



Toward Common Ground

2017

Bridging the Political Divide
with Deficit Reduction
Recommendations for
Congress



Toward Common Ground

Bridging the Political Divide with Deficit Reduction
Recommendations for Congress

June 05, 2017



Authors

Demian Brady, National Taxpayers Union Foundation
Spencer Woody, National Taxpayers Union Foundation
Michelle Surka, U.S. Public Interest Research Group

Acknowledgements

The authors bear responsibility for any factual errors. The recommendations are those of U.S. Public Interest Research Group (U.S. PIRG) and National Taxpayers Union Foundation (NTUF). The views expressed in this report are those of the authors and do not necessarily reflect the views of funders or those who provided review.

U.S. Public Interest Research Group

With public debate around important issues often dominated by special interests pursuing their own narrow agendas, U.S. PIRG Education Fund offers an independent voice that works on behalf of the public interest. U.S. PIRG Education Fund, a 501(c)(3) organization, works to protect consumers and promote good government. We investigate problems, craft solutions, educate the public, and offer meaningful opportunities for civic participation. For more information about U.S. PIRG Education Fund or for additional copies of this report, please visit uspirgedfund.org.

National Taxpayers Union Foundation

National Taxpayers Union Foundation, founded in 1973, is a nonpartisan research and educational organization, dedicated to showing Americans how taxes, government spending, and regulations affect them.

Through difference-making data, analysis, and commentary, we empower citizens to engage in the critical policy debates of our time – and hold elected officials accountable.

For more information about NTUF or for additional copies of this report, please visit ntu.org/foundation.

Executive Summary

To break through the ideological divide that too often frames unproductive policy debates, and to offer a pathway that can address the nation's fiscal problems, National Taxpayers Union Foundation and U.S. Public Interest Research Group joined together to identify mutually acceptable deficit reduction measures. This report documents our findings.

What follows is a general summary of recommendations that fall into four broad categories:

- **\$124 billion** in savings from ending wasteful subsidies,
- **\$78 billion** from addressing outdated or ineffective military programs,
- **\$25 billion** from improving program execution and government operations, and
- **\$36 billion** from reforming the operation of entitlement programs.

Each specific recommendation includes an estimate of its savings over the next ten years, and a reference to the source from which the estimate was drawn.

Introduction

As we enter the budget season under a new administration, our nation faces enormous fiscal challenges. The national debt stands just shy of \$20 trillion, numerous unfunded obligations increase the debt burden substantially, and policymakers will soon have to decide how to address the debt ceiling – the statutory limit on the amount of debt the government can issue. It is time to set aside politics and work on concrete and bipartisan solutions to put America's finances back on track.

It is in this spirit that National Taxpayers Union Foundation and U.S. Public Interest Research Group have joined together to propose a list to Congress of more than 50 recommendations to reform the future spending commitments of our nation. If enacted in their entirety, these changes would save taxpayers close to \$263 billion over the coming decade.

Our organizations may differ about what constitutes a proper regulatory and tax system, but we are united in the belief that the federal government spends at a level that is not fiscally sustainable, and often detrimental to the interests of the American people. Within this project, we mutually identify areas of wasteful, cronyistic, and excessive spending that plague our federal budget. We hope that these bipartisan spending cuts and reforms will (1) provide Congress with a number of examples of spending reductions that can at least marginally help rein in federal spending, and (2) show that there are areas of agreement that bridge ideological divides if only we seek them out.

The recommendations in “Toward Common Ground 2017” touch nearly every portion of federal expenditures, including entitlements, defense spending, wasteful subsidies, and a broad range of improvements to the efficiency and effectiveness of discretionary programs. They include large items, such as a \$15 billion reform of the U.S. Navy’s *Ford* class aircraft carriers and relatively small ones, like \$10 million in spending for the publishing and unsolicited distribution of the Federal Register to federal employees. The proposals are specific, detailed, and actionable items that Congress and the Administration could pursue right now to reduce spending, and ensure stability for America’s long-term budget.

Methodology

Every recommendation, unless otherwise noted, includes a 10-year savings estimate backed by sources such as the Congressional Budget Office (CBO), Government Accountability Office (GAO), Office of Management and Budget (OMB), government agencies such as the Department of Defense (DoD), or nonpartisan working groups. All cost savings cite the most recent updated sources. All other major calculations are included in the footnotes.

Ending Wasteful Subsidies

Total Savings of up to \$124 billion

Every year, the federal government hands out billions of dollars in subsidies for a wide variety of activities, often best described as commercial in nature. Though some of these programs may be well-intentioned efforts to provide targeted support to businesses or individuals, in practice it's a poor use of taxpayer dollars, and it fails to achieve their stated objectives. This section recommends spending reductions that focus primarily on "corporate welfare" programs, inefficient agricultural supports, and spending on energy development.

Savings Mechanism	Explanation	Savings (\$ in millions)	Source	Link for Additional Information
If Congress were to enact all 22 recommendations, it would save taxpayers \$124 billion over the next decade.				
Eliminate Crop Insurance Program	This program distorts both the insurance market and commodity crops market by encouraging overplanting. It's also partially duplicative, as other programs provide more rational insurance for farmers.	\$88,000	CBO Budget Options	https://www.cbo.gov/publication/52142
- or -				
Reduce Crop Insurance Subsidies¹	Taxpayers have subsidized an increasing share of crop insurance premiums. Congress could choose to roll them back closer to the level they were at before the year 2000. This scenario would reduce the subsidy from above 60 percent to 40 percent.	\$22,300	CBO Budget Options	https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/52142-budgetoptions2.pdf

Continued →

<p>Limit Administrative Expenses and Return Rates for Crop Insurance²</p>	<p>Companies offering products through the crop insurance program should have lower overhead due to cheaper premiums, while their present rate of return from the federal program has been higher than what other private companies have experienced. This would limit the federal reimbursement for administrative expenses to 9.25 percent of the estimated premiums.</p>	<p>\$4,700</p>	<p>CBO Budget Options</p>	<p>https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/52142-budgetoptions2.pdf</p>
<p>Eliminate Fossil Energy Research, Development Spending</p>	<p>These programs provide federal grants for research and development that should be conducted with private dollars.</p>	<p>\$6,418</p>	<p>CBO January 2017 Baseline</p>	<p>https://www.cbo.gov/sites/default/files/recurringdata/51142-2017-01-spendingprojections.xlsx</p>
<p>Reduce Nuclear Energy Research, Development and Demonstration Spending³</p>	<p>These programs provide federal grants for research and development that should be conducted with private dollars.</p>	<p>\$6,933</p>	<p>CBO Budget Options</p>	<p>https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/52142-budgetoptions.pdf</p>
<p>Halt Mixed Oxide - Fissile Materials Dispositions - Construction⁴</p>	<p>The National Nuclear Security Administration is funding the construction of a facility to blend surplus weapon-grade plutonium with depleted uranium oxide for production of mixed oxide fuel to use in existing nuclear power plants. The nuclear industry, not taxpayers, should fund the production of fuel suitable for power production.</p>	<p>\$3,400</p>	<p>Department of Energy</p>	<p>http://energy.gov/sites/prod/files/2016/02/f29/FY2017BudgetVolume1.pdf</p>
<p>Eliminate Hollings Manufacturing Extension Program⁵</p>	<p>The Hollings Manufacturing Extension Program, which provides consulting services to manufacturers, spends hundreds of millions of dollars per year subsidizing large and profitable businesses.</p>	<p>\$1,519</p>	<p>Department of Commerce</p>	<p>http://www.osec.doc.gov/bmi/budget/FY17BIB/AllFilesWithCharts2.pdf</p>

<p>Eliminate Economic Development Administration⁶</p>	<p>The Economic Development Administration is supposed to aid needy communities with grants for economic revitalization, but the program has been fraught with inefficiencies for years, and has been a source for a number of wasteful Congressional earmarks and set-asides.</p>	<p>\$2,610</p>	<p>Department of Commerce</p>	<p>http://www.osec.doc.gov/bmi/budget/FY17BIB/AllFilesWithCharts2.pdf</p>
<p>Eliminate Marketing Loan Assistance Program</p>	<p>Through a complicated mechanism, the Marketing Loan Assistance Program provides cash payments to agribusinesses when crop prices drop below a government-guaranteed floor. This is little more than an elaborate subsidy for agribusinesses.</p>	<p>\$1,152</p>	<p>Green Scissors Report</p>	<p>http://greenscissors.taxpayer.net/programs/category/marketing-assistance-loans</p>
<p>Eliminate Overseas Private Investment Corporation</p>	<p>These programs provide funding for various activities to promote trade and exports, such as paying for private advertising abroad. Though well-intended, these programs often fund profitable companies or their trade associations. Taxpayers should not be bearing the cost of their export promotions.</p>	<p>\$2,832</p>	<p>Overseas Private Investment Corporation - 2017 Budget Justifications</p>	<p>https://www.opic.gov/sites/default/files/files/OPIC%20FY2017%2020Congressional%20Budget%20Justification%20-%20FINAL.pdf</p>
<p>Eliminate Market Access Program</p>	<p>These programs provide funding for various activities to promote trade and exports, such as paying for private advertising abroad. Though well-intended, these programs often fund profitable companies or their trade associations. Taxpayers should not be bearing the cost of their export promotions.</p>	<p>\$1,785</p>	<p>United States Department of Agriculture</p>	<p>https://www.fas.usda.gov/programs/market-access-program-map/map-funding-allocations-fy-2017</p>

<p>Eliminate Foreign Market Development Program⁷</p>	<p>These programs provide funding for various activities to promote trade and exports, such as paying for private advertising abroad. Though well-intended, these programs often fund profitable companies or their trade associations. Taxpayers should not be bearing the cost of their export promotions.</p>	<p>\$350</p>	<p>Department of Agriculture</p>	<p>http://www.fas.usda.gov/newsroom/fy-2016-budget-testimony-fas-administrator-phil-karsting-house-committee-appropriations</p>
<p>Eliminate U.S. Trade Development Agency</p>	<p>These programs provide funding for various activities to promote trade and exports, such as paying for private advertising abroad. Though well-intended, these programs often fund profitable companies or their trade associations. Taxpayers should not be bearing the cost of their export promotions.</p>	<p>\$600</p>	<p>State Department</p>	<p>https://www.state.gov/documents/organization/252733.pdf</p>
<p>Eliminate the International Trade Administration's Trade Promotion Activities</p>	<p>These programs provide funding for various activities to promote trade and exports, such as paying for private advertising abroad. Though well-intended, these programs often fund profitable companies or their trade associations. Taxpayers should not be bearing the cost of their export promotions.</p>	<p>\$3,400</p>	<p>CBO Budget Options</p>	<p>https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/52142-budgetoptions.pdf</p>
<p>Eliminate Biomass Crop Assistance Program⁸</p>	<p>Taxpayer dollars are used for grants that go towards research and development. Private dollars should fund this instead.</p>	<p>\$198</p>	<p>CBO March 2016 Baseline</p>	<p>http://www.obpa.usda.gov/budsum/fy17budsum.pdf</p>
<p>Eliminate Biodiesel Fuel Education Program⁹</p>	<p>This program provides federal grants for research and development that should be conducted with private dollars.</p>	<p>\$10</p>	<p>Department of Agriculture</p>	<p>https://nifa.usda.gov/sites/default/files/resource/NIFA_FY2017_President's_Budget.pdf</p>

Eliminate Bioenergy Program for Advanced Biofuels	The Bioenergy Program for Advanced Biofuels provides subsidies to taxpayers for the promotion of producing biofuels. Rather than helping small energy producers, these subsidies generally help already profitable and large agribusinesses instead.	\$150	Green Scissors Report	http://www.greencissors.com/program/bioenergy-program-advanced-biofuels/
Eliminate Biomass Research and Development	The Biomass Research and Development Initiative provides grants to organizations and research centers to create new ways for refining feedstock into biofuel. Taxpayers are better served by requiring private investments into these research efforts rather than federal funds.	\$24	Green Scissors Report	http://www.greencissors.com/program/biomass-research-development/
Eliminate Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program	This program provides federal grants for the development of biorefineries and other biobased manufacturing that should be conducted with private dollars.	\$300	Green Scissors Report	http://www.greencissors.com/program/biorefinery-renewable-chemical-biobased-product-manufacturing-assistance-program/
Department of Energy Title 17 Innovative Technology Loan Guarantee Program	This program provides federal loans for the development of energy projects that should be conducted with private dollars.	\$455	CBO January 2017 Baseline	https://www.cbo.gov/sites/default/files/ recurringdata/51142-2017-01-spendingprojections.xlsx
Eliminate Fuel Cycle Research and Development	This program provides grants of taxpayer money for research and development of nuclear technologies and waste management that should be conducted with private dollars.	\$2,038	Green Scissors Report	http://www.greencissors.com/program/fuel-cycle-research-development/

Nuclear Energy Enabling Technologies	This program provides grants of taxpayer money for research and development of nuclear technologies that should be conducted with private dollars.	\$1,116	Green Scissors Report	http://www.greencissors.com/program/nuclear-energy-enabling-technologies/
Rural Energy for America Program	The Rural Energy for America Program provides loans and grants to agricultural businesses for renewable energy systems. Taxpayers would be better served if private dollars were used for such developments.	\$520	CBO January 2017 Baseline	https://www.cbo.gov/sites/default/files/recurringdata/51142-2017-01-spendingprojections.xlsx
Timber Purchaser Election Road Construction	The Timber Purchaser Election Road Construction program builds public roads and bridges, so that small business can transport timber off their privately-owned land. Businesses that purchase construction through the program are charged less than the cost of building the infrastructure and the difference is covered by taxpayers. These businesses should construct their own infrastructure without taxpayer support.	\$20	Green Scissors Report	http://www.greencissors.com/program/timber-purchaser-election-road-construction/

Continued →

Addressing Outdated or Ineffective Military Programs

Total Savings of up to \$78 billion

While the need for a strong national defense is necessary, it is equally clear that the Department of Defense (DoD) has a number of programs that do not advance this goal, and instead waste vital resources. As the largest portion of the “discretionary” budget, and about 18 percent of the total federal budget, it stands to reason that prudently examining DoD’s funding and priorities could generate significant savings for taxpayers. Due to the delicate nature of decisions relating to national security, we have relied on authoritative recommendations from officials and independent experts from across the political spectrum to guide this part of our report.

Savings Mechanism	Explanation	Savings (\$ in millions)	Source	Link for Additional Information
Following these seven recommendations to carefully reform or eliminate certain weapons programs and make other procedural improvements could save taxpayers as much as \$78 billion over the next decade.				
Cancel Purchase of Additional F-35 Joint Strike Fighter and replace with F-16s and F/A-18s	According to the Sustainable Defense Task Force, “the F-35 Lightning may represent all that is wrong with our acquisition process.” Beyond the cost growth, it has performance and reliability issues and, “would provide a capability that is not warranted considering emerging threats.” This option, derived from the Congressional Budget Office, would eliminate the F-35 and replace it with sufficiently advanced planes, the F-16 and F/A-18.	\$23,000	CBO Budget Options	https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/52142-budgetoptions.pdf
- or -				
Replace F-35B and F-35C Models with F/A-18 E/F10	An alternative option would allow the Air Force’s F-35 version to proceed, while canceling the Navy and Marine Corps variants in favor of a battle-proven, lower cost aircraft.	\$31,618		

<p>End Global Hawk Drone Production¹⁰</p>	<p>The Army, Pentagon, and White House have said the Army doesn't need additional drones of this variant.</p>	<p>\$1,102</p>	<p>Department of Defense</p>	<p>http://comptroller.defense.gov/Portals/45/documents/defbudget/fy2017/fy2017_Weapons.pdf</p>
<p>Replace some Military Personnel with Civilian Employees</p>	<p>The workforce of the Department of Defense contains thousands of military members doing "commercial" jobs that could be performed by civilians. These jobs do not involve functions that raise concerns about personal safety or national security. The cost of employing a civilian is on average, less than that for a military service member.</p>	<p>\$12,900</p>	<p>CBO Budget Options</p>	<p>https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/52142-budgetoptions.pdf</p>
<p>Reduce DOD Printing/Reproduction Costs by 10%¹¹</p>	<p>Numerous plans have been proposed or launched by Congress, or the Administration, to reduce printing costs across agencies.</p>	<p>\$650</p>	<p>Department of Defense</p>	<p>https://www.gpo.gov/fdsys/pkg/BUDGET-2017-APP/pdf/BUDGET-2017-APP-1-7.pdf</p>
<p>Stop Building Ford Class Aircraft Carriers</p>	<p>According to the Project for Government Oversight, the Navy is able to maintain its standard aircraft carrier strength well into the 2030s without the purchase of the third Ford Class Aircraft Carriers. This delay will allow the Navy to better assess its need for, and the effectiveness of aircraft carriers in protecting the United States' interests in the coming decades.</p>	<p>\$14,700</p>	<p>CBO Budget Options</p>	<p>https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/52142-budgetoptions2.pdf</p>

Continued →

<p>Cut Commissary Subsidies</p>	<p>The Department of Defense has three different self-sustaining general retail stores, while the chain of commissaries depend on an annual subsidy. The subsidy should be eliminated to encourage the commissaries to become self-sustaining.</p>	<p>\$3,220</p>	<p>Senate Report on Defense Appropriation Bill, 2016</p>	<p>https://www.congress.gov/114/crpt/srpt63/C RPT-114srpt63.pdf</p>
<p>Produce Only One Type of Nuclear Weapon for Bombers</p>	<p>Costs could be reduced significantly by equipping bombers with a single type of nuclear weapon.</p>	<p>\$14,200</p>	<p>CBO Budget Options</p>	<p>https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/52142-budgetoptions2.pdf</p>

Continued →

Improving Program Execution and Government Operations

Total Savings of up to \$25 billion

Payment errors, duplicative programs, and inefficient processes combine to squander tens of billions of taxpayer dollars every year. Taking a comprehensive approach to streamlining the operation of these myriad functions could not only spare taxpayers additional expense, but also improve the quality of services they receive.

Savings Mechanism	Explanation	Savings (\$ in millions)	Source	Link for Additional Information
If enacted in their entirety, these 12 recommendations could save as much as \$25 billion over the next decade.				
Eliminate Grants to Large and Medium-Sized Airports¹²	Federal grants currently go to support larger airports that could have funding from private sources. By eliminating grants to larger airports, this option would focus federal spending on airports that appear to have the fewest alternative sources of funding.	\$10,940	CBO January 2017 Baseline	https://www.cbo.gov/sites/default/files/recurringdata/51142-2017-01-spendingprojections.xls x and https://www.cbo.gov/budget-options/2014/49553
Eliminate Catfish Inspection by the Food Safety and Inspection Service	This catfish inspection program is duplicating work already being conducted by the FDA, and by the National Marine Fisheries Service. Eliminating it would allow for a more efficient allocation of resources elsewhere.	\$140	U.S. Government Accountability Office	http://www.gao.gov/assets/600/590777.pdf

Continued →

Eliminate Essential Air Service Program	Created in 1978 as a temporary transition to a free-market aviation system, Essential Air Service persists to this day, and provides subsidies for air services in rural areas. The program funds service for dozens of facilities servicing fewer than 10 passengers per day, or are within easy driving distance of major airports.	\$2,700	CBO Budget Options	https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/52142-budgetoptions2.pdf
Eliminate Certain Payments in Abandoned Mine Restoration Program	The Abandoned Mine Restoration Program makes “unrestricted” grants to states and tribes that have already been certified as completing restoration efforts. As a result, funding has been used for unrelated projects.	\$520	OMB	https://www.govinfo.gov/content/pkg/BUDGET-2017-BUD/pdf/BUDGET-2017-BUD.pdf
End Livestock Protection Program	The Livestock Protection Program funds efforts to eradicate natural predators of livestock. This should be paid for with private dollars.	\$930	Department of Agriculture	http://www.obpa.usda.gov/budsum/fy17budgetum.pdf
Eliminate funding for Woodrow Wilson International Center for Scholars	The Woodrow Wilson International Center for Scholars is a well-established and successful think tank with net assets in excess of \$100 million. There is no reason for taxpayers to subsidize the general operations of any think tank.	\$105	WWIC Annual Report	https://www.wilsoncenter.org/sites/default/files/fy2017_budget_justification.pdf
Eliminate Small Community Air Service Development Program	The Small Community Air Service Development Program was intended to fund the expansion of commercial air service to rural airports, but nearly 70 percent of the projects it funds end in failure.	\$50	Department of Transportation	https://www.transportation.gov/sites/dot.gov/files/docs/DOT_BH2017_508%5B2%5D.pdf

<p>Prohibit the Government Printing Office (GPO) from distributing copies of the Federal Register to Members of Congress or federal employees unless specifically requested</p>	<p>The GPO distributes 1,000 copies of the Federal Register daily for free to Congress and some federal employees. The average Federal Register has 300 pages and costs \$4.50 to produce and distribute.</p>	<p>\$10</p>	<p>CBO</p>	<p>https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/costestimate/hr5384.pdf</p>
<p>Implement Curbside and Centralized Postal Delivery to Businesses</p>	<p>This would increase the efficiency of the U.S. Postal Service, which currently provides door delivery to about 6 million business addresses.</p>	<p>\$1,955</p>	<p>CBO</p>	<p>https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/costestimate/hr5714.pdf</p>
<p>Eliminate the Inland Waterways Users Board</p>	<p>The Inland Waterways Trust Fund is largely used at the discretion of the Inland Waterway Users Board. This board is a “federally funded, federally staffed board of private industry that recommends how taxpayers money should be spent.” No other government transportation entity has such a board, and it is difficult to see a need for a board in this situation.</p>	<p>\$3</p>	<p>Green Scissors Report</p>	<p>http://www.greencissors.com/program/eliminate-inland-waterways-users-board/</p>
<p>Eliminate Federal Beach Replenishment Program</p>	<p>This federal program is aimed at preventing beach erosion by pouring sand on beaches throughout the United States. Experts tend to agree that this program is ineffective and does not prevent erosion, instead it just increases the width of beaches.</p>	<p>\$978</p>	<p>Green Scissors Report</p>	<p>http://www.greencissors.com/program/federal-beach-replenishment/</p>

Terminate Harmful or Wasteful Army Corps of Engineer Projects¹³	The Green Scissors Report identifies these eight specific Corps projects that are not only expensive boondoggles, but are harmful to the environment. These projects should be eliminated.	\$6,323	Green Scissors Report	
---	--	---------	-----------------------	--

Continued →

Reforming the Operation of Entitlement Programs

Total Savings of up to \$36 billion

Medicare, Medicaid, and Social Security combined comprise over 50 percent of the federal budget. As a result, their expenditures deserve close scrutiny. Giving program administrators greater access to technology and other tools to root out fraud and improper payments could yield tremendous savings, and lead to more efficient programs for patients and beneficiaries.

Savings Mechanism	Explanation	Savings (\$ in millions)	Source	Link for Additional Information
The seven recommendations in the section, if taken together, could save taxpayers as much as \$36 billion over the next decade.				
Better Align Medicare Payments to Teaching Hospitals with Actual Costs	Teaching hospitals receive additional funding for costs associated with graduate medical education programs. However, this funding far exceeds the actual cost of providing such education. Reforming and reducing the payments would allow for substantial savings.	\$17,800	Department of Health and Human Services	https://www.hhs.gov/about/budget/fy2017/budget-in-brief/cms/medicare/index.html
Reduce Fraud, Waste, and Abuse in Medicare and Medicaid	Adopting new initiatives and technologies can help identify and eliminate waste, fraud, and improper payments in Medicare.	\$1,821	OMB	https://www.gpo.gov/fdsys/pkg/BUDGET-2016-BUD/pdf/BUDGET-2016-BUD.pdf
Prevent Improper Payments for Non-Covered Chiropractic Services	The Health and Human Services Office of the Inspector General found Medicare inappropriately paid \$359 million for chiropractic claims in 2013, representing 82 percent of claims meeting their review criteria.	\$3,590	Department of Health and Human Services Office of Inspector General	https://oig.hhs.gov/oas/reports/region9/91402033.pdf

Continued →

Bundle Medicare's Payments to Health Care Providers for Post-Acute Care	Adopt bundled payments in Medicare, so that a single payment is made to providers for individual episodes (inpatient care only).	\$8,200	CBO Analysis of President's Budget	https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/dataandtechnicalinformation/51431-HealthPolicy.pdf
Reduce Critical Access Hospital (CAH) payments from 101 percent of reasonable costs to 100 percent of reasonable costs	This would reduce payments from 101 percent to 100 percent of reasonable costs, and eliminate the CAH designation for those that are fewer than 10 miles from the nearest hospital. This will ensure that this unique payment system is better targeted to hospitals meeting the eligibility criteria.	\$1,900	CBO Analysis of President's Budget	https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/dataandtechnicalinformation/51431-HealthPolicy.pdf
Provide Authority to Expand Competitive Bidding for Certain Durable Medical Equipment	The Competitive Bidding Program is currently restricted to certain categories of equipment, supplies, and services. The proposal would expand the program to include inhalation drugs, all prosthetics and orthotics, an ostomy, tracheostomy, and urological supplies.	\$2,500	CBO Analysis of President's Budget	https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/dataandtechnicalinformation/51431-HealthPolicy.pdf
Conduct a Cost-Benefit Analysis of the Collection of Low-Dollar Overpayments in Social Security	The Social Security Administration sometimes spends more trying to recover overpayments than the amount that it actually recovers, resulting in ineffectiveness and waste. Reassessing when to go after low-dollar overpayments would better serve taxpayers and ultimately save money.	\$427	Office of the Inspector General of the Social Security Administration	http://oig.ssa.gov/sites/default/files/semiannual/Fall-2016.pdf

Continued →

Notes

¹ This is an alternative to eliminating the entire crop insurance program.

² This is an alternative to eliminating the entire crop insurance program.

³ We multiplied the outlay savings estimates for 2018-2026 by 4/3 in order to model the difference between a 75% cut (stated in document) and 100% cut.

⁴ The figure is based on the FY 2016 enacted funding level, and multiplied by 10 for a 10-year projection.

⁵ The figure is based on the FY 2016 enacted funding level, and multiplied by 10 for a 10-year projection.

⁶ The figure is based on the FY 2016 enacted funding level, and multiplied by 10 for a 10-year projection.

⁷ The figure is based on the FY 2016 enacted funding level, and multiplied by 10 for a 10-year projection.

⁸ The program was reauthorized in the 2014 farm bill, effective through 2018. CBO's baseline project funding increased from \$18 in 2017 to \$20 in 2019. The estimate assumes that Congress would reauthorize and maintain funding at \$20 million from FY 2020 through 2026.

⁹ The figure is based on the FY 2016 enacted funding level, and multiplied by 10 for a 10-year projection.

¹⁰ This is a one-year estimate, as provided by the President's budget.

¹¹ Authors' calculations from FY 2017 budget request; totals do not include spending from Defense Automated Printing Service. 10% of \$650M (total FY 2017 budget request) x 10, to get the 10-year savings = \$650M

¹² Total outlays from the Airport Improvement Program (also known as Grants-in-Aid to Airports) are projected to amount to \$36.466 billion from FY 2017 through FY 2026. In 2014, CBO estimated that approximately 30 percent of these grants go to large or medium sized airports.

¹³ This figure is based on eliminating funding to the following projects from the Green Scissor Report: Charlottesville Bypass (VA), Grand Prairie Area Demonstration Project (AR), I-73 Project (SC), Inner Harbor Navigation Canal Project (Industrial Canal) Lock Replacement – Louisiana (LA), Juneau Access Road (AK), Knik Arm Crossing (AK), St. Johns Bayou Basin/New Madrid Floodway Project (MO), Upper Mississippi River Navigation Locks Project (MS).

Report Design: Timothy Howland, National Taxpayers Union Foundation