

February 13, 2013 | Vol. XVIII No. 2

The Very Harsh Reality of Sequestration

*Call or visit (or tweet) to prevent automatic
budget cuts*



Across-the-board 5% budget cuts are scheduled to take effect on March 1 (called the sequester). Many Members of Congress are willing to allow this to happen, and some have even framed it as a good thing. However, these cuts will cause real harm, disrupt services for those in need, and jeopardize jobs in a wide range of sectors. For health centers this means an immediate \$115 million cut and approximately 900,000 fewer patients served. For the Section 8 housing program, this means 125,000 households will lose their Section 8 voucher, thereby increasing homelessness and raising costs through instability and lost productivity. Your Congress members need to hear the real human stories of these cuts rather than just percentages and accounting figures. **Make sure they know how these cuts would have an impact on you, your project, and the patients you serve.**

TAKE ACTION

Call the Capitol Switchboard toll free at 1(877) 210-5351 to be connected with your members' offices. **It only takes a minute or two to make these calls!** State that you want the automatic budget cuts taking place on March 1 ("the sequester") to be prevented and use the following talking points:

- **Health programs will be cut.** Use examples of what your project might have to do if health center grants, SAMHSA grants, and/or Ryan White grants are reduced. NACHC estimates 900,000 fewer patients would be served by health centers. The White House [reports](#) 373,000 individuals diagnosed with mental illness would go without treatment from mental health block grant cuts and 7,400 could lose access to HIV/AIDS medication from AIDS Drug Assistance Program cuts.
- **Housing, employment, and other support programs will be cut.** The cuts to low-income housing programs are among the most dramatic. Check out this [report](#) from the Center on Budget and Policy Priorities for your potential state housing cuts and vouchers lost. This is on top of 100,000 people losing shelter through McKinney Vento cuts, 9.4% reductions in unemployment benefits, and almost \$3 billion in reductions to the Community Development Block Grant. Explain how your project's capacity might be overwhelmed.
- **Long-term costs will increase.** These cuts harm economic growth, reduce jobs, and eliminate many programs that save money. Tell them how your project saves money by reducing ER and hospital costs, improving health, and ending homelessness.
- **Real people will be harmed.** Use personal stories and examples of those that would be affected so they can understand the situation beyond accounting terms.

Remember to emphasize that low-income programs should be protected no matter what alternative replaces the sequester. **Medicaid, SNAP (food stamps), Social Security, and low-income tax credits are already exempt from the sequester but may be targeted in a bill to replace it.** Make sure to say you oppose cutting these programs.

Additionally, your Congress members will be back home next week, so **consider attending a town hall meeting or scheduling an appointment to discuss the above points.** And for those Mobilizer readers engaged in the twitterverse, **Thursday,**

February 14, will be a social media day of action. Use the hashtag #NoMoreCuts in the tweets you send and address them to your members. Link your tweets to data about your project or include the points listed above.

As always, please contact [Dan Rabbitt](#) with any questions and to report how your call goes!

Sequester Background

The automatic budget cuts known as "the sequester" were put into place by the Budget Control Act and the subsequent failure of the 'Super Committee' to agree to a deficit reduction plan. The cuts were designed to be equally unpalatable to both conservatives and progressives: 50% of the cuts were to the defense department (important to conservatives) and 50% were to other aspects of the federal budget (important to progressives). They are also across-the-board, with agencies and departments unable to prioritize certain programs over others, and are not phased in as policy changes are typically. Certain programs were exempt based on past deficit reduction legislation including Medicaid, SNAP, SSI, EITC, TANF, Social Security, and others; Medicare was exempt except for a 2% reduction in provider payments.

The automatic cuts are currently scheduled to occur on March 1 after they were delayed for two months in the American Tax Relief Act passed on January 2, 2013. This delay was fully paid for, so it is unlikely that the sequester will be repealed or delayed without a dollar-for-dollar replacement. The president and democrats have been pushing for a replacement made up of 50% program cuts to mandatory programs like Medicare and farm subsidies and 50% new revenues from reducing tax expenditures (loop holes and deductions). Republicans have stated they will not consider any increase in revenues and want to replace the sequester with cuts to exempted programs such as SNAP, Medicaid, and ACA funding. A presidential aide recently stated that Medicaid changes were off the table, but Congress may still seeks savings there. Republicans are mostly concerned with the defense cuts and not generally concerned with replacing the nondefense parts of the sequester.

This impasse over increased revenues is again the major impediment to an agreement. Most think that the sequester is likely to go into effect for at least a few weeks. If an agreement is reached before that, most of the operational harm to programs can be averted by agencies delaying some of their spending until an agreement is reached. However, after a few weeks agencies will have to commence with furloughs, reduced benefits, and other significant cost reductions. Proposals to delay the sequester for a few more months, one full year, or the entire nine years have been proposed but do not have the bipartisan support needed to be signed into law at this point.

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