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President Obama Sends Fiscal Year (FY) 2012 Budget to Congress **FY 2011 Continuing Resolution Still Up for Debate**

As you may know, yesterday President Obama sent his \$3.73 trillion fiscal year 2012 budget proposal to Congress. Included in this proposal was \$1.1 trillion in deficit savings over the next decade, which was highlighted in his State of the Union Address. These proposed savings are achieved through a combination of spending cuts and tax increases, including a five-year non-security discretionary spending freeze that would reduce the deficit by \$400 billion over the next decade. This budget proposal serves to lay out the Administration's priorities for the coming year and is used as a starting point to facilitate Congressional debate.

Key Points of interest the Roundtable on Critical Care Policy include:

- The President's 2012 Budget includes \$79.9 billion to support HHS's mission, which is a slight increase from the FY 2010 funding level
- The Budget would provide for a \$663 million in the Centers for Medicare and Medicaid Services discretionary budget, nearly a 17 percent increase, which likely reflects money needed to implement the health care law.
- The Budget also makes an investment in research and innovation, by increasing the National Institutes of Health's budget by \$740 million over the 2010 enacted amount, for a total of \$32 billion.
- The President's Budget for AHRQ is \$366.397 million, which amounts to a decrease of \$30.656 million. AHRQ's total FY 2012 Program Level, following transfers from the Patient-Centered Outcomes Research Trust Fund, totals \$390.397 million, a decrease of \$12.156 million.
- The President's Budget calls for a \$685 million (9.1%) decrease for the Health Services and Resources Administration (discretionary numbers only.)
- The Budget would provide for \$1.859 billion in funding for the Office of the Assistant Secretary for Preparedness and Response (ASPR) through the Public Health and Social Services Emergency Fund (PHSSEF), as authorized by the Pandemic and All-Hazards Preparedness Act. Funds will be used for hospital preparedness and other emergency preparedness activities including the National Disaster Medical System.
- Strengthening national preparedness through \$765 million for the advanced development of next generation medical countermeasures against chemical, biological, radiological and nuclear threats. Additionally, \$655 million is provided to ensure the availability of medical countermeasures from the Strategic National Stockpile during a public health emergency.

Click [here](#) for the White House's Department of Health factsheet on the budget.

Continuing Resolution:

Last Friday, Congressman Hal Rodgers, Chairman of the House Appropriations Committee introduced H.R. 1, a continuing resolution to fund the federal government for the last seven months of the fiscal year. The government is currently operating under a short-term spending resolution that expires on March 4th. The legislation includes over \$100 billion in discretionary spending cuts compared to the President's FY2011 budget, which amounts to \$60.8 billion below FY2010 enacted spending levels. Of this amount \$81 billion in cuts comes from non-security programs. The Labor, Health and Human Services section of the bill contains a total of \$146 billion in funding, which is a 22% less than the Presidents FY2011 request (11% cut in 2010 spending). The House is debating this bill this week.

The next step in the FY2012 budget process:

House Budget Chairman Paul Ryan is expected to begin working on the FY2012 congressional budget resolution due in April. However, this may be overshadowed by the debate over the continuing resolution, as Senate Democrats have vowed to block some of the included controversial cuts – placing at risk a potential government shutdown if a deal isn't struck by March 4th when the current law continuing resolution expires. Most likely, short-term continuing resolution extensions will continue to pass until negotiators strike a deal. Further complicating the FY2012 budget process will be the next controversial debate over the increase in the debt ceiling (likely in May) where conservative Republicans are insisting on structural budget reforms, and potentially additional spending cuts.

This Special Alert is an update from The Roundtable on Critical Care Policy. For further information on the Roundtable, please visit our website at www.CriticalCareRoundtable.org.