



LSA Washington

May 16, 2008

LSA Sponsors Public Policy Conference Calls in May and June

Thursday, May 22 – 3:00 pm ET The Future of Medicaid in the Context of the Presidential Election

Andy Imparato, President and CEO of the American Association of People with Disabilities (AAPD), will discuss the platforms of the remaining presidential candidates and their positions on Medicaid and other areas of interest to people with disabilities. To register, please e-mail advocacy@lutheranservices.org by noon on May 21 and specify the “Medicaid” call. This call is sponsored by the LSA Disability Network Public Policy Project

Thursday, June 19 - 1:00 pm ET Future of Affordable Housing Public Policy

Sheila Crowley, President of the National Low Income Housing Coalition, will present on what Congress and the Administration are likely to pass this year – the National Affordable Housing Trust Fund Act and other important housing legislation, and what the funding levels may be for FY2009, which starts October 1. To register for the call, please email advocacy@lutheranservices.org by noon on June 19 and specify the “Housing” call.

Thursday, June 19 – 3:30 pm ET LSA-DN Public Policy Update

Heather Ansley, Director of Policy and Advocacy for the LSA Disability Network, will provide an update on public policy initiatives, including current legislation and regulations that are being debated and reviewed on the federal level. To register,

please e-mail advocacy@lutheranservices.org by noon on June 18 and specify the “LSA-DN Update” call. This call is sponsored by the LSA Disability Network Public Policy Project.

Do you have ideas for future public policy calls?
We are in the process of scheduling public policy calls for July – December. Please email your ideas to advocacy@lutheranservices.org. We look forward to hearing from you!

--Lisa Carr, MSW

Moratoria on Medicaid Regulations Moving Quickly Through Congress

The House has twice passed legislation that would place moratoria until April 1, 2009 on seven Medicaid regulations issued by the Administration. These include the rehabilitation services option and the case management/targeted case management regulations.

On April 23, the House passed the [Protecting the Medicaid Safety Net Act of 2008 \(H.R. 5613\)](#), by a vote of 349-62. On May 15, the House passed an [amendment to H.R. 2642, the Military Construction and Veterans Affairs Appropriations Act](#), by a vote of 256-166. H.R. 5613 and the amendment to H.R. 2642 both passed with a strong, bi-partisan majority.

The Senate Appropriations Committee and the full Senate is expected to vote on the moratoria in the coming weeks.

ACTION NEEDED: Please contact your Senators and ask that they support the moratoria on the Medicaid regulations when it is considered by the Senate. To determine your Senator, please visit www.senate.gov.

--Heather Ansley, JD, MSW

New Legislation Introduced to Reform the Section 811 Supportive Housing Program

On April 10, Rep. Christopher Murphy (D-CT) introduced the [Frank Melville Supportive Housing Investment Act of 2008 \(H.R. 5772\)](#). Its purpose is to reform the Section 811 Supportive Housing Program for Persons with Disabilities.

The legislation would create a new demonstration program using the project rental assistance contract (PRAC) concept. The PRAC, which is part of the current program, would increase new housing units available to people with disabilities by creating "deeply affordable" supportive housing units in developments financed with low income housing tax credits and HOME-financed rental housing. States and localities would either provide builders with incentives to include supportive housing for people with disabilities in their developments or require the builders to set units aside. The demonstration program would be funded through the retention of Section 811 monies for tenant-based rental assistance that finances mainstream housing vouchers. Funding for those vouchers would instead be available through the housing choice vouchers appropriation (Section 8).

Although the legislation would create a PRAC-only demonstration, it does not eliminate the current program's use of capital advances and long-term rental assistance (PRACs) to create supportive housing units. Instead, the legislative proposal provides for improvements that would eliminate certain project barriers to mixed financing and facilitate processing of awards.

ACTION NEEDED: Please contact your Representative and ask him or her to cosponsor H.R. 5772. It is particularly important to contact your member if he or she serves on the [House Committee on Financial Services](#) (www.financialservices.house.gov/members.html), because the bill has been referred to this committee for further action.

To determine your Representative, enter your zip code on the House website at www.house.gov.

--Heather Ansley, JD, MSW

CMS Proposes New Rule on Home and Community-Based State Plan Services

On March 31, the Centers for Medicare and Medicaid Services (CMS) published a proposed rule to provide guidance to states about the implementation of a provision under the Deficit Reduction Act of 2005 (DRA). The provision grants states the option of providing home and community-based services (HCBS) to persons receiving Medicaid without the need to apply for a waiver. Instead, states will have to submit a state plan amendment to CMS for approval. Through this option, HCBS would be expanded to thousands of Medicaid beneficiaries.

As provided in the DRA, HCBS will no longer be restricted to individuals determined to be at imminent risk of institutionalization. Instead, states that receive amendments to their state plans to exercise the HCBS option will be able to determine their own eligibility or needs-based criteria for providing HCBS. Medicaid beneficiaries may receive services under the HCBS option if they have incomes no greater than 150 percent of the federal poverty level and fulfill the needs-based criteria. Some of the services states may make available include case management, homemaker, home health aide, personal care, adult day health, habilitation and respite care.

Although the HCBS option has been available to states since January 2007, this guidance provides detailed assistance to states in their efforts to implement the option. A public comment period on the rule expires on June 3. To review the proposed rule, please visit

<http://edocket.access.gpo.gov/2008/pdf/08-1084.pdf>. If you have specific concerns, please contact Heather Ansley, Director of Policy and Advocacy for the LSA Disability Network, at hansley@lutherservices.org.

--Heather Ansley, JD, MSW

Child Welfare Workforce and Child Care Bills Introduced in the Senate

On April 30, Senator Hillary Rodham Clinton (D-NY) introduced the Child Welfare Workforce Improvement Act, S. 2944. The legislation calls for a study and regular data collection on the child welfare workforce, expands training access for professionals responsible for children and families in the child welfare system, and provides a funding source for state child welfare agencies to enter into training partnerships with universities.

The bill would extend federal training funds to include “employees of State-licensed or State-approved nonprofit private agencies, who are working with children and families that have contact with a State or local child welfare agency in order to promote safety, permanence, and well-being for children and families,” as well as “individuals employed by public or nonprofit private agencies in child- and family-serving fields including education, health, mental health, substance abuse prevention and treatment, juvenile justice, and domestic violence services, who work with children and families that have contact with a State or local child welfare agency.” The bill would also allow states to be reimbursed for grants and direct financial assistance for a qualified child welfare worker to receive training through a private nonprofit educational institution. The overall

training reimbursement rate for states would remain at 75 percent.

The extension of federal training funds to include employees of State-licensed and approved nonprofit private agencies is also included in the Invest in KIDS Act (H.R. 5466), introduced by Rep. Jim McDermott (D-WA) on February 14, and in H.R. 2314, introduced by Rep. Jerry Weller (R-IL) on May 15, 2007. The Child Welfare Workforce Improvement Act was referred to the Senate Finance Committee, and as of May 12 had no cosponsors.

On May 6, Senator Robert Casey (D-PA) introduced the Starting Early Starting Right Act, S. 2980, which would amend the Child Care and Development Block Grant (CCDBG). S. 2980 aims to increase the quality of child care and access to child care assistance for families with low incomes, and adds \$50 billion in mandatory child care funds over five years. The legislation requires states to use a minimum of 30 percent of their funding to improve the quality and increase the availability of care for infants and toddlers. The bill requires states to demonstrate how they are meeting the needs of low-income and working families, and re-establishes an Office of Child Care within the Administration for Children and Families, as well as other changes to funding of and reporting on child care services. The bill has been referred to the Committee on Health, Education, Labor, and Pensions, and currently has no co-sponsors. More information about this bill can be found at <http://www.nwlc.org/pdf/CaseyBillSummary.pdf>.

--Lisa Hassenstab, MSW, MA

CRS and GAO Issue Reports on SCHIP Directive, Find It to Be Unlawful

The Congressional Research Service (CRS) and Government Accountability Office (GAO) have both issued reports finding that the Centers for Medicare and Medicaid Services (CMS) unlawfully

bypassed congressional review when it issued a directive to states in August 2007. The directive told states that CMS would restrict raising the income eligibility level for the states children's health insurance program (SCHIP). The directive makes clear that CMS would deny any application to expand enrollment to children of families with incomes exceeding 250 percent of the federal poverty level unless that state could certify it had already signed up at least 95 percent of children living in households with incomes below 200 percent of poverty. The directive was found to violate the Congressional Review Act because it makes significant changes to present and future policies without being subject to public comment or Congress.

Efforts in Congress, including the Economic Recovery in Health Care Act (S. 2819) introduced by Senator John D. Rockefeller IV (D-WV), would delay the directive's implementation. Several states have also filed suit against the federal government, alleging the directive violates the Administrative Procedure Act. In the original 2007 letter, CMS gave states until August 17 of this year to comply with the requirements.

The GAO report can be found at:
<http://www.washingtonindependent.com/files/washingtonindependent/gao-crs-blast-bush/GAO-SCHIP.pdf>.

The CRS report can be found at:
<http://www.washingtonindependent.com/files/washingtonindependent/gao-crs-blast-bush/CRS-SCHIP.pdf>

--Lisa Hassenstab, MSW, MA

Housing Foreclosure Legislation Moves through Congress

On May 8, the House of Representatives passed legislation intended to address the rising number of housing foreclosures in the U.S. The House passed H.R. 5818, the Neighborhood Stabilization Act of

2008, which would establish a \$15 billion loan and grant program to help states purchase and rehabilitate owner-occupied foreclosed properties. Half of the proposed funding would provide grants to states, with half of that (\$3.75 billion) going to support housing for very low-income families (earning less than 50 percent of the area median income) and half of that (\$1.875 billion) going to support housing for extremely low-income families (earning less than 30 percent of the area median income). LSA signed a letter of support for H.R. 5818.

In addition, three separate amendments to the Senate-passed housing bill (H.R. 3221) were passed by the House, including an overhaul of mortgage finance companies Fannie Mae and Freddie Mac, a modernization of the Federal Housing Administration and an expansion of the FHA's loan programs aimed at helping borrowers get out from under mortgages they can't afford. Under the proposed expansion of FHA authority, borrowers threatened with foreclosure could get help refinancing into new, affordable fixed-rate mortgages. The House legislation would also establish a refundable tax credit of up to \$7,500 for first-time homebuyers that would serve as an interest-free loan. The House bill provides an additional standard deduction in 2008 of up to \$350 for individuals and \$700 for couples for state and local property taxes. The House bill would also authorize an additional \$10 billion in tax-exempt bonds that would be used to refinance subprime loans, finance the construction of low-income rental housing, support loans to first-time homebuyers, and increases the number of low-income housing tax credits.

This legislation now returns to the Senate, where its future is uncertain. The White House has threatened a veto of the three-amendment package over the provision to allow the FHA to back refinanced loans, and has also threatened a veto of the Neighborhood Stabilization Act.

More information on the House-passed housing legislation can be found at <http://www.nlihc.org/doc/Memo-13-19.pdf>. For up-to-date information on the foreclosure legislation, please contact Lisa Hassenstab, Associate Director of Public Policy for LSA, at lhassenstab@lutherservices.org or 202-626-7932.

--Lisa Hassenstab, MSW, MA

Section 202 Housing Reform Legislation Introduced in Senate

Senator Herb Kohl (D-WI) introduced the Section 202 Supportive Housing for the Elderly Act of 2008 on March 7, 2008. The goal of this legislation is to streamline and simplify the development and preservation of affordable, supportive senior housing for participation by nonprofit developers, private lenders, investors, and state and local funding agencies.

The bill proposes changes to several aspects of the 202 housing application, construction and rehabilitation process. The bill requires the Secretary of Housing and Urban Development to adjust annual contracts to cover reasonable project costs, including utility cost spikes, insurance cost spikes, or tax increases; adding the extent to which the applicant ensures a service coordinator to the selection criteria; striking the 15 percent limitation on usage for supportive services; and establishing a HUD clearinghouse of available Section 202, Section 8, low-income housing tax credit, assisted living insured under section 232, assisted living conversion, and any other federally assisted or subsidized properties for the elderly.

The bill has been referred to the Senate Banking, Housing and Urban Affairs committee, and currently has five cosponsors.

--Lisa Hassenstab, MSW, MA

LSA Cosponsors “Grandrally” for Grandparents and Other Relatives Raising Children

On May 7, 2008, hundreds of grandparents and other relative caregivers gathered in Washington, D.C., to participate in the third annual Grandrally. This event brings attention to the needs of children and kinship care families by offering families the opportunity to meet with their members of Congress and tell their stories. Families also alert their members of Congress to legislation which would help support these families. This year, Grandrally attendees spoke about the Kinship Caregiver Support Act (H.R. 2188/S. 661) during their visits on Capitol Hill; heard from Rep. Danny Davis (D-IL), one of the sponsors of H.R. 2188; and heard from Rep. Jim McDermott (D-WA), sponsor of the Invest in KIDS Act (H.R. 5466), legislation which also includes kinship caregiver assistance.

For more information on the Grandrally, please visit www.grandrally.org.

--Lisa Hassenstab, MSW, MA

Public Policy Websites of Interest to Advocates

Research on future trends, issues, factors, uncertainties and drivers affecting nonprofit human service organizations is the focus of a website by the Alliance for Children and Families: <http://www.alliancetrends.org>.

The *Congressional Research Service* provides reports to members of Congress on a variety of topics relevant to current political events: <http://opencrs.com>.

--Lisa Carr, MSW