

## **President's Fiscal Year 2018 Budget Summary Related to Programs for People with Disabilities**

President Trump transmitted his first federal budget request to Congress on May 23. The [entire budget](#) can be found on the Office of Management and Budget homepage. Below is a preliminary summary and selected highlights from AUCD policy staff. While the budget documents are often quoted to provide context and rationale, these statements represent the views of the President – not AUCD. As staff continues to analyze the budget request, this summary will be updated on the AUCD website.

### **Department Health and Human Services**

#### **Administration for Community Living (ACL)**

The President's Budget would make drastic changes to several disability programs. State Councils on Developmental Disabilities; the State Grants (Part B) component of the Independent Living programs, which supports State Independent Living Councils; and the State Implementation Partnership Grants component of the Traumatic Brain Injury program would be eliminated. Instead, ACL proposes to fold these three programs into a single cross-disability program, called "Partnerships for Innovation, Inclusion and Independence (PIII), that "can target resources in each State to support the development of systems and services that increase opportunities for independence, integration, productivity, inclusion, and self-determination for people with all types of significant disabilities." The [budget justification](#) states that this restructuring will "eliminate overlap and streamline operations, while saving \$57 million." The PIII would be funded at just \$45 million). In FY 2017 the DD Councils alone were funded at \$73 million; TBI was \$6 million; and Part B Independent Living funds total \$23 million.

University Centers for Excellence in Developmental Disabilities (UCEDD) are level funded at \$39 million in the proposed budget. The Protection and Advocacy Systems are also level-funded at \$39 million. Projects of National Significance would be cut by \$2 million to a total of \$8 million in FY 2018.

The Assistive Technology Program is cut by \$2 million. The justification states that this would cut the Alternative Financing Program, "which duplicates provisions in current law."

The National Institute on Disability, Independent Living, and Rehabilitation Research (NIDILRR) is reduced by \$9M, leaving its budget at \$95M instead of \$104 million. There is no specific justification for this cut.

See the HHS [Budget In Brief](#) for more details.

### **Family Supports**

The President's budget recommends level funding for the Lifespan Respite Care Act program at \$3 million. The National Family Caregiver Support Program is also level-funded at \$150 million. Some additional programs that are proposed to be maintained include Family to Family Health Information Centers (\$5 million), Child Abuse Prevention and Treatment Act Programs (CAPTA) including, Child abuse

State grants (\$25 million), Child abuse discretionary activities (\$33 million), and Community-based child abuse prevention grants (CBCAP) (\$40 million).

The [Social Services Block Grant](#), another source of funding for respite care and other community supports, is cut from \$1.7 billion to \$362 million (a \$1.3 billion cut). This block grant to states has often been targeted because of its flexibility, making it hard to measure outcomes or identify and coordinate its champions. However, the SSBG serves to fill the gaps in the local social services systems. At least 10 percent of this funding is for services that support people with disabilities.

### **Health Resources Services Administration (HRSA)**

The President's Budget eliminates several discretionary programs, including the Leadership Education and Neurodevelopmental Disabilities (LEND), the network of Developmental Behavioral Pediatricians (DBP) and the Autism Intervention Research Network on Physical Health (AIR-P) and Autism Intervention Research Network on Behavioral Health (AIR-B) research programs. These programs are all funded under the \$47 million "Autism and other DD" line item in the budget authorized by the Autism CARES Act (see [MCH website](#) for more information on these programs).

The [President's Budget Justification](#) for eliminating the "Autism and other DD" line item is described on pages 158-160:

*The Budget prioritizes programs that support direct health care services and give states and communities the flexibility to meet local needs. States may continue to support these activities with their Maternal and Child Health Block Grant awards.*

It is theoretically the case that HRSA CARES Act programs can continue to exist if MCH/HRSA chooses to fund these programs through other discretionary funding lines, such as the Special Projects of Regional and National Significance (SPRANS). However, with the large cut in funding, it would be difficult to continue its funding without making significant cuts to other programs. AUCD will work with its allies to advocate against the elimination of this line item that was created with the passage of the Combating Autism Act of 2006.

### **National Institutes of Health (NIH)**

The National Institutes of Health (NIH) would be subject to a \$6.8 billion cut under the President's budget plan, reducing its funding to \$26.9 billion from its \$33.7 billion appropriation in FY 2017.

Much of these cuts would come from approximately \$1 billion in reductions to the NIH's two largest divisions, the \$5.4 billion National Cancer Institute, and the \$4.9 billion National Institute for Allergy and Infectious Diseases. Most of the two-dozen institutes would be similarly subject to cuts of around 20 percent, except for a \$70 million international health research center that would be eliminated entirely. Instead, the office of the NIH director would get \$25 million to coordinate global health research activities.

The Eunice Kennedy Shriver National Institute of Child Health & Human Development (NICHD), which funds the IDDRC network, is cut by \$305 million. NICHD funds critical rehabilitation research through the National Center for Medical Rehabilitation Research (NCMRR), as well as the network of Intellectual and Developmental Disability Research Centers (IDDRC). Now in their 50<sup>th</sup> year, the 14 IDDRC sites represent the nation's first and foremost sustained effort to prevent and treat disabilities through biomedical and behavioral research. There is no specific justification for cuts to NICHD in the [budget In Brief](#) published on the NIH website. However, following are excerpts from the narrative directly from the [Budget](#) related to overall NIH priorities and general justifications for some of the cuts:

*In 2018, NIH would receive nearly \$26 billion to improve public health by advancing our knowledge of disease and cures. NIH would improve agency management by reducing duplication, and reducing both agency and grantee administrative costs. The Budget proposes NIH structural reforms, including the elimination of the Fogarty International Center which supports international research capacity and training of researchers overseas. International research will be prioritized, as appropriate, by other NIH Institutes as part of their research portfolios. For example, NIH's National Institute of Allergy and Infectious Disease conducts international research that has important implications for U.S. health improvements. However, duplicative and unnecessary global health research will be curtailed. The Budget also proposes to reduce reimbursement of grantee administrative and facilities costs, referred to as "indirect costs", so that available funding can be better targeted toward supporting the highest priority research on diseases that affect human health.*

### **Centers for Disease Control and Prevention (CDC)**

The Centers for Disease Control and Prevention budget would see a \$1.3 billion cut to approximately \$5 billion from its discretionary total in FY 2017 of \$6.3 billion. The steepest cuts would be to programs for environmental health, occupational safety, emerging infectious diseases, and prevention of HIV/AIDS and other chronic diseases.

The budget proposal justifies the decrease by arguing that it would give the CDC more flexibility in how it spends the money, and proposes a \$500 million block grant ("America's Health Block Grant") for the states to spend on identified health challenges. The budget argues that the lower funding levels for disease prevention and health promotion will encourage a more efficient use of these funds.

The National Center on Birth Defects and Developmental Disabilities (NCBDD) would be cut by \$35 million from the FY 2017 spending level for a total of \$100 million. The budget narrative simply states that at this proposed level, "CDC will focus its birth defects and developmental disabilities portfolio on core public health activities that align with CDC's mission and have proven interventions to make an impact on American's health."

See the [budget justification](#) for more details about CDC programs funding levels in the President's request.

### **Education**

The FY 2018 Budget request seeks to cut the Education Department's roughly \$68 billion budget by \$9 billion, or 13 percent in the coming fiscal year. At the same time, it requests a \$1.4 billion federal investment in school choice, including new money for private school vouchers and charter schools. The budget also eliminates two big programs -- Supporting Effective Instruction State Grants, or Title II, which is currently funded at \$2.25 billion and the 21st Century Community Learning Centers program, which is funded at about \$1 billion and funds after-school and extended-learning programs.

For special education, the budget provides close to level-funding for the Part B state grants under the Individuals with Disabilities Education Act (IDEA) at \$11.9 billion in FY 2018. This is about \$100,000 less than the FY 2017 level. All other IDEA programs are level-funded compared to FY 2017 in the request. See [the full details](#) of the President's Special Education funding request.

The Budget proposes reducing Federal TRIO Programs (i.e., Upward Bound, Talent Search, Student Support Services) and cutting funding by \$90 million. The Budget maintains funding for the original three TRIO programs while eliminating funding for two TRIO programs, which it says "are duplicative and have limited evidence of increasing college access or completion." While the goals of McNair and Educational Opportunity Centers (EOC) programs are important, McNair is a high cost program that serves relatively few students and EOC offers "low touch" services that can be provided through other programs like TS and Adult Education State Grants.

During her [testimony](#) before the House Appropriations Subcommittee that deals with Education, Secretary DeVos said the budget would "eliminate or phase-out 22 programs that are duplicative, ineffective, or are better supported through State, local or philanthropic efforts."

### **Department of Labor**

The Budget proposes \$27 million for the Office of Disability Employment Program (ODEP), a cut of \$11 million. According to the budget narrative, it returns ODEP "closer to its core mission of policy development, technical assistance, and dissemination of effective practices to increase the employment of people with disabilities." For FY 2018, the Budget proposes that ODEP will also begin a demonstration project to test effective interventions to promote greater labor force participation of people with disabilities.

The Budget also describes redeploying "DEI funding for a new demonstration project modeled after Washington State's workers' compensation Centers of Occupational Health and Education (COHE) program to improve labor force participation and attachment of individuals with temporary injuries and disabilities. The demonstration, which will be run in partnership with the Social Security Administration, will test the effects of implementing key features of the COHE model in other States or municipalities and/or for a broader population beyond workers' compensation. Some of the key features include care and service coordination, population screening and monitoring, increased access and targeted vocational rehabilitation and work supports, workplace accommodations, and technical assistance to healthcare providers and employers. Other optional interventions that could be tested by grantees include additional income support in absence of other temporary disability supports, partial wage support to allow for part-time return-to-work, increased access to specific medical or holistic care, and

employer incentives. Past efforts provided enhanced incentives to pursue work for people with disabilities who spent years out of the labor force. In contrast to previous efforts, this early intervention return-to-work initiative is aimed at helping the individual worker maintain attachment to the labor force and self-sufficiency.” This initiative is consistent with ODEP’s current Stay at Work/Return to Work initiative.

### **Medicaid, Medicare and Social Security**

The President’s Budget assumes that the House-passed American Health Care Act (AHCA) will be passed by the Senate and signed into law. The AHCA cuts Medicaid by more than \$800 billion over 10 years. The President’s request proposes additional cuts to Medicaid. According to the [Center on Budget and Policy Priorities analysis](#), the total cuts to Medicaid in the President’s request is \$1.9 trillion over the next decade.

Besides the massive cuts to Medicaid, the budget also fundamentally restructures and cuts funding for the Children’s Health Insurance Program (CHIP). While the budget proposes a two-year extension for CHIP through 2019, it cuts allotments by \$5.8 billion through a series of policy changes including: ending the Affordable Care Act (ACA) provision that provided a 23 percent increase in state CHIP matching rates; ending the ACA’s Maintenance of Effort provision that required states to maintain current Medicaid and CHIP eligibility levels and benefits for children; capping CHIP eligibility at 250 percent FPL; and giving states the option to move children below 138 percent FPL who were moved into Medicaid after the ACA’s passage back to CHIP.

The budget request also states that structural changes to other low-income programs would also provide substantial “savings.” Specifically, during the next 10 years the White House would save:

- \$193 billion from the Supplemental Nutrition Assistance Program, or food stamps;
- \$21 billion from Temporary Assistance to Needy Families;
- \$40 billion from the earned income tax credit and child tax credit;
- \$274 billion from other changes to the “welfare system.”

The budget would also "create a sliding scale for multi-recipient Supplemental Security Income families" that would reduce the deficit by \$743 million in FY 2018 and just under \$9 billion during the next decade.

In the [AUCD statement](#) on President Trump’s budget request, Executive Director Andy Imparato said, “There is no budget crisis requiring this level of fiscal austerity. Record numbers of people with disabilities are now employed and thriving in the community. By eliminating some programs and dramatically reducing others, this proposal puts the entire national support system for our community at risk.”

Many Members of Congress have expressed concern, saying the power of the purse is in the Congress.

AUCD will take this opportunity, together with the network, to educate bipartisan leaders in Congress and the new Administration about the value and importance of Medicaid, SSI, and other safety net programs. AUCD will also make the case for fully funding the LEND program, our broader DD network, and the federal commitment to disability-related research and public health in the context of our country's overall historic, bipartisan approach to advancing the dignity and wellbeing of children and adults with disabilities and our families. Please stay tuned for action steps from AUCD.