

NACHSA Members:

This will likely be the final update in 2006 on federal developments.

Look for an update before the end of next week, however, on human services resources that have crossed my screen in the last month, as well as a request for paying 2007 dues to NACHSA.

Congress Adjourned Last Saturday

As the year draws to a close, Congress adjourned for the year. There were a few significant developments in the human services area. They included:

Medicaid Citizenship Exempts IV-B and IV-E Kids: Congress agreed to exempt child welfare/foster care children from the Medicaid citizenship documentation and identity requirements (see page 186 of the link to the legislation below).

http://www.rules.house.gov/109_2nd/text/hr6111/1092nd_hr6111.pdf

Transitional Medicaid Assistance: Set to expire on December 31, 2006, the program was extended through June 30, 2007. The program provides Medicaid coverage for up to 12 months to individuals leaving TANF due to earnings. (see page 172 of the above link.)

Medicare Therapy Caps: Of importance to those counties operating long term care facilities that would have faced the loss of Medicare revenues, this provision has been extended through December 31, 2007 (see page 150 of the above link.)

Medicaid Provider Tax Reduction: Used by the majority of states to help leverage additional federal Medicaid funds, the allowable Medicaid provider tax rate will be reduced to 5.5% from the current 6% rate effective January 1, 2008 through September 30, 2011. This reduction was an effort to preempt the administration's anticipated regulatory proposal to reduce the rate to 3%. (see page 173 of the link above).

State Child Health Insurance Program Shortfall Restoration: Before adjourning, Congress reallocated \$219 million in unspent state funds from FY's 2004 and 2005 to assist in the short term the following states which are expected to exhaust their funds this spring (AK, GA, IL, MD, MA, MN, NE, NJ and RI). SCHIP is due to be reauthorized next year, so the effort to partially fill the gap this year will help in budgeting for FY 2008. Given current spending rates, many more states are likely to be in the 'shortfall' category in the coming years, even without eligibility expansions to the program, unless significant new funds are provided in the reauthorization bill.

Elder Justice Act Bill: Despite inclusion of the bill in the Senate package, the provisions were struck from the House/Senate compromise. Among other provisions, the measure would provide federal funding for adult protective services. The measure will be re-introduced in the 110th Congress.

FY 2007 Appropriations: Federal appropriations for the fiscal year that began on October 1, 2006 will be continued at the FY 2006 levels through February 15, 2007. On Monday, the incoming Democratic Chairs of the House and Senate Appropriations Committees announced that they intend to adopt a measure early next year that will continue funding for all federal programs at the FY 2006 level through September 30, 2007 instead of trying to work on both the 2007 and 2008 funding bills. If that measure is adopted, all HHS related discretionary programs will be funded at the 2006 levels until a spending bill is adopted for FY 2008 sometime next

fall. The WIA rescission will not occur, since there was no final action on the FY 2007 Labor/HHS bill.

Congress to Reconvene January 4, 2007: The 110th Congress will begin its work early January. Later that month will be the president's State of the Union address, followed in early February with the administration's budget proposals for FY 2008.

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If this e-mail was forwarded to you from a NACHSA member, please consider becoming a dues-paying member. To learn how your county can become an active member and receive directly **all** updates on federal legislative, regulatory and grant announcements, please contact me at tj@wafed.com or go to www.nachsa.org.

Best wishes for a Happy Holiday season!

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