
FEDERAL RELATIONS

President Trump's FY 18 Budget

Democrats continue to react to President Trump's FY 2018 budget outline, which proposes \$54 billion in additional defense spending offset by an equal amount of discretionary domestic funding cuts. Many would like to see parity between defense and non-defense priorities, such as the National Institutes of Health and energy programs.

Each budget cycle, the House and Senate Committees on Appropriations bring secretaries and undersecretaries of agencies before their members to answer detailed questions about their proposed spending items and levels. However, in this year's "skinny budget," many agency budgets were small, some with as few as one to two pages. Those serving in the administration received a memo from the Office of Management and Budget Director Mick Mulvaney instructing them not to answer specific questions in front of Congress beyond what is contained in the budget blueprint, including comments about specific programs and account-level amounts. The development and release of the full document is not yet completed, so it could be considered speculation for any witness to discuss details without OMB approval.

Appropriations Committee Ranking Member Nita Lowey (D-NY) and Labor, Health and Human Services, and Education (LHHS) Subcommittee Ranking Member Rosa DeLauro (D-CT) issued a statement that such a memo indicates a "run and hide" approach. Administration officials responded that similar memos were issued in the first years of the Obama and Bush Administrations.

Last week, six NIH directors and Secretary of Education Betsy DeVos were scheduled to testify before the House Labor/HHS/Education Subcommittee, but both hearings were postponed without explanation. This week will serve as the second test, as budget hearings are scheduled in numerous subcommittees, including one with Secretary of Health and Human Services (HHS) Tom Price as a witness, in the wake of the failure of the House to repeal the Affordable Care Act.

Key areas of the budget for Wayne State University include:

Department of Education

- Faces a 14 percent cut under the President's budget, which would downsize or eliminate a raft of grants, including for teacher training, afterschool programs, and aid to low-income and minority college students. Pell Grants would theoretically remain the same size, but the proposal for summer Pell Grant funding would be eliminated. The cuts would be coupled with a historic investment — \$1.4 billion — in charter schools, private schools and other school-choice initiatives.
- Cuts \$3.7 billion in grants for teacher training, after-school and summer programs, and aid programs to first-generation and low-income students.
- "Significantly" reduces federal work-study aid to college students.
- Increases charter school funding by \$168 million.

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- Creates new private-school choice program with \$250 million.
 - Spends \$1 billion to encourage districts to allow federal dollars meant for low-income students to follow those students to the public school of their choice.

Department of Health and Human Services

The President's budget proposes an 18 percent decrease for HHS, one of the largest and most sprawling departments within the government. That sum excludes funding for the insurance provided by Medicare and Medicaid, two vast entitlement programs for older and lower-income Americans. In a rare move, those programs were omitted from the brief budget description the President has released. *This is the lowest requested level of funding for NIH in over 20 years.*

- Increases funding for efforts to prevent and treat opioid addictions
- Decreases funding for the National Institutes of Health and certain programs to train health professionals

The 19 percent cut would affect the billions of dollars NIH gives out to researchers around the globe – including the perinatology research center at Wayne State University -- as well as studies at its sprawling Bethesda, MD, campus. NIH funding will fall from \$30.1 billion to \$25.9 billion. This includes the elimination of the Fogarty International Center, which builds partnerships between U.S. and foreign health research institutions. I could not find a line-item for Area Health Education Centers in this budget, another project funded through HHS and which is led by Wayne State University.

Department of Justice

The proposal boosts the Justice Department's tough-on-crime and anti-immigration efforts. Its overall 4 percent decrease appears to come from a reduction in federal prison construction, while putting money toward targeting criminal organizations and drug traffickers, and hiring immigration judges, border enforcement prosecutors and additional deputy U.S. marshals. The proposal indicates that DOJ officials could withhold grants or other funding for "sanctuary cities," but did not specify which programs could be affected.

- Cuts funding to reimburse state and local governments for costs of incarcerating certain undocumented immigrants.
- Cuts almost \$1 billion of funding for federal prison construction.
- Adds \$249 million of funding for the FBI, largely aimed at counterterrorism, cyber threats, more timely firearms purchase background checks and more crime data.
- Adds \$80 million to adjudicate immigrant removal proceedings and hire more attorneys

Budget Reconciliation and FY 17 Appropriations

The House FY 17 budget reconciliation measure- the American Health Care Act, aimed at "repeal and replace" of the Affordable Care Act- did not receive a floor vote last week, and its future is now uncertain. Speaker Paul Ryan (R-WI) said the House Republican party "will need time to reflect" on the failed attempt to pass the health reconciliation measure before moving forward with other priorities.

There are a few potential scenarios. House Republicans could move ahead without voting on the FY 17 budget. Alternatively, they could remove the health reform aspects and take a vote on a pared down measure. The Senate could formulate and take up their own version of a FY 17 budget reconciliation bill. In any scenario, the failure for enough House Republicans to coalesce around health reform legislation may impact the future budget and appropriations processes, particularly the possibility of “regular order” with the FY 18 spending bills.

The House and Senate Budget Committees held hearings on the FY 2018 budget resolution measure but have not yet released the language. If the resolutions are ultimately passed in each chamber and then reconciled, this would provide another legislative forum in which only 51 votes are required in the Senate. Republican leadership has said the intent is to use a FY 2018 budget reconciliation as a mechanism for tax reform.

Appropriators continue to work on reconciling differences between the House and Senate FY 2017 bills. The current Continuing Resolution (CR) expires on April 28, 2017. It is still uncertain whether there will be a catch-all Omnibus, “Cromnibus,” or full-year CR before that deadline. Democrats continue to be concerned with the defunding of Planned Parenthood and policy riders that were contained in the appropriations bills passed out of committee last Congress.

STATE RELATIONS

Higher Education Budget Update

Senate Subcommittee

The Senate Higher Education Appropriations Subcommittee voted to move its version of the Higher Education Budget to the full Appropriations Committee on March 29, by a vote of 2-1.

The Senate subcommittee’s version of the budget gives an overall increase of 2%, or \$28 million. The Governor’s budget gave an overall increase of 2.5%, or 35 million. This budget would give Wayne State an increase of \$3.1 million, which is a 1.6% increase. LSSU would get a 1.5% increase.

The tuition restraint level the Governor proposed remains the same in this version of the budget (the greater of 3.8% or \$475).

House Subcommittee

The House Higher Education Appropriations Subcommittee passed its version of the Higher Education Budget to the full Appropriations Committee on March 30, by a vote of 5-0-1 (the 1 is an abstention).

The House subcommittee’s version of the budget provides an overall increase of 1.9%, or \$26.6 million. This budget would provide Wayne State an increase of \$2.95 million, which is a 1.5% increase. LSSU would receive the same 1.5% increase.

The tuition restraint remains the same as the Governor and Senate's budget.

Interesting to note is that, while most of the subcommittee members mentioned that they wished they could provide more funding to the universities, Rep. Rob VerHeulen (R-Walker) said that he hoped that a larger portion of the funding could be run through the metrics.

The full House and Senate Appropriations committees are scheduled to start moving budgets after the two-week spring break.

URC Brown Bag Luncheon

The University Research Corridor (URC) held its quarterly Brown Bag legislative luncheon on March 23 at the State Capitol. The theme of the lunch was: Infrastructure in the 21st Century.

The speaker for Wayne State University was Eranda Nikolla, PhD., Assistant Professor, Department of Chemical Engineering & Materials Science.

This lunch was a different format than previous events. Instead of each speaker getting an allotted amount of time to speak, there was a panel discussion with Jeff Mason serving as the moderator. Also, in an effort to attract more involvement from state legislators, the event was held on a session day.

There were 30 lawmakers, staff and department officials in attendance, including John Walsh, a senior advisor to the Governor.

President Wilson's Testimony

On March 16, Wayne State University President M. Roy Wilson gave testimony before the House Higher Education Appropriations Subcommittee.

President Wilson discussed the three points the subcommittee asked presidents and chancellors to address:

- Reverse Transfer Agreements and partnerships with community colleges
- Addressing the needs of first generation college students
- Institutional impact of the performance funding formula and suggestions on improvements

The President's testimony can be found [here](#) under the "What's New" section of the Government and Community Affairs website (www.govaffairs.wayne.edu).

Joint Capital Outlay Update

In recent hearings, the Joint Capital Outlay Subcommittee met and heard testimony from the State Budget Office, who discussed the Governor's recommendation for Capital Outlay and the scoring and evaluation process for the Governor's recommended budget.

Wayne State University's STEM Innovation Learning Center was scored as the top university project by the Governor. Also of note is that Wayne State's proposed project was recognized during the presentation as an example of "Best Practices" in Job Creation by the State Budget Office.

MASU Legislative Lunch

On March 15, the Michigan Association of State Universities (MASU) held its first (in many years) Legislative Lunch, which was hosted by the organization and all of the State Relations Officers from the public universities.

While we have not yet received final attendance numbers, the turnout for the 90 minute event was good.

Our office secured the location of the lunch - the basement of the Christman Building.

In addition to the lunch, Dan Hurley and Bob Murphy of MASU gave a presentation on the state of higher education today. At the end of the event, they raffled off prizes from each of the 15 universities.

Michigan Black Caucus Foundation Meeting w/ WSU

On March 13, officials from Wayne State University (WSU) met with members of the Michigan Black Caucus Foundation.

This was a meeting that the Foundation requested to talk about a number of issues, including the relationship between Tenet and the School of Medicine.

Several administration officials from WSU, including President Wilson, addressed various topics that the Foundation wanted to discuss. Dr. Herb Smitherman, Provost Keith Whitfield and Vice President for Research, Stephen Lanier, also participated in the discussions.

President Wilson's Cycling Tour Planning

Our Division recently participated in a planning meeting for President Wilson's upcoming cycling tour of Michigan.

The President is hoping to do an extended cycling tour to reach out to people in cities and towns that voted mostly Republican in the last election. He plans to cycle 500-600 miles (or 80-100 per day) and visit five cities over the course of a week. The goal is to better understand people who voted differently from voters in Detroit, and perhaps build bridges in an increasingly polarized world. The event will take place in June or July, and can include another state.

COMMUNITY RELATIONS

Wayne Cares Events

Wayne Cares is a university outreach initiative that provides wide-ranging opportunity for the University community to engage in charitable giving and support charitable causes. The initiative's primary goal is to help the various University schools, colleges and divisions to work together and collaborate to impact the community for good. Wayne Cares events include:

- WSU Athletics Department "W Week" Community Service Initiative
- Wayne Cares Midtown Makeover
- Wayne Cares American Heart Association Heart Walk
- Wayne Cares Susan G. Komen Race for the Cure
- Wayne Cares March of Dimes Walk

March of Dimes Walk

Wayne State University is proud to participate in the March of Dimes *March for Babies* on Saturday, April 29, 2017, which will take place at the Detroit Medical Center's Brush Mall. The March of Dimes' mission is to improve the health of babies by preventing birth defects, premature birth and infant mortality. Their mission is carried out through research, community services, education and advocacy to save babies' lives.

W Week

Wayne Cares is partnering with the Wayne State Athletics Department in collecting basic needs items including, but not limited to soap, socks, toothbrushes, toilet paper, feminine products and deodorant, for its annual Basic Needs Drive. Collections will take place April 17—April 21. The distribution of the basic needs bags will take place on April 21 at the Matthaei Athletic Complex.

2017 Wayne Cares Susan G. Komen Race for the Cure

On May 13, 2017, Wayne State University will participate in the Susan G. Komen Race for the Cure under the Wayne Cares banner. This year's honorary chair for WSU is Provost Keith Whitfield; Wayne Cares chair is Patrick Gossman.

26th Susan G. Komen Race for the Cure Detroit
Saturday, May 13, 2017
Comerica Park
For more information please visit govaffairs.wayne.edu

American Heart Association

The Metro Detroit Heart Walk will be held from 8 a.m. – Noon on Saturday, May 20, at Wayne State University. Runner registration begins at 7:30 a.m. at Matthaei. The main festival grounds open at 8 a.m. for participants to enjoy activities before the walk (which begins at 10 a.m.) including the Kids Zone, photo booths, mascot race, activities, giveaways, Eat Street and much more.

Schedule of Events

- 7:30 a.m. – Runner Registration & Check-In
- 8:00 a.m. – Main Festival Grounds open to the public and activities begin
- 8:45 a.m. – Runners will begin lining up at the Start Line
- 9:45 a.m. – Opening Ceremony and Warm Ups
- 10:00 a.m. Walk begins following the opening ceremony

OUTREACH AND ADVOCACY

Warrior Day

On March 21, nearly 80 Wayne State University (WSU) students, faculty and administrators came to the State Capitol for Warrior Day 2017.

WSU participants met with their own legislators, including both their State Representative and State Senator. In a few instances, WSU participants met with a legislative staff person when their representative was not available. The President, Provost and members of the Board of Governors met with the State Budget Director and other influential lawmakers.

Two lawmakers, Reps. Fred Durhal (D-Detroit) and Larry Inman (R-Traverse City) came to the Christman Training Room and spoke with the group prior to the morning meetings. In addition to hearing from guest speakers, WSU participants attended a buffet lunch in the Capitol for additional time to interact with legislators and staff in a more informal setting. Wayne State was also introduced on the floor of the House at the beginning of session by Rep. Fred Durhal.

WSU students, faculty and administrators met with 65 legislative offices which totaled nearly half of the state's 148 lawmakers. Wayne State participants hailed from all 13 of our schools and colleges. Each school and college provided a unique poster, which was displayed in the Capitol and gave an overview of that particular school or college.

Spirit of Community Awards Ceremony and Reception

On Thursday, March 23, the Division of Government and Community Affairs partnered with the Office of the President, Office of the Provost, Alumni Association, and Dean of Students' Office to hold the inaugural Spirit of Community Awards. This event honored alumni for philanthropic giving, and a student, staff member, faculty member and project that best exemplify WSU's commitment to community engagement and service. The keynote address was delivered by Tony Michaels, President and CEO of the Parade Company.

Ninety-two nominations were submitted for the four Spirit of Community Awards and each award was judged by a panel of five, comprised of a student, administrative staff member, faculty member, alumnus, and an external community leader, totaling 20 judges.

Honorees included:

- Inspire from Within Philanthropy Award: **Peter & Karen Frade**
- Student Engagement Award: **Tapinder Singh**
- Staff Engagement Award: **LaShawnda Wrice**
- Faculty Engagement Award: **Hayley Thompson**
- Project Engagement Award: **Street Run Outreach Program of Street Medicine Detroit**

Following the ceremony, attendees enjoyed a reception with heavy hors d'oeuvres and desserts in McGregor. We also gave away four \$25 gift cards at this event for Tony V's, Mac & Brewz, and Aramark vendors. The South End published an article about the event and Marketing & Communications is writing a follow-up article to be included in Today@Wayne. We are planning a debrief meeting soon to discuss next steps and plan for next year.

Wayne Engaged eNewsletter – February 2017

The fourth issue of [Wayne Engaged](#), the Division of Government and Community Affairs eNewsletter, was distributed February 28, 2017. This iteration included a featured piece advertising the Spirit of Community Awards Event, as well as a University Spotlight highlighting the last six months of accomplishments of the HIGH Program. In addition to federal, state, local and community updates, we also included an article that profiled the two incoming and two outgoing members of the Board of Governors.

The next eNewsletter will be sent out in May.

GOVERNMENT HEALTH AFFAIRS

Graduate Medical Education (GME) Reform – MiDoc's

There has been increased pressure on the Michigan Department of Community Health to explain why they have failed to allocate the \$500,000 in planning funds appropriated by the legislature to be used for MiDoc's. Doug Skrzyniarz met with Senator Stamas' staff, who were informed by the Senate Fiscal Agency that the money has been used by the department for other purposes. Needless to say, this was an alarming update. Fortunately, we were subsequently informed that the \$500,000 would likely be distributed to Wayne State University by May 1, 2017. We have yet not received confirmation of that distribution and are working toward that end.

GME overview - In response to the multitude of concerns of state legislators on the state Medicaid GME Program, we worked with the legislature in 2013 to create the MiDocs program. MiDocs is a consortium of Central Michigan University, Michigan State University, the University of Michigan, Wayne State University, and Western Michigan University, and their

respective medical school, to create a pilot program that will help create new physicians practicing in primary care and other targeted specialties to train and serve post-residency in the most medically underserved communities in the state. Furthermore, the program will be needs based, focused on quality metrics, be financially accountable and transparent, and will produce an annual audited statement that shows the efficacy of the program, based on those guiding principles. The MiDocs consortium submitted its report to the legislature in April, including a plan for a pilot program. The pilot program will include a leadership role for the Michigan Area Health Education Center and will create a new legal entity named MiDocs, which will distribute program funding on behalf of the legislature.

Lycaki-Young Fund

Since February, the government affairs team has met with more than 30 state representatives and senators to brief them on the impact of the Lycaki Young and unintended consequences of the Governor's proposed \$1.4 million cut. Many legislators were particularly concerned on how the cut would impact physician training of prospective psychiatrists, considering the state shortage of mental health professionals. Republicans and Democrats alike expressed a strong desire to see the funds reinstated in the budget.

Simultaneously, the government affairs team and the department of psychiatry have been meeting with the Michigan Department of Health and Human Services to identify ways the fund can be more value added and beneficial to state priorities. These meetings have been very productive. It is possible that the Department will proactively ask for the cut to be restored in the budget.

Background

The program, which funds the department of psychiatry, started more than 20 years ago by Gov. John Engler to transition patient care from the Lafayette Psychiatry Hospital and treat the most at-risk mental health patients in SE Michigan. Funding has been static at \$5.6 million. Wayne State has never asked for an increase, even for inflationary adjustments. The fund has increasingly focused on clinical translational projects to increase health outcomes for high Medicaid utilizers, helping to significantly increase health outcomes and cut Medicaid expenditures. The majority of the funding is spent on direct patient services and teaching programs. The psychiatry residency training program is one of the largest in the Midwest and 80 percent of the graduates stay in Michigan to practice.

Example Lycaki Young Program:

High Utilizers of DRH Emergency Department: Psychiatric Evaluations

During January 2017, 1,008 patients received psychiatric evaluation. According to the State, a HIGH UTILIZER is a patient admitted to an Emergency Department (ED) 5 or more times per year.

- Number of patients with psychiatric evaluations: 1,008

- Number of HIGH Utilizers: 162
 - 5 admissions = 24%, 6-10 = 38%, 11 -19 = 17%, 20+ = 21% (in previous year)
 - 2,139 admissions to DRH ED during the prior 12 months
 - 2:1 male to female ratio
 - Range in age from 19 to 77 (mean of 39 years)
 - Range in number of ED admissions from 5 to 113 (mean of 7)
 - 60% (77) had a substance use disorder diagnosis
 - 61% (79) had medical diagnosis, including Hypertension, Diabetes, Congestive Heart Failure, Asthma, Obesity
 - Insurance:
 - 67% Medicaid only
 - 29% Medicaid & Medicare
 - 9% Medicare only
 - 8% No Insurance *Covered by the MCPN; they do not pay for ED services*
 - 1 patient with private insurance

WSU/WSUPG high utilizer programs

- Utilization of the Detroit Receiving Hospital emergency room/crisis center has led to an inpatient hospitalization rate of only 8% for high utilizers.
- Reduce repeat ED admissions at least 30% for psychiatric patients not already enrolled in priority targeting program and 50% reduction for patients who are enrolled.
- Psychiatric inpatient hospitalization admissions were reduced to 5% with Face to Face program participants, including savings of more than \$677,000/ month.
- For those admitted to inpatient stay, significant reduction in length of stay. The High Intervention Program reduced the average inpatient psychiatric length of stay to less than ½ of other insurers and significantly more compared to other CMH PIHP managed patients.

School of Medicine Advocacy Day

On March 1, the WayneSOM LEAD program hosted its annual advocacy day in Lansing. More than 75 medical students traveled by bus and car to attend the day long advocacy day. They attended more than 50 meetings with state representatives, senators, and leaders in the executive branch. A special thank you to Governor Michael Busuito, MD, for joining the students on the trip. He was a great advocate for the university and the School of Medicine. The students focused their message on Lycaki Young, university appropriations funding, and informing the legislators on the process of medical education.

Enhanced Medicaid Payments

It was discovered in 2016 that a new federal rule might limit future payments to the state Medicaid enhanced payment program. This program benefits all the public medical schools by increasing Medicaid reimbursement rates. The goal of the program is to ensure access to quality academic based medical treatment. We have joined MSU in creating a consortium of the medical schools to address the federal rule change. We believe that by fighting together,

we will have a stronger voice, and we can divide up lobbying costs. The first step for the group is having an economic impact report conducted on the program to better educate our congressional delegation on how the program impacts the state. The consortium will work with federal and state leaders to ensure the program's survival.

PRB 25th Anniversary

The Perinatology Research Branch (PRB) is celebrating its 25-year anniversary this year. In commemoration of the event, the PRB is hosting the new director of the NICHD in August. WSU, as the primary partner of the PRB, will invite the congressional delegation and other state leaders to join in the celebration. There is also discussion of hosting an event on Capitol Hill with the women's caucus in the US Senate and House to commemorate the 25 years of PRB discoveries that have supported woman's health and healthy babies. We will keep the Board informed as dates become available.