

sively to veterans who are in (or who recently have been in) a program for the treatment of substance abuse.

“(b) LOAN RECIPIENTS.—A loan under this section may only be made to a nonprofit organization under selection criteria promulgated by the Secretary and only to assist that organization in leasing housing units for use as a group residence for the purposes described in subsection (a). The amount of such a loan that is used with respect to any single residential unit may not exceed \$4,500. In making loans under this subsection, the Secretary shall, except to the extent that the Secretary determines that it is infeasible to do so, ensure that—

“(1) each loan is repaid within two years after the date on which the loan is made;

“(2) each loan is repaid through monthly installments and that a reasonable penalty is assessed for each failure to pay an installment by the date specified in the loan agreement involved; and

“(3) each loan is made only to a nonprofit private entity which agrees that, in the operation of each residence established with the assistance of the loan—

“(A) the use of alcohol or any illegal drug in the residence will be prohibited;

“(B) any resident who violates the prohibition in subclause (A) of this clause will be expelled from the residence;

“(C) the costs of maintaining the residence, including fees for rent and utilities, will be paid by the residents;

“(D) the residents will, through a majority vote of the residents, otherwise establish policies governing the conditions of residence, including the manner in which applications for residence are approved; and

“(E) the residence will be operated solely as a residence for not less than six veterans.

“(c) FUNDING.—Loans under this section shall be made from the special account of the General Post Fund of the Department of Veterans Affairs established for purposes of this section. The amount of such loans outstanding at any time may not exceed \$100,000. Amounts received as payment of principal and interest on such loans shall be deposited in that account. The operation of the loan program under this section shall be separately accounted for, and shall be separately stated in the documents accompanying the President's budget for each fiscal year.

“(d) TERMS AND CONDITIONS.—Loans under this section shall be made on such terms and conditions, including interest, as the Secretary prescribes.

“(e) REPORT.—After the end of the 15-month period beginning on the date the first loan is extended under this section, the Secretary shall issue a report on the Department's experience under the section. The report shall include the following information:

“(1) The default rate on loans extended under this section.

“(2) The manner in which loan payments are collected.

“(3) The number of facilities at which loans have been extended.

“(4) The adequacy of the amount of funds in the special account referred to in subsection (c).”

EVALUATION OF VETERANS' ADMINISTRATION INPATIENT AND OUTPATIENT DRUG AND ALCOHOL TREATMENT PROGRAMS

Pub. L. 100-690, title II, §2501, Nov. 18, 1988, 102 Stat. 4232, directed Administrator of Veterans' Affairs to conduct an evaluation of inpatient and outpatient drug and alcohol treatment programs operated by the Veterans' Administration, such evaluation to include a determination of medical advantages and cost-effectiveness of such programs, taking into consideration rates of readmission and the rate of successful rehabilitation, and authorized appropriations for this purpose for fiscal years 1989, 1990, and 1991.

RATIFICATION FOR LAPSED PERIOD

Pub. L. 100-689, title V, §502(a)(2), Nov. 18, 1988, 102 Stat. 4179, ratified actions by the Administrator of Veterans' Affairs in providing, during the period beginning Oct. 1, 1988, and ending Nov. 18, 1988, for care and treatment and rehabilitative services under this section.

§ 1720B. Respite care

(a) The Secretary may furnish respite care services to a veteran who is enrolled to receive care under section 1710 of this title.

(b) For the purpose of this section, the term “respite care services” means care and services which—

(1) are of limited duration;

(2) are furnished on an intermittent basis to a veteran who is suffering from a chronic illness and who resides primarily at home; and

(3) are furnished for the purpose of helping the veteran to continue residing primarily at home.

(c) In furnishing respite care services, the Secretary may enter into contract arrangements.

(Added Pub. L. 99-576, title II, §201(a)(1), Oct. 28, 1986, 100 Stat. 3254, §620B; amended Pub. L. 101-237, title II, §201(a), Dec. 18, 1989, 103 Stat. 2066; renumbered §1720B and amended Pub. L. 102-83, §§4(a)(3), (4), (b)(1), (2)(E), 5(a), (c)(1), Aug. 6, 1991, 105 Stat. 404-406; Pub. L. 102-585, title V, §502, Nov. 4, 1992, 106 Stat. 4955; Pub. L. 106-117, title I, §101(e), Nov. 30, 1999, 113 Stat. 1549.)

Editorial Notes

AMENDMENTS

1999—Subsec. (a). Pub. L. 106-117, §101(e)(1), substituted “enrolled” for “eligible”.

Subsec. (b). Pub. L. 106-117, §101(e)(2), in introductory provisions, substituted “the term ‘respite care services’ means care and services” for “the term ‘respite care’ means hospital or nursing home care”, in par. (1) substituted “are” for “is”, in par. (2) substituted “are” for “is” and struck out “in a Department facility” after “furnished”, and in par. (3) substituted “are” for “is”.

Subsec. (c). Pub. L. 106-117, §101(e)(3), added subsec. (c).

1992—Subsec. (c). Pub. L. 102-585 struck out subsec. (c) which read as follows: “The authority provided by this section terminates on September 30, 1992.”

1991—Pub. L. 102-83, §5(a), renumbered section 620B of this title as this section.

Subsec. (a). Pub. L. 102-83, §5(c)(1), substituted “1710” for “610”.

Pub. L. 102-83, §4(b)(1), (2)(E), substituted “Secretary” for “Administrator”.

Subsec. (b)(2). Pub. L. 102-83, §4(a)(3), (4), substituted “Department” for “Veterans' Administration”.

1989—Subsec. (c). Pub. L. 101-237 substituted “September 30, 1992” for “September 30, 1989”.

Statutory Notes and Related Subsidiaries

RATIFICATION OF ACTIONS OF SECRETARY OF VETERANS AFFAIRS DURING TRANSITION PERIODS

Pub. L. 101-237, title VI, §604, Dec. 18, 1989, 103 Stat. 2097, ratified actions of the Secretary of Veterans Affairs in carrying out this section, section 115 of Pub. L. 100-322 [38 U.S.C. 1712 note], section 618 of Pub. L. 100-440 [5 U.S.C. 6302 note], or section 1829 [now 3729] of this title, by contract or otherwise, during the period beginning Dec. 1, 1989, and ending Dec. 18, 1989.

Pub. L. 101-110, §3(b), Oct. 6, 1989, 103 Stat. 682, ratified actions of the Secretary of Veterans Affairs in carrying out this section, section 115 of Pub. L. 100-322 [38

U.S.C. 1712 note], section 618 of Pub. L. 100-440 [5 U.S.C. 6302 note], or section 1829 [now 3729] of this title, by contract or otherwise, during the period beginning Oct. 1, 1989, and ending Oct. 6, 1989.

INTERIM EXTENSION OF RESPITE CARE PROGRAM

Pub. L. 101-110, §1(a), Oct. 6, 1989, 103 Stat. 682, provided that: "Notwithstanding the provisions of subsection (c) of section 620B [now 1720B] of title 38, United States Code, the authority provided by such section shall terminate on November 30, 1989."

REPORT

Pub. L. 99-576, title II, §201(b), Oct. 28, 1986, 100 Stat. 3254, provided that if the Administrator of Veterans' Affairs furnished respite care under this section, the Administrator was to conduct an evaluation of the health efficacy and cost-effectiveness of furnishing such care and submit to the Committees on Veterans' Affairs of the Senate and House of Representatives not later than Feb. 1, 1989, a report containing the results of such evaluation and appropriate recommendations.

§ 1720C. Noninstitutional alternatives to nursing home care

(a) The Secretary may furnish medical, rehabilitative, and health-related services in non-institutional settings for veterans who are eligible under this chapter for, and are in need of, nursing home care. The Secretary shall give priority for participation in such program to veterans who—

(1) are in receipt of, or are in need of, nursing home care primarily for the treatment of a service-connected disability; or

(2) have a service-connected disability rated at 50 percent or more.

(b)(1) Under the program conducted pursuant to subsection (a), the Secretary shall (A) furnish appropriate health-related services solely through contracts with appropriate public and private agencies that provide such services, and (B) designate Department health-care employees to furnish case management services to veteran furnished services under the program.

(2) For the purposes of paragraph (1), the term "case management services" includes the coordination and facilitation of all services furnished to a veteran by the Department of Veterans Affairs, either directly or through contract, including assessment of needs, planning, referral (including referral for services to be furnished by the Department, either directly or through a contract, or by an entity other than the Department), monitoring, reassessment, and followup.

(c) The Secretary may provide in-kind assistance (through the services of Department of Veterans Affairs employees and the sharing of other Department resources) to a facility furnishing services to veterans under subsection (b)(1)(A). Any such in-kind assistance shall be provided under a contract between the Department and the facility concerned. The Secretary may provide such assistance only for use solely in the furnishing of appropriate services under this section and only if, under such contract, the Department receives reimbursement for the full cost of such assistance (including the cost of services and supplies and normal depreciation and amortization of equipment). Such reimbursement may be made by reduction in the

charges to the United States or by payment to the United States. Any funds received through such reimbursement shall be credited to funds allotted to the Department facility that provided the assistance.

(d)¹(1) Except as provided in paragraph (2), the total cost of providing services or in-kind assistance in the case of any veteran for any fiscal year under the program may not exceed 100 percent of the cost that would have been incurred by the Department during that fiscal year if the veteran had been furnished, instead, nursing home care under section 1710 of this title during that fiscal year.

(2)(A) The total cost of providing services or in-kind assistance in the case of any veteran described in subparagraph (B) for any fiscal year under the program may exceed 100 percent of the cost that would otherwise have been incurred as specified in paragraph (1) if the Secretary determines, based on a consideration of clinical need, geographic market factors, and such other matters as the Secretary may prescribe through regulation, that such higher total cost is in the best interest of the veteran.

(B) A veteran described in this subparagraph is a veteran with amyotrophic lateral sclerosis, a spinal cord injury, or a condition the Secretary determines to be similar to such conditions.

(e) The authority of the Secretary to enter into contracts under this section shall be effective for any fiscal year only to the extent that appropriations are available.

(f) In furnishing services to a veteran under the program conducted pursuant to subsection (a), if a medical center of the Department through which such program is administered is located in a geographic area in which services are available to the veteran under a PACE program (as such term is defined in sections 1894(a)(2) and 1934(a)(2) of the Social Security Act (42 U.S.C. 1395eee(a)(2); 1396u-4(a)(2))), the Secretary shall seek to enter into an agreement with the PACE program operating in that area for the furnishing of such services.

(Added Pub. L. 101-366, title II, §201(a)(1), Aug. 15, 1990, 104 Stat. 437, §620C; renumbered §1720C and amended Pub. L. 102-83, §5(a), (c)(1), Aug. 6, 1991, 105 Stat. 406; Pub. L. 103-452, title I, §103(c), Nov. 2, 1994, 108 Stat. 4786; Pub. L. 104-110, title I, §101(c), Feb. 13, 1996, 110 Stat. 768; Pub. L. 105-114, title II, §206(a)-(b)(2), Nov. 21, 1997, 111 Stat. 2289; Pub. L. 118-210, title I, §§120(a), 121, Jan. 2, 2025, 138 Stat. 2723, 2724.)

APPLICABILITY OF AMENDMENT

Amendment of subsection (d) of this section by section 120(a) of Pub. L. 118-210 applicable with respect to fiscal years beginning on or after Jan. 2, 2025. See 2025 Amendment note below.

Editorial Notes

AMENDMENTS

2025—Subsec. (d). Pub. L. 118-210, §120(a), designated existing provisions as par. (1), substituted "Except as provided in paragraph (2), the total cost" for "The total cost" and "100 percent" for "65 percent", and added par. (2).

¹ See Applicability of Amendment note below.