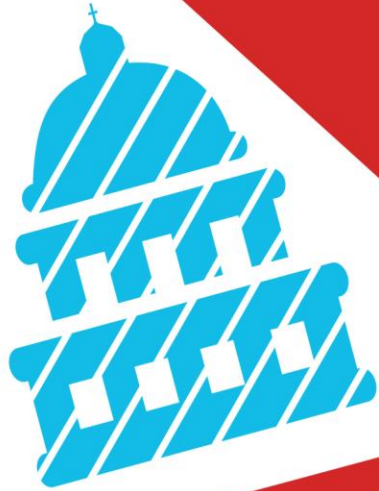


SEPT. 17-18, 2019

WASHINGTON, DC

HILL
DAY



#HILLDAY19

OUR VOICES
ARE LOUDER **TOGETHER**

#Goals

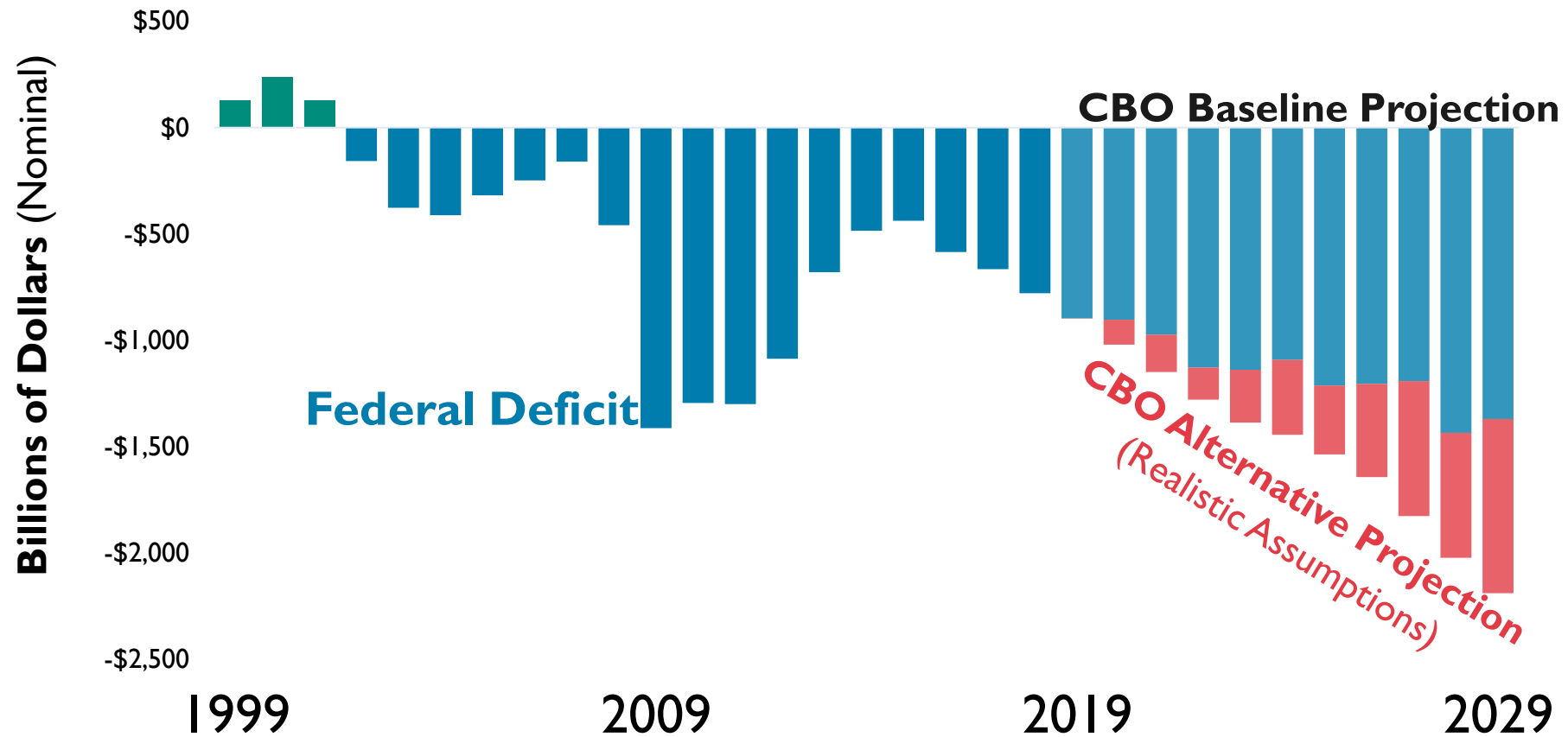
- By the end of this session you will understand:
 - The federal budget, the debt and deficit, and why it matters
 - The Budget Control Act, subsequent bipartisan budget deals, and spending caps
 - The different types of federal spending
 - Health funding in the context of the broader federal budget

Deficit vs. Debt

- Deficit is difference between receipts & outlays
 - Receipts include money the government brings in from taxes, fees, and other income
 - Outlays include all spending on entitlements, discretionary programs, and interest payments on the debt
- Debt is total amount of money owed to creditors
 - Accumulations of deficits
 - US Debt \$22 trillion (and counting)



Federal Deficits Could Reach \$2 Trillion by 2028

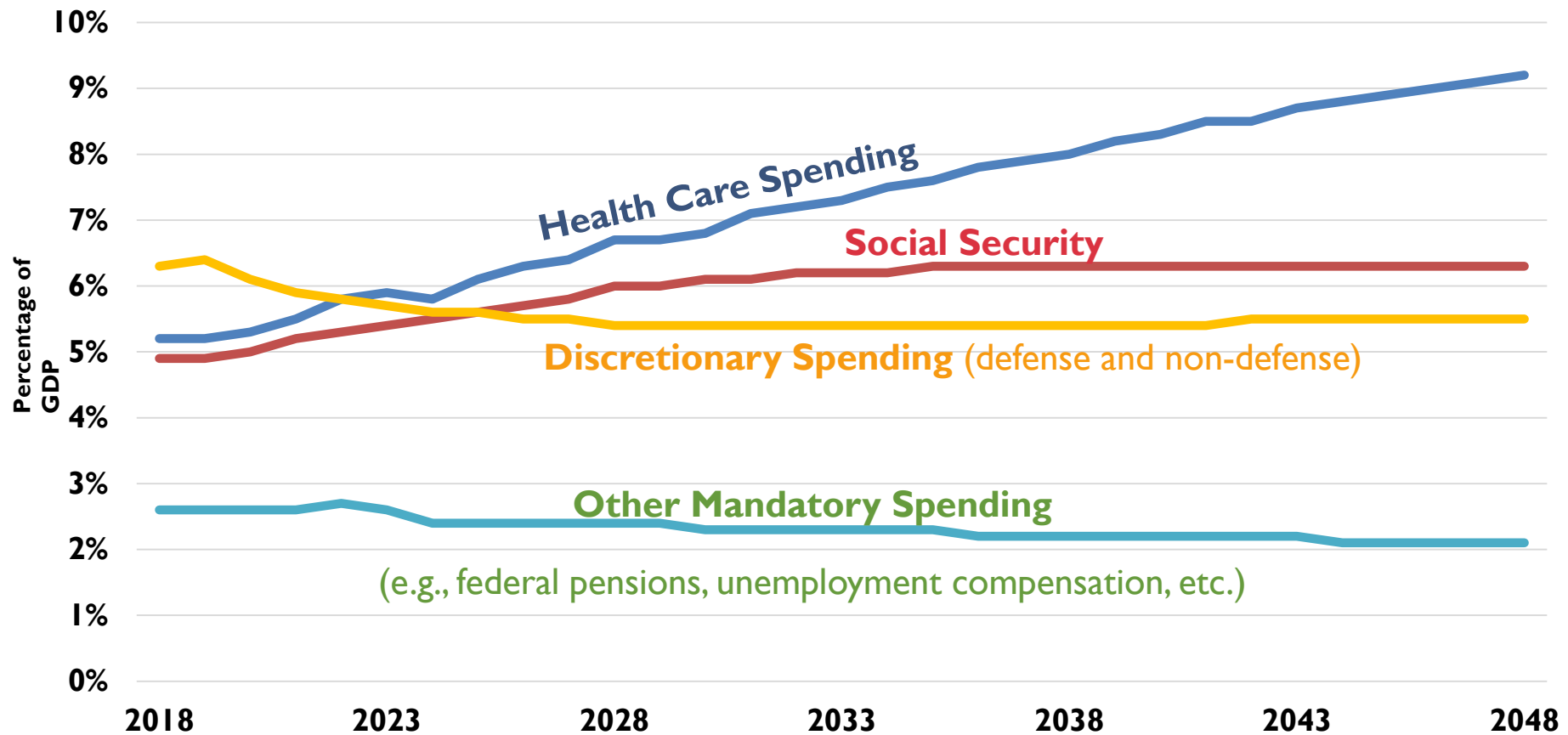


Source: Congressional Budget Office.

Note: Years shown are fiscal years.



Health Care Costs Are the Primary Driver of the Debt



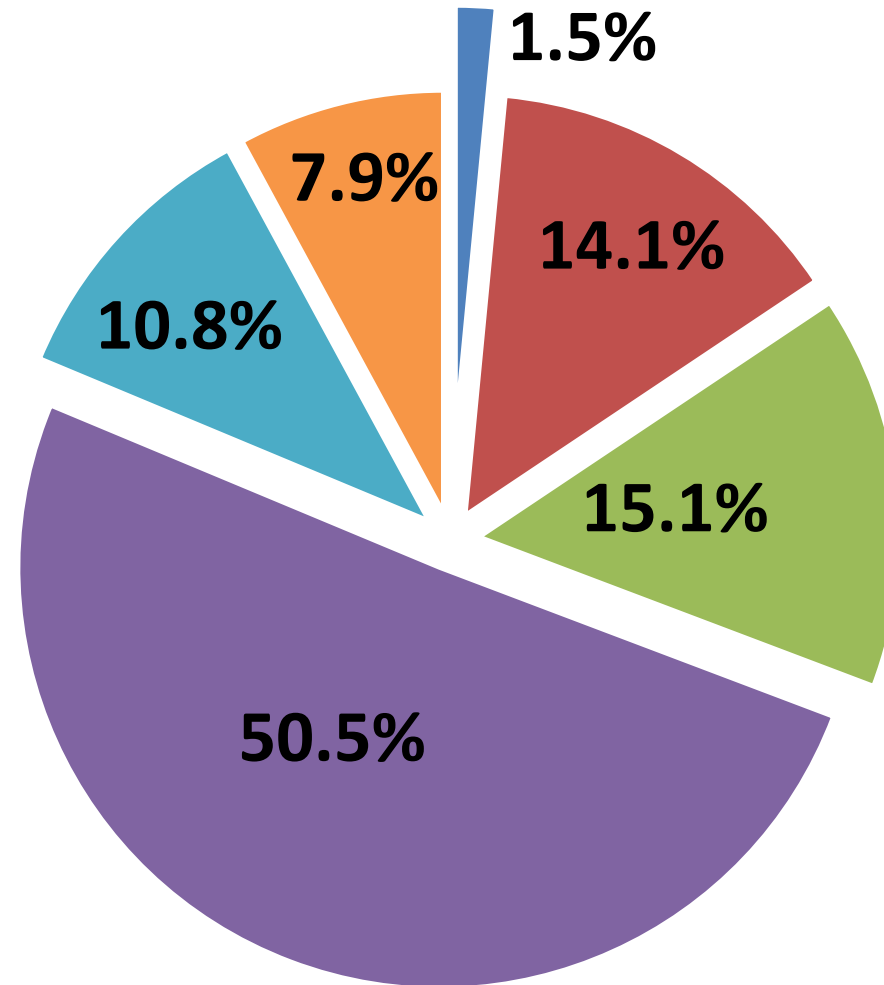
Source: Congressional Budget Office

Discretionary vs. Mandatory Funding

- Discretionary set at “discretion” of Congress
 - Defense and nondefense (NDD)
- Mandatory enacted by law; not dependent on appropriations bills
 - Entitlement Programs (e.g., Medicare)
 - To change spending, must change eligibility rules
 - Interest on the debt
 - Other mandatory

Federal Spending, FY 2018

- Discretionary health
- Other non-defense discretionary
- Defense discretionary
- Medicare, Medicaid, Social Security
- Other entitlement programs
- Net interest

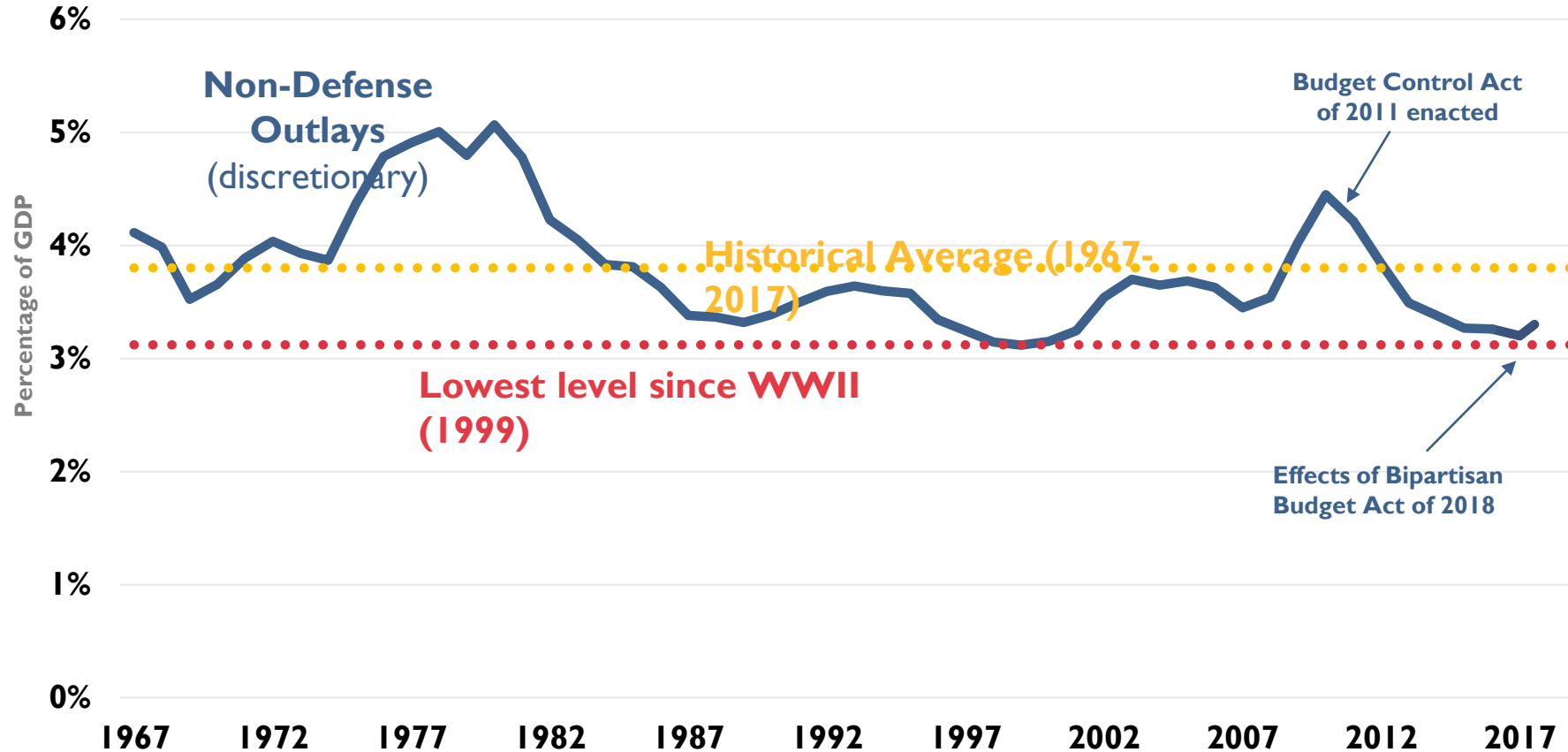


#RaiseTheCaps

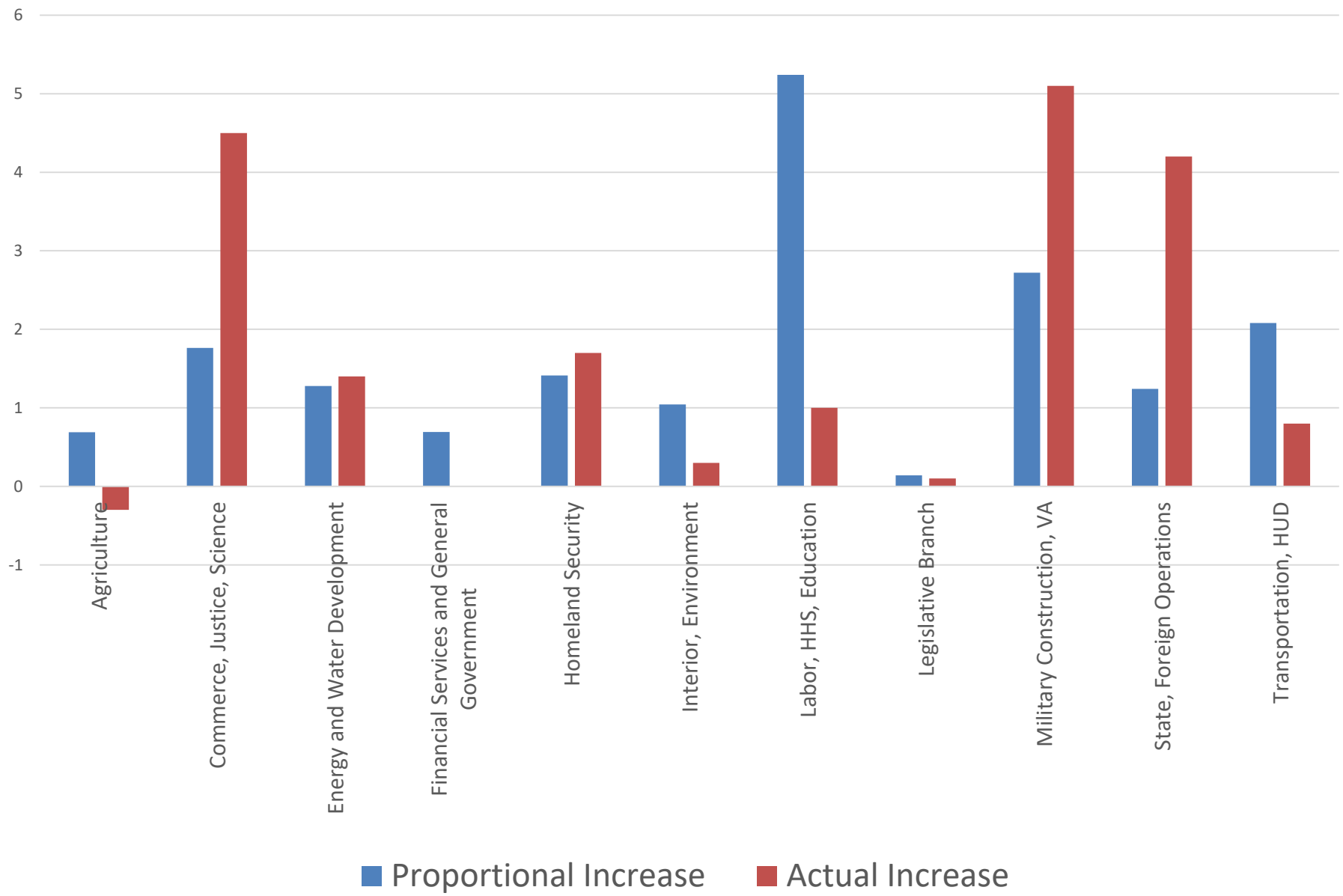
- Budget Control Act, 2011
 - \$1 trillion cut to discretionary programs
 - Sequestration, resulting in another \$1 trillion cut to discretionary program (after failure of “Super Committee”)
- Bipartisan Budget Acts, 2013, 2015, 2018, 2019
 - Stop additional sequestration
 - #RaiseTheCaps



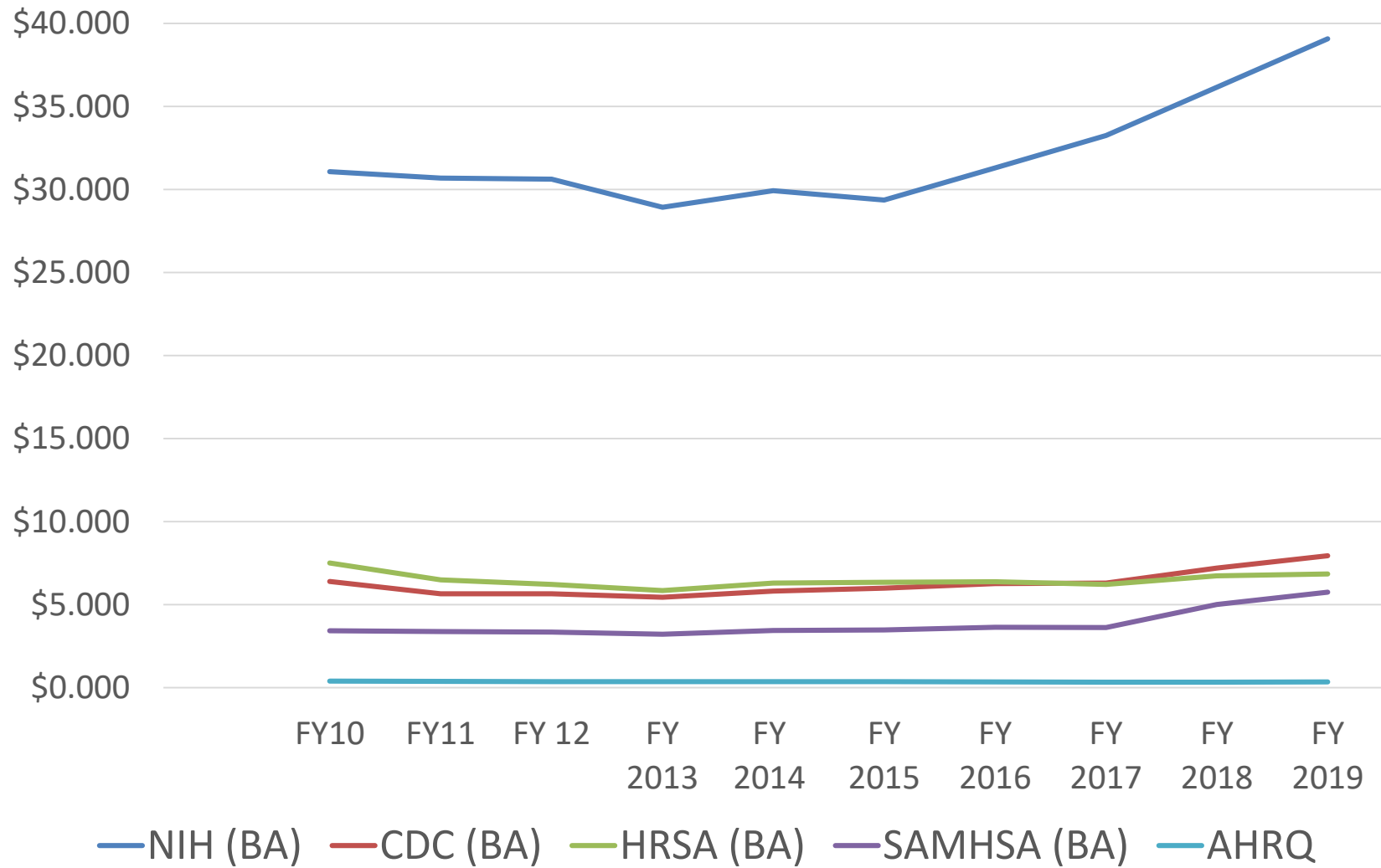
Nondefense Outlays Near Modern-Era Low



Sources: Congressional Budget Office, Bipartisan Policy Center calculations



Relief Distributed Unevenly Across Agencies



Now What?

- House passed appropriations bills with NDD number higher than Bipartisan Budget Act
- Senate at an impasse
 - No bipartisan support for levels, or “riders”
- Fiscal year just 9 working days away
 - House will move a continuing resolution to keep government open
- Prediction: Bills enacted before end of calendar year
 - Not ruling out a shutdown between now and then!

Questions?

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