**Hill Watch: Final FY 2017 Budget and the American Health Care Act**

*House passes American Health Care Act; Congress passes FY 2017 appropriations bill*

When NCHV sent you an update on the appropriations process earlier this week, the appropriations deal for FY 2017 looked like it was on the fast track to passage but had yet to clear all of its hurdles. Now we can share that both chambers of Congress have in fact passed the legislation (H.R. 244) as we described it earlier this week, and the President is expected to sign the bill.

By way of reminder, the bill provides funding for the remaining portion of FY 2017 for the entirety of the federal government. This proposed bill covers most of the federal government’s funding obligations, but not all. As we have discussed in Hill Watch before, Congress has already agreed on the funding levels for the operations of the VA in FY 2017 ([http://www.nchv.org/images/uploads/Hill_Watch_CR_2016-2017.pdf](http://www.nchv.org/images/uploads/Hill_Watch_CR_2016-2017.pdf)). This agreement covered many of the programs that we consider to be the pillar programs of the federal response to veteran homelessness.

This new funding agreement, H.R. 244, does provide some funding for our efforts to end veteran homelessness, however. Particularly, it governs the funding levels of the Homeless Veteran Reintegration Program (HVRP) and the HUD-funded vouchers of the HUD-VASH program.

The bill calls for an increased investment in the HVRP program of $6,891 million over last fiscal year, for a total investment in FY 2017 of $45,000,000. This was the halfway point between the negotiating positions taken by the House ($50 million) and the Senate ($40 million), both of which would have been increases over last year’s stagnant $38.109 million.

The bill also calls for an additional investment of roughly 5,000 vouchers into the HUD-VASH program, for a total of $40 million in FY 2017. The $40 million investment adds to the stock of pre-existing HUD-VASH vouchers, and is $40 million more than the zero dollars requested in this year’s Presidential Budget.

Also of note this week was the passage of the American Health Care Act (AHCA - H.R. 1628) by the House of Representatives by a narrow margin. This was the first hurdle for this package of reforms as it moves through its own process.

The bill would make several changes to the legislation known alternatively as the Affordable Care Act (ACA) or Obamacare. Current analysis indicates that the bill would not alter any existing policies relating to healthcare through the U.S. Department of Veterans Affairs (VA). However, as we all know, not every veteran who presents for care is enrolled, eligible, or willing to utilize healthcare services through VA. For these veterans, there are worrying developments.
Most strikingly, the bill would curtail the number of states offering the “expanded” Medicaid package made available under Obamacare. Apart from being deployed in innovative ways (such as being utilized as a funder for supportive housing services) this Medicaid expansion has been shown to reduce the number of uninsured veterans by dramatic amounts. Just recently, the Urban Institute found that uninsurance rates for veterans were 4.8% in states that expanded Medicaid, compared to 7.1% in states that did not. Furthermore, they found that the uninsurance rate had fallen by 40% since the ACA had come into effect. The changes in law proposed in the AHCA would reverse these trends, and cause these rates to rise again.

Fortunately for these veterans and the programs that serve them, the bill in its entirety (and these Medicaid provisions in particular) are unpopular in both parties of the Senate. As this bill will need to pass the Senate in the same form as the House for enactment into law, it is unlikely that the current form of the bill will be the same as the final form. The current sense of the Senate is that they will write their own bill, which may be unpalatable to the majority coalition in the House. In any case, the Senate bill will not be ready for some weeks.

NCHV will keep you updated as the AHCA progresses through the remaining stages.