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Health Policy Report

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***SPECIAL REPORT ON
HOUSE APPROPRIATIONS ACTION***

Lawmakers took an important first step in re-aligning domestic spending priorities late last week when a House appropriations subcommittee approved a \$153.7 billion bill to fund health, education and employment training programs in the upcoming fiscal year 2008.

While the measure avoids the usual hot-button issues of abortion and stem cell research, it is not without controversy. Administration officials are threatening to have the President veto the bill because it is \$12 billion above the President's budget request. However, the Labor-HHS-Education bill received bipartisan praise from committee members, a sign that subcommittee chair David Obey (D-WI) is trying to forge a veto-proof alliance.

Education programs received most of the major increases, including Pell college student grants (+\$1.9 billion) and elementary and secondary education programs for the disadvantaged (+\$1.5 billion).

Overall, the bill recommends \$46.5 billion to fund public health programs, an increase of \$1.9 billion over current funding levels. Here, major winners were community health centers (+\$199 million), the Centers for Disease Control and Prevention (+\$182 million) and maternal and child health grants (+\$57 million).

Many of the programs of interest to SGIM fared well in last week's mark up. The President had recommended the elimination of three health professional diversity programs in his FY 2008 budget, and the subcommittee provided significant increases for two of them. The subcommittee recommended that the Centers of Excellence be funded at \$28.4 million (+\$16.5 million over current appropriations) and the Health Careers Opportunity Program be funded at \$28.4 million (+\$24.4 million over current appropriations), while level-funding the Faculty Loan Repayment program at \$1.2 million. The National Health Service Corps was funded at \$131.5 million (+\$5.8 million over current appropriations).

The subcommittee provided a significant increase for Title VII programs. The overall funding level recommended for FY 2008 is \$228.2 million (+\$43.5 million). Unfortunately, the Training for Primary Care Medicine and Dentistry program was level funded at \$48.8 million; this is still \$40 million less than the program received in FY 2005, but above the President's budget request, which eliminated the program. Below is a table detailing the funding levels for all Title VII programs. It is important to note that this markup represents the first step in the appropriations process. There will be opportunities for primary care advocates to influence the process when the bill goes to the full House appropriations committee, the House floor, and when the Senate begins the appropriations process.

In his budget, the President had recommended the elimination of most of the rural health programs. However, the subcommittee funded the programs at the following levels: Rural Outreach Grants at \$52.9 million (+\$14 million over current appropriations), Rural Health Research at \$9.5 million (+\$763,000 over current appropriations) and Rural Hospital Flexibility Grants were continued at \$63.5 million.

For the National Institutes of Health the subcommittee recommended \$29.6 billion, an increase of \$1 billion above the President's request and \$750 million more than current appropriations. However, the subcommittee also approved the transfer of \$300 million to the Global HIV/AIDS fund, resulting in a net increase for NIH of only \$549 million, or 1.9 percent—far less than the 3.7 percent forecast for biomedical research inflation next year.

One of the most promising provisions in the President's FY 2008 budget was his inclusion of an increase in funding for AHRQ, which had been level funded in the four previous years. The subcommittee provided the requested increase in its bill and funded AHRQ at \$329.5 million (+\$10.6 million over current appropriations).

**Title VII Health Professions Programs
FY 2008 Funding**

(\$ in thousands)

	FY 2007 Comparable Appropriation	FY 2008 President's Budget	FY 2008 House Labor-HHS Subcomm	Percent Change (compared to FY 2007)
Centers of Excellence	11,880	0	28,431	139.3%
Health Careers Opportunity Program	3,957	0	28,440	618.2%
Faculty Loan Repayment	1,288	0	1,289	0%
Scholarships for Disadvantaged Students	46,657	10,000	46,657	0%
Total, Diversity	63,786	10,000	104,817	64.3%
PC Medicine and Dentistry	48,851	0	48,851	0%
AHECs	28,681	0	31,200	8.9%
HETCs	0	0	0	0%
Allied Health and other disciplines	3,960	0	3,960	0%
Geriatric	31,548	0	34,548	0%
Rural training	0	0	0	0%
Total, Interdisciplinary	64,189	0	66,708	4.0%
Workforce Info & Analysis	0	0	0	0%
Public Health, Preventive, and Dental	7,920	0	7,920	0%
Health administration	0	0	0	0%
Total, PH Workforce Development	7,920	0	7,920	0%
Total, Title VII Health Professions	184,746	10,000	228,296	23.6%

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