

Eye on Washington by Nicholas F. Benton

OMB computer cuts back AIDS fight

The Office of Management and the Budget, to whose computer the Congress delegated its authority under the provisions of the Gramm-Rudman legislation in December, has reorganized the government's program to combat AIDS.

The OMB has recommended that the entire AIDS effort—involving \$213 million for FY 1987 (a paltry sum, which does not begin to meet the requirements for tackling this ominous threat)—be centralized under the authority of the surgeon general's office. This is despite the fact that this office, directed by Dr. C. Everett Koop, has not been actively involved in administration AIDS policy at all up to this point.

The OMB memorandum states: "The surgeon general and a small staff will be designated to coordinate the department's activities."

This is not intended to improve the effort to cope with the AIDS problem, but, like everything going on in Washington since the passage of Gramm-Rudman, has strictly fiscal considerations in mind. The new OMB assignment for Surgeon General Koop comes with \$17 million trimmed off the congressional request for AIDS funding.

The OMB also announced deep cuts in Medicare, Medicaid, and National Institute of Health grants. For example, it has resurfaced a proposal

previously rejected by Congress, to limit the costs of the Medicaid program by reimbursing states for strictly defined "medically necessary services only."

It also proposes limiting federal payment for educational and vocational services for the mentally retarded and for requiring a second opinion on surgery. It proposes that Medicare beneficiaries pay higher premiums for their coverage and that Medicare reimbursement rates to hospitals be increased next year by only 2%, way below the rate of actual inflation.

The OMB computer also mandated a \$15 million cut, halving the size of the Centers for Disease Control chronic and environmental health program budget for 1987.

Under the auspices of Gramm-Rudman and in the name of "free enterprise," the Congress is implementing Gov. Richard Lamm's (D-Colo.) Nazi "final solution" against the elderly, ill, and mentally retarded.

State and local governments hit hard

A spokesman for the National Association of State Budget Officers told this reporter that Gramm-Rudman has already begun to create pandemonium at the state and local government level, where budgets for 1986 have already been completed based on expected federal assistance—which suddenly is no longer going to be there.

Over \$11.6 billion is going to be cut out of the federal budget before March 1, and Larry Dzieza, staff director of the State Budget Officer's group in Washington, D.C. said that it is estimated that \$4.1 billion of that will come from programs assisting state and local efforts. "This will be in the form of so-called sequestered funds, automatically cut by the OMB

or GAO [Government Accounting Office—ed.] under the provisions of Gramm-Rudman," Dzieza said.

The biggest effect, he reported, would be in areas such as compensatory education, that is, education for the handicapped and disabled. As much as \$210 million could be lost from this program by fiscal year 1987.

Urban transit, housing, sanitation, and related basic urban infrastructure programs will also be torpedoed. Forget about any larger water projects, he declared. Under Gramm-Rudman, the Omnibus \$19 billion water bill passed by the House in the fall of 1985 has already become a white elephant.

In anticipation of the "sequestering" powers of the OMB and GAO computers under the Gramm-Rudman regime, President Reagan is preparing a 1987 budget, due out in February, that is expected to call for \$8 billion in cuts to Medicare, selling the Federal Housing Administration, the Bonneville Power Administration, the Naval Petroleum Reserve, and other public agencies to private business, cuts in housing, ending subsidies to Amtrak, and slashes in the defense budget.

Dzieza reported that drug-abuse prevention programs, as well as vocational training programs, will also get the knife.

So much for the President's War on Drugs. Not only has it been stopped at the top levels of the Justice Department, to prevent action against money-laundering banks, but even the neighborhood efforts that the First Lady likes to visit now and again are being eliminated.

Dzieza said that in an environment where malnutrition and disease are already rising, serious cuts in already marginal funding programs for minimal sanitation upkeep and rat abatement programs in inner cities could have disastrous and uncontrollable results in the immediate months ahead.