**Public Policy Update – February 2015**

**By Brian Lindberg and Marly Flores**

**Big Picture**

The death of Supreme Court Justice Antonio Scalia, a leading conservative voice on the Supreme Court, has set off a mammoth debate over whether President Obama should be allowed to replace him. In the heat of a presidential election cycle, Senate majority leadership, including Senate Judiciary Committee Chairman Chuck Grassley (R-IA), is committed to holding off on considering or confirming anyone nominated by President Obama.

In addition to the potential shift in the “balance’ of the court and the effect on the outcomes of several cases related to health care this year, this additional conflict between political parties may have ramifications for the rest of the congressional agenda this year depending on how Senate Democrats respond.

**President’s FY 2017 Budget Proposal**

The Obama Administration released its final budget proposal that calls for $4.1 trillion in spending in Fiscal Year (FY) 2017. The FY 2017 budget follows the budget caps signed into law last fall under the Bipartisan Budget Agreement (BBA), which increased spending by $80 billion for FY 2016 and FY 2017. The Budget does lift the threat of sequestration in FY 2018 and beyond. Read more [here](https://www.whitehouse.gov/omb/budget/) and [here.](http://thehill.com/policy/healthcare/267724-obama-to-call-for-1-billion-funding-boost-for-cancer-research?elq_cid=1597125&x_id) Read LCAO’s letter to the House and the Senate responding to President Obama’s FY 2017 Budget, [here.](http://www.lcao.org/letters-to-house-and-senate-responding-to-president-obamas-fiscal-year-2017-budget/) See the attached chart for details on health and aging programs.

Highlights:

* Increased funding for III B Home and Community-Based Supportive Services and III C Nutrition Services totaled $24.4 million, but flat funding for many programs.
* A $2 million increase for the Elder Justice Initiative from $8 million to $10 million, but which is less than the $25 million he proposed last year.
* No cuts to the Senior Community Services Employment Program (SCSEP). SCSEP will remain level funded at $434 million.
* Spending for the Department of Health and Human Services would increase to $1.1 trillion that would add mandatory spending for cancer research and fighting drug addictions.
* Supports the “Moonshot” initiative to eliminate cancer. The budget provides $1 billion to this initiative.
* Care Act. It would allow the federal government to pay for cost of expansion for three years.
* Proposes several steps to address the escalating price of prescription drugs. The government would require pharmaceutical companies to disclose the cost of researching and developing drugs.

**Older Americans Act**

The Older Americans Act reauthorization remains in the hands of the Education and Workforce Committee in the House. Staff continues to negotiate over the issue of authorization funding levels. The House will not accept the Senate bill’s use of “such sums as may be necessary.” It is our understanding that House Republicans will support some increases, but not the levels that the Democrats have requested. The Leadership Council of Aging Organizations recently supported an effort to have House Members send a “Dear Colleague” letter to the Committee to push for action. See attached. The LCAO is also planning briefings for staff on the Hill regarding the OAA.

In addition, Senator Sanders (D-VT) is circulating the attached letter asking for support for a twelve percent increase in appropriations for the OAA.

**Approval Process for Prescription Painkillers**

The Food and Drug Administration (FDA) announced it will change its approval process for prescription painkillers in response to the growing opioid epidemic in the United States. An additional $1.1 billion was proposed in the President’s Budget to address the worsening problem, which would increase needed treatment facilities. Read more [here](http://www.nytimes.com/2016/02/05/health/under-pressure-fda-adds-measures-on-opioid-abuse.html?partner=rss&emc=rss&elq_cid=1597125&x_id) and [here.](https://www.whitehouse.gov/the-press-office/2016/02/02/president-obama-proposes-11-billion-new-funding-address-prescription)

In February, the Senate Finance Committee discussed several bills related to opioid misuse, including a bill sponsored by Patrick Toomey (R-PA) (*Stopping Medication Abuse and Protecting Senior Act of 2015, S. 1913*) that aims to prevent Medicare beneficiaries from “doctor shopping.” The legislation would require beneficiaries to receive all of their opioid prescriptions from the same physician and fill them at the same pharmacy. The bill is expected to be marked up soon.

**Closing the Donut Hole**

The Centers for Medicare and Medicaid Services released a report that showed that about 10.7 million Medicare beneficiaries have received more than $20.8 million in discounts on prescription drugs since the enactment of the Affordable Care Act. Read more [here.](https://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2016-Press-releases-items/2016-02-08.html?elq_cid=1597125&x_id)

**Excessive Wait Times Continue at VA Clinics**

According to a report by the VA Office of the Inspector General, sixty-four percent of veterans faced excessive wait times while seeking care at a VA facility in Colorado. The report found that veterans, who had wait times of more than 30 days, were not added to the Veterans Choice List, which gives them access to private non-VA care. Read more [here.](http://thehill.com/policy/defense/268469-gop-senator-key-va-program-a-systemic-failure?elq_cid=1597125&x_id)

**Health Care Spending in 2015**

A report from the Altarum Institute’s Center for Sustainable Health Spending found that U.S. health care spending continued to grow by a rate of 5.9% in 2015, up from 5.35 % in 2014. The report noted that spending increased in parts of 2015, but the growth seemed to taper every month after February 2015. “If this trend continues, health spending growth in 2016 will drop to more modest levels,” Altarum’ s report reads. Read more [here.](http://altarum.org/sites/default/files/uploaded-related-files/CSHS-Spending-Brief_February_2016.pdf)

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**Financing Long-Term Care Reports**

The Long-term Care Financing Collaborative released their final report describing their proposal for reforming the current long-term care system. The Collaborative is a group of policy experts and stakeholders from across the political spectrum created to generate consensus-based policy recommendations on long-term care financing. The final report includes the following five recommendations:

* Creation of a universal program for all individuals that would cover catastrophic care for individuals with high needs over an extended timeframe;
* Developing public policies in cooperation with the private insurance market to help support financing for individuals with LTSS needs that do not meet the level required for the catastrophic care benefit, including innovations with leveraging retirement savings and home equity;
* Enhancing Medicaid LTSS services, and increasing flexibility to provide greater access to care in the most appropriate setting for each individual;
* Increasing support for family and community caregivers that may include unpaid caregivers, as well increasing integration between medical interventions and long-term services and supports.

[Click here](http://r20.rs6.net/tn.jsp?f=001DJhsBNKCDYCgWxvBGobTc4jyeDP5H8IULFKIXao8STcT7x-LlM2uOqvW4DKYEDp_dTGYwPSADHORfogM2c9rPehDeigk2tPljIMY-ZL4Y_aZnGtrjNWkZn6mszKEjP3smuzz5Cs_DoHzvSSlkb4FuyvnlVQ2OuO8Oylbmvm3ikIh7hIRVNOekDj2PE2wXqTt2t5GedsAT81ErvtOMOGjQoSaOJoecU9O0HnTEhFqWWZ7f3Sb3T41xNYKY5R0sLBetaUaPWMDukc=&c=PzIKRMVPhYyLULHbaiHc4Pcj5gVixpxjoFcmwKdFGBmcJRd5PR_weQ==&ch=1Fsep9iycWz0moOmIhp2CVfUOSFr4Rst7pHXdHjSBzCqDy9pxFR4sg==) to access the report.

The Bipartisan Policy Center’s (BPC) Long-Term Care Financing Initiative released their report *Initial Recommendations to Improve the Financing of Long-Term Care.* The BPC published another report in April 2014 that examined the challenges in financing and delivery. This report is a follow-up that offers recommendations to help address the financing of long-term services and supports (LTSS). Read more [here](http://bipartisanpolicy.org/events/release-of-recommendations-to-address-long-term-care-financing/).

**Final Rule on Medicare Reporting and Returning of Overpayments**

The Centers for Medicare and Medicaid Services (CMS) published a final rule that requires Medicare Part A and Medicare Part B health care providers and suppliers to “report and return overpayments by the later of the date that is 60 days after the date an overpayment was identified, or the due date of any corresponding cost report, if applicable.” Read the final rule [here.](https://s3.amazonaws.com/public-inspection.federalregister.gov/2016-02789.pdf)

**Strengthening Low-Income Older Adults and Caregivers**

The advocacy group Justice in Aging released a paper titled *Advocacy Starts at Home: Strengthening Low-income Older Adults and Caregivers.* The paper and video shares the story of Margaret and her story of being a caregiver, discusses the challenges Margaret faces in helping her mother age safely at home in dignity, and offers solutions to help support older adults and their caregivers. Read the publication and view the video [here.](http://www.justiceinaging.org/caregivers/)

**Federal Poverty Guidelines for 2016 Released**

The Department of Health and Human Services (HHS) published the 2016 [federal poverty guidelines](https://www.federalregister.gov/articles/2016/01/25/2016-01450/annual-update-of-the-hhs-poverty-guidelines) in the Federal Register. The federal poverty guidelines affect the eligibility for some federal programs. The National Council on Aging (NCAO) has released [fact sheets and charts](https://www.ncoa.org/news/ncoa-news/center-for-benefits-news/updated-benefits-eligibility-2016/?utm_source=email&utm_medium=newsletter&utm_content=income_charts_2016&utm_campaign=BenefitsAlerts&utm_term=2016_02_17) that reflect how the updated eligibility requirements will affect Extra Help programs for the year.

**Organ Donation for Older Adults**

The National Institute on Aging is working with a team of federal agencies to encourage older adults to register as organ donors. NIA has created a webpage that provides information for potential donors and transplant recipients over age 50. Visit the website [here.](https://www.nia.nih.gov/health/publication/organ-donation-and-transplantation?utm_source=20160208_organdonation&utm_medium=email&utm_campaign=ealert)

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