Impact of a Federal Government Shutdown on People with MS

What is a Shutdown?
When the President and Congress fail to agree on a spending bill before the start of the fiscal year, October 1, there has been no money approved to fund the federal government and its agencies and programs — resulting in a shutdown. In situations where the federal government is operating under a continuing resolution (CR), it is possible for a government shutdown to occur in the middle of the Fiscal Year if a new spending bill is not enacted by the time the continuing resolution expires. The National MS Society is not a government agency and does not rely on government funding. Therefore, there will be no direct impact to the Society.

This document provides guidance based on the best available information about how a shutdown may impact people living with MS. The federal government will likely provide and post more detailed plans about what each agency will do in the event of a shutdown. The National MS Society continues to urge Congress to take a balanced approach to resolving budgetary issues in order to keep the government running, and the programs and services on which people with MS rely available.

Current Status:

Congress has not passed any of the 12 individual spending bills for FY 2018. The federal government and its programs are operating under a CR that extends existing funding levels and will expire on January 19th, 2018 at midnight. Congressional leaders are currently negotiating an extension of the continuing resolution that would fund the government at current levels through either January 23rd or February 16th to give them more time to reach a bipartisan budget deal. If the CR is not extended past January 19th or if a new budget agreement is not reached, the federal government will shut down.

Current negotiations are being complicated by disagreements over reauthorization of the Children’s Health Insurance Program (CHIP) and crafting a path to citizenship for children who were brought to the United States illegally by their parents, known as Deferred Action for Childhood Arrivals (DACA).

For questions or an update on status, please contact Laura Weidner, Senior Director of Federal Government Relations at laura.weidner@nmss.org or 202-408-1500.
Impact on Agencies and Programs Important to people with MS

Social Security Administration (SSA) Programs
- Payments from Social Security Administration programs, including retirement, Supplemental Security Income (SSI) and Disability Insurance (SSDI) are mandatory spending, so checks should continue to be issued as usual. However, the longer the shutdown continues, the greater the likelihood of payment delays due to staffing furloughs.
- Continued Operations include:
  - Application for benefits (including appointments; limited data exchanges and record corrections for mandatory benefits, including earnings.);
  - Request for appeals (reconsiderations, hearings, Appeals Council);
  - Normal post-entitlement actions (change of address, Supplemental Security Income living arrangement changes, non-citizen verification/changes, direct deposit, death inputs, etc.);
  - Non-receipts and critical payments;
  - Critical information technology support to process daily activities;
  - Payee changes;
  - Redeterminations and continuing disability reviews;
  - Initial claims, including terminally ill, compassionate allowances, quick disability determinations, dire need, and wounded warriors; and
  - Reconsiderations.
- The Office of Hearings Operations (OHO) will continue to schedule, hear, and decide cases on a limited basis.

National Institutes of Health (NIH)
- The NIH will continue patient care for current NIH Clinical Center patients, minimal support for ongoing protocols, animal care services to protect the health of NIH animals, and minimal staff to safeguard NIH facilities and infrastructure.
- The NIH will not admit new patients (unless deemed medically necessary by the NIH Director) or initiate new protocols, and will discontinue some veterinary services.
- The NIH will not take any actions on grant applications or awards.

Centers for Medicare & Medicaid Services (CMS)
- CMS would continue key Federal Exchange activities, such as open enrollment eligibility verification, using Federal Exchange user fee carryover. In the short term, the Medicare Program will continue largely without disruption during a lapse in appropriations. Additionally, other non-discretionary activities including Health Care Fraud and Abuse Control, and Center for Medicare & Medicaid Innovation activities would continue. States will have sufficient funding for Medicaid through the second quarter, due to the continuation of authority under the CR for appropriated entitlements, and CMS will maintain the staff necessary
to make payments to eligible states from remaining Children’s Health Insurance Program (CHIP) carryover balances.

- Medical care of inpatients and outpatient emergency care will continue without interruption.
- Medicaid expansion is mandatory spending so for those states that chose to expand, the shutdown won’t impact Medicaid payments.

**Affordable Care Act**

- Insurance market reforms (eliminating pre-existing conditions, removal of caps, etc.) do not require funding and are regulatory changes. A shutdown has no impact on these reforms.
- Premium tax credits to help people pay for Marketplace insurance (sometimes called exchanges) are mandatory spending, so a shutdown will not impact them.

**Food and Drug Administration (FDA)**

- FDA would continue limited activities related to its user fee funded programs including the activities in the Center for Tobacco Products. FDA would also continue select vital activities including maintaining critical consumer protections to handle emergencies, high-risk recalls, civil and criminal investigations, import entry review, and other critical public health issues.
- FDA will be unable to support the majority of its food safety, nutrition, and cosmetics activities. FDA will also have to cease safety activities such as routine establishment inspections, some compliance and enforcement activities, monitoring of imports, notification programs (e.g., food contact substances, infant formula), and the majority of the laboratory research necessary to inform public health decision-making.

**Center for Disease Control and Prevention (CDC)**

- CDC will continue minimal support to protect the health and well-being of US citizens here and abroad through a significantly reduced capacity to respond to outbreak investigations, processing of laboratory samples, and maintaining the agency’s 24/7 emergency operations center. CDC will also ensure that staff that are currently supporting the ongoing hurricane response will continue their important work to respond to immediate and ongoing public health needs in the affected areas.
- CDC will be unable to support the annual seasonal influenza program, outbreak detection and linking across state boundaries using genetic and molecular analysis, most non-communicable disease prevention programs, continuous updating of disease treatment and prevention recommendations (e.g., HIV, TB, STDs, hepatitis), and technical assistance, analysis, and support to state and local partners for infectious disease surveillance.
Substance Abuse and Mental Health Services Administration (SAMHSA)

- SAMHSA would continue programs such as the Disaster Distress Helpline, Treatment Locator, Treatment Referral Line, and Suicide Prevention Lifeline using available grant balances but without technical assistance or facilitation from SAMHSA.

Administration for Community Living (ACL)

- ACL would not be able to fund the Senior Nutrition programs, Native American Nutrition and Supportive Services, Prevention of Elder Abuse and Neglect, the Long-Term Care Ombudsman program, Protection and Advocacy for persons with developmental disabilities, or Independent Living Centers and services.

Free/Low-Cost Clinics

- Health Centers would continue to provide health services, as grantees would be able to draw down funds that have already been awarded and mandatory funding would remain available.

Housing

- Section 8 Housing will continue where there is funding already in place.

Transportation

- Transportation should not be noticeably impacted by the shutdown.

Other Impacted Sectors

- National Parks will remain open but staffing and visitor services will be very limited or unavailable.
- The National Council on Disability will shut down completely.
- The government will be unable to process passport applications and will only be able to process emergency visa and emergency passport applications.
- Agencies with independent funding like the U.S. Postal Service will not shut down.

Background. Under the Anti-deficiency Act, federal agencies and programs must cease operations if they lack funding. For agencies and programs that rely on discretionary funding through annual funding bills (for example, the NIH, FDA, Environmental Protection Agency and National Park Service), Congress and the President must act by the end of the fiscal year (September 30) to keep government agencies and programs funded. If they don’t take action, a “funding gap” is created and the federal government begins a “shutdown” of the un-funded portions of the government. The last government shutdown lasted three weeks from October 1st to October 17th, 2013. There have been 18 shutdowns since 1976.
**Mandatory vs. Discretionary Spending.** Entitlement programs like Medicare and Social Security will continue to be funded because they are categorized as ‘mandatory’ spending. Extremely important government activities like research funding at the National Institutes of Health are 'discretionary,' or non-mandatory spending. The discretionary spending of the government feels the greatest impact with a federal government shutdown.