§ 1741. Criteria for payment

(a) (1) Except as provided in section 1745 of this title, the Secretary shall pay each State at the per diem rate of—

(A) $8.70 for domiciliary care; and

(B) $20.35 for nursing home care and hospital care,

for each veteran receiving such care in a State home, if such veteran is eligible for such care in a Department facility.

(2) The Secretary may pay each State per diem at a rate determined by the Secretary for each veteran receiving extended care services described in any of paragraphs (4) through (6) of section 1710B (a) of this title under a program administered by a State home, if such veteran is eligible for such care under laws administered by the Secretary.

(b) In no case shall the payments made with respect to any veteran under this section exceed one-half of the cost of the veterans' care in such State home.

(c) Whenever the Secretary makes a determination pursuant to section 1720 (a)(2)(A) of this title that the cost of care furnished by the Department in a general hospital under the direct jurisdiction of the Secretary has increased, the Secretary may, effective no earlier than the date of such determination, increase the rates paid under subsection (a) of this section by a percentage not greater than the percentage by which the Secretary has determined that such cost of care has increased.

(d) Subject to section 1743 of this title, the payment of per diem for care furnished in a State home facility shall commence on the date of the completion of the inspection for recognition of the facility under section 1742 (a) of this title if the Secretary determines, as a result of that inspection, that the State home meets the standards described in such section.

(e) Payments to States pursuant to this section shall not be considered a liability of a third party, or otherwise be used to offset or reduce any other payment made to assist veterans.

(f) Any State home that requests payment or reimbursement for services provided to a veteran under this section shall provide to the Secretary such information as the Secretary considers necessary to identify each individual veteran eligible for payment under such section.


Prior Provisions

Prior sections 1740 and 1741 were renumbered sections 3540 and 3541 of this title, respectively.
Amendments

2006—Subsec. (a)(1). Pub. L. 109–461, § 211(a)(3)(A), substituted “Except as provided in section 1745 of this title, the” for “The”.
1999—Subsec. (a)(2). Pub. L. 106–117 substituted “extended care services described in any of paragraphs (4) through (6) of section 1710B (a) of this title under a program administered by a State home” for “adult day health care in a State home”.
1996—Subsec. (a). Pub. L. 104–262 redesignated provisions as par. (1), redesignated former pars. (1) and (2) as subpars. (A) and (B), respectively, and added par. (2).
1995—Subsecs. (c) to (e). Pub. L. 104–66 redesignated subsecs. (d) and (e) as (c) and (d), respectively, and struck out former subsec. (c) which read as follows: “The Secretary shall submit every three years to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on the adequacy of the rates provided in subsection (a) of this section in light of projections over each of the following five years of the demand on the Department for the provision of nursing home care to veterans eligible for such care under this section and sections 1710 and 1720 of this title. The first such report shall be submitted not later than June 30, 1986.”
Subsec. (c). Pub. L. 102–83, § 5(c)(1), substituted “1710 and 1720” for “610 and 620”.
Pub. L. 102–83, § 4(b)(1), (2)(E), substituted “Secretary” for “Administrator”.
1988—Subsec. (a). Pub. L. 100–322, § 134(a)(1), added cls. (1) and (2) and struck out former cls. (1) to (3) which read as follows:
“(1) $7.30 for domiciliary care,
“(2) $17.05 for nursing home care, and
“(3) $15.25 for hospital care,”.
Pub. L. 94–417 designated existing provisions as subsec. (a), increased from $4.50 to $5.50 the per diem rate for domiciliary care, from $5 to $10.50 the per diem rate for nursing home care, and from $10 to $11.50 the per diem rate for hospital care, struck out “of any war or of service after January 31, 1955” after “for each veteran”, “, in the case of such a veteran receiving domiciliary or hospital care,” after “if”, and provisions relating to the case of a veteran receiving nursing home care, and added subsec. (b).
1973—Pub. L. 93–82 increased from $3.50 to $4.50 the per diem rate for domiciliary care, from $5 to $6 the per diem rate for nursing home care, and from $7.50 to $10 the per diem rate for hospital care, and substituted “veteran of any war or of service after January 31, 1955” for “veteran of any war”.
1969—Pub. L. 91–178 increased from $3.50 to $7.50 the per diem payment for hospital care.
1968—Pub. L. 90–432 increased from $2.50 to $3.50 the per diem rate for hospital or domiciliary care and from $3.50 to $5.00 the per diem rate for nursing home care as the amounts the Administrator shall pay each State providing such services for veterans.

1964—Pub. L. 88–450 amended section generally and, among other changes, authorized payment at the per diem rate of $3.50 for each veteran receiving nursing care in a State home, if such veteran meets the requirements of paragraph (1), (2), or (3) of section 610 (a) of this title, except that the requirement in clause (B) of such paragraph (1) shall, for this purpose, refer to the inability to defray the expenses of necessary nursing home care, and eliminated provisions which permitted reduction of the amount payable to the State homes under certain conditions and prohibited payments to State homes where a bar or canteen is maintained therein where intoxicating liquors are sold.

1962—Subsec. (b). Pub. L. 87–819 provided that no reduction shall be made by the retention or collection by a State home of amounts from the estate of a deceased veteran if such amounts are placed in a post or other special fund for the benefit of the State home or its inhabitants in providing the benefits enumerated in clauses (A) to (C).

1960—Subsec. (a). Pub. L. 86–625 substituted “at the per diem rate of $2.50 per diem for each veteran” for “at the annual rate of $700.00 for each veteran”.

**Effective Date of 2006 Amendment**


**Effective Date of 1988 Amendment**

Section 134(b) of Pub. L. 100–322 provided that:

“(1) The amendment made by subsection (a)(1) [amending this section] shall take effect as of January 1, 1988.

“(2) The amendment made by subsection (a)(2) [amending this section] shall take effect on October 1, 1988.”

**Effective Date of 1983 Amendment**

Section 105(b) of Pub. L. 98–160 provided that: “The amendments made by subsection (a) [amending this section] shall take effect on April 1, 1984.”

**Effective Date of 1979 Amendment**

Section 101(b)(2) of Pub. L. 96–151 provided that: “The amendments made by paragraph (1) [amending this section] shall take effect on January 1, 1980, but, with respect to fiscal year 1980, shall take effect only to such extent and in such amounts as may be specifically provided for such purpose in appropriation Acts.”

**Effective Date of 1976 Amendments**


Section 1(c) of Pub. L. 94–417 provided that:

“(1) The amendments made by subsection (a) of this section [amending this section] shall be effective on October 1, 1976.

“(2) At the time of the first payment to a State under section 641 [now 1741] of title 38, United States Code, as amended by subsection (a) of this section, the Administrator of Veterans’ Affairs shall pay such State, in a lump sum, an amount equal to the difference between the total amount paid each such State under such section 641 [now 1741] for care provided by such State in a State home from January 1, 1976, to October 1, 1976, and the amount such State would have been paid for providing such care if the amendment made by subsection (a) of this section had been effective on January 1, 1976.”

**Effective Date of 1973 Amendment**


**Effective Date of 1964 Amendment**

Section 3(c) of Pub. L. 88–450 provided that: “The amendment made by this section [amending this section] shall take effect on January 1, 1965; except that subsection (b) of section 641 [now 1741] of title 38, United States Code, as in effect immediately before such date, shall remain in effect with respect to any amounts retained or collected by any State home before such date.”
Payments to States for Nursing Home Care

Section 3(b) of Pub. L. 88–450 provided that: “No payment shall be made to any State home solely by reason of the amendment made by this section [amending this section] on account of nursing home care furnished any veteran except where such care is furnished the veteran by the State home for the first time after the effective date of this section [Jan. 1, 1965].”