



CWDA

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To: County Welfare Directors Association of California

From: Tom Joseph, Director, CWDA Washington, D.C. Office

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Re: Federal Update

The House and Senate are in recess and will return next Monday, April 13.

Health Program Extensions Near Final Passage: A number of health provisions affecting low-income families are included as part of legislation to reform the way physicians are paid under Medicare (the 'doc fix' bill). In late March, the House passed (392-37) H.R. 2 extending or making permanent the following programs:

- **Children's Health Insurance Program (CHIP):** The measure includes a two-year extension of funding for CHIP. The extension continues the enhanced federal financial match of 65 percent instead of 50 percent. Without the enhanced federal funding, California's Health and Human Services Agency estimates a loss of up to \$533 million annually.
- **Home Visiting Program:** The bill contains a two-year extension of funding at the current level of \$400 million annually for the Maternal, Infant, and Early Childhood Home Visiting Program. California received \$22.6 million in FY 2015 funding in February. As of that month, 21 California counties participated in the federal program. It supports pregnant women and families and helps at-risk parents of pre-school children by using evidence-based, cost-effective models that improve maternal and child health and prevents child abuse and neglect.
- **Transitional Medical Assistance:** Needing renewal each year, the bill makes permanent the transitional medical assistance (TMA) program which allows low-income families to maintain their Medicaid coverage for up to one year as they transition from welfare to work.
- **Express Lane Eligibility:** The legislation also extends for two years the express lane eligibility option which permits states to streamline and facilitate enrollment in health coverage using the eligibility findings in other federal programs such as SNAP, TANF and Head Start, among others.

The Senate is expected to consider and adopt H.R. 2 when it returns next week. The Administration has signaled its support for the bill.

Budget Process Proceeds: The House and Senate have adopted their respective FY 2016 budget resolutions (H.Con.Res.27; S.Con.Res.11). The final votes were largely along party lines, with the House approving its package 228-199, with 17 Republicans voting with all the Democrats in opposing the resolution. All California members voted with their party. Across Capitol Hill, the Senate voted 52-46, with two Republicans joining all the Democrats in opposition. The budget resolution provides broad outlines of spending and policy proposals for future legislation and is non-binding.

- **Block Grants Proposed:** As in previous years, the House budget proposes to convert both Medicaid and the Supplemental Nutrition Assistance Program (SNAP) into state block grants and calls for the repeal of the Affordable Care Act (ACA). Those three proposals are estimated to save over \$3 trillion in the next ten years -- none of them will be enacted into law. The Senate resolution also contains a similar proposal to block grant Medicaid, but would protect low-income older Americans and persons with disabilities. It also would repeal the ACA.
- **Discretionary Cuts Assumed:** Both resolutions propose billions of dollars of savings in discretionary programs over the next ten years. The House assumes about \$460 billion in unspecified cuts over ten years, while the Senate measure contains about \$620 billion over that same period. It remains to be seen whether and how those cuts would be achieved.
- **Entitlement Cuts Possible:** Both resolutions also contain reconciliation instructions directing certain committees of jurisdiction to find additional savings in entitlement and mandatory spending programs not necessarily subject to the appropriations process. New revenues could also be proposed. Reconciliation is often used to make changes to entitlements, given that the Senate floor procedures effectively prohibit filibusters and require a simple majority for passage. President Obama would still have veto power over any measure reaching his desk.

Upon their return from the spring recess, both houses will attempt to craft a concurrent budget resolution so that the overall blueprint setting the broad parameters is the same for spending bills the House and Senate will consider later in the year.

Policy Update

CSEC: As reported last month, the Senate was soon to consider the *Justice for Victims of Trafficking Act* (S. 178), which the House had adopted (H.R. 181) by voice vote in late January. The legislation was on the Senate floor for nearly two weeks until it was pulled from consideration. Democrats, including both California Senators, objected strenuously to anti-abortion language that was not germane to the underlying bill

The measures use an existing structure and identified funding source within the Department of Justice. Competitive block grants would be available to states and counties addressing the issue, with grants focused on collaboration and funding for services provided by entities involved with sexually exploited youth.

Since the bills are slightly different, the House and Senate would have to reconcile the two measures before final passage and submission to President Obama for his signature.