

Congress' End-Of-Year Spending Bill Empowers Bureaucrats and Funds The Controversial New Federal Health Care Law

Summary

The House of Representatives has already [passed](#) a end-of-the-year spending bill to fund government operations next year. But now as the Senate considers this bill, Americans need to know the bill is a Trojan horse for Democrats to fund pieces of the unpopular new federal health care law.

The health care provisions in the 423-page bill span only 11 pages.¹ But they prioritize funding for discretionary spending in The Patient Protection and Affordable Care [Act](#), as well fund a number of eyebrow-raising Medicare provisions.² The bill is a key opportunity for Congressional Republican members who pledged to starve the new health law of funds.

Funding The Controversial Health Care Overhaul

- **Provides \$19 million in new spending to the IRS for “Health Insurance Tax Credit Administration” (Sec. 2507).** CBO [said](#) the IRS could need between \$5 and \$10 *billion* for administering the new law. While this is a smaller amount in federal terms, this is an important symbolic move, since many Republicans have vowed to starve the IRS and other agencies from funding the health overhaul.
- **Provides CDC \$6.25 billion and directs the Secretary of HHS to use the funds for newly-created health reform programs (Sec. 2810).** Using this money, the Secretary of Health and Human Services is directed to fund all of the Center for Disease Control and Prevention’s (CDC) activities, plus fund sections of the new health law.

Sec. 4001 (National Prevention, Health promotion and Public Health Council)

Sec. 4004 (Education and Outreach Campaign regarding preventative benefits)

Sec. 4201 (Community Transformation Grants—“sidewalks and jungle gyms”)

Sec. 4301 (Research on Optimizing the Delivery of Public health Services)

While the \$6.25 billion appropriation is slightly less than last year’s appropriation of \$6.4 billion, the agency gets a separate pot of “slush fund” money from the federal health care law detailed below.

- **Provides \$750 million in 2011 to the Prevention and Public Health Slush Fund created in the new federal health care [law](#) —all of which is earmarked by this bill primarily for new health reform programs (Sec. 2824).**

Rather than allowing public health experts to allocate funding to the most promising public health strategies, the Congressional appropriations committee has chosen their favorite public health programs to fund. Some of specific allocations are as follows:

- **\$630 million for specific CDC programs**, almost all of which were created or expanded by health reform. They include the four programs listed above (including the sidewalks and jungle gyms program), as well as to provide funding to existing CDC programs (immunizations, fellowship and training programs, and other state grants).

¹ This does not account for the roughly 250 pages related to food safety provisions.

² While the bill does not necessarily add *new* spending to federal health care overhaul, it prioritizes existing spending for programs created by health reform.

- **\$12 million to HHS' Agency for Health Research and Quality** for activities, including the [controversial U.S. Preventive Services Task Force](#) – a panel of unelected technocrats who will issue costly mandates, make coverage decisions for all Americans, and could deny patient choice under the guise of 'prevention' based on its increased authorities from the new health care law.
- **\$20 million for HRSA** public health training centers, traineeships, training grants, and workforce loan repayment.
- **Provides HHS' Health Resources and Services Administration an additional \$210 million for public health workforce programs that were significantly expanded by Title V of the new health law (Sec. 2809).** Provides a total of \$612 million to Title VII and Title VIII programs (of the Public Health Service Act) compared to \$402 million in 2010.

Eyebrow-Raising Medicare Provisions

- **Gives Medicare administrator Dr. Berwick \$3.6 billion for "Program Management" (Sec. 2814).** This is a more than \$150 million dollar increase from last year. There are no specific restrictions in the CR limiting what Dr. Berwick does with the funds.
- **Increases funding (up to \$12.8 M) for the Medicare Payment Advisory Commission (MedPAC) of unelected elites, on which the Independent Payment Advisory Board in the new health law was modeled (Sec. 2844).** MedPAC is charged with making recommendations to Congress on how to improve Medicare's payments to health care providers, but largely continues to recommend top-down price controls, rather than offering a redesigned payment system. MedPAC only has 37 staff and 17 Commissioners – so, that's an average of \$224,000 of spending per technocrat. The Independent Payment Advisory Board in the new health care law was originally envisioned as "MedPAC on steroids."
- **Increases funding to Medicare's fraud prevention efforts (up to a total of \$461 M) but specifically directs more than half the funds to only target Medicare Advantage and the Medicare Prescription Drug programs (Sec. 2815).** It is generally prudent to spend money combating waste, fraud, and abuse. In fact, Medicare and Medicaid lose an [estimated \\$100 billion](#) to waste, fraud, and abuse each year. But much of the fraud in Medicare is in Fee-For-Service. And, the new law reduces payments to MA providers. Perhaps dollars should be directed more proportionately to other program integrity entities that could combat organized crime and redesign the current "pay and chase" payment systems, rather than merely focusing on two private-managed programs.