**Public Policy Update – Febraury 2017**

**By Brian Lindberg and Marly Santoro**

**Big Picture**

**President Trump has delivered his first speech to Congress, which promised “renewal of the American spirit.” Some thought that he struck a softer and measured tone – a departure from his inaugural address where he painted a picture of “American carnage.” His speech sought to reset his presidency after a chaotic first 40 days.**

**The speech discussed some of his legislative priorities overhauling the tax code, the battle against ISIS, upcoming healthcare overhaul, asking Congress to pass a $1 trillion infrastructure package and plans to significantly boost defense spending. President Trump continued to defend his controversial executive order on immigration and refugees. He stood behind his call for the “the construction of a great wall along our Southern border.” A few weeks ago, a federal appeals court rejected the Department of Justice’s request to restore President Trump’s travel ban on immigrants from seven predominantly Muslim countries. The Trump Administration is expected to issue a new executive order this week.**

**Leaked Affordable Care Act Proposal**

A leaked [draft bill](http://www.politico.com/f/?id=0000015a-70de-d2c6-a7db-78ff707e0000) and a [policy brief](http://static.politico.com/0b/25/a498c2ab47b584ef53e8e72149f6/healthcare-policy-brief.pdf) written by House Republican lawmakers to repeal the Affordable Care Act (ACA) and plans to restructure Medicaid has fired up debate. Many Republicans faced angry constituents during a weeklong recess. Constituents expressed concerns about losing coverage under a repeal of the ACA. The draft replacement bill also received backlash from Majority Whip Steve Scalise (R, LA-1st) who described the proposed legislation as “no longer even a viable draft that we’re working off of.”

The proposal repeals essential parts of the law, for example, subsidies to help people afford health coverage, ending Medicaid expansion, and implementing a per capita cap structure for Medicaid. The draft would allow states that had expanded Medicaid under the ACA to “continue to receive enhanced federal payment for currently enrolled beneficiaries for a limited period of time.” Under the outline, it puts in place a new system based on a tax credit adjusted for a person’s age, creates high-risk pools and health savings accounts.

There is still confusion on when the ACA repeal bill will be ready. President Trump met with governors at the White House this week and he stated that his administration would put forward its own ACA replacement bill “within a few weeks.” According to Virginia Governor McAuliffe (D), Secretary of Health and Human Services Tom Price, said the plan will be ready in three weeks. President Trump replied, “No, I want it in two.” Read more [here.](http://click1.email.thehill.com/gmcnsjwqmccdfjfcdkrmmdnnmwdpcwchhtmqjlpctgykn_qvfwwvmp.html?a=&b=6415)

According to Representative Chris Collins (R, NY-27th) the House Energy and Commerce Committee will likely hold a markup of the ACA repeal and replace legislation next week. Representative Collins a member of the Health subcommittee said lawmakers of the subcommittee will be able to read a copy of the bill this Thursday. The House Ways and Means Committee is also likely to mark up their bill next week.

**President’s FY 2018 Budget**

President Trump is working on his budget for Fiscal Year (FY) 2018. Reports by those who have seen the draft say that the Trump Administration will propose an increase to defense spending by $54 billion and cut non-defense spending by the same amount. Treasury Secretary Steven Mnuchin said the President’s first budget would preserve Social Security and Medicare. Details about various agency funding levels have not been released and specific program cuts may not be determined in this “skinny budget.” The cuts to non-defense spending could translate into an overall 10 percent cut. As a reminder, the full sequestration returns in FY 2018, when the two-year relief provided by the Bipartisan Budget Act of 2015 expires.

NDD United, a coalition of more than 2,000 federal, state and local organizations sent a [letter](https://mail.google.com/mail/u/0/#inbox/15a8be1963f344da?projector=1) to Congress and the President opposing significant cuts for non-defense discretionary spending and asking to end sequestration. The first draft of the budget is expected to be delivered to Congress the week of March 13. Read more [here](http://thehill.com/policy/defense/321315-trump-budget-to-boost-defense-spending-by-54b).

**Appropriations**

Staff are in the process of negotiating the funding levels for the rest of FY 2017 with the hope of putting together a CRomnibus bill that will include as many of the individual appropriations bills as possible. This may be tied to the defense appropriations bill and moved through the House first, as early as the week of March 13. Significant cuts, even below sequestration levels, may be considered. This depends in part on how much money will be allocated to the Wall this fiscal year. The parity that we have had between defense and non-defense discretionary cuts may be lost as well.

**Nominations Update**

Representative Tom Price (R, GA -6th) has been confirmed as Secretary of Health and Human Services. The confirmation has set the stage for action on the Affordable Care Act to move quickly. The nominee for the Centers for Medicare and Medicaid Services (CMS), Seema Verma, has breezed through her confirmation hearing before the Senate Finance Committee. During the confirmation hearing, Verma declined to provide details about how she would reform the federal Medicaid and Medicare programs. Dr. Patrick Conway is the acting CMS Administrator until a successor has been confirmed. Read more [here.](http://click1.email.thehill.com/fssrtcqzyddwpcpdwbjyywrryqwldqdffnyzcgldjysdg_sckrrcbs.html?a=&b=6293)

An appointee for ACL Administrator or nominee for Assistant Secretary for Aging has not been declared. Currently, Dan Berger is now the Acting Administrator and Acting Assistant Secretary for Aging, taking over the role from Edwin Walker, who remains on as Deputy Assistant Secretary for Aging.

**AARP Threatens to Sue President Trump over ACA Changes**

AARP says it would “consider litigation” if the Trump administration pushed regulation that would allow insurers to charge older Americans more under the Affordable Care Act. Currently, insurers can charge older adults (ratio at 3:1), three times as much in premiums as younger people. Republicans lawmakers are considering a legislative change to the age ratio to 5:1 or allowing it to go higher. In February, AARP has sent a letter to Congress opposing the ratio change. Read more [here.](http://thehill.com/policy/healthcare/318370-aarp-threatens-to-sue-trump-over-obamacare-change?utm_source=&utm_medium=email&utm_campaign=6190)

**Senator Sanders Introduces Bill to Expand Social Security**

Senator Bernie Sanders (I-VT) introduced a bill to boost Social Security benefits for low-income seniors called the *Social Security Expansion Act* ([S.427](https://www.congress.gov/bill/115th-congress/senate-bill/427?q=%7B%22search%22%3A%5B%22Social+Security+Expansion+Act%22%5D%7D&r=39)).The legislation would ensure that Social Security could pay every benefit owed to eligible Americans for the next 61 years. Under the legislation, benefits would increase by about $1300 annually for seniors who make less than $16,000 and raise the payroll-tax cap of high-income earners by subjecting incomes above $250,000 to payroll taxes. Representative Peter DeFazio (D, OR-4th) introduced a [companion bill](https://www.congress.gov/bill/115th-congress/house-bill/1114?q=%7B%22search%22%3A%5B%22Social+Security+Expansion+Act%22%5D%7D&r=1) (H.R.1114) in the House. Read the bill text [here.](http://www.sanders.senate.gov/download/social-security-act?inline=file)

**Protecting Older Works Against Discrimination Act Introduced**

Senators Bob Casey (D-PA), Ranking Member of the Senate Special Committee on Aging, Chuck Grassley (R-IA), Chairman of the Judiciary Committee, Patrick Leahy (D-VT), and Susan Collins (R-ME), Chair of the Senate Special Committee on Aging, introduced the *Protecting Older Workers Against Discrimination Act,* that would level the playing field for older workers regarding age-discrimination claims. According a press release by the Senate Special Committee on Aging, the legislation would restore “the pre-2009 legal standards for age discrimination claims, ensuring that everyone has equal access to the courts and reinforcing the essential principle that no amount of age discrimination is acceptable in the workplace. Read the press release [here.](https://www.aging.senate.gov/press-releases/casey-grassley-leahy-collins-introduce-bipartisan-legislation-to-protect-older-workers-from-discrimination)

**CNN Report of Sexual Abuse in Nursing Homes**

CNN released an investigative report on sexual abuse in nursing homes titled *Sick, Dying and Raped in America’s Nursing Homes*. The shocking report highlighted insufficient staff and training, inadequate background checks, inadequate investigations and staff failing to report allegations. Read the article [here.](http://www.cnn.com/interactive/2017/02/health/nursing-home-sex-abuse-investigation/)