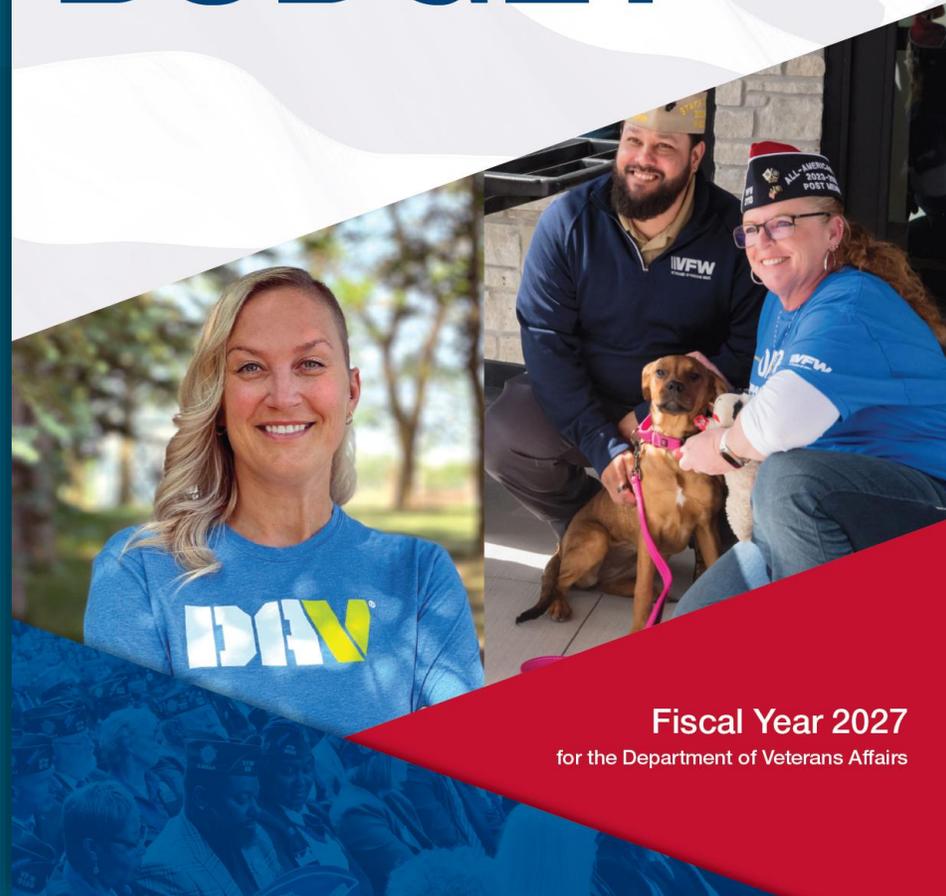


# VETERANS INDEPENDENT **BUDGET**



**Fiscal Year 2027**  
for the Department of Veterans Affairs

March 5, 2026

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# Why the Independent Budget Exists

- Developed for nearly 40 years by DAV, VFW and partner VSOs to present needs-based, veteran-focused funding recommendations.
- Built entirely on the actual, documented needs of veterans, families, caregivers and survivors—not political compromises.
- Provides Congress with a clear, independent benchmark for what VA truly requires to meet demand.

# The Current Environment

## VA demand continues to rise due to:

- PACT Act eligibility expansions, bringing in new veterans with complex conditions.
- Women veterans continue to experience gaps in direct VA health care.
- An aging veteran population requiring more intensive and long-term care.
- More veterans rated at 70% or higher needing more intensive care.
- Veterans losing Medicaid or ACA coverage, increasing reliance on VA.
- Despite fewer total living veterans, more veterans are enrolling and using VA more heavily than ever before.

# Budget Instability and Its Impact

- Congress passed a full-year Continuing Resolution, freezing VA funding at FY 2024 levels.
- Longest federal shutdown in history.
- VA funded only at FY 2025 baseline.
- VA announced a major VHA reorganization amid staffing shortages and capacity strain.

# The Capacity Crisis

## **VA lacks sufficient:**

- Staffing (clinical and support).
- Infrastructure (aging facilities, massive NRM backlog).
- Technology (IT modernization, EHR challenges).

## **Consequences include:**

- Unacceptable wait times.
- Suppressed demand—veterans who want VA care but cannot access it.
- Overreliance on community care due to insufficient internal capacity.

# What the FY 2027 IB Calls For

A realistic, needs-based budget that reflects the true cost of caring for veterans.

## Major investments in:

- Staffing and workforce stabilization.
- Infrastructure and non-recurring maintenance.
- Long-term care, dental care, mental health, women's health.
- Breakthrough drugs and therapies.
- Strengthening VA as the primary provider and coordinator of veterans' care.
- Ensuring VBA, NCA and other programs can meet rising claims and service demands.

# Veterans Independent Budget Fiscal Year 2027 Recommendation

## Summary Table (in thousands)

	FY 2024 Total Resources Enacted	FY 2025 Total Resources Enacted	FY 2026 Total Resources Enacted	FY 2027 Total Resources Recommended
<b>Veterans Health Administration (VHA)</b>				
Medical Services	78,544,000	81,013,000	94,520,000	116,403,000
<i>MCCF for Medical Services</i>	<i>3,078,000</i>	<i>3,511,000</i>	<i>3,069,000</i>	<b>Note 1</b>
<b>Subtotal, VA Medical Services (w/MCCF)</b>	<b>81,622,000</b>	<b>84,524,000</b>	<b>97,589,000</b>	<b>116,403,000</b>
Medical Support and Compliance	11,600,000	11,719,000	12,490,000	12,837,000
Medical Facilities	9,049,000	9,548,000	9,846,000	15,810,000
<b>Subtotal, VA Medical Care</b>	<b>102,272,000</b>	<b>105,791,000</b>	<b>119,925,000</b>	<b>145,051,000</b>
Medical Community Care	37,082,000	38,249,000	48,030,000	46,427,000
<i>MCCF for Community Care</i>	<i>935,000</i>	<i>878,000</i>	<i>1,511,000</i>	<b>Note 1</b>
<b>Subtotal, Medical Community Care</b>	<b>38,017,000</b>	<b>39,127,000</b>	<b>49,541,000</b>	<b>46,427,000</b>
<b>Total Medical Care</b>	<b>140,289,000</b>	<b>144,918,000</b>	<b>169,466,000</b>	<b>191,477,000</b>
Medical and Prosthetic Research	989,000	994,000	945,000	1,455,000
<b>Total Veterans Health Administration</b>	<b>141,278,000</b>	<b>145,912,000</b>	<b>170,411,000</b>	<b>192,932,000</b>

## VBA, NCA, and Other VA Programs and Offices

Veterans Benefits Administration	5,638,000	5,325,000	5,282,000	6,223,000
Board of Veterans Appeals	276,000	277,000	280,000	285,000
National Cemetery Administration	480,000	480,000	499,000	602,000
General Administration	560,000	468,000	429,000	458,000
Office of Inspector General	296,000	296,000	296,000	328,000
Information Technology	7,629,000	7,591,000	6,910,000	7,324,000
Electronic Health Records Modernization	874,000	1,322,000	3,400,000	5,442,000

## Construction Programs

Major Construction	1,376,000	961,000	1,394,000	3,631,000
Minor Construction	873,000	1,012,000	1,250,000	5,114,000
State Home Construction Grants	171,000	171,000	275,000	600,000
State Cemetery Construction Grants	60,000	60,000	150,000	75,000
<b>Total Construction Programs</b>	<b>2,480,000</b>	<b>2,204,000</b>	<b>3,069,000</b>	<b>9,420,000</b>
Other Discretionary Loan Programs	320,000	320,000	348,000	354,000
<b>Total Budget Authority</b>	<b>160,009,000</b>	<b>164,373,000</b>	<b>191,104,000</b>	<b>223.370,000</b>

Note 1: The Veterans Independent Budget does NOT make recommendations for MCCF, only total resources needed.

## **Total Medical Care**

- \$191.5B recommended, 13% increase over FY 2026.
- Covers direct care, community care, admin and facilities.
- Addresses inflation, pay raises and increased demand.

## **Medical Services**

- \$116.5B recommended, 19.4% increase.
- 188,000 new users, 2% utilization increase.
- 40,000 clinical/support vacancies to be filled.

# Long-Term Services

- +\$2.5B to support aging veterans and disabled care.
- Expand home and community-based services.
- Reduce reliance on institutional care.

## Pharmacy

- +\$1.45B to provide breakthrough drugs (e.g., GLP-1).
- Improve formulary oversight and cost control.
- Address transparency and compliance gaps.

## **Social Workers**

- 3,000 FTEs, +\$473M.
- Reduce caseloads, improve care coordination.
- Support mental health and PACT Act demands.

## **Dental Care**

- +\$300M for disabled veterans' dental care.
- Expand services and treatment space.
- Additional \$300M in Community Care and \$75M in construction.

# Emergency and Urgent Care

- +\$350M to expand services.
- Address inflation and rising demand.
- Include telehealth-enabled urgent care centers.

## Mental Health

- +\$200M total investment.
- +1,000 mental health staff, \$160M.
- \$40M for outreach, research, rural support.

# Women Veterans Health

- +\$100M for gender-specific care.
- Recruit gynecologists, expand maternity care.
- Additional \$55M for facilities and research.

# Homeless Veterans

- +\$50M to expand housing and support.
- Address housing modifications for severely injured.
- Supportive Services for Veteran Families program.

# Transportation

- +\$18M for Beneficiary Travel program.
- Reinstate kiosks at all VA facilities and CBOCs.
- Improve access and efficiency.

# Medical Support and Compliance

- \$12.8B recommended, 2.8% increase.
- Covers VHA management and VISN offices.
- Accounts for inflation and pay raises.

## Medical Facilities

- \$15.8B recommended, 60% increase.
- Address \$83.6B NRM backlog.
- +\$5.6B for NRM, +\$25M for women's health clinics.

## Medical Community Care

- \$46.4B recommended, 6.3% decrease.
- Shift focus to VA-provided care.
- +\$300M for dental care in community.

# Medical and Prosthetic Research

- \$1.45B recommended, 54% increase.
- Expand clinical trials and mental health research.
- +\$5M for Women's Health Research Network.

# VBA Needs

- \$6.2B recommended, 18% increase.
- Sustain workforce capacity post-PACT Act.
- Support all 7 VBA service lines.

## Claims Processing

- +\$300M to reduce backlog and processing time.
- 575,000 pending claims in Jan. 2026.
- Support overtime and hiring.

# Transition Assistance

- +\$32M for TAP 6.0 implementation.
- Expand staffing and in-person engagement.
- Enable early enrollment and continuity of care.

# Thank you!

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Legislative Resources