



U.S. Department of Veterans Affairs

Office of Public and Intergovernmental Affairs

How the American Rescue Plan aids VA in helping Veterans

The COVID-19 pandemic and the corresponding economic crisis have had a tremendous impact on the health and economic wellbeing of millions of Veterans. Now, the American Rescue Plan will help them further recover.

The ARP enhances VA's ability to deliver world class services to Veterans and their families, but it will also ease thousands of Veterans' worries by forgiving some accumulated debt, speed up VA compensation claims, and provide much need funding to retrain them in high-demand occupations.

Here is how the American Rescue Plan will help VA improve Veterans' lives:

- \$14.5 billion for COVID-19 related health care, including information technology and facility requirements, ensuring access for 9.2 million enrolled Veterans who may have delayed care or have more complex health care needs as a result of the pandemic. It also provides resources for Veterans currently receiving housing support, including an estimated 37,000 homeless Veterans.
- \$1 billion for debt forgiveness related to copayments or other cost sharing that Veterans paid for VA health care, and to reimburse Veterans who paid a copay or other cost sharing for care and prescriptions provided from April 6, 2020 through Sept. 30, 2021.
- \$750 million for both construction grants (\$500 million) and payments (\$250 million) to State Homes to greatly improve the living conditions of our most vulnerable Veterans.
- \$386 million to initiate a COVID-19 Veteran Rapid Retraining Assistance Program that provides up to 12 months of training and employment assistance for unemployed Veterans to enter high demand occupations.
- \$262 million to reduce the backlog of compensation and pension claims, which has grown from 76,000 in March 2020 to more than 212,000 in March 2021. The ARP funding will enable the Veterans Benefits Administration to reduce the claims backlog to around 100,000 by September 2022.
- \$100 million to facilitate the modernization of VA's badly antiquated supply chain system by accelerating the Department's transition to the Defense Medical Logistics Standard Support.

- \$80 million to establish the Department of Veterans Affairs Employee Leave Fund, which provides funds for paid leave for COVID-19 related causes.
- \$10 million to decrease the Board of Veterans' Appeals hearing requests (currently 87,499) and intake (35,000 appeals) backlogs. These efforts help Veterans economically by resolving their VA appeals and, if granted, allowing them to begin receiving compensation and services.

Additional American Rescue Plan support:

- Veterans experiencing unemployment and other financial hardships may also qualify for further assistance with an extension of unemployment insurance benefits, stimulus checks, or expansion of Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) benefits.
- Veterans with children could benefit from additional stimulus payments, an increased child tax credit and expanded childcare tax credits.
- Veterans are prioritized for the \$28.6 billion Restaurant Revitalization Grants in the Small Business Administration's Restaurant Revitalization Fund. During the initial 21-day period in which the Small Business Administration (SBA) awards grants under this program, SBA will prioritize awarding grants to eligible entities that are owned and controlled by Veterans.
- Helps small businesses in economically disadvantaged areas keep front line state and local public workers on the job and paid, and helps public transit agencies avoid layoffs and service reductions.
- Assists communities disproportionately impacted by the pandemic, many of which are Veterans living in diverse communities across the country. Women and racial/ethnic minorities are becoming the fastest-growing populations of Veterans, and the COVID-19 pandemic and corresponding economic crisis have hit communities of color and women particularly hard.
- Provides emergency funding for community investments to ease challenges experienced by many American Indian/Alaska Native Veterans and their families. It provides much needed relief for healing in the aftermath of the tremendous losses during the pandemic.
- Closes what is known as the "90/10 loophole" to protect the integrity of the GI Bill and Veterans in receipt of their well-earned education benefits.

Additional resources:

HHS: [The American Rescue Plan: Reduces Health Care Costs, Expands Access to Insurance Coverage and Addresses Health Care Disparities](#)

CMS: [American Rescue Plan and the Marketplace](#)

USDA: [American Rescue Plan and Rural America](#)

HUD: [Housing Provisions in the American Rescue Plan Act of 2021](#)