



To: State Human Service Administrators

**From: Larry Goolsby
Director, Legislative Affairs**

Date: December 20, 2007

Re: Congressional Update

On Dec. 19, the Senate and House adjourned for the Christmas and New Year's recess. Lawmakers are scheduled to return next month, the House on Jan. 15 and the Senate on Jan. 22. The Senate will remain in pro-forma session over the break as a means of preventing President Bush from making recess appointments during that period.

Provided below is a summary of the status of key health and human service appropriations and legislative issues at the time of adjournment.

OVERVIEW

Appropriations – On Dec. 19, the House approved the omnibus fiscal year 2008 appropriations bill, H.R. 2764, by a vote of 272 to 142. The Senate had approved the \$555 billion bill earlier, after adding \$70 billion in funding for the wars in Afghanistan and Iraq, and the president is expected to sign it. The vote was the final congressional step in a long and contentious process this fall to arrive at a spending plan that could pass Congress and be signed by the president. The legislation covers the 11 annual appropriations spending bills that had not yet been passed, including Labor, Health and Human Services, and Education; two continuing resolutions had kept funds flowing at FY 2007 levels while the spending measure was being worked out.

Congressional leaders lowered the amount of new spending in the appropriations package several times in an attempt to meet the president's demands, and as a result, in the final bill nearly all domestic spending levels are in line with the president's FY 2008 budget request. The measure does include a \$3.7 billion increase in veterans' programs, an increase the president has said he would support provided it is offset by savings elsewhere, and another \$7.4 billion in "emergency spending," again mostly for programs the Administration backs.

Child Care – The Child Care and Development Block Grant is not expected to be reauthorized by the 110th Congress. There has, however, been heightened interest among lawmakers in early childhood development and program investment. Last May, House Speaker Nancy Pelosi (D-Calif.) convened the National Summit on America's Children to discuss current child development research and findings. Several bills have been introduced that address child care, including the Prepare All Kids Act and the Early Childhood Investment Act of 2007. CCDBG has been flat-funded for 2008, and Head Start funding dropped slightly from 2007.

Child Welfare – Early in the session, the College Cost Reduction and Access Act (P.L. 110-084) was introduced. This bill allows youth who have been adopted at or after the age of 13 to

maintain access to financial aid, alters the definition of independent student to include older youth in foster care, and allows loan forgiveness for public child welfare staff. Several other bills have been introduced that would modify child welfare, but there continues to be no movement.

Food Stamp Program – On Dec. 14, the Senate approved its version of the farm bill, H.R. 2419, which reauthorizes the Food Stamp Program. A conference committee will begin meeting in January to resolve differences between the Senate bill and the House bill, which was passed last July. APHSA supports benefit improvements in the bills but strongly opposes a number of administrative changes they contain, particularly a mandate in the House bill that states must use merit system employees for nearly every aspect of the FSP application and certification process.

SCHIP – After two State Children’s Health Insurance Program reauthorization bills were vetoed by President Bush, the House and Senate passed an 18-month extension of current SCHIP law and funding. This extension was included in the Medicare Medicaid SCHIP Extension Act (S. 2499) and will provide funds to states to March 31, 2009. This extension allocates \$5 billion for each of FYs 2008 and 2009. Congress may revisit the reauthorization in the summer of 2008.

TANF – There are a number of bills introduced in Congress earlier this year to address the Temporary Assistance for Needy Families program, several of which are targeted at legislating “fixes” to the TANF reauthorization in the Deficit Reduction Act of 2005. None of the bills has moved past the committee level. On Dec. 10, Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Charles Grassley (R-Iowa) sent a letter to Jim Nussle, director of Office of Management and Budget, asking that the OMB release the TANF Final Regulation as quickly as possible. (The Finance Committee has jurisdiction over TANF.) This regulation, drafted by the Department of Health and Human Services, was delivered to the OMB on Oct. 15. The OMB technically has 90 days to finalize and approve the regulation unless an extension is granted. The discussions between the senators and OMB could mean that Final Regulation will be released as early as mid-January.

Workforce Investment Act – Despite a strong push from the workforce development community, WIA has not yet been reauthorized. Existing WIA legislation expired in September of 2003. The House Education and Labor Subcommittee on Higher Education, Lifelong Learning and Competitiveness held two hearings on reauthorization this past summer. There has been some speculation that the subcommittee’s chairman, Rep. Ruben Hinojosa (D-Texas), will introduce a WIA reauthorization bill in 2008. The Bush administration has drafted a bill, the Workforce Investment Act of 2007, which would reauthorize WIA with broad changes to the original structure. The administration’s proposal moves funding currently allotted to Adult and Dislocated Worker programs to fund Career Advancement Accounts. It also gives governors broad authority to include TANF and the FSP as mandatory partners under WIA. At this time, the administration’s proposal is not expected to be considered by the 110th Congress.

APHSA will continue to provide frequent updates on congressional and federal developments. If you have any questions about these or other policy issues, please contact:

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FY 2008 LABOR-HHS APPROPRIATIONS

Labor-HHS Highlights

The final FY 2008 Labor, Health and Human Services spending amounts total \$145.1 billion in discretionary spending and \$307 million in emergency funds. The discretionary amount includes a 1.747 percent across-the-board reduction for all programs in this section of the bill, a cut appropriators made to bring the bill's totals within the amount the president would sign. The emergency funds included an increase for the Low Income Home Energy Assistance Program, which was authorized at a total of \$2.57 billion (including \$250 million in emergency funds).

The Social Services Block Grant was funded at \$1.7 billion; the Child Care and Development Block Grant at \$2.062 billion; child support enforcement funds at \$3.911 billion; and Refugee and Entrant Assistance, \$656 million.

The chart below has more detailed program information.

Health

Access to Health Care Initiatives. The omnibus bill included one new line item as part of efforts to increase access to health care for the uninsured. Congress approved \$49 million to help states in providing high-risk insurance pools.

Rural Health Programs. The bill restored and increased funding for rural health programs eliminated or significantly cut in the president's budget request.

Community Health Centers. The bill includes increases in funding for community health centers that are above the increase included in the president's budget proposal.

Funding for Selected Health and Human Services Programs, FY 2008 (in millions)			
Program	President's Budget Request for FY 2008	FY 2007 Comparable	Final FY 2008 Bill, H.R. 2764 (includes 1.747% reduction)
HUMAN SERVICE PROGRAMS			
Child Support Enforcement	3,949.7	4,463.7	3,949.7
LIHEAP	1,782.0	2,161.2	2,570.3
Social Services Block Grant (Title XX)	1,200.0	1,700.0	1,700.0
Refugee and Entrant Assistance	655.6	587.8	655.6
CHILD WELFARE			
Promoting Safe and Stable Families (PSSF) Program (Title IV-B, Subpart 2)	305.0	345.0	345.0
PSSF – Discretionary	89.1	89.1	63.3
Mentoring of Children of Prisoners Program	50.0	49.4	48.628
Child Welfare Training (IV-B)	7.3	7.3	7.2
CAPTA Child Protective Services State Grant Program	27.0	27.0	26.5
CAPTA Discretionary Grants	36.1	25.8	27.1
CAPTA Community-Based Grants for Prevention of Child Abuse and Neglect	42.4	42.4	41.7

Child Welfare Services	286.8	286.8	281.7
Child Welfare Training	7.3	7.3	7.21
Home Visitation	10.0	--	10.0
OUT-OF-HOME CARE SERVICES			
Foster Care Program (Title IV-E)	4,593.0	4,475.0	4,581.0
ADOPTION SERVICES			
Adoption Assistance Program (Title IV-E)	2,159.0	2027.0	2156.0
Adoption Awareness	12.6	12.7	12.5
Adoption Incentive Payments	14.0	5.0	4,323
Adoption Opportunities	26.8	26.8	26.4
Interstate Placement Incentive Payments	10.0	--	--
YOUTH SERVICES			
Independent Living Program (Title IV-E)	140.0	140.0	140.0
Education and Training Vouchers	46.1	46.1	45.4
Runaway and Homeless Youth Act	87.8	87.8	96.1
WORKFORCE INVESTMENT ACT^[1]			
Adults	712,000.0	864,199.0	864,199.0
Dislocated Workers	902,939.0	1,189,811.0	1,189,811.0
Youth	840,500.0	940,500.0	940,500.0
CHILD CARE SERVICES			
Child Care and Development Block Grant (Discretionary Fund)	2,062.1	2,062.0	2,062.0
Child Care and Development Block Grant (Mandatory Fund)	2,917.0	2,917.0	2,917.0
Head Start	6,789.0	6,963.5	6,878.0
HEALTH RESOURCES AND SERVICES ADMINISTRATION PROGRAMS			
Community Health Centers	1,988.5	1,988.0	2,065.0
State Health Access Grants (new line item)	--	--	--
National Health Service Corps	115.9	125.7	123.5
Maternal and Child Health Block Grant	693.0	693.0	666.2
Ryan White AIDS programs (program level)	2,157.9	2,137.8	2,166.8
Rural Health Programs ^[2]	24.7	128.6	136.2
CENTERS FOR DISEASE CONTROL			
Health Promotion	958.7	947.0	961.2
Health Information and Service (program level)	243.5	270.4	298.1
Terrorism Preparedness and Response Activities	1,504.4	1,495.7	1,496.6
Preventive Health and Health Services Block Grant	--	99.0	97.3
SAMHSA			
Center for Mental Health (program level)	807.2	883.9	910.9
Center for Substance Abuse Treatment (program level)	2,110.7	2,157.5	2,158.6
Center for Substance Abuse Prevention	156.5	193.0	194.1
CMS			

^[1] H.R. 3043 - Of the unexpended balances, including recaptures and carryover, remaining from funds appropriated to the Department of Labor under this heading for FYs 2006 and prior years, \$335 million is rescinded. President's budget states: Of the unexpended balances remaining from funds provided to states for Youth, Adult, and Dislocated Worker formula programs under WIA and available to states during program year 2006, \$335 million is cancelled: provided, that the secretary of Labor may apply any portion of a state's share of this cancellation to funds otherwise available to the state for such programs during program year 2007.

^[2] Rural health programs include rural health care services outreach grants, rural health research, rural hospital flexibility grants, rural and community access to emergency devices, and state offices of rural health.

CMS – State High Risk Pools (new program)	--	--	49.1
Grants to States for Medicaid ^[3]	141,628.1	105,471.0	141,628.1
Health Care Fraud and Abuse Control ^[4]	183.0	--	--
NUTRITION			
Food Stamp Program	39,838.2	38,161.5	39,782.7
WIC	5,386.6	5,204.4	6,020.0
Child nutrition programs	13,897.3	13,345.6	13,901.5

Other Labor-HHS Programs

Child Welfare. Child welfare has remained primarily level-funded through the FY 2008 appropriations process, although the 1.747 percent cuts resulted in slightly lower funding in some areas. CAPTA Discretionary Grants have increased by over \$10 million in the administration, House, and Senate requests for 2008. The administration requested that the Social Services Block Grant be decreased to \$1.2 billion, but the House and Senate kept it level-funded at \$1.7 billion. The Title IV-E Foster Care Program has been slightly increased across the board from the 2007 level of \$4.475 million to \$4.581 million. Title IV-E Adoption Assistance has also been increased from the \$2.027 million to \$2.156 million across the board. Adoption Incentive payments were at \$5 million in 2007, and while the 2008 appropriations request was an increase in funding to \$14 million, the program actually decreased to \$4.323 million. The administration requested a \$10 million increase in Interstate Placement Incentive Payments, but the House and Senate kept the program at zero, as in 2007. The Runaway and Homeless Youth Act received a boost of \$8.3 million.

Child Care. CCDBG funding remains level-funded with mandatory funds at \$2.917 billion and discretionary funds at \$2.062 billion. Head Start was funded at \$6.979 billion.

Nutrition

The Food Stamp Program was funded at \$39.783 billion, slightly below the administration's request but still up about \$1.6 billion over 2007 in anticipation of increased participation. The omnibus bill also excludes special pay for military personnel deployed to designated combat areas when determining food stamp eligibility. The bill does not include the administration's proposal to restrict categorical eligibility to families receiving cash assistance, something the administration has proposed several times but which has not received congressional support. The bill also funds child nutrition programs at about the level of the president's request, \$13.901 billion. However, the Special Supplemental Nutrition Program for Women, Infants, and Children received a substantial increase; it was funded at \$6.02 billion, well above both the administration's request (\$5.39 billion) and the FY 2007 level (\$5.2 billion).

SCHIP REAUTHORIZATION UPDATE

^[3] This amount excludes \$65.257 billion in FY 2007 advance appropriations for FY 2008. In addition, \$67.293 billion is provided for the first quarter of FY 2009, as requested by the Administration.

^[4] The \$383 million is to be transferred from the Medicare trust funds. This account has not been funded using discretionary funds in prior years. This amount is in addition to the \$1.131 billion in mandatory monies for these activities, for a total of \$1.514 billion for health care fraud and abuse control activities in FY 2008 for Medicare and Medicaid.

On Dec. 19, the House passed the Medicare Medicaid SCHIP Extension Act (S. 2499), which included an 18-month extension of SCHIP. S. 2499 passed the Senate by voice vote on Dec. 18. The act will extend funding for SCHIP through March 31, 2009, and allocate \$5 billion for each of FYs 2008 and 2009. In addition, S. 2499 provides \$1.6 billion to fund the shortfall states. This bill also allocates necessary funds, not to exceed \$275 million, for states experiencing shortfalls in the first two quarters of FY 2009.

The long-term extension comes after President Bush had vetoed the SCHIP reauthorization bill for the second time this year. House Speaker Nancy Pelosi (D-Calif.) has scheduled the veto override vote for Jan. 23, 2008. The SCHIP program has been funded through continuing resolutions since the end of FY 2007.

Earlier this year, on Nov. 1, the Senate passed the Children's Health Insurance Program Reauthorization Act of 2007 (H.R. 3963) by a vote of 64 to 30, one week after the House approved the bill. The president indicated that he would oppose any measure that involved an increase in the federal cigarette tax. In an attempt to delay another veto and failed override attempt, Senate Majority Leader Harry Reid (D-Nev.) and House Speaker Pelosi delayed enrolling the revised bill and sending it to the president. Congressional negotiations took place throughout the month of November and focused on three key issues: prohibiting undocumented immigrants from enrolling, creating programs to help low-income individuals buy private insurance, and constructing a mechanism to force states to demonstrate that they have covered a majority of children from families earning less than 200 percent of the federal poverty level before expanding the program to families with higher incomes.

A document titled "Tentative CHIP Agreement" was produced by Senate negotiators and outlined a number of key issues. States would be required to show that they were either covering 90 percent of children below 200 percent or 250 percent of the federal poverty level or that their coverage rate for children was equal to or better than the 20th best-performing state. Eligibility would be capped at 300 percent of the poverty level, and states would not be permitted to disregard expenses such as housing and transportation costs for the purposes of qualifying families. Individuals enrolling in SCHIP would be required to attest to their citizenship, under penalty of perjury, and children and pregnant women would be required to provide a Social Security number and date of birth. Furthermore, under the tentative deal, states currently covering adults would be required to take them out of the program by either Dec. 31, 2009, or by the date their parental coverage waivers expire. Two other issues discussed were whether children should be enrolled into SCHIP under an Express Lane procedure when applying for programs such as food stamps, and whether states can assume children are eligible for SCHIP, rapidly enroll them, and check their qualification at a later time. However, talks broke down after Republicans required the inclusion of federal eligibility limits on the Medicaid beneficiaries.

Congressional leaders are considering bringing up SCHIP again in the summer of 2008.

The text of H.R. 3963 and S. 2499 can be found at <http://thomas.loc.gov>.

The president's Statement of Administration Policy on the bill can be found at <http://www.whitehouse.gov/omb/legislative/sap/110-1/hr3963sap-h.pdf>.

MORATORIUMS ON CERTAIN MEDICAID REGULATIONS

In 2007, the Centers for Medicaid and Medicare Services proposed a number of regulations that would shift billions of dollars of federal expenses to the states. Congress has acted to delay implementation on a handful of these regulations.

- The first moratoriums passed were for the Graduate Medical Education, Public Provider Cost Limit regulations, which will be delayed until May 25, 2008. The moratoriums were included in the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act (P.L. 110-28).
- The second action Congress took was to delay implementation of the Tamper Resistant Prescription Pads rule until March 31, 2008. This moratorium was included in the TMA, Abstinence Education, and QI Programs Extension Act of 2007 (P.L. 110-90).
- The final congressional action was to pass moratoriums on the Rehabilitation and School-Based Administration and Transportation regulations until June 30, 2008. These provisions were included in S. 2499.

Medicaid Regulations (See Appendix A for a full chart of the regulations)

Effective Date	Action/Status
Provider Tax	
1/1/08	P.L. 109-432 (Tax Relief and Health Care Act) - Codifies that the maximum amount that a state may receive from a health care-related tax is 6 percent. Temporarily reduces the permissible rate from Jan. 1, 2008, through 2011 to 5.5 percent. On Oct. 1, 2011, the cap reverts back to 6 percent.
GME	
Delayed Until 5/25/08	P.L. 110-28 includes a one-year moratorium that prohibits CMS from taking further action on the proposal until May 25, 2008.
Public Provider Cost Limit Regulation	
Delayed Until 5/25/08	Congress acted to delay the effective date to May 25, 2008.
Medicaid Pharmacy Pricing	
Delayed	The D.C. U.S. District Court placed an injunction on the implementation until the case can be reviewed.
Rehabilitation Services Option	
Delayed Until 6/30/08	The Medicare Medicaid SCHIP Extension Act includes a moratorium until June 30, 2008. In addition, the manager's amendment to the Indian Health Care Improvement Act Amendments of 2007 (H.R. 1328) includes a new definition of "Rehabilitation": "(8) REHABILITATION.—The term 'rehabilitation' means medical and health care services that—(A) are recommended by a physician or licensed practitioner of the healing arts within the scope of their practice under applicable law; (B) are furnished in a facility, home, or other setting in accordance with applicable standards; and (C) have as their purpose any of the following: (i) The maximum attainment of physical, mental, and developmental functioning. (ii) Averting deterioration in physical or mental functional status. (iii) The maintenance of physical or mental health functional status."
Tamper-Resistant Prescription Pads	
Delayed Until 3/31/08	P.L. 110-90 (TMA, Abstinence Education, and QI Programs Extension Act of 2007) - Provided for a 6-month extension until March 31, 2008.
School-Based Administration and Transportation	
Delayed Until 6/30/08	The Medicare Medicaid SCHIP Extension Act includes a moratorium until June 30, 2008.

Outpatient Clinic and Upper Payment Limit	
n/a	
Targeted Case Management	
3/3/2008	

On Nov. 7, the National Association of Chain Drug Stores and the National Community Pharmacists Association filed a joint lawsuit in the federal court in the District of Columbia alleging that the new formula for reimbursing pharmacies for generic drugs violates the law. On Dec. 14, the U.S. District Court for the District of Columbia imposed an injunction on the implementation of this rule until the Court has the opportunity to review the case.

In December, APhSA and its affiliate, the National Association of State Medicaid Directors, and 30 governors sent congressional leaders letters urging them to take immediate action to prevent the implementation of the pending regulations. Congress has acted on a handful of the regulations, but the moratoriums are scheduled to end during 2008.

Also, Sens. Robert Menendez (D-N.J.) and Arlen Specter (R-Pa.) distributed a Dear Colleague letter to urge congressional action on the Aug. 17, 2007, Dear State Medicaid Director letter that requires states to prove that over 95 percent of children in families that earn less than 200 percent of the federal poverty level are enrolled in the SCHIP program before the cap can be expanded to 250 percent of FPL. The senators asked that a moratorium be placed on the directive while reauthorization of SCHIP continues to be under debate.

The APhSA/NASMD letter can be viewed at http://www.aphsa.org/Home/doc/delay_CMS_Regulations.pdf.

FOOD STAMP PROGRAM REAUTHORIZATION UPDATE

On Dec. 14, the Senate approved its version of the farm bill, H.R. 2419, which reauthorizes the Food Stamp Program. The Senate action came after more than a week of deliberation on a long list of amendments to the bill. Some of the amendments would have reduced the levels of various farm subsidies and moved the savings into boosting or extending FSP benefits, but all these were defeated. For example, the Senate voted on Dec. 13 to reject an amendment by Senators Sherrod Brown (D-Ohio) and John Sununu (R-N.H.) that would have reduced federal crop insurance payments and used the savings to avoid the sunset on the Senate's FSP standard deduction and minimum benefit increases, scheduled to expire in 2012.

The House approved its version last July; a conference committee will convene in January to begin reconciling the differences. President Bush has criticized both bills and has issued a veto threat for the House version, but there is strong pressure from all stakeholders to complete the bill and it is expected that Congress and the president will ultimately come to agreement. Both bills include benefit improvements that APhSA supports, among them increases in the minimum benefit and resource limits, neither of which has been adjusted in decades. The bills also increase the standard deduction and add more exclusions to what is counted as income and resources. While the benefit increases are mostly consistent across the two bills, they differ in amounts and in funding mechanisms. The House benefit increases are funded by a controversial tax provision that targets foreign-owned countries; President Bush has focused

much of his criticism on the House tax offset, and it promises to be a contentious issue during conference deliberations.

While supportive of the benefit provisions in the bills, APHSA and the states have serious concerns about a number of administrative provisions, particularly a mandate in the House bill that states must use merit system employees for nearly every aspect of the FSP application and certification process. APHSA has warned repeatedly in letters to Congress that the merit mandate could end or prohibit a wide variety of existing or future FSP activities, including eligibility redesign initiatives; certain types of call centers; demonstration projects that use innovative means of attaching new applicants; tribal participation in administering the FSP; and partnerships that provide job search assistance or anti-fraud efforts, among many other examples. The Senate version does not contain the mandate language, although key Senate leaders do support the mandate and simply chose to postpone consideration of the issue until conference. It is possible that the conference committee could expand the mandate's exceptions so that nonprofit organizations can continue all their present activities that help applicants learn about the FSP or apply for the program. However, at this writing it appears that the majority of members are leaning toward retaining the core of the mandate—that only merit staff may perform the application processing, verification, interviewing, budgeting, and eligibility determination elements of the process.

APHSA also opposes a number of other administrative provisions in both bills, including a mandate to make states fully liable for over-issued benefits resulting from systemic problems and an extension of the 1998 cost-allocation administrative matching funds cuts that reduce match below 50 percent for all but seven states. The Senate bill has additional administrative changes that states oppose, including one that would effectively prohibit the use of biometric identification technology in the application process and one that would prohibit the reallocation of any unused employment and training funds.

APHSA's most recent FSP letter and a side-by-side comparison chart of the House and Senate provisions are posted at www.aphsa.org under the "Spotlight" section.

Appendix A

NPRM	Comments Due	Effective Date	What the Rule Proposes to Do	Cost estimate
Provider Tax				
3/23/07	5/22/07	1/1/08	The proposed rule seeks to clarify a number of issues in the original regulation, including more stringent language in applying the hold-harmless test. The new language affords CMS broader flexibility in identifying relationship between provider taxes and payment amounts.	\$85 million in FY 2008, \$115 million in FYs 2009-2011
GME				
5/23/07	6/22/07	Delayed Until: 5/25/2008	CMS indicates that GME isn't in the statute and therefore isn't allowable.	\$140 million in FY 2008, \$460 million over five years.
Public Provider Cost Limit Regulation				
Final Rule May 29, 2007	7/13/07	Delayed Until: 5/25/2008	The rule imposes new restrictions on payments to providers operated by units of government and clarifies that those entities involved in the financing of the non-federal share of Medicaid payments must be a unit of government. In addition, the rule formalizes policies for CPEs and other reporting requirements. The regulation also applies to SCHIP, except for the cost limit on other reporting requirements.	\$120 million in FY 2008, \$3.87 billion over five years
Medicaid Pharmacy Pricing				
Final Rule July 17, 2007	1/2/2008-- comments are due on AMP and FUL sections	delayed	The regulation implements pharmacy-related requirements of the DRA	\$4.9 billion over 5 years
NPRM	Comments Due	Effective Date	What the Rule Proposes to Do	Cost estimate
Rehabilitation Services Option				

8/13/07	10/12/07	Delayed Until: 6/30/2008	NPRM seeks to clarify the definition of rehabilitative services. Seeks to determine difference between habilitative services and rehab services.	\$180 million in FY 08 and \$2.2 billion over five years
Tamper-Resistant Prescription Pads				
8/17/07		Delayed Until: 3/31/2008	The new mandate was enacted in the Iraq War Supplemental. Requires that prescriptions for Medicaid patients must be on tamper-resistant prescription paper, unless they meet an exception that is indicated in the regulation. If these standards are not met, there will be no FFP.	\$133 million
School-Based Administration and Transportation				
8/31/07	11/7/07	Delayed Until: 6/30/2008	Proposed rule eliminates funding for administrative activities performed by school employees or contractors or anyone under the control of a public or private educational institution, and transportation from home to school and back for school-age children with an IEP or IFSP.	\$635 million in FY 2009 and \$3.6 billion over five years.
NPRM	Comments Due	Effective Date	What the Rule Proposes to Do	Cost estimate
Clarification of Outpatient Clinic and Hospital Facility Services Definition and Upper Payment Limit				

9/28/2007	10/29/2007		The proposed rule implements cost limits on payments to governmental providers and restrictions on Medicaid Graduate Medical Education payments. The rule would also limit the definition of outpatient hospital services and put a restriction for upper payment limit methodologies for private outpatient hospitals and clinics.	CMS declined to estimate the fiscal impact of this proposed rule because of "lack of available data"
Targeted Case Management				
12/4/2007	2/4/2008	3/3/2008	The interim final rule(ifr) implements restrictions so that states would no longer receive Medicaid reimbursement for case management services that could be paid for by third parties or other federal programs. Among the activities excluded from the definition of Targeted Case Management are transportation services, day care services and administrative activities for foster care or other non-medical programs.	\$1.28 billion between FY 2008 and FY 2012