

Mental Health Parity, Patient's Bill of Rights, Medicare Reform, and Privacy Rule

Congress is faced with a short legislative year due to the elections, political party conventions, appropriation bills for the next fiscal year, and Republican legislative priorities that include a determination on the permanency of previous tax cuts, the energy policy legislation, the cost of the war in Iraq, and more. Given the Congress' inability to reach agreement on the first steps for next year's funding of the government (see below) it appears increasingly doubtful that mental health legislation will be addressed before adjournment at the end of the year.

That is why the status of our legislative priorities remains unchanged. Mental Health Parity (S 486 / HR 953), Patient's Bill of Rights (HR 597), Medicare Reform (S 646 / HR 1314), and the Privacy Rule (HR 1709) remain stalled in their policy committees.

Funding The Government

For the past three months House and Senate negotiators have been meeting in an attempt to find a compromise that will allow both bodies to adopt an appropriation resolution for the upcoming fiscal year that begins in October. The resolution's importance lies in the fact that it provides the Congress with guidelines for the 13 appropriation bills that must be adopted in order to fund the government. The guidelines provide parameters for budget increases and cuts, funding for home-state projects and special allocations, and other add-ons which show up in the budget bills.

Stalling this year's negotiations is a demand by four Republican Senators that tax cuts and mandated spending carry with them funding offsets, a "pay-as-you-go" approach, so as to not increase the deficit. House Republicans strongly oppose the concept as it will have a decidedly negative impact on their tax cut agenda. Since February the fight has grown more heated with each body and both political parties negotiating with swing votes and engaging in parliamentary maneuvers in an effort to achieve an advantage.

As late as last week, the leadership of both parties in both houses was optimistic that an agreement could be reached. However, as of this writing there have been no new developments and on Wednesday, the Senate's work agenda between now and the May 24th Memorial Day recess did not include the resolution, an absence that speaks volumes. What is on that agenda is a corporate tax bill, the Disabilities Education Act, and a defense authorization bill. It is unclear whether the President's request for an addition \$27 billion will be addressed before or after the recess.

When they return, the Senate wants to address class action lawsuits (which may have an impact on the Patient's Bill of Rights legislation) and a minimum wage increase which the Democrats are forcing to the floor.

The \$2.4 trillion proposed budget for next year provides increases of 10 percent for homeland security and 7 for defense while all other programs are limited to less than 1 percent. Added to the fiscal difficulties will be an anticipated \$364 billion deficit which does not include supplemental funding for Iraq and Afghanistan, an amount that could exceed \$50 billion.

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