**SNA Update:**

**President Biden Releases Budget of the U.S. Government –**

**Fiscal Year 2024**

**In Brief**

On March 9, 2023, the Biden-Harris Administration’s [Budget of the U.S. Government Fiscal Year 2024](https://www.whitehouse.gov/wp-content/uploads/2023/03/budget_fy2024.pdf) was released and sent to Congress for consideration. The budget is based on four key values: (1) lowering costs for families, (2) protecting Medicare, Medicaid, and Social Security, (3) investing in America and working people, and (4) lowering the national deficit.

The $6.9 trillion budget request includes a 3.3% increase in defense spending and a 6.5% increase for nondefense discretionary programs. The U.S. Department of Health and Human Services would see an 11.5% increase to its overall budget for a total request of $1.7 trillion.

The budget proposes to increase taxes by $5.5 trillion and reduce the deficit by more than $2 trillion over the next 10 years. Yet, “[No one earning less than $400,000 per year will pay a penny in new taxes](https://www.whitehouse.gov/omb/briefing-room/2023/03/09/fact-sheet-the-presidents-budget-for-fiscal-year-2024/).” As [the president said,](https://www.npr.org/2023/03/09/1161967948/biden-is-using-his-budget-as-a-cudgel-in-the-debt-ceiling-fight-and-for-2024) "I'm not going after any ordinary folks."

The White House budget also includes funding for many other government efforts, like funding to increase security at U.S. borders and combat fentanyl trafficking. There are also investments to fight climate change and global warming. Note resources at the end of this document, including the Republican response to the budget.

**President’s Budget Underscores Goal to Protect Medicare and Social Security**

* Medicare Solvency**.** President Biden made good on his promise in the State of the Union address to extend the solvency of Medicare. His budget proposes to increase the Medicare tax rate from 3.8 percent to 5.0 percent on earned and unearned income above $400,000. This is in keeping with his pledge not to raise taxes on income of less than $400,000 per year. The budget also would eliminate loopholes so that everyone earning over $400,000 per year would have to pay those taxes.
* The $2 Drug List. Medicare Part D plans are encouraged to offer a low, fixed co-payment, no more than $2, across all cost sharing phases of the Part D drug benefit for a standardized Medicare list of generic drugs. The proposal, funded under [the CMMI](https://www.hhs.gov/sites/default/files/fy-2024-budget-in-brief.pdf), would test the impact of standardizing the Part D benefit for high-value generic drugs for conditions like hypertension and high cholesterol on beneficiary affordability, access, health outcomes, and Medicare spending ([p.111, HHS Budget in Brief](https://www.hhs.gov/sites/default/files/fy-2024-budget-in-brief.pdf))
* Mental Health. The proposal would expand the type of behavioral health providers Medicare would pay for, including peer support workers and certified addiction counselors. Coverage would be extended to evidence-based digital applications and platforms that help in the delivery of mental health services, and beneficiary access to psychiatric hospitals would be improved.
* The “ironclad commitment” to Social Security. The FY 2024 spending proposal includes $15.5 billion, an increase of $1.4 billion above FY23 enacted funding for SSA operations. Funding will improve customer service at field offices, state disability determination services, and teleservice centers through increased staffing and updated technology.
* The FY 2024 budget includes an allocation adjustment for the Social Security Administration to conduct continuing disability reviews and Supplemental Security Income redeterminations to confirm that participants remain eligible to receive benefits. These increased workloads are projected to yield savings to Medicare and Medicaid totaling $10.8 billion over ten years and incorporated into the adjusted baseline.

**Strengthening Medicaid**

* The budget invests $150 billion over 10 years to improve and expand Medicaid home and community-based services (HCBS).
* The administration proposes to recoup $20 billion in Medicaid overpayments by requiring private insurance companies to pay back what is owed.
* Biden’s budget also includes a proposal to create a Medicaid-like coverage program for individuals in states that have not expanded their Medicaid programs under the Affordable Care Act.
* Money Follows the Person (MFP) Demonstration. The budget includes $424 million – increased by $1 million from last year’s funding – to support state efforts for rebalancing their long-term services and supports system so that individuals have a choice of where they live and receive services. Recently, the Consolidated Appropriations Act of 2023 extended the MFP through 2027.

**Advancing Disability Research**

The National Institute on Disability, Independent Living, and Rehabilitation Research sponsors research to improve outcomes in health, employment, and community living for people with disabilities. The budget requests $119 million, maintaining the increases in the FY 2023 enacted.

**Supporting a Thriving Health Care Workforce and Caregivers**

* The Biden administration proposes to establish a national, comprehensive paid family and medical leave program (administered by the Social Security Administration, providing up to 12 weeks of leave to allow eligible workers to take time off to care for and bond with a new child; care for a seriously ill loved one; heal from their own serious illness; address circumstances arising from a loved one’s military deployment; or find safety from domestic violence, sexual assault, or stalking. The White House also calls on Congress to require employers to provide seven job-protected paid sick days each year to all workers.
* Support for family caregivers is also part of the president’s budget request, acknowledging their role as the nation’s primary provider of long-term care. ACL’s budget reflects this administration priority in its request for funds to support family and other informal caregivers (see below for funding levels).
* The President’s budget requests “historic investments in the behavioral health workforce, youth mental health care, Certified Community Based Behavioral Health Clinics, Community Mental Health Centers, and mental health research.” Other health care workforce priorities that would receive funding are the National Health Services Corps, nursing workforce, and perinatal health care workers.
* Of note is the funding of the Direct Care Workforce Demonstration at $8 million above last year’s enacted levels. This is an initiative to expand and stabilize the health care workers who are on the front lines of providing paid care for people in community and in nursing homes.

*If you are interested in more details about the federal agencies and funding levels of the programs discussed in this overview, view the*[*HHS budget in brief*](https://www.hhs.gov/sites/default/files/fy-2024-budget-in-brief.pdf)*for additional information.*

**Administration for Community Living Priorities for People with Disabilities and Older Adults**

The president’s budget proposes $3.142 billion for Older Americans Act (OAA) programs and Disability Programs under the Administration for Community Living (ACL) – an increase of $491,385,000 above FY23 enacted funding. To make community living possible for people with disabilities and older adults, ACL funds direct services and supports through networks of community-based organizations (CBOs) like Area Agencies on Aging. ACL funds also support training, education, research, innovation, and advocacy to ensure that federal policy and programs consider the needs of both populations.

* Independent Living programs provide a comprehensive range of services that support people with disabilities to live and fully participate in the community. The president’s budget proposal includes the following increases:
  + Centers for Independent Living: an increase of $29,700,000 above FY 23 enacted
  + Independent Living Services State Grants: an increase of $2,400,000 above FY 23 enacted.
* Independent Living Projects of National Significance, a new program, will develop and test new interventions and program innovations. This new program will provide a mechanism to fund cross-program and cross-network demonstrations to address issues and needs that are common to both older people and disabled people of all ages. In FY 2024, ACL proposes to fund three such initiatives which are described below under Connecting People to Services.
* Assistive Technology (AT) programs meet increased demand across ACL’s portfolio of programs that work together to increase access to AT for people with disabilities and their families. ACL’s request includes a combined increase of $6,000,000 across 3 programs: the State AT Grants program, the AT Protection and Advocacy program, and AT National Activities. It also eliminates the $2,000,000 Alternative Financing Program (which duplicates resources available through the other programs).
* Supporting People with Intellectual and Developmental Disabilities to expand capacity and offset increased costs of service delivery, and states to advance best practices across the country. Specifically, the budget proposes:
  + An increase of $3,000,000 for University Centers for Excellence in Developmental Disabilities (UCEDDs) to meet increased demands for training, technical assistance, research, and information sharing across states and to fund a round of competitive grants focused on improving diversity and advancing intersectional equity through partnerships between the UCEDDs and minority- and tribal-serving institutions
  + An increase of $1,000,000 to State Councils on Developmental Disabilities to expand efforts to reduce fragmentation of state systems and increase community living opportunities.

**Connecting People to Services**

Even when services and resources are available to help people live in the community, it can be very challenging for people to access them. People often have questions about which programs are available in their states or communities, which will best meet their needs, whether they or their loved one are eligible, how to enroll in programs, and how to coordinate services. Without assistance to navigate these systems, people often do not receive help they need to live independently. The president’s budget request for ACL proposes modest increases to several programs that work together to help people connect to services. Specifically:

* Developmental Disabilities Projects of National Significance (increase of $750,000)/Independent Living Projects of National Significance (an increase of $250,000) to maintain the Disability Information and Assistance Line (DIAL). Launched in 2021 to help disabled people access COVID-19 vaccinations, DIAL also provides information about and connects people to essential services such as transportation, housing support, community services, legal assistance, and more. Established with supplemental funding from the U.S. Centers for Disease Control and Prevention, DIAL must be funded through ACL’s budget to maintain operation.
* Aging and Disability Resource Centers (an increase of $381,000) to increase capacity of services to provide objective information, advice, counseling, and assistance to help people make informed decisions about long-term services and supports and assist them with accessing both public and private programs.
* Developmental Disabilities Projects of National Significance (an increase of $3,000,000)/Independent Living Projects of National Significance (an increase of $500,000) to extend the scope of the above-described initiatives to the direct care workforce that supports people with disabilities who are not covered by the statutory authority of Older Americans Act.
* Developmental Disabilities Protection and Advocacy (an increase of $14.7 million) to begin to address increasing needs for services, such as monitoring for health and safety and investigating and addressing abuse and neglect; legal assistance to address a range of issues, such as equal access to employment, education and health care; ensuring accessibility of public places and programs; helping people avoid – or leave – institutions to live in the community; information and referral assistance to connect people with disabilities to other services and resources; and individual and systems advocacy. At current resource levels, protection and advocacy systems can serve only those in most dire need, and many are being forced to limit their work to crisis issues, such as addressing abuse. Most can provide only very limited assistance with things like ensuring equal access to employment, transportation, and public places.
* Additional ACL budget details:
  + $500,000,000 to support home-and community-based supportive services, an increase of $90,000,000 above the FY23 enacted funding.
  + $1,284,385,000 to support nutrition programs for older Americans, an increase of $217,632,000 above the FY23 enacted funding.
  + $10,000,000 for the Direct Care Workforce Demonstration, an increase of $8,000,000 above the FY23 enacted level.
  + $73,000,000 million for adult protective services, an increase of $43,000,000 above FY23 enacted funding.
* $27,000,000 for the Long-Term Care Ombudsman program, an increase of $5,115,000 above the FY23 enacted funding.
* $4,400,000 for Elder Rights Support Activities (ERSA), an increase of $526,000 above the FY23 enacted funding.
  + To address caregivers’ needs, for FY 2024 ACL is requesting a total of $311,462,000 for caregiver and family support programs, an increase of $52,962,000.

**Expanding and Evaluating Telehealth**

* Of necessity, the use of telehealth mushroomed during the Covid-19 pandemic. Telehealth use continues to spread and is enabling access to health care for many people. Several federal agencies are expanding, perfecting, and evaluating telehealth services. The budget includes $45 million for telehealth programs at HRSA, which is a $7 million increase from FY23 enacted levels. The president’s FY2024 budget proposal also includes funding for the Agency for Healthcare Research and Quality (AHRQ) to evaluate the effect of telehealth services on health care delivery and outcomes. The FY24 budget provides $18 million for the AHRQ telehealth research, an increase of $2 million above FY23 enacted funding.
* It should be noted that the Consolidated Appropriations Act of 2023 recently extended many of the pandemic’s Medicare telehealth services flexibilities through December 31, 2024.

**Republican Response – House Budget Committee Chairman Jodey Arrington (R-TX-19th)**

# President Biden’s Disastrous FY24 Budget

[The Past is Prologue: A Tragic, Shakespearean Spending Story Authored by the Biden Administration](https://budget.house.gov/press-release/the-past-is-prologue-a-tragic-shakespearean-spending-story-authored-by-the-biden-administration/)

[The Past is Prologue: Record of Raising Taxes](https://budget.house.gov/press-release/the-past-is-prologue-record-of-raising-taxes/)

[The Past is Prologue: Biden’s Deficit Spending Record](https://budget.house.gov/press-release/the-past-is-prologue-bidens-deficit-spending-record/)

[The Past is Prologue: Biden’s Woke and Bloated Bureaucracy](https://budget.house.gov/press-release/the-past-is-prologue-bidens-woke-and-bloated-bureaucracy/)

[Arrington: President’s Budget DOA in Republican House](https://budget.house.gov/press-release/biden-budget-top-ten/)

[Biden Budget Top Ten](https://budget.house.gov/press-release/biden-budget-top-ten-2/)

[Biden Budget: A Weaker, More Vulnerable America](https://budget.house.gov/press-release/biden-budget-a-weaker-more-vulnerable-america/)

[Biden’s Budget: An Economy That’s Weak](https://budget.house.gov/press-release/bidens-budget-an-economy-thats-weak/)

[Biden’s Budget: A Nation That’sAt Risk](https://budget.house.gov/press-release/bidens-budget-a-nation-thats-at-risk/)

[Arrington: Mr. President, You Can’t Wish Away Inflation](https://budget.house.gov/press-release/arrington-mr-president-you-cant-wish-away-inflation/)

[Biden’s Budget: A Future That’s Built on Government Dependence](https://budget.house.gov/press-release/president-bidens-disastrous-fy24-budget/Biden%E2%80%99s%20Budget:%20A%20Future%20That%E2%80%99s%20Built%20on%20Government%20Dependence)

[Biden’s Budget: A Government That’s Unaccountable](https://budget.house.gov/press-release/bidens-budget-a-government-thats-unaccountable/)

[Center on Budget and Policy Priorities Response to Republican Budget Plans](https://www.cbpp.org/research/health/congressional-republicans-budget-plans-are-likely-to-cut-health-coverage)

**Resources**

[ACL Budget Tables](https://acl.gov/about-acl/budget)

[HHS Budget in Brief (ACL starts on page 135)](https://www.hhs.gov/sites/default/files/fy-2024-budget-in-brief.pdf)

[White House Fact Sheet on the President's Budget 2024](https://www.whitehouse.gov/omb/briefing-room/2023/03/09/fact-sheet-the-presidents-budget-for-fiscal-year-2024/)

[Washington Council EY Health Care Alert](file:///C:\Users\Laurie%20Lindberg\Downloads\Tax+Alert+2023-0456_FY2024+budget+health+spending.pdf)

[U.S. House Committee on the Budget](https://democrats-budget.house.gov/news/press-releases/new-report-budget-committee-democrats-release-report-biden-budget-fy24)

Center for Budget and Policy<https://www.cbpp.org/press/statements/president-bidens-2024-budget-moves-us-toward-nation-where-everyone-can-thrive> Priorities – Biden Budget Response