

## UNDER PRESSURE, GOP DROPS PLAN TO CHARGE NEW AND INCREASED FEES FOR VETERANS HEALTHCARE Larson Had Protested Bush Plan and Conducted Study in District on Effects

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WASHINGTON, D.C.- U.S. Congressman John B. Larson (CT-01) today applauded the decision of the House Appropriations Committee to strip from a domestic spending bill a Bush administration plan to charge a number of veterans in the VA healthcare system new and increased fees for service. The Veterans Affairs and Housing and Urban Development appropriations bill had originally contained provisions that would charge certain veterans a new \$250 enrollment fee, as well as doubling the cost of prescription drug co-payments. The plan was included in a budget resolution passed by the GOP-controlled Congress in April.

Larson stated: "I am thrilled on behalf of veterans in my district that these incredibly unfair and misguided new fees and charges have been removed from the appropriations bill, months after Republican Members of Congress tried to assert that this plan did not even exist. It's gratifying that public pressure to drop these changes was successful. Regardless of a veteran's priority status in the VA healthcare system, we as a nation owe it to our veterans to give them the lifetime of adequate healthcare they were promised when they entered our armed forces. Anything less, including making it far more expensive for some to participate in VA healthcare, is unacceptable."

The plan would have increased fees and co-pays for over two million veterans who fall into "Priority 7" and "Priority 8" designations, meaning they are veterans who do not have service-related disabilities and do not meet certain income guidelines. The administration had proposed an annual enrollment fee of \$250 for Priority 7 and 8 veterans. Also, the administration had proposed an increased pharmacy co-pay for non-service-connected Priority 7 veterans and Priority 8 veterans from \$7 to \$15 for a 30 day supply of medicine. According to the Bush administration's own estimates, the increase in fees would have reduced enrollment "by 1.25 million, and patients by over 425,000" nationally. Those who remained would have been forced to pay hundreds of additional dollars a year for VA care.

In May of this year, when the new and increased fees passed by Congress in its budget resolution, Larson asked the minority staff for the House Committee on Government Reform to conduct a study on what the effect the changes would have on Connecticut veterans. The study found:

Ø The President's budget resolution will freeze enrollment for Priority 8 veterans in the VA healthcare system, preventing an estimated 1,800 veterans in Connecticut from enrolling to receive care. This includes 670 veterans in the Hartford area who could have enrolled in VA healthcare.

Ø Increased fees will likely cause over 19,000 Connecticut veterans, including 6,500 veterans receiving active VA healthcare, to drop out of the VA health system entirely because they cannot afford to remain enrolled. In the Hartford area, 7,200 veterans, including 2,500 active patients, would likely be forced to drop out of the VA system because of the increased fees.

Ø Those who do not drop out of the VA healthcare system will be forced to pay hundreds more for their healthcare. Veterans who receive prescription drugs from the VA and who fill a typical number of prescriptions a year could face new fees amounting to nearly \$600.

Nationally, according to the same study, the VA estimated that the new fee would force an estimated 55% of enrolled Priority 7 and 8 veterans - more than half - to drop out of the system. Currently, there are an estimated 21,508 Priority 7 and an estimated 13,720 Priority 8 veterans enrolled in the VA healthcare system in Connecticut. The average veteran uses 38 monthly prescriptions per year. A Priority 7 veteran that fills this many prescriptions would have paid an

additional \$304 annually just for prescription drugs.

In 2003, the VA will provide care for an estimated 126,000 veterans in Connecticut.

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Congressman Larson is a Member of the House Armed Services Committee  
For a copy of the study, please visit: <<http://www.house.gov/larson/vets.htm>>