUSSED:

- Discretionary funding process for Department of Veterans Affairs medical system
- Mandatory or guaranteed funding needed to ensure adequate health care services for veterans
- Support of Oregon Congressional Delegation

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Veterans Health Administration (VHA), the nation's largest integrated health care system is appropriated discretionary funds that are controllable through the congressional appropriations process. Fifty percent of the Veterans Affairs (VA) funding is for veteran benefits, which are mandatory entitlements spending; the remainder is discretionary and covers medical services, facility maintenance, and research. Since 1994, VHA has received its appropriation from the U.S. Congress on time only twice by the start of the new fiscal year. The results are continuing resolutions each year that funds VHA at the previous year's level, which ultimately caps spending and lumps VHA's budget into an omnibus spending bill. Proponents assert these delays can result in adversely impacted medical care and increased costs by forcing understaffed hospitals to turn to private agency nurses for fee-basis care and delaying diagnostic testing for patients. Since 2001, the number of VHA patients has risen by two million, a fifty percent increase, due to recent health care treatment of veterans of the wars in Iraq and Afghanistan.

House Joint Memorial 21 urges the U.S. Congress to revisit and change the funding mechanism by which VHA is funded from discretionary to a permanent and direct entitlement. At the federal level, the Veterans Health Care Budget Reform Act of 2008 is designed to ensure that veterans receive sufficient, timely and predictable funding (H.R. 6939, S. 3527). Under this plan, the VA health care funding would be converted to a mandatory spending program, similar to Social Security, Medicare and Medicaid. Proponents of the provision assert that mandatory funding would eliminate the year-to-year uncertainty about resources for veterans seeking treatment. The Obama Administration has made passage of advance appropriation legislation for the FY 2010 appropriations cycle, instead of the yearly continuing resolutions, a top priority.

5/19/2009 8:29:00 AM

This summary has not been adopted or officially endorsed by action of the committee.