



WASHINGTON STATE OF PLAY

MARCH 20, 2019

Welcome to our first issue of the “Washington State of Play”, a periodic update for ASAHP Members on the latest developments and trends in federal affairs that impact allied health education.

Today, we will examine what to expect from both the Administration and Congress for the coming year, highlighting two distinct elements:

- the Administration’s FY 20 budget request; and
- the upcoming agenda in Congress and how it impacts allied health education.

The Administration’s FY 20 budget request

Yesterday, the Administration released the second of two installments of its FY 20 budget request. Up to this point, only the Administration’s macro funding requests had been revealed, but not the budgetary details.

When examining the Administration’s budget proposal, it is critical to remind oneself it is only a “request”; the power of the purse completely resides with the legislative branch. Congress generally rewrites, if not outright ignores, the Administration’s budgetary blueprint. The FY 20 request is no different, as the Administration is seeking a 9.5% overall cut to domestic discretionary programs, which are annually funded through the appropriations process and include the bulk of programming of interest to ASAHP members.

The Administration frames their budget request as an opportunity to return to fiscal discipline, as both defense and domestic programs have operated under a two-year macro budget agreement providing a 13% increase over previous funding levels. This agreement has now expired, but the Administration’s FY 20 request uses budget gimmicks to maintain this increased level of funding for defense programs, while seeking significant cuts to domestic programs.

The good news is that the Administration’s proposal to cut overall funding for domestic programs has already been rejected by key Members in the House and Senate, who are focused on reaching a new “top line” agreement to raise overall defense and domestic spending, but there is one complicating factor – the potential for the President to veto such a deal. As a result, Congressional negotiators expect that a budget agreement will be attached to the next extension of the debt limit in the fall, as it is a must pass bill that keeps our nation from going into default.

In the interim, the House and Senate Appropriations Committees have begun their work on the FY 20 funding bills and Hill insiders indicate to us they will likely start with last year’s topline spending level to begin this process until final negotiations are completed.

A “top line” agreement in Congress that restores or increases overall funding is of great importance for both education and health programming, as the Administration’s budget proposal targets the Departments of Education and Health and Human Services for 12% overall cuts.

The President’s budget request seeks a host of cuts to higher education and research programs including:

- Rescinding \$2 billion of the Pell Grant surplus;
- Devastating campus-based aid programs through an elimination of the Supplemental Educational Opportunity Grants (\$840 million) and a reduction of 55% to Federal Work Study (\$630 million);
- Slashing \$5.4 billion from the National Institutes of Health (NIH);
- Cutting the Centers for Disease Control and Prevention (CDC) by \$750 million
- Reducing funding for the National Science Foundation by \$700 million;
- Cutting over \$207 billion over ten years from student loan programs through changes such as the elimination of Public Service Loan Forgiveness and the elimination of subsidized loans for low-income students; and
- Consolidating the Titles III and V Minority-Serving Institutions programs into a single, formula grant program.

HRSA is also slashed by \$1 billion in the President’s proposal, with the largest share of the cuts reserved for Health Workforce programs – (\$792 million), a 51% overall cut. While the National Health Service Corps only received a minor (\$15 million) cut, most of Title VII and Title VIII health professions and nursing training programs incurred substantial reductions or were proposed to be eliminated.

Health Workforce				
	FY 18	FY 19	FY 20	FY 20 v FY 19
National Health Service Corps	415	430	415	-15
Training for Diversity	88	88	--	-88
Training in Primary Care Medicine	49	49	--	-49
Oral Health Training	41	41	--	-41
Teaching Health Centers Graduate Medical Education	127	127	127	--
Area Health Education Centers	38	39	--	-39
Health Care Workforce Assessment	6	6	5	-1
Public Health and Preventive Medicine Programs	17	17	--	-17
Nursing Workforce Development	249	234	83	-151
Children’s Hospital Graduate Medical Education	314	325	--	-325
National Practitioner Data Bank User Fees	19	19	19	--
Other Workforce Programs	257	298	217	-81
Subtotal, Health Workforce	1,514	1,552	760	-792

The Administration provided the following rationale for such draconian cuts:

“The Budget prioritizes funding for health workforce activities that provide scholarships and loan repayment to clinicians in exchange for their service in areas of the United States where there is a shortage of health professionals and eliminates funding for other health professions and nursing training programs”.

Please find below a funding chart below of health workforce program eliminations.

Health Workforce Programs Proposed Eliminations in FY 20	FY 19 funding (in millions)
Loan Repayment/Faculty Fellowships	\$1.2
Centers of Excellence	\$23.7
Scholarships for Disadvantaged Students	\$49.0
Health Career Opportunity Program	\$14.2
Primary Care Training and Enhancement	\$48.9
Oral Health Training Programs	\$40.7
Graduate Medical Education for Health Care Professionals	\$25.0
Area Health Education Centers	\$39.3
Geriatric Programs	\$40.7
Public Health/Preventative Medicine	\$17.0
Advanced Nursing Education	\$74.6
Nursing Workforce Diversity	\$17.3
Nurse Education, Practice and Retention	\$41.9
Nurse Faculty Loan Program	\$13.5
Children’s Hospital Graduate Medical Education	\$325.0

As mentioned previously, key Members of Congress have indicated their opposition to the President’s budget proposal. While we will not see the magnitude of cuts proposed, it is likely that negotiations over the FY 20 appropriations bills will bleed into the new Fiscal Year, requiring a Continuing Resolution to keep the government funded past September 30th.

The new Congress and ASAHP

In addition to work on appropriations, your ASAHP national office team has been engaged in a series of federal, legislative, and regulatory issues, as the new Congress offers the opportunity for passage of major legislation in the education, workforce, and health sectors.

While divided government may bring with it an expectation of extended gridlock, it has historically resulted in productive legislative sessions and significant policy development. In fact, the three most recently divided Congresses have enacted 250-375 laws, a one-third below one-party rule -- but these laws are generally more centrist and rely upon bipartisanship for enactment. In addition, bills crafted along party line basis, while not successful in a divided Congress, become the blueprint for future legislation upon regaining single party control.

For our purposes, it is best to anticipate that the current makeup in Congress will last for the next four years. Historically, even if a President is elected to a second term, he does not have long coattails – six Presidents have been re-elected since World War II and the party of the President have gained seven seats on average in the House. In the Senate, while many more Republicans than Democrats (21-12) are up for re-election in 2020, only two Republicans at this juncture are expected to face a significant challenge.

Nonetheless, we need to be cognizant of the priorities of the newly Democratic controlled House and its Committee leaders and how their priorities potentially mesh with their Senate counterparts to distill what issues may have the chance for bipartisan enactment.

House Democrats have coalesced around three core issues:

- Health care
 - Protecting Obamacare
 - Preserving coverage for preexisting conditions
 - Lowering prescription drug prices
- Revamping our nation’s infrastructure
- Ending corruption – oversight, campaign and ethics reform, “draining the swamp”.

EDUCATION AND WORKFORCE PRIORITIES

New Majority Leader Steny Hoyer (D-MD) indicated that Democrats’ top education and workforce priorities are:

- a) Expanding Registered Apprenticeships
- b) Improving workers skills – greater access to education and training
- c) Expanding Pell
 - Allowing funding for short term credentials
 - Dual enrollment programming
 - Stackable credentials; and
 - Pell for Prisoners

Bobby Scott (D-VA), who now chairs the newly renamed Education and Labor Committee, has outlined an even broader agenda for his Committee:

- ✓ Oversight - particularly of DoED
- ✓ Increasing the Minimum Wage to \$15 over the next six years
- ✓ Expanding Registered Apprenticeships
- ✓ Bolstering efforts to assist Opportunity Youth
- ✓ TANF reauthorization – particularly on TANF employment and training activities over which he shares jurisdiction with Ways and Means
- ✓ WIOA implementation – hearings in preparation for reauthorization

Higher Education reauthorization

Chairman Scott’s Education and Labor Committee is charged with the reauthorization of the Higher Education Act (HEA). Last Congress, the House produced a party line bill last Congress, the PROSPER Act, led by former Chairwoman (and current Ranking Member) Virginia Foxx (R-NC), which did not receive consideration on the floor.

As Ranking Member, Bobby Scott filed his own bill, the Aim Higher Act, which provided greater access and more robust supportive services for students, while also clamping down on for-profit institutions. The Aim Higher Act was largely a message bill, highlighting key Democratic priorities, but which by some estimates would double the annual budget for the Department of Education.

Chairman Scott and Ranking Member Foxx have had good initial discussions about a bipartisan HEA bill this year and have already scheduled five bipartisan hearings to take place over the next few months:

- The Cost of College: Student Centered Reforms to Bring Higher Education Within Reach
- Strengthening Accountability
- The Cost of Non-Completion: Improving Student Outcomes
- Engines of Economic Mobility: Community Colleges, HBCU's, and MSI's Role in Preparing Students for Success
- Innovation to Improve Equity: Exploring High-Quality Pathways to a College Degree

The hearing on the Cost of College took place this past week, our summary of this hearing can be found [here](#). We will continue to draft summaries of Congressional hearings of interest for our membership, which are available both on the Newswire section on the home page of our website, as well as via The Week in Review that is sent to you via email each Friday.

LABOR-HHS APPROPRIATIONS WORKFORCE PRIORITIES

In addition, Rosa DeLauro (D-CT), who now chairs the House Labor-HHS Appropriations Subcommittee, told us that in the higher education arena, she wholly rejects the President's proposed budget cuts and is interested in:

- Creating a new community college grant initiative building upon the lessons learned with the TAACCT grants, which provided community colleges and four-year institutions \$2 billion over four years, in partnership with employers, for education and training jobseekers in high demand occupations. A number of ASAHP institutions were partners in these grants and we have already been working with Chairwoman DeLauro, at her request, to develop ways to reinvigorate such funding.
- Protecting Pell funding.

HOUSE TAX AND HEALTH CARE PRIORITIES

The Ways and Means Committee's new Chair Richie Neal (D-MA), has indicated he has four key issues for the Committee:

- A. Improving the nation's infrastructure
- B. Preserving the Affordable Care Act
- C. Protecting coverage of pre-existing conditions;
- D. Strengthening pensions

Most of the focus on his Committee will be on Medicare and Medicaid, which the Administration has sought to cut by over \$1 trillion.

SENATE TAX AND HEALTH CARE PRIORITIES

On the Senate side, the Chairs and Ranking Members of the key Committees have not changed, except for the Finance Committee, where Chuck Grassley (R-IA) has taken the gavel for the second time.

Grassley indicates that his priorities include:

- Continuing tax reform
- Examining trade agreements
- Health care (including a close examination of prescription drug prices).
- Pension reform

Grassley is someone we have worked with for decades and prefers to develop bipartisan solutions to complex issues. His Committee will also be examining Medicare and Medicaid.

SENATE HELP COMMITTEE PRIORITIES

The HELP Committee will continue to be led by Lamar Alexander (R-TN) who announced his retirement at the end of 2020. He has a strong overall working relationship with Ranking Member Patty Murray (D-WA) and they have passed bipartisan legislation working together including Opioids, the 21st Century Cures Act, ESSA, WIOA, and Older Americans Act reauthorizations, among others.

Alexander's priorities this session include:

- 1) Reducing overall health care costs;
- 2) Reauthorization of the Higher Education Act (HEA)
- 3) Reauthorization of CAPTA
- 4) Reinforcing support for Community Health Centers
- 5) Older Americans Act reauthorization
- 6) WIOA reauthorization

Alexander will also be working closely with the Administration on the Department of Education's regulatory efforts on the implementation of ESSA, CTE, as well as a variety of higher ed rulemaking, including the gainful employment and other rules impeding for-profit education.

HEA reauthorization

Chairman Alexander is a former Secretary of Education and President of the University of Tennessee and would like to be able to complete the reauthorization of HEA before he retires next year. Chairman Alexander and Ranking Member Murray spent over a year last Congress at the staff level trying unsuccessfully to develop a bipartisan framework for reform.

However, on both sides of the Hill, the Education Committees have indicated HEA reauthorization is a major priority item in the new Congress. Chairmen Alexander and Scott share a desire to complete a HEA bill this year --- through one comprehensive measure, rather than piecemeal bills.

Alexander announced his [key priorities for HEA reauthorization](#) this past month and focused on three specific areas:

- FAFSA simplification;
- Consolidating loan repayment options to make it easier for students to repay their loans.
- Increasing accountability for higher ed institutions based on student loan repayment rates.

Chairman Scott acknowledged recently they “have a long road ahead” on HEA with major differences between them on college affordability (including free community college), accreditation, loan repayment, the eligibility of for-profit providers for Title IV funding, etc.

Alexander knows that the only chance for a successful effort to reauthorize HEA is via a bipartisan bill and both Alexander and Ranking Member Patty Murray have committed to a good faith effort to reauthorize HEA in the Senate.

Patty Murray also laid out [her HEA priorities](#) recently and focused on the following areas:

- Increasing the affordability and access to postsecondary education – including a federal-state funding partnership.
- Holding institutions accountable for student success.
- Ensuring students receiving quality education and certificates to be prepared for entry into the workforce.
- Improving students’ campus safety and protecting their civil rights.

While both parties have different ideas on how to reauthorize HEA, there is a common theme of wanting to ensure students make informed choices about educational pathways that result in well-paying jobs, which is obviously an important area of strength for allied health education.

THE WHITE HOUSE AND HEA REFORM

Yesterday, the Administration came out with its [principles](#) for the reauthorization of HEA, which largely reflect what Chairman Alexander has laid out, along with additional elements of a bill introduced last year introduced by the former Chairwoman Virginia Foxx (R-NC) called the [PROSPER Act](#).

- Simplifying the FAFSA form;
- Consolidating loan repayment options into either a 10 ten-year repayment term or an income-based repayment model (for 15 years at 12.5% of discretionary income);
- Utilizing Pell Grant funding for short term certificate programs and Pell for Prisoners;
- Focusing accreditation on outcomes;
- Mandating risk sharing by institutions for student defaults;
- Limiting on annual student borrowing, as well as PLUS and GRAD loans;
- Requiring institutions to provide prospective students with more detailed outcome data by program.

The development of HEA principles is a different approach by the Administration, which left the negotiations over HEA largely to Congress in the previous term. However, the White House has added HEA experts to their team since that time, both of which were previously engaged in these issues while working on Capitol Hill and they will engage more deeply in this round of HEA reform. We have long term and warm relationships with these staffers and can have open discussions with them about ASAHP’s concerns with the iterations of HEA reform.

How we are engaged in assisting ASAHP?

Our efforts include a combination of leading advocacy efforts when it is an issue of importance to our membership and working as part of coalitions of like-minded groups when mutually beneficial. For example, this past Congress we worked directly with the Chairs and Ranking Members in both chambers

to inform them of the impact state authorization has had on our membership to provide vitally needed clinical training for our students.

How do we go about this work?

First, we speak directly to the key policymakers overseeing HEA, as we have worked with them directly for many years and have developed cordial relationships.

Second, we will continue to engage in substantial outreach to our own membership. For example, we polled our members on their key federal issues this past Congress and found the most important was state authorization. We developed fact sheets depicting the impact this issue has had on our members, gaining as much information as possible through direct interaction and follow up information requests with our members whose institutions reside in the states or districts of the Chairs and Ranking Members. We then presented our findings to these key Members of Congress.

Third, we have developed a deep understanding of the core philosophical and legislative priorities of the Chairs and Ranking Members and crafted our requests for assistance based on this knowledge, which in this case was a delicate walk, as some of these Members have strong states' rights biases, while others believe in a more expansive federal role in higher education.

However, we were successful in utilizing the information we developed to explain the negative impact of state authorization at our institutions to these policymakers. We requested their help to ensure the Department's regulatory approach would not be included in HEA reauthorization and to preserve ongoing efforts in the states through SARA that remove the bureaucratic hurdles and high costs of out of state clinical placements that plagued our membership. While HEA reauthorization was not ultimately successful, we have laid the ground work with these leaders in Congress on this issue and will reengage them as HEA reauthorization moves forward.

Along with an example of leading the charge, we also work actively on a variety of other issues with our colleagues from the Federation of Associations of Schools of the Health Professions (FASHP), comprised of 16 associations representing the health professions education community. Among the issues on which we are collaborating include:

- Joint principles on HEA reauthorization that are shared with the Committees of jurisdiction;
- Protection of the Public Service Loan Forgiveness (PSLF), which had been on the chopping block of the Administration and some in Congress in recent years;
- Introductions to new Members on Title VII and Title VIII health education programming; and
- Hill educational events and joint meetings with policymakers.

Our work together this coming year will include both HEA, as well as Title VII reauthorization, which will be led on the House side by Anna Eshoo (D-CA), Jan Schakowsky (D-IL) and Michael Burgess M.D. (R-TX). Senate champions for the bill have yet to be determined, but the HELP Committee is the Committee of jurisdiction and potential leads include Sen. Mike Enzi (R-WY) and Sen. Jack Reed (D-RI). While there is some enthusiasm behind Title VII reauthorization, it is not on the front burner legislatively, but we will be working with our colleagues and the key Members as this process moves forward in support of allied health programming.

In addition, a Title VIII reauthorization bill, for nursing workforce development programs, has been reintroduced in the House. It has yet to be introduced in the Senate. Title VIII is noteworthy in that it is possible that Title VII and Title VIII may eventually be authorized at the same time in a broad bill.

Along with reauthorization, we are also engaged in the broader FY 20 appropriations process for Title VII and VIII funding to request Members of each chamber of Congress to send Dear Colleague letters to the appropriations committees in support of health education funding. Sen. Reed has agreed to be the Democratic lead on a letter in support of Title VII in the Senate, while Rep. Diane DeGette (D-CO) and Rep. Jim Langevin (D-RI) will be the Democratic leads in the House.

ASAHP also participates as part of the [Health Professions and Nursing Education \(HPNEC\) coalition](#) advocating for Title VII funding. HPNEC recommended \$690 million in FY 20 to sustain and strengthen the nation's investment in the Title VII health professions and Title VIII nursing workforce development programs. We participated in HPNEC's Hill briefing last week, which served as an introduction on Titles VII and VIII for new congressional staff.

In addition, we have been working with the [Student Aid Alliance](#) to reject the Administration's effort to cut federal student grant and loan program funding, as well as [The Coalition to Preserve Public Service Loan Forgiveness](#) to prevent efforts by the Administration and some in Congress to eliminate PSLF.

Lastly, we are also monitoring ongoing regulatory activity at the Department of Education's Office of Postsecondary Education, which has established a negotiated rulemaking committee that will cover topics such as accreditation, innovation, state authorization, and distance education.

Thus far, its Distance Learning and Educational Innovation Subcommittee has discussed issues pertaining to state authorization including:

- requiring institutions to show they meet the requirements of each state in which they enroll students, either by direct approval by a state or through reciprocity;
- whether there should be additional limitations on reciprocity agreements;
- requiring institutions document a complaint process for students and notify students of that process; and
- requiring all programs leading to professional licensure notify students as to which states that program meets or does not meet educational requirements.

Department staff have noted on several occasions in the full committee that they are committed to reaching a consensus, which is agreement by all negotiators, and the Department has shown some flexibility on these issues. However, it is not expected that a consensus will be found, allowing the Department to draft its own regulations – the bulk of which will become obsolete upon passage of HEA reauthorization.