



# National Indian Health Board



## **We Need Your Help!** **Reach Out to Your Congressional Member to Stop Sequestration** November 27, 2012

On September 14, 2012, the Office of Management and Budget (OMB) submitted a report to Congress on the impact of sequestration of funds beginning in January 2013, pursuant to the Budget Control Act of 2011 (PL 112-25). Many federal programs and services, including American Indian and Alaska Native (AI/AN) health programs, will see significant, potentially devastating, budget cuts if sequestration goes into effect in January 2013.

### **What Can You Do?**

Tribes, Tribal organizations and supporters of AI/AN programs **need to communicate to Congress now** about protecting the funding for Indian programs from sequestration. NIHB has provided a sample letter that Tribes can modify and use as they contact their Congressional members and urge them to take action to stop sequestration. This is your opportunity to speak up about the importance of protecting Indian programs. Let your voice be heard!

### **Background**

Last year, Congress tasked the Joint Select Committee on Deficit Reduction (Super Committee) with developing a plan to reduce the federal deficit by \$1.2 trillion over a ten-year period as required by the Budget Control Act. Because the Super Committee failed to complete the task, a process known as “sequestration” was triggered. Through this process, \$1.2 trillion in automatic, across-the-board cuts will be made to federal spending over the next decade starting on January 2, 2013. If sequestration occurs, nearly all federal programs will be subject to a certain percentage cut. A number of programs are either exempt or subject to special rules. Many safety-net programs, such as Social Security, Medicaid, Temporary Assistance for Needy Families program, and the Children’s Health Insurance Program are exempt from these funding reductions. In addition, Medicare would be limited to a 2% provider reduction (benefits would be exempted). Likewise, the Indian Health Service (IHS) mandatory account for the Special Diabetes Program for Indians would be subject to a 2% reduction.

### **Impact**

Under the OMB report, the **IHS will be subjected to a 8.2% across-the-board cut**, resulting in a total estimated automatic cut to the IHS budget of **\$356 million in Fiscal Year (FY) 2013**. This cut translates into lost funding for primary health care and disease prevention services for AI/ANs, which is certain to produce tremendous negative health impacts. An additional \$54.5



billion cut to funding for other key health agencies such as Centers for Disease Control & Prevention, Substance Abuse and Mental Health Services Administration, Health Resources and Services Administration will deliver another divesting blow to our people's health, as these programs have become critical to our Tribal health system.

Overall, OMB describes the impact of \$109 billion in budget cuts as being “deeply destructive” and urges Congress to agree to a balanced budget plan to achieve the required deficit reduction, allowing for the cancellation of sequestration.

### **Congressional Outlook**

Congress will possibly address legislation that will make a sequestration of funds unnecessary when it returns to session, after the November elections. If Congress does not act, these cuts will go into *effect starting on January 2, 2013 and will continue through FY 2021.*

NIHB continues to monitor the situation and will report on new information as it develops. For more information, please contact Jennifer Cooper, NIHB Legislative Director at [Jcooper@nihb.org](mailto:Jcooper@nihb.org) or Jeremy Marshall, NIHB Senior Legislative Associate at [Jmarshall@nihb.org](mailto:Jmarshall@nihb.org)

