

**Memorandum**  
**National Organization for Women**

**TO: NOW National Board Members**

**From: Jan Erickson, Government Relations Director**

**Date: November 30, 2023**

**Government Shutdown Avoided, But Fight Over Spending Remains**

Fortunately, the new, very conservative House Speaker, **Rep. Mike Johnson** (R-LA) agreed to a short-term spending bill to avoid a shutdown of government over the debt ceiling, funding part of the government while postponing consideration of the rest of the federal budget until early next year. A **Continuing Resolution** (H.R. 6363) was passed by the House (336 – 95) and the Senate (87-11) and **President Biden** signed it before the deadline on November 17. Included was funding for Commerce, Justice, Science and Related agencies; the rest of appropriations measures will be taken up January 19 (Agriculture), by February 2, 2024 defense and some of the government’s largest domestic programs.

Many of the Republican appropriations measures contain severe reductions in funding levels for a wide range of agencies and programs. Republican anti-government members such as the House Freedom Caucus are moving with their most aggressive approach to limit government – unfortunately in ways that disproportionately affect those most in need. What has resulted is a stalemate between more moderate Republicans who oppose such deep cuts and the very conservative, anti-government forces who want to dramatically shrink government. This split and the difficulties with leadership in the House of Representatives has caused members to declare their retirements or resignations; in all there are 30 members not running in 2024, plus seven senators. [List of U.S. Congress incumbents who are not running for re-election in 2024 - Ballotpedia.](#)

The short-term **Continuing Resolution** (CR) failed to provide for needed additional funds for the **Special Supplemental Nutrition program for Women, Infants and Children** (WIC) which means that the program will run out of funds within days. WIC provides wide-ranging benefits to 6.7 million women and young children, including roughly half of all infants born in the U.S., according to Food Research and Action. Yet, WIC reaches only half of all women and children who would be eligible.

Additionally, with the expiration in September of pandemic era childcare funding, there remains a potential fiscal cliff of \$48 billion and the possibility of 70,000 childcare centers closing. The **White House** has asked Congress for \$16 billion in childcare funding that would

provide a short-term solution. In addition, many Democrats have called for a restoration of the refundable Child Tax Credit that was in place for one year during the pandemic which caused large drop in child poverty. In 2022 as the pandemic ended there was an increase in poverty of 12.4 percent from 4.6 percent in 2021, the first increase in 13 years, according to the Census Bureau. During that same period, child poverty doubled to reach 12.4 percent 2022. The increase in the child poverty rate occurred after the child tax credit expansion ended on Dec. 31, 2021. That plan, part of **President Biden's \$1.9 trillion American Rescue Plan**, provided parents between \$250 to \$300 per month, per child. Democratic leaders are calling for a reinstatement of the refundable child tax credit.

The Republicans' appropriations bills would slash funding for nearly all agencies and programs -- some by as much as 40 percent. These reductions are proposed against a bipartisan agreement mutually agreed to last May to a number of modest reductions in spending. These new House leadership-proposed funding cuts go much deeper. Many have described these cuts as extreme and not reflecting what a majority of Americans want.

## Using the Federal Budget to Deny Women's, LGBTQIA Persons' Access to Care

The appropriations measures also contain ideological riders such as limits on abortion which Senate Democrats and the White House will not accept. The **Labor, Health and Human Services, Education and Related Agencies bill** eliminates funding for the **Title X family planning program**. Essentially this would defund the Planned Parenthood and other women's health centers who offer public health programs to provide critical preventive services. Also eliminated is the **Teen Pregnancy Prevention Program**, but -- as expected -- maintain funding for the ineffective **abstinence-only** programs. Other harmful riders:

- Restrict access to gender affirming care.
- Prohibit Medicaid from covering abortion through the discriminatory **Hyde Amendment** and attempt to expand the harmful **Weldon Amendment**.
- Interfere with postgraduate training in abortion care, an essential component of medical education necessary to ensure the health and well-being of pregnant people.
- Stop implementation of Biden administration executive orders intended to increase access to abortion care for people impacted by state bans post-*Dobbs* decision.
- Restrict potentially lifesaving medical research; and
- Prohibit the implementation of the Biden administration's executive order to prevent and combat discrimination on the basis of gender identity or sexual orientation.

## Additional Proposed Funding Reductions

Deep cuts are proposed for education, Head Start, childcare, housing, job training, public health, medical research, nutrition assistance, environment protection, renewable energy,

enforcement of civil rights and worker protection laws, and operation of the Social Security system, according to the **Center on Budget and Policy Priorities**. Their proposals also claw back funds previously approved to strengthen the **Internal Revenue Service**, which are needed to make sure wealthy income earners and corporations pay their fair share. These claw backs also attempt rescind funding to combat climate change, promote clean energy and aid farmers. Essentially nearly all government programs' funding, except Defense, will be proposed for severe reductions. As for the Senate-passed appropriations bill, that includes far fewer cuts and rescissions and an analysis indicates that these cuts largely reflect agreed-upon bipartisan spending levels.

An alarming overview of the Republicans' proposed cuts is here, [House Appropriations Bills for 2024 Cut a Swath Through Crucial Programs, Deviate Sharply From Agreed Levels | Center on Budget and Policy Priorities \(cbpp.org\)](https://www.cbpp.org/house-appropriations-bills-for-2024-cut-a-swath-through-crucial-programs-deviate-sharply-from-agreed-levels)

## Social Security on the Chopping Block?

The House leadership is proposing a closed-door fiscal commission for next year to discuss how to reduce the national debt. Part of that effort will be to make changes to the Social Security retirement program. A proposal by 176-member **House Republican Study Committee** to do just that was presented last spring. It included a raise in the full retirement age to 69 at which seniors are entitled to full benefit. The current full retirement age ranges from 65 to 67 depending on what year a person was born. Raising the retirement age has been criticized as a hardship for workers who have held physically demanding jobs. Such changes are being proposed as contributions to the **OLD Age and Survivors Trust Fund (OAST)** begin to fall short in future years due to fewer younger workers paying into the fund. Proposals have been made by conservatives to switch this government-backed, guaranteed social insurance program to private investment account in the stock market. Democrats have opposed this idea as being too risky and have proposed instead lifting the ceiling (\$147,000) on the amount of income taxed. Long-term solvency of the OAST fund can be reached by raising the ceiling to perhaps \$400,000 annual income.

Republicans previously tried to change Social Security to a system of private stock market accounts during the **George W. Bush** administration, but Democrats fought back and successfully defeated their proposals. NOW joined allies in the **Strengthen Social Security Coalition** to lobby members of that commission and we also convinced our allies in the coalition to press for improving Social Security retirement benefits. Improving benefits would help women who take time out of the paid workforce in caregiving and also experience wage discrimination. The Republican proposals are being offered at a time when 57 million persons work for employers who do not offer retirement savings plan, according to AARP. The U.S. Census Bureau reports that 50 percent of women and 47 percent of men have no retirement savings.

## Changes to Traditional Medicare?

In addition, the Republicans have proposed converting **Medicare** to a premium support system where seniors receive a subsidy they could use to pay for private insurance. Such an approach would likely increase costs and lead to companies refusing to cover certain procedures, as has been demonstrated in many **Medicare Advantage** plans.

The Biden Administration issued a proposed rule on November 6 that would make changes to private Medicare insurance plans so that seniors would clearly understand what they are getting. About half of seniors are currently covered by these private insurance plans as opposed to the traditional, government-run Medicare. Medicare Advantage plans offer extra benefits like eye exams, dental and fitness plan at no additional cost – which, reportedly, most seniors do not utilize. Some Medicare Advantage plan insurers deploy aggressive marketing plans such as using celebrity endorsements to draw seniors to enroll. These plans may not be the best fit for them and the proposed rule would set up some guardrails.

Perhaps the most important provisions in the proposed rule would require Medicare Advantage plans to maintain an adequate network of providers, including a range of behavioral health providers, including marriage and family therapists and mental health counselors. The administration also wants to give seniors faster access to cheaper versions of biologic pharmaceuticals.

Public comments on the proposed rule are due in early January.

The **Senate Health, Education, Labor and Pensions and Labor Committee**, chaired by **Sen. Bernie Sanders** (D-VT), held a hearing on **Medicare Advantage plans** in early November. Problems with lack of transparency, data collection, denial of certain requested medical procedures, a limited number of service providers, complex and confusing plan options, state-specific coverage and other problems were highlighted. Democratic senators are preparing recommendations for important changes to these plans.

Another hearing by Sanders' committee called on CEOs of major drug manufacturers to explain why drug prices in the United States were so high compared to other developed nations. The usual claims of the high costs of research were made even though the federal government provides significant funding for research.

## Negotiating Lower Drug Prices

After years of trying to pass legislation to allow the federal government to negotiate drug prices as is done in many countries became a reality in the U.S. this year. The ability to negotiate for drugs provided under **Part D Medicare** was included in the **Inflation Reduction Act**. A number of drugs were selected for negotiating this year and will be available in 2025 at the lower price. They are: Eliquis, a blood thinner; Xarelto, also a blood thinner; Januvia, a diabetes drug;

Jardiance, also for diabetes; Enbrel, a rheumatoid arthritis drug; Imbruvica, a drug for blood cancers; Farxiga, a drug for diabetes, heart failure and chronic kidney disease, and Entresto, a heart failure drug.

## Prescription Free Contraceptives Available Soon

NOW signed on to a joint comment letter in response to a **Request for Information** (RFI) from the **Departments of Health and Human Services, Labor, and Treasury** emphasizing the importance of a prescription free, over the counter (OTC) contraceptive that would ease access to effective contraception for millions who face barriers to access. The letter includes many strong arguments in favor of low cost and wide availability when the oral contraceptive, Opill, becomes available next year. The comment letter notes that many health insurance plans (which under the Affordable Care Act must provide coverage for contraceptives) require a prescription – without a prescription, the person would have to pay out of pocket the full price. The letter says that the three departments have the clear authority backed by the **Affordable Care Act** provision to require private health plans and the **ACA Medicaid expansion** plans to cover OTC contraceptives without cost-sharing and without a prescription.

Happily, the process towards that change is underway, but the joint letter urges the tri-agencies to issue a guidance clarifying a seamless means for consumers to obtain OTC contraceptives. Importantly, federal rules should require health plans to cover a 12-month supply of contraceptives at one time. Also, the letter asks that federal rules or guidance should require health plans to cover all OTC contraceptive products and that consumer-friendly implementation strategies should be adopted. There is a strong expectation that these and other recommendations will be adopted.

Previously, President Biden issued an executive order on Strengthening Access to Affordable, High-Quality Contraception, and Family Planning Services recognized contraception as an essential component of healthcare and announced actions to improve contraceptive access, including OTC contraception.

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