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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

Federal Budget Process Begins: This week, the House is expected to consider their fiscal year 2015 budget resolution. The budget resolution is a blueprint the appropriations and policy committees reference when drafting the actual legislation. As such, the budget proposals are either accepted, rejected or modified by the committees with jurisdiction over federal programs during the year.

Given that it is an election year, the House budget should be viewed as a political document. The House resolution revives proposals to block grant Medicaid and the Supplemental Nutrition Assistance Program (SNAP) and would eliminate the Social Services Block Grant (SSBG). It would also end the use of categorical eligibility for SNAP unless there is a CalWorks cash benefit. The budget would end the 'heat and eat' program, which was reformed in the recent farm bill by requiring a \$20 annual Low Income Home Energy Assistance Program benefit to trigger a SNAP benefit increase. Since the farm bill's enactment, a number of states have raised their minimum allocation to \$20.

The block grant proposals and the SSBG elimination have been rejected in the past and are not likely to move this year either. Nor, are the any further changes to SNAP expected, given that the farm bill was adopted earlier this year.

For their part, Democratic leaders in the Senate have announced that they will not mark up a budget counterpart, citing the fact that the January budget agreement already set overall spending caps for FY 2015.

Given the lack of a Senate budget resolution, there is no likelihood of any broad-based tax or entitlement reforms this year. Without a House-Senate budget resolution, the 'budget reconciliation' vehicle used to craft such reforms is not available.

Without a agreed-upon blueprint between the House and Senate, the focus will rest entirely on the work of the appropriations committees. The Labor, Health and Human Services bill will again be one of the final bills considered late this fall, given the perennial controversies over abortion and other possible legislative riders.

Medicaid Provisions in Medicare Bill: Late last month, Congress adopted and the president signed a bill (P.L. 113-93; H.R. 4302) extending the current payment system for doctors accepting Medicare patients. The bill contained a number of unrelated provisions,

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including an extension of the transitional Medicaid assistance program through March 31, 2015 and express lane eligibility for Medicaid and CHIP through September 30, 2015.

Also in the so-called 'doc-fix' bill was a short term extension of the home visiting program, though March 31, 2015, with \$400 million to remain available through the end of FY 2015.

Administration Initiative to Reduce Psychotropic Use in Child Welfare: CWDA is joining efforts in Washington to support the Obama administration's budget proposal to address the over-prescribing of psychotropic medications the in the child welfare system. Under the proposal, \$50 million annually would be available to assist child welfare agencies and others to train child welfare staff and others involved with foster youth and to provide screening and assessment tools. An additional \$100 million annually would be available to the Centers for Medicare and Medicaid Services (CMS) to provide states incentives (yet to be determined) to reduce inappropriate prescribing via the Medicaid program.

CSEC Legislation Update: CWDA joined national and other state-based groups in supporting the bipartisan *Justice for Victims of Trafficking Act* (S.1738, H.R. 3530). The legislation would provide competitive grants to state and local governments to address commercially sexually exploited children (CSEC). There is an identified funding source by assessing fines on those convicted of trafficking (estimated at up to \$30 million annually). The measure also encourages collaboration between child welfare, law enforcement, courts, community based organizations and other entities coming into contact with trafficked youth.

CSEC briefings continue on and off Capitol Hill on CSEC. This week, the Center for American Progress is holding an event featuring Senator Amy Klobuchar (D-MN).