

### Some Health Programs Saved from Budget Cuts

President Reagan has spared some health programs from the budget ax in fiscal 1983, overruling the Office of Management and Budget (OMB).

Accepting the pleas of Health and Human Services (HHS) Secretary Richard Schweiker, the White House approved small increases in the budgets of the Food and Drug Administration, the Centers for Disease Control, the National Institutes of Health, the National Health Service Corps, and the Alcohol, Drug Abuse and Mental Health Administration.

In addition, the Administration will not seek to add new health programs to the block grants. Funding for the block grants will be set at the level included in the continuing resolution passed by Congress last December. Office of Management and Budget Director David Stockman has sought an additional 13% cut in block grant funding.

FDA funding for fiscal 1983 was set at \$337.7 million, an increase of almost \$12 million over the fiscal 1982 level. OMB had sought to cut funding to \$327.7 million while HHS wanted \$347.6 million. OMB agreed to provide \$2.5 million for eight new health maintenance organization loans in fiscal 1983 after first seeking to end all loan funding. The agreement also calls for funds to cover HMO defaults.

Schweiker was able to gain approval for his entire appeal for the Alcohol,

Drug Abuse and Mental Health Administration. The White House restored \$9.4 million slated to be cut by OMB from a funding level of \$300.6 million. This allows funding for mental health research and clinical training.

Many members in Congress — including Republicans — were relieved that OMB had lost the fight over health spending cuts. Many were concerned that further large cuts in health spending would hurt them in the 1982 Congressional elections.

### Revamping of Health Planning Program

A complete revamping for the nation's health planning program emphasizing strong state involvement has been introduced in the House by Rep. Edward Madigan (R., Ill.). The plan takes the block grant approach to the planning program's functions.

The plan would provide \$50 million for each of the next three fiscal years for grants to the states for planning activities. No state would be required to participate, and any state that does not take part would suffer no penalties.

States would set their own performance standards and goals each year and would determine who participates in the program. The measure would also repeal the last vestiges of the Hill-Burton Act.

One of the more controversial elements of the plan is a proposal to

increase significantly the CON level for capital expenditures. Congress increased that figure to \$600,000 as part of the budget reconciliation act last year. Madigan proposes raising it again to \$5 million. Such a level would require review of only the largest construction, renovation, or modernization projects and is expected to be the topic of considerable debate.

The Madigan plan would also put an end to a Federally-mandated local planning program. Local planning, run by health systems agencies, is already near extinction as a result of Congressional action last year to allow states to eliminate HSAs and run planning through a single agency.

### Compressed Work Schedule for VA Nurses

Rep. Sonny Montgomery (D., Miss.) has introduced legislation (H.R. 5947) that would authorize the Veterans' Affairs administrator to approve a compressed work schedule for VA nurses.

Nurses who work two 12-hour shifts over a weekend would be considered to have worked a full week. The proposal is designed to relieve the shortage of nurses in VA medical centers.

In recent hearings on the measure, Dr. Donald Custis, chief medical director for the VA, supported the bill. He said VA can better compete on the basis of salary and a four-day compressed work week rather than a structured weekend schedule.