Still no Compromise as Default Nears

With the potential of an August 2nd default looming, both houses of Congress and the President remain at an impasse in the debate over how to increase the Nation’s borrowing limit. Although a variety of proposals have surfaced over the course of discussions, with time running out, the number of plans under serious consideration has been whittled down to two.

In the House of Representatives, Speaker John Boehner is working to gain Republican support for a two-part plan that would reduce the deficit by $950 billion over ten years and raise the debt ceiling enough to extend the nation’s borrowing power into early next year. Any additional extension of that borrowing power would be contingent on Congress enacting further deficit reduction. As of late last night, the Boehner plan had not garnered enough Republican votes to pass the House, but after adding a balanced budget amendment provision to the package, it seems as though the House Speaker is likely to win Republican approval during a vote on it this evening around 6 pm. The proposed legislation now requires that the balanced budget amendment to the Constitution to be sent to the states before any increase in the debt ceiling for 2012. Senate Majority Leader, Harry Reid, has called the bill “dead on arrival” in the Senate.

Meanwhile, Majority Leader Reid is putting the finishing touches on his “compromise” plan that has already been endorsed by President Obama. While similar to the Boehner plan, the Reid plan has a number of key differences: first, it extends the debt ceiling through 2012; second, it cuts spending by $2.2 trillion over ten years; third, it creates 12-member committee responsible for deeper cuts and entitlement reform; and finally, it does not contain the controversial balanced budget language. Reid hopes to begin the process of considering his bill in the Senate this weekend.

In order to avoid default, a single plan would have to pass both chambers and be signed by President Obama. Both chambers will remain in-session over the weekend, each hoping the other decides to take up its version of an increase in the debt ceiling. Should the August 2nd deadline be reached without a plan, leaving the Treasury without about 40% of the funds required to pay all of its bills, it is unclear exactly what would happen. Medicare, Medicaid, Social Security, and Veteran’s benefits have the potential to be negatively affected, as well as Federal salaries. Because there is no precedent to look to, however, predictions remain speculative. NIHB is monitoring the situation carefully and will provide updates as it develops.
Interior Appropriations Bill to be Voted on This Weekend, Vetoed by President

The Fiscal Year (FY) 2012 Interior, Environment, and Related Agencies Appropriations bill, likely to be voted on over the weekend by the House of Representatives, has received a veto threat from President Obama. Although it does contain a nearly $400 million increase in Federal funding to the Indian Health Service (IHS), which has broad bipartisan support, the bill, which passed the full House Appropriations Committee during a 10-hour mark-up on July 12th, contains a number of controversial cuts and riders limiting the ability of both the Department of the Interior and the Environmental Protection Agency (EPA) to conduct oversight and enforce regulations.

In addition to a $1.5 billion reduction in funding to the EPA, the lengthy list of policy riders the White House opposes includes language preventing the EPA from regulating greenhouse gas emissions from stationary sources, blocking Interior from stopping uranium mining claims near the Grand Canyon and stopping new regulations on mountaintop removal mining.

Although the legislation was expected to be voted upon and pass the House of Representatives early this week, the chamber has only accomplished partial consideration of the bill, having approved a procedural vote to move forward on it, as well as a number of amendments. Of these, two have been introduced concerning Indian Health Services (IHS). Representative Paul Gosar (R-AZ) introduced an amendment to transfer $4.36 million from the Office of the Department of the Interior Solicitor General to IHS in order to increase funding for its dental program. Gosar’s amendment was approved by a voice vote.

Another notable amendment was offered by the Ranking Member of the Interior Appropriations Subcommittee, Representative Jim Moran (D-VA), to provide an additional $18.7 million for the IHS Sanitation Facilities program. Unfortunately, the amendment was defeated by a vote of 175 to 237.

Because of the multitude of controversial provisions affecting the environment, however, the President continues to threaten to veto this bill. Before that can happen, though, it must be taken up and approved by the Senate, where it stands little chance of passing.

HEALTH REFORM UPDATES

Thomas More Law Center Appeals to Supreme Court

The Thomas More Law Center has officially asked the Supreme Court to reverse a decision by the 6th Circuit Court of Appeals upholding the constitutionality of the Affordable Care Act, and with it, the individual mandate. This is the first appeal to reach the Supreme Court.

On June 29th, a three-judge panel in the 6th Circuit Court of Appeals ruled in favor of the Obama Administration in the case of Thomas More Law Center vs. Obama, upholding the controversial “individual mandate provision in the Affordable Care Act (ACA) by a vote of 2-1. Although the Law Center (on behalf of itself and two individuals) argued that Congress was overstepping the bounds of the Commerce Clause in mandating that all U.S. citizens carry health insurance, the 6th Circuit upheld a lower district court ruling that concluded that the mandate falls well within Congress’ constitutional ability to regulate interstate commerce.

In its filing with the Supreme Court, the Law Center continues to maintain that the individual mandate is unconstitutional and that allowing the federal government to interpret the Commerce Clause in this way will be a slippery slope, leading to “absolute and unfettered power.”

The federal government now has 30 days to respond to the petition and following that, the
Thomas More Law Center will have 10 days for a rebuttal. When they reconvene in September, the Supreme Court will determine which cases challenging the Affordable Care Act they will hear.

**OPM Accepting Nominations for FEHB/FEGLI Tribal Workgroup**

The Office of Personnel Management (OPM) has released a “Dear Tribal Leader” letter requesting nominations from each of the 12 Indian Health Service (IHS) Areas to a Tribal/Federal Technical Workgroup to assist in the implementation of a provision of the Indian Health Care Improvement Act creating Tribal employer access to the Federal Employees Health Benefits (FEHB) program and Federal Employee Group Life Insurance (FEGLI).

Workgroup representatives should have sufficient knowledge about existing Tribal health care enrollment and payroll systems to provide input as to the technical capabilities of their Tribe, as well as others in their region. Representatives need not be elected or appointed Tribal officials, but should be designated or nominated by an elected Tribal official. OPM expects to hold at least two Workgroup meetings in Washington, DC, and representatives will be able to join in person or via teleconference.

Those wishing to nominate representatives are encouraged to submit a nomination letter, including a statement of interest outlining the relevant experience and qualifications held by the nominee, by August 19, 2011 via email to: tribalprograms@opm.gov. More information about these programs can be found on OPM’s website: www.opm.gov/TribalPrograms

**NIHB Updates**

**NIHB Announces 28th Annual Consumer Conference**

The National Indian Health Board (NIHB) invites tribal leaders, health administrators, policy makers, and area health boards to the 28th Annual Consumer Conference (ACC) in Anchorage, Alaska at the Dena’ina Civic and Convention Center from September 26 to 29, 2011. The theme for this year’s conference, Health, Hope, and Heroes: Using the Foundations of Tribal Values and Knowledge to Advance Native Health!, will provide a chance for attendees to discuss successes, challenges, opportunities, and the future of health care for American Indian and Alaska Native people.

Meetings before and after the ACC will include tribal consultations conducted by federal agencies such as the Health Resources and Services Administration, health information technology and electronic medical record marketplace, and culture night. During the conference, NIHB plans to offer plenary and workshop sessions on topics including Medicare/Medicaid and tribal health, youth health, health care reform implementation, behavioral health, health information technology and electronic medical records, and public health issues. In addition there are many opportunities for attendees and tribes to be involved in the conference. Click the links below to learn more about those opportunities.

[2011 ACC Call for Proposals](#)
[2011 ACC Sponsorship Packet](#)
[2011 Awards Nomination Form](#)
[2011 Exhibitor Application](#)
You can register and learn more about the conference details here. If you register before September 9, 2011 for the discounted rate of $400, after September 9, 2011, registration will be $475. For more details, visit the ACC’s website or contact NIHB Deputy Director, Evangelyn “Angel” Dotomain.

Next Week in Washington

**SENATE COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS (HELP) HEARING ON, “HEALTH REFORM AND HEALTH INSURANCE PREMIUMS: EMPOWERING STATES TO SERVE CONSUMERS”**

**DATE:** August 2nd

**TIME:** 10am ET

**LOCATION:** 430 Dirksen Senate Office Building

**SENATE FINANCE COMMITTEE HEARING ON, “DUALLY-ELIGIBLE [METHICAID AND MEDICARE] BENEFICIARIES: IMPROVING CARE WHILE LOWERING COSTS”**

**DATE:** August 3rd

**TIME:** 10am ET

**LOCATION:** 215 Dirksen Senate Office Building

Sign Up for Washington Report, at:

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