Following an acrimonious debate in both chambers of Congress, House and Senate lawmakers passed a long-awaited $1.1 trillion omnibus appropriations package. The House, which cleared the bill (HR 83) on a narrow 219-206 vote on December 11, and adjourned shortly thereafter. The Senate, on the other hand - approved the legislation on December 13 by a 56-40 margin, but did not adjourn until late last night in order to complete a handful of executive nominations and pass a tax-extenders bill supported by the Obama Administration and adopted overwhelmingly by the House.

The spending bill headed to the White House last night, where President Obama has indicated that he will sign the measure into law.

Overall, HR 83 sets federal fiscal year (FFY) 2015 discretionary funding at $1.013 trillion, which adheres to the nondefense and defense spending caps that were established under last year’s Ryan-Murray budget accord (PL 113-67). While the bill provides long-term funding - through September 30, 2015 - for programs under the purview of 11 of the 12 annual appropriations measures, it funds the Department of Homeland Security via a short-term CR. The CR portion of the legislation, which will run through February 27, is intended as a GOP rebuke of President Obama's recent Executive Order on immigration and will likely force a partisan showdown over immigration policy early in the new Congress.

As expected, Congress did not include any doc-fix legislation to either repeal the Medicare Sustainable Growth Rate (SGR) formula or provide yet another short-term funding patch to avert a 21 percent cut in Medicare physician payments effective April 1, 2015. That patch and the expiration on the same date of funding for the bipartisan Maternal, Infant, and Early Childhood Home Visiting program will be on the legislative 'to-do' list of the House Ways and Means and Senate Finance Committees early in the new year.

A Medicare measure early next year could be a potential vehicle to revise a long-standing provision that inadvertently results in several Wisconsin hospitals to have a very low permanent cap on the number of medical resident slots that Medicare will fund, going into perpetuity. There are other states with similar problems. This has occurred because a community hospital may have accepted a resident to rotate through its facility in the distant past which locked them into a low cap on residencies.
The spending bill includes emergency funding for several high-priority activities, including $5.4 billion for various agencies to combat the Ebola crisis in West Africa. Below are highlights of the spending legislation of interest to the College, which is being referred to as a "Cromnibus" (omnibus + continuing resolution).

**NATIONAL INSTITUTES OF HEALTH (NIH)**

NIH received an increase of $149.7 million for a total of $30.3 billion for all initiatives. Included in that increase is $238 million in Ebola funds for NIH. The overall percentage increase in the budget is 1.3 percent compared to FFY 2014. Funding increases are essentially spread evenly among the institutes and centers. The congressional report notes that a slightly higher increase is provided for the Advancing Innovative Neurotechnologies (BRAIN) initiative.

Of note in the report language is a congressional directive that NIH develop a new approach to reduce the age at which new and early stage investigators first receive R01 funding. The language notes that the average age for a first-time investigator remains at around age 42. A plan by NIH to address the issue is due to Congress in 120 days and should include an analysis of the role of universities in the effort.

**HEALTH RESOURCES AND SERVICES ADMINISTRATION**

Title VII Health Professions programs received a 3.9 percent increase overall, to $255 million for FFY 2015, with slightly larger increases under that Title for mental and behavioral health (a 12.6 percent increase) and public health and preventive medicine (a 15.5 percent increase).

**OUTLOOK**

The new 114th Congress will convene on January 6, 2015. At the top of the list of health legislation will be action needed to avoid a cut to Medicare physician payment rates which expire on March 31, 2015. Before that time, the House and Senate will consider ways to stop the Obama executive order on immigration via the Department of Homeland Security appropriations bill which expires on February 27, 2015.

The budget process for FFY 2016 will also begin, with the adoption of a House-Senate budget resolution much more likely, given GOP control of both houses. The budget resolution sets a broad budget blueprint for the House and Senate committees to follow when crafting the actual spending measures. Since it is a blueprint, the resolution does not go to the president for his signature. The Obama Administration is expected to submit its budget on February 3, 2015, but that date has slipped in recent years, given the lack of final action by Congress on spending bills until months into the new FFY.

**COMMITTEE ASSIGNMENTS**

Yesterday, the Senate finalized the Committee assignments for 2015-2016. Senator Ron Johnson (R) will remain on the following committees: Budget; Commerce, Science & Transportation; Foreign
Relations; and, Homeland Security & Governmental Affairs. He will no longer serve on the Small Business Committee. Senator Tammy Baldwin (D) has been given a seat on the Appropriations Committee. She will also continue to serve on the following Committees: Budget; Health, Education, Labor and Pensions; and, Homeland Security & Governmental Affairs.

On the House side, the final rosters have not yet been announced. Late last week, Representative-elect Glenn Grothman (R) was named to the Education and Workforce Development Committee.