



WASHINGTON WATCH

Dependable Information for America's Disability Community

Lott Steps Down; Frist Is New Senate Majority Leader

As a result of comments supporting the 1948 segregationist Presidential candidacy of Sen. Strom Thurmond (R-SC), Senate Majority Leader-Elect Trent Lott (R-MS) has resigned his leadership position, with his successor being Sen. Bill Frist (R-TN).

Frist, a heart transplant surgeon and son of the founder of HCA (formerly Hospital Corporation of America), has been heavily involved in health issues and was a major sponsor of the UCP-endorsed Children's Health Act of 2000 (Public Law 106-310), which (among other provisions) established the CDC National Center on Birth Defects and Developmental Disabilities.

In the mid 1990's, Frist also was the last chairman of the Senate Subcommittee on Disability Policy before it was abolished. UCP staff have spoken with Frist and his staff on a number of occasions and found them to be open to UCP's point of view.

Lott is the first Senate Majority Leader in history to resign his post because of a controversy. He will continue as a Senator.

National Security, Economic Stimulus Debates Likely to Dominate Early Congressional Session

When the 108th Congress convenes on January 7th, it likely will be preoccupied with national security and economic issues. In addition to terrorism and Iraq, legislators will focus on economics, particularly a stimulus plan, President Bush's proposed Fiscal 2004 Budget, and whether to extend his tax cuts. The one area of early action for disability issues probably will be setting Fiscal 2003 funding levels for all "discretionary" programs administered by the Departments of Labor, Health and Human Services, and Education.

Because no Fiscal 2003 Labor-HHS-Ed appropriations bill has yet been enacted, the prior Congress passed a series of "continuing resolutions" to keep affected programs operating at Fiscal 2002 levels, which generally are lower than have been proposed for 2003. One approach to this impasse would be to retain 2003 spending for each program at its 2002 level for the entire year. That would avoid protracted debate, but would not account for inflation or growing programmatic needs. Another possibility is cuts in some domestic programs in order to offset increases in national security programs.

It also is rumored that President Bush's Fiscal 2004 Budget, to be outlined in his January 28th State of the Union address, will propose a prescription drug program for low-income Medicare beneficiaries but also propose cutting some other domestic spending programs. The President also is expected to propose an economic stimulus plan that will include further tax cuts as well as some fiscal relief for states, although it is unclear whether this relief will be in the form of an increased federal share of Medicaid payments.

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Because Senate control will switch from Democratic to Republican, the GOP will have one more seat on each Senate committee than the Democrats, and Republicans will chair each committee, allowing them to set the Senate's legislative agenda.

One unresolved issue is whether Senate Minority Leader Tom Daschle (D-SD) will resign his leadership post early this year to begin running for President. If so, Senate Democrats' second-in-command, Sen. Harry Reid (D-NV), likely would become Minority Leader. Reid, whose current role is to "whip" Democratic Senators to vote the party line, could be replaced by Sen. Byron Dorgan (D-ND).

Murkowski Names Murkowski to Replace Murkowski

Alaska Gov. Frank Murkowski (R) has named his daughter, Alaska state Rep. Lisa Murkowski (R), to replace himself as the junior Senator from that state. The new Sen. Murkowski is said to be more politically moderate than her father. The change occurred because Sen. Murkowski ran successfully for Governor in November.

Federal Roundup

Bush Issues Order on "Charitable Choice." President Bush has issued an Executive Order allowing faith-based charities to receive a wider range of governmental funding. However, Sen. Joseph Lieberman (D-CT) said in December that this Order does not eliminate the need to pass legislation (the UCP-endorsed Charity Aid, Recovery, and Empowerment Act) that he and Sen. Rick Santorum (R-PA) sponsored in the prior Congress. Among other provisions, the Lieberman/Santorum bill would increase the annual authorization for Social Services Block Grant ("Title XX") funding by \$1.0 Billion and expand income-tax deductibility for charitable donations by corporations and non-itemizing individual taxpayers. One possibility is that some or all of this bill's provisions would be attached to re-authorization of the Temporary Assistance to Needy Families (TANF, popularly called "welfare") law.

HHS Approves Arizona's Expansion Of Medicaid to Working Individuals With Disabilities. On December 16, HHS Secretary Tommy G. Thompson announced approval of Arizona's plan to allow people with disabilities who return to work to retain their Medicaid coverage. Arizona will offer Medicaid to eligible people with disabilities between the ages of 16 and 64 with family incomes up to 250 percent of the federal poverty level, with no limit on personal or family resources. Arizona officials expect over 700 people to enroll under the two new optional eligibility coverage groups during the first year.

HHS Approves New Hampshire's Change Allowing Medicaid to Working Individuals With Developmental Disabilities. On December 16, HHS Secretary Tommy G. Thompson also approved a New Hampshire plan to give families with Medicaid-eligible children with disabilities greater control of the services their children receive. This change will make it easier for those children to remain in their own homes. The New Hampshire waiver is the first of its kind under HHS' new "Independence Plus" initiative. The waiver will help coordinate services and provide enhanced services, including personal care, respite care and home and vehicle modifications, for eligible children with developmental disabilities. Families will be involved in planning all aspects of service delivery, including the selection of service providers. A "support broker" and a financial management service will assist families and individuals with the self-directed process and deal with payroll tasks.

Medicare to Cut Physician Fees by 4.4%. Unless Congress acts by March 1, Medicare physician fees will be cut 4.4% across the board, on top of a 5.4% cut in 2002. The cuts, required under a complex legal formula, are expected to reduce Medicare beneficiaries' access to some physicians. Last year, Congress considered proposals to reduce or eliminate these cuts, but was unable to agree on a specific proposal.



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