PRESIDENT BIDEN'S 2025 BUDGET

Prioritizes Veterans and the Vital Programs They Rely On

President Biden's 2025 budget continues our sacred obligation to care for our veterans and their families. The President's budget invests \$369 billion in 2025 for the Department of Veterans Affairs (VA) to deliver the best care and benefits to more veterans than ever before in our nation's history. The budget also protects and strengthens vital programs veterans rely on, including Medicare, Medicaid, Affordable Care Act (ACA) premium tax credits, and income security programs like the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF).

In stark contrast, House Republicans' 2025 budget fails to protect Medicare benefits for all generations, slashes mandatory health programs including Medicaid and ACA premium tax credits by \$2.2 trillion, and cuts mandatory income security programs by nearly \$1.0 trillion – a shocking cut considering the entire SNAP budget is \$1.1 trillion and the TANF budget is \$0.2 trillion. Destructive cuts to these programs hurt millions of veterans and their families who depend on them for their health and economic well-being.

INVESTS IN VETERANS' HEALTH AND WELL-BEING

Invests \$369 billion in 2025 for VA to deliver world-class care and earned benefits to veterans, their families, caregivers, and survivors — This funding includes \$235 billion for mandatory programs, including \$184 billion in disability compensation payments to nearly 6.9 million veterans and their survivors, \$25 billion for the Cost of War Toxic Exposures Fund (TEF) to help millions of veterans exposed to toxins, \$16 billion in education and job training benefits to 1.1 million veterans and qualified dependents, and \$3 billion in pension payments to more than 224,000 veterans and their survivors. The total funding also includes \$134 billion for discretionary programs, including \$113 billion for VA to deliver timely access to high quality medical care for approximately 9 million enrolled veterans.

Protects and strengthens vital health and income security programs veterans rely on — The President's budget protects and strengthens Medicare by extending the solvency of the Hospital Insurance (HI) Trust Fund indefinitely and strengthening Medicare's drug price negotiation power, lowering beneficiaries' out-of-pocket drugs costs by billions of dollars. The budget also closes the Medicaid coverage gap and permanently extends the enhanced ACA premium tax credits enacted in the American Rescue Plan Act, which expanded eligibility to more families and lowered health care premiums by an average of \$800 per person per year. The budget provides \$7.7 billion to fully fund the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and emphasizes the need for the Farm Bill to fully fund SNAP and avoid restrictive programmatic barriers. The

President's budget also provides more than \$13 billion in new mandatory spending for a housing voucher program for low-income veterans in addition to investments in VA programs.

REPUBLICANS' BUDGET PUTS VETERANS' HEALTH AT RISK

House Republicans' 2025 budget fails to safeguard the vital health programs veterans rely on and instead slashes them. While 9 million veterans, or approximately half of the veteran population, receive coverage through VA, veterans rely on other health care systems to meet their health care needs. Many veterans are ineligible for coverage through VA due to a variety of factors, including falling short of minimum service requirements and disability and discharge status.

About half of all veterans, approximately 9 million veterans, rely on Medicare – The House Republican budget omits proposals to strengthen Medicare and fails to explicitly safeguard Medicare benefits for all generations. This would risk health care for approximately 9 million veterans who rely on Medicare as their primary or supplementary source of insurance coverage, including 50.2 percent of veterans who also have VA benefits. Furthermore, about 23 percent of veterans who have TRICARE, a health insurance program administered by the Department of Defense, also rely on Medicare because they are required to enroll in Medicare Parts A and B to keep their TRICARE benefits.

Nearly 1 in 10 working-age veterans rely on Medicaid – The House Republican budget slashes mandatory health spending, including Medicaid, by \$2.2 trillion or 25 percent over 10 years. This would risk health care for hundreds of thousands of working-age veterans who rely on Medicaid, especially about 40 percent of these veterans who have Medicaid as their only health coverage. The Republican budget puts the health and well-being of these veterans most in need at risk.

Affordable Care Act (ACA) reduces nonelderly veterans' uninsured rate – The Republican budget slashes mandatory health spending, including ACA premium tax credits, which help nonelderly veterans get health coverage. Since the ACA coverage provisions took effect, the numbers of uninsured nonelderly veterans have decreased by more than one third—from 9.6 percent to 5.9 percent. Cutting ACA benefits puts access to health care at risk for nonelderly veterans who lack any health insurance coverage.

REPUBLICANS' BUDGET THREATENS VETERANS' ECONOMIC SECURITY

<u>The Republican budget</u> slashes income security programs, including SNAP and TANF, by nearly \$1.0 trillion over ten years. While veterans are a diverse group, many face challenges making ends meet and depend on various benefit programs that help struggling families. For example, the federal government provides <u>guidance</u> for veterans transitioning to civilian employment about getting help from such programs, including SNAP and TANF.

About 1.2 million veterans live in households that participate in SNAP – The Republican budget slashes income security programs, including SNAP, which helped about 1.2 million low-income veterans put food on the table. From 2017 to 2019, thousands of low-income veterans in every state participated in SNAP with the largest number of veterans in Florida (108,000), followed by Texas (94,000) and California (90,000). Republicans' destructive cut to income security programs harms veterans struggling to make ends meet. Food and nutrition programs like SNAP help all low--income Americans avoid hunger and make a crucial difference in their lives.

Destructive cuts to TANF hurt low-income veterans – The Republican budget's destructive cut to income security programs like TANF hamstrings the government's ability to help families most in need. In 2022, approximately <u>1.2 million or 7.5 percent</u> of veterans had income below the poverty level. Drastic cuts in the Republican budget would threaten low-income veterans and their families' ability meet basic needs.

This document has not been reviewed and approved by the Democratic Caucus of the Budget Committee and may not necessarily reflect the views of all members.



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