

To: State Aging and Disability Directors
From: Damon Terzaghi and Adam Mosey
Re: President's Budget Proposal
Date: March 22, 2018

Last night, Congress released the text of a comprehensive appropriations bill that would provide funding for the federal government through the remainder of the fiscal year, which runs until September 30, 2018. As a reminder, the government has been operating under a series of short-term spending bills that provide all programs with the same level of funding they received in FY2017. Congress has until tomorrow, Friday, March 23rd, to pass this legislation and avoid a shutdown of the federal government. Although some legislators, including members of the House Freedom Caucus, have publicly opposed the legislation, the bipartisan negotiations and subsequent press releases indicate that the bill will ultimately pass as written. This afternoon, the House passed the bill on a 256-167 vote and the Senate is expected to clear it before tomorrow's deadline.

Last month, Congressional negotiators agreed to a deal that increased the overall spending levels for both military and domestic discretionary programs. Due to that agreement, appropriators had additional funding to allocate towards many health and social services programs. As a result, there were a number of notable and substantial increases to programs that serve older adults and people with disabilities. There were also a number of other priorities funded, including \$4 billion allocated to treating opioid abuse and addiction issues, an increase in funding for behavioral health, and a substantive increase in funding for research at the National Institutes of Health.

Items in the appropriations bill are discretionary programs that must be funded annually. Therefore, the appropriations bill does not include programs classified as mandatory, which includes entitlements such as Medicaid, Medicare, and Social Security. It also does not include programs where funding authorizations have been allocated through alternate pieces of legislation.

Key Items in the FY2018 Appropriations Package for Aging and Disability Programs*Older Americans Act and ACL*

The legislation includes a number of substantive increases to programs under the purview of the Administration for Community Living, which received a \$178 million increase in aggregate. This increase was distributed across a number of programs.

Some of the notable increases from the FY2017 funded levels include:

- ADRCs received an additional \$2M for a total of \$8.1 million;
- SHIPs received a partial, but not complete, restoration of prior cuts to a current funding level of \$49.1. This is \$2 million higher than FY2017 but still below previous levels that were in excess of \$50 million;
- Nutrition services received substantial increases:
 - a. \$490 million total funds for congregate meals, an increase of \$40 million;
 - b. Home delivered meals were increased by \$19 million to \$246 million;
- HCBS Supportive Services received an additional \$35 million to \$385 million;
- Family Caregiver Supports received an additional \$30 million for \$180.5 million;
- Centers for Independent Living received an increase of \$10 million to \$88.3 million; and
- Aging Network Support Activities received \$2.5 million of additional funding for a total of \$12.46 million.

SCSEP was level-funded at \$400M, which remains below FY2016 levels of \$434 million and even lower than levels from ten years ago. Although it was disappointing that SCSEP funding was not restored, the program was not reduced further despite recommendations from the House and the Administration. Lastly, the appropriations bill consolidates several programs focused on Alzheimer's disease into one larger program. The stated intent of this change is to streamline administration and increase state flexibility.

Other Health and Human Services Programs

The budget rejects reductions and eliminations proposed by the administration, including recommendations to eliminate the Low Income Heating Assistance Program, the Social Services Block Grant, and the Community Services Block Grant. Instead, these programs were either level-funded or received modest increases. Housing subsidies for older adults and people with disabilities also received the following additional funding:

- Section 202 Housing for the Elderly received an increase of \$176 million to \$678 million total; and
- Section 811 Housing for Individuals with Disabilities received an \$83 million increase to \$230 million total.

Please see the attached chart for a summary of funding levels for many other important programs that serve older adults and people with disabilities.

Conclusion

The bipartisan spending bill resulted in a substantial increase of funding available to appropriators. As such, they were able to restore a number of cuts made in prior years and also increase baseline funding to many other important health and social services for older adults and people with disabilities. Since the deal struck in February also established higher spending levels for FY2019, we remain optimistic that these increases will be sustained for at least another year.

The FY2019 appropriations process is already underway, as the President's recommended budget was released last month and Congress will now turn to development of appropriations for the upcoming fiscal year. NASUAD will continue to provide updates as Congress evaluates and recommends funding levels. As always, we will also continue to educate Congress on the value of aging, disability, and long-term services and supports programs at the state and national level.