**August 2014 PUBLIC POLICY UPDATE**

**By: Brian Lindberg and Marly Flores**

**Big Picture**

Congress adjourned for a five-week recess on August 1st after the House approved emergency funding for the thousands of migrant children detained at the border. The approved immigration package will be labeled a victory for conservative House Republicans as they head home to campaign for the midterm elections. The bill has no chance in the Senate and the President has said he’d veto it. The Republican leadership had to pull the bill off the floor the previous day because they did not have the votes.

The Senate left for recess, once they completed their work on clearing a measure (H.R. 5021) to keep transportation projects from running out of money until next spring and approved a VA healthcare overhaul bill. The Senate failed to take action on the border crisis. The Senate will not vote again until September. President Obama is expected to take executive action to help process the migrant children while Congress is away on recess.

Throughout the five-week recess, lawmakers will continue to focus on the midterm elections, and the fight for control of the Senate will tick up a notch over August.

**Ryan’s Anti-Poverty Plan**

House Budget Committee Chairman, Paul Ryan (R, WI-1st) released his [plan](http://budget.house.gov/uploadedfiles/expanding_opportunity_in_america.pdf) to reduce poverty at a July 24 event at the American Enterprise Institute. Ryan proposes an “Opportunity Grant” that consolidates federal anti-poverty programs into 50 portions of money to be administered by each state as it sees fit. The states would be encouraged to experiment and find creative ways of providing the necessary services to their residents. The Opportunity Grant also requires the able-bodied to work or engage in work-related activities in exchange for aid (people with disabilities and the elderly are exempt). He also proposed that recipients of federal benefits work with a caseworker who would help them craft long-term plans, find “opportunities for growth,” and encourage them to make better choices that would lift them out of poverty.

**Older Americans Act**

In anticipation that the next Congress will be more conservative and less positive for the Older Americans Act (OAA) reauthorization, aging organizations are revving up their grassroots efforts for passage this year. In July, every Congressional office received an OAA reauthorization advocacy letter from the Leadership Council of Aging Organizations (LCAO). The [letter](http://www.lcao.org/files/2014/07/LCAO-Senate-OAA-Reauth-Letter1.pdf), with 55 sign-ons from council organizations, provided information about the OAA and urged Congress to continue the tradition of a bipartisan, timely reauthorization of OAA.

LCAO members are also energizing their advocacy efforts over the August recess by encouraging their members to call, e-mail and schedule an in-person meeting with their Representative and Senators. Our aging colleague, Bob Blancato, recently penned a [blog](http://www.huffingtonpost.com/robert-b-blancato/the-older-americans-act_b_5613963.html) for the *Huffington Post* about the urgent need to reauthorize the OAA.

**FY 2015 Appropriations**

On June 24, the Senate Appropriations Committee released a copy of the Senate Labor-HHS-Education Appropriations Subcommittee-approved bill and draft subcommittee report. Upon approval by the Subcommittee on June 10, next steps for the bill would typically include consideration by the full Appropriations Committee. However, no markup date has been set, and with the August recess in progress and upcoming November elections quickly approaching, the Fiscal Year (FY) 2015 appropriations process is increasingly unlikely to yield a standalone FY15 Labor-HHS spending bill. Most likely the Senate Appropriations Committee will instead pursue an omnibus or short-term Continuing Resolution (CR) to carry federal program funding into FY15.

Overall in the subcommittee bill, OAA funding would be reduced slightly from $1,871.43 billion FY 2014 to $1,859.72 billion in FY 2015. The bill also includes $10 million to implement the Elder Justice Initiative, short of the $25 million requested in the President’s FY15 budget. Citing budget constraints, the subcommittee does not include funding for several new initiatives requested by the Administration, including the Holocaust Survivors Fund and the White House Conference on Aging (WHCOA). Any increases and new funding could be lost if a CR is used and is based on FY14 funding levels.

·         A copy of the [subcommittee-approved bill](http://www.appropriations.senate.gov/sites/default/files/LHHS%20Bill%2087259.pdf) (released July 23)

·         A copy of the [draft subcommittee report](http://www.appropriations.senate.gov/sites/default/files/LHHS%20Report%20w%20Chart%2007REPT.PDF) (released July 23)

**White House Conference on Aging**

On July 23, the White House named Nora Super as the Executive Director of the 2015 White House Conference on Aging (WHCOA). She brings more than 20 years of health and aging experience to the job and has worked in academia, government, and in the private sector, including as AARP’s Director of Federal Government Relations, Health and Long-Term Care. The following week, Cecilia Munoz, Director of the White House Domestic Policy Council, hosted a roundtable discussion with leaders from across the aging community who came to together to discuss the WHCOA. During the meeting, Munoz announced four priorities to focus on: Retirement security, long-term services and supports, healthy aging and realizing the vision of the Elder Justice Act.

She also noted that the White House intends “to use the year ahead to be as creative as possible about using new technology, agencies’ regional offices, partners, and other strategies to engage directly with older Americans and stakeholders on these issues. We are looking forward not only to the Conference, but to a year of engagement and dialogue about older Americans’ issues and the opportunity to celebrate all that older Americans continue to contribute to our country.” To facilitate this dialogue, the White House plans to launch WhiteHouseConferenceonAging.gov as the official site for the conference this summer.

The White House Blog on the WHCOA is available [here](http://www.whitehouse.gov/blog/2014/07/29/horizon-2015-white-house-conference-aging).

**Workforce Investment Act**

In late July, President Obama signed into law the Workforce Innovation and Opportunity Act (WIOA) (H.R. 803), formally known as the Workforce Investment Act (WIA). The measure, which reauthorizes and updates the long-expired WIA, was introduced by Congressional leaders in May, and recently adopted by wide margins in both the House and Senate. H.R. 803 represents a compromise between the SKILLS Act (H.R. 803), which was passed in the House in March 2013, and the Workforce Investment Act of 2013 (S. 1356), which passed the Senate Health, Education, Labor, and Pensions (HELP) committee last July.

Read the bill [here](http://edworkforce.house.gov/uploadedfiles/wioa_sa_hr803.pdf) and a one-page summary of the legislation [here.](http://edworkforce.house.gov/uploadedfiles/workforce_innovation_and_opportunity_act_-_one_pager.pdf)

**VA Health Legislation**

The Senate Veterans' Affairs Committee Chairman Bernie Sanders (I-VT) and the House Veterans' Affairs Committee Chairman Jeff Miller (R, FL-1st) have reached agreement on a $17 billion bill to reform the Department of Veterans Affairs. The deal will allocate $5 billion to hire new medical professionals, $10 billion for a new private care option for veterans, prohibit bonuses for VA employees through Fiscal Year 2016 and provides $1.5 billion in funding for 27 new "major medical facility" leases. The original estimates for the bills were close to $50 billion per year.

On July 30, the House backed the VA healthcare proposal in a 420-5 vote. The following day, the Senate voted 91-3 in favor of the VA overhaul bill. Senators Tom Coburn (R-OK), Bob Corker (R-TN) and Jeff Session (R-AL) voted against the deal because the bill added $12 billion to the deficit. The bill now goes to President Obama for his signature.

On July 29, the Senate voted 97-0 to confirm former Procter & Gamble executive Robert McDonald to succeed VA Secretary Eric Shinseki.

**Medicare Trustee Report**

The Centers for Medicare and Medicaid Services (CMS) released their annual Medicare Trustee report. The report projects that the Medicare Hospital Insurance trust fund will remain solvent until 2030, four years beyond what was projected in last year’s report. The prolonged solvency is a result of cost controls implemented in the Affordable Care Act (ACA). Marilyn Tavenner, administrator of CMS stated, “Thanks to the ACA, we are taking important steps to improve the quality of care for Medicare beneficiaries, while improving Medicare’s long-term solvency.” The report also indicated that the Part B premium for 2015 will remain unchanged from the 2013 premium for the second consecutive year.

**Medicare Part D**

On the heels of the 49th anniversary of the signing of Medicare and Medicaid into law, the Centers for Medicare & Medicaid Services (CMS) projected that the average premium for a basic Medicare Part D prescription drug plan in 2015 will increase by about $1, to an estimated $32 per month, continuing its historically low growth rate.

This news comes after the announcements of continued unprecedented low levels of growth in Medicare spending and continued savings by seniors and people with disabilities on out of pocket drug costs

**ACA Update**

Health and Human Services Secretary Sylvia M. Burwell announced that consumers have saved a total of $9 billion on their health insurance premiums since 2011 because of the Affordable Care Act.

As of August 5, 2014