

From: **Advocacy & Public Policy Team**
Date: **February 14, 2018**
RE: **President's Proposed FY 2019 Budget Request**

On Monday, Feb. 12th, the President released his proposed budget for FY 2019. The President's budget is a signal of the White House's priorities, but it is not necessarily an indicator of what the federal budget will look like, since it is Congress that passes the budget.

The President's budget request includes proposed legislative **changes to Medicaid** that would hurt people with mental illness, including:

- Promoting block grant approaches and per-capita caps that could reduce funding for mental health services and supports;
- Implementing work requirements for individuals receiving Medicaid;
- Increasing cost-sharing;
- Allowing "flexibility" in benefits, which could reduce coverage of mental health services and supports; and
- Ending Medicaid expansion, which helps many people with serious mental illness who otherwise fall through the cracks.

The President's budget also proposes to make a devastating \$83B cut to Social Security over 10 years. This includes at least **\$70B in proposed cuts to disability programs**. The proposal includes cuts in the following areas:

- Promoting demonstration programs that increase the number of people on SSI on SSDI in the workforce, which could jeopardize the economic security of people with mental illness (**cut of \$48.4B**); and
- Reducing the current maximum period of retroactive disability eligibility from 12 months to 6 months (**cut of \$10.3B**).

In addition, the President's proposed budget affects the following departments and agencies whose programs impact people with mental illness and their families:

Health & Human Services

The President's budget proposes **\$68.4B, a \$17.9B cut** from the 2017 enacted budget, impacting several agencies that serve people with mental illness. However, the budget addendum adds \$15.8B, for a net cut of \$2.1B to HHS from 2017. *Note: In the President's budget and addendum, \$10B is set-aside for opioid and serious mental illness within HHS.*

SAMHSA

- \$563M for the Community Mental Health Block Grant (no change from 2017 enacted budget)
- \$119M for Children's Mental Health Services (no change from 2017 enacted budget)
- \$65M for Projects for Assistance in Transition from Homelessness (no change from 2017 enacted budget)

- **\$283M, a \$112M cut** to Mental Health Programs of Regional and National Significance; \$50M of this is from primary behavioral health integration
- **Eliminated \$497M**, the entire State Targeted Response to the Opioid Crisis Grants program

NIH

- **\$23.75B, a \$8.96B cut** from the current year's level

Note: The addendum adds \$9.2B, which restores NIH to the 2017 enacted budget level. Of the HHS \$10B set-aside for opioids and serious mental illness, the budget proposes \$750M for NIH, which includes \$400M for NIH's public-private partnership on opioids and \$350M for research on opioids, serious mental illness and pain.

Housing & Urban Development

The President's budget makes significant cuts and proposes changes to Section 8 and public housing that could increase rents on people receiving housing assistance and impose work requirements.

- **\$39.2B, an \$8.8B cut**

Note: The total cut would be reduced to \$6.8B after a budget addendum adds back \$1B to avoid rent increases on elderly and disabled individuals, \$700M for the Tenant-Based Rental Assistance account, which would restore 200,000 housing vouchers to maintain 2.2 million total vouchers, and \$300M for the Public Housing Operating Fund. The President's budget request also includes proposed legislative changes that could hurt people with mental illness, including implementing work requirements for affordable housing.

Veterans Affairs

The President's budget makes encouraging investments in Veterans' access to mental healthcare, homelessness programs and medical research.

- \$8.6B for Veterans' mental health and suicide prevention
 - \$468M increase over FY 2018
- \$1.8B for Veterans' homelessness (\$558M is for HUD-VASH grants to end Veterans' chronic homelessness)
 - \$26M increase over FY 2018
- \$727M for medical research (\$122M is for mental health research)
 - \$87M increase over FY 2018
- \$510M for Veterans' caregiver program
 - \$7M over estimated FY 2018

Note: 89% of the VA health budget is covered by an Advanced Appropriation. Other VA programs, such as the caregiver program, are appropriated with the rest of the federal budget.

Department of Justice

The President's budget includes some cuts to programs in DOJ that affect people with mental illness.

- **\$10M, a \$2M cut** from the 2017 enacted budget, to MIOTCRA (Mentally Ill Offender Treatment and Crime Reduction Act)
- **\$402M, a \$1M cut** from the 2017 enacted budget, to Byrne Justice Assistance Grants (JAG)

NAMI will continue to advocate for mental health-related budgets as Congress finalizes the FY 2018 and 2019 budgets.