



U.S. Senate Committee on Appropriations

Thad Cochran of Mississippi, Chairman

NEWS RELEASE

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SENATE SUBCOMMITTEE SETS PRIORITIES, APPROVES FY2016 LABOR, HHS, EDUCATION APPROPRIATIONS BILL

*Within Budget Limits, Senate Bill Increases Funding for NIH,
Community Health Centers, Title I Education, & Child Care*

WASHINGTON, D.C. – A Senate appropriations subcommittee today approved the FY2016 Labor, Health and Human Services, and Education and Related Agencies (Labor-HHS) Appropriations Bill, a \$153.2 billion measure that funds a range of priorities involving health, education, and workforce training and development.

The Senate Appropriations Subcommittee on Labor, Health and Human Services, and Education and Related Agencies approval of bill sets the stage for it to be considered by the full committee Thursday.

While the measure is \$3.6 billion below the FY2015 spending level, the subcommittee increased funding for the National Institutes of Health, Community Health Centers, Head Start and the Child Care and Development Block Grant. In addition, the bill takes steps to prohibit the administration from improperly using discretionary funding to prop up state insurance exchanges and the Risk Corridor program established by the Patient Protection and Affordable Care Act, or Obamacare.

The bill supports additional funding for Title I for low-income school districts, as well as the Individuals with Disabilities Education Act (IDEA) grant program. It would also increase the maximum Pell Grant award for the 2016-17 school year. The legislation supports the Labor Department's Job Corps and Veterans Employment Training programs, and provides for a new, dedicated training fund for dislocated workers from coal mines and coal-fired power plants.

“This year’s Labor-HHS appropriations bill prioritizes programs that will provide a significant benefit to all Americans and, most importantly, provides the National Institutes of Health with a \$2 billion increase to make critical life-saving medical treatments and high-quality cures available to all Americans. I’m pleased the Subcommittee has approved this important bill today and I look forward to moving it through the full committee this week,” said **U.S. Senator Roy Blunt (R-Mo.)**, chairman of the Senate Labor, Health and Human Services, and Education and Related Agencies Appropriations Subcommittee.

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Highlights of the Senate FY2016 Labor-HHS Appropriations Bill:

The Subcommittee-passed measure recommends \$153.2 billion in base discretionary spending for the Departments of Labor, Health and Human Services, and Education and related agencies. The bill is \$3.6 billion below the FY2015 level and \$14.5 billion below the President's budget request. In addition, the bill includes \$1.561 billion in cap adjustment funding for preventing waste, fraud, abuse, and improper payments in the Social Security, Medicare, and Medicaid programs.

DEPARTMENT OF LABOR

The bill funds the Department of Labor at \$11.4 billion, a \$575 million decrease from FY2015.

Job Corps – \$1.7 billion, a \$5 million decrease from FY2015. Taken together, the 125 Job Corps centers in all 50 States, the District of Columbia, and Puerto Rico comprise the nation's largest career technical training and educational program for youth. Almost 50,000 new student enrollments are expected for FY2016. Approximately 94 percent of Job Corps students successfully attain industry-recognized certifications.

VETS – \$270 million, level with FY2015. Veterans Employment and Training funding provides for intensive employment services to veterans and eligible spouses, transitioning servicemembers, wounded warriors, and disabled veterans. In addition, skills training for up to 17,000 homeless veterans nationwide are also provided.

YouthBuild – \$80 million, level with FY2015. This program helps at-risk high school drop-outs develop skills and knowledge to obtain industry-recognized job credentials, apprenticeships, and employment.

Governor's Statewide Reserve – The bill allows the full 15 percent State training grant funding reserve for governors to address a variety of State-wide training needs, projects, expanded partnerships, emergency response, and other services as needed throughout their states.

Occupational Licensing Portability Initiative – \$7.5 million to establish a consortium of States to begin the analysis and development of frameworks for reciprocity or other forms of portability for certain occupational licenses. This will eliminate unnecessary barriers to mobility and re-employment for thousands of dislocated workers, transitioning servicemembers, military spouses, and others.

Coal Set-Aside – The bill provides for a new, dedicated training fund of \$19 million dedicated training fund for dislocated workers in coal mines and coal-fired power plants. This funding will help meet the needs of workers and communities affected by large-scale layoffs from the coal industry.

H-2B Foreign Labor Certifications – The bill provides additional resources for the prompt processing of foreign labor certifications and blocks the most controversial portions of the Department of Labor's new H-2B visa program and wage regulations, which would inhibit the ability of small and large businesses to expand during temporary periods of peak seasonal demand in industries such as seafood processing, landscaping, hotel and lodging, recreation, and entertainment in cases where insufficient numbers of American workers are available.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

The bill funds the Department of Health and Human Services at \$70.4 billion, a \$646 million decrease from FY2015.

National Institutes of Health (NIH) – \$32 billion, an increase of \$2 billion above FY2015. This is the largest increase the NIH has received since its doubling ended in 2003.

- \$200 million for Precision Medicine;
- \$350 million increase for the National Institute on Aging, the lead Institute researching Alzheimer’s disease;
- \$135 million, an increase of \$70 million, for the BRAIN Initiative to map the human brain;
- \$461 million, an increase of \$100 million, to Combat Antibiotic Resistance;
- \$300 million, an increase of \$26.7 million, for the Institutional Development Award;
- And increases to every Institute and Center to continue investments in innovative research that will advance fundamental knowledge and speed the development of new therapies, diagnostics, and preventive measures to improve the health of all Americans.

Fighting Opioid Abuse – \$67 million, an increase of \$35 million, for programs targeted to combat opioid abuse at the Centers for Disease Control and Prevention (CDC) and the Substance Abuse and Mental Health Services Administration. According to CDC, deaths from prescription opioids quadrupled between 1999 and 2013, with overdoses costing the economy an estimated \$20 billion in medical costs and work loss productivity each year.

Community Health Centers – \$5.2 billion, an increase of \$199.4 million above FY2015. There are over 9,000 Health Centers nationally, serving 21.1 million patients per year.

Combating Antibiotic Resistant Bacteria (CARB) – \$664 million, an increase of \$193 million, to combat antibiotic resistant bacteria through a multi-pronged approach of developing new antibiotics, creating a faster identification system, and supporting activities to develop stewardship programs. Funding is provided to NIH, the Biomedical Advanced Research and Development Authority (BARDA), CDC, and the Agency for Healthcare Research and Quality (AHRQ).

Obamacare – To prevent the administration from diverting funds away from core CMS activities, the bill eliminates Affordable Care Act (ACA) funding and includes several provisions prohibiting any funds from being transferred to specific ACA activities that were never intended to be supported with discretionary funds. In addition, several oversight provisions are included in the bill:

- Risk Corridor – Bill language is included requiring the administration to operate the Risk Corridor program in a budget neutral manner by prohibiting any funds from the Labor-HHS-Education appropriations bill from being used as payments for the Risk Corridor program.
- State-Based Exchanges – With the increasing number of State-Based Exchanges failing due to lack of revenue, the bill includes new language preventing the administration from using discretionary funds to pay for operational costs for these Exchanges.
- Health Exchange Transparency – Bill language is included requiring the administration to publish ACA-related spending by category since the Act’s inception.
- ACA Personnel – Bill language is included requiring the administration to publish information on the number of employees, contractors, and activities involved in implementing, administering, or enforcing provisions of the ACA.

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Rural Health Care – \$150.6 million, an increase of \$3.1 million above FY2015, for rural health programs. The obstacles faced by patients and providers in rural communities are unique and often significantly different than those in urban areas. Therefore, the Committee has focused resources towards efforts and programs to help rural communities, such as telehealth.

Cancer Screenings – \$250.3 million, level with FY2015, for CDC’s breast, cervical, and colorectal cancer screening programs. The administration’s budget proposed to cut these programs by \$41.6 million because of the ACA. However, the ACA has failed to provide coverage for everyone, and the bill maintains funding for these programs designed to specifically serve low-income, uninsured, and underinsured adults.

Immunization Program – \$610.8 million, level with FY2015. The administration proposed to cut this program by \$50.3 million because of the ACA. Vaccines remain one of the most important and successful public health breakthroughs to prevent death and disability, and this program serves as a safety-net for the uninsured and underinsured populations that remain even with the implementation of the ACA.

Children’s Hospitals Graduate Medical Education (CHGME) – \$270 million, an increase of \$5 million above FY2015. The CHGME program protects children’s access to high quality medical care by providing freestanding children’s hospitals with funding to support the training of pediatric providers.

Preventive Health and Health Services Block Grant (Prevent Block Grant) – \$160 million, level with FY2015. The administration proposed to eliminate this program. The Prevent Block Grant provides flexible funding for States to implement prevention activities according to local health needs.

Medicare Appeals Process – \$97.4 million, an increase of \$10 million above FY2015, for the Office of Medicare Hearings and Appeals. The bill also directs CMS to implement the new Recovery Audit Contractor requirements without delay and directs the intra-agency working group to continue to monitor and evaluate the process until the backlog of appeals are resolved.

Polio – \$163.8 million, an increase of \$5 million above FY2015, for polio eradication. Currently, polio is endemic in only three countries, Nigeria, Afghanistan, and Pakistan. Nigeria has not reported a case since August of 2014 and will be declared polio-free if no cases are reported by August of 2017.

Area Health Education Centers (AHEC) – \$31 million, an increase of \$750,000 above FY2015. AHECs enhance access to quality health care, particularly primary and preventive care, by improving the supply and distribution of health care professionals through community/academic educational partnerships.

Dietary Guidelines – The bill includes a provision to prohibit the 2015 Dietary Guidelines from moving forward unless they are solely nutritional and dietary in nature and based on a preponderance of scientific evidence.

Independent Payment Advisory Board (IPAB) – Funding for IPAB is eliminated. IPAB was established by the ACA with the sole task of finding Medicare savings without impacting healthcare coverage and the quality of care. However, this Board would be unaccountable and take control of Medicare funding decisions from Congress.

Mental Health Programs of Regional and National Significance – \$378.6 million, level with FY2015. These are competitive grant programs supporting different types of mental health services. In addition, the bill provides the same level of funding as in FY2015 for all the *Now Is the Time* activities including Project Aware, Mental Health First Aid, Minority Fellowships, and the Behavioral Health Workforce Education and Training grants.

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Mental Health Block Grants – \$482.6 million, level with FY2015. These are formula grants distributed to States that provide flexibility to address local mental health needs. The Block Grants represent the primary sources of mental health funding for State programs.

Child Care and Development Block Grant (CCDBG) – \$2.585 billion, an increase of \$150 million above FY2015. This increase will help States implement key reforms in the CCDBG Act of 2014 to improve child care health and safety standards, and otherwise improve working families' access to quality child care.

Head Start – \$8.698 billion, an increase of \$100 million. Research increasingly points towards the importance and benefits of providing high-quality early childhood education beginning at birth, and for families before birth. The Committee recommendation provides a \$100 million increase to expand Early Head Start, which provides high-quality early childhood services for children and families from before birth to age three, including through Early Head Start-Child Care Partnerships.

Low Income Home Energy Assistance Program (LIHEAP) – \$3.39 billion, the same as the FY2015 level. LIHEAP provides critical home heating and cooling assistance for low-income households.

Older Americans Act Programs – These programs provide crucial social, nutritional, and caregiver support to our aging population. The bill protects the core programs and provides the same level as in FY2015. These include: Supportive Services, Preventative Health, and Protection Formula Grants at \$388.2 million; Caregivers Support Formula Grants at \$151.6 million; and the Senior Nutrition Program at \$814.7 million.

Elder Justice Initiative – \$4 million, level with FY2015. This competitive grant program supports States' efforts in testing and evaluating approaches to address elder abuse.

Alzheimer's Disease Demonstration and Initiative – \$18.5 million, level with FY2015. This funding supports competitive grants to expand the availability of evidence based interventions and long term care services for individuals with Alzheimer's disease. In addition, funds support an Alzheimer's Disease outreach campaign designed to educate caretakers on the resources available in the community.

DEPARTMENT OF EDUCATION

The bill funds the Department of Education at \$65.5 billion, a \$1.7 billion decrease from FY2015.

Title I Grants to LEAs – \$14.560 billion, a \$150 million increase above FY2015. Title I provides basic and flexible funding to low-income school districts, that allows States, local school districts, and schools to decide how to best use limited resources improve student outcomes.

Individuals with Disabilities Education Act (IDEA) Grants to States – \$12.415 billion for grants to States under part B and C of the IDEA, a \$125 million increase above FY2015, including preschool grants and grants for infants and families. These programs support special education services for children with disabilities from birth through age 21.

Charter Schools – \$273 million, an increase of \$20 million above FY2015. This program supports school choice through the planning, design, initial implementation, and expansion of successful charter schools.

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Impact Aid – \$1.289 billion, level with FY2015. The Committee recommendation maintains support for the Impact Aid program which provides flexible support to local school districts impacted by the presence of federally owned land and activities, such as military bases. The Committee rejects the administration’s proposed elimination of the Federal property program.

Supporting Effective Educator Development (SEED) program – The Committee increases the SEED set-aside within the Teacher Quality State Grants program from 2.3 percent to 5 percent. This program supports evidence-based approaches for recruiting, training, or providing professional enhancement activities for teachers and school leaders, particularly for high-need schools most likely to face shortages in these areas.

Increase in Maximum Pell Grant – The Committee bill provides more than sufficient funding to increase the maximum Pell Grant award from \$5,775 in the 2015-16 school year to an estimated \$5,915 for the 2016-17 school year.

Supports State and Local Flexibility in Education – The Committee recommendation includes a new general provision affirming that the Federal government cannot mandate or incentivize in any way the adoption of any specific standards or assessments, including Common Core.

Provides a Check on Expanding Federal Authority Over Higher Education – The Committee bill includes a new provision prohibiting the Department of Education from moving forward with several new regulations expanding the Federal government’s role in higher education, until Congress has an opportunity to weigh in through the authorization process, as appropriate. Specifically, the bill prohibits the Department from moving forward with regulations or policies to develop or implement a college ratings system, define gainful employment, establish requirements for the State authorization of higher education programs, define credit hour, and establish a new accountability framework for teacher preparation programs.

RELATED AGENCIES

National Labor Relations Board (NLRB) – \$247 million, a decrease of \$27 million from the FY2015 enacted level. Since 2008, the NLRB’s budget has increased 8.9 percent while its workload has remained relatively level. During the same time, NIH research funding, for example, has increased only 1.5 percent. The Committee is very concerned about the Board’s regulatory and policy overreach and therefore has taken steps to right-size the agency and reprioritize funding.

Institute for Museum and Library Services – \$228 million, level with FY2015. This agency supports programs for museums and libraries that encourage innovation, provide life-long learning opportunities, promote cultural and civic engagement, and improve access to a variety of services and information.

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OVERSIGHT AND ACCOUNTABILITY

Increasing the Efficiency and Cost Effectiveness of Government – The Committee provides funding for a variety of activities aimed at reducing fraud, waste, and abuse of taxpayer dollars, including:

- Fighting Healthcare Fraud and Abuse
- Preventing Improper Social Security Payments
- Strengthening Oversight of Social Security Disability Benefits
- Eliminating Fragmentation, Overlap, and Duplication as recommended by the Government Accountability Office (GAO).

Program Integrity Initiatives

- **Reemployment Services and Eligibility Assessments** – An additional \$20 million is provided to conduct enhanced, in-person assessments to accelerate the reemployment of Unemployment Compensation recipients into good jobs, reduce the duration of their time receiving benefits and their likelihood of exhausting benefit coverage, and protect UI Trust Fund integrity by reducing improper payments.
- **Health Care Fraud and Abuse Control (HCFAC)** – \$706 million, an increase of \$34 million above FY2015, by utilizing the cap adjustment provided in the Budget Control Act. Every \$1 spent on HCFAC, \$8.10 is recovered by the U.S. Treasury. This will create over \$5.7 billion in savings to the Treasury.
- **Preventing Improper Social Security Payment** – \$1.4 billion, an increase of \$43 million above FY2015. This funding supports periodic reviews to ensure that individuals receiving Social Security disability benefits are still eligible under program rules. This funding is estimated to save approximately \$10 billion over ten years for the Social Security, Medicare, and Medicaid programs.

Program Eliminations – A tight budget environment requires tough choices and a critical review of all programs in the bill, even those that have been funded for decades. The Committee recommendation includes 44 program eliminations, equating to \$1.26 billion in spending reductions.

Other Policy Items – The Committee recommendation includes several provisions to restrain regulatory overreach by the administration, including:

- Fiduciary Rule at the Department of Labor
- Joint Employer standard at the National Labor Relations Board
- Ambush Elections rule at the National Labor Relations Board
- Micro-union decisions at the National Labor Relations Board
- Dietary Guidelines at the Department of Health and Human Services

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