**Public Policy Update – August 2017**

**By Brian Lindberg and Marly Santoro**

**Big Picture**

**July was a very busy month. Congress has now departed for the long August recess with plans to return the first week of September. The Senate stayed in town an extra week to finish some nominations and legislative work that had been delayed in part because of ACA repeal and replace efforts. When lawmakers return in September, the aim will be to complete work on FY 2018 budget and appropriations, raise the debt ceiling, and focus on tax reform, a Republican priority.**

**Senate ACA Repeal and Replace on Hold**

On July 19, the Congressional Budget Office (CBO) and the Joint Commission on Taxation (JCT) released its estimate of the *Obamacare Repeal Reconciliation Act of 2017*. The CBO score painted a bleak picture for that approach with an estimate of 32 million uninsured in 2026. The President and the Senate leadership had gone back and forth on moving forward with the Senate Republican bill or a straight repeal of the ACA. On July 28, the Senate failed to pass a last-ditch effort to repeal certain parts of the Affordable Care Act. With a dramatic vote of 49-51, the scaled-down “skinny” bill failed with Republican Senators Susan Collins (R-ME), John McCain (R-AZ), and Lisa Murkowski (R, AK) joining all Democrats in a vote against the bill.

The legislation proposed to repeal the ACA’s individual mandate, reduce funds for the Public Health and Prevention fund, eliminate the employer mandate for eight years and increase state waiver flexibility. Criticisms and resistance was received from all corners. Conservatives felt it repealed only small parts of the ACA and would drive up premiums. Moderates believed the scaled-down bill would not improve the marketplaces.

In the end, none of the Republican proposals had the 50 votes needed for passage. For now, the Senate effort to pass a bill to repeal and replace the ACA has failed. The healthcare debate will never really be over, with lawmakers pressured now to respond to the shaky individual marketplace. Recently, the Senate HELP Committee (Chairman Alexander (R-TN) announced it will hold bipartisan hearings the first week of September on how to stabilize the individual marketplace for the next year while discussions take place on the longer-term changes that are needed in the health care system.

Here is further background on the repeal effort and at the end of the update there is the Families USA victory thank you message to advocates.

* Here is the CBO estimate:<https://www.cbo.gov/publication/52939>
* Read the bill and summary at: <https://www.budget.senate.gov/bettercare>
* Article about Senator McCain: <http://www.rollcall.com/news/john-mccain-republicans-health-care/?utm_source=just-in&utm_medium=email&utm_campaign=newsletters>

**The Debt Ceiling**

Secretary of Treasury Steven Mnuchin has asked congress to raise the debt limit as soon as possible but no later than September 29, 2017. He has already begun to withhold investments from the Civil Service Retirement and Disability Fund and taken other measures to preserve assets to pay U.S. bills. However, conservatives in the House are not likely to support a clean bill to raise the debt limit. They would prefer the bill to include spending cuts and other concessions. Therefore, Speaker Ryan will likely need Democrats to pass the bill, which will push the conservative Freedom Caucus members further away from supporting him as Speaker.

**The FY 2018 Budget**

On July 19, the House Budget Committee passed the Republican FY 2018 budget resolution on a party line vote of 22-14. The resolution includes $4.4 trillion in cuts over 10 years to mandatory spending. It is another attack on both entitlement programs and non-defense discretionary spending, including savings in Medicare of $487 billion, Medicaid of $1.5 trillion, and much more. The proposed cuts to Medicare include enacting means testing, raising the eligibility age, increasing cost sharing and adapting Medicare coverage guarantee to premium support (use of a voucher system). Speaker Ryan has been promoting these ideas for years.

This bill provides the instructions for a tax bill as part of a budget reconciliation package later in the year. Below are some documents related to this budget, which may not have enough votes yet to pass in the full House, with potential pushback from conservatives who think the resolutions does not cut enough. While moderates are pushing for a budget deal to raise the spending caps. House Majority Leader Kevin McCarthy (R-CA) has said that the budget would go to the House floor in September. If they can pass the appropriations package the first week back, they could use the second week of September for the budget. On the Senate side, Budget Committee Chairman Michael B. Enzi (R-WY) is planning to mark-up his budget bill in September.

* Here is the link to House Chairman Black’s budget: <https://budget.house.gov/budgets/fy18/>
* CCD’s statement on the House Budget Resolution for FY 2018 addressing the harm that the proposal would do to people with disabilities: <http://www.c-c-d.org/fichiers/CCD-FP-Task-Statement-on-the-House-FY-2018-Budget-Resolution.pdf>
* The Center on Budget and Policy Priorities has an analysis of the House budget, available here: <https://www.cbpp.org/press/statements/greenstein-harsh-house-gop-budget-resolution-asks-most-from-those-who-have-least>
* The House Budget Committee concurrent resolution, provisions for consideration of Social Security solvency legislation under expedited procedures begin on p. 104 at <https://budget.house.gov/wp-content/uploads/2017/07/HCR_budget_2018_RH_outofcommittee.pdf>
* Republican Study Committee 2018 budget proposal: <http://rsc-walker.house.gov/files/Initiatives/SecuringAmericasFutureEconomyRSCFY2018Budget.pdf>
* Narrative text for the budget res:  <https://budget.house.gov/wp-content/uploads/2017/07/Building-a-Better-America-PDF-1.pdf>

**FY 2018 Appropriations**

**Word is that** The White House would like to make a deal on the appropriations front that would avoid a government shutdown and fund their wall on the Mexico border. They would accept lifting the spending caps on appropriations in return for the funds needed to start the wall. Some believe that President Trump will let the government shut down if he does not get the funding for the wall, but Democrats are showing no signs of supporting the funding. The House is likely to take a 12-bill appropriations package to the floor the first week back from recess.

**The House Labor-HHS Education Appropriations Subcommittee and the full Appropriations Committee have marked-up the FY 2018 LHHS appropriations bill. The bill includes $77.6 billion for the Department of Health and Human Services (HHS), which is $542 million bellow FY 2017 funding levels, but $14.5 billion above the President’s proposed budget. The Administration of Community Living (ACL) is funded at $2.2 billion, which is $243 million over FY17 enacted levels and $386 million over the President’s budget.**

**Highlights from the House Labor-HHS spending bill:**

* **Increase NIH by $1.1 billion. President’s budget proposed a $5 billion cut.**
* **Eliminates the State Health Insurance Assistance Program (SHIP).**
* **Cuts $4 million (down to $34.737 million) from the Geriatrics Workforce Enhancement Program (GWEP)**
* **The bill provides $300 million for the Title V Senior Community Service Employment Program (SCSEP), a $100 million reduction, and moves the program from Department of Labor to ACL.**
* **Elder Rights Support Activities are cut by $2 million. Current funding is $13.9 million.**
* **The spending bill provides $838 million for senior nutrition programs, $227 million for Meals on Wheels.**
* **Chronic Disease Self-Management Education is cut by $3 million. Current funding is $8 million.**

**The bill was passed by the Labor HHS Subcommittee on July 14 and the full committee on July 18. For details see the links below. A number of amendments were offered by Democrats to replace funds that had been cut by the Republicans, including an amendment that would have increased the GWEP funding by $4 million (along with other HRSA programs) by Rep. Roybal-Allard (D-CA). These amendments were defeated on party line votes.**

* Full Committee Report: [FY2018 Labor, Health and Human Services, and Education Appropriations Bill - Full Committee Report](https://appropriations.house.gov/UploadedFiles/23920.PDF)
* Full Committee Bill: [FY2018 Labor, Health and Human Services, and Education Appropriations Bill](https://appropriations.house.gov/UploadedFiles/turn_5_xml.pdf)
* House letter opposing elimination of Medicare SHIPs: <https://www.ncoa.org/resources/national-groups-support-fy18-medicare-ship-assistance/>

**On the Senate side**, the Senate Appropriations Committee approved 16-15 the allocations for the 12 spending bills under the committee's jurisdiction. The Labor-HHS-Education Subcommittee received an allocation of $164.06 billion, which is a $3.04 billion increase from fiscal 2017 enacted levels. The House bill is more than $5 billion under FY 2017 enacted levels. The Senate Subcommittee on LHHS Appropriations is likely to take up their bill in mid-September. The Senate could use the House 12-bill package as a starting point and amend it. Rumors of a three-month continuing resolution are already out there.

**Big Push for Tax Reform**

**Following the Senate’s failure to pass healthcare legislation, Congressional Republicans and the White House have their eyes on tax reform. The Ways and Means Committee has created a website describing the Republican approach. Congressional leadership and the White House released a joint-statement describing shared tax reform principles and it is likely that Republican lawmakers will spend the August recess working to get their constituents behind their ideas.**

It appears that there are major differences between the House and Senate approaches to the task at hand. According to Senate sources and statements made by Finance Committee Chairman Orrin Hatch (R-UT), the Senate will work toward a less ambitious package that can be passed by their divided party and chamber. The scope of tax cuts for business and individuals, whether offsets will cover the cuts, the use of various scoring techniques, write-offs, and many other issues will need to be hammered out. The White House would like final action by mid-November, but Senate leadership has set no timetable given all the other work this fall. Here are some backgrounders:

* House Ways and Means Website: <https://waysandmeans.house.gov/taxreform/>
* Joint Statement: <https://www.whitehouse.gov/the-press-office/2017/07/27/joint-statement-tax-reform>
* Article by *The Hill* describing tax reform plan: <http://thehill.com/policy/finance/344868-what-we-know-and-dont-know-about-the-gop-tax-reform-plan>

**Assistant Secretary for Aging Nominee**

On August 1, the Senate Committee on Health, Education, Labor, and Pensions held a nomination hearing for Lance Robertson for the position of Assistant Secretary of Aging and Administrator of ACL. He laid out on his four-pronged strategy that he plans to implement:

* Improve access to information about LTC services and supports that are available both with publicly-funded and private-sector resources;
* Promote vouchers, seek evidence-based solutions, and build support systems for working caregivers;
* Strengthen elder justice; and
* Increase the network’s business acumen, specifically in non-profit aging and disability community-based organizations

On August 2, the Senate HELP Committee confirmed the nomination of Lance Robertson during an Executive Session. On August 3, the full Senate approved his nomination.

The full committee hearing can be viewed [here](http://r20.rs6.net/tn.jsp?f=001TSnS-RWzYzcNq6vvyKTkZIPH-Um-CZ5eErOH1UmLf2munzKZwVueYwPIrpa-l__ooOMAJzbxsZv8OTIJMfMskLyNQZNsHRfyI5v0zdJnxDFQ2XmwtYMT1CGsUgzMM9_T-7JKdJQDNid8PCpggAPBcX0EJG86NJE6bOpr7_gstmbKnLkzprlOszS7V_V5JHKARjp-AhP1KFzLTghRgk8ssRI1QyvT9LyO&c=O5sPVJV528LuAP9mu70IsZEJ1a_BRnr7roqLRY2RfpPRfHu2XhXg4A==&ch=yzEMexQbJ0VeDABN5RmxpR215zmq1pLRTaRuzAQia9XRi5aUxjKULQ==).

* Opening statement by Lance Robertson: <https://www.help.senate.gov/imo/media/doc/Robertson1.pdf>

**Medicare Trustees Report**

**The Medicare Trustees published their annual report on the Medicare trust fund solvency. The report indicates that Medicare will remain solvent through 2029, a year later than the 2016 estimates. The report also examined the Social Security trust fund, which is projected to remain solvent through 2034 – matching the timeline in last year’s report. Click** [here](http://r20.rs6.net/tn.jsp?f=0011bOEbjk-ze9pZIVBaiafo_qdI0-lduZZGr2IPpMeEBHnTP1ma_Uq5_DilnYBIWYaE9YFGs1s4OXYt70qIxkvnBgpLq-boG922VZJmqCXXiDmqNi1VcS7B9xPICkeixzK7rnyqU1dfQhywcfGDbV8WAtEiuP8ohLDwGwgWOHNYB5b6T84tGWLtrcn2a__opusnridGA-i2ySb6k7wvXbsqj1UYC5CIxtJuvjxy8aDqzr6hSSgfNmy2NBHFJFreA1h_f-qo438c9XLJTW2csqJxCKUCQLlUzLytw_PjL8fHsdcmJpxOXKKy-Q8J1SfikXw&c=pmDss8N3CfDToU6tkRsqsFzoUuePhBxZMYNTqAN3k0P5SEusOVFlbA==&ch=L6YRPSQ0hvyb0VPkXKeu0fDvrG-nwPqoavaWJRbTB0MySf5W7wYY9A==) **to read the report.**

**Medicare Bill Passes in the House**

On July 25, the House passed the *Medicare Part B Improvement Act of 2017* (H.R. 3178). The bipartisan bill, introduced by Chairman Kevin Brady (R, TX-8) and Ranking Member Richard Neal (D, MA-1), was a combination of several bills (listed below) the House Ways and Mean Committed had supported.

* Press release by Ways and Means Committee: <https://waysandmeans.house.gov/passed-house-brady-neal-bill-improve-strengthen-medicare-americans/>
* **H.R. 3161**, introduced by Health Subcommittee Chairman Pat Tiberi (R-OH) and Rep. Bill Pascrell (D-NJ), which creates a transition payment for home infusion therapies for Medicare beneficiaries to ensure there is no gap in care.
* **H.R. 3172**, introduced by Chairman Brady and Rep. Doris Matsui (D-CA), which extends a successful pilot program that allows Medicare beneficiaries with weakened immune systems to receive care in their homes.
* **H.R. 3171**, introduced by Reps. Mike Bishop (R-MI) and Mike Thompson (D-CA), which protects access to orthotics and prosthetics for Medicare beneficiaries who need them.
* **H.R. 3166**, introduced by Reps. Lynn Jenkins (R-KS) and John Lewis (D-GA), which improves the accreditation process for dialysis facilities so Medicare beneficiaries with chronic kidney disease living in rural communities can more easily access the treatments they need.
* **H.R. 3164**, introduced by Reps. Diane Black (R-TN), Suzan DelBene (D-WA), Mike Thompson, and Pat Meehan (R-PA), expands the use of telehealth technologies for Medicare beneficiaries receiving dialysis in their homes.
* **H.R. 3173**, introduced by Reps. Kenny Marchant (R-TX) and Ron Kind (D-WI), which puts into law existing regulations to modernize Medicare’s physician self-referral laws, known as “Stark laws.”

**Energy and Commerce Committee Passes Health Bills**

**On July 27, the Energy and Commerce Committee marked up and advanced seven bipartisan bills. Five of the bills originated from the Subcommittee on Health. The following were related to health:**

* **H.R. 2422, the Action for Dental Health Act of 2017**, authored by Rep. Robin Kelly (D-IL), would reauthorize CDC oral health promotion and disease prevention programs along with the Health Resources and Services Administration’s grants to states to support oral health workforce activities.
* **H.R. 767, the Stop, Observe, Ask and Respond (SOAR) to Health and Wellness Act of 2017**, authored by Rep. Steve Cohen (D-TN), would provide health care professionals training on how to identify and appropriately treat human trafficking victims.
* **H.R. 880, the Military Injury Surgical Systems Integrated Operationally Nationwide to achieve ZERO Preventable Deaths (MISSION ZERO) Act**, authored by Subcommittee of Health Chairman Michael C. Burgess (R-TX), establishes a grant program for military-civilian partnerships in trauma care that will allow both sectors to benefit from the others’ expertise and experience.
* **H.R. 931, the Firefighter Cancer Registry Act of 2017**, authored by Rep. Chris Collins (R-NY), requires the Centers for Disease Control and Prevention (CDC) to develop and maintain a registry to collect data regarding the incidence of cancer in firefighters.
* **H.R. 772, the Common Sense Nutrition Disclosure Act of 2017**, authored by Rep. Cathy McMorris Rodgers (R-WA), would help improve consumer access to nutritional information in a way that works for customers and businesses.

**On July 20, the Energy and Commerce Committee’s Health Subcommittee held a hearing to discuss legislation that would improve the Medicare program. Chairman Burgess stated,** “Each of these policies exemplifies our shared commitment to strengthening the Medicare program for current beneficiaries, and improving it for future generations.”

* **View the hearing here:** <https://energycommerce.house.gov/hearings-and-votes/hearings/examining-bipartisan-legislation-improve-medicare-program>
* Background Memo: <http://docs.house.gov/meetings/IF/IF14/20170720/106287/HHRG-115-IF14-20170720-SD002.pdf>

**Supplemental Security Income (SSI) Restoration Act Introduced**

**Representative Raul M. Grijalva (D, AZ-3) introduced the Supplemental Security (SSI) Restoration Act (H.R. 3307). The legislation would “update the program to meet the needs of vulnerable seniors and people with severe disabilities by raising the asset limit, updating earned and unearned income disregard rules, and modernizing certain financial eligibility rules.”**

* Bill Summary: <https://grijalva.house.gov/uploads/2017.Section.by.Section.SSI2.pdf>
* Press release: <https://grijalva.house.gov/news-and-press-releases/as-republican-budgets-target-those-with-disabilities-grijalva-introduces-bill-to-expand-ssi/>
* Justice in Aging FAQs: <https://grijalva.house.gov/uploads/SSI-FAQs%201.pdf>

**Social Security Trustees Report**

This Social Security Trustees released their 2017 report, available below. It again states that Social Security can pay benefits through 2034. After that, it will be able to pay approximately 77 percent of promised benefits. It projects that Social Security’s Disability Insurance fund can pay full scheduled benefits until some point in 2028, which is 5 years longer than last year’s projections

* CCD Key Points about the Social Security Trustees Report: <http://www.c-c-d.org/fichiers/2017-Trustees-Report-CCD-SSTF-Talking-Points-07-13-17.pdf>
* Trustee report: <https://www.ssa.gov/OACT/TR/2017/index.html>

**Drafted by Consumer Voice - Advocates Letter Opposing Revision of Requirements for Long-Term Care Facilities Arbitration Agreements:** <http://theconsumervoice.org/uploads/files/issues/Group_sign-on_letter_to_CMS_re_proposed_arbitration_8-7-17_final.pdf>

**From Claire McAndrew at Families USA on the Senate Vote:**

Dear colleagues,

CONGRATULATIONS!!!! We always believed in our hearts that passing repeal would not be possible- that we could stop these harmful efforts because too many people rely on the ACA and Medicaid for it to be so easy to rip coverage away through a sweeping piece of legislation. However, these last nine months since the election have been a tremendous amount of work for us all, and there were moments when it was hard to believe that we could stop the force of Senate and House majorities and a President who made it their top priority to pass a repeal bill. But together WE DID.

Senator McConnell planned to move forward his "skinny bill" tonight with the simple majority of Senators he needed. After voting on an amendment from Sen. Murray to move the repeal bill to the HELP committee was long over, everything stalled on the floor. It became obvious that the majority party did not have their votes to pass the bill. Senators Collins and Murkowski- and in an incredible turn of events- Senator McCain, took the three NO votes that ultimately sunk the bill. Here you can see how every Senator voted: <https://www.nytimes.com/interactive/2017/07/25/us/politics/senate-votes-repeal-obamacare.html>

You all made this happen. Together as a community we who stand up for consumers and patients were strong, fast, effective, and most importantly, 100 percent determined to save health care.

However, we have much more work ahead. We know the administration and members of congress are still dedicated to undermining the Affordable Care Act and dismantling Medicaid, including through legislative strategies, administrative sabotage, the budget process, and threats that we will likely face when the Republican agenda turns to tax reform. We must remain vigilant and never stop advocating.

But today, we achieved a great win. Thank you all so much for the incredible work you did.  And be sure to thank the Senators who supported health care and hold those who did not accountable for their votes!

Congratulations and THANK YOU FOR YOUR AMAZING WORK!

Claire McAndrew

**Families USA Statement on Failure of "Skinny Repeal" Bill**

**A Victory for Our Nation’s Families as the Senate Fails to Pass “Skinny Repeal” Bill**

 **However, there is Little Doubt the Fight Will Continue**

**Washington, D.C. –**Following is the statement of Frederick Isasi, executive director of Families USA, on the Senate’s failure Friday to pass the so-call “Skinny Repeal” bill of the Affordable Care Act (ACA).

“In the end, this effort to ram through legislation that would have robbed tens of millions of America’s families of their health insurance failed because enough Senators decided to ignore misguided calls to party loyalty, and instead sided with the needs of the people of their states. All the people across the nation who have raised their voices and worked so very hard to fight repeal efforts deserve a moment to appreciate the magnitude of this accomplishment.

“But make no mistake, this likely is just a pause in the attack, not a final victory. The Republican leadership in both the House and Senate have promised to continue their attempts to repeal current law and dismantle high quality, affordable health care for tens-of-millions of American families. In addition, the attacks on Medicaid and health insurance subsidies for working Americans will continue in various forms as federal funding and tax bills are considered in the coming months.

“Our best hope now is that the courageous, moderate Senators that voted against this proposal follow through on their promise to put these partisan repeal efforts behind them and return to a careful and deliberative process including holding hearings, listening to experts and engaging in open and honest debate to build on the current law – keeping the needs of America’s families at the heart of those efforts.”