



LSA Washington

August 1, 2007

LSA Public Policy Call Scheduled for Thursday, August 16, 2:00pm (Eastern)

LSA's 2007 public policy conference call series will be held on the third Thursday of the month at 2:00 pm Eastern time (1:00 pm Central time; 12:00 noon Mountain time; 11:00 am Pacific time). The call will last one hour. R.S.V.P. to Lisa Carr at lcarr@lutheranservices.org by 5:00 pm Eastern time Wednesday prior to the call. The toll-free call-in information and presentation materials will be sent to registrants prior to the call.

August 16: Health Care Reform in the 110th Congress. The State Children's Health Insurance Program (SCHIP) is likely to be in conference committee in August and will be the focus of the call. We will also discuss proposals to cover uninsured adults, pending changes to Medicaid and Medicare programs, and proposals that have been developed by the top Presidential candidates.

Plan to join our September call as well! The call will take place on **September 20 at 2:00 pm Eastern time on Outlook for FY 2008 Federal Spending.**

Action Needed on Children's Health and Affordable Housing Bills

Congress is in session this week before they recess for their August break. The House and the Senate will return to Washington, DC after Labor Day. They are working to pass much legislation before they go home so that they can talk to their

constituents about their legislative achievements this year.

Now is an important time to contact your Senators and Representative to urge their support of the State Children's Health Insurance Program (SCHIP). Both the House and the Senate are voting on the reauthorization SCHIP this week. **Please call your Senators and Representative as soon as possible today. The House vote is expected this afternoon. The Senate vote is expected later today or tomorrow. The toll-free telephone number is 1-800-828-0498.** Families USA, a health care advocacy organization, is sponsoring a toll-free telephone number for advocates to call their officials in Washington, DC.

Why your Members of Congress really need to hear from you: This week Members of Congress will decide on the fate of children's health. They are poised to reauthorize the State Children's Health Insurance Program (SCHIP), a program providing health coverage to more than six million low-income children. Despite the success and broad bipartisan support for SCHIP, the program is under attack. The President has issued a veto threat and some Members plan to offer amendments that will weaken SCHIP and deny millions of children health insurance.

Without strong bipartisan votes in the House and Senate the program will expire in 62 days, leaving millions of children uninsured. But your calls can send a strong message both protecting the children currently enrolled and allowing millions more eligible children to receive coverage.

Senate Message: "I'm a constituent of Senator _____. Please tell him/her to vote YES on children's health and

NO on all amendments that restrict children's eligibility for health coverage."

House Message: "I'm a constituent of Rep. _____. Please tell him/her to vote for the CHAMP Act (HR 3162) on the Floor.

Families USA has developed a side-by-side comparison of the House and Senate bills: <http://chn.org/pdf/2007/House&Senatesidebyside.pdf>

The Senate Finance Committee passed a SCHIP renewal bill on June 19 that provides \$35 billion in new funding for the program over five years. The bill is on the Senate floor this week and it is expected that a number of weakening amendments will be offered. The Senate bill is funded by an increase in the tobacco tax.

The House Committees with jurisdiction over SCHIP have introduced the Children's Health and Medicare Protection Act (CHAMP Act), H.R. 3162. The House bill provides \$50 billion in new funding that is paid for by a tobacco tax, and cuts to the Medicare Advantage plan, plans that have been showed to be over-paid by the government.

In addition to renewing SCHIP, the House bill also contains improvements to Medicare and eliminates scheduled cuts to provider payments. The House bill extends the exceptions process for Medicare therapy caps and restores the annual update for nursing homes and home health care providers. The bill also eliminates proposed cuts in payments to physicians that treat patients on Medicare

The CHAMP Act expands Medicaid and children's insurance to legal immigrant children and pregnant women, and includes other provisions that strengthen and improve the program. **The bill is scheduled to come to the House floor on Wednesday and will be on the floor for the next day or two.**

We expect that various attempts will be made to weaken SCHIP. It is critical that Congress hears

from you and that both bills pass the House and the Senate by a wide margin. This is the only way SCHIP can withstand a Presidential veto **Thanks for calling your Senators and Representatives.**

LSA Testifies Before Congress, House Committee Moves Forward on Affordable Housing Trust Fund Bill

On July 31, the House Financial Services Committee passed the National Affordable Housing Trust Fund Act of 2007 (H.R. 2895) on a bi-partisan vote of 45-23. The bill is expected to come to the House floor when Congress returns from recess in September. LSA is urging House members to vote "yes" on H.R. 2985.

LSA testified on this legislation two weeks ago. The House Financial Services Committee held a hearing on the National Affordable Housing Trust Fund Act of 2007 (H.R. 2895) on July 19. David Roberts, President and CEO of Lutheran Homes Society of NW Ohio and SE Michigan (LHS) and chair of LSA-Ohio, testified on behalf of LSA. Mr. Roberts demonstrated the need for affordable housing for extremely low income households by telling compelling stories of people living in affordable housing built and managed by LHS and of people waiting for housing in his community. The stories of older women living on annual incomes of \$1,000 to \$5,000 painted a picture of those who are in need of safe, decent and affordable housing. Mr. Roberts further testified that LSA and LSA members believe that the trust fund will address the continuum of housing needs while honoring the partnership between government and the private sector in developing affordable housing.

H.R. 2985 would provide dedicated sources of funding for the production, preservation and rehabilitation of 1.5 million affordable homes. At least 75 percent of the funds will be for housing for households that are extremely low income, those earning less than 30 percent of an area's median income. Developers, including nonprofit developers, will be able to apply for housing trust funds and to use them with other sources of financing, including other federal housing programs, state housing programs and private funds.

LSA members are encouraged to contact their Representative in August while he/she is in their home state and ask that he/she support H.R. 2895, the National Affordable Housing Trust Fund Act.

HUD Not Paying Some Providers in July

There are reports that nearly 12,000 providers of HUD housing did not get paid in July. The providers were not paid for some project-based housing and Project Rental Assistance Contracts (PRACS). HUD is not permitted to renew contracts without at least 12 months of funding available. HUD has not been requesting enough funding from Congress, however, and does not have 12 months of funding set aside.

If your organization is experiencing non-payment from HUD, please contact Kathy Saile, Associate Director of Public Policy, by e-mail at ksaile@lutheranservices.org. Providers are also encouraged to contact their Member of Congress regarding the non-payment.

Congress Moving Slowly on FY 2008 Spending Bills

The House expects to pass the final FY 2008 spending bills immediately before adjourning for the August recess, barely meeting their target date for completing the appropriations process. With the exception of the Homeland Security spending bill, the full Senate has yet to consider appropriations bills on the floor. The Senate Appropriations Committee *has* passed all the spending bills except for the Defense spending bill. Senate leadership has indicated action on the appropriations bills in September; they are planning to remain in session into November.

Because of the increase over FY 2007 spending levels and over the president's proposed budget, the president has issued a veto threat for many of the bills. The House and Senate FY 2008

appropriations bills have made modest improvements to domestic discretionary spending in the areas of housing, health care, and human service programs. It is possible that Congress will roll all the spending bills into one omnibus bill. An omnibus bill will be more politically difficult for the president to veto than separate spending bills. The current fiscal year ends on September 30 and FY 2008 begins October 1.

Long Term Care Insurance Bill Introduced in Congress

On July 10 Senator Edward Kennedy (D – MA), Chair of the Senate Health, Education, Labor and Pensions Committee, introduced S. 1758, the Community Living Assistance Services and Supports Act. The House version of the bill is H.R. 3001.

The CLASS Act would create a nationwide long-term care insurance program that individuals could participate in through a payroll deduction. After five years of participation, individuals would be eligible to receive benefits based on activities of daily living. If enacted, the legislation would alleviate financial pressures from the Medicaid system.

The American Association of Homes and Services for the Aging and LSA have been participating in the development of the CLASS Act for the past two years. AAHSA is working with Senator Kennedy to have his bill reflect the AAHSA proposals.

The Senate bill is sponsored by Senators Kennedy, Dodd (D- CT), and Harkin (D-IA). The House bill is sponsored by Representatives Pallone (D-NJ) and Dingell (D-MI). Lutheran Services in America and AAHSA have signed on in support of the CLASS Act.